

F2. This Placement Document is not intended to be an offer to the public

Private & Confidential – For Private Circulation Only

This Placement Document is neither a prospectus nor a statement in lieu of prospectus. This Placement Document is being issued in relation to the private placement of Bonds which are being issued in a single series and is prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular No. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021 read with SEBI circular number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended/modified/supplemented from time to time.



AXIS BANK LIMITED

(Incorporated at Ahmedabad as UTI BANK Limited on 3rd December, 1993 under the Companies Act, 1956 and subsequently renamed as Axis Bank Limited on 30th July 2007)

CIN : L65110GJ1993PLC020769, PAN No. AAACU2414K

RBI Licence No. MUM : 76

Registered Office: “Trishul”, Third Floor, Opp. Samarsheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006.

Tel No. +9179 - 66306161, Fax No. +9179 - 26409321

Website: www.axisbank.com

Email: alm@axisbank.com

Corporate Office: ‘Axis House’, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025.

Tel: +91 - 22 -24252525 / 43252525

Date of Placement Memorandum: December 20, 2021

Type of Placement Memorandum: This Placement Memorandum is being issued in relation to the private placement of Bonds (which are being issued under the terms hereof in a single series).

Promoters :

1. ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA – SUUTI,

Telephone no.022- 66786677 Email id: administrator.suuti@uti.co.in

2. LIFE INSURANCE CORPORATION OF INDIA,

Telephone no. 022-6827 6827 Email id: co_investbackoffice@licindia.com

3. THE ORIENTAL INSURANCE COMPANY LIMITED #.

Telephone no. 011-43659595 Email id: investment@orientalinsurance.co.in

Request from The Oriental Insurance Company Limited for reclassification to “Public” category from “Promoter” category was approved by the Board at its meeting held on 15th September 2021. Bank has submitted the applications for reclassification to BSE Limited and National Stock Exchange of India Limited on 12th October 2021 and the approval is awaited.

Chief Financial Officer: Mr. Puneet Sharma, President & CFO, Tel: +91 - 22 -24252525 / 43252525,

Email: sharma.puneet@axisbank.com

Compliance Officer/Company Secretary: **Company Secretary department:** Mr. Sandeep Poddar, Senior Vice-President

Tel: +91 - 22 -24252525 / 43252525,

Email: shareholders@axisbank.com

PLACEMENT MEMORANDUM

PRIVATE PLACEMENT OF UPTO 50,000 (FIFTY THOUSAND) FULLY PAID, SENIOR UNSECURED TAXABLE REDEEMABLE NON CONVERTIBLE DEBENTURES (SERIES - 6) OF THE FACE VALUE OF RS.10 LAKH EACH (“BONDS” OR “DEBENTURES”) FOR CASH AT PAR WITH BASE ISSUE SIZE OF RS. 2000 CRORE (TWO THOUSAND CRORE) AND GREENSHOE OPTION TO RETAIN OVERSUBSCRIPTION OF RS. 3000 CRORE (THREE THOUSAND CRORE) THEREBY AGGREGATING UPTO RS. 5000 CRORE (RUPEES FIVE THOUSAND CRORE ONLY) AND COUPON OF 6.99% PAYABLE ANNUALLY WITH A TENOR OF 10 YEARS (“ISSUE”). THE REDEMPTION OF THE BONDS WILL BE AT PAR ON DECEMBER 22, 2031.

ISSUER’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum 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 Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

LISTING

The Debentures are proposed to be listed on wholesale debt market (WDM) segment of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). BSE shall be the designated Stock Exchange.

CREDIT RATING

CRISIL Limited - “CRISIL AAA/Stable” (pronounced “CRISIL triple A rating with Stable outlook”). Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

ICRA Limited - “ICRA AAA/Stable” (“pronounced as ICRA Triple AAA rating with Stable outlook”). Instruments with this rating are considered to have the high degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The above ratings are not recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. For details please see the rating letters issued by CRISIL Limited and ICRA Limited on page no. 341 along with respective rating rationales and press releases enclosed with this Placement Memorandum as Annexure II.

Eligible Investors: The Offer is made to only those eligible investors who are categorized as “Qualified Institutional Buyers”. For details about all eligible investors, please refer to clause “APPLICATIONS MAY BE MADE BY” in this Placement Memorandum. The current issue is not being underwritten. Neither the Issuer, Promoter nor any of the Issuer’s directors is a wilful defaulter.

Compliance Clause of EBP: This Offer is made on the Electronic Book Building Mechanism of BSE in compliance with SEBI Debt Regulations and circulars issued by BSE. A draft of this Placement Memorandum has been uploaded on the Electronic Bidding Platform of BSE on December 16, 2021.

TRUSTEE FOR THE DEBENTURE HOLDERS	CREDIT RATING AGENCIES		REGISTRAR TO THE ISSUE
IDBI Trustee Services Ltd IDBI Trusteeship Services Limited, Address: Asian Building, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel No. 91 - 22-40807000 Fax No. 91 - 22-66311776. E-mail: itsl@idbitrustee.com Website: www.idbitrustee.com Contact Person: Mr. Aditya Kapil Email Address: adityakapil@idbitrustee.com itsl@idbitrustee.com	CRISIL Ratings Limited (A subsidiary of CRISIL Limited) Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Tel No: +91 22 3342 3000 Fax: +91 22 4040 5800 Email: crisilratingsdesk@crisil.com Website: www.crisil.com/ratings Contact Person: Krishnan Sitaraman SEBI Registration No: IN/CRA/001/1999	ICRA Limited Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001 Tel No.: +91.11.23357940 CIN: L74999DL1991PLC042749 Email: shivakumar@icraindia.com Website URL: www.icra.in Contact Person: L. Shivakumar	KFin Technologies Private Limited Unit: Axis Bank Limited, Selenium Building, Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. Tel. No.: +91 40-6716 2222 Fax No.: +91 40-2300 1153 Toll Free No.: 1800 3094 001 Email: pinward.ris@kfinetech.com Website: www.kfinetech.com Contact Person: M. R. V. Subrahmanyam SEBI Regn No. INR000000221

Issue Schedule

Date of opening of the Issue/Bid Opens on	December 20, 2021
Date of closing of the Issue/ Bid Closes on	December 20, 2021
Date of earliest closing of the Issue	Not applicable
Pay-in Date	December 22, 2021
Deemed Date of Allotment	December 22, 2021

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DEFINITIONS

Articles	Articles of Association of Axis Bank Limited.
ALM	Asset Liability Management.
ALCO	Asset Liability Committee.
AS	Accounting Standard.
Act	The Companies Act, 2013 and the rules made thereunder as amended from time to time.
Application(s) / Application Form	Application for the subscription to the Debentures offered under this Placement Memorandum attached as Annexure V
Board	The Board of Directors of the Bank including Committees of the Board.
Banking Regulation Act	The Banking Regulation Act, 1949, as amended from time to time.
CARE	Credit Analysis & Research Limited.
CAR	Capital Adequacy Ratio.
CRISIL	CRISIL Limited
Depository	National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).
Debentures/Bonds	Upto 50,000 fully paid, senior unsecured, taxable, redeemable, non-convertible debentures (Series – 6) of the face value of Rs. 10 lakhs each issued on a private placement basis under this Placement Memorandum.
Debenture Holders/ Bondholders	The holders of the Debenture issued by Axis Bank Limited, from time to time.
FY	Financial Year (April – March).
FII'S	Foreign Institutional Investors.
ICRA	ICRA Limited
Issue / Offer	Issue of upto 50,000 fully paid, senior unsecured, taxable, redeemable, non-convertible debentures of the face value of Rs.10,00,000/- each for cash at par, aggregating up to Rs. 5,000 crores with a base issue size of Rs. 2,000 crores and a green-shoe option to retain oversubscription upto Rs. 3,000 crores.
Issuer / The Bank / Axis Bank / Bank	Axis Bank Limited, a public limited company incorporated under the Companies Act, 1956 and a banking company within the meaning of the Banking Regulation Act, 1949.
Memorandum	Memorandum of Association of Axis Bank Limited.
Placement Memorandum	This Placement Memorandum through which the Debentures are being offered.
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 Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued <i>vide</i> circular bearing reference number SEBI/LAD-NRO/GN/2021/39 dated 9 th August 2021, read with SEBI Operational Circular dated 10 th August, 2021 bearing reference SEBI/HO/DDHS/P/CIR/2021/613, in each case, as may be amended from time to time.
Stock Exchange	BSE Limited (earlier Bombay Stock Exchange Ltd / BSE) and or National Stock Exchange of India Limited.
Term Sheet	The Term Sheet relating to the Issue and allotment of Debentures pursuant to this Placement Memorandum, which shall contain the detailed terms and conditions of the issue of such Debentures.
Trustee / Debenture Trustee	Trustee for the Debenture Holders being IDBI Trusteeship Services Limited.
Working Day(s)/Business Day(s)	A day on which commercial banks are open for business in the city of Mumbai, Maharashtra. If the date of payment of Coupon/redemption of principal amount of Bonds does not fall on a Working Day, the payment of Coupon/principal shall be made in accordance with as per the SEBI Operational Circular dated August 10, 2021 bearing reference SEBI/HO/DDHS/P/CIR/2021/613.

ABBREVIATIONS

ATM	Automated Teller Machine
AS	Accounting Standard
BSE	BSE Limited (earlier Bombay Stock Exchange Limited)
MD & CEO	Managing Director & Chief Executive Officer of the Bank
CASA	Current Account & Saving Account
CRAR	Capital Adequacy Ratio
CDSL	Central Depository Services (India) Ltd.
CRR	Cash Reserve Ratio
DP	Depository Participant
FIs	Financial Institutions
FITCH	India Ratings & Research Pvt. Ltd. (formerly Fitch Ratings India Private Limited)
FIIs	Foreign Institutional Investors
GoI	Government of India/Central Government
INR/ RS.	Indian National Rupee
IT	Information Technology
NBFC	Non Banking Finance Company
NPA	Non- Performing Asset
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
SEBI	The Securities and Exchange Board of India
SLR	Statutory Liquidity Ratio
TDS	Tax Deducted at Source
The IT Act	Income Tax Act, 1961 as amended
USD	US Dollar

DISCLAIMER

GENERAL DISCLAIMER

This Placement Memorandum is neither a prospectus nor a statement in lieu of prospectus and is prepared in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide Circular No. SEBI/LAD-NRO/GN/2021/39 dated 9th August 2021 and amendments from time to time. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Bank. This document is for the exclusive use of the Eligible Investors to whom it is delivered, and it should not be circulated or distributed to third party (ies). The Bank certifies that the disclosures made in this document are correct and are in conformity with the SEBI Debt Regulations. This Placement Memorandum has 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 Debentures. This Placement Memorandum does not purport to contain all the information that any potential investor may require. The potential investors should consult their own tax advisors on the tax implication relating to acquisition, ownership, sale or redemption of Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures of the Bank. The Bank or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

The District Courts in Mumbai, Maharashtra State alone shall have the exclusive jurisdiction in connection with any matter arising under these precincts.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Placement Memorandum has not been filed with the SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI 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 same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. The issue of Debentures being made on a private placement basis, as such filing of this document is not required with SEBI.

DISCLAIMER OF THE ISSUER

The Bank confirms that the information contained in this Placement Memorandum is true and correct in all material respects and is not misleading in any material respect. The Bank accepts no responsibility for statements made otherwise than in this Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk. This Placement Memorandum is not intended to provide the sole basis of any credit decision or other evaluation and should not be considered as a recommendation that any recipients of this Placement Memorandum should invest in the Debentures proposed to be issued by Issuer. Each potential investor should make its own independent assessment of the investment merit of the Debentures and the Issuer. No selective or additional information would be available for a section of investors in any manner whatsoever. The Debentures have not been recommended or approved by the SEBI or the RBI, nor do either the SEBI or the RBI guarantee the accuracy or adequacy of this document. This Placement Memorandum has not been submitted, cleared or approved by SEBI or the RBI.

DISCLAIMER OF THE STOCK EXCHANGES

A copy of this Placement Memorandum will be submitted to BSE and NSE. It is to be distinctly understood that the submission of Placement Memorandum to BSE and NSE should not in any way be deemed or construed to mean that the Placement Memorandum has been cleared or approved by the BSE and/or NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum, nor does it warrant that the Debentures will be listed or will continue to be listed on BSE and NSE; nor does BSE and NSE take any responsibility for the financial or other soundness of the Issuer, its Promoters, its management or any scheme or project of the Bank.

The Bank does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum 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 Placement Memorandum nor any sale of Debentures made hereunder 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.

The Placement Memorandum is made available to investors to the Issue on the strict understanding that it is confidential

I. NAME AND ADDRESS OF THE REGISTERED OFFICE OF THE ISSUER.

Registered Office	Corporate Office
Axis Bank Limited, CIN: L65110GJ1993PLC020769 “Trishul”, Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad – 380 006. Tel: +91 – 79 - 66306161 Fax: +91 – 79 – 26409321 www.axisbank.com	Axis Bank Limited CIN: L65110GJ1993PLC020769 Axis House, C-2, Wadia International Centre Pandurang Budhkar Marg Worli, Mumbai – 400 025. Tel: +91 - 22 – 24252525 / 43252525 Fax: +91 – 22 – 24251800

Company Secretary/ Compliance Officer*	Chief Financial Officer
Company Secretarial Department Sandeep Poddar Senior Vice President (ACS no. A13819) Axis Bank Limited Axis House, C-2, 8 th Floor, B-Block, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Tel: +91 - 22 -24252525 / 43252525 Email: shareholders@axisbank.com	Mr. Puneet Sharma President and Chief Financial Officer Axis Bank Limited Axis House, C-2, 8 th Floor, B-Block, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Tel: +91 - 22 -24252525 / 43252525 Email: sharma.puneet@axisbank.com

The investors can contact the Compliance Officer or the Registrar in case of pre-Issue or post-Issue related problems such as non-receipt of letters of allotment; demat credit of allotted debentures in respective beneficiary account etc.

*The position of the Company Secretary / Compliance Officer is vacant and shall be filled in compliance with the applicable law.

Trustee of the Issue	Arranger
 IDBI Trusteeship Services Limited. Asian Building, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel No. 91 - 22-40807000 Fax No. 91 - 22-66311776. E-mail: itsl@idbitrustee.com Website: www.idbitrustee.com Contact Person: Mr. Aditya Kapil Email Address: adityakapil@idbitrustee.com / itsl@idbitrustee.com	 Axis Bank Limited CIN : L65110GJ1993PLC020769 Axis House, C-2, 8 th Floor, B-Block, Wadia International Centre, Dr. Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Contact Person : Mr. Manoj Sukhani Tel :+91-22-66043292 Website : www.axisbank.com Email: Manoj.Sukhani@axisbank.com

Legal Counsel	Guarantor(s)
 Cyril Amarchand Mangaldas 5 th Floor, Peninsula Chambers, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 Tel: +91- 22 2496 4455 Fax: +91 22 2496 3666 Website: www.cyrilshroff.com	Not applicable.

Registrar to the Issue	Statutory Auditors of the Bank
 KFin Technologies Private Limited Unit: Axis Bank Limited. Selenium Building, Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. Tel. No.: +91 40-6716 2222 Fax No.: +91 40-2300 1153 Toll Free No.: 1800 3094 001 Email: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: M. R. V. Subrahmanyam SEBI Regn No. INR000000221	M. P. Chitale & CO. Chartered Accountants First Floor, Hamam House Ambalal Doshi Marg, Fort Mumbai -400 001 INDIA Tel: +91-22-22651186 (ICAI Registration Number 101851W) Website: NA Email id: ashu01@mpchitale.com Contact Person: Ashutosh Pednekar CNK Associates LLP. Chartered Accountants 3rd Floor, Mistry Bhavan, Dinshaw Vachha Road, Churchgate Mumbai-400021, INDIA Tel: +91 22 66230600 (ICAI Registration Number 101961W /W100036) Website: www.cnkindia.com Email id: manish@cnkindia.com , suresh@cnkindia.com Contact Person: Manish Sampat/ Suresh Agaskar Other offices – Vile Parle(Mumbai), Ahmedabad, Bengaluru, Chennai, Delhi, Dubai, Vadodara

Credit Rating Agencies of the Issue	
 CRISIL Ratings Limited (A subsidiary of CRISIL Limited) Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Tel: +91 22 3342 3000 Fax: +91 22 4040 5800 Email: crisilratingdesk@crisil.com Website: www.crisil.com/ratings Contact Person: Krishnan Sitaraman SEBI Registration No: IN/CRA/001/1999	 ICRA Limited Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001 Telephone No.: +91.11.23357940 CIN: L74999DL1991PLC042749 Email: shivakumar@icraindia.com Website URL: www.icra.in Contact Person: L. Shivakumar

II. NAMES AND ADDRESSES OF THE CURRENT DIRECTORS OF THE ISSUER AS ON 30.09.2021

Sr. No	Name, Designation and DIN of Director	Age	Address	Occupation	Date of appointment /Director of the Company since	Details of other Directorships of the Board of Directors as on 30.09.2021
1.	Rakesh Makhija Independent Director & Non-Executive (Part-Time) Chairperson DIN: 00117692	70 years	A 702 Empress Towers Sopan Baug Road, Near Tara Baug Camp, Pune – 411001.	Retired	27.10.2015	i. A.TREDS Limited, Director ii. Castrol India Limited, Director
2.	Amitabh Chaudhry Managing Director & CEO DIN: 00531120	57 years	Flat No. 4301, 43 rd Floor, Planet Godrej Tower 3, Keshav Rao Khadya Marg, Near Jacob Circle, Mahalaxmi 400011.	Service	01.01.2019	i. Axis Capital Limited, Director. ii. Axis Finance Limited, Director. iii. Axis Asset Management Company Limited, Director.
3.	S. Vishvanathan Independent Non-Executive Director DIN: 02255828	67 years	560, Mandakani Enclave, Alaknanda, Near Don Bosco School, New Delhi-110019.	Retired	11.02.2015	i. Orient Paper & Industries Limited, Director. ii. The Clearing Corporation of India Limited, Director.
4.	Ketaki Bhagwati Independent Non-Executive Director DIN: 07367868	57 years	1177 22 nd St NW, Unit 8E, Washington DC 20037, USA.	Retired	19.01.2016	i. Omniactive Health Technologies Limited, Director. ii. Bayer CropScience Limited, Director. iii. KPMG India, Senior Advisor
	Stephen Pagliuca Nominee Director – Entities affiliated to BAIN Capital [Equity Investor] DIN : 07995547	66 years	29, Webster Road, Weston, Massachusetts, United States – 02493.	Service	19.12.2017	i. Gartner Inc. (Delaware, USA), Director & Shareholder ii. Virgin Australia Holdings Limited (Australia), Alternate Director iii. Virgin Cruises Limited (Bermuda), Director iv. The Boston Celtics (Massachusetts, USA), Shareholder v. Bain Capital, LP(Delaware, USA), Co-Chair vi. Bain Capital Private Equity, LP (Delaware, USA), Managing Director vii. II-VI, Inc. (Pennsylvania, USA), Director
5.	Ashish Kotecha Alternate Director to Shri	45 years	Ram Mahal, 8 Dinshaw Vachha Road, Churchgate, Mumbai-400020.	Service	01.11.2020	i. Nemo (BC) BidCo Pty Limited, Director ii. Nemo (BC) MidCo

Sr. No	Name, Designation and DIN of Director	Age	Address	Occupation	Date of appointment /Director of the Company since	Details of other Directorships of the Board of Directors as on 30.09.2021
	Stephen Pagliuca, Nominee Director – Entities affiliated to BAIN Capital [Equity Investor] DIN: 02384614					Pty Limited, Director iii. Nemo (BC) HoldCo Pty Limited, Director iv. Kotech Investment Corporation Private Limited, Shareholder & Non-Executive Director v. Bombay Cotton & Yarn Company Private Limited, Shareholder & Non-Executive Director vi. Kotech & Company, Partner vii. Kotech Charitable Trust, Trustee
6.	Vasanth Govindan Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) [Equity Investor] – Promoter DIN: 02230959	43 years	B/1507, Oberoi Splendor, JVLR, Andheri East, Mumbai-400060	Service	27.01.2021	i. UTI Infrastructure Technology & Services Limited, Director ii. National Financial Holdings Company Limited, Director iii. Stock Holding Corporation of India Limited, Director iv. The Ayer Manis Rubber Estate Limited, shareholder
7.	T. C. Suseel Kumar Nominee Director - Life Insurance Corporation of India [Equity Investor] – Promoter DIN: 06453310	60 years	B-6, Jeevan Jyot, Setalvad Lane, Napean Sea Road, Cumballa Hill, Mumbai 400026.	Retired	01.07.2020	i. BSE Limited ii. Lakshmi Machine Works Limited, Nominee Director iii. Phillips Carbon Black Limited, Additional Non Executive Independent Director
8.	Girish Paranjpe Independent Non-Executive Director DIN: 02172725	63 years	Villa 141, Phase 1, Adarsh Palmmeadows, Ramagondanahall, Whitefield, Bangalore-560 066.	Investor and Advisor	2.11.2018	i. IBS Software Pte Limited, Singapore, Director ii. Modenik Lifestyle Private Limited, Director (Formerly known as Dixcy Textiles Pvt Ltd.) iii. CRISIL Limited, Director iv. ASK Investment Managers Ltd - Independent Director v. Exfinity Venture Partners, LLP -

Sr. No	Name, Designation and DIN of Director	Age	Address	Occupation	Date of appointment /Director of the Company since	Details of other Directorships of the Board of Directors as on 30.09.2021
						General Partner and shareholder vi. Prayaati Advisory Services, Founder - Sole proprietor and shareholder vii. CRISIL Irevna UK Limited, Director viii. Advent India PE Advisors Private Limited, Advisor ix. Max Life Insurance Company Limited, Director
9.	Meena Ganesh Independent non – executive Director DIN: 00528252	58 years	No. 76, 1st Cross Defence Colony, Indira Nagar, Bangalore North, Bengaluru – 560038	Service	01.08.2020	i. CRM Holdings Private Limited, Director & Shareholder ii. Vriksha Realtors Private Limited, Director & Shareholder iii. Healthvista India Private Limited, Managing Director & Shareholder iv. Foodvista India Private Limited, Director v. Portea Medical Private Limited, Director vi. Ezeesmart Education Private Limited, Director & Shareholder vii. Takecare Technology Private Limited, Director viii. Qtrove Services Private Limited, Director ix. Hygiene Bigbite Private Limited, Director & Shareholder x. Starvista Celebrities Private Limited, Director xi. Curated Marketplaces Private Limited, Director & Shareholder xii. Manipalcigna Health Insurance Company Limited, Director xiii. Rocket Logistics Private Limited, Director

Sr. No	Name, Designation and DIN of Director	Age	Address	Occupation	Date of appointment /Director of the Company since	Details of other Directorships of the Board of Directors as on 30.09.2021
						xiv. Pfizer Limited, Director xv. Procter & Gamble Hygiene and Healthcare Limited, Director xvi. AEON Learning Private Limited, Member xvii. Glitz Blitz Promotions Private Limited, Member xviii. Super Market Grocery Supplies Private Limited, member
10.	G. Padmanabhan Independent non – executive Director DIN: 7130908	66 years	Flat 104, Siddh Ratnakar, Prabhanagar, P Balu Marg, Prabhadevi, Mumbai 400025	Retired	28.10.2020	i. Aditya Birla Sunlife Trustee Private Limited, Chairman ii. Haldyn Glass Limited, Director
11.	Prof. S. Mahendra Dev Independent non – executive Director DIN: 06519869	64 years	Director Quarters, IGIDR Campus, Gen. A. K. Vaidya Marg, Goregaon (East, Mumbai – 400065	Service	14.06.2021	Indira Gandhi Institute of Development Research, Director & Vice Chancellor
12.	Rajiv Anand Executive Director (Wholesale Banking)* DIN: 02541753	55 years	D 2203 Vivarea, Sane Guruji Marg, Saatrasta, Near Jacob Circle, Mahalaxmi Mumbai 400011.	Service	04.08.2016	i. Axis Bank UK Limited, Director ii. A.Treds Limited, Director iii. Axis Capital Limited, Director iv. Axis Securities Limited, Director v. Max Life Insurance Company Limited, Director vi. National Payments Corporation of India
13.	Rajesh Dahiya Executive Director (Corporate Centre) DIN: 07508488	54 years	20/A Vaibhav Apartments 80 Bhulabhai Desai Road, Mumbai - 400 026	Service	04.08.2016	i. Axis Trustee Services Limited, Director ii. SES ESG Advisory Board, Member iii. Max Life Insurance Company Limited, Director

* The Board of Directors of the Bank at its Meeting held on October 27, 2021, re-designated Shri Rajiv Anand, Executive Director (Wholesale Banking) as the Deputy Managing Director of the Bank, on the existing terms and conditions, including remuneration, in terms of the relevant provisions of the Companies Act, 2013 read with the relevant Rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Banking Regulation Act, 1949, and the rules, guidelines and circulars issued by the Reserve Bank of India, in this regard, from time to time. The said re-designation is subject to the approval of the Reserve Bank of India and the shareholders of the Bank and will be effective from such date as may be approved by the Reserve Bank of India.

The Board of Directors has approved the appointment of Mr. Ashish Kotecha as an Additional Non-Executive (Nominee of entities affiliated to Bain Capital) Director of the Bank with effect from Sunday, December 19, 2021 to

hold office as such up to the date of the ensuing Annual General Meeting of the Bank, unless appointed by the Shareholders of the Bank.

None of the current directors of the Bank is a wilful defaulter and/or is appearing in the RBI defaulter list and/or ECGC default list.

Mr. Rakesh Makhija:

Mr. Rakesh Makhija has a bachelor of technology degree in chemical engineering from the Indian Institute of Technology, New Delhi. He was the president of SKF Asia and the managing director of SKF India Limited from 2002 to 2009. Prior to joining SKF Asia, Mr. Makhija held a number of senior management positions with the erstwhile Tata Honeywell Limited, now known as Honeywell Automation (India) Limited and also served as the managing director of Honeywell International.

Mr. Amitabh Chaudhry:

Mr. Amitabh Chaudhry has a bachelor of engineering degree from Birla Institute of Technology and Science, Pilani and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. Mr. Chaudhry is the MD and CEO of the Bank. Mr. Chaudhry served as the managing director and chief executive officer of HDFC Standard Life Insurance Company Limited and Infosys BPM Limited.

Mr. S. Vishvanathan:

Mr. S. Vishvanathan has a master of science degree in physics from St. Stephen's College, Delhi, a master of business administration degree from Faculty of Management Studies, University of Delhi and is a certified associate of the Indian Institute of Bankers. He has experience in the banking sector and was associated with the State Bank of India. Mr. Vishvanathan retired as the managing director and group executive (associates and subsidiaries) of State Bank of India. Mr. Vishvanathan has also served as the managing director and chief executive officer of SBI Capital Markets Limited.

Ms. Ketaki Bhagwati:

Ms. Ketaki Bhagwati has a bachelor of arts degree from the Wellesley College and a master of public administration degree from the Harvard University's John F. Kennedy School of Government. She is a former chief investment officer in the Financial Institutions Group at the International Finance Corporation, the private sector financing arm of the World Bank Group. She is currently a member of the Wellesley College Business Leadership Council and Golden Seeds.

Mr. Stephen Pagliuca:

Mr. Stephen Pagliuca has a Bachelor of Arts degree with major in accounting and economics from Trinity College of Arts & Sciences at Duke University and a Master of Business Administration degree from Harvard Business School. Mr. Pagliuca is co-chair of Bain Capital. Since joining the firm in 1989, Mr. Pagliuca has played a leading role in a wide spectrum of prominent technology, media, telecommunications and financial services businesses in which Bain Capital Private Equity has made investments.

Mr. Ashish Kotecha:

Mr. Ashish Kotecha is a Bachelor of Commerce, Master of Commerce and an MBA. He joined Bain Capital Private Equity in 2010. He is a Managing Director and leads the Portfolio Group in Asia. As part of this, he works actively with companies across the region including India, Australia, China, and Korea. Prior to joining Bain Capital Private Equity, Mr. Kotecha was the Acting Chief Operating Officer at Tourneau - a Leonard Green & Partners portfolio company, where he led a turnaround of the company during the GFC. Previously, he was an Associate Principal at McKinsey & Company in San Francisco where he co-founded and led McKinsey's Retail Private Equity service line. Prior to that, he worked at Goldman Sachs and the Kotecha Group.

Mr. T. C. Suseel Kumar:

Mr. T. C. Suseel Kumar has a Master of Arts degree in economics from the University of Calicut. He has attended several management and leadership programmes in various institutes, including the Institute of Management, Ahmedabad, the Indian School of Business, Hyderabad and Asian Institute of Management, Manila. Mr. Kumar was the Managing Director of LIC. During his career at LIC spanning more than three decades, he has served in various capacities in areas including marketing, customer relationship management, Personnel, Finance & Accounts, Audit, Corporate Planning, Inspection, Estates, Human Resource Development, Bancassurance and Investments.

Smt. Vasantha Govindan:

Smt. Vasantha Govindan holds a degree in Commerce from the University of Bangalore and holds a MBA degree in Finance from T.A. Pai Management Institute, Manipal. Smt. Vasantha Govindan, is currently the CEO of The Specified Undertaking of the Unit Trust of India (SUUTI), a Government of India entity. She has been working with SUUTI since the year 2001 and has held various administrative positions and was appointed as the CEO of SUUTI in the year 2018 and has more than two decades of professional experience in the areas of Investment Management, Risk Management and General Management. Her current responsibilities in SUUTI includes formulating the Investment Strategy and ensuring that investment management and other operations are conducted with a high degree of professionalism. She has managed the large investment portfolio of SUUTI across various sectors.

Mr. Girish Paranjpe:

Mr. Girish Paranjpe is a Commerce graduate and a member of the Institute of Chartered Accountants of India and Institute of Cost and Works Accountants of India. Shri Paranjpe served Wipro Limited, India's third biggest software company, for over two decades, contributing to rise of India's IT Industry from its infancy to its current globally dominant position. He lead the Wipro's IT business worth USD 5.8 billion and employee strength of over one lakh, spread over 54 countries. More recently, he was the Managing Director for Bloom Energy International, a silicon valley based alternative energy company. Shri Paranjpe along with his IT industry colleagues has promoted a venture fund, Exfinity Venture Partners, which invests in tech start-ups. Shri Paranjpe is also a General Partner at Exfinity. Mr. Paranjpe is an Operating Partner with Advent International, a private equity firm headquartered at Boston. Girish is also on Advent's advisory board and serves on the boards of two Advent invested companies Dixcy Textiles and ASK Investment Managers.

Ms. Meena Ganesh:

Ms. Meena Ganesh has a Bachelor of Science degree in physics from the University of Madras and a post graduate diploma in management from the Indian Institute of Management, Calcutta. She is currently the managing director and chief executive officer of Healthvita India Private Limited. As the MD & CEO, Smt. Meena Ganesh heads Portea Medical (www.portea.com). Till February 2013, Smt. Meena Ganesh was a promoter and a board member of TutorVista and CEO and MD of Pearson Education Services. As a partner of the platform, Growthstory.in, she is also co-promoter of nearly a dozen, newage Internet/ Technology enabled start-ups. Before joining Tesco, Smt. Meena Ganesh co-founded one of India's pioneering BPO companies - Customer Asset, which she sold to ICICI OneSource. Smt. Meena Ganesh also had a five year stint with Microsoft India, during which she set up multiple business units including Microsoft Consulting, Internet and Application Development/Business services units. During the initial 11 years of her career, Smt. Meena Ganesh was with PricewaterhouseCoopers and with NIIT.

Mr. Gopalaraman Padmanabhan:

Mr. Gopalaraman Padmanabhan is a post graduate in Economics from Kerala University and a Masters in Business Administration from the Birmingham Business School. Mr. Padmanabhan holds extensive experience and expertise in bank regulation and supervision of foreign exchange/securities markets in India, information technology and payment systems, with more than 35 years of experience with the RBI in various capacities i.e. recommending and implementing policies, systems, guidelines and regulations relating to the banking, financial services and securities sector of the country. On superannuating while holding position of Executive Director from the RBI, he was appointed as Non-Executive Chairman of Bank of India in August 2015. He held this position for 5 years till August 2020.

Prof. S. Mahendra Dev:

Prof. S. Mahendra Dev has been the Director and Vice Chancellor, Indira Gandhi Institute of Development Research (IGIDR) in Mumbai, India since 2010. Prior to this position, he was Chairman of the Commission for Agricultural Costs and Prices, Ministry of Agriculture from 2008 to 2010. He is Vice Chairman of the Board of Trustees of International Food Policy Research Institute (IFPRI), Washington, D.C. He was also member of the Board of IFPRI for seven years from 2013 to 2019. He was member and Acting Chairman of the National Statistical Commission, Government of India. He got the prestigious Malcolm Adiseshiah Award in 2016. He was Director, Centre for Economic and Social Studies, Hyderabad, India for 9 years from 1999 to 2008. He received his Ph.D. from the Delhi School of Economics and did his postdoctoral research at Yale University. His main areas of interest are agriculture, rural economy, rural non-farm sector, cooperation, economic growth, global economy, macro policies, employment and unemployment, employment policies, social protection, development economics and social sector.

Mr. Rajiv Anand:

Mr. Rajiv Anand is a qualified chartered accountant and holds a bachelor's degree in commerce from St. Joseph's College of Commerce. Currently, he is executive director (wholesale banking) of the Bank. He has been with Axis group for over 10 years having joined Axis Asset Management Company Limited, where he held the position of managing director and chief executive officer.

Mr. Rajesh Kumar Dahiya:

Mr. Rajesh Kumar Dahiya has a bachelor of engineering degree from Bangalore University and a master of personnel management and industrial relations degree from Punjab University. In his current role as the executive director (corporate centre) of the Bank, he supervises functions under corporate centre, including internal audit, Human Resources, Compliance, Legal, Secretarial, Corporate Communications & Corporate Real Estate Services. Prior to joining the Bank in June 2010, Before joining the Bank, he was associated with Tata Group for 20 years where he handled various responsibilities across functions. He began his career in 1990 with Rallis India Limited, one of the Tata Group companies and went on to handle various responsibilities in the company in Human Resources, Manufacturing and Sales. In 2004, he moved within the Tata Group to Tata Sons Ltd. as Vice President, Group Talent Acquisition and Head - Tata Administrative Services.

Details of change in Directors since last three years

Sr. no.	Name of Director & Designation	DIN	Date of Appointment/ Resignation/Cessation	Director of the Company since
1	Prasad Menon Independent Non-Executive Director	00005078	Ceased to be an Independent Director of the Bank on expiry of his tenure, w.e.f. the close of business hours on 8 th October 2018.	9 th October, 2010
2	Girish Paranjpe Independent Non-Executive Director	02172725	Appointed as Independent Director of the Bank with effect from 2 nd November 2018.	2 nd November 2018
3	V. Srinivasan Deputy Managing Director	00033882	Retired from the services of the Bank with effect from the close of business hours on 20 th December 2018.	15 th October, 2012
4	Shikha Sharma Managing Director & CEO	00043265	Retired from the services of the Bank with effect from the close of business hours on 31 st December 2018.	1 st June, 2009
5	Amitabh Chaudhry Managing Director & CEO	00531120	Appointed as the Managing Director & CEO, of the Bank, for a period of 3 (three) years, with effect from 1 st January 2019.	1 st January, 2019
6	Prof. Samir K. Barua Independent Non-Executive Director	00211077	Re-appointed as Independent Director of the Bank for his second term with effect from 1 st April 2019.	22 July, 2011
7	Som Mittal Independent Non-Executive Director	00074842	Re-appointed as Independent Director of the Bank for his second term with effect from 1 st April 2019.	22 October, 2011
8	Rohit Bhagat Independent Non-Executive Director	02968574	Re-appointed as Independent Director of the Bank for his second term with effect from 1 st April 2019.	16 th January, 2013
9	Rajiv Anand Executive Director (Wholesale Banking)	02541753	Re-designated as the Executive Director (Wholesale Banking) of the Bank, with effect from 21 st December 2018 and reappointed for a further period of 3 (three) years, with effect from 4 th August, 2019.	4 th August, 2016
10	Rakesh Makhija Non – executive (Part Time) Chairman and Independent Director	00117692	Appointed as the Non- Executive (Part-Time) Chairman of the Bank, with effect from 18 th July 2019.	27 th October, 2015

Sr. no.	Name of Director & Designation	DIN	Date of Appointment/ Resignation/Cessation	Director of the Company since
11	Rajesh Dahiya Executive Director (Corporate Centre)	07508488	Re-appointed with effect from 4th August 2019.	4 th August, 2016
12	Pralay Mondal Executive Director (Retail Banking)	00117994	Appointed as Executive Director (Retail Banking) of the Bank, with effect from 1 st August 2019.	1 st August 2019
13	Dr. Sanjiv Misra Non-Executive (Part-Time) Chairman	03075797	Ceased to be the Non-Executive (Part-Time) Chairman of the Bank, with effect from the close of business hours on 17 th July, 2019.	8 th March, 2013
14	Prof. Samir K. Barua Independent Non-Executive Director	00211077	Ceased to be an Independent Director of the Bank, with effect from the close of business hours on 21 st July 2019.	22 July, 2011
15	Som Mittal Independent Non-Executive Director	00074842	Ceased to be an Independent Director of the Bank, with effect from the close of business hours on 21 st October 2019	22 October, 2011
16	Usha Sangwan Nominee Director (LIC)	02609263	Resigned as the Non-Executive (Nominee) Director of the Bank, with effect from 12 th December 2019.	17 th October 2013
17	S. Vishvanathan Independent Non-Executive Director	02255828	Re-appointed as the Independent Director of the Bank, for his second term from 11 th February 2020.	11 th February, 2015
18	Rakesh Makhija Non – executive (Part Time) Chairman and Independent Director	00117692	Re-appointed as an Independent Director of the Bank, for his second term as such, from 27 th October 2020.	27 October, 2015
19	T.C. Suseel Kumar Non - executive Director (nominee of LIC)	06453310	Appointed as the Non-Executive (Nominee) Director of the Bank, w.e.f. 1 st July, 2020	1 st July, 2020
20	Meena Ganesh Independent Non-Executive Director	00528252	Appointed as an Independent Director of the Bank, with effect from 1 st August, 2020	1 st August, 2020
21	Pralay Mondal Executive Director (Retail Banking)	00117994	Resigned as the Executive Director (Retail Banking) of the Bank, with effect from the close of business hours on 14 September, 2020.	1 st August 2019
22	Ketaki Bhagwati Independent Non-Executive Director	07367868	Re-appointed as an Independent Director of the Bank, for her second term as such from 19 January, 2021.	19 th January, 2016
23	G. Padmanabhan Independent Non-Executive	7130908	Appointed as an Independent Director of the Bank, with effect from 28 October, 2020	28 October, 2020

Sr. no.	Name of Director & Designation	DIN	Date of Appointment/ Resignation/Cessation	Director of the Company since
	Director			
24	Ashish Kotecha Alternate Director to Stephen Pagliuca, Nominee Director – Entities affiliated to BAIN Capital [Equity Investor]	02384614	Appointed as an Alternate Director to Shri Stephen Pagliuca, Non-Executive (Nominee) Director of the Bank, with effect from 1 st November, 2020.	1 st November, 2020
25	Rohit Bhagat Independent Non-Executive Director	02968574	Ceased to be an Independent Director of the Bank, with effect from the close of business hours on 15 January, 2021.	16 January, 2013
26	B. Baburao Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) [Equity Investor] – Promoter	00425793	Resigned as the Non-Executive (Nominee) Director of the Bank, with effect from 22 January, 2021.	19 th January, 2016
27	Vasantha Govindan Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) [Equity Investor] – Promoter	02230959	Appointed as an Additional Non-Executive (Nominee) Director (Nominee of SUUTI) of the Bank with effect from 27 January 2021.	27 th January 2021
28	Amitabh Chaudhry Managing Director & CEO	00531120	Re-appointed as the Managing Director & CEO of the Bank, for a further period of 3 (three) years, w.e.f. 1 January, 2022.	1 st January 2019
29	Prof. S. Mahendra Dev Independent non – executive Director	06519869	Appointed as an Independent Director with effect from 14 th June, 2021.	14 th June, 2021

Brief particulars of the management (Key Managerial Personnel) of the Bank as on September 30, 2021:

Sr. No.	Name of the Executive	Designation	Date of Appointment
1.	Amitabh Chaudhry	Managing Director & CEO	01.01.2019
2.	Rajiv Anand	Executive Director (Wholesale Banking)*	04.08.2016
3.	Rajesh Dahiya	Executive Director (Corporate Centre)	04.08.2016
4.	Puneet Sharma	President & Chief Financial Officer	06.03.2020
5.	Girish Koliyote [#]	Senior Vice President & Company Secretary	01.05.2015

[#]Mr. Koliyote resigned from the Company with effect from close of business hours of October 8, 2021.

For brief description on Mr. Amitabh Chaudhry, Mr. Rajiv Anand and Mr. Rajesh Dahiya please refer page no. 13 to 15.

Mr. Puneet Mahendra Sharma is the President and Chief Financial Officer of the Bank. He is a qualified chartered accountant with a bachelor of commerce degree from the University of Bombay and has graduated from the Indian

School of Business, Hyderabad. He has over two decades of experience in banks, financial institutions and consulting including 12 years of experience at Tata Capital Limited as a senior management functionary, which was his last employment before joining the Bank. He served as the chief financial officer of Tata Capital Limited and Tata Capital Financial Services Limited since 2014 and was accountable for financial control, financial planning and accounting and taxation. Mr. Sharma started his career at Bharat S Raut & Co. and has also worked as a consultant with the Boston Consulting Group and as the vice president of global transaction services, institutional clients group of Citibank N.A. India.

Details of change in Statutory Auditors since last three years:-

Name	Address	Date of Appointment / Resignation/ Cessation	Remarks
M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration Number 301003E).	The Ruby, 12 th Floor, 29 Senapati Bapat Marg, Dadar (W), Mumbai – 400028.	Date of Appointment: 28-June-2014 Expiry of Term: 19-June-2018	-
M/s Haribhakti & Co. LLP Chartered Accountants (ICAI Registration Number 103523W/W100048).	705, Leela Business Park, Andheri Kurla Road, Andheri East Mumbai – 400 059.	Date of Appointment: 20-June-2018 Expiry of Term: 30-July-2021	Tenure of M/s Haribhakti & Co. LLP as Statutory Auditors of the Bank expired on the date of the 27th AGM i.e. 30 th July, 2021 pursuant to the RBI notification no. RBI/2021-22/25 Ref. No. oS.CO.ARG/SEC.01/08.91.001/2021-22, dated 27 April, 2021 (“RBI Guidelines”).
Current Auditors of the Bank			
Name of the Auditor	Address	Auditor since	Remarks
M P Chitale & Co. (Joint Statutory Auditors) Chartered Accountants (Firm Registration Number 101851W)	Hamam House, Ambalal Doshi Marg, Fort, Mumbai 400 001.	Date of Appointment: 30-July-2021	As per RBI Guidelines Statutory Audit of Banks is required to be conducted under joint audit with a minimum of two eligible audit firms. Joint Statutory Auditors are required to be appointed for a continuous period of three years.
C N K & Associates LLP (Joint Statutory Auditors) Chartered Accountants (Firm Registration Number 101961W/W-100036)	3rd Floor, Mistry Bhavan, Dinshaw Vachha Road, Churchgate, Mumbai 400 020.	Date of Appointment: 30-July-2021	

III. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER, ITS LINE OF BUSINESS AND DETAILS OF BRANCHES OR UNITS, IF ANY.

OVERVIEW:

The Bank is a 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 27 years, has grown both in terms of the size of its asset base and its physical network of branches, extension counters and ATMs.

As at 31 March 2021, 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 at 31 March 2021 and 31 March 2020 were ₹9,96,118 crores and ₹9,15,165 crores, respectively, and the Bank's net advances and deposits as at 31 March 2021 amounted to ₹6,23,720 crores and ₹7,07,306 crores, respectively, and as at 31 March 2020 amounted to ₹5,71,424 crores and ₹6,40,105 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 at 31 March 2021, the Bank had a network of 4,594 branches and extension counters, 11,333 ATMs and 5,710 cash deposit and withdrawal machines distributed across 2,596 locations in India. As at 30 September 2021, the Bank had a network of 4,679 branches and extension counters. 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 also has seven overseas offices, with branches in DIFC, and Singapore and representative offices in Dubai, Abu Dhabi, Sharjah, and Dhaka and a subsidiary in London. The Bank is currently in the process of winding up Axis Bank UK Limited, its subsidiary in London. The Bank also has an offshore banking unit at the International Financial Service Centre located at the Gujarat International Finance Tec-City in 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 2.5 crores savings customer accounts as at 31 March 2021. The Bank's total assets have increased from ₹9,15,165 crores as at 31 March 2020 to ₹9,96,118 crores as at 31 March 2021, with net retail advances (retail advances net of provisions) increasing from ₹3,05,400 crores as at 31 March 2020 to ₹3,34,514 crores as at 31 March 2021. Furthermore, total deposits grew from ₹6,40,105 crores as at 31 March 2020 to ₹7,07,306 crores as at 31 March 2021. The Bank's network grew from 11,801 ATMs and 4,917 cash deposit and withdrawal machines as at 31 March 2019 to 12,044 ATMs and 5,433 cash deposit and withdrawal machines as at 31 March 2020. As at 31 March 2021, the Bank had 11,333 ATMs and 5,710 cash deposit and withdrawal machines.

After enduring a challenging period in fiscals 2017 and 2018, driven primarily by a decline in the credit quality of the Bank's corporate clients, the Bank responded in fiscal 2019 by taking several steps to reorient itself back onto a path of profitability and sustainable growth. As part of these measures, the Bank bolstered its risk management framework and implemented several steps to improve its policies, structures and processes.

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 impact of the COVID-19 pandemic on its business 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 31 March 2021 and 30 September 2021 was 19.12% and 20.04% and CET-1 ratio was 15.40% and 15.81% respectively well above the regulatory requirements. During the financial year, the Bank raised fresh capital aggregating to ₹10,000 crore and raised USD 600 million via issuance of AT1 notes which has further augmented the Bank's capital position. The Bank believes this places it in a strong position in the current uncertain times. The Bank has strengthened the balance sheet during the year with Provision Coverage Ratio (PCR) improving from 69% as on 31 March 2020 to 72% as on 31 March 2021.

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 31 March 2021, the Bank had a network of 4,594 branches and extension counters and 11,333 ATMs and 5,710 cash recyclers spread across the country. As at 30 September 2021, the Bank had a network of 4,679 branches and extension counters.

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

Large customer base

The Bank has a large customer base of over 2.5 crores 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.

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 gain market share and are delivering strong performance despite a challenging environment. These co-ordinated efforts are differentiating a value proposition and strengthening relationships with the clients.

Broad product offering to meet financial needs of customers

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

Experienced and revamped management team

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

Over the last few years, the Bank has strengthened the leadership team across most functions with a clear focus on improving the Bank's performance. The Bank has re-oriented the organizational structure and embedded rigor in the way of conducting business, with an objective to deliver execution excellence. These changes are resulting in the transformation of the various verticals and we are steadily witnessing incremental business gains. The Bank has made changes to its top management team in fiscal year 2019 and fiscal year 2020. The Bank is led by a Managing Director and Chief Executive Officer and other experienced industry executives. In January 2019, Shri Amitabh Chaudhry joined the Bank as its Managing Director and Chief Executive Officer. Since his arrival, he has spearheaded a review of the Bank's policies and strategies that resulted in the implementation of the Bank's "Execution Strategy 2023", which is focused on growth, profitability and sustainability (GPS' 23).

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. The same has been reviewed and updated in the fiscal year 2021 and the Bank continues to be guided by the pillars of the aforesaid strategy. In view of the on-going impact of the COVID-19 pandemic, the Bank has undertaken several strategic initiatives across business and support functions to help the Bank navigate the crisis and be better positioned for growth.

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

Growth – the Bank intends to reclaim 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 its CASA deposit base while bringing in stability in its current account deposits. Retail depositors in India are an important source of low-cost funding for the Bank, and the Bank believes that the Indian retail financial services market will continue to grow. The Bank therefore plans to continue expanding its retail banking business by growing its distribution network, increasing its customer base, diversifying its banking product mix, providing banking convenience to customers, leveraging and optimizing its digital and phone banking channels along with its physical distribution and offering differentiated products and solutions to meet the specific needs of particular customer demographics. The Bank is focused on growing retail term deposits in addition to current accounts and savings accounts. Catering to its customers' needs, the Bank also offers various banking services through mobile applications and web portals. The Bank believes that such customer-specific orientation will result in an increase in retail deposits to the Bank, which will expand its pool of low-cost funding.
- *Continue momentum in Bank's retail asset growth* – the Retail Banking business unit is expected to remain as a key driver of the Bank's overall growth strategy. The Bank continues to leverage its internal customer base to drive higher asset sourcing. The Bank intends to focus on existing customers as well as on obtaining new customers, including 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. In view of the concerns regarding the operating environment on account of COVID-19, the Bank intends to achieve higher growth in secured retail lending through its physical and digital distribution network while leveraging cross-selling opportunities. The Bank will use the following focus initiatives:
 - Productivity improvement at scale - sales and processing;
 - Focus on Rural and Semi-urban areas - in line with the Bharat banking strategy;
 - Digital-led approach to optimise and streamline product journeys, underwriting and collections; and
 - Growing the cards and payments business by leveraging partnerships.
- *Accelerate growth in the Bank's Wholesale Banking business unit* – the Bank intends to maintain its focus on corporate lending while also increasing this business unit's income by capturing a greater share of

corporate fee income with specific focus on transaction banking fee income. The Bank intends to accelerate growth in its asset portfolio by focusing on growing its Mid-Corporate Segment Commercial Banking Group and MNC segment, as well as on building a relationship-based model with SMEs and current account business customers to drive growth across both assets and liabilities. The Bank is focused on achieving this growth by targeting higher-rated corporates and lowering credit costs. The Bank also intends to invest in digital solutions for corporate customers in an effort to obtain a greater share of those customers' businesses and increase penetration in under-penetrated sectors.

- *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. The Bank's strategy in Digital is aligned with 3 key themes, which are as follows:
 - (1) Reimagine top end-to-end customer journeys;
 - (2) Transform the Core; and
 - (3) Partner of choice for ecosystems.
- *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 and Axis Mutual Fund Trustee Limited, 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. Each subsidiary is sub-scale in its respective segment of play, while valuation of subsidiaries is strongly correlated to scale. The Bank's aspiration is to grow the subsidiaries in a material way so that their contribution in the group's revenues increases.
- *Delivering solutions across the customer value chain under the "One Axis" vision* – The Group aims to become a 'one-stop shop' for the banking needs of Indian corporates across investment banking/ capital markets, commercial banking, and transaction banking, with linkages to retail bank. The Bank has developed a significant number of corporate and retail relationships throughout its years of operations, and it intends to continue leveraging those relationships by cross-selling products offered by other business units to those customers. The Bank also intends to further diversify revenue sources by expanding its product and offerings, particularly fee and commission-based offerings, as well as offering third party products, such as insurance and online trading, 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 risk-adjusted returns* – the Bank intends to increasingly diversify revenue sources and overall revenue by expanding its product offerings, particularly fee- and commission-based offerings. The Bank is especially focused on core income streams such as net interest income and fee-based income. It expects to cross-sell other products and services to increase fee-based income from the Bank's corporate and retail banking businesses. The Bank will continue to broaden its skill base and expertise in financial product development. Finally, the Bank also aims to diversify its portfolio mix towards products offering higher risk-adjusted returns. On the liability side, the Bank continues to focus on low cost deposits to reduce the funding cost and expand the Net Interest Margins (NIMs).
- *Improve operating efficiency to minimize costs* – the Bank believes it can further streamline its operations and processes and minimize costs in order to increase profitability. Such measures may include, for example, centralization of procurement and outsourcing and optimizing utilization of office space. In fact, the Bank's branches have increasingly featured smaller formats with enhanced productivity led by automation and digitization.
- *Sweat existing infrastructure* – maximize utilities derived from the Bank's already existing infrastructure in order to derive greater efficiencies and increase profitability.
- *Reduce credit costs below long-term average* – The Bank believes that conservative credit risk management policies and controls are critical for the long-term, sustainable growth of its business. The Bank expects to normalize its credit costs and bring them below its long-term average through improved credit underwriting processes.

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. The Bank has strengthened the risk and compliance function and culture across the Bank. It continues to focus on modernizing its core technology, increasing the efficiency of its operating processes and adopting a design thinking approach. Credit, Risk, Digital, HR and other functions will align their strategies towards supporting identified business growth in a sustainable manner and maintaining appropriate guardrails.

- *Strengthen Credit risk management and build compliance culture* – the Bank believes that an important element in building a sustainable franchise is to embed conservatism in its internal policies and practices, and that conservative credit risk management policies and controls are critical for long-term, sustainable growth in its business. The Bank's goal is to continually improve its credit risk management procedures, credit evaluation, rating methodology, and monitoring and control mechanisms to maintain the quality of the Bank's loan and investment portfolios.
- *Be distinctive* – the Bank believe 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: Build 1 or 2 areas of true distinctiveness that will be hard to copy and will create a sustainable competitive edge for the Bank. The Bank has also 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's aspiration is to be an Asian benchmark in Customer Service Excellence by the year 2025. The focus is to build the essential elements that will help deliver on this aspiration. Different metrics like Net Promoter Score (NPS) and Customer Satisfaction (CSAT) have been considered. The Bank has looked at several global leaders in customer service/experience across banks and non-banks and identified focus areas for building excellence in customer service.

(b) Bharat Banking

Growth in consumption, along with changing trends, will present huge growth opportunities in rural and semi-urban India. Moreover, a strong Bharat play will help us in meeting Priority Sector Lending (PSL) commitments. The Bank will develop a detailed roadmap for the Bharat banking initiative during FY22.

- *Execute with Excellence* – The Bank will use the tech platform to track the completion and progress of multiple projects which can provide appropriate indicators to help in completion. The Bank will continue with the Annual Operating Plan review rigour and re-align projects under a customer journey lens

Impact of COVID-19

An outbreak of COVID-19 was recognized as a pandemic by the WHO on 11 March 2020. In response to the COVID-19 pandemic, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses had been ordered and numerous other businesses have temporarily closed voluntarily. Further, individuals' ability to travel has been curtailed through mandated travel restrictions and may be further limited. Since May 2020, some of these measures have been lifted and partial travel has been permitted. Further, the COVID-19 pandemic has caused substantial disruption to the global economy and supply chains, created significant volatility and disruption in financial markets, including with respect to India, with the Governor of the Reserve Bank of India stating that the combined impact of demand compression and supply disruption will depress economic activity in the first half of fiscal year 2021. In order to address the financial implications of the COVID-19 pandemic, central banks around the world, including India, have taken monetary, fiscal and administrative measures with the aim to create conditions for a gradual revival in activity in the second half of fiscal 2021. For example, the RBI has cut the reverse repo rate to 3.35% and the LCR was reduced from 100% to 80%. Further, the RBI deferred the implementation of the final phase of the Basel III Capital Regulations on capital conservation buffer until 1 October, 2021. However, the extent of economic disruption on account of the extended lockdown currently remains unknown and may have significant impact on the Bank's ability to achieve its strategies set out above.

The Bank pro-actively implemented significant measures to reduce the impact of COVID-19 related lockdown on its operations, particularly with respect to ensuring uninterrupted servicing of its customers, ensuring business continuity by enabling its employees to efficiently discharge their duties even under lockdown conditions and preparing its infrastructure for post lockdown environment. In this regard, the Bank took the following steps:

- Activated a Central Emergency Response Team (**CERT**) and risk assessment and business continuity

plans.

- Encouraged its employees to work-from-home and provided the required support to enable its employees to perform their duties efficiently.
- Conducted mock drills and set up business continuity plans to ensure that customers are supported in case of partial or full lockdown.
- Organized online training programs on skill development for the Bank's users who are working from home.
- Re-classified its activities into critical 1, critical 2 and non-critical activities, enhanced daily monitoring of all key business critical activities and revamped its capabilities to execute more than 90% of all critical 1 and critical 2 transactions and 80% of non-critical transactions on a daily basis.
- Strengthened and enhanced its mechanisms for monitoring information and cyber security related risks and potential threats.

Further, to support the community during these unprecedented times, the Bank has committed ₹100 crores for fighting the COVID-19 pandemic. In addition, Axis Bank Foundation, through Axis Cares, has partnered with few NGO's to provide food and hygiene supplies to rural communities.

The COVID-19 pandemic had and continues to have a material impact on the global and Indian economy, the financial services sector and the Bank's business. The significant areas of the Bank's business which have been impacted by the COVID-19 pandemic, and the Bank's approach on these areas going forward are set out below.

Capital and Liquidity position

The Bank's average liquidity coverage ratio for the quarter ended 31 March 2020 and 31 March 2021, was 113.41% and 115.14%, respectively and was over 120% during Q2FY2022, which is well above the regulatory requirement. As at 31 March 2021 and 30 September 2021, the Bank had excess SLR of ₹57,915 crores and ₹85,580 crores, which is well above the regulatory requirement. The Bank's capital adequacy ratio and CET-1 ratio were 19.12% and 15.40%, as at 31 March 2021 and stood at 20.04% with CET 1 ratio of 15.81% as at the end of Sep'21. This has resulted in the Bank's capital adequacy ratio being at one of the highest levels as compared to the previous fiscal years.

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 31 March 2021. 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 at 31 March 2021, the Bank had a provision coverage ratio (excluding technical write-offs) of 72.37% on NPAs. To mitigate the impact of the COVID-19 pandemic, the Bank has adopted a prudent and conservative approach towards provisioning. During the fiscal year 2021 bank has made additional provision of ₹2,012 crores. The Bank holds provisions of ₹5,012 crores as at 31 March 2021 against the potential impact of COVID-19 (other than provisions held for restructuring under COVID 19 norms) based on the information available at this point in time. The provisions held by the Bank are in excess of the RBI prescribed norms.

The Bank believes that the conservative and prudent provisioning choices it has made will strengthen its balance sheet during these uncertain times. However, given that the COVID-19 situation is continuously evolving, it is difficult to ascertain with certainty the exact impact on the Bank's portfolio due to COVID-19 related lockdown. The Bank will continue to assess its portfolio on an ongoing basis.

Stress testing

The Bank has carried out specific stress testing to assess the impact of COVID-19 in various stress scenarios, including a highly severe scenario of the pandemic prolonging beyond three months. The Bank enhanced its stress testing frameworks and also used the analytical stress framework of the Basel Committee to stress internal probabilities of default. The Bank is actively monitoring economic developments by performing sensitivity

analysis on its loan portfolio, including identification of borrower segments and sectors which may face additional stress due to COVID-19 and vulnerable portfolios and will take precautionary actions accordingly.

Collections

The lockdown and social distancing measures have restrained the ability of the Bank's collections team to go out in the field, which may impact recovery of the Bank's dues. However, the Bank is calling its customers using traditional tele-calling setups. Further, with the focus on customer convenience, the Bank has activated additional digital channels for payments, and are sending payment links to customers with pre-filled data, making it convenient for the customers to make payment. The Bank continues to have 'awareness calls' with its customers to inform them of the terms of the moratorium. After the completion of the Moratorium Period, the Bank aims to proactively focus on collections.

The Bank believes that the country wide lockdown, the uncertainty regarding the relaxation of the lockdown restrictions and its resultant impact of a severe slowdown in the economy will be widespread and will take time to normalize. Given the size and reach of the Bank, across borrower types, sectors and geographies, it will get reflected in the Bank's financials. Among other things, the Bank expects the fee income growth to slow down and provisions to increase materially. The Bank believes that the COVID-19 induced slowdown will delay the normalization of its corporate stress pool and expects that there would be further downgrades into its BB pool during fiscal year 2021.

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 3 December 1993 and its certificate of commencement of business on 14 December 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 2 April 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 30 July 2007, from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, India.

Recent Investments

Max Life Insurance Company Limited (Max Life)

On 6 April 2021, the Bank acquired 9.002% stake in Max Life from Max Financial Services Limited (MFSL), the promoter of Max Life. Post the acquisition, Bank's ownership in Max Life is 9.99%. In addition, Axis Capital Limited acquired 2.00% and Axis Securities Limited acquired 1.00% in Max Life. The Bank together with Axis Capital and Axis Securities is now a co-promoter of Max Life. The Bank has 3 nominee directors on the Board of Max Life.

Fettle Tone LLP

In March 2021, the Bank acquired 9.90% partnership interest in Fettle Tone LLP, the promoter company of Max Bupa Health Insurance Company Limited, through primary capital infusion in Fettle Tone LLP.

CSC e-Governance Services India Limited (CSC e-Gov)

In November 2020, the Bank acquired 9.99% stake in CSC e-Gov through primary capital infusion in the company.

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, financial advisory services and NRI services. Retail Lending constitutes lending to individuals and small businesses through the branch network and other delivery channels.
- **Wholesale Banking:** comprises loans and fee-based products and services that the Bank offers to large and mid-sized corporate clients as well as small and medium enterprises (SME) clients, including 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 collections on behalf of the Government and various State Governments in India. Liability products offered by the Bank's Wholesale Banking business unit includes current accounts, certificates of deposit and term deposits, which are offered to large and mid-corporate customers. The coverage within the Wholesale Banking business unit is divided into two sub-groups: the Commercial Banking Coverage sub-group managing the SME and Wholesale Corporate Banking Coverage sub-group managing government, strategic, large, multi-national, financial services, and mid-sized corporate clients.

- **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 variety of products and services in the domain of liabilities, assets, payments and third party products to retail customers. Retail liability products include a wide range of savings accounts with different features and benefits to meet the banking needs of different customer segments (including high net-worth individuals and salaried employees) along with term deposits. Retail asset products include home loans, loan against property, personal loans, auto loans, business loans, two wheeler loans, loan against gold, educational loans as well as other types of secured and unsecured loans. The Bank's Retail Banking business unit also offers other products and services such as debit and credit cards, forex cards, bill payment services and wealth management services. The Bank also markets third party products such as mutual funds, life and non-life insurance policies and Government savings bonds. A wide range of liability and asset products and services are also offered to NRIs.

The four core components of the Bank's retail lending strategy focus on cross-selling to existing deposit customers; focusing on distribution through branches; continue leveraging digital platforms; and advanced analytics engine driving underwriting.

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 centres, an Internet banking channel, a call center and mobile banking. Customers, depending on their preference, can choose to interact with the Bank and access its various product and service offerings through any of these channels.

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

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

Retail Liabilities

The Bank's main retail deposit products include the following:

- **Savings Bank Accounts:** Demand deposits from retail customers that are interest-bearing and offer a withdrawal facility through checkbooks and debit cards. As at 31 March 2021, the Bank had approximately 2.5 crores savings customer accounts.
- **Term 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 by paying penalties. These can be either fixed type (tenure based deposit of fixed amount) or recurring type (tenure-based periodic deposits of a fixed amount).

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. Cross-selling strategies are central to the Bank's Retail Banking business unit, and the Bank's recent focus on payment data analytics has allowed to cross-sell its financial and investment products to existing customers.

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

- **Prime Banking.** Prime banking aims to offer prompt and easily accessible banking services to customers in the mass and high value mass segment through the Bank's network branches and extension counters, ATMs and cash deposit and withdrawal machines, the Internet, the Bank's call center, a mobile banking platform, debit cards with high withdrawal limits and the Bank's "At par Chequebook" facility. As at 31 March 2020 and 31 March 2021, deposits under the Prime banking product totalled ₹74,974 crores and ₹91,809 crores, constituting 43.19% and 44.90% of the Bank's total savings bank deposits, respectively.
- **Savings Bank Account for Trusts and NGOs.** The Bank's Trust/NGO/Institutional Savings accounts are tailor made to suit the specific needs of these institutions. The Bank provides comprehensive financial solutions for this sector through its extensive network of branches and ATMs, digital banking, collection and payment services and other value-added services. As at 31 March 2020 and 31 March 2021 this product accounted for ₹11,789 crores and ₹9,257 crores constituting 6.79% and 4.53% of the total savings deposits of the Bank, respectively.
- **Salary Accounts.** To offer complete banking solutions to salaried employees, the Bank introduced a comprehensive payroll product consisting of differential privileges and offered on the basis of 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 at 31 March 2020 and 31 March 2021, the payroll product portfolio totalled ₹37,183 crores and ₹44,034 crores, respectively.
- **Axis Bank Priority Program.** The "Priority" initiative targets an affluent customer base to meet such customers' banking and investment needs. The program offers personalized services, convenience, preferential pricing across various banking products and a dedicated relationship manager dedicated toward meeting customers' needs. As at 31 March 2021, the Axis Bank Priority Program accounted for ₹32,568 crores in deposits, constituting 15.93% of the total savings bank deposits of the Bank.
- **Burgundy by Axis Bank.** 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. 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 at 31 March 2021, asset under management for customers of Burgundy and Burgundy Private was ₹2,13,085 crores.
- **Debit Cards.** The Bank was one of the largest private sector bank issuers of debit cards in India in terms of overall amounts spent at point of sale terminals in fiscals 2020 and 2021.
- **Term Deposits.** The Bank offers various types of deposits to suit different needs of customers across the segments described above. The product offerings comprise Fixed Deposits (FD), Recurring Deposit, Express FD, Auto Fixed Deposit, Tax Saver FD and Fixed Deposit Plus.

Investment Products

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

- **Life Insurance.** The Bank has a corporate agency partnership with Max Life Insurance Co. Ltd., Life Insurance Corporation of India and Bajaj Allianz Life Insurance Company, for sales of life insurance products. As per the corporate agency guidelines, the Bank's staff are eligible to solicit life insurance products post getting SP license from IRDAI. The Bank's strategy of adopting an open architecture helped the Bank to increase penetration and grow faster than the industry led by its strong product offerings and improvement in persistency. Digital initiatives continue to be the top-most priority for the bank which will help in streamlining the customer on-boarding and servicing processes.

In fiscal 2020, the Bank earned fee income of ₹692 crores from its life insurance business as compared to ₹963.5 crores in fiscal 2021.

- **Non-Life Insurance.** As corporate agent of Max Bupa Health Insurance Company Limited, Bharti AXA General Insurance Company Limited, Aditya Birla Health Insurance Company Limited and Tata AIG General Insurance Company Limited, the Bank offers health and non-life insurance to its customers. Introduction of new General and Health Insurance partners have enabled the bank to fill white spaces to bring strong products to its customers. New channels such as Digital Cross Sell and Co-Origination continue to be key growth focus areas for the bank.

In fiscal 2020, the Bank's non-life insurance business earned fee income of ₹76.20 crores as compared to ₹123.30 crores in fiscal 2021.

- **Mutual Fund Sales.** The Bank is one of the leading distributors of mutual funds in India. The Bank distributes mutual fund products of all major asset management companies in India to its clients. The Bank recommends suitable schemes to its clients based on the recommendations of its in-house research team. Mutual fund products are sold through the Bank's branch distribution network based on client requirements. The Bank earns fee income in the form of retention remuneration on the sale of mutual funds and transaction charges on the sale of mutual fund products. The Bank earned a fee income of ₹330.80 crores through the distribution of mutual fund products in fiscal 2021 as compared to ₹291.90 crores in fiscal 2020.
- **Online Trading.** The Bank offers online trading services in collaboration with Axis Securities Limited, a wholly-owned subsidiary of the Bank, under the name AxisDirect. AxisDirect, an online platform, offers a diverse range of products including equity, derivatives, 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 residents and NRI customers. AxisDirect was launched in January 2011.

Retail Lending and Payments

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

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

The Small Business Banking division is dedicated to cater to the financing needs of micro-entrepreneurs and continues to be a growth engine for the Bank. The Retail Banking business unit's micro-entrepreneur customers are provided with secured and unsecured credit facilities in the form of fund-based as well as 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.

As at 31 March 2019, 2020 and 2021, the Bank's net retail advances were ₹2,45,812 crores, ₹3,05,400 crores and ₹3,34,514 crores, respectively, constituting 49.68%, 53.45%, and 53.63% 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 31 March 2021, 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 31 March 2021, 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 include featured cards, co-branded cards and premium cards. Based on RBI data, in terms of total credit cards in force, the Bank's credit card business had a 12.7%, 12.1% and 11.4% market share of the Indian credit card market in fiscal years 2019, 2020 and 2021, 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:

As at 31 March			
(₹ in crores)			
Product	2019	2020	2021
Automobile loans	27,863.20	38,204.50	40,743.10
Mortgage loans	94,977.80	109,728.30	122,683.50
Loans against property	20,370.10	26,046.80	31,214.30
Personal loans	28,805.00	39,744.10	39,370.00
Retail agriculture loans	34,211.90	37,450.50	43,698.10
Education loans	1,100.20	1,386.00	1,381.40
Gold loans	1,375.40	1,323.50	1,460.00
Small business loans	8,688.40	13,768.40	17,859.10
Credit card loans	12,012.80	14,963.70	13,312.30
Other retail loans ⁽¹⁾	16,407.20	22,784.70	22,792.10
Total	245,812.00	305,400.50	334,513.90

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

Mortgage loans, personal loans, agriculture loans and non-schematic loans have been major contributors to the growth in the Bank's retail advances portfolio over period. In fiscal 2021, the fastest-growing categories of retail loans were loan against property, agriculture loans and small business loans, which grew by 19.84%, 16.68% and 29.71%, respectively.

The table below sets forth the growth rates in the Bank's net retail advances portfolio by category, as of 31 March 2021, for the trailing twelve months:

	(trailing twelve months)
Product	
Automobile loans	6.64%
Mortgage loans	11.81%
Loans against property	19.84%
Personal loans	(0.94)%
Retail agriculture loans	16.68%
Education loans	(0.33)%
Gold loans	10.31%
Small business loans	29.71%
Credit card loans	(11.04)%
Other retail loans ⁽¹⁾	0.03%
Total	9.53%

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

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

Credit Evaluation: Retail Loans

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

Other Products and Services

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

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

- **Merchant acquiring.** Under its merchant acquiring business, the Bank focuses on strengthening its relationship with its merchant partners to open up avenues of cross-selling the Bank's transactional products. The Bank generated total revenue of ₹373.20 crores in fiscal year 2020 and ₹315.70 crores in fiscal year 2021 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 2019 and 2020. However, due to first wave of COVID-19, business activity in the first quarter of fiscal year 2021 remained muted, which led to a decrease in retail fee income in fiscal year 2021 compared with fiscal year 2020.

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

For the year ended 31 March			
(₹ in crores)			
Fee Income from Retail Operations	2019	2020	2021
Card fees	2,432.10	2,892.70	2,243.10
Non-card fees	3,710.50	4,191.60	4,429.80
Out of which			
MF and insurance distribution fees (including distribution fees relating to bonds, gold coins etc.)	1,183.20	1,100.90	1,447.60
Other retail fees (including foreign exchange service fees)	2,527.30	3,090.70	2,982.20
Total fee income from retail operations	6,142.60	7,084.30	6,672.90

Total fee income from the Bank's retail operations accounted for 17.63%, 17.39%, and 15.14% 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 2019, 2020, and 2021, respectively, and 60.65%, 64.29%, and 62.45% of the Bank's total fee income for fiscal years 2019, 2020, and 2021.

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 and mid-sized corporate clients and the Small and Medium Enterprises sub-group (managed by the Commercial Banking Coverage Group), which caters to SMEs (including micro, small and medium enterprises).

Corporate Sub-group (managed by Wholesale Banking Coverage)

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

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

In an effort to create an integrated Corporate banking franchise, the Bank reorganized the coverage structure of its Corporate sub-group in 2019, as follows:

- **Large Corporates:** covering all corporate clients with turnover greater than ₹1,000 crores;
- **Mid-Corporates:** covering all corporate clients with turnover between ₹250 crores and ₹1,000 crores; and
- **Focused Segmental Coverage:** covering strategic clients, Government-owned entities, multi-national companies, and banking and financial services companies.

Small and Medium Enterprises Sub-group (managed by Commercial Banking Coverage)

The Bank's CBG sub-group caters to the SME market sector by offering products, including term loans and working capital finance, as well as other banking services like cash management and foreign exchange which are tailored to the particular requirements of small and medium enterprises (including micro, small and medium enterprises). The wide range of customized products offered by the Bank seeks to provide SME customers with adequate finance which is well-suited for their business needs.

The SME business unit is of strategic importance to the Bank as it generates higher yields and helps to diversify risks. The SME market sector also offers good business potential both for fund-based and non-fund-based products, as well as for cross-selling of products. Accordingly, the SME business unit offers a wide range of both template and non-template products, including term loans and working capital finance, non-fund based facilities tailored to the specific requirements of clients.

The Bank's SME business emphasizes relationship building and supporting entrepreneurs. To that end, the Bank has created focused subdivisions to meet the requirements of the SME market sector, namely the Small Enterprises Group (for turnover up to ₹75.0 crores), the Medium Enterprises Group (for turnover above ₹75 crores to ₹250 crores) and the Supply Chain Finance Group. As at 31 March 2021, the Bank operated from 121 SME centers to service its customers.

Loans to SMEs (including SME agricultural loans) amounted to ₹61,921 crores and ₹69,850 crores as at 31 March 2020 and 31 March 2021, constituting 10.84% and 11.20% of the Bank's total loan portfolio as at 31 March 2020 and 31 March 2021, respectively.

During fiscal year 2021, given the uncertainties on the macro-economic environment and the underlying weakness in the economy, the Bank had maintained a conservative policy with respect to its SME business.

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

In order to enable stronger, faster and leaner processes to streamline the customer experience for onboarding, deepening and cross-sell, the Bank is in the process of preparing a loan onboarding and approval system with the objective of implementing better controls on TATs, building better underwriting capability based on analytical feed and creating a digital workflow for risk mitigation. Further, the Bank is also working towards creating a digital tool to provide customer insights to relationship managers in order to enable them to sell the right product and provide better customer solutions. The Bank has also been taking several initiatives to support the growth and development of the MSME sector. The Bank organizes "Evolve" series which is an annual educational initiative focused for SMEs in India. The series is now regarded as a signature initiative of Axis Bank in building SME capacity. The sixth edition of Evolve was organized in fiscal year 2020 and focused on "Gearing up for a 5 Trillion Dollar Economy" in over 25 cities across India.

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 following table sets forth a breakdown of the Wholesale Banking business unit's loans as at the dates indicated.

As at 31 March
(₹ in crores)

Financing Type	2019	2020	2021
Corporate	183,401.60	204,102.60	219,356.30
Of which			
Term Loans	121,122.20	140,923.40	149,314.90
Working Capital Finance	62,279.40	63,179.20	70,041.40
SME	65,584.50	61,921.10	69,850.00
Of which			
Term Loans	13,475.40	14,038.00	19,708.40
Working Capital Finance	52,109.00	47,883.10	50,141.60
Total	248,986.00	266,023.70	289,206.30

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.

As at 31 March

	Rating Distribution Value	2019	2020	2021
		% of total	% of total	% of total
1	AAA	12	18	27
2	AA ⁽¹⁾	39	39	35
3	A ⁽²⁾	31	26	24
4	BBB ⁽³⁾	14	13	11
5	BB and below ⁽⁴⁾	4	4	4
	Total	100	100	100

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

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

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

In both fiscal years 2020 and 2021, approximately 95% and 94% 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 totaled ₹7,467 crores and ₹6,528 crores as at 31 March 2019 and 31 March 2020, as compared to ₹7,443 crores as at 31 March 2021. These figures reflect, among other things, ₹6,134 crores of new credit downgrades in to the BB and below category during the year ended 31 March 2021, which mostly related to certain borrower groups that have exhibited renewed signs of credit stress.

The four industry groups with the highest representation in the standard Corporate sub-group's loans rated BB and below are power (representing 24.86% of the Corporate sub-group's loans rated BB and below as at 31 March 2021), infrastructure and construction (representing 20.36% of the Corporate sub-group's loans rated BB and below as at 31 March 2021), hotels (representing 14.11% of the Corporate sub-group's loans rated BB and below as at 31 March 2021) and trade (representing 10.39% of the Corporate sub-group's loans rated BB and below as at 31 March 2021).

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 1.32% and 1.05% as at 31 March 2019 and 31 March 2020, as compared to 1.09% as at 31 March 2021. 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 4.07% and 3.20% as at 31 March 2019 and 31 March 2020, as compared to 3.39% as at 31 March 2021.

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.

As at 31 March

	Rating Distribution Value	2019	2020	2021
		% of total	% of total	% of total
1	SME1	11	12	11
2	SME2	9	16	19
3	SME3	65	58	56
4	SME4	8	8	8
5	SME5 -7	7	6	6
	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. As at 31 March 2020, the Wholesale Banking business unit's outstanding net working capital loans (including the Corporate and SME sub-groups) amounted to ₹1,11,062 crores, constituting 19.44% of the Bank's net loan portfolio, as compared with ₹1,20,183 crores as at 31 March 2021, constituting 19.27% of the Bank's net loan portfolio as at those respective dates.

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. As at 31 March 2020, the Wholesale Banking business unit's outstanding net term loans (including the Corporate and SME sub-groups) amounted to ₹1,54,961 crores, constituting 27.12% of its net loan portfolio, as compared with ₹1,69,023 crores as at 31 March 2021, constituting 27.10% of the Bank's net loan portfolio as at those respective dates.

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 31 March 2020, the Bank's acceptances, endorsements and other obligations portfolio amounted to ₹25,165 crores, compared with ₹37,806 crores as at 31 March 2021.
- **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 31 March 2020, the Bank's outstanding guarantees amounted to ₹73,914 crores compared with ₹80,831 crores as at 31 March 2021.

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.

- **Non-Retail Current Accounts and Term Deposits.** As at 31 March 2019 and 31 March 2020, the non-retail current account deposit balance with the Bank totaled ₹89,265 crores and ₹90,114 crores respectively, compared with ₹1,13,276 crores as at 31 March 2021. As at 31 March 2018 and 31 March 2019, the non-retail term deposit balance with the Bank totaled ₹1,06,163 crores and ₹1,22,962 crores, compared with ₹1,04,629 crores as at 31 March 2021.
- **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 ₹1,865 crores, ₹1,972 crores, and ₹2,193 crores for fiscal years 2019, 2020 and 2021.

Fee-Based Services

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

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

- **Cash Management.** In the cash management services business, the Bank focuses on offering customized services to its customers to cater to specific corporate requirements and improve the existing product line to offer enhanced features to the customers, such as collection, payment and remittance services with a focus on improving clients' cash flows. These solutions leverage the Bank's extensive branch network and robust technology to provide an ideal blend of structured monthly information systems and faster fund movement, so that customers are able to enhance their fund management capabilities. The Bank is also focusing on host-to-host integration for both collections and payments, such as IT integration between corporates and the Bank for seamless transactions and information flow. During fiscal year 2020, the Bank enabled 24x7 processing of NEFT transactions. In order to extend online banking for non-digital customers during the COVID-19 related lockdown, the Bank has initiated the process of paperless onboarding for digital payment channels. The Bank developed a simple 3 click online process and enabled the entire branch network to issue FASTags. Further, the bank has developed in-house Bharat Bill Payment System (BBPS) engine. The Bank has designed a comprehensive solution for billers and aggregators which enables them to participate in the BBPS platform.
- **Trade, Forex and Derivatives.** Under the trade, forex and derivative business, the Bank offers complete trade finance and foreign exchange business solutions through its branches across the country. The Bank also provides structured hedging solutions to all client sectors of the Bank. The Bank also has a team of experts stationed at its central office who serve a coordinating role for the Bank's branches and business departments which need advice on regulations governing the trade and forex business.
- **Custodial and Capital Market Services.** Under the custodial business, the Bank acts as a clearing bank and professional clearing member across exchanges in India providing clearing member services and funds clearing solutions to exchange members. The Bank is approaching insurance companies, mutual funds, foreign corporate entities, foreign venture capital investors and foreign institutional investors to further market these services. The major activities undertaken by the Capital Market Division are fund based and non-fund based credit facilities, clearing bank activities, Professional Clearing Member Services (PCM), NSCCL custodian services, fund accounting services, IPOs, dividend distribution and escrow services.
- **Correspondent Banking and Payments** Correspondent Banking maintains Nostro and Vostro relationships of banks across various geographies. The Bank enters into correspondent banking relationship to grow cross border business and offer more options to customers for inward and outward payments. The Bank offers products and services to customers such as retail/non-retail remittances, cheque clearing, trade finance and treasury payments.
- **Government Services.** The Bank has been authorized by RBI and the Government to handle various Government banking transactions, which includes the following services: collection of direct taxes and GST taxes on the Government's behalf; disbursement of pensions to central civil service retirees as well as defense department retirees; and banking services for the Ministry of Urban Development, Ministry of

Fee Income

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:

For the year ended 31 March			
Fee income from Wholesale Banking operations	2019	2020	2021
	(₹ in crores)		
Corporate sub-group fees	1,340.70	1,218.90	1,212.20
SME sub-group fees	452.80	418.70	455.70
Transaction banking fees	1,865.40	1,972.10	2,192.80
Total fee income from Wholesale Banking operations	3,658.90	3,609.70	3,860.70

Fee income derived from the Corporate sub-group accounted for 3.85%, 2.99% and 2.75% 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 2019, 2020 and 2021, respectively, and 13.24%, 11.06%, and 11.34% of the Bank's total fee income for fiscal years 2019, 2020 and 2021. Fee income from the Bank's SME sub-group accounted for 1.30%, 1.03% and 1.03% 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 2019, 2020 and 2021, respectively, and 4.47%, 3.80%, and 4.26% of the Bank's total fee income for fiscal years 2019, 2020 and 2021.

Credit Selection Strategy

In fiscal year 2021, the Bank revamped 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 credit rating;
- significant probability of credit rating enhancement in the medium term;
- strong cash flows;
- satisfactory quality of management in terms of past track record of performance and reputation for competence, integrity and respectable corporate governance practices;
- long-term sustainability of the borrower's business model;
- likely future leader in emerging businesses;
- acceptable underlying security and credit enhancement measures; and
- reasonable pricing and acceptable rate of return on capital.

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 increasing 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 ₹326 crores, ₹325 crores and ₹152 crores for fiscal years 2019, 2020, and 2021, 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 31 March		
	2019	2020	2021
Savings bank deposits	1,541,288	1,735,916	2,044,725
Demand deposits	892,653	901,144	1,132,762
Term deposits	3,050,772	3,763,989	3,895,574
Total deposits	5,484,713	6,401,049	7,073,061

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

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

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

Trading Operations

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

The investment policy is designed to address the following:

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

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

The size of the Bank’s equity portfolio is restricted by a ceiling imposed by the RBI on the capital market exposure of banks to 40% of their net worth as at 31 March of the previous year. The Bank’s aggregate limit for exposure to the capital markets in fiscal 2021 was ₹30,901 crores (40% of its net worth as at 31 March 2020, as adjusted for subsequent capital injection). The Bank’s exposure to the capital markets (as defined by the RBI) as at 31 March 2021 was ₹13,342 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 31 March 2020, the Bank had ₹8,02,690 crores in outstanding forward exchange and derivatives contracts compared with ₹8,82,040 crores as at 31 March 2021.

Profit on exchange/derivatives transactions (net) increased from ₹1,574 crores in fiscal year 2020 to ₹1,578 crores in fiscal 2021.

Debt Capital Markets (DCM)

The Bank continues to remain a dominant player in the debt capital market sector as per Bloomberg and Prime database ranking. In fiscal years 2020 and 2021, the Bank acted as arranger for ₹2,81,267 crores and ₹3,08,123 crores, respectively. In 2021 the Bank was associated with total issues of ₹3,33,740 crores for various PSUs and corporates.

During fiscal 2021, the Bank was awarded “Best DCM House” in India by Finance Asia. Also, employees of the Bank’s sales and trading teams were included in the list of Asia’s best local currency bond individuals in research, sales and trading for 2020 in “The 2020 Asian Local Currency Bond Benchmark Review” undertaken by “Asset Benchmark Research”. The Bank is a significant player in the international debt capital markets business covering U.S.\$ and EUR-denominated bonds, masala bonds and green bonds among others. During fiscal year 2020, the Bank was awarded “Best DCM House” in India by Finance Asia. 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 at 31 March 2021, the Bank has seven overseas offices, with branches in DIFC and Singapore and

representative offices in Dubai, Abu Dhabi, Sharjah, and Dhaka and a subsidiary in London. The Bank also has an offshore banking unit at the International Financial Service Centre located at the Gujarat International Finance Tec-City in Gandhinagar, India. The Bank is currently in the process of winding up Axis Bank UK Limited, its subsidiary in London.

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 ₹53,098 crores, which constituted 5.33% of the Bank's total assets as at 31 March 2021.

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 at 31 March 2021, the Bank had opened approximately 0.79 crores basic savings accounts and had a network of over 14,162 customer service points in rural locations. The Bank is equipped to handle interoperable transactions on the Aadhaar Enabled Payment System, an electronic system in India that enables financial transactions based on customers' Government-issued Aadhaar identification numbers. This, in turn, has empowered the Aadhaar enabled customers of the Bank to transact at other banks' Aadhaar enabled business correspondent outlets and vice versa. In fiscal 2021, the Bank processed nearly 0.334 crores transactions on the Aadhaar Enabled Payment System amounting to ₹1,023.43 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 at 31 March 2021, the Bank had a total priority sector lending portfolio of ₹2,46,580 crores. The following is a breakdown of the Bank's priority sector lending position as at the dates indicated.

	As at 31 March (₹ in crores)		
	2019	2020	2021
Agricultural advances ⁽¹⁾	46,332.80	90,808.20	117,972.30
Micro and small enterprises ⁽²⁾	55,078.70	80,994.10	102,985.40
Other priority sector lending ⁽³⁾	68,805.80	24,415.60	25,622.40
Total	170,217.30	196,217.90	246,580.10

(1) Agriculture advances includes deposits with NABARD and PSLCs purchased.

(2) Micro and small enterprises advances includes 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.

Pertains to SME business of the Bank

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.

The Bank has created specialized division as Rural lending to focus on agricultural loan customers. The rural lending division is catering to agricultural community by offering customized products suited to the requirements of retail farmers as well as agri corporates. The Bank's strategy in agricultural lending is based on identifying opportunities in the entire agricultural value chain, focus on diversification, and creating partnerships opportunities with like-minded companies in the agricultural sector, microfinance and other rural institutions and non-governmental organizations that have close links to the agricultural sector.

Beyond retail lending to farmer community, Bank has also grown its agricultural lending business by offering suitable products to various members in the supply chain in the agriculture business (such as warehouses and cold storage units) and leveraging the Bank's technology platform to distribute its products and services conveniently and cost-effectively in rural areas. The Bank offers schemes for financing the agricultural value chain participants such as agro-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 the Bank considers agriculture-intensive and where vast potential market exists for the Bank's agriculture finance. It has also created 13591 Business correspondent outlets in deeper hinterland to offer banking services effectively and efficiently. This initiative is aimed to help the Bank in scaling up its direct lending services at multi-fold level.

Bank has recently rehashed its approach to rural agri market by creating exclusively specialized team catering to Bharat Banking. The team has started identifying areas of intervention and is in midst of creating capabilities and network to serve larger and deeper agri markets and develop 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 at 31 March 2021, the Bank had a network of 4594 branches and extension counters as compared to 4,528 branches and extension counters as at 31 March 2020. As at 30 September 2021, the Bank had a network of 4,679 branches and extension counters.

As at 31 March 2021, the Bank also had 298 central processing centers and 118 specialized branches (lending centers) and 11,333 ATMs and 5,710 recyclers. As at 31 March 2021, the Bank's geographical reach in India extended to 36 states and union territories, covering around 2,596 centers and 673 districts.

The Bank has taken a calibrated approach in opening 66 new branches and extension counters in fiscal 2021.

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

The following table sets forth the number of the Bank's branches (excluding extension centers) in India, classified by category based on the India 2011 census, as at 31 March 2021.

Category	Number of Branches	Percentage of Branches
Metro	1,368	29.86 %
Urban	1,046	22.83 %
Semi-urban	1,413	30.84 %
Rural	755	16.47 %
Total	4,582	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 31 March 2021.

Category	Number of Branches	Percentage of Branches
North	1,036	22.60 %
East	854	18.60 %
West	897	19.60 %
South	1,116	24.48 %
Central	679	14.82 %
Total	4,582	100.00 %

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 Axis Mobile application, customers can use their accounts to pay bills, transfer funds, recharge prepaid mobile phones, create and liquidate deposits, log requests for checkbooks, stop checks, change card PINs, among other services. The Axis Mobile application is available for retail saving accounts, current accounts, NRI savings accounts, credit cards, forex and loan customers.

Based on RBI data, the Bank's mobile banking platform processed over 396 crores total transactions in fiscal 2021, resulting in the Bank having a 15.63% market share by volume of the Indian mobile banking sector for that period.

As at 31 March 2021, the Axis Mobile application had a 4.6 out of 5 rating, both on the Apple App Store and Google Play 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.

The Bank's cashless and digital payments platforms currently represent a significant part of the Bank's business. For example, in fiscal year 2021, approximately 88%, of the Bank's total financial transactions by individual customers were executed through cashless and digital channels, as compared to approximately 9% which were executed through ATMs and approximately 3% which were executed through branches. In addition, in fiscal year 2021, approximately 57% of the Bank's total personal loans were sourced through digital channels as compared to 43% which were sourced physically through branches.

In fiscal year 2021, the Bank introduced the Industry first feature loaded Debit Card along with Video KYC based savings accounts. The E-Debit Card allows customers to start transacting immediately after opening the account and carries spend linked benefits. With continued focus on increasing penetration of Contactless payments, the Bank also launched Wear 'N' Pay, its own range of wearable contactless payment devices, making payments truly on-the-go and convenient for its customers.

In fiscal year 2021, the Bank introduced a number of digital products including video KYC based on boarding for savings accounts, current accounts and credit cards; new digital investment and insurance journeys across mutual funds, PPF, life and general insurance; digital FDs for NTB customers and GST based digital lending for small businesses

The Bank's initiatives on the digital front have been widely recognized. The bank was awarded the "Best Bank Award for Innovation" in the Business Today - KPMG India's Best Bank Awards. Similarly, the Bank was awarded the "Best Digital Bank" by publications like Asiamoney and Financial Express.

The Bank maintained its positioning as one of the largest players in the UPI space with a market share of 16.7% as Payer PSP during the fiscal year 2021. During the year, the Bank also went live as a PSP partner for PhonePe & WhatsApp and the Bank now has partnerships with all the major third-party UPI apps in the ecosystem

(including Google Pay & Amazon Pay) with more than 18.6 crores customer VPAs registered as on 31 March 2021.

With the help its advanced analytics capabilities, the Bank is leveraging its payments data for the purposes of cross-selling its financial and investment products to its customers in a more targeted and efficient manner.

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 categorization, 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 called NetSecure. 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 made available for IB users for better experience. Services like ReKYC, address change etc. provided under one bouquet for customer ease and facilitate increased convenience through net banking channel. Outward remittance implemented and made available 24/7 for ease of use. Internet banking has moved to a new platform with upgraded technology stack on 2 March 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 fund transfers, cheque book requests, card blocking requests, managing debit card limits, paying credit card and utility bills and recharge mobile phone credits.

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 14 live services. For support, there are over 80,000 FAQs.

Sales Channel

The Bank deploys a front-line sales team for its assets and liabilities businesses which plays a key role customer acquisition for the Bank. Additionally, the team is also involved in sourcing third party products which generates fee income for the Bank. Further, the team also engages in sourcing the asset products offered by the Bank.

The Bank's sales team is distributed across most of India's territory and engages with customers daily. The Bank's sales team comprises a substantial number of sales staff, including relationship managers spread across the Retail business unit and the Wholesale Banking business unit. The Bank's sales team is also bifurcated between the liability sales channel and the branch banking team.

Credit Ratings

The following table sets forth, as at 31 March 2021, 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	BB+	Stable
Moody's	Baa3	Negative
Fitch	BB+	Negative
CRISIL	AAA/AA+	Stable
CARE	AAA	Stable
ICRA	AAA/AA+	Stable
India Ratings	AAA	Stable

As at the date of this Placement Memorandum, there have been no changes to the credit ratings set forth above.

Competition

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

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

Consolidation in the Indian banking industry may increase competitive pressures experienced by the Bank. For example, in one of the largest consolidations in the Indian banking industry, the SBI merged with its five associate banks and the Bharatiya Mahila Bank, which merger became effective from 1 April 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 1 April 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 2017.

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.

Borrowers in the metal and metal products industry, power generation and distribution industry, real estate industry and telecommunication services representing 3.68%, 3.89%, 3.51% and 1.99%, respectively, of the Bank's gross fund-based loans outstanding and credit substitutes as at 31 March 2021.

In addition, as at 31 March 2021, the Bank's aggregate credit exposure (including derivative exposure) to its 20 largest borrowers (fund and non-fund based) amounted to ₹1,05,708 crores, representing 86.95% 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 31 March 2021 had a loan balance of ₹11,038 crores, representing 9.08% 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 78,307 employees as at 31 March 2021, compared with 74,140 employees as at 31 March 2020.

From a monitoring perspective, the Bank has divided its franchise of branches into 34 Circle Offices and eight regional offices, which are administrative units that controls a cluster of branches, in order to provide for adequate supervision across various levels.

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 31 March 2019, 2020, and 2021.

	As at 31 March		
	2019	2020	2021
Corporate Headquarters	5,629	6,483	7,449
Corporate Office Verticals	15,048	15,691	19,032
Circle Offices	2,235	2,247	2,057
Branch	38,821	49,565	49,621
Overseas	207	154	148
Grand Total	61,940	74,140	78,307

Corporate Social Responsibility and Sustainability

As one of India's largest private sector banks, the Bank's Corporate Social Responsibility (CSR) and sustainability strategy has been to move forward in a manner that catalyzes positive economic, social and environmental value creation for its stakeholders while that in turn ensuing sustainable profitability and growth for the organization. The Bank strives to integrate the principles of corporate sustainability and social responsibility into its organizational ethos, governance structures and business and non-business activities.

The Bank has over the years played an active role in building a resilient society through its CSR initiatives that aim to bring about a meaningful socio-economic impact in the lives of the marginalized and vulnerable communities across the country. It carries out its CSR activities directly, through the Axis Bank Foundation, or through credible implementation partners across themes including rural livelihoods, education and skill development, healthcare and sanitation, financial inclusion and literacy, and environmental protection.

Since the onset of the Covid-19 pandemic in India, the Bank has been supporting its customers, employees and the larger community in the collective fight against the pandemic. The Bank has supported municipal corporations, civil hospitals, district authorities, police departments, and other such frontline workers across the country in meeting their immediate requirements for equipment and materials. The Foundation, along with its implementation partners, is working at the grassroots to help India's rural population overcome their pandemic-related challenges.

The Bank is cognizant of the imperative of deepening the adoption of principles of ESG into its organizational

strategy and conduct, and its working towards strengthening the pillars to build a futureproof organization.

The Bank has been included in the FTSE4Good Emerging Index for the fourth consecutive year in 2020. In addition, in 2020, the Bank's ESG Rating by MSCI ESG Research.

The Bank's rating was upgraded to A from BBB, and its CDP rating jumped two spots to B. The Bank is also a constituent of leading domestic ESG indices such as the MSCI India ESG Leaders Index and the Nifty 100 ESG Sector Leaders Index.

Information Technology

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

The Bank's Information Technology (IT) department manages all banking applications through a talented central IT team having strong domain capabilities in banking, treasury, channels, payments and collections, along with technical capabilities. The IT operations are managed through a cross-functional team involving functional and technical experts.

During the year, the Bank took various technology enabled business initiatives to facilitate the Bank's journey towards driving sustainable growth and improving customer experience with the help of digital banking, leveraging the Bank's payments business capability, sustained focus on analytics, and providing self-assisted capability to customers.

With the objective of making banking simple and hassle-free for customers, the Bank has undertaken various technology driven business initiatives to deliver value through continuous technology adoption and innovation. While pushing to deliver new customer facing products, the Bank has also strengthened its infrastructure to maintain high performance and availability standards expected by customers and regulators. The Bank is re-architecting its technology infrastructure to be Cloud native, which will provide the necessary agility, speed and flexibility for scale.

The Bank continues to re-invent and re-invest in technologies including mobility, cognitive intelligence, application programming interface (API) banking, Robotic Process Automation and Artificial Intelligence / Machine Learning to develop winning propositions for its customers. In order to drive seamless integration with partners, Bank's Open API platform has been further enhanced to on board partners thereby generating more business and driving volumes.

During the FY22 the Bank will continue to build on the initial success of the transformation journey undertaken to make the IT team future-ready. The transformation program will build the foundation for becoming best-in-class across key areas. The transformation program focuses on achieving 4 key outcomes - a) deliver tech products faster b) enable critical capabilities c) improve resilience d) optimize expenditure across engineering excellence, channel architecture, integration, automation, infrastructure etc.

Data Centre and Disaster Recovery Site

The Bank has two primary data centres located in Mumbai (co-located) and Bengaluru (owned). Both data centres have n+1 redundant architecture for power and cooling distribution. Business applications are strategically spread between the two data centres for active setup at one DC and resiliency at other DC. Both data centres are located in different seismic zones and are connected through a redundant wide-area network which is connected to all branches and office locations. The Bank regularly conducts disaster recovery drills for critical applications to ensure continuity readiness in the event of disaster. Bank has enhanced resiliency of critical applications with automation tools that provide real-time visibility on DR readiness and DR operations. The Bank has presence in AWS and Azure clouds to help spread the risk while optimising usage of new generation technologies.

Information Security

The Bank pursues a holistic Information and cyber security program with a comprehensive Information Security Policy, Cyber Security Policy, and standards based on industry best practices with compliance to regulatory guidelines. These policies are aligned with the regulatory directives on information and cyber security and with global best practices like NIST, ISO27001:2013, PCI DSS, Technology Risk Management (TRM) by Monetary Authority of Singapore (MAS) etc.

The Bank's Information & Cyber Security Governance Framework is in place at executive level with an

Information System Security Committee constituting key business functions meeting at least once in a quarter to assess the threat landscape and validate the controls enforced in the Bank commensurate with the cyber risks.

The Bank:

- has invested in strong technical and administrative controls to proactively prevent, detect and timely contain and respond any suspicious activity;
- is compliant to ISO27001 standard and PCI DSS standard. The Bank conducts various assessment to identify and remediate risks before any application and/or IT infrastructure component is deployed. These assessments include Application security, vulnerability assessment, penetration testing, security architecture review data security assessment etc.;
- has adopted defence in depth methodology to protect its crown jewels from intrusion by malicious actors; and
- has a 24 x 7 Security Operation Center (SOC) to keep vigil over the Bank's digital assets and coordinates with RBI, CERT-IN, NCIIPC, NPCI etc. for implementation of their recommendation to strengthen its defence against cyber-attacks.

Intellectual Property

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

Insurance

The Bank maintains its own insurance policies and has coverage that it deems appropriate and customary for a bank of its size and nature. The Bank's insurance policies include a banker's indemnity insurance policy, which is a comprehensive insurance policy that offers coverage for various forms of risks. Some of the items covered under this insurance policy include:

- money (cash and precious metals) on premises and in vaults of agencies;
- money (cash and precious metals) in transit;
- cash in onsite ATMs/dispensers owned by the Bank;
- losses from external/internal fraud;
- losses from transactions through mobile banking;
- electronic banking transactions; and
- electronic crime.

In addition to the above coverage, currency chests and fixed assets are also covered for the Bank. The Bank has obtained insurance to cover the liability of directors, officers and other key management members of the Bank as well as its subsidiaries.

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, Wadia International Centre, 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 31 March 2021
	(in ₹ crores)
Premises for business offices	1,837.70

	Gross Book Value
Total	1,837.70

Apart from the above properties, all other properties used by the Bank and its branches, offices and offsite ATM centers are leased. As of 31 March 2021, the Bank had a domestic network of 4,594 branches including extension counters, 11,333 ATMs and 5,710 cash deposit and withdrawal machines spread across India.

Material Contracts

The Bank and its subsidiaries are not substantially dependent on any contracts, and have not entered into any material contracts outside the ordinary course of the Bank's business.

IV. RISK FACTORS / MANAGEMENT'S PERCEPTION OF THE RISK FACTORS

Investors should carefully consider the following risk factors as well as the other information contained in this Placement Memorandum prior to making an investment in the Bonds. In making an investment decision, each investor must rely on its own examination of the Bank and the terms of the offering of the Bonds. The risks described below are not the only ones that may affect the Bonds. Additional risks not currently known to the Bank or that the Bank currently deems immaterial may also impair the Bank's business operations.

The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.

Unless otherwise stated, references to "the Bank", are to Axis Bank Limited on a standalone basis and references to "we", "us", "our", are to Axis Bank Limited on a consolidated basis.

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.

The rapid and diffused spread of the COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on the Bank's business, cash flows, results of operations and financial condition, including liquidity, asset quality and growth. The extent to which the COVID-19 pandemic impacts the Bank's business, cash flows, results of operations and financial condition will depend on future developments, including the timeliness and effectiveness of actions taken or not taken to contain and mitigate the effects of COVID-19 both in India and internationally by governments, central banks, healthcare providers, health system participants and other businesses and individuals, which are highly uncertain and cannot be predicted. Further, there is currently substantial medical uncertainty regarding the COVID-19 pandemic. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause unprecedented economic disruption in India and the rest of the world. The scope, duration and frequency of such measures and the adverse effects of the COVID-19 pandemic remain uncertain and are likely to be severe.

In order to address the impact of the COVID-19 pandemic on the Bank's business, the Bank made an additional provision of ₹3,000 crores for COVID-19 pandemic in fiscal year 2020, which included an amount of ₹1,882 crores for COVID-19, above the regulatory requirement, based on an internal stress testing exercise and ₹1,118 crores towards loans under moratorium in accordance with the RBI guidelines on COVID-19 regulatory package. Further, during the year, the Bank has made an additional regulation-prescribed provision of ₹2,012 crores. As of 31 March 2021, the Bank has provisions of ₹5,012 crores to guard against the potential impact of COVID-19 (other than provisions held for restructuring under COVID-19 norms) based on the information available at this point in time. The provisions held by the Bank are in excess of the RBI-prescribed norms. In view of the evolving COVID-19 situation, there is no assurance that the provisions created by the Bank will be sufficient and the Bank may be required to make additional provisions in the future.

In accordance with the RBI guidelines relating to COVID-19 regulatory package, the Bank had initially offered a moratorium of three months on the payment of all instalments falling due between 1 March 2020 and 31 May 2020, in respect of term loans and working capital facilities sanctioned in the form of cash credit/overdraft to various eligible borrowers. On 23 May 2020, the moratorium period was further extended by the RBI until 31 August 2020. The RBI has also clarified that the accounts which benefit from the moratorium period, will get the benefit of an ageing standstill and hence would not be classified as NPAs if the accounts have any instalments or interest are overdue for more than 90 days during the moratorium period. However, lenders are required to make general provisions of 10% in respect of accounts which were in default on 29 February 2020 where moratorium is granted and asset classification benefit is availed. The utilisation and/or release of the provision, are subject to the applicable RBI directions that may be amended from time to time. As at 31 March 2021, the Bank has not utilised any of the COVID-19 provisions. There is no assurance that the payments due on such loans under moratorium will be made or these loans will not be classified as NPAs in the future. The

Bank may be required to recognize higher loan loss provisions in future periods on account of the uncertainty in the external environment due to COVID-19, which may adversely impact its asset quality and profitability in future periods.

The Supreme Court of India in *Small Scale Industrial Manufacturers Associate (Regd.) vs Union of India and others* vide a judgment dated 23 March 2021 has directed that the interim order granted on 3 September 2020 to not declare the accounts of borrowers as NPAs stands vacated. Moving forward from the date of the judgment on 23 March 2021, the Issuer will resume recognizing overdue accounts not previously recognized as NPAs, as NPAs. In addition, in the judgment referred to above, the Supreme Court has directed that there shall be a waiver of interest on interest/ compound interest/penal interest for the period during the moratorium for borrowers for lending institutions. Pursuant to the judgment, whatever the amount recovered by way of interest on interest/ compound interest/penal interest for the period during the moratorium, the same shall be refunded and adjusted in the next instalment of the loan account. Further, the RBI on 7 April 2021 has directed all the lending institutions to immediately put in place a Board-approved policy to refund/adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. 1 March 2020 to 30 August 2020 including borrowers who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. In addition, the COVID-19 pandemic may affect the Bank in a number of ways, including as set out below, and the Bank expects the potential magnitude and duration of each to be severe:

- the Bank's corporate, commercial and consumer borrowers, may default on loan and other payments or other commitments. The Bank's delinquency ratios may substantially increase and its asset quality may deteriorate.
- the Bank may face delays associated with collection of payments from its clients, due to such lockdown or economic slowdown caused by the COVID-19 pandemic, which may adversely affect its cash flows. This may be coupled with difficulty in accessing sources of financing as a consequence of volatility in domestic and international markets and/or a global recession;
- the recovery proceedings initiated by the Bank and other outstanding litigation may face further delays due to the limited operations of the courts and tribunals due to the COVID-19 pandemic;
- the Government of India had declared that there will be no fresh additions under the Insolvency and Bankruptcy Code, 2016 for any default arising from 25 March 2020 to six months from such date, extendable up to one year and this may affect the recoveries for the Bank;
- COVID-19 may disproportionately affect borrowers in certain sectors such as travel, airlines, hospitality, real estate, logistics, transportation and entertainment or borrowers that have high fixed costs or high leverage, leading to restructuring of their loans and additional stress;
- large scale furloughs, or terminations of employees or reductions in salaries may lead to defaults by the Bank's retail borrowers;
- an overall deterioration in the economy may also lead to a reduction in the value of collateral provided for the Bank's loans, leading to higher than anticipated losses on default. Further, as the Bank's unsecured loan portfolio is not supported by any collateral, in the event of non-payment by borrowers under these loans, the Bank may be unable to collect the unpaid balance;
- in the event a member or members of the Bank's management team contracts COVID-19, it may potentially affect its operations;
- 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. Further, the Bank believes that depositors also shift to larger banks that are considered safer, better capitalized and better able to withstand economic shock. This tends to result in a tightening of liquidity in smaller Indian banks during periods of uncertainty. However, notwithstanding this, the Bank expects that larger Indian banks (including the Bank) may face liquidity challenges due to numerous requests to restructure loans across the industries and segments, especially from SMEs and large corporates. Such restructuring would be expected to result in deferrals of interest and principal payments, and Indian banks (including the Bank) would require substantial liquidity to compensate for such deferrals. The RBI has undertaken measures to support liquidity (such as the reduction of the repo rate, cash reserve ratio and liquidity ratio). There is no guarantee that the Bank and the Indian banking industry in general, notwithstanding measures taken by the RBI, will be able to maintain sufficient liquidity given the uncertain scope and duration of the COVID-19 outbreak. Further, if as a consequence of COVID-19, certain banks or NBFCs are unable to meet their market commitments, this can impact investor confidence in banks generally and result in a loss to investors in the bank. This can

also result in a loss of confidence among depositors. The banking system presently has significant excess liquidity which is placed with the RBI through the reverse repo window. Any decision by the RBI to either reduce the reverse repo rates further or curtail reverse repo amounts can cause a loss of return to banks;

- the Bank's branch level and other operations (including third party vendors) may be disrupted by social distancing, split-team, work from home and quarantine measures. Further, on account of the lockdown ordered by the Government of India, a number of the Bank's offices and employees have been working from home or alternate remote centers utilizing remote working technologies. As these are unforeseen circumstances, it may give rise to risks that the Bank may not have anticipated. In particular, the Bank faces heightened cyber-security risks with a large proportion of the Bank's employees working from home;
- the requirement to work from home has resulted in changes to be made to certain operating procedures, which are relatively new. Any unforeseen weaknesses in these processes exposes the Bank to operational risk;
- the Bank's ability to meet its ongoing disclosure obligations may be adversely affected, despite its best efforts;
- if any of the Bank's employees or customers are suspected to have been infected or identified as a possible source of COVID-19, the Bank may be required to quarantine such employees as well as any others that had come into contact with them and may also be required to disinfect the affected branches or other offices of the Bank, which may result in a temporary suspension of the Bank's business operations;
- the Bank's stress testing, changes in loan disbursement, and other measures to address the effects of the COVID-19 pandemic may fail;
- the Bank's digital banking initiatives may fail to be competitive;
- the Bank's strategic projects may be severely delayed or postponed indefinitely;
- there may be reduction in customer demand for the Bank's products due to lockdown or other travel restrictions, economic hardship, or illness, which may impact the Bank's revenue and market share;
- the Bank's ability to engage in new initiatives, strategic transactions on agreed terms and timelines or at all may be adversely impacted;
- the Bank's ability to ensure the safety of its workforce and continuity of operations while conforming with measures implemented by the Central Government and the state governments in relation to health and safety of its employees, may result in increased costs;
- the Bank's ability to meet compliance or legal reporting requirements in a timely manner may be adversely impacted;
- if there is a sudden or rapid increase in COVID-19 related cases, the Bank's ability to continue operations, entirely or temporarily, including its ability to keep its branches open, may be adversely affected as there is high risk of virus infection to the Bank's employees. This may result in temporary disruption of operations and increase in customer complaints which may adversely impact the Bank's business and reputation; and
- the Bank's ability to ensure business continuity and provide uninterrupted services to its customers may be adversely impacted if its employees are unable to efficiently discharge their duties from home or remote locations due to technical or system failures on account of poor infrastructure, internet connectivity or power failure. Further, the Bank's employees working from home or remote locations are more exposed to cyber threats such as hacking, phishing and trojans, resulting in increased incidents of cyber security and information security breaches, violation of privacy, data protection or consumer protection related privacy laws.

Further, the Bank generates almost all of its revenue in India. As India is a developing country with limited medical resources and certain places with dense populations, the effects of the COVID-19 pandemic in India may be of a greater magnitude, scope and duration than those experienced to date in other countries. However, it is possible that the COVID-19 pandemic may lead to a prolonged global economic crisis or recession. Further, certain sectors (such as aviation, tourism, hospitality, transportation and logistics, construction and real estate) have in particular been severely affected by COVID-19, which could result in a significant and prolonged loss of demand and revenue for these industries, causing financial stress and negative growth.

The Bank believes that the COVID-19 pandemic may present at least the following challenges to India's banking industry: (1) uncertainties over the duration and the severity of the COVID-19 pandemic; (2) a

downturn in the global economy and impact to India's economy; (3) weakening purchasing power because of weak economic growth; (4) worsening asset quality due to weak economic condition; and (5) risk of virus infection to bank employees, as banking operations (being essential services) continue through the lockdown.

Any of these factors could have a material adverse effect on the Bank's results of operations and financial condition, including our revenues, costs structure, liquidity, cash flows, asset quality and growth.

Further, the Bank's Statutory Auditors have included emphasis of matters in their audit reports on the Bank's standalone and consolidated financial statements for fiscal years 2020 and 2021, noting that in view of the uncertainties due to the outbreak of the COVID-19 pandemic, the impact on the Bank's standalone and consolidated financial statements is significantly dependent on future developments.

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 62.31%, 61.87% and 66.34% of the Bank's operating revenue (comprised of net interest income plus non-interest income) for fiscals 2019, 2020 and 2021, 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. Fixed rate bonds formed substantially all of the Bank's SLR portfolio as at 31 March 2021. The volatility in interest rates is reflected in the movement of the semi-annual yield on the ten-year Government bond, which was 7.35% as at 31 March 2019, 6.71% as at 31 March 2020, and 6.18% as at 31 March 2021. 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 ₹40,707 crores as at 31 March 2019, ₹23,076 crores as at 31 March 2020 and ₹36,088 crores as at 31 March 2021, 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.

Since the outbreak of the COVID-19 pandemic in January 2020, emerging markets have seen significant capital outflows from both debt and equity markets, including India, which has impacted bond yields. At the same time, the Government and the Central Bank have taken several steps to minimize the economic impact of the pandemic, including cutting statutory interest rates and providing additional liquidity measures which have helped cool down interest rates. Since January 2020, the Bank's asset yields have decreased primarily due to a decline in its one year MCLR rates from 7.95% on 18 April 2020 to 7.35% as of 18 May 2021. Any systemic decline in low-cost funding available to banks in the form of current and savings account deposits would adversely impact the Bank's net interest margin. 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 1 April 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 1 October 2019. To give effect to the aforesaid, the RBI, by way of its notification dated 4 September 2019, amended the Master Direction on Interest Rate on Advances, dated 3 March 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 1 October 2019, to external benchmarks (**September Circular**). Further, on 26 February 2020, the RBI stipulated that all new floating rate loans to the medium enterprises extended by banks from 1 April 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 2019, 2020 and 2021, the Bank recorded income from Treasury operations ((profit/ loss) on sale of investments (net) and profit on exchange/derivative transactions (net)) of ₹2,245 crores, ₹3,747 crores, and ₹3,880 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 5.26%, 4.86%, and 3.70% 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 31 March 2019, 31 March 2020 and 31 March 2021, respectively. The Bank's net NPAs, represented 2.06%, 1.56%, and 1.05% of net customer assets as at 31 March 2019, 31 March 2020 and 31 March 2021, respectively. . As on 30th September 2021, the Bank's Gross NPA and Net NPA levels were 3.53% and 1.08% respectively

Additional 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 31 March 2019, 31 March 2020 and 31 March 2021, the provisioning coverage ratio (including prudential write offs) of the Bank was 76.78%, 82.69%, and 87.77%, 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 further, the overall quality of its loan portfolio deteriorates or it experiences further ageing of the assets after being classified as non-performing, an increase in provisions could be required. There can be no assurance that the percentage of NPAs that the Bank will be able to recover will be similar to the Bank's past experience of recoveries of NPAs. As a result, the Bank's provisioning costs could increase, its net interest income and net interest margin could be negatively impacted due to non-accrual of income on non-performing loans, the Bank's credit ratings and liquidity may be adversely impacted, the Bank may become subject to enhanced regulatory oversight and scrutiny, and the Bank's reputation, its business, its future financial performance and the trading price of the Bonds could be adversely impacted.

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

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

banks are required to make provisions on standard, sub-standard and doubtful assets at rates prescribed by the RBI.

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

The RBI has substantially expanded its guidance relating to the identification and classification of non-performing assets over the last five years, which has resulted in an increase in the Bank's loans classified as non-performing and an increase in provisions. For example, on 7 June 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 particular 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 the metal and metal products industry, power generation and distribution industry, real estate industry and telecommunication services representing 3.68%, 3.89%, 3.51%, and 1.99%, respectively, of the Bank's gross fund-based loans outstanding and credit substitutes as at 31 March 2021.

The Bank therefore risks overexposure to particular 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 31 March 2021, aggregate credit exposure (including derivative exposure) to the Bank's 20 largest borrowers (fund and non-fund based) amounted to ₹1,05,708 crores, representing 86.95% 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 31 March 2021 had a loan balance of ₹11,038 crores, representing 9.08% 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 Execution Strategy 2022 (GPS'22) was 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 same was reviewed and updated in the fiscal year 2020 and we continue to be guided by the pillars of the aforesaid strategy. In view of the on-going COVID crisis, we have crafted several strategic initiatives across business and support functions to help the Bank navigate the crisis and be better positioned for growth. The strategy has been reviewed and updated in the fiscal year 2021 and has now been rolled forward to Execution Strategy 2022 (GPS'23). These strategies may ultimately fail to contribute to the Bank's growth or profitability, and may ultimately be unsuccessful. Even if such strategies are partially successful, the Bank cannot assure you that it will be able to manage its growth effectively or fully deliver on its growth objectives.

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

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

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

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

Finally, the Bank's growth strategy in the future may evolve or change to include strategic acquisitions and restructurings, partnerships, joint ventures and strategic business arrangements with other parties. For example, on 6 April 2021, the Bank acquired 9.002% stake in Max Life Insurance Company. Prior to that, in March 2021, the Bank acquired 9.90% of partnership interest in Fettle Tone LLP, the promoter of Max Bupa Health Insurance Company Limited. Further, in November 2020, the Bank acquired 9.99% stake in CSC e-Governance Services India Limited. Such arrangements may not necessarily contribute to business growth or profitability and may ultimately be unsuccessful. The Bank could also experience difficulties in assimilating personnel and integrating operations and cultures and may not realise the anticipated synergies or efficiencies from such transactions. Further, the Bank cannot assure you that it will be able to undertake such strategic investments, acquisitions (including by way of a merger, or share or asset acquisition) or joint ventures in the future, either on terms acceptable to us or at all. These difficulties could disrupt the Bank's ongoing business, distract its management and employees, and increase its expenses.

Further, the Bank's strategy to penetrate new markets, including with respect to geographical expansion, may change. For example, as part of the Bank's strategic shift towards decreased concentration in specific borrowers, geographies and industries, the Bank has entered into an agreement with OpenPayd Holdings for sale of Axis Bank UK Limited, its subsidiary in London, and is currently also in the process of winding up its overseas

branch operations in Colombo, Hong Kong and Shanghai. 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'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 ₹2,45,812 crores as at 31 March 2019 to ₹3,05,400 crores as at 31 March 2020, and ₹3,34,514 crores as at 31 March 2021. 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 4,050 as at 31 March 2019 to 4,528 as at 31 March 2020. As at 31 March 2021, the Bank had 4,594 branches and extension counters (excluding foreign branches). As at 30 September 2021, the Bank had 4,679 branches and extension counters (excluding foreign branches). The Bank's total assets have grown from ₹8,00,997 crores as at 31 March 2019 to ₹9,15,165 crores as at 31 March 2020, and ₹9,96,118 crores as at 31 March 2021. The Bank's total assets have grown to ₹10,50,738 crores as on 30 September 2021.

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 is subject to reserve capital, capital adequacy and liquidity requirements as stipulated by the RBI for domestic banks. The Bank's inability to maintain adequate capital due to changes in regulations, a lack of access to capital markets, or otherwise may impact its ability to grow and support its business.

The RBI has issued guidelines based on the Basel III reforms on capital regulation to the extent applicable to banks operating in India. These guidelines require, among other things, higher levels of Tier I capital and common equity, capital conservation buffers, maintenance of a minimum prescribed leverage ratio on a quarterly basis, higher deductions from common equity and Tier I capital for investments in subsidiaries and changes in the structure of non-equity instruments eligible for inclusion in Tier I and Tier II capital. With effect from 1 January 2015, Indian banks must comply with the liquidity coverage ratios prescribed by the RBI Basel III Capital Regulations, which follow principles recommended by the Basel Committee. The RBI Guidelines

also set out requirements relating to regulatory capital and the capital adequacy framework, including disclosure requirements of components of capital and risk coverage.

Domestic systemically important banks are required to maintain additional CET-I capital requirement ranging from 0.2% to 0.8% of risk weighted assets. Banks will also be required to have an additional capital requirement towards countercyclical capital buffer varying between 0% and 2.5% of the risk weighted assets as and when announced by the RBI. Additionally, the Basel III liquidity coverage ratio requirements, which have been fully implemented as of 1 January 2019, require a minimum 100% ratio of the Bank's high quality liquid assets to its anticipated cash outflows measured over a 30-day stressed period. The RBI, by its circular dated 17 April 2020, on the 'Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR)', stated that while banks are required to maintain LCR of 100% with effect from 1 January 2019, in order to accommodate the burden on the banks' cash flows on account of the COVID-19 pandemic, banks were permitted to maintain LCR as follows: (i) 80% from 17 April 2020 to 30 September 2020, (ii) 90% from 1 October 2020 to 31 March 2021 and (iii) 100% with effect from 1 April 2021.

Indian banks are also subject to certain cash reserve ratio requirements as prescribed under RBI regulations, which is calculated as a specified percentage of such bank's net demand and time liabilities, excluding interbank deposits. The cash reserve ratio applicable to banks in India is 4% and banks do not earn any interest on those reserves. However, on 27 March 2020, the RBI reduced the CRR by 100 basis points from 4% to 3% with effect from 28 March 2020 for a period of one year, ending on 26 March 2021. All banks operating in India are also required to maintain a statutory liquidity ratio, which is a specified percentage of a bank's net demand and time liabilities by way of liquid assets such as cash, gold or approved unencumbered securities. Approved unencumbered securities consist of unencumbered Government securities and other securities as may be approved from time to time by the RBI that would earn lower levels of interest as compared to advances to customers or investments made in other securities. In its Statement on Developmental and Regulatory Policies dated 5 December 2018, as a part of a transition to the more stringent liquidity coverage ratio requirements, the RBI has proposed that the statutory liquidity ratio be reduced by 25 basis points every calendar quarter (from the quarter commencing January 2019) until the statutory liquidity ratio reaches 18% of the net demand and time liabilities. Further, in terms of the RBI notification dated 6 August 2020, the RBI has stated that banks investing in debt mutual fund/ ETF with underlying comprising of central, state and foreign central governments' bonds, banks' bonds and corporate bonds (other than bank bonds) are required to compute capital charge for market risk as follows: (a) Investment in debt mutual fund/ETF for which full constituent debt details are available shall attract general market risk charge of 9%. The specific risk capital charge for various kinds of exposures are to be applied in terms of the notification; (b) In case of debt mutual fund/ ETF which contains a mix of the various kinds of debt instruments, as specified above, the specific risk capital charge shall be computed based on the lowest rated debt instrument/ instruments attracting the highest specific risk capital charge in the fund; (c) With respect to debt mutual fund/ ETF for which the constituent debt details are not available, at least as of the end of each month, the fund shall continue to be treated at par with equity for computation of capital charge for market risk as prescribed in paragraph 8.4.1 of the Master Circular - Basel III Capital Regulations.

The Bank's capital to risk-weighted assets ratio under the Basel III Guidelines was 19.12% as at 31 March 2021 and 19.23% as at 30 September 2021. As at 31 March 2021 and 30 September 2021, the Bank also was in full compliance with its other capital adequacy requirements under the Basel III Guidelines. As at the date of this Placement Memorandum, the Bank has not been classified by the RBI as a domestic systemically important bank.

The Bank's ability to grow its business and execute its strategy is dependent on its level of capitalization. Any decrease in the Bank's regulatory capital ratios, increase in RBI-mandated reserve requirements or capital requirements applicable to the Bank on account of regulatory changes or otherwise, or inability to access capital markets may compel the Bank to commit its existing capital away from profitable business opportunities, or to raise additional capital, in order to meet these new capital adequacy requirements. For example, the requirement that the Bank maintain a portion of its assets in fixed income government securities could have a negative impact on its treasury income as the Bank typically earns interest on this portion of its assets at rates that are generally less favourable than those typically received on its other interest-earning assets. The Bank may also be compelled to dispose of certain of its assets and/or take other measures in order to obtain the necessary capital to meet more stringent capital requirements. This would limit the Bank's ability to grow its business or adversely impact its profitability and its future performance and strategy.

In the past, the Bank has experienced a shortfall in its cash reserves due to a higher-than-expected outflow of funds, which resulted in an instance of non-compliance with the minimum cash reserve ratio requirements prescribed by the RBI. As a result, the RBI levied a penalty on the Bank amounting to ₹0.16 crores on 11 June 2018. If the Bank is unable to meet the RBI's capital reserves requirements or regulatory capital ratios in the future, the RBI may impose additional penalties or prohibit fresh deposits or take any other action, which may materially and adversely affect the Bank's business, financial condition, results of operations and prospects.

The liquidity coverage ratios prescribed by the RBI Basel III Capital Regulations may result in Indian banks, including the Bank, holding higher amounts of liquidity, thereby impacting their profitability. In addition, any sudden increase in the demand for liquidity by banks to meet these regulatory liquidity requirements could have an adverse impact on the financial markets, and result in a sharp increase in short-term borrowing costs and a sudden increase in the cost of funding for banks, including the Bank.

In the past, the Bank has raised resources from the capital markets in order to meet its capital requirements. However, the Bank believes that the demand for Basel III compliant debt instruments such as Tier 2 capital and Additional Tier 1 Capital eligible securities may be limited in India, and there can be no assurance that the Bank will be able to raise adequate additional capital in the future at all or on terms favourable to it. Moreover, if the Basel Committee releases additional or more stringent guidance on capital adequacy norms which are given the effect of law in India in the future, the Bank may be forced to raise or maintain additional capital in a manner which could materially adversely affect its business, financial condition and results of operations.

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 Placement Memorandum includes unaudited financial information, which has been subjected to limited review, in relation to the Bank. Reliance on such information should, accordingly, be limited.

This Placement Memorandum includes the H1 of FY2022 Unaudited Financial Results, for the Half Year ended September 30, 2021, in respect of which the Auditors have issued their review report. 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 Placement Memorandum.

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 31 March 2019, 2020, and 2021, 28.55%, 27.76%, and 27.72%, 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 31 March 2019, 2020, and 2021, 71.45%, 72.24%, and 72.28%, respectively, 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 1 December 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 light of COVID-19, the Government of India had declared that there will be no fresh additions under the Insolvency and Bankruptcy Code, 2016 for any default arising from 25 March 2020 to six months from such date, extendable up to one year and this may affect the recoveries for the Bank.

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. Our ability to realize the value of our collateral may also be negatively affected due to the impact of COVID-19.

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 31 March 2019, 2020, and 2021, 55.05%, 40.93%, and 34.10%, respectively, of the Bank's total deposits had maturities of one year or less, or were payable on demand. However, as at 31 March 2019, 2020, and 2021, 20.95%, 23.88%, and 24.83%, 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.

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

Under the directed lending norms of the RBI, banks in India are required to lend 40.0% of their adjusted net bank credit to certain eligible sectors, categorized as priority sectors. Of this, banks have sub-targets for lending to key segments or sectors, such as agriculture, small-scale industries and individual housing finance. A proportion of 8.0% of adjusted net bank credit is required to be lent to small and marginal farmers and 7.5% to micro-enterprises. The balance of the priority sector lending requirement can be met by lending to a range of sectors, including small businesses, medium enterprises, renewable energy, social infrastructure and 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 12.14% of adjusted net bank credit for this purpose for fiscal 2021. Loans to identified "weaker sections" of society must comprise 10.0% of adjusted net bank credit. As at 31 March 2019, 2020, and 2021, the Bank's lending to priority sectors (on a quarterly average basis for that year/period) accounted for 40.58%, 41.77%, and 41.75%, respectively, of adjusted net bank credit, with 11.72%, 14.47%, and 18.25%, respectively, of net credit going to the agricultural sector. In addition, according to the RBI guidelines, failure to achieve priority sector lending target and sub-targets will be taken into account by the RBI when granting regulatory clearances/approvals for various purposes.

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

As the Bank increases its direct lending to certain sectors, the Bank increases its exposure to the risks inherent in such sectors, which could materially and adversely impact the Bank's business, financial performance and the trading price of the Bonds. The Bank's gross non-performing advances in the priority sector loan portfolio were 2.92%, 2.89%, and 2.98% as at 31 March 2019, 2020 and 2021. 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 2019, the Rupee depreciated 6.1% to ₹69.16 per U.S.\$1.00 as at 31 March 2019, in fiscal year 2020, the Rupee depreciated 9.4% to close the year at ₹75.67 per U.S.\$1.00 as at 31 March 2020, and in fiscal year 2021, the Rupee appreciated 3.4% to ₹73.11 per U.S.\$1.00 as at 31 March 2021.

The Bank complies with regulatory limits on its unhedged foreign currency exposure. As at 31 March 2019, 2020 and 2021, contingent liabilities (calculated pursuant to the Banking Regulation Act 1949 and Accounting Standard 29) on account of outstanding forward exchange contracts were ₹3,29,654 crores, ₹4,55,979 crores, and ₹5,10,118 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 2021, there were 133 scheduled commercial banks in India, including 12 nationalized banks, following the amalgamation of certain public sector banks in March 2020, 22 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 1 April 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 1 April 2019. In fiscal 2019, a public sector bank, IDBI Bank, was acquired by LIC, following which that bank was reclassified as a private sector bank by the RBI. In fiscal year 2020, the Government announced several additional mergers of public banks: Canara Bank's merger with Syndicate Bank; United Bank of India's merger with Oriental Bank of Commerce and Punjab National Bank; Andhra Bank's merger with Corporation Bank and Union Bank of India; and Allahabad Bank's merger with Indian Bank.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Bank is required to comply with applicable anti-money laundering and anti-terrorism laws and other

regulations in India and in other jurisdictions where it has operations. These laws and regulations require the Bank, among other things, to adopt and enforce “know-your-customer/ anti-money laundering/ combating financing of terrorism” (KYC/AML/CFT) policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions. Remittances and trade finance transactions are increasingly required to be covered under the Bank’s scrutiny and monitoring.

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

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

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

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

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

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

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

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

The Bank is reliant upon certain external service providers to provide it with certain services necessary to maintain its day-to-day operations. Accordingly, the Bank's operations are exposed to the risk that these service providers will not perform their duties in accordance with the contracted arrangements under the relevant service agreements. Third-party vendors and certain affiliated companies provide key components of the Bank's business infrastructure such as loan and deposit servicing systems, back office and business process support, information technology production and support, internet connections and network access. Relying on these third parties and affiliated companies can be a source of operational and regulatory risk to the Bank, including with respect to security breaches affecting such parties.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Further, on 11 June 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 26 April 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 01 October 2021. While RBI will issue a Master Direction on Governance in due course, the Bank cannot predict the timing or the form in which such Master Direction and the nature and impact it will have on the Bank's operation.\

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

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

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

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

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

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

In addition, we are also exposed to the risk of us or any of our employees being non-compliant with insider trading rules or engaging in front running in securities markets. As a listed entity and a fiduciary assisting listed companies, in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, designated persons of the Bank are required to observe restrictions and disclosures in relation to trading in securities of the Bank and others. In the event of any such violations, regulators could take regulatory actions, including financial penalties against us and the concerned employees. This could have a materially adverse financial and reputational impact 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 31 March 2021, 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 immovable 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 30 June 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 SUUTI and other Government-related entities, could conflict with the interests of other shareholders.

The Government, through the Administrator of the SUUTI, LIC and GIC and four public sector insurance

companies, collectively hold a significant portion of the Bank's equity shares. Under the Bank's memorandum and articles of association, SUUTI and LIC each have the right to nominate one director. The Chairman is duly appointed by the board of directors of the Bank.

As at 30 September 2021, the Government indirectly held approximately 11.35% (SUUTI – 1.52%, LIC – 7.98%, GIC and four public sector insurance companies – 1.85%) of the Bank's equity shares.

With respect to four promoter entities of the Bank—The United India Insurance Company Limited, National Insurance Company Limited, The New India Assurance Company Limited, and General Insurance Corporation of India, BSE and NSE vide their respective letters dated November 30, 2021 have granted their approval for the reclassification to "Public" category from "Promoter" category with effect from November 30, 2021.

Request from The Oriental Insurance Company Limited for reclassification to "Public" category from "Promoter" category was approved by the Board at its meeting held on 15th September 2021. Bank has submitted the applications for reclassification to BSE Limited and National Stock Exchange of India Limited on 12th October, 2021 and the approval is awaited.

While the Bank is overseen by an independent board of directors, the Government continues to hold a significant portion of the Bank's voting shares, the Government, and has two seats out of the 13 in the Bank's Board of Directors. The Bank does not believe that they are in a position to unduly exercise influence over board 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. Any substantial sale of the Bank's equity shares by the Government or other large shareholders could adversely affect the price of the equity shares and to the extent investors perceive a disadvantage in owning stock of a company with a significant shareholder, such concentration of ownership may adversely affect the trading price of the Bonds.

Uncertainty about the future of LIBOR/ LIBOR transition may adversely affect the Issuer's business.

On 27 July 2017, the UK Financial Conduct Authority (**FCA**) confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 and, on 12 July 2018, announced that the LIBOR benchmark may cease to be a regulated benchmark under the UK Benchmarks Regulation (the **FCA Announcements**). Such announcements indicate that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Subsequent speeches by the Chief Executive of the FCA and other FCA officials emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021. On 5 March 2021, the FCA announced that (i) the publication of 24 LIBOR settings (as detailed in the FCA announcement) will cease immediately after 31 December 2021, (ii) the publication of the overnight and 12-month U.S. dollar LIBOR settings will cease immediately after 30 June 2023, (iii) immediately after 31 December 2021, the 1-month, 3-month and 6-month sterling LIBOR settings will no longer be representative of the underlying market and economic reality that they are intended to measure and representativeness will not be restored (and the FCA will consult on requiring the ICE Benchmark Administration Limited (the **IBA**) to continue to publish these settings on a synthetic basis, which will no longer be representative of the underlying market and economic reality they are intended to measure, for a further period after end 2021) and (iv) immediately after 30 June 2023, the 1-month, 3-month and 6-month U.S. dollar LIBOR settings will no longer be representative of the underlying market and economic reality that they are intended to measure and representativeness will not be restored (and the FCA will consider the case for using its proposed powers to require IBA to continue publishing these settings on a synthetic basis, which will no longer be representative of the underlying market and economic reality they are intended to measure, for a further period after end June 2023).

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

On 8 July 2021, the RBI issued a notification encouraging banks and financial institutions to cease, and also encourage their customers to cease, entering into new financial contracts that reference LIBOR as a benchmark and instead use any widely accepted Alternative Reference Rate (**ARR**), as soon as practicable, and in any case, by 31 December 2021. RBI has also recommended banks and financial institutions to cease using the Mumbai Interbank Forward Outright Rate (**MIFOR**), published by the Financial Benchmarks India Private Limited (**FBI**) which references the LIBOR, as soon as practicable and in any event by 31 December 2021. RBI has recommended to use daily adjusted MIFOR and modified MIFOR rates published by FBIL for legacy contracts and fresh contracts respectively. The RBI has, *inter alia*, advised the banks and financial institutions to (i) incorporate robust fallback clauses, preferably well before the respective cessation dates, in all financial contracts that reference LIBOR and where the maturity of which is after the announced cessation date of the

respective LIBOR settings; (ii) put in place the necessary infrastructure to be able to offer products referencing the ARR; (iii) undertake a comprehensive review of all direct and indirect LIBOR exposures and put in place a framework to mitigate risks arising from such exposures on account of transitional issues including valuation and contractual clauses; and (iv) ensure that contracts referencing LIBOR/MIFOR may generally be undertaken after 31 December 2021 only for the purpose of managing risks arising out of LIBOR/MIFOR referenced contracts undertaken on or before 31 December 2021.

Uncertainty as to the nature of alternative reference rates and as to potential changes or other reforms to LIBOR may adversely affect LIBOR rates and other interest rates. In the event that a published LIBOR rate is unavailable after 2021, the value of such securities, loans or other financial arrangements may be adversely affected, and, to the extent that the Bank is the issuer of or obligor under any such instruments or arrangements, the Bank's cost thereunder may increase.

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 30 June 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 27 December 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 13 April 2018 submitted the independent third party consultant's report with SEBI. As on the date of this Placement Memorandum, the Bank has not received any order from SEBI in this regard.

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

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

The Bank may breach third party intellectual property rights.

The Bank may be subject to claims by third parties, both inside and outside India, if it breaches their intellectual property rights by using slogans, names, designs, software or other such rights, which are of a similar nature to the intellectual property these third parties may have registered. The Bank has received oppositions from Axis Holdings Private Limited and AXA for its trademark application dated 16 April 2007 and from Axis Holdings Private Limited for its trademark application dated 25 June 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 affects its business and results of operations.

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

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

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

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

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

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

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

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

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

The Bank, its subsidiaries, directors and promoters are involved in legal and regulatory proceedings that, if

determined against it, could have a material adverse impact on its future financial performance and the price of the Bonds.

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

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

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

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

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

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

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

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

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

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

banking; (vi) electronic banking transactions; and (vii) electronic crime.

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

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

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

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

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

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

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

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

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

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

There are a number of uncertainties ahead in the global markets (for example, future bilateral trade relations between the US and China). As of the date of this Placement Memorandum, 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, has spread to other parts of the world, and now with new waves of infections and mutant strains of the virus. Although the global economic recovery has gained momentum since the initial outbreak, driven by mass vaccination programmes and government stimulus packages, the COVID-19 pandemic 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. In February 2020, the COVID-19 pandemic caused stock markets worldwide to lose significant value and impacted economic activity in Asia and worldwide. A number of governments revised GDP growth forecasts for fiscal 2020 downward in response to the economic slowdown caused by the outbreak of the COVID-19 pandemic. However, according to the IMF, the global economy is projected to grow at a rate of 6.0 per cent. in 2021. In many major advanced economies, consumer price index inflation has been increasing, attributable to pent-up demand, elevated input prices and unfavourable base effects. Notwithstanding the stability of the COVID-19 pandemic in some parts of the world, it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. Any of these factors may have a material adverse effect on our financial condition and results of operation.

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 Placement Memorandum 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 Placement Memorandum 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 downgraded the Bank's credit rating from "BBB minus" to "BB+". Further, Fitch Ratings Ltd. downgraded the Bank's rating from "BB plus" with "stable outlook" to "BB plus" with "negative outlook" and Moody's downgraded the Bank's ratings from "Baa3" with "stable outlook" to "Baa3" with "negative outlook".

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

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

Risks Relating to India

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

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

The Indian economy's growth momentum moderated significantly in fiscal year 2020 and then moved into a contraction in fiscal year 2021, dragged down by the COVID-19 pandemic. According to the Indian Central Statistics Office, India's real GDP growth decreased from 6.1% in fiscal year 2019 to 4.0% in fiscal year 2020. According to the provisional estimates of Annual National Income released by National Statistical Office in May 2021, the GDP growth for the fiscal year 2021 contracted by 7.3%. This contraction of economic growth was primarily driven by disruption of economic activity caused by the outbreak of the COVID-19 pandemic and the strict nationwide lockdown imposed in April and May 2020 to curb the transmission of COVID-19. The gradual easing of restriction post lifting of nationwide lockdown also constrained recovery in fiscal 2021. According to the RBI, real GDP is likely to expand by 9.5% in fiscal year 2022. The increased spread of second wave of COVID-19 infections, however, poses downside risks to growth. On the other hand, the vaccination process is expected to gather steam in the coming months and should help to normalise economic activity quickly.

Economic growth in India is influenced by, among other things, 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. For instance, in fiscal year 2014, in response to a rise in inflation from 9.1% in April 2013 to 11.5% in November 2013, the RBI progressively raised the repo rate by 75 basis points from 7.25% to 8.0% during May 2013 to January 2014. The repo rate was thereafter maintained at 8.0% and then gradually reduced starting January 2015 with an overall reduction of 200 basis points with the last reduction to 6% in August 2017. In June 2018, the repo rate was raised by 25 basis points to 6.25% following concerns of inflation rising as a result of an increase in global crude oil prices and an increase in government-determined minimum support prices of food crops. Further, in order to mitigate the macroeconomics risks due to the COVID-19 pandemic, maintain the accommodative stance of the monetary policy as may be necessary to revive growth and ensure that inflation levels remain within target limits, the Governor of the RBI announced a reduction in the policy repo rate by 75 basis points to 4.40% from 5.15%, on 27 March 2020, which was further reduced by 40 basis points to 4.0% on 22 May 2020 and remains unchanged as at the date of this Placement Memorandum. Simultaneously, the reverse repo rate was reduced by 90 basis points to 4.0%. On 22 May 2020, the RBI further cut the reverse repo rate to 3.35%. India has, in the past, experienced sustained periods of high inflation. A return to high rates of inflation with a resulting rise in interest rates, and any corresponding

tightening of monetary policy may have an adverse effect on economic growth in India.

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

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

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

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

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

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

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

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

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

The price of Brent crude oil has recovered substantially from approximately U.S.\$23 per barrel in March 2019

to approximately U.S.\$60 per barrel in March 2021, primarily as a result of the recovery in demand following multiple waves of COVID-19 globally, as well as the rollover of extensive oil output cuts by OPEC+. Volatility in the price of crude oil could adversely affect the Indian economy and the Indian banking and financial system in particular, including through volatility in the rate of inflation and a higher trade deficit which could, in turn, adversely affect the Bank's business.

In recent months, consumer and wholesale prices in India have exhibited elevated inflationary trends, as the result of an increase in crude oil prices and higher international commodity prices. The Consumer Price Index declined from 3.6% (average) in fiscal 2018 to 3.4% (average) in fiscal year 2019, and increased to 4.8% (average) in fiscal year 2020, and then further increased to 6.2% (average) in fiscal year 2021. In the past there have been several periods of sharp increases in global crude oil prices since 2004 due to increased demand and speculation and pressure on production and refinery capacity, and political and military tensions in key oil-producing regions, among other factors. 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.

Although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. As the Bank's business consists of sizable contributions from the retail and agricultural segments, any slowdown in the growth of the housing, automobile or agricultural sectors could increase the cost of servicing its non-Rupee-denominated debt, including the Bonds, and adversely impact the Bank's business, financial conditions and results of operations.

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

India's trade relationships with other countries can influence Indian economic conditions. The merchandise trade deficit was U.S.\$98.6 billion in fiscal year 2021 (as per provisional Commerce Ministry data), compared with U.S.\$157.5 billion in fiscal year 2020. The lower trade deficit in fiscal 2021 is a consequence of sharply lower import demand, resulting from activity dislocations brought on by the first wave of COVID-19 and related distancing measures, but is likely to widen considerably in fiscal year 2022. This large merchandise trade deficit neutralizes the surpluses in India's trade derived from international trade in services, net income from financial assets, labour and property and cross-border transfers of mainly workers' remittances in the current account, resulting in a current account deficit. If India's trade 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.

A decline in India's foreign exchange reserves could result in reduced liquidity and higher interest rates in the Indian economy as well as an adverse effect on the valuation of the Rupee. Flows to foreign exchange reserves in India have been volatile in the past and may continue to be volatile in the future. Foreign exchange reserves increased by U.S.\$369.96 billion from fiscal year 2017 to U.S.\$424 billion in fiscal year 2018. In fiscal year 2019, foreign exchange reserves diminished by U.S.\$12 billion to U.S.\$412 billion. However, in fiscal year 2020, foreign exchange reserves increased by U.S.\$64 billion to U.S.\$476 billion, and to U.S.\$577 billion in fiscal year 2021.

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

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

The Bank is exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. As an emerging market economy, the Indian financial system faces risks not typically faced in developed countries, including the risk of deposit runs, notwithstanding the existence of a national deposit insurance scheme. Certain Indian financial institutions have experienced difficulties during recent 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.

According to the RBI's Financial Stability Report, July 2021, credit growth of scheduled commercial banks remained subdued at 5.4% year-on-year for fiscal year 2021. CRAR of the scheduled commercial banks

improved to 16.0% by 31 March 2021 from 14.8% at 31 March 2020. Banks were able to bolster their capital positions during 2020-21 by capital raising from the market through preferential allotment, qualified institutional placements, public issuances, and capital injections by the Government, as well as the retention of profits. If the macro economic conditions in India deteriorate, the system level CRAR may decline significantly.

The gross NPA ratio of the scheduled commercial banks decreased to 7.5% in March 2021 from 8.2% in March 2020. The aggregate provision coverage ratio of all scheduled commercial banks increased to 68.9% in March 2021 from 66.6% in March 2020. According to RBI Financial Stability Report, July 2021, macro-stress tests for credit risk show that under the baseline scenario, the gross NPA ratio of scheduled commercial banks may increase from 7.48% in March 2021 to 9.8% by March 2022. Recent developments in the NBFC sector have brought the sector under greater market discipline as the better performing companies continue to raise funds while those with asset-liability mismatch issues and/or asset quality concerns are subject to higher borrowing costs.

Major sector indicators as at the dates indicated are provided in the table below:

₹billion (unless otherwise specified)	Public Sector Banks		Private Sector Banks		Foreign Banks	
	2020	Growth %/ Change	2020	Growth %/ Change	2020	Growth %/ Change
Deposits	90,484	6.6%	41,044	8.9%	6,843	17.7%
Advances	61,713	4.7%	36,155	8.7%	4,281	7.9%
Investments	29,446	9.0%	12,710	4.0%	4,313	12.5%
Credit deposit ratio	68.2%	- 123 bps	88.1%	- 17 bps	62.6%	- 569 bps
Net NPA to net Advances	3.7%	- 110 bps	1.6%	- 48 bps	0.5%	- 3 bps

Source: IBA, Key Business Statistics; does not include small finance banks

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 31 March 2019, 2020, and 2021 are prepared in accordance with Indian GAAP, and no attempt has been made to reconcile any of the information given in this Placement Memorandum 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 18 January 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 1 April 2018 onwards with comparatives for the periods ending 31 March 2018 and thereafter. The RBI, by its circular dated 11 February 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 22 March 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 1 April 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 Placement Memorandum and therefore, there can be no assurance that the implementation of GAAR would not adversely affect the Bank's business, future financial performance and the trading price of the Bonds.

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

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

In addition, influenza A H5N1 has had a profound effect on the poultry industry and Nipah virus encephalitis, is

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

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

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

Exchange rate risks and exchange controls

We will pay principal and interest on the Bonds in the currency specified in the relevant Pricing Supplement (the **Specified Currency**). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Bonds, (ii) the Investor's Currency equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Interest rate risks

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

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

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

Risks Relating to the Bonds

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own

circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Placement Memorandum;
- have access to, and knowledge of, the appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- understand thoroughly the terms of the Bonds and be familiar with the nature of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds are complex financial instruments and investors may purchase such instruments as a way to manage risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Bonds unless it has the expertise (either alone or with a financial advisor) to evaluate how the Bonds will perform under changing conditions, and the impact this investment will have on the potential investor's overall investment portfolio.

All Bonds being offered under this Placement Document are unsecured and RBI prescribes certain restrictions in relation to the terms of these Bonds.

All Bonds being issued under this Placement Document are unsecured which means that they are not secured by any of Bank's assets. The claims of the investors in the Bonds being issued as Bonds shall rank *pari passu* along with claims of other uninsured, unsecured creditors of the Bank and senior to (a) the claims for payment of any obligation that, expressly (as permitted under law) or by applicable law, are subordinated to these Bonds, (b) the claims of holders of preference and equity shares of the Issuer and (c) the claims of investors in other instruments eligible for capital status..

The Bonds shall not be redeemable at the initiative of the holder at any time during the tenure of the Bonds or otherwise. These Bonds do not have any special features like put option and call option. Thus investors would not be able to withdraw their investments in the Bonds by exercise of put option.

The Bonds are being issued under various rules, regulations and guidelines issued by the RBI. Further, we may be forced to redeem the Bonds prior to maturity or to take such other action in relation to these Bonds as may be required pursuant to the law and regulations.

We have appointed a debenture trustee to protect the interest of all the Bondholders. In the event of default/liquidation, the Bondholders may proceed against the Bank in the manner as may be stipulated under the Debenture Trustee Agreement. The Bondholders would be restricted under the Debenture Trustee Agreement from initiating proceedings against the Issuer, individually, and would need to act through the Debenture Trustee in relation thereto. The Debenture Trustee may refuse to take any action upon the instructions of the Bondholders under the Debenture Trustee Agreement unless suitably indemnified.

There is no assurance that the Bonds issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the Bonds issued pursuant to this Issue will not be granted until after the Bonds have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the Bonds on the Stock Exchanges for reasons unforeseen.

There may be no active market for the Bonds on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the Bonds may fail to develop and may accordingly be adversely affected.

Any issue of Bonds carried out hereunder will be a new issue of bonds and the Bonds have no established trading market. There is no assurance that a trading market for the Bonds will exist and no assurance as to the liquidity of any trading market. Although an application will be made to list the Bonds on the NSE and/or BSE, there can be no assurance that an active market for the Bonds will develop, and if such a market were to develop, there is no obligation on us to maintain such a market. The liquidity and market prices of the Bonds can be expected to vary with changes in market and economic conditions, Bank's financial condition and

prospects and other factors that generally influence market price of such instruments. Such fluctuations may significantly affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which you purchase the Bonds

Bonds may be illiquid in the secondary market.

The Bank intends to list the Bonds on the wholesale debt market segment of NSE and BSE. The Bank cannot provide any assurance that the Bonds will be frequently traded on the Stock Exchanges and that there would be any market for the Bonds. The current trading of the Bank's existing listed non-convertible debentures, if any, may not reflect the liquidity of the Bonds being offered through the Issue. It is not possible to predict if and to what extent a secondary market may develop for the Bonds or at what price the Bonds will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Bonds 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. Further, the Bank may not be able to issue any further Bonds, in case of any disruptions in the securities market.

The terms of these Bonds contain no limitation on issuing debt or senior or pari passu securities.

There is no restriction on the amount of debt securities that the Bank may issue. The issue of any such debt securities may reduce the amount recoverable by investors in the Bonds upon the Bank's bankruptcy, winding-up or liquidation.

A downgrade in ratings may affect the trading price of the Bonds.

Any ratings assigned to the Bonds that may be issued do not reflect the Bank's ability to make timely payments of principal and interest. A rating is not a recommendation to buy, sell or hold any security, does not address the likelihood or timing of repayment of the Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. There can be no assurance that the ratings assigned to it or the Bonds will remain in effect for any given period or that the ratings will not be revised by the rating agencies in the future if, in their judgment, circumstances so warrant. A downgrade in ratings may affect the trading price of the Bonds.

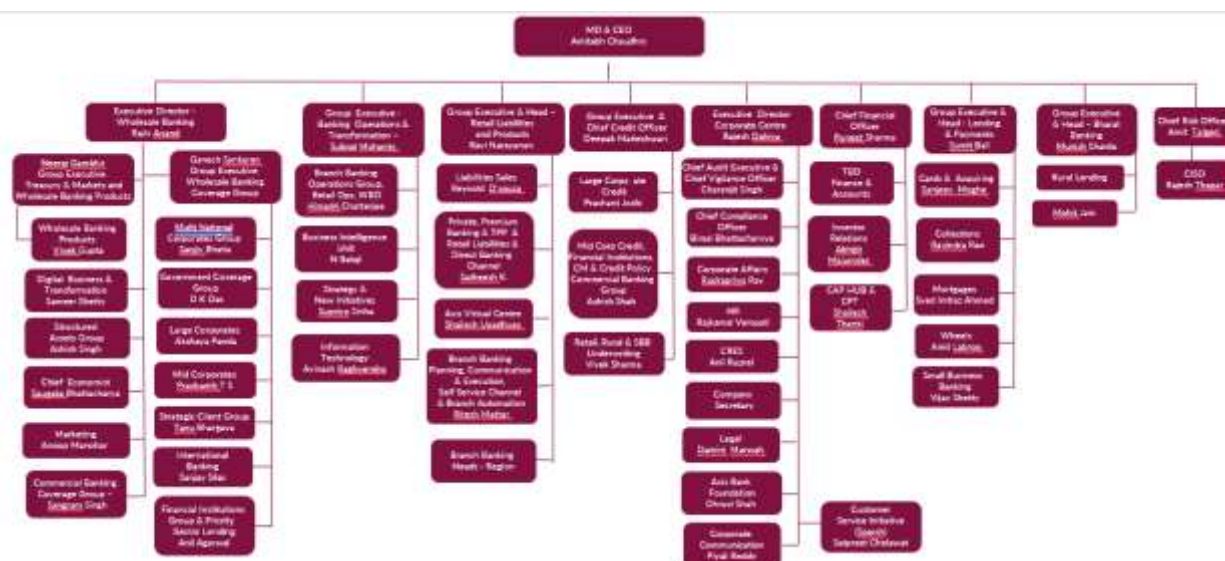
Repayment is subject to the Credit Risk of the Bank

Prospective investors should be aware that the interest amount and/or principal amount in respect of debentures are subject to Credit Risk of the Bank.

The Bank is not required to maintain a Debenture Redemption Reserve (DRR) in relation to the Bonds

As per the provisions of the Companies Act, 2013 and the Rules made thereunder, every company shall create a Debenture Redemption Reserve ("DRR") for the purpose of redemption of debentures out of the profits of the company available for payment of dividend. However, as per the Rule 18 (7)(b)(i) of the Companies (Share Capital and Debentures) Rules, 2014, no DRR is required for debentures issued by All India Financial Institutions (AIFIs) regulated by Reserve Bank of India and Banking Companies for both public as well as privately placed debentures. Pursuant to this exemption, the Bank does not intend to create any DRR.

I. CORPORATE STRUCTURE



* The Board of Directors of the Bank at its Meeting held on October 27, 2021, re-designated Shri Rajiv Anand, Executive Director (Wholesale Banking) as the Deputy Managing Director of the Bank, on the existing terms and conditions, including remuneration, in terms of the relevant provisions of the Companies Act, 2013 read with the relevant rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Banking Regulation Act, 1949, and the rules, guidelines and circulars issued by the Reserve Bank of India, in this regard, from time to time. The said re-designation is subject to the approval of the Reserve Bank of India and the shareholders of the Bank and will be effective from such date as may be approved by the Reserve Bank of India.

Unless otherwise specified, the financial information contained in this Placement Memorandum is as of and for the financial year ended 31 March 2021 has been derived from the audited standalone financial statements of the Issuer as of and for the financial year ended 31 March 2021, (ii) as of and for the financial year ended 31 March 2020 has been derived from the audited standalone financial statements of the Issuer as of and for the financial year ended 31 March 2020; (iii) as of and for the financial year ended 31 March 2019 has been derived from the audited standalone financial statements of the Issuer as of and for the financial year ended 31 March 2019; (iv) as of and for the six months period ended 30 September 2021 have been derived from the reviewed condensed standalone financial statements as of and for the three months period ended 30 September 2021] (together referred to as the Financial Statements). The Issuer's financial year ends on 31 March and references to any specific year are to the 12-month period ended on 31 March of such year. Please note that certain regroupings has been carried out in the financial data as of or for the quarter/half year ended 30 September 2021 which has been subjected to a limited review by the statutory auditors of the Bank for which suitable notes has been given before presentation of the financial results.

II. Key operational and financial parameters (Standalone and Consolidated basis) for the last 3 (three) audited years in the following tabular format

Standalone

(Rs. In crore)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	(Audited)	(Audited)	(Audited)
Balance Sheet			
Net Fixed Assets	4,245.03	4,312.90	4,036.64
Current Assets	NA	NA	NA
Non-Current Assets	NA	NA	NA
Total Assets	996,118.42	915,164.82	800,996.53
Non- Current Liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	NA	NA	NA
Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) Other current liabilities	NA	NA	NA
Equity (equity and other equity) (includes share capital and reserves and surplus)	101,603.01	84,949.85	66,676.30
Total equity and liabilities	996,118.42	915,164.82	800,996.53
Profit and Loss			
Total revenue From operations Other income	NA	NA	NA
Total Income	78,483.49	78,171.72	68,116.11
Total Expense	71,895.00	76,544.50	63,439.50
Total comprehensive income Profit / loss Other comprehensive income	NA	NA	NA
Profit after taxation ("PAT")	6,588.50	1,627.22	4,676.61
Earnings per equity share: (a) basic; and (b) diluted	22.15 22.09	5.99 5.97	18.20 18.09
Continuing operations	NA	NA	NA
Discontinued operations	NA	NA	NA
Total Continuing and discontinued operations	NA	NA	NA
Cashflow			
Net cash flow generated from operating activities	13,582.64	29,613.28	37,566.92
Net cash used in / generated from investing activities	(54,106.80)	(9,767.04)	(18,736.52)
Net cash used in financing activities	5,058.63	10,117.97	4,931.34
Effect of exchange fluctuation translation reserve	(72.93)	99.44	(12.00)
Cash and cash equivalents (at the beginning of the year)	97,268.28	67,204.63	43,454.89
Cash and cash equivalents (at the end of the year)	61,729.82	97,268.28	67,204.63
Additional Information			
Net worth	93,734.10	77,252.10	58,956.28
Cash and Cash Equivalents	61,729.82	97,268.28	67,204.63
Current Investments	NA	NA	NA
Assets Under Management	NA	NA	NA
Off Balance Sheet Assets	NA	NA	NA
Total Debt (Borrowing) (A)	1,42,873.16	1,47,954.13	152,775.78
Total Assets (B)	996,118.42	915,164.82	800,996.53

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	(Audited)	(Audited)	(Audited)
Total Debts to Total assets (%) (C=A/B)	14.34%	16.17%	19.07%
Debt Service Coverage Ratios	NA	NA	NA
Interest Income	63,645.29	62,635.16	54,985.77
Interest Expense	34,406.17	37,428.96	33,277.60
Interest service coverage ratio	NA	NA	NA
Provisioning & Write Offs	19,113.67	21,810.92	14,328.50
Bad debts to Account receivable ratio	NA	NA	NA
Gross NPA (%)	3.70	4.86	5.26
Net NPA (%)	1.05	1.56	2.06
Capital Adequacy ratios (%)	19.12	17.53	15.84
Tier I Capital Adequacy Ratio (%)	16.47	14.49	12.54
Tier II Capital Adequacy Ratio (%)	2.65	3.04	3.30

Consolidated

(Rs. In crore)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Balance Sheet			
Net Fixed assets	4,329.69	4,394.34	4,129.89
Current assets	NA	NA	NA
Non-current assets	NA	NA	NA
Total assets	1,010,325.33	927,871.81	814,045.97
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	NA	NA	NA
Current Liabilities including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) Other current liabilities	NA	NA	NA
Equity (equity and other equity) (includes share capital and reserves and surplus)	103,593.70	86,340.43	67,802.62
Total equity and liabilities	1,010,325.33	927,871.81	814,045.97
Profit and Loss			
Total revenue from operations	NA	NA	NA
Other income			
Total Income	80,847.94	80,057.67	70,232.40
Total Expenses	73,595.55	78,178.92	65,185.32
Total comprehensive income	NA	NA	NA
Profit / loss			
Other comprehensive income			
Profit after taxation ("PAT")	7,195.50	1,853.11	5,038.59
Earnings per equity share:			
(a) basic; and	24.19	6.83	19.61
(b) diluted	24.13	6.80	19.49
Continuing operations	NA	NA	NA
Discontinued operations	NA	NA	NA
Total Continuing and discontinued operations	NA	NA	NA
Cash Flow			
Net cash generated from operating activities	12,632.88	30,415.64	37,125.25
Net cash used in / generated from investing activities	(54,194.82)	(9,658.86)	(18,691.49)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Net cash used in financing activities	7,279.33	8,865.13	5,642.60
Effect of exchange fluctuation translation reserve	(92.80)	173.56	17.14
Cash and cash equivalents at the beginning of the year	97,799.77	68,004.31	43,910.81
Cash and cash equivalents at the end of the year	63,424.36	97,799.77	68,004.31
Additional information			
Net worth	95,484.50	78,371.81	59,945.73
Cash and Cash Equivalents	63,424.35	97,799.77	68,004.31
Current Investments	NA	NA	NA
Assets Under Management	NA	NA	NA
Off Balance Sheet Assets	NA	NA	NA
Total Debt (Borrowing) (A)	152,248.72	155,180.17	161,249.83
Total Assets (B)	1,010,325.33	927,871.81	814,045.97
Total Debts to Total assets (%) (C=A/B)	15.07%	16.72%	19.81%
Debt Service Coverage Ratios	NA	NA	NA
Interest Income	64,696.42	63,715.68	56,043.65
Interest Expense	34,926.44	37,995.94	33,883.47
Interest service coverage ratio	NA	NA	NA
Provisioning & Write-offs	19,494.23	22,117.22	14,581.65
Bad debts to Account receivable ratio	NA	NA	NA
Gross NPA (%)	NA	NA	NA
Net NPA (%)	NA	NA	NA
Capital Adequacy ratios (%)	19.18	17.57	15.90
Tier I Capital Adequacy Ratio (%)	16.60	14.60	12.70
Tier II Capital Adequacy Ratio (%)	2.58	2.97	3.20

III. Project cost and means of financing, in case of funding of new projects

The funds being raised by the Issuer through present issue of Debentures are not meant for financing any particular project. The Issuer shall utilise the proceeds to augment long term resources of the Bank for funding infrastructure and affordable housing projects

V. BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF ITS ACTIVITIES (ALONG WITH BUSINESS CARRIED OUT BY ITS SUBSIDIARIES) INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN ITS CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS, IF ANY.

The Bank obtained its certificate of incorporation on 3rd December, 1993 and its certificate of commencement of business on 14th December, 1993. Its first branch was opened at Ahmedabad in April 1994. The Bank was renamed as “Axis Bank Limited” and the certificate of incorporation consequent to the name change was obtained on 30th July, 2007.

The Bank began its operations on 2nd April 1994 as one of the first private sector banks established under guidelines issued in 1993 by RBI in line with the Government’s policy to reform India’s financial sector. The Bank’s entire initial equity capital of Rs.1 billion was contributed by UTI-I (previously Unit Trust of India). Subsequently, LIC contributed Rs.7.50 crores and GIC, together with four Government-owned general insurance companies, contributed Rs.7.50 crores.

The Bank’s equity capital was on stock exchange through an Initial Public Offering in September 1998. In March 2005, the Bank issued its first Global Depositary Receipts (**GDRs**) to overseas investors. Each GDR represents one equity share of the Bank. The GDRs are listed on the London Stock Exchange.

The shareholders of the Bank at 20th Annual General Meeting held on 27th June, 2014 approved the change in face value of the shares. Accordingly, each existing Equity Share of the Bank having a face value of Rs. 10/- each has been sub-divided into 5 (Five) Equity Shares having face value of Rs. 2/- each fully paid up w.e.f. 30th July, 2014 being the record date. Consequently, the ratio of the Bank’s GDR to equity shares has been revised from one GDR representing one underlying equity share of the Bank to one GDR representing five underlying equity shares of the Bank.

As on date, the Bank has nine directly controlled subsidiaries namely, Axis Capital Ltd., Axis Securities Ltd., Axis Trustee Services Ltd., Axis Asset Management Company Ltd., Axis Mutual Fund Trustee Ltd., Axis Finance Ltd, A.Treds’ Ltd., Axis Bank UK Ltd., Freecharge Payment Technologies Private Ltd. and one indirectly-controlled subsidiary, Axis Capital USA, LLC. Accelyst solution Private Limited merged with Freecharge Payment Technologies Private Ltd via a BCLT order dated 24 March 2021.

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

ACL was incorporated in India as a wholly-owned subsidiary of the Bank 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 and the following companies became direct subsidiaries of ACL:

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

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

Axis Capital offers services in the areas of Equity Capital Markets, M&A, Private Equity, Structured Finance and Institutional Equities to investors, companies and government entities.

The paid-up capital of ACL is Rs.73.50 crore. The net profit of ACL for the year ended 31st March 2021 was Rs.138.21 crore. As on date 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. The sales and securities business, including the retail broking business of Axis Capital Ltd., was merged with ASL on 25th May 2013.

ASL is a wholly-owned subsidiary of the Bank and is in the business of retail broking. ASL offers investment

solutions to retail investors like trading in equity and derivatives, IPO, Mutual Fund, SIP, ETF, NCDs, Bonds, Company FD and tax saving solution etc. through AXIS DIRECT platform.

The paid-up capital of ASL is Rs.144.50 crore. The net profit for fiscal 2021 is Rs. 164.55 crore. As on date Axis Securities has 30 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 crore. The reported net profit is Rs.20.12 crore for fiscal 2021. Apart from Ruby Towers [Dadar], ATSL has presence in Delhi and Gift City.

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

AAMC is registered with the SEBI as a Portfolio Manager and provide Portfolio Management services (PMS). AAMC is also registered under SEBI (Alternative Investment Funds) Regulations and is providing an investment management services to scheme's launch under Alternative Investment Funds (AIF). As on date, AMC has 60 branches.

The paid-up capital of AAMC is Rs.210.11 crore. The reported net profit is Rs.243.73 crore for fiscal 2021.

5. Axis Mutual Fund Trustee Ltd. (AMFT)

AMFT was incorporated on 2nd January 2009 and received its certificate of commencement on 4th March 2009. AMFT is acting as a trustee to Axis Mutual Fund.

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.

The paid-up capital of AMFT is Rs.0.05 crore. The reported net profit is Rs.0.15 crore for fiscal 2021.

6. Axis Finance Ltd (AFL)

AFL was incorporated on 27th April 1995. It is a non-deposit accepting non-banking finance company regulated by the RBI. AFL provides Wholesale and Retail lending solutions to Corporate and retail segment customers. AFL offers the products on the retail side include Loan against Property, Business Loan, Consumer Finance, Personal Loan and Loan against Securities and on Wholesale side includes Special Situations Funding, Structured Financing and Real-Estate Financing requirements. Total number of branches of AFL are 26.

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

The paid-up capital of AFL is Rs.482.25 crore. The reported net profit was Rs.194.62 crore for fiscal 2021.

7. A.TREDS Ltd. (ATL)

ATL is a joint venture between Bank and Mjunction Services Ltd. 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 operate "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.

The paid-up capital of ATL is Rs.65 crore.

8. Axis Bank UK Ltd. (ABUK)

ABUK is a wholly-owned overseas subsidiary of the Bank. 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 FCA. ABUK is in the business of commercial banking, excluding the business of retail mortgage loans.

ABUK has paid-up capital of US\$ 80 million (Rs.584.88 crore) as on 31st March 2021. The Bank is currently in the process of winding up Axis Bank UK Limited.

9. Freecharge Payment Technologies Private Limited (Freecharge)

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 now a wholly-owned subsidiary of the Bank.

Freecharge is in the business of providing digital payments services through web- & mobile-based platforms and payment gateways. Freecharge, a website and payment application, which customers use to make payments of prepaid, postpaid, DTH, metro recharge and utility bill payments to numerous service providers. Customers also use Freecharge wallet to pay online platforms and at offline shops & stores. As on date, Freecharge has 2 branches.

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

Freecharge has paid-up capital of Rs. 1,763.70 crore. The reported net profit was Rs.36.53 crore for fiscal 2021.

10. 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.5.15 crore).

Merger of Axis Finance Ltd. (AFL) and Axis Private Equity Ltd (APEL)

On 27 February 2020, the National Company Law Tribunal, Mumbai passed an order, a true copy of which was received by AFL and APEL on 24 July 2020, approving the scheme of amalgamation between them, under the applicable provisions of the Companies Act, resulting in the consolidation of the businesses of financing of loans and asset management into one entity (Scheme). Pursuant to the form filed by AFL, requesting the Registrar of Companies, Maharashtra at Mumbai to take note of the Scheme, AFL received the approval on 2 September 2020. The appointed date of the Scheme is 1 April 2017.

Merger of Freecharge Payment Technologies Pvt. Ltd. (FCPTL) and Accelyst Solutions Pvt. Ltd (ASPL)

On 27 March 2018, the Board of Directors of ASPL and FCPTL had approved the Scheme for Amalgamation of ASPL into and with FCPTL, and filed the final petition for approval of the said merger before the National Company Law Tribunal (NCLT). The said scheme was sanctioned by the NCLT, Delhi on 22 October 2019 and by the NCLT, Mumbai on 28 February 2020. While sanctioning the Scheme, the NCLT, Mumbai modified the appointed effective date of the amalgamation from 7 October 2017 to 1 April 2018. However, since the Scheme of Amalgamation filed by the FCPTL was already approved by the NCLT, Delhi with an appointed date of 7 October 2017, the order of NCLT, Mumbai sanctioning the Scheme of Amalgamation could not be implemented due to the discrepancy in the effective date. In light of this, ASPL filed an application before the NCLT, Mumbai to amend the effective date. Since the NCLT, Mumbai did not grant amendment, ASPL filed an appeal before the National Company Law Appellate Tribunal (NCLAT) and withdrew the application which was filed in NCLT, Mumbai.

The NCLAT, through its order dated 24 March 2021 allowed ASPL's appeal, thereby setting aside the order of the NCLT, Mumbai. As such, the effective date of the merger is 7 October 2017, and will be effective from the date of filing of certified copy of the Order of NCLAT together with the sanctioned scheme with the Registrar of Companies

OUR PROMOTERS AS ON DATE

Administrator of the Specified Undertaking of The Unit Trust of India (SUUTI)

Address: UTI Tower, 'Gn' Block, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051.

SUUTI was formed by the restructuring of the erstwhile Unit Trust of India (UTI) into UTI Trustee Company Private Limited (acting through SEBI registered UTI Mutual Fund, UTI Asset Management Company Limited - as the Investment Manager) and the SUUTI. It came into effect w.e.f. 1st February, 2003 on the passing of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002("Repeal Act") which was gazetted on 18th December 2002.

Life Insurance Corporation of India (LIC)

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

The Parliament of India passed the Life Insurance of India Act on 19th June 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.

Oriental Insurance Company Limited (OIC)

Address: Oriental House, A-25/27, Asaf Ali Road, New Delhi - 110002

OIC was incorporated at Mumbai on 12th September 1947. The Company was a subsidiary of Life Insurance Corporation of India from 1956 to 1973 (till the General Insurance Business was nationalized in the country). In 2003 all shares of Company held by the General Insurance Corporation of India were transferred to the Central Government. The Company has developed various types of insurance covers to cater to the needs of both the urban and rural population of India.

Sr. No.	Names of Shareholder/ Particulars	Permanent Account Number	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
	Promoters						
1	ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA – SUUTI	AAATU0564D	46534903	46534903	1.52	---	---
2	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	244821645	244821645	7.98	---	---
3	THE ORIENTAL INSURANCE COMPANY LIMITED #	AAACT0627R	4977520	4977520	0.16	---	---

Request from The Oriental Insurance Company Limited for reclassification to “Public” category from “Promoter” category was approved by the Board at its meeting held on 15th September 2021. Bank has submitted the applications for reclassification to BSE Limited and National Stock Exchange of India Limited on 12th October, 2021 and their approval is awaited.

CAPITAL STRUCTURE

Share Capital of the Bank as at the last quarter end (on September 30, 2021)

A. Authorised Share Capital	(Rs. in Crores)
425,00,00,000 Equity Shares of Rs. 2 each	850.00
B. Issued Subscribed and Paid-up Share Capital	
306,66,45,378 Equity Shares of Rs. 2 each	613.33
C. Paid Up Share Capital after the present issue	
306,66,45,378 Equity Shares of Rs. 2 each	613.33
D. Shareholders Funds	107,083.03

Change in Capital Structure - Authorised Capital as at last quarter end, for the last three years (on September 30, 2021) : Nil

History of changes in Equity Capital Structure of the Bank – Issued Share Capital as on 30.09.2021

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

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		
					No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs/Share)
		(ESPL)		Axis Securities and Sales Limited and their respective shareholders and creditors			
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	45357385	565.00	Cash	Conversion of warrants issued on preferential basis	241,45,05,327	482,90,10,654	563.00
26-Sep-19	198728139	629.00	Cash	QIP Issue	261,32,33,466	522,64,66,932	627.00
11-Aug-20	238038560	420.10	Cash	QIP Issue	2851272026	5702544052	418.10
.On Various Dates*	215373352	-	Cash	Allotment under ESOP till 30-Sep-2021	3066645378	6133290756	-

Note- The shareholders of the Bank at the 20th Annual General Meeting held on 27th June, 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 30th July, 2014.

*ESOP details are as under:-

Date of allotment (Calendar Year wise)	No of Equity Shares (After Sub Division 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 (Till Sep 2021)	51,80,296	Cash	Allotment of shares under ESOP
Total	21,53,73,352		

There are multiple issuances and prices at which ESOPs have been allotted.

Details of the Shareholding pattern of the Bank as on 30.09.2021:

Refer Annexure III

DETAILS OF ANY ACQUISITION OF OR AMALGAMATION WITH ANY ENTITY IN THE LAST 1 YEAR: NIL other than disclosed in this Placement Memorandum (please refer to Page 25- “Recent Investment” of this Placement Memorandum).

DETAILS OF REORGANIZATION OR RECONSTRUCTION IN LAST 1 YEAR: NIL

VI. DETAILS OF DEBT SECURITIES ISSUED AND SOUGHT TO BE LISTED INCLUDING FACE VALUE, NATURE OF DEBT SECURITIES, MODE OF ISSUE, PUBLIC ISSUE OR PRIVATE PLACEMENT.

For details, please refer to the Term Sheet enclosed with this document.

VII. ISSUE SIZE

For details, please refer to the Term Sheet enclosed with this document.

VIII.DETAILS OF THE UTILIZATION OF THE ISSUE PROCEEDS

The issue of Debentures is being made pursuant to applicable RBI regulations for enhancing long term resources for funding infrastructure and affordable housing in India.

IX. A STATEMENT CONTAINING PARTICULARS OF THE DATES OF, AND PARTIES TO ALL MATERIAL CONTRACTS, AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

(a) Material Documents

- i. Letter appointing Registrar and Transfer Agents
- ii. Letter appointing IDBI Trusteeship Services Limited as Trustee to the Debenture Holders.
- iii. Tripartite Agreement between the Bank, NSDL & RTA
- iv. Tripartite Agreement between the Bank, CDSL & RTA

(b) Documents

- i. Credit Rating Letters for the current placement.
- ii. Board and shareholders resolution approving the issuance of Debentures on a private placement basis.
- iii. Consent letters of the Registrar and Transfer Agents and the Trustee of the Debenture Holders.
- iv. Memorandum & Articles of Association of Bank
- v. Certificate of Incorporation
- vi. Certificate of Business Commencement
- vii. Annual Report of last 3 Financial Years

X. DETAILS OF BORROWINGS INCLUDING ANY OTHER ISSUE OF DEBT SECURITIES IN PAST :-

▪ **Details of Outstanding Non-Convertible Securities as on 30.09.2021**

Lower Tier II

Series	Secured / Unsecured	Date of Allotment	Amount/ Size (Rs. in crores)	Tenure (in months)	Credit Rating at the time of issuance	Coupon (%) per annum	Redemption Date
Series 19@	Unsecured	01/12/2011	1,500	120	AAA by CARE & ICRA	9.73%	01/12/2021
Series 20	Unsecured	20/03/2012	1,925	120	AAA by CARE & ICRA	9.30%	20/03/2022
Series 21	Unsecured	31/12/2012	2,500	120	AAA by CARE & ICRA	9.15%	31/12/2022

@ Redeemed on 01/12/2021

Tier I and II (Basel III compliant)

Series	Secured / Unsecured	Date of Allotment	Amount/ Size (Rs. in crores)	Tenure (in months)	Credit Rating at the time of issuance	Coupon (%) per annum	Redemption Date
Series 22	Unsecured	12/02/2015	850	120	AAA/Stable by CRISIL, AAA by CARE & ICRA	8.45%	12/02/2025
Series 23	Unsecured	30/09/2015	1,500	120	CRISIL AAA ICRA AAA CARE AAA	8.50%	30/09/2025
Series 24	Unsecured	27/05/2016	2,430	120	CRISIL AAA ICRA AAA India Rating AAA	8.50%	27/05/2026
Series	Unsecured	23/11/2016	1,800	120	ICRA AAA	7.84%	23/11/2026

Series	Secured / Unsecured	Date of Allotment	Amount/ Size (Rs. in crores)	Tenure (in months)	Credit Rating at the time of issuance	Coupon (%) per annum	Redemption Date
25					India Rating AAA		
Series 26 #	Unsecured	14/12/2016	3,500	Perpetual	CRISIL AA+ Ind-Ra AA+	8.75%	Perpetual*
Series 27	Unsecured	15/06/2017	5,000	120	CRISIL AAA ICRA AAA India Rating AAA	7.66%	15/06/2027
Series 28	Unsecured	28/06/2017	3,500	Perpetual	CRISIL AA+ Ind-Ra AA+	8.75%	Perpetual*

* The Bank shall have an option for redemption “i.e. Call Option” to redeem the debentures at par at the end of 5th year from the date of allotment (exercisable only with RBI approval).

The Bank has received approval from RBI for exercising the call option at the end of 5 years. Accordingly, Bank has exercised its call option to redeem all the outstanding Debentures (Series 26) on the Call Date / Redemption date i.e. 14th December 2021.

Senior Unsecured Debentures

Series	Secured / Unsecured	Date of Allotment	Amount / Size (Rs. in crores)	Tenure (in months)	Credit Rating at the time of issuance	Coupon per annum	Redemption Date
Series 1	Unsecured	05/12/2014	5,705	120	CRISIL AAA ICRA AAA CARE AAA	8.85%	05/12/2024
Series 2	Unsecured	30/10/2015	3,000	120	CRISIL AAA ICRA AAA CARE AAA	8.25%	30/10/2025
Series 3	Unsecured	20/10/2016	5,000	84	CRISIL AAA ICRA AAA CARE AAA	7.60%	20/10/2023
Series 4	Unsecured	28/12/2018	3,000	120	CRISIL AAA ICRA AAA	8.60%	28/12/2028
Series 5	Unsecured	30/01/2020	4,175	84	CRISIL AAA ICRA AAA	7.65%	30/01/2027

■ **Details of Outstanding Secured Loan Facilities as on 30.09.2021 - NIL**

■ **Details of Outstanding Unsecured Loan Facilities:-**

Borrowings as on 30.09.2021 (Rs. Crores)

Lenders name	Type of Facility	Principal amount O/s	Original Sanctioned Amount	Repayment Date/ Schedule
Borrowings in India	Borrowing	105,695.38	125,637.50	On Maturity
Reserve Bank of India	Borrowing	18,102.00**	18,102.00	On Maturity
Other Banks	Borrowing	26.50	26.50	On Maturity
Other institutions & agencies	Borrowing	87,566.88	107,509.00	On Maturity
Borrowings outside India	Borrowing	53,014.06	54,880.53	On Maturity
Total		158,709.45	180,518.03	

**Bank has not availed any secured loan facility except borrowings transactions under liquidity adjustment facility and marginal standing facility

Particulars	Type of Facility	Principal amount O/s	Repayment Date/ Schedule
Demand Deposits			
From Banks	Demand Deposits	3,167.69	On Demand
From Others	Demand Deposits	101,481.6	On Demand
Total (Demand Deposits) (A)		104,649.28	
Savings Bank Deposit (B)	Savings Bank Deposit	222,931.65	
Term Deposits			
From Banks	Term Deposits	15,583.46	On Maturity
From Others	Term Deposits	393,121.11	On Maturity
Total (Term Deposits) (C)		408,704.57	
Total Deposits		736,285.5	

- **Amount of corporate guarantees issued by the Issuer in favour of various counter parties including its subsidiaries, joint venture entities, group companies etc.**

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

- **Certificate of Deposits issued by the Issuer, outstanding as on 30.09.2021**

Sr No	Maturity Date	ISIN No.	Maturity Amount value
1	22-10-2021	INE238A166U3	2,000
2	24-11-2021	INE238A167U1	1,425
3	17-12-2021	INE238A160V4	1,425
4	21-12-2021	INE238A161V2	2,300
5	22-12-2021	INE238A162V0	500
6	23-12-2021	INE238A164V6	60
7	28-12-2021	INE238A165V3	750
8	28-01-2022	INE238A163W6	2,485
9	31-01-2022	INE238A164W4	500
10	08-02-2022	INE238A166W9	1,850
11	10-02-2022	INE238A165W1	1650
12	09-03-2022	INE238A167V9	215
13	10-03-2022	INE238A166V1	2,185
14	27-04-2022	INE238A168W5	1,600
15	28-04-2022	INE238A167W7	1,700
16	11-05-2022	INE238A162W8	1,750
17	13-05-2022	INE238A161W0	1,750
	Total		24,145

- **Details of Commercial Paper:- The total face value of Commercial Papers Outstanding as on 30.09.2021 : NIL**

- **Details of rest of the borrowings (if any including Hybrid Debt Like Foreign Currency Convertible Bonds ("FCCBs"), Optionally Convertible Bonds/ Debentures/ Preference Shares) as on 30.09.2021**

Nil. The Issuer has not issued any hybrid debt like Foreign Currency Convertible Bonds and Optionally Convertible Bonds/ Debentures / Preference Shares etc.

- **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 years including the current financial year – NIL**

- 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 – NIL
- Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India

or abroad - NIL

XI. RECENT MATERIAL EVENT / DEVELOPMENT OR ANY MATERIAL EVENT / DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER OR 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 DEBT SECURITIES

Except as disclosed below, there are no litigation pending against Bank and Subsidiaries (i) which are quantifiable and exceed ₹2,500 million; 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.

- A company petition was filed on 25 April 2019 by the Ministry of Corporate Affairs, Government of India (**MCA**) against the Bank and others (**2019 Petition**) before the National Company Law Tribunal Bench at Mumbai (**NCLT**) alleging breach by the Bank and the other respondents of the directions issued by NCLT, by way of its order dated 3 December 2018 (**IL&FS Order**) in another company petition (**IL&FS Petition**) filed by the MCA, before the NCLT, against Infrastructure Leasing And Financial Services Limited (**IL&FS**) and others, which is currently pending before the NCLT. In accordance with the IL&FS Order, certain respondents of IL&FS Petition (**IL&FS Respondents**) were (i) required to disclose their movable and immovable properties/ assets, including bank accounts, lockers owned by them in India or anywhere in the world, including jointly held properties (**Declarations**); and (ii) restrained from, mortgaging or creating charge or lien or creating third party interest or in any way alienating the movable or immovable properties owned by them, including jointly held properties. In accordance with the Declarations, the Indian Banks' Association was instructed by the MCA, to circulate the IL&FS Order to all the member banks, for necessary compliance of the IL&FS Order. It was alleged that the respondent Banks had knowingly allowed one of the IL&FS Respondents to operate his accounts and locker maintained with the respective respondent Banks, in a manner, which was in violation of the IL&FS Order. Hence, the 2019 Petition was filed. The Bank has filed an affidavit in reply refuting all allegations in relation to violation of the IL&FS Order by the Bank. The matter is currently pending before the NCLT and no interim order has been passed against the Bank till date.
- A suit was filed on 12 April 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.
- 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 7 August 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 16 September 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. As on date of this Offering Circular, we have not been served a notice in this matter.
- An FIR was registered on 25 January 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 authorities handover an amount aggregating to ₹18.44 crores seized from the bank accounts of the Accused. Further, the Bank has filed another application before the ACMM for recovery of ₹1.41 crores. The matter is currently pending.

- A writ petition was filed on 2 September 2019 by the Bank and others against the Union of India, Central Information Commission, Central Public Information Officer of the RBI and the RBI before the Supreme Court of India. The writ petition was filed challenging the arbitrary actions of the respondents in relation to disclosing confidential and sensitive information, prepared by the RBI, pertaining to some of the petitioners, their employees and their customers, pursuant to applications under the Right to Information Act, 2005 (RTI Act), requesting disclosure of such information, which was intimated, post such disclosure, to the concerned petitioners by way of letters from the RBI, each dated 26 June 2019 (Impugned Actions). Further, the petitioners have, among others, alleged violation of Articles 14 and 19(1)(g) of the Constitution of India by the Impugned Actions, as the concerned petitioners, being 'private sector banks' are exempt from the purview of the RTI Act. The petitioners have sought, among others, (i) issuance of orders striking down the Impugned Actions; (ii) declaration that the information obtained by the RBI during the course of its inspections of banks and financial institutions are exempted from disclosure under Section 8(1) of the RTI Act; (iii) declaration that 'private sector banks' including the concerned petitioners are not to be considered 'public authority' under the RTI Act; and (iv) issuance of the writ of mandamus or any other appropriate writ directing the respondents to comply with the applicable provisions of the RTI Act. The matter is currently pending before the Supreme Court of India.
- 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 12 March 2021 and 9 April 2021, disposed the application and appointed a sole arbitrator. The matter is currently pending.
- **Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company**

Life Insurance Corporation of India

(Rs. In crores)

	FY 2019-20	FY 2018 -19	FY 2020-21
SEBI			
	-	-	0.10

There are two income tax matters pending before the Hon'ble Supreme Court with a tax effect of Rs. 8,078.90 crores and one income tax matter pending before the Hon'ble High Court of Bombay with a tax effect of Rs. 6,268.98 crores.

Oriental Insurance Company Limited

The following penal action have been taken on Oriental Insurance Company Limited: (Rs. In crore)

Penalty Awarded			Penalty Paid			Penalty reduced/ waived		
FY 2020-21	FY 2019-20	FY 2018 -19	FY 2020-21	FY 2019-20	FY 2018 -19	FY 2020-21	FY 2019-20	FY 2018 -19
By the Income Tax Department:								
0.08	2.05	0.17	0.04	-	0.05	0.02	-	0.002
Any other Central/State/ Local Government/ Statutory Authority								
-	-	1.73	-	-	1.72	-	-	-

- **Details of default and non-payment of statutory dues**

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

Consolidated Financial Information of the Issuer

a. Statement of Profit & Loss

(Rs. in crores)

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
I.	INCOME				
a.	Interest earned	32,984.19	64,696.42	63,715.68	56,043.65
b.	Other Income	8,038.12	16,151.52	16,342.00	14,188.75
	Total Income	41,022.32	80,847.94	80,057.67	70,232.40
II.	EXPENDITURE				
a.	Interest Expended	16,965.04	34,926.44	37,995.94	33,883.47
b.	Operating expenses	11,241.52	19,174.87	18,065.76	16,720.19
c.	Provisions and Contingencies	7058.47	19,494.23	22,117.22	14,581.65
	Total Expenditure	35,265.03	73,595.55	78,178.92	65,185.32
III.	PROFIT FOR THE YEAR	5,757.28	7,252.39	1,878.75	5,047.10
	Share of (profit)/Loss of Minority shareholders	(35.61)	(56.90)	(25.64)	(8.50)
	Share in Profit/(Loss) of Associate	22.94	-	-	-
	Profit brought forward from earlier year	31,466.92	27,125.82	25,117.52	23,554.35
IV	TOTAL				
	APPROPRIATIONS				
	Transfer to Statutory Reserve	NA	1,647.12	406.80	1,169.15
	Transfer to Reserve Fund u/s 45 IC of RBI Act, 1934	NA	42.23	38.65	42.11
	Transfer to Investment Reserve	NA	-	-	(103.49)
	Transfer to Capital Reserve	NA	848.23	340.52	125.13
	Transfer to General Reserve	NA	18.49	3.41	9.65
	Transfer to Reserve Fund	NA	-	0.85	0.63
	Transfer to Investment Fluctuation Reserve	NA	326.00	328.00	600.00
	Proposed Dividend	NA	-	331.86	26.95
	Balance carried over to Balance Sheet	NA	31,439.23	25,520.54	26,722.80
		NA			
	Earnings Per Share (Basic) (in Rs.)	NA	24.19	6.83	19.61
	Earnings Per Share (Diluted) (in Rs.)	NA	24.13	6.80	19.49

*Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.

b. Balance Sheet

(Rs. in crores)

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
I.	CAPITAL AND LIABILITIES				
a.	Capital	613.33	612.75	564.34	514.33
	Employees' Stock Options Outstanding (net)	82.31	-	-	-
b.	Reserves and Surplus	108,900.67	102,980.95	85,776.09	67,288.29
c.	Minority Interest	209.36	173.75	113.56	84.61
d.	Deposits	735,710.14	707,623.42	642,157.21	550,745.93
e.	Borrowings	170,151.67	152,248.72	155,180.17	161,249.83
f.	Other Liabilities and Provisions	51,282.14	46,685.74	44,080.45	34,162.97
	Total	1,066,949.62	1,010,325.33	927,871.81	814,045.97
II.	ASSETS				
a.	Cash and Balances with Reserve Bank of India	81,932.86	51,808.57	84,959.27	35,099.04
b.	Balances with Banks and Money at Call and Short Notice	16,213.89	11,615.79	12,840.50	32,905.27

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
c.	Investments	249,208.79	225,335.77	155,281.63	174,055.85
d.	Advances	635,253.61	635,070.69	582,958.84	506,656.12
e.	Fixed Assets	4,374.10	4,329.69	4,394.34	4,129.89
f.	Other Assets	79,966.37	82,164.82	87,437.22	61,199.80
	Total	1,066,949.62	1,010,325.33	927,871.81	814,045.97

**Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.*

c. Cash flow statement

(Rs. in crores)

Parameters	30-09-2021	31-03-2021	31-03-2020	31-03-2019
	(Unaudited)*	(Audited)	(Audited)	(Audited)
Cash flow from operating activities				
Net profit before taxes	7,689.77	9,693.19	5,254.40	7,583.55
Adjustments for:				
Depreciation on fixed assets	490.28	979.39	806.07	737.17
Depreciation on investments	106.08	1,329.08	135.99	296.54
Amortisation of premium on Held to Maturity investments	389.69	592.12	354.62	323.15
Provision for Non Performing Assets (including bad debts)	4,631.36	12,358.53	12,835.30	10,272.11
Provision on standard assets	(2.19)	2,390.72	1,534.16	814.31
(Profit)/Loss on sale of fixed assets (net)	0.29	8.77	5.08	24.77
Provision for country risk	19.05	(12.17)	12.17	-
Provision for restructured assets/strategic debt restructuring	1.06	(13.68)	(15.50)	(19.66)
Provision on unhedged foreign currency exposure	(73.77)	215.58	(10.68)	18.79
Provision for other contingencies	1,338.00	728.48	4,224.49	654.60
Employee Stock option Expense	82.31	-	-	-
	14,672.31	28,270.01	25,136.10	20,705.34
Adjustments for:				
(Increase)/Decrease in investments	(8,815.64)	(19,644.00)	24,432.47	(4,155.18)
(Increase)/Decrease in advances	(13,938.10)	(63,518.12)	(86,703.11)	(66,702.44)
Increase/(Decrease) in deposits	37,407.51	65,466.21	91,411.27	95,088.17
(Increase)/Decrease in other assets	1,951.22	4,801.71	(26,522.35)	(9,365.03)
Increase/(Decrease) in other liabilities & provisions	3,318.79	(715.93)	5,698.28	4,676.03
Direct taxes paid	(1,874.39)	(2,027.00)	(3,037.03)	(3,121.63)
Net cash flow from operating activities	32,721.70	12,632.88	30,415.64	37,125.25
Cash flow from investing activities				
Purchase of fixed assets	(542.29)	(938.44)	(1,104.27)	(880.37)
(Increase)/Decrease in Held to Maturity investments	(15,574.72)	(53,269.92)	(8,581.93)	(17,865.85)
Proceeds from sale of fixed assets	3.45	13.54	27.34	54.72
Net cash used in investing activities	(16,113.56)	(54,194.82)	(9,658.86)	(18,691.49)
Cash flow from financing activities				
Proceeds from issue of subordinated debt, perpetual debt & upper Tier II instruments (net of repayment)	4,453.8	-	(2,000.00)	(1,700.00)
Increase/(Decrease) in borrowings (excluding subordinated debt, perpetual debt & upper Tier II instruments)	13,449.15	(2,931.44)	(4,069.66)	7,182.74
Proceeds from issue of share capital	0.58	48.41	50.01	1.02
Proceeds from share premium (net of share issue expenses)	138.49	10,102.17	15,187.70	170.69
Payment of dividend	-	-	(331.86)	(26.95)
Increase in minority interest	35.61	60.19	28.94	15.10

Parameters	30-09-2021	31-03-2021	31-03-2020	31-03-2019
	(Unaudited)*	(Audited)	(Audited)	(Audited)
Net cash generated from financing activities	18,077.64	7,279.33	8,865.13	5,642.60
Effect of exchange fluctuation translation reserve	36.62	(92.80)	173.56	17.14
Net increase in cash and cash equivalents	34,722.40	(34,375.42)	29,795.46	24,093.50
Cash and cash equivalents at the beginning of the year	63,424.35	97,799.77	68,004.31	43,910.81
Cash and cash equivalents at the end of the year	98,146.75	63,424.36	97,799.77	68,004.31
Notes to the Cash Flow Statement:				
1. Cash and cash equivalents includes the following				
Cash and Balances with Reserve Bank of India	81,932.86	51,808.57	84,959.27	35,099.04
Balances with Banks and Money at Call and Short Notice	16,213.89	11,615.79	12,840.50	32,905.27
Cash and cash equivalents at the end of the year	98,146.75	63,424.36	97,799.77	68,004.31

***Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.**

There have been no auditor qualifications set out in the said audited information. Bank has included Audit report along with: (a) consolidated financial statements for the fiscal years 2019, 2020 and 2021; and (b) significant accounting policies, notes to accounts, requisite schedules, foot notes, summary etc. with this Placement memorandum as Annexure IV.

Contingent liability (Consolidated) (Rs. Crores)

Particulars	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
Claims against the Bank not acknowledged as debts	1,516.97	2,120.72	1,743.20	627.53
Liability for partly paid investments	179.02	164.76	138.77	1.80
Liability on account of outstanding forward exchange and derivative contracts:				
-Forward Contracts	447,857.51	510,117.88	455,978.74	329,653.76
-Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	427,808.63	335,922.13	303,369.99	239,650.49
-Foreign Currency Options	45,157.25	36,504.32	45,114.01	46,404.77
Guarantees given on behalf of constituents				
-In India	67,214.60	72,965.25	66,479.69	68,052.90
-Outside India	8,683.48	7,890.87	7,471.54	7,548.04
Acceptances, endorsements and other obligations	38,554.38	37,805.84	25,165.74	32,447.46
Other items for which the Bank is contingently liable	34,702.54	50,133.14	19,544.99	33,842.22
Total	1,071,674.37	1,053,624.91	925,006.76	758,228.98

There have been no auditor qualifications set out in the said audited information

Standalone Financial Information of the Issuer

d. Statement of Profit & Loss

(Rs. in crores)

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
I.	INCOME				
a.	Interest earned	32,339.47	63,645.29	62,635.16	54,985.77
b.	Other Income	7,156.85	14,838.20	15,536.56	13,130.34
	Total Income	39,496.31	78,483.49	78,171.72	68,116.11
II.	EXPENDITURE				

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
a.	Interest Expended	16,678.90	34,406.17	37,428.96	33,277.60
b.	Operating expenses	10,702.92	18,375.15	17,304.62	15,833.40
c.	Provisions and Contingencies	6,821.03	19,113.68	21,810.92	14,328.50
	Total Expenditure	34,202.84	71,895.00	76,544.50	63,439.50
III.	PROFIT FOR THE YEAR	5,293.47	6,588.50	1,627.22	4,676.61
	Profit brought forward from earlier year	29,957.60	26,190.45	24,322.99	23,043.05
IV	TOTAL	35,251.07	32,778.96	25,950.21	27,719.66
	APPROPRIATIONS				
	Transfer to Statutory Reserve	NA	1,647.13	406.80	1,169.15
	Transfer to Investment Reserve	NA	-	-	(103.49)
	Transfer to Capital Reserve	NA	848.23	340.52	125.09
	Transfer to Reserve Fund	NA	-	0.85	0.63
	Transfer to Investment Fluctuation Reserve	NA	326.00	328.00	600.00
	Dividend Paid	NA	-	288.86	-
	Balance in Profit & Loss Account carried forward	NA	29,957.60	24,585.17	25,928.28
		NA			
	Earnings Per Share (Basic) (in Rs.)	10.22	22.15	5.99	18.20
	Earnings Per Share (Diluted) (in Rs.)	10.19	22.09	5.97	18.09

***Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.**

For the half year ended September 30, 2021, the banks net profit has grown to Rs 5,293 crores reporting a growth of 89% YOY. Net Interest Income for H1FY22 grew at 9% YOY while Operating Profit for H1FY22 stood at Rs. 12,115 crores. Net Interest Margin for Q1FY22 stood at 3.46% and for Q2FY22 stood at 3.39%. The Bank's Balance Sheet grew 17% YOY and stood at Rs. 1,050,738 crores as on 30th September 2021. The Bank's Advances grew 10% YOY to Rs. 621,719 crores as on 30th September 2021. Retail Advances grew 16% YOY and stood at Rs.345,603 crores and accounted for 56% of the Net Advances of the Bank. Corporate credit remained stable and stood at Rs.213,645 crores; and accounted for 34% of Net Advances. SME Advances grew 18% YOY and stood at Rs. 62,471 crores. As on 30th September 2021, the Bank's Gross NPA and Net NPA levels were 3.53% and 1.08% respectively, as against 3.70% and 1.05% respectively as on 31st March 2021.

As at 30th September 2021, the Bank had a network of 4,679 domestic branches and extension counters and 10,970 ATMs and 5,893 cash recyclers spread across India. In addition to the Bank's growing branch and ATM network, the Bank also offers telephone banking in various cities, as well as internet banking and mobile telephone banking. These and other resources give the Bank the capability to deliver a broad range of banking products through multiple delivery channels that enhance convenience for customers.

e. Balance Sheet

(Rs. in crores)

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
I.	CAPITAL AND LIABILITIES				
a.	Capital	613.33	612.75	564.34	514.33
b.	Employees' Stock Options Outstanding (net)	81.59	-	-	-
c.	Reserves and Surplus	106,469.70	100,990.26	84,385.51	66,161.97
d.	Deposits	736,285.50	707,306.08	640,104.94	548,471.34
e.	Borrowings	158,709.45	142,873.16	147,954.13	152,775.78
f.	Other Liabilities and Provisions	48,578.52	44,336.17	42,157.90	33,073.11
	Total	1,050,738.09	996,118.42	915,164.82	800,996.53
II.	ASSETS				
a.	Cash and Balances with Reserve Bank of India	81,932.82	51,808.56	84,959.24	35,099.03
b.	Balances with Banks and Money at Call and Short Notice	15,035.79	9,921.26	12,309.04	32,105.60
c.	Investments	249,815.86	226,119.63	156,734.32	174,969.28

Sr. No.	Parameters	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
		(Unaudited)*	(Audited)	(Audited)	(Audited)
d.	Advances	621,719.30	623,720.19	571,424.17	494,797.97
e.	Fixed Assets	4,280.33	4,245.03	4,312.90	4,036.64
f.	Other Assets	77,953.99	80,303.76	85,425.17	59,988.01
	Total	1,050,738.00	996,118.42	915,164.82	800,996.53

**Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.*

f. Cash flow statement (Rs. in crores)

Parameters	30-09-2021	31-03-2021	31-03-2020	31-03-2019
	(Unaudited)*	(Audited)	(Audited)	(Audited)
Cash flow from operating activities				
Net profit before taxes	7,077.11	8,805.85	4,904.23	6,974.09
Adjustments for:				
Depreciation on fixed assets	471.66	948.15	772.95	709.72
Depreciation on investments	106.08	1,329.08	135.99	300.02
Amortisation of premium on Held to Maturity investments	389.69	592.12	353.88	320.74
Provision for Non-Performing Assets (including bad debts)	4,613.61	12,204.77	12,755.53	10,221.48
Provision on standard assets/Standard Asset Provision on derivatives	(20.59)	2,458.08	1,451.32	809.79
Provision on unhedged foreign currency exposure	(73.77)	215.58	(10.68)	18.79
(Profit)/loss on sale of fixed assets (net)	(0.94)	6.86	4.48	22.90
Provision for country risk	19.05	(12.17)	12.17	-
Provision for restructured assets/strategic debt restructuring	1.06	(13.68)	(15.50)	(19.66)
Provision for fraud & other contingencies	1,321.54	714.67	4,205.08	700.60
Reduction in capital by subsidiary	45.31	-	-	-
Employee Stock Options Expense	72.09	-	-	-
Dividend from Subsidiaries	(88.85)	(58.35)	(240.26)	(131.10)
	13,933.27	27,190.96	24,329.20	19,927.37
Adjustments for:				
(Increase)/Decrease in investments	(8,812.84)	(18,968.46)	24,264.28	(4,007.03)
(Increase)/Decrease in advances	(11,736.55)	(63,548.54)	(86,949.22)	(64,987.00)
Increase/(Decrease) in deposits	38,300.21	67,201.14	91,633.60	94,848.62
(Increase)/Decrease in other assets	2,112.18	4,698.00	(25,799.45)	(10,657.97)
Increase/(Decrease) in other liabilities & provisions	2,999.97	(1,196.50)	4,970.24	5,299.11
Direct taxes paid	(1,690.07)	(1,793.94)	(2,835.38)	(2,856.18)
Net cash flow from operating activities	35,106.18	13,582.64	29,613.28	37,566.92
Cash flow from investing activities				
Purchase of fixed assets	(513.13)	(901.66)	(1,071.97)	(831.66)
(Increase)/Decrease in Held to Maturity investments	(15,574.72)	(53,269.93)	(8,945.58)	(17,895.71)
Purchase of Freecharge business		-	-	-
(Increase)/Decrease in Investment in Subsidiaries	-	(6.70)	(6.70)	(193.41)
Proceeds from sale of fixed assets	3.24	13.14	16.97	53.16
Dividend from Subsidiaries	88.65	58.35	240.26	131.10
Net cash used in investing activities	(15,890.23)	(54,106.80)	(9,767.04)	(18,736.52)
Cash flow from financing activities				
Proceeds from issue of subordinated debt, perpetual debt & upper Tier II instruments (net of repayment)	4,453.8	-	(2,000.00)	(1,700.00)
Increase/(Decrease) in borrowings (excluding subordinated debt, perpetual	11,382.49	(5,080.97)	(2,821.65)	6,459.63

Parameters	30-09-2021	31-03-2021	31-03-2020	31-03-2019
	(Unaudited)*	(Audited)	(Audited)	(Audited)
debt & upper Tier II instruments)				
Proceeds from issue of share capital	0.58	48.41	50.01	1.02
Proceeds from share premium (net of share issue expenses)	138.49	10,091.18	15,178.47	170.69
Payment of dividend	-	-	(288.86)	-
Net cash generated from financing activities	15,975.36	5,058.63	10,117.97	4,931.34
Effect of exchange fluctuation translation reserve	47.48	(72.93)	99.44	(12.00)
Net increase in cash and cash equivalents	35,238.79	(35,538.46)	30,063.65	23,749.74
Cash and cash equivalents at the beginning of the year	61,729.82	97,268.28	67,204.63	43,454.89
Cash and cash equivalents at the end of the year	96,968.61	61,729.82	97,268.28	67,204.63
Notes to the Cash Flow Statement:				
1. Cash and cash equivalents includes the following				
Cash and Balances with Reserve Bank of India	81,932.82	51,808.56	84,959.24	35,099.03
Balances with Banks and Money at Call and Short Notice	15,035.79	9,921.26	12,309.04	32,105.60
Cash and cash equivalents at the end of the year	96,968.61	61,729.82	97,268.28	67,204.63

**Note: Please note that the unaudited financial information for the half year ended 30th September 2021 (being the last available financial data) is being provided.*

There have been no auditor qualifications set out in the said audited information. Bank has included Audit report along with: (a) standalone financial statements for the fiscal years 2019, 2020 and 2021; and (b) significant accounting policies, notes to accounts, requisite schedules, foot notes, summary etc. with this Placement Memorandum as Annexure IV.

Contingent liability (Standalone) (Rs. Crores)

Particulars	As on 30-09-2021	As on 31-03-2021	As on 31-03-2020	As on 31-03-2019
Claims against the Bank not acknowledged as debts	1,447.64	2,053.86	1,733.81	623.53
Liability for partly paid investments	179.02	164.76	138.77	1.80
Liability on account of outstanding forward exchange and derivative contracts:				
-Forward Contracts	447,857.51	510,117.88	455,978.74	329,653.76
-Interest Rate Swaps, Currency Swaps, Forward Rate Agreement & Interest Rate Futures	427,565.77	335,417.61	301,597.22	237,587.13
-Foreign Currency Options	45,157.25	36,504.32	45,114.01	46,404.77
Guarantees given on behalf of constituents				
-In India	67,214.60	72,965.25	66,479.69	68,052.90
-Outside India	8,658.46	7,865.62	7,434.01	7,535.81
Acceptances, endorsements and other obligations	38,554.38	37,805.84	25,164.99	32,439.47
Other items for which the Bank is contingently liable	34,372.10	49,763.66	19,327.44	33,466.09
Total	1,071,006.72	1,052,658.81	922,968.76	755,765.27

(Rs. in crores)

Business Performance	As on 31 st March 2021	As on 31 st March 2020	As on 31 st March 2019
Total Deposits	7,07,306.08	6,40,104.94	5,48,471.34
Demand Deposits	3,17,748.70	2,63,706.05	2,43,394.14
- Savings Bank Deposits	2,04,472.53	1,73,591.62	1,54,128.81
- Current Account Deposits	1,13,276.17	90,114.43	89,265.33
Demand Deposits as % of	44.92%	41.20%	44.38%

Business Performance	As on 31st March 2021	As on 31st March 2020	As on 31st March 2019
Total Deposits			
Term Deposits	3,89,557.38	3,76,398.88	3,05,077.21
Retail Term Deposits	2,84,927.64	2,53,437.08	1,98,913.81
Demand Deposits on a Cumulative Daily Average Basis (CDAB) for the Year	2,57,081.93	2,23,349.42	2,02,733.46
Demand Deposits as % Total Deposits (CDAB) for the Year	40.89%	39.74%	43.81%
Net Advances	6,23,720.19	5,71,424.16	4,94,797.97
- Corporate Credit	2,19,356.29	2,04,102.56	1,83,401.55
- SME	69,850.01	61,921.15	65,584.47
- Retail Advances	3,34,513.89	3,05,400.45	2,45,811.95
Investments	2,26,119.62	1,56,734.32	1,74,969.28
Balance Sheet Size	9,96,118.42	9,15,164.82	8,00,996.53
Net NPA as % of Net Customer Assets	1.05%	1.56%	2.06%
Gross NPA as % of Gross Customer Assets	3.70%	4.86%	5.26%
Equity Capital	612.75	564.34	514.33
Shareholders' Funds	1,01,603.01	84,947.84	66,676.30
Capital Adequacy Ratio (Basel III)	19.12%	17.53%	15.84%
- Tier I	16.47%	14.49%	12.54%
- Tier II	2.65%	3.04%	3.30%

Regrouping note:

1. The Bank was reporting structured collateralised foreign currency loans extended to customers and deposits received from the same customer on a gross basis as advances and deposits respectively. Effective Q1 FY22, the Bank has changed the aforementioned practice to report such structured collateralised foreign loans and deposits on a net basis for better presentation. Previous period figures have been regrouped and reclassified to conform to current classification.

The aforesaid change has no impact on the profit of the Bank for the prior periods and the quarter ended 30th June 2021, quarter and half year ended 30th September 2021, and is not material given the Bank's Balance Sheet size and consequently ratio's for prior periods are not restated.

2. Based on RBI Master Direction on Financial Statements – Presentation and Disclosures issued on 30th August, 2021, recoveries from written off accounts hitherto included as part of other income have been adjusted as a credit to provisions and contingencies and provision for depreciation on investments hitherto classified as part of provisions and contingencies has been reclassified as part of other income. Previous period figures have also been reclassified as appropriate to make them comparable with current period figures. There is no impact of this change on the net profit/loss of the current or earlier periods consequently ratio's for prior periods are not restated.

UNAUDITED FINANCIAL INFORMATION ALONG WITH LIMITED REVIEW REPORT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2021

Standalone

Profit & Loss Statement:

(Rs. in crores)

PARTICULARS	FOR THE QUARTER ENDED 30.09.2021	FOR THE QUARTER ENDED 30.06.2021	FOR THE QUARTER ENDED 30.09.2020	FOR THE HALF YEAR ENDED 30.09.2021	FOR THE HALF YEAR ENDED 30.09.2020	FOR THE YEAR ENDED 31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	16,336.01	16,003.46	15,980.66	32,339.47	32,426.13	63,346.23
(a) Interest/discount on advances/ bills	11,986.74	11,881.46	12,106.73	23,868.20	24,600.72	47,619.80
(b) Income on Investments	3,521.64	3,428.20	3,101.93	6,949.84	6,074.93	12,558.21
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	405.35	259.90	259.09	665.25	699.02	1,037.88
(d) Others	422.28	433.90	512.91	856.18	1,051.46	2,130.34
2. Other Income	3,798.38	3,358.46	3,569.35	7,156.84	5,793.98	12,263.60
3. TOTAL INCOME (1+2)	20,134.39	19,361.92	19,550.01	39,496.31	38,220.11	75,609.83
4. Interest Expended	8,435.71	8,243.19	8,654.59	16,678.90	18,114.75	34,107.11
5. Operating expenses (i)+(ii)	5,770.51	4,932.40	4,235.64	10,702.91	7,963.23	18,375.15
(i) Employees cost	1,935.54	1,851.87	1,412.94	3,787.41	2,819.06	6,164.01
(ii) Other operating expenses	3,834.97	3,080.53	2,822.70	6,915.50	5,144.17	12,211.14
6. TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	14,206.22	13,175.59	12,890.23	27,381.81	26,077.98	52,482.26
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	5,928.17	6,186.33	6,659.78	12,114.50	12,142.13	23,127.57
8. Provisions (other than tax) and Contingencies (Net)	1,735.09	3,302.30	4,342.82	5,037.39	8,397.19	14,321.73
9. Exceptional Items	-	-	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before Tax (7-8-9)	4,193.08	2,884.03	2,316.96	7,077.11	3,744.94	8,805.84
11. Tax expense	1,059.76	723.88	634.29	1,783.64	950.10	2,217.34
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	3,133.32	2,160.15	1,682.67	5,293.47	2,794.84	6,588.50
13. Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14. Net	3,133.32	2,160.15	1,682.67	1,682.67	2,794.84	6,588.50

PARTICULARS	FOR THE QUARTER ENDED 30.09.2021	FOR THE QUARTER ENDED 30.06.2021	FOR THE QUARTER ENDED 30.09.2020	FOR THE HALF YEAR ENDED 30.09.2021	FOR THE HALF YEAR ENDED 30.09.2020	FOR THE YEAR ENDED 31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Profit/(Loss) for the period (12-13)						
15. Paid-up equity share capital (Face value Rs.2/- per share)	613.33	613.05	612.03	613.33	612.03	612.75

Consolidated

(Rs. Crores)

PARTICULARS	FOR THE QUARTER ENDED 30.09.2021	FOR THE QUARTER ENDED 30.06.2021	FOR THE QUARTER ENDED 30.09.2020	FOR THE HALF YEAR ENDED 30.09.2021	FOR THE HALF YEAR ENDED 30.09.2020	FOR THE YEAR ENDED 31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	16,682.64	16,301.55	16,217.53	32,984.19	32,923.30	64,397.36
(a) Interest/discount on advances/ bills	12,311.96	12,173.69	12,329.56	24,485.65	25,071.81	48,604.16
(b) Income on Investments	3,535.23	3,425.92	3,112.39	6,961.15	6,094.27	12,584.88
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	405.51	260.16	260.13	665.67	700.15	1,039.78
(d) Others	429.94	441.78	515.45	871.72	1,057.07	2,168.54
2. Other Income	4,283.97	3,754.15	3,909.20	8,038.12	6,209.73	13,576.92
3. TOTAL INCOME (1+2)	20,966.61	20,055.70	20,126.73	41,022.31	39,133.03	77,974.28
4. Interest Expended	8,597.66	8,367.38	8,781.15	16,965.04	18,371.15	34,627.38
5. Operating expenses (i)+(ii)	6,064.60	5,176.92	4,427.28	11,241.52	8,306.42	19,174.88
(i) Employees cost	2,128.17	2,019.48	1,537.42	4,147.65	3,062.19	6,768.94
(ii) Other operating expenses	3,936.43	3,157.44	2,889.86	7,093.87	5,244.23	12,405.94
6. TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	14,662.26	13,544.30	13,208.43	28,206.56	26,677.57	53,802.26
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	6,304.35	6,511.40	6,918.30	12,815.75	12,455.46	24,172.02
8. Provisions (other than tax) and Contingencies (Net)	1,762.83	3,327.54	4,368.28	5,090.37	8,446.99	14,421.94
9. Exceptional Items	-	-	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before Tax (7-8-9)	4,541.52	3,183.86	2,550.02	7,725.38	4,008.47	9,750.08

PARTICULARS	FOR THE QUARTER ENDED 30.09.2021	FOR THE QUARTER ENDED 30.06.2021	FOR THE QUARTER ENDED 30.09.2020	FOR THE HALF YEAR ENDED 30.09.2021	FOR THE HALF YEAR ENDED 30.09.2020	FOR THE YEAR ENDED 31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
11. Tax expense	1,158.74	809.36	700.97	1,968.10	1,051.32	2,497.69
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	3,382.78	2,374.50	1,849.05	5,757.28	2,957.15	7,252.39
13. Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14. Net Profit/(Loss) for the period (12-13)	3,382.78	2,374.50	1,849.05	5,757.28	2,957.15	7,252.39
15. Share in Profit/(Loss) of Associate	22.94	-	-	22.94	-	-
16. Share of (Profit)/Loss of Minority Shareholders	(18.02)	(17.59)	(12.39)	(35.61)	(20.97)	(56.89)
17. Consolidated Net Profit/(Loss) for the Group (14+15+16)	3,387.70	2,356.91	1,836.66	5,744.61	2,936.18	7,195.50
18. Paid-up equity share capital (Face value Rs.2/- per share)	613.33	613.05	612.03	613.33	612.03	612.75

Bank has included Limited review report for the quarter ended/half year ended 30 September 2021 along with interim condensed Balance sheet, Interim condensed Profit and loss account, Interim condensed cash flow statements along notes to financial results, requisite schedules, footnotes, summary etc. with this Placement memorandum for both consolidated and standalone financials as Annexure IV.

XII. PARTICULARS OF ANY OUTSTANDING BORROWINGS TAKEN/THE DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER BORROWINGS TAKEN/THE DEBT SECURITIES ISSUED HAVE BEEN TAKEN/ ISSUED: (I) IN WHOLE OR PART; (II) AT A PREMIUM OR DISCOUNT; OR (III) IN PURSUANCE OF AN OPTION.

Nil.

XIII.A LIST OF HIGHEST TEN HOLDERS OF EACH CLASS OR KIND OF SECURITIES OF THE ISSUER AS ON 30TH SEPTEMBER 2021 ALONG WITH THE PARTICULARS AS TO THE NUMBER OF SHARES OR DEBT SECURITIES HELD BY THEM AND THE ADDRESS OF EACH SUCH HOLDER.

List of top 10 shareholders (PAN Wise) of equity shares of the Bank as on September 30, 2021

Sr NO.	Particulars	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	244821645	244821645	7.98
2	SBI-ETF NIFTY 50	110052453	110052453	3.59
3	ICICI PRUDENTIAL BLUECHIP FUND	95441176	95441176	3.11
4	DODGE AND COX INTERNATIONAL STOCK FUND	82967250	82967250	2.71
5	THE BANK OF NEW YORK	75673845	75673845	2.47

Sr NO.	Particulars	Total No. of Equity shares	No. of shares in Demat form	Total shareholding as % of total no of equity shares
	MELLON, DR			
6	BC ASIA INVESTMENTS VII LIMITED - FDI	55600000	55600000	1.81
7	HDFC TRUSTEE COMPANY LIMITED-HDFC FLEXI CAP FUND	54603595	54603595	1.78
8	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FU	51453344	51453344	1.68
9	MIRAE ASSET LARGE CAP FUND	49725491	49725491	1.62
10	ADMINISTRATOR OF THE SPECIFIED UNDERTAKING OF THE UNIT TRUST OF INDIA-UNIT SCHEME 1964	46534903	46534903	1.52

TOP 10 HOLDERS OF NON-CONVERTIBLE SECURITIES IN TERMS OF VALUE (IN CUMMULATIVE BASIS) (PAN Wise) as on September 30, 2021

Sr No	Name	Amount	% of total NCS outstanding
1	CBT EPF-25-C-DM	1,28,15,00,00,000	28.24
2	NPS TRUST- A/C SBI PENSION FUND SCHEME - CENTRAL GOVT	80,75,00,00,000	17.79
3	LIFE INSURANCE CORPORATION OF INDIA	70,00,00,00,000	15.42
4	ICICI PRUDENTIAL BOND FUND	38,50,70,00,000	8.48
5	IDFC BANKING & PSU DEBT FUND	12,48,40,00,000	2.75
6	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	8,70,00,00,000	1.92
7	THE STATE BANK OF INDIA EMPLOYEES PROVIDENT FUND	8,70,00,00,000	1.92
8	KOTAK MAHINDRA TRUSTEE CO. LTD. A/C KOTAK BANKING AND PSU DEBT FUND	7,65,00,00,000	1.69
9	SBI LIFE INSURANCE CO.LTD	7,65,00,00,000	1.69
10	HDFC LIFE INSURANCE COMPANY LIMITED	6,95,00,00,000	1.53

Note: Details are provided in respect of the Top 10 holders'' (in value terms, on cumulative basis for all outstanding debentures issues

XIV. UNDERTAKING TO USE A COMMON FORM OF TRANSFER

The transfer of Debentures in dematerialized form would be in accordance with the rules/procedures as prescribed by NSDL / CDSL / Depository Participant from time to time.

“The Debentures issued under this Issue would only be in dematerialized form. No request for issue of physical certificates in lieu of the dematerialized Debentures can be accepted.

Pursuant to listing of Debentures on Stock Exchanges, trading in the Debentures will only be allowed in the compulsory demat segment. Since the market lot will be one Debenture and are being issued only in dematerialized form, no odd lots will arise either at the time of issuance or at the time of transfer of the Debentures. However, the Issuer undertakes to stipulate a common transfer form for physical holdings, if at any time Debentures in physical form come into existence due to exercise of a rematerialisation option provided by the Depository to any Investor.”

XV. REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION

For details, please refer the Term Sheet enclosed with this document.

XVI. INFORMATION RELATING TO THE TERMS OF THE OFFER OR PURCHASE

Terms of present Issue

For details, please refer the Term Sheet enclosed with this Placement Memorandum.

Disputes & governing law

The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of Courts at Mumbai.

Authority for the present issue

The Board of the Bank at its meeting held on 27th April 2021 had approved the proposal for borrowing/raising of funds denominated in Indian rupees or any other permitted foreign currency, by issue of debt securities including, but not limited to, long term bonds, green bonds, masala bonds, optionally/compulsorily convertible debentures, non-convertible debentures, perpetual debt instruments, AT 1 Bonds, Infrastructure Bonds and Tier II Capital Bonds or such other debt securities as may be permitted under the RBI guidelines from time to time, on a private placement basis and/or for making offers and/or Invitations thereof, and/or issue(s)/issuances thereof, on a private placement basis, for an amount of up to Rs. 35,000 crore (Thirty Five Thousand Crores Only) in domestic and/or overseas market, in one or more tranches subject to approval of the Shareholders.

The Shareholders of the Bank at their 27th Annual General Meeting held on 30th July 2021, have approved the above proposal which is valid till a period of one year i.e. till 29th July 2022.

Further, the Debentures offered in terms of the Placement Memorandum are subject to the relevant provisions of the Companies Act, 2013, Securities Contract Regulation Act, 1956, Rules, Regulations and Guidelines issued thereunder, Memorandum and Articles of Association of the Bank, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GoI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange(s) or any other statutory / regulatory authorities and other documents that may be executed in respect of the Debentures

Nature and status of Debentures

The Debentures are to be issued in the form of fully paid, senior, unsecured, taxable, redeemable non-convertible debentures. The Debentures will constitute direct, unsecured borrowing ranking *pari passu* with existing/ future other uninsured and unsecured creditors of the Bank as regards repayment of principal and Coupon.

In terms of RBI circular no. RBI/2014-15/127 (DBOD.BP.BC.No.25 / 08.12.014/ 2014) dated July 15, 2014, RBI circular no. RBI/2014-15/320 (DBR.BP.BC.No.50 / 08.12.014 / 2014-15) dated November 27, 2014 and RBI circular no. RBI/ 2014-15/ 618 (DBR.BP.BC.No.98 / 08.12.014 / 2014-15) dated June 1, 2015 issued by the Reserve Bank of India on “Issue of Long Term Bonds by Banks – Financing of Infrastructure and Affordable Housing” (collectively, “RBI IB Circulars”), these Debentures shall be fully paid, redeemable and unsecured

and would rank pari-passu along with other unsecured and uninsured creditors of the Bank

Cross Holding

Pursuant to the RBI IB Circulars, banks can invest in the long term bonds issued by other banks. However, such investments are subject to conditions as follows as per RBI IB Circulars:

- Banks' investment in such bonds will not be treated as 'assets with the banking system in India' for the purpose of calculation of NDTL.
- Such investments are not to be held under HTM category.
- An investing bank's investment in a specific issue of such bonds will be capped at 2% of the investing bank's Tier 1 Capital or 5% of the issue size, whichever is lower.
- An investing bank's aggregate holding in such bonds will be capped at 10% of its total Non-SLR investments.
- Not more than 20% of the primary issue size of such bond issuance can be allotted to banks.
- Banks cannot hold their own bonds.

Listing

The Debentures will be listed on the WDM segment of the BSE and NSE.

Market lot

1 Debenture or in multiples of 1.

Put / Call Option

Neither put option shall be available to the Debenture Holder(s), nor would call option be available to the Bank to redeem the Debentures prior to maturity.

Security

The Debentures are unsecured in Nature.

Redemption Date

For details, please refer the Term Sheet enclosed with this document.

Terms of payment / Pay-in Date

The full face value of the Debentures applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the subscription amount for the full face value of the Debentures applied for.

Depository arrangements

The Bank has appointed KFIN Technologies Private Limited "KFIN" (formerly known as Karvy Fintech Private Limited), Hyderabad as Registrars & Transfer Agents for the present Debenture issue. The Bank has made / shall be making necessary depository arrangements with National Securities Depository Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) for issue and holding of Debentures in dematerialised form. Investors shall hold the Debentures only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996, as amended, from time to time.

Issue of Debentures in dematerialized form

The Issuance of Debentures shall be in dematerialized form only.

Electronic Book Platform (EBP)

The current issuance is done on the Electronic Book Platform in terms of SEBI circular no SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018 and SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 and the guidelines issued by the BSE and the NSE in this regard.

Below are the details of the Issuance in EBP:

Issue/Bid Opening	December 20, 2021
Issue/Bid Closing	December 20, 2021
Pay-in Date	December 22, 2021
Allocation Option	Uniform Yield Allotment
Type of Bidding	Open Bidding
Settlement Mechanism	Through Clearing Corporation of BSE

Trading

The Debentures shall be traded in Demat mode only.

Procedure for applying in demat form

- The applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
- Debentures allotted to an applicant will be credited directly to the applicant's respective beneficiary account(s) with the DP.
- For subscribing the Debentures, names in the Application Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- The Registrars to the Issue will directly send non-transferable allotment advice/refund orders to the applicant.
- For allotment of Debentures, the address and other details of the applicant as registered with its DP shall be used for all correspondence with the applicant.
- In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.
- It may be noted that Debentures being issued in electronic form, the same can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. NSE & BSE where the Debentures of the Bank are proposed to be listed has connectivity with NSDL and CDSL.
- Interest or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to the Bank as on Record Date. In case of those Debentures for which the beneficial owner is not identified by the Depository as on the Record Date, the Bank would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Bank, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Procedure and time schedule for allotment/ refund

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) / Depository Participant will be given initial credit within 2 days from the Deemed Date of Allotment. The initial credit in the account will be akin to the letter of allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a debenture certificate

Oversubscription and basis of allotment

Acceptance of the offer to invest and the allotment shall be decided by the Bank. The Board of Directors / Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realization of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. The Application Forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money.

Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. number of Debenture(s) applied for is less than the minimum application size;
- b. applications exceeding the issue size;
- c. bank account details not given;

- d. details for issue of Debenture(s) in electronic/ dematerialised form not given;
- e. PAN/GIR and IT Circle/Ward/District not given;
- f. in case of applications under power of attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- g. In the event, if any Debenture(s) applied for is/ are not allotted in full, the excess application monies on such Debentures will be refunded, as may be permitted.

In the event of issue being oversubscribed, the Bank reserves its full, unqualified and absolute right of allotment/ rejection in full or pro-rata at its discretion without assigning any reason thereof.

Refund orders

The Bank shall ensure the refund by RTGS/NEFT or any other electronic mode or if the refund by electronic mode is not possible then by dispatch of refund order(s), if any, by registered post/speed post/courier/hand delivery.

Impersonation

Any person who-

- makes in a fictitious name an application to a company of acquiring, or subscribing for any Securities therein, or
- otherwise induces a company to allot or register any transferor of Securities therein to him, or any other person in a fictitious name shall be punishable under the extant laws.

Cash flows in respect of Debenture of face value Rs.10 lakh for the Issue

As per Chapter III of SEBI Operational Circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613 and dated 10th August 2021, illustrative cash flow for Debentures is as under:

Issuer	Axis Bank Limited
Face Value (per security)	Rs. 10,00,000/- per Debenture
Issue Date/Date of Allotment	December 22, 2021
Redemption Date	December 22, 2031
Tenor	10 years
Coupon Rate	6.99%
Frequency of the Interest Payment with specified dates	Annual First Coupon shall become payable on 22 nd December 2022 and subsequently on 22 nd December every year upto Redemption Date.
Day Count Convention	Actual /Actual

Cash Flow	Coupon Accrual Date	No. of Days	Modified Coupon Payment Date	Day	Amount payable per Debenture (in rupees)
1st Coupon	December 22, 2022	365	December 22, 2022	Thursday	69,900
2nd Coupon	December 22, 2023	365	December 22, 2023	Friday	69,900
3rd Coupon	December 22, 2024	366	December 23, 2024	Monday*	69,900
4th Coupon	December 22, 2025	365	December 22, 2025	Monday	69,900
5th Coupon	December 22, 2026	365	December 22, 2026	Tuesday	69,900
6th Coupon	December 22, 2027	365	December 22, 2027	Wednesday	69,900
7th Coupon	December 22, 2028	366	December 22, 2028	Friday	69,900
8th Coupon	December 22, 2029	365	December 22, 2029	Saturday	69,900
9th Coupon	December 22, 2030	365	December 23, 2030	Monday*	69,900
10th Coupon	December 22, 2031	365	December 22, 2031	Monday	69,900
Principal	December 22, 2031		December 22, 2031	Monday	10,00,000

* in case of Sunday or a holiday on the date of payment of Coupon of the Bonds, kindly consider the modified coupon payment date as the next working day. In case of redemption of principal amount of Bonds, the payment will be made on the previous working day if the principal repayment date falls on a Sunday or holiday.

Applicants are requested to note that the above cash flow is only illustrative in nature. The Date of Allotment, Coupon Rate, Redemption Date and frequency of the Coupon Payment may vary in actual as per the Term Sheet. For

detail regarding Date of Allotment, Coupon Rate, Redemption Date and Frequency of the Coupon Payment please refer to the Term Sheet in this Placement Memorandum.

DEBENTURE REDEMPTION RESERVE (DRR)

As per the provisions of the Companies Act, 2013 and the relevant rules made thereunder every company shall create a Debenture Redemption Reserve for the purpose of redemption of debentures out of the profits of the company available for payment of dividend. However, as per the provision of Companies (Share Capital and Debentures) Rules, 2014, no DRR is required for debentures issued by All India Financial Institutions (AIFIs) regulated by Reserve Bank of India and Banking Companies for both public as well as privately placed debentures. Pursuant to this exemption, the Company does not intend to create any Debenture Redemption Reserve.

Issue/instrument specific regulation – relevant details

The Issuer hereby declares that this Placement Memorandum contains full disclosures in accordance with the relevant provisions of the SEBI Debt Regulations. The Issuer shall also comply with the following Acts/Regulations, to the extent applicable as amended from time to time, in relation to the issuance of the Debentures:

- (i) The Companies Act, 2013.
- (ii) The Companies Act, 1956.
- (iii) The Securities Contracts (Regulations) Act, 1956.
- (iv) The Securities and Exchange Board of India Act, 1992.
- (v) The Depositories Act, 1996.
- (vi) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
- (vii) Applicable SEBI regulations and guidelines issued from time to time.
- (viii) Applicable RBI regulations and guidelines issued from time to time.
- (ix) Rules and regulations issued under any of the above.

Mode of transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSE /BSE / Depositories/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof.

Trustee for the Debenture Holders

The Bank has appointed IDBI Trusteeship Services Limited to act as Trustee for the Debenture Holders (“Trustee”). The Bank and the Trustee will enter into a trustee agreement, inter alia, specifying the powers, authorities and obligations of the Trustees and the Bank. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustee or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Trustee may in their absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Bank to the Trustee on behalf of the Debenture Holder(s) shall discharge the Bank *pro-tanto* to the Debenture Holder(s). The Trustee will protect the interest of the Debenture Holders in the event of default by the Bank in regard to timely payment of interest and they will take necessary action at the cost of the Bank.

Redemption of Debentures

The Debentures will be redeemed at par on the date of redemption. Payment on redemption will be made by RTGS/NEFT or any other electronic mode or in absence of electronic mode then by cheque(s)/ Demand Drafts in the name of the Debenture-Holder whose name appears on the list of beneficial owners given by Depository to the Bank as on the Record Date. On the Bank dispatching the Redemption Amount to such beneficiary (ies) by registered post/speed post/courier/hand delivery/electronic means, the liability of the Bank shall stand extinguished.

The Debentures shall be taken as discharged on dispatch of redemption warrants by the Bank on Maturity to the list of beneficial owners as provided by NSDL/ CDSL/ Depository Participant. The Bank will inform NSDL/ CDSL/Depository Participant about the redemption and the necessary corporate action would be taken.

The Bank’s liability to the Debenture Holders towards all their rights including for payment or otherwise shall cease

and stand extinguished from the due date of Redemption in all events. Further the Bank will not be liable to pay any interest or compensation from the date of Redemption.

Future borrowings

The Bank shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue bonds/ debentures/ notes other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Bank may think appropriate, without the consent of, or intimation to, the Debenture Holder(s) or the Trustee in this connection.

Debenture Holder not a shareholder

The Debenture Holders shall not be entitled to any of the rights and privileges available to the shareholders of the Bank.

Applications may be made by

Only those investors who are permitted to invest in this issue as per RBI Guidelines and SEBI Debt Regulations, applicable for issuance and listing of these Bonds.

Class of investors to whom allotment of Bonds is proposed to be made: The following class of investors who fall under the definition of “Qualified Institutional Buyers” under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, are eligible to participate in the Offer (being “**Eligible Investors**”):

- (a) a mutual fund registered with SEBI;
- (b) a foreign portfolio investor (“FPIs”) other than Individuals, corporate bodies and family offices;
- (c) a Public Financial Institution;
- (d) a Scheduled Commercial Bank;
- (e) a multilateral and bilateral developmental financial institution;
- (f) a state industrial development corporation;
- (g) an Insurance Company registered with the Insurance Regulatory and Development Authority of India;
- (h) a Provident Fund with minimum corpus of Rs. 25 crores;
- (i) a Pension Fund with minimum corpus of Rs. 25 crores; ;
- (j) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
- (k) insurance funds set up and managed by army, navy or air force of the Union of India;
- (l) insurance funds set up and managed by the Department of Posts, India; and
- (m) systemically important non-banking financial companies.

The following class of investors are not eligible to participate in the Offer (unless covered under the definition of “Eligible Investors” above):

- (n) Resident Individual Investors;
- (o) Foreign Nationals;
- (p) any related party over which the Bank exercises control or significant influence (as defined under the relevant accounting standards (“Accounting Standards”));
- (q) Persons resident outside India, other than FPIs;
- (r) Venture Capital Funds, Alternative Investment Funds, Overseas Corporate Bodies;
- (s) Partnership firms formed under applicable laws in India in the name of the partners;

- (t) Hindu Undivided Families through Karta; and
- (u) Person ineligible to contract under applicable statutory/ regulatory requirements.

*Investment by FPIs in these Bonds raised in Indian Rupees shall be within an overall limit of 49% of the Issue size subject to the restriction that investment by each FPI shall not exceed 10% of the Issue size.

Further, investment by FPIs in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions stipulated by the RBI, SEBI or any other regulatory authorities on investment in the Bonds.

The issuance of Bonds, being a private placement through the EBP Platform, the investors who have bid on its own account or through arrangers, if any, appointed by Issuer, in the Issue through the said platform and in compliance with SEBI circulars on the above subject and EBP Platform operating guidelines are only eligible to apply. Any other application shall be at the sole discretion of the Issuer.

Further, notwithstanding anything contained above, only Eligible Investors who have been addressed through the application form are eligible to apply.

Prior to making any investment in the Bonds, each Eligible Investor should satisfy and assure itself that it is authorized and eligible to invest in the Bonds. The Bank shall be under no obligation to verify the eligibility/authority of the Eligible Investor to invest in the Bonds. Further, mere receipt of this Placement Memorandum (and/or any Transaction Document in relation thereto and/or any draft of the Transaction Documents and/or this Placement Memorandum) by a person shall not be construed as any representation by the Bank that such person is authorized to invest in the Bonds or eligible to subscribe to the Bonds.

Notwithstanding any acceptance of bids by the Bank on and/or pursuant to the bidding process on the Electronic Book Platform, (a) if a person, in the Bank's view, is not an Eligible Investor, the Bank shall have the right to refuse allotment of Bonds to such person and reject such person's application; (b) if after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Issuer shall not be responsible in any manner.

ALL THE APPLICANTS SHOULD CHECK ABOUT THEIR ELIGIBILITY OF INVESTMENT IN THESE DEBENTURES IN TERM OF THEIR RESPECTIVE STATUTE / REGULATIONS / GUIDELINES GOVERNING THEM OR ANY REGULATORY ORDER APPLICABLE TO THEM.

Issuer has not sought any approval from RBI, SEBI or any other statutory body or any other regulator for seeking subscription from any class of investor.

Applications under power of attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Bank or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Bank from time to time through a suitable communication.

Application by mutual funds

In case of applications by mutual funds, a separate application must be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustees/ custodian clearly indicate their intention as to the scheme for which the application has been made.

Application by provident funds, superannuation funds and gratuity funds

The applications must be accompanied by certified true copies of (i) Trust deed/bye laws/resolutions, (ii) resolution authorising investment and (iii) specimen signatures of the authorised signatories. Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit a certificate issued by the Income Tax Officer along with the Application Form. For subsequent interest payments, such certificates have to be submitted periodically.

Tax deduction at source

In terms of Section 193 of Income Tax Act, 1961 tax has to be deducted at source from the interest on securities at the rates prescribed. Further, the proviso to the said Section 193 enlists the securities where tax need not be deducted at source.

Finance Act 2008 has inserted clause (viii) under the proviso to Section 193, which reads as under:

“Any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and rules made thereunder.”

The amendment, which is effective 1st June 2008, will have following implications:

- Taxes will not be deducted at source by the Bank from interest paid on debentures, which are listed on the recognized stock exchanges and held in dematerialized form by investors.

However in future, if there is any change in Income Tax Act, 1961, or any other statutory modification or reenactment thereof which requires to deduct tax at source (TDS) then Bank will be deducted TDS at source. For seeking TDS exemption/ lower rate of TDS, relevant certificate(s)/ document(s) must be lodged 30 days before the Coupon Date or 31st March whichever is earlier, each financial year. Tax exemption certificate on interest on application money, should be submitted along with the Application Form. Where any deduction of Income Tax is made at source, the Bank shall send to the Debenture Holder(s) a Certificate of Tax Deduction at Source. Those desirous of claiming tax exemptions on interest on application money are required to submit a certificate, if any, issued by the Income Tax Officer or a declaration / other document conforming tax exemption along with the Application Form

Debenture Holder(s) should also consult their own tax advisers on the tax implications of the acquisition, ownership and sale of these Debentures and income arising thereon.

Succession

In the event of winding-up of the holder of the Debentures (s), the Bank will recognize the executor or administrator of the concerned Debenture-Holder(s), or the other legal representative as having title to the Debenture(s). The Bank shall not be bound to recognize such executor or administrator or other legal representative as having title to the Debentures(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter.

The Bank may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or other legal representation, in order to recognize such holder as being entitled to the Debenture (s) standing in the name of the concerned Debenture-Holder on production of sufficient documentary proof or indemnity.

Procedure for application and mode of payment

This being a private placement offer, investors who have been addressed through this communication directly only are eligible to apply.

Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein.

Applications complete in all respects (along with all necessary documents as detailed in the Placement Memorandum) must be submitted before the last date indicated in the issue time table or such extended time as decided by the Bank, at any of the designated collection centers, accompanied by the subscription amount. Money orders/postal orders will not be accepted. The Bank assumes no responsibility for any applications/ cheques/ demand drafts lost in mail.

Only Axis Bank cheques or Axis Bank Demand Draft or RTGS or credit by any other electronic mode shall be accepted. For bank account details, please refer the instructions given with Application Form.

No separate receipt will be issued for the application money. However, the Bank's designated collection branches or arrangers receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgment slip at the bottom of the each Application Form.

As a matter of precaution against possible fraudulent encashment of interest warrants / cheques due to loss/misplacement, the applicant should furnish the full particulars of his or her bank account (i.e. account number, name of the bank and branch) at the appropriate place in the Application Form. Payment of interest or on redemption will be made by RTGS/NEFT or any other electronic mode or in absence of electronic mode then by cheque(s)/ demand drafts in the name of the applicant / investor. The interest warrants will then be made out in favour of the bank for credit to his/her account so specified and dispatched to the investors, who may deposit the same in the said bank.

Notices

The notices, communications and writings to the Debenture-Holder(s) required to be given by the Issuer shall be

deemed to have been given if sent by registered post to the registered Debenture Holder(s) at the address of the Debenture Holder(s) registered with the registered office.

All notices, communications and writings to be given by the Debenture-Holder(s) shall be sent by Registered post or by hand delivery to the issuer at registered office or to such persons at such address as may be notified by the Issuer from time to time and shall be deemed to have been received on actual receipt.

Undertaking by the Bank

1. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 48 under the section 'Risks Factors'.
2. The Bank, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
3. The Bank has no side letter with any debt securities holder except the one(s) disclosed in the Placement Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the Bonds are listed.
4. Permanent Account Number of the Promoters and Directors have been submitted to the Stock Exchanges on which the Debentures are proposed to be listed.

The Bank undertakes that: -

- a. the complaints received in respect of the Issue shall be attended to by the Bank expeditiously and satisfactorily;
- b. it shall take all steps for completion of formalities for listing and commencement of trading at the concerned Stock Exchanges where Debentures are proposed to be listed within specified time frame;
- c. necessary co-operation to the Credit Rating Agencies will be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding;
- d. it shall use a common form of transfer for the instrument

XVII. THE DISCOUNT AT WHICH SUCH OFFER IS MADE AND THE EFFECTIVE PRICE FOR THE INVESTOR AS A RESULT OF SUCH DISCOUNT

Debentures are being issued at the face value.

XVIII. THE DEBT EQUITY RATIO PRIOR TO AND AFTER ISSUE OF THE DEBT SECURTY

Gross Debt: Equity Ratio of the Bank

(Rs. In crores)		
Particulars	Pre-Issue of Debentures	Post Issue of Debentures*
Total Borrowing		
Short-Term Debt	83,057.10	83,057.10
Long-Term Debt	75,652.35	80,652.35
Total Debt (A)	1,58,709.45	1,63,709.45
Shareholder's Funds-		
Share Capital	613.33	613.33
Reserves	1,06,469.70	1,06,469.70
Total Shareholder's Funds (B)	1,07,083.03	1,07,083.03
Debt Equity Ratio (A/B)	1.48	1.53

* Issue for the purpose of post issue calculation means- private placement of fully paid, senior, unsecured, taxable,

redeemable, non-convertible debentures of face value of Rs. 10 lakhs each for an amount of Rs. 2,000 crores and green shoe option of Rs. 3,000 crores aggregating to Rs. 5,000 crores.

* Post issue numbers have been calculated after increasing the debt by Rs. 5,000 crores.

The Capital Adequacy Ratios of the Bank are given below:

(Rupees in crores)

(Rupees in crores)	Under Basel-III	Under Basel-III	Under Basel-III	Under Basel-III
As on	30-Sept-2021	31-March-2021	31-March-2020	31-March-2019
Tier I Capital	109,275.81	104,748.33	88,449.04	69,238.37
Tier II Capital	16,311.06	16,829.03	18,556.08	18,221.21
Total Capital	125,586.87	121,577.36	107,005.12	87,459.58
Total risk weighted assets and contingents	653,086.73	635,863.43	610,527.33	5,52,048.06
Capital Ratios				
Tier I	16.73%	16.47%	14.49%	12.54%
Tier II	2.50%	2.65%	3.04%	3.30%
Total Capital	19.23%	19.12%	17.53%	15.84%

Note – September'21 numbers/ratios are without considering profit

XIX. SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES, PAYMENT OF DUE INTEREST ON DUE DATES ON TERM LOANS AND DEBT SECURITIES

The Bank is discharging all its liabilities in time and would continue doing so in future as well. The Bank has been paying interest on the respective due dates for all its existing debenture issues. The Bank has redeemed debentures on the respective due dates.

XX. THE PERMISSION/ CONSENT FROM THE PRIOR CREDITOR FOR A SECOND PARI PASSU CHARGE BEING CREATED IN FAVOR OF THE TRUSTEES TO THE PROPOSED ISSUE

The Bank is not required to obtain any consent from its creditors.

XXI. NAME OF THE DEBENTURE TRUSTEE TO THE ISSUE ALONGWITH STATEMENT TO THE EFFECT THAT DEBENTURE TRUSTEE HAS GIVEN ITS CONSENT FOR APPOINTMENT ALONG WITH THE COPY OF THE CONSENT LETTER FROM THE DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,

17, R. Kamani Marg,

Ballard Estate, Mumbai – 400 001

Tel: (022) 40807000

Fax: (022) 66311776

IDBI Trusteeship Services Limited has given its consent for its appointment for this particular Issue (a copy of the consent letter from IDBI Trusteeship Services Limited is annexed hereto as Annexure I) in accordance with the applicable SEBI Debt Regulations. The Issuer undertakes that the name of the Trustee shall be mentioned in all periodical communication sent to the Debenture Holders.

XXII. CREDIT RATINGS AND RATING RATIONALES ADOPTED BY CREDIT RATING AGENCIES

CRISIL Limited - “CRISIL AAA/Stable” (pronounced “CRISIL triple A rating with Stable outlook”). Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

ICRA Limited - “ICRA AAA/Stable” (“pronounced as ICRA Triple A rating with Stable outlook”). Instruments with this rating are considered to have the high degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The rating letters issued by CRISIL Limited & ICRA Limited on 15th December 2021 and 14th December 2021 respectively along with respective rating rationales and press releases are enclosed as part of **Annexure II**.

XXIII. NAMES OF THE RECOGNISED STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED CLEARLY INDICATING THE DESIGNATED STOCK EXCHANGE AND THE DETAILS OF THEIR IN-PRINCIPLE APPROVAL FOR LISTING OBTAINED FROM THESE STOCK EXCHANGE(S).

The Debentures are proposed to be listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited (‘NSE’) and on BSE Limited (Earlier known as Bombay Stock Exchange Limited) (‘BSE’).

The Bank has received In-principle approval for listing of these Debentures from the said Stock Exchanges vide letters dated December 16, 2021 from NSE and from BSE respectively.

The Designated Stock Exchange for Issue shall be BSE. The Bank has created Recovery Expense Fund of Rs. 25 Lakhs with BSE, as specified by SEBI.

In case of delay in listing of Bonds beyond 4 trading days from the Issue Closing Date, the Issuer shall pay penal interest of 1% p.a. over the Coupon Rate for the period of delay to the investor (i.e., from the date of allotment to the date of listing).

XXIV. IF THE DEBENTURES ARE BACKED BY A GUARANTEE OR LETTER OF COMFORT OR

ANY OTHER DOCUMENT/LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. 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 THIS PLACEMENT MEMORANDUM:

NA

XXV. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

- (a) Name of the Bank declaring the Issuer as a wilful defaulter: NIL
- (b) The year in which the Issuer is declared as a wilful defaulter: NIL
- (c) Outstanding amount when the Issuer is declared as a wilful defaulter: NIL
- (d) Name of the Issuer declared as a wilful defaulter: NIL
- (e) Steps taken, if any, for the removal from the list of wilful defaulters: NIL
- (f) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NIL
- (g) Any other disclosure as specified by SEBI: NIL

XXVI. 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

Not applicable.

I. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –

- i) Statutory Dues: NIL
- ii) Debentures and Interest thereon: NIL
- iii) Deposits and Interest thereon: NIL
- iv) Loan from any bank or financial institution and interest thereon: NIL

II. Any Default in Annual filing of the company under the Companies Act, 2013 or the rules made thereunder: None.

XXVII. OTHER DISCLOSURES:

- Date of passing of board resolution: April 27, 2021
- Date of passing of resolution in the general meeting, authorising the offer of securities; Approval of the shareholders was obtained in the 27th Annual General Meeting of the Bank held on 30th July 2021
- Kinds of securities offered (i.e. whether share or debenture) and class of security; total number of shares or other securities to be issued: Up to 50,000 (fifty thousand) fully paid, senior, unsecured, taxable, redeemable, non convertible debentures.. Refer page 1 of this Placement Document.
- Price at which the security is being offered including the premium, if any, along with justification of the price: Face Value of Rs. 10 Lakhs per Debenture issued at par. 'Justification of the price' is not applicable since the Debentures are being issued at par.
- (i) Paid up capital after the offer: INR 613.33 crores; and (ii) after conversion of convertible instruments (if applicable): NA
- Share premium account before the offer: NA As this is a Debt issuance at par, there will be no effect of the issue on the Share premium Account
- Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer; NA

- Relevant date with reference to which the price has been arrived at: NA
 - The proposed time within which the allotment shall be completed: The allotment of the Bonds shall be made within the timelines stipulated under SEBI Operational Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021
 - The names of the proposed allottees and the percentage of post private placement capital that may be held by them [not required in case of issue of non- convertible debentures]: NA.
 - The change in control, if any, in the company that would occur consequent to the private placement: **NA**
 - the number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price;- NA
 - the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: NA
 - Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) not required in case of issue of non-convertible debentures; NA.
 - Mode of payment for subscription: Only Axis Bank cheques or Axis Bank Demand Draft or RTGS or credit by any other electronic mode shall be accepted. For bank account details, please refer the instructions given with Application Form.
 - Mode of repayment: Payment of Coupon and repayment of principal amount of the Bonds shall be made by way of RTGS/NEFT or any other electronic mode or in absence of electronic mode then by cheque(s)/ demand drafts / redemption warrant(s).
 - Proposed time schedule for which the private placement offer cum application letter is valid: Please refer to the 'Issue Schedule' on page 1 of this Placement Memorandum.
 - Contribution being made by the promoters or directors either as part of the Offer or separately in furtherance of such objects: NA
 - The 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;- NIL
- The Pre-Issue and Post-Issue shareholding Pattern of the Company in the following format: The issue is of Non-convertible Debentures and hence there would be no change in the shareholding pattern due to the said issue.
- The issue is of Unsecured, Senior, Taxable non-convertible debentures (Series- 6). As such, the issue will not impact the equity share capital of the Bank.

DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

- i. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.

None of the Directors, Promoters and Key Managerial Personnel have any financial or other material interest in the present Offer.

The Promoters of the Bank and their nominees on the Board of the Bank may be deemed to be interested in the present offer to the extent of the Promoters' contribution in the Offer if any.

- ii. 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 Bank during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed:

The following penal action have been taken on Life Insurance Corporation of India: (Rs. In crore)

FY 2019-20	FY 2018 -19	FY 2020-21
SEBI		
-	-	0.10

There are two income tax matters pending before the Hon'ble Supreme Court with a tax effect of Rs. 8078.90 crores and one income tax matter pending before the Hon'ble High Court of Bombay with a tax effect of Rs. 6268.98 crores.

The following penal action have been taken on Oriental Insurance Company Limited: (Rs. In crore)

Penalty Awarded			Penalty Paid			Penalty reduced/ waived		
FY 2020-21	FY 2019-20	FY 2018 -19	FY 2020-21	FY 2019-20	FY 2018 -19	FY 2020-21	FY 2019-20	FY 2018 -19
By the Income Tax Department:								
0.08	2.05	0.17	0.04	-	0.05	0.02	-	0.002
Any other Central/State/ Local Government/ Statutory Authority								
-	-	1.73	-	-	1.72	-	-	-

- iii. Remuneration of directors (during the current year and last three financial years);

Non-Executive Chairman

The details of remuneration paid to Non-Executive Chairman is as follows:

Period	Remuneration
FY2018-19	Dr. Sanjiv Misra: Remuneration of Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.
FY2019-20	Dr. Sanjiv Misra: Remuneration: Rs. 33.00 lacs per annum, free use of Bank's car for official and private purposes provided in accordance with the approval obtained from RBI in this regard. (upto 17 th July 2019). Mr. Rakesh Makhija: With effect from 18 th July 2019: - Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.

FY 2020-21	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.
FY 2021-22	Mr. Rakesh Makhija: Remuneration: Rs. 33.00 lacs per annum, perquisites such as use of car and travelling and other official expenses provided in accordance with the approval obtained from RBI in this regard.

Remuneration of the Directors

(A) 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:

	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Rajesh Dahiya
	1 April 2021 to 30 September 2021	1 April 2021 to 30 September 2021	1 April 2021 to 30 September 2021
Salary (basic)	1,93,77,000	92,96,976	82,69,926
Leave fare concession facility	4,99,998	2,74,998	2,74,998
House rent allowance	53,82,498	30,68,004	27,29,076
Variable pay (for)	89,00,000	58,96,038	52,05,177
Superannuation allowance / fund	19,37,700	9,29,700	8,26,992
Perquisites (excluding ESOP)	39,60,674	12,16,244	10,65,058
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service

	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Rajesh Dahiya	Mr. Pralay Mondal*
	1 April 2020 to 31 March 2021	1 April 2020 to 31 March 2021	1 April 2020 to 31 March 2021	1 April 2020 to 14 September 2020
	(in ₹)			
Salary (basic)	38,754,000	18,593,952	16,539,850	7,755,440
Leave fare concession facility	1,000,000	550,000	550,000	250,554
House rent allowance	10,765,000	6,136,004	5,458,151	2,559,297
Variable pay (for 2019-2020)	—	—	—	—
Superannuation allowance / fund	3,875,400	1,859,395	1,653,985	775,545
Perquisites (excluding ESOP)	8,483,025	2,455,687	2,339,758	180,651
Provident fund (Bank contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service
Leave encashment	2,153,000	361,549	689,161	47,289

*Mr. Pralay Mondal ceased to be a Director of the Bank on 15 September 2020 upon resignation from the services of the Bank.

The details of remuneration paid to the whole-time Directors of the Bank during the Financial Year 2019 – 20, in terms of the approvals granted by the RBI and the Shareholders, are as under:

	Mr. Amitabh Chaudhry	Mr. Rajiv Anand	Mr. Rajesh Kumar Dahiya	Mr. Pralay Mondal*
	1 April 2019 to 31 March 2020	1 April 2019 to 31 March 2020	1 April 2019 to 31 March 2020	1 August 2019 to 31 March 2020
	(in ₹)			
Salary (basic)	38,754,000	18,593,952	16,539,852	11,349,424
Leave fare concession facility	999,996	549,996	549,996	366,664
House rent allowance	10,764,996	6,136,008	5,458,152	3,745,312
Variable pay (for 2018-19)	4,536,986	8,769,488	7,793,800	—
Superannuation allowance / fund	3,875,400	1,859,400	1,653,983	1,134,944
Perquisites (excluding ESOP)	204,233	3,098,384	3,095,531	1,708,590
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	1,000,000	2,609,967	2,441,666	—

In view of the onset of COVID pandemic and resultant uncertainty in the business and otherwise, the Nomination and Remuneration Committee of the Board did not recommend payment of variable pay to the whole-time Directors of the Bank for Fiscal 2020.

The details of remuneration paid to the whole-time Directors of the Bank during the Financial Year 2018-19, in terms of the approvals granted by the RBI and the Shareholders, are as under:

	Ms. Shikha Sharma*	Mr. Amitabh Chaudhry	Mr. V Srinivasdan*	Mr. Rajiv Anand	Mr. Rajesh Kumar Dahiya
	1 April 2018 to 31 December 2018	1 January 2019 to 31 March 2019	1 April 2018 to 20 December 2019	1 April 2018 to 31 March 2019	1 April 2018 to 31 December 2019
	(in ₹)				
Salary (basic)	22,089,753	9,000,000	15,856,935	16,299,732	14,485,676
Leave fare concession facility	—	249,999	435,863	549,996	549,996
House rent allowance	7,368,003	2,499,999	3,962,874	5,378,910	2,222,310
Deferred variable pay (for 2014-2015)	2,568,098	—	—	—	—
Variable pay (for 2016-2017)	9,097,000	—	4,666,569	5,089,279	3,739,240
Superannuation allowance / fund	2,208,978	900,000	1,585,694	1,629,974	1,448,564
Perquisites (excluding ESOP)	375,574	37,841	1,743,728	2,796,605	4,299,048
Provident fund (Bank contribution)	12% of basic pay	12% of basic pay	12% of basic pay	12% of basic pay	12% of basic pay
Gratuity	24,544,170	One month's	16,767,000	One month's	One month's

		salary for each completed year of service		salary for each completed year of service	salary for each completed year of service
Leave encashment	4,745,206	—	4,905,750	170,871	1,138,673

* *Ms. Shikha Sharma and Mr. V. Srinivasan ceased to be Directors of the Bank on expiry of their tenures on 31 December 2018 and 20 December 2018 respectively.*

Perquisites (evaluated as per Income Tax Rules, 1962, wherever applicable, or otherwise at actual cost to the Bank) such as benefit of the Bank's furnished accommodation, electricity, water and furnishings, club fees, personal accident insurance, loans, use of car and telephone at residence, medical reimbursement, travelling and halting allowances, newspapers and periodicals and others were provided in accordance with the Rules of the Bank.

In view of the financial performance of the Bank for Fiscal 2018, the Nomination and Remuneration Committee of the Board did not recommend payment of variable pay to the whole-time Directors of the Bank for Fiscal 2018.

The Bank, as a policy, does not pay any severance fees to its MD and CEO or to its whole-time Directors. The tenure of the office of the MD and CEO and the whole time Directors of the Bank is for a period of 3 (three) years from date of their respective appointment/re-appointment, as approved by the shareholders of the Bank and the RBI and the same can be terminated by either party by giving three months' notice in writing.

Non-Executive Directors

All the non-executive Directors of the Bank were paid sitting fees of ₹1,00,000 for every meeting of the Board and ₹50,000 for every meeting of the committees attended by them. However, in view of the increase in the duties, roles and responsibilities of the non-executive Directors and the commitment required thereof, the Board at its meeting held on 22 January 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 Strategy Committee of the Board, from ₹50,000 to ₹100,000 per meeting, with effect from 1 February 2020. Further, the Board, at its meeting held on 14 June 2021, increased the sitting fees with respect to other Board Committees from ₹50,000 to ₹75,000 per meeting.

The details of sitting fees paid to the Non-executive Directors are as follows:

Period	Sitting fees paid (in Rs.)
FY2019	2,45,50,000
FY 2020	1,81,50,000
FY 2021	2,22,50,000
April 1, 2021 – September 30, 2021	1,54,50,000

- iv. Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided:

Standalone Related party disclosure FY 20-21

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)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

During the year, United India Insurance Co. Limited and National Insurance Co. Limited, have made a request to reclassify themselves to "Public" category from "Promoter" category, in terms of Reg. 31A of

the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended. The Board at its meetings held on 27 February, 2021 and 26 March, 2021 respectively, has considered and approved the said requests, subject to the approval of the Stock Exchanges, Statutory/ Regulatory Authorities and the Shareholders of the Bank, in terms of the said Regulations. Further on 22 April, 2021, New India Assurance Co. Limited has also made a request to reclassify itself to “Public” category from “Promoter” category, in terms of aforesaid SEBI Regulations which is subject to the approval of the Bank’s Board of Directors, Stock Exchanges, Statutory/ Regulatory Authorities and the Shareholders of the Bank, in terms of the said Regulations. The reclassification will be effective post receipt of the aforesaid approvals.

b) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]
- Mr. Pralay Mondal [Executive Director (Retail Banking)] (from 1 August, 2019 to 14 September, 2020)

c) Relatives of Key Management Personnel

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Chhavi 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. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Jai Prakash Dahiya, Ms. Mahasweta Mondal, Ms. Pritha Mondal, Ms. Trina Mondal, Mr. Biplab Mondal, Ms. Anima Mondal.

d) Subsidiary Companies

- Axis Capital Limited
- Axis Private Equity Limited*
- Axis Trustee Services Limited
- Axis Asset Management Company Limited
- Axis Mutual Fund Trustee Limited
- Axis Bank UK Limited
- Axis Finance Limited
- Axis Securities Limited
- A.Treds Limited
- Accelyst Solutions Private Limited*
- Freecharge Payment Technologies Private Limited

* During the year ended 31 March, 2021, the merger of 2 subsidiaries - Axis Private Equity Limited with Axis Finance Limited and of Accelyst Solutions Private Limited with Freecharge Payment Technologies Private Limited was completed pursuant to receipt of regulatory approvals with appointed dates being 1 April, 2017 and 7 October, 2017 respectively. Accordingly, disclosures for the year ended/as on 31 March, 2021 are presented on an aggregate basis considering the effect of merger for the respective subsidiaries.

e) Step down subsidiary companies

- Axis Capital USA LLC

Based on RBI guidelines, details of transactions with step down subsidiaries are not disclosed since there is only one entity/party in this category.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2021 /are given below:
(in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	58.35	58.35
Interest paid	325.49	0.44	0.38	14.77	341.08
Interest received	0.03	0.23	-	9.14	9.40
Investment of the Bank	-	-	-	6.70	6.70
Investment in non-equity instruments of related party	-	-	-	300.00	300.00
Investment of related party in the Bank	-	8.83	-	-	8.83
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-	-
Purchase of investments	-	-	-	-	-
Sale of investments	2,227.52	-	-	24.99	2,252.51
Management contracts	-	-	-	7.46	7.46
Remuneration paid	-	13.45	-	-	13.45
Contribution to employee benefit fund	14.33	-	-	-	14.33
Placement of deposits	1.59	-	-	-	1.59
Call/Term lending to related party	-	-	-	-	-
Repayment of Call/Term lending by related party	-	-	-	-	-
Swaps/Forward contracts	-	-	-	474.45	474.45
Advance granted (net)	-	0.90	-	100.35	101.25
Advance repaid	0.23	0.71	-	351.28	352.22
Purchase of loans	-	-	-	338.97	338.97
Receiving of services	258.68	-	-	245.17	503.85
Rendering of services	52.13	-	-	32.96	85.09
Sale/Purchase of foreign exchange currency to/from related party	-	0.32	0.19	-	0.51
Royalty received	-	-	-	3.69	3.69
Other reimbursements from related party	-	-	-	8.66	8.66

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Other reimbursements to related party	0.25	-	-	1.03	1.28

[#] 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 Bank as on 31 March, 2021 are given below: (*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Deposits with the Bank	6,587.83	2.46	6.04	663.55	7,259.88
Placement of security deposits	1.90	-	-	-	1.90
Advances	1.08	5.04	0.02	100.69	106.83
Investment of the Bank	-	-	-	2,299.52	2,299.52
Investment in non-equity instruments of related party	-	-	-	300.00	300.00
Investment of related party in the Bank	81.18	0.10	-	-	81.28
Non-funded commitments	3.32	-	-	-	3.32
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	-	2,760.00
Other receivables (net)	-	-	-	3.85	3.85
Other payables (net)	-	-	-	46.14	46.14

[#] 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 maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2021 are given below: (*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	11,706.70	16.49	6.59	1,344.69	13,074.47
Placement of deposits	1.90	-	-	-	1.90
Advances	8.03	5.68	0.08	590.33	604.12
Investment of the Bank	-	-	-	2,299.52	2,299.52
Investment of related party in the Bank	88.56	0.10	-	-	88.66
Investment in non-equity instruments of related party	-	-	-	300.00	300.00
Non-funded commitments	3.32	-	-	-	3.32
Call lending	-	-	-	-	-
Swaps/Forward contracts	-	-	-	236.95	236.95

Investment of related party in Hybrid Capital/Bonds of the Bank	2,760.00	-	-	-	2,760.00
Other receivables (net)	-	-	-	6.13	6.13
Other payables (net)	-	-	-	51.63	51.63

The details of transactions of the Bank with its related parties during the year ended 31 March, 2020 are given below:
(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Dividend paid	46.04	0.04	-	-	46.08
Dividend received	-	-	-	240.26	240.26
Interest paid	551.48	1.07	0.15	15.57	568.27
Interest received	0.19	0.26	-	53.95	54.40
Investment of the Bank	-	-	-	6.70	6.70
Investment in non-equity instruments of related party	-	-	-	45.00	45.00
Investment of related party in the Bank	-	5.44	-	-	5.44
Redemption of Hybrid capital/Bonds of the Bank	55.00	-	-	-	55.00
Purchase of investments	-	-	-	369.16	369.16
Sale of investments	1,318.04	-	-	-	1,318.04
Management contracts	-	-	-	12.87	12.87
Remuneration paid	-	15.84	-	-	15.84
Contribution to employee benefit fund	15.42	-	-	-	15.42
Call/Term lending to related party	-	-	-	55.61	55.61
Repayment of Call/Term lending by related party	-	-	-	55.61	55.61
Swaps/Forward contracts	-	-	-	79.34	79.34
Advance granted (net)	-	-	-	0.45	0.45
Advance repaid	5.31	6.01	-	86.47	97.79
Purchase of loans	-	-	-	-	-
Receiving of services	202.74	-	-	178.55	381.29
Rendering of services	29.38	0.01	-	50.60	79.99
Sale/Purchase of foreign exchange currency to/from	-	1.48	0.03	-	1.51

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
related party					
Royalty received	-	-	-	3.03	3.03
Other reimbursements from related party	-	-	-	37.77	37.77
Other reimbursements to related party	0.19	-	-	10.53	10.72

[#] 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 Bank as on 31 March, 2020 are given below:
(in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Deposits with the Bank	7,119.06	16.01	5.99	565.88	7,706.94
Placement of security deposits	0.31	-	-	-	0.31
Advances	1.31	4.85	0.03	351.56	375.75
Investment of the Bank	-	-	-	2,292.82	2,292.82
Investment in non-equity instruments of related party	-	-	-	-	-
Investment of related party in the Bank	88.56	0.08	-	-	88.64
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)	-	-	-	6.13	6.13
Other payables (net)	-	-	-	26.64	26.64

[#] 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 maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2020 are given below:
(in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	16,652.92	20.86	5.99	1,106.09	17,785.86
Placement of deposits	0.31	-	-	-	0.31

Advances	11.51	10.99	0.06	1,473.93	1,496.49
Investment of the Bank	-	-	-	2,292.82	2,292.82
Investment of related party in the Bank	93.60	0.09	-	-	93.69
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Non-funded commitments	3.33	-	-	-	3.33
Call lending	-	-	-	55.61	55.61
Swaps/Forward contracts	-	-	-	1.51	1.51
Investment of related party in Hybrid Capital/Bonds of the Bank	2,815.00	-	-	-	2,815.00
Other receivables (net)	-	-	-	17.94	17.94
Other payables (net)	-	-	-	88.19	88.19

The transactions with Promoters and Key Management Personnel excluding those under management contracts are in 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 Parties 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, 2021 and 31 March, 2020 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, 2021	31 March, 2020
Dividend paid		
Life Insurance Corporation of India	-	26.32
Administrator of the Specified Undertaking of the Unit Trust of India	-	13.69
Dividend received		
Axis Securities Limited	-	33.23
Axis Bank UK Limited	-	31.07
Axis Finance Limited	-	120.19
Axis Capital Limited	44.10	42.26
Axis Trustee Services Limited	14.25	13.50
Interest paid		
Life Insurance Corporation of India	216.43	433.28
Administrator of the Specified Undertaking of the Unit Trust of India	37.02	44.52

Particulars	31 March, 2021	31 March, 2020
General Insurance Corporation Co. Limited	40.22	12.29
Interest received		
Axis Finance Limited	7.90	52.28
Axis Bank UK Limited	-	0.06
Investment in Subsidiaries		
A.Treds Limited	6.70	6.70
Investment in non-equity instruments of related party		
Axis Finance Limited	300.00	45.00
Investment of related party in the Bank		
Mr. Rajiv Anand	4.82	2.62
Mr. Rajesh Dahiya	4.01	2.82
Purchase of Investments		
Axis Bank UK Limited	-	369.16
Redemption of Hybrid capital/Bonds of the Bank		
General Insurance Corporation Co. Limited	-	10.00
National Insurance Co. Limited	-	20.00
United India Insurance Co. Limited	-	25.00
Sale of investments		
New India Assurance Co. Limited	521.57	490.00
General Insurance Corporation Co. Limited	1,293.95	556.00
United India Insurance Co. Limited	50.00	112.18
Oriental Insurance Co. Limited	97.00	99.85
National Insurance Co. Limited	265.00	60.00
Management contracts		
Axis Securities Limited	0.75	3.97
A Treds Limited	3.54	4.52
Axis Capital Limited	1.77	2.09
Axis Trustee Services Limited	1.40	2.29
Remuneration paid		
Mr. Amitabh Chaudhry	6.54	6.26
Mr. Rajiv Anand	3.01	4.16

Particulars	31 March, 2021	31 March, 2020
Mr. Rajesh Dahiya	2.74	3.75
Mr. Pralay Mondal	1.16	1.67
Contribution to employee benefit fund		
Life Insurance Corporation of India	14.33	15.42
Placement of deposits		
Life Insurance Corporation of India	1.59	-
Repayment of Call/Term lending by related party		
Axis Bank UK Limited	-	55.61
Swaps/Forward contracts		
Axis Bank UK Limited	474.45	79.34
Advance granted (net)		
Axis Asset Management Company Limited	0.24	0.37
Axis Securities Limited	-	0.08
Axis Finance Limited	100.11	-
Advance repaid		
Axis Capital Limited	-	19.54
Axis Finance Limited	351.09	64.32
Purchase of loans		
Axis Bank UK Limited	338.97	-
Receiving of services		
New India Assurance Co. Limited	77.56	88.90
Oriental Insurance Co. Limited	135.25	93.87
Freecharge Payment Technologies Private Limited	216.51	109.67
Accelyst Solutions Private Limited	N.A.	46.09
Axis Securities Limited	0.10	10.39
Rendering of services		
Life Insurance Corporation of India	51.07	28.22
Axis Securities Limited	0.92	10.95
Axis Asset Management Company Limited	13.14	24.75

Particulars	31 March, 2021	31 March, 2020
Sale/Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	-	0.40
Mr. Rajiv Anand	0.07	0.36
Mr. Pralay Mondal	0.25	0.72
Ms. Preeti Chaudhry	0.14	0.01
Ms. Tara Anand	0.05	0.02
Royalty received		
Axis Asset Management Company Limited	0.93	0.70
Axis Capital Limited	0.57	0.36
Axis Finance Limited	1.55	1.51
Axis Securities Limited	0.59	0.27
Other reimbursements from related party		
Axis Securities Limited	0.88	29.10
Axis Capital Limited	3.09	3.90
Freecharge Payment Technologies Private Limited	0.21	0.14
Accelyst Solutions Private Limited	N.A.	0.49
Axis Asset Management Company Limited	2.04	1.99
Axis Finance Limited	1.82	1.42
Other reimbursements to related party		
Axis Securities Limited	0.02	5.85
Life Insurance Corporation of India	0.25	0.19
Axis Capital Limited	0.19	0.26
Axis Bank UK Limited	0.20	4.40
Freecharge Payment Technologies Private Limited	0.62	0.01

Consolidated Related party disclosure

The related parties of the Group are broadly classified as:

f) Promoters

The Bank has identified the following entities as its Promoters.

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

1 During the year, United India Insurance Co. Limited and National Insurance Co. Limited, have made a request to reclassify themselves to “Public” category from “Promoter” category, in terms of Reg. 31A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended. The Board at its meetings held on 27 February, 2021 and 26 March, 2021 respectively, has considered and approved the said requests, subject to the approval of the Stock Exchanges, Statutory/ Regulatory Authorities and the Shareholders of the Bank, in terms of the said Regulations. Further on 22 April, 2021, New India Assurance Co. Limited has also made a request to reclassify itself to “Public” category from “Promoter” category, in terms of aforesaid SEBI Regulations which is subject to the approval of the Bank’s Board of Directors, Stock Exchanges, Statutory/ Regulatory Authorities and the Shareholders of the Bank, in terms of the said Regulations. The reclassification will be effective post receipt of the aforesaid approvals.

g) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]
- Mr. Pralay Mondal [Executive Director (Retail Banking)] (from 1 August, 2019 to 14 September, 2020)

h) Relatives of Key Management Personnel

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Chhavi 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. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Jai Prakash Dahiya, Ms. Mahasweta Mondal, Ms. Pritha Mondal, Ms. Trina Mondal, Mr. Biplab Mondal, Ms. Anima Mondal.

The details of transactions of the Group with its related parties during the year ended 31 March, 2021 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Total
Dividend paid	-	-	-	-
Interest paid	325.49	0.44	0.38	326.31
Interest received	0.03	0.23	-	0.26
Investment in non-equity instrument of related party	-	-	-	-
Investment of related party in the Bank	-	8.83	-	8.83
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-
Sale of investments	2,227.52	-	-	2,227.52
Remuneration paid	-	13.45	-	13.45
Contribution to employee benefit fund	14.33	-	-	14.33
Placement of deposits	1.59	-	-	1.59
Advance granted (net)	-	0.90	-	0.90
Advance repaid	0.23	0.71	-	0.94
Receiving of services	263.65	-	-	263.65

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Rendering of services	52.41	-	-	52.41
Sale/ Purchase of foreign exchange currency to/from related party	-	0.32	0.19	0.51
Other reimbursements from related party	0.06	-	-	0.06
Other reimbursements to related party	0.25	-	-	0.25

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

The balances payable to/receivable from the related parties of the Group as on 31 March, 2021 are given below:

(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	6,587.83	2.46	6.04	6,596.33
Placement of security deposits	1.90	-	-	1.90
Advances	1.08	5.04	0.02	6.14
Investment in non-equity instruments of related party	0.02	-	-	0.02
Investment of related party in the Bank	81.18	0.10	-	81.28
Non-funded commitments	3.32	-	-	3.32
Investment of related party in Hybrid capital/ Bonds of the Bank	2,760.00	-	-	2,760.00
Other receivables (net)	0.02	-	-	0.02

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2021 are given below:

(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	11,706.70	16.49	6.59	11,729.78
Placement of security deposits	1.90	-	-	1.90
Advances	8.03	5.68	0.08	13.79
Investment of related party in the Bank	88.56	0.10	-	88.66
Investment in non-equity instrument of	0.02	-	-	0.02

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
related party				
Non-funded commitments	3.32	-	-	3.32
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	2,760.00
Other receivables (net)	0.04	-	-	0.04

The details of transactions of the Group with its related parties during the year ended 31 March, 2020 are given below:
(` in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Total
Dividend paid	46.04	0.04	-	46.08
Interest paid	551.48	1.07	0.15	552.70
Interest received	0.19	0.26	-	0.45
Investment in non-equity instrument of related party	-	-	-	-
Investment of related party in the Bank	-	5.44	-	5.44
Redemption of Hybrid capital/Bonds of the Bank	55.00	-	-	55.00
Sale of investments	1,318.04	-	-	1,318.04
Remuneration paid	-	15.84	-	15.84
Contribution to employee benefit fund	15.42	-	-	15.42
Advance granted (net)	-	-	-	-
Advance repaid	5.31	6.01	-	11.32
Receiving of services	206.94	-	-	206.94
Rendering of services	29.68	0.01	-	29.69
Sale/ Purchase of foreign exchange currency to/from related party	-	1.48	0.03	1.51
Other reimbursements from related party	-	-	-	-
Other reimbursements to related party	0.19	-	-	0.19

[#] 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 31 March, 2020 are given below:

([₹] in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	7,119.06	16.01	5.99	7,141.06
Placement of security deposits	0.31	-	-	0.31
Advances	1.31	4.85	0.03	6.19
Investment in non-equity instruments of related party	0.02	-	-	0.02
Investment of related party in the Bank	88.56	0.08	-	88.64
Non-funded commitments	3.32	-	-	3.32
Investment of related party in Hybrid capital/ Bonds of the Bank	2,760.00	-	-	2,760.00
Other receivables (net)	0.04	-	-	0.04

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2020 are given below: (*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	16,652.92	20.86	5.99	16,679.77
Placement of security deposits	0.31	-	-	0.31
Advances	11.51	10.99	0.06	22.56
Investment of related party in the Bank	93.60	0.09	-	93.69
Investment in non-equity instrument of related party	290.07	-	-	290.07
Non-funded commitments	3.33	-	-	3.33
Investment of related party in Hybrid capital/Bonds of the Bank	2,815.00	-	-	2,815.00
Other receivables (net)	0.32	-	-	0.32

The significant transactions between the Group and related parties during the year ended 31 March, 2021 and 31 March, 2020 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(*in crores*)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Dividend paid		
Life Insurance Corporation of India	-	26.32
Administrator of the Specified Undertaking of the Unit Trust of India	-	13.69
Interest paid		
Administrator of the Specified Undertaking of the Unit Trust of India	37.02	44.52
Life Insurance Corporation of India	216.43	433.28
General Insurance Corporation Co. Limited	40.22	12.29
Interest received		
Mr. Rajiv Anand	0.09	0.15
Mr Rajesh Dahiya	0.14	0.11
Life Insurance Corporation of India	0.03	0.19
Investment of related party in the Bank		
Mr Rajiv Anand	4.82	2.62

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Mr Rajesh Dahiya	4.01	2.82
Redemption of Hybrid capital/Bonds of the Bank		
General Insurance Corporation Co. Limited	-	10.00
National Insurance Co. Limited	-	20.00
United India Insurance Co. Limited	-	25.00
Sale of investments		
New India Assurance Co. Limited	521.57	490.00
General Insurance Corporation Co. Limited	1,293.95	556.00
United India Insurance Co. Limited	50.00	112.18
The Oriental Insurance Co. Limited	97.00	99.85
National Insurance Co. Limited	265.00	60.00
Remuneration paid		
Mr. Amitabh Chaudhry	6.54	6.26
Mr. Rajiv Anand	3.01	4.16
Mr. Rajesh Dahiya	2.74	3.75
Mr.Pralay Mondal	1.16	1.67
Contribution to employee benefit fund		
Life Insurance Corporation of India	14.33	15.42
Placement of deposits		
Life Insurance Corporation of India	1.59	-
Advance granted (net)		-
Mr. Rajesh Dahiya	0.90	
Advance repaid		
Life Insurance Corporation of India	0.23	5.31
Mr. Rajiv Anand	0.36	5.61
Mr. Rajesh Dahiya	0.35	0.40
Receiving of services		
The Oriental Insurance Co. Limited	139.08	95.83

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
New India Assurance Co. Limited	77.65	90.13
Life Insurance Corporation of India	41.93	13.53
Rendering of services		
Life Insurance Corporation of India	51.07	28.22
General Insurance Corporation Co. Limited	0.22	0.13
Sale/ Purchase of foreign exchange currency to/from related party		
Mr. Amitabh Chaudhry	-	0.40
Mr. Rajiv Anand	0.07	0.36
Mr. Pralay Mondal	0.25	0.72
Ms. Preeti Chaudhry	0.14	0.01
Ms. Tara Anand	0.05	0.02
Other reimbursements from related party		
New India Assurance Co. Limited	0.06	-
Other reimbursements to related party		
Life Insurance Corporation of India	0.25	0.19

Standalone Related party disclosure FY19-20

The related parties of the Bank are broadly classified as:

i) Promoters

The Bank has identified the following entities as its Promoters.

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

j) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Ms. Shikha Sharma (MD & CEO) (upto 31 December, 2018)
- Mr. V. Srinivasan (Deputy Managing Director) (upto 20 December, 2018)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]

- Mr. Pralay Mondal [Executive Director (Retail Banking)] (w.e.f. 1 August, 2019)

k) *Relatives of Key Management Personnel*

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Chhavi Kharb, Mr. Om Singh Chaudhry, Ms. Kusum Chaudhry, Mr. Sanjaya Sharma, Ms. Usha Bharadwaj, Mr. Tilak Sharma, Ms. Tvisha Sharma, Dr. Sanjiv Bharadwaj, Dr. Prashant Bharadwaj, Dr. Brevis Bharadwaj, Dr. Reena Bharadwaj, Ms. Gayathri Srinivasan, Mr. V. Satish, Ms. Camy Satish, Ms. Ananya Srinivasan, Ms. Anagha Srinivasan, Ms. Geetha N., Ms. Chitra R., Ms. Sumathi N., Mr. S. Ranganathan, Mr. R. Narayan, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. P. Kamashi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rath, Mr. Jai Prakash Dahiya, Ms. Mahasweta Mondal, Ms. Pritha Mondal, Ms. Trina Mondal, Mr. Biplab Mondal, Ms. Anima Mondal.

l) *Subsidiary Companies*

- Axis Capital Limited
- Axis Private Equity Limited
- Axis Trustee Services Limited
- Axis Asset Management Company Limited
- Axis Mutual Fund Trustee Limited
- Axis Bank UK Limited
- Axis Finance Limited
- Axis Securities Limited
- A.Treds Limited
- Accelyst Solutions Private Limited
- Freecharge Payment Technologies Private Limited

m) *Step down subsidiary companies*

- Axis Capital USA LLC

Based on RBI guidelines, details of transactions with step down subsidiaries are not disclosed since there is only one entity/party in this category.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2020 are given below:

(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Dividend paid	46.04	0.04	-	-	46.08
Dividend received	-	-	-	240.26	240.26
Interest paid	551.48	1.07	0.15	15.57	568.27
Interest received	0.19	0.26	-	53.95	54.40
Investment of the Bank	-	-	-	6.70	6.70
Investment in non-equity instruments of related party	-	-	-	45.00	45.00

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Investment of related party in the Bank	-	5.44	-	-	5.44
Redemption of Hybrid capital/Bonds of the Bank	55.00	-	-	-	55.00
Purchase of investments	-	-	-	369.16	369.16
Sale of investments	1,318.04	-	-	-	1,318.04
Management contracts	-	-	-	12.87	12.87
Remuneration paid	-	15.84	-	-	15.84
Contribution to employee benefit fund	15.42	-	-	-	15.42
Repayment of security deposits by related party	-	-	-	-	-
Non-funded commitments (issued)	-	-	-	-	-
Call/Term lending to related party	-	-	-	55.61	55.61
Repayment of Call/Term lending by related party	-	-	-	55.61	55.61
Swaps/Forward contracts	-	-	-	79.34	79.34
Advance granted (net)	-	-	-	0.45	0.45
Advance repaid	5.31	6.01	-	86.47	97.79
Purchase of loans	-	-	-	-	-
Sell down of loans (including undisbursed loan commitments)	-	-	-	-	-
Receiving of services	202.74	-	-	178.55	381.29
Rendering of services	29.38	0.01	-	50.60	79.99
Sale of foreign exchange currency to related party	-	1.48	0.03	-	1.51
Royalty received	-	-	-	3.03	3.03
Other reimbursements from related party	-	-	-	37.77	37.77
Other reimbursements to related party	0.19	-	-	10.53	10.72

[#] 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 Bank as on 31 March, 2020 are given below:
(in crores)

=Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Call/Term lending to related party	-	-	-	-	-
Deposits with the Bank	7,119.06	16.01	5.99	565.88	7,706.94
Placement of security deposits	0.31	-	-	-	0.31
Advances	1.31	4.85	0.03	351.56	375.75
Investment of the Bank	-	-	-	2,292.82	2,292.82
Investment in non-equity instruments of related party	-	-	-	-	-
Investment of related party in the Bank	88.56	0.08	-	-	88.64
Non-funded commitments	3.32	-	-	-	3.32
Investment of related party in Hybrid capital/Bonds of the Bank	2,760.00	-	-	-	2,760.00
Payable under management contracts	-	-	-	-	-
Other receivables (net)	-	-	-	6.13	6.13
Other payables (net)	-	-	-	26.64	26.64

[#] 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 maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2020 are given below: (*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	16,652.92	20.86	5.99	1,106.09	17,785.86
Placement of deposits	0.31	-	-	-	0.31
Advances	11.51	10.99	0.06	1,473.93	1,496.49
Investment of the Bank	-	-	-	2,292.82	2,292.82
Investment of related party in the Bank	93.60	0.09	-	-	93.69
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Non-funded commitments	3.33	-	-	-	3.33
Call lending	-	-	-	55.61	55.61

Swaps/Forward contracts	-	-	-	1.51	1.51
Investment of related party in Hybrid Capital/Bonds of the Bank	2,815.00	-	-	-	2,815.00
Payable under management contracts	-	-	-	-	-
Other receivables (net)	-	-	-	17.94	17.94
Other payables (net)	-	-	-	88.19	88.19

The details of transactions of the Bank with its related parties during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	131.10	131.10
Interest paid	554.78	0.41	0.12	17.41	572.72
Interest received	0.13	1.09	-	22.19	23.41
Investment of the Bank	-	-	-	197.17	197.17
Investment in non-equity instruments of related party	341.26	-	-	50.00	391.26
Investment of related party in the Bank	-	17.93	-	-	17.93
Redemption of Hybrid capital/Bonds of the Bank	1,510.00	-	-	-	1,510.00
Purchase of investments	205.00	-	-	-	205.00
Sale of investments	857.07	-	-	-	857.07
Management contracts	-	-	-	18.64	18.64
Remuneration paid	-	18.49	-	-	18.49
Contribution to employee benefit fund	16.53	-	-	-	16.53
Repayment of security deposits by related party	0.12	-	-	-	0.12
Non-funded commitments (issued)	-	-	-	-	-
Repayment of Call/Term lending by related party	-	-	-	352.14	352.14
Swaps/Forward contracts	-	-	-	138.31	138.31
Advance granted (net)	-	-	-	22.15	22.15
Advance repaid	0.45	7.38	-	621.41	629.24

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Subsidiaries	Total
Purchase of loans	-	-	-	-	-
Sell down of loans (including undisbursed loan commitments)	-	-	-	-	-
Receiving of services	120.46	-	-	969.90	1,090.36
Rendering of services	27.88	0.03	-	195.79*	223.70
Sale of foreign exchange currency to related party	-	1.35	0.01	-	1.36
Other reimbursements from related party	-	-	-	22.68	22.68
Other reimbursements to related party	0.66	-	-	1.09	1.75

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

* Net of reversal of `46 crores towards fees receivable from Axis Asset Management Company Limited, pursuant to change in SEBI guidelines.

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Call/Term lending to related party	-	-	-	-	-
Deposits with the Bank	9,146.04	13.91	0.55	378.75	9,539.25
Placement of security deposits	0.31	-	-	-	0.31
Advances	6.62	10.90	0.03	437.58	455.13
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Investment of related party in the Bank	93.60	0.08	-	-	93.68
Non-funded commitments	3.33	-	-	-	3.33
Investment of related party in Hybrid capital/Bonds of the Bank	2,790.00	-	-	-	2,790.00
Payable under management contracts	-	-	-	-	-
Other receivables (net)	-	-	-	17.94	17.94
Other payables (net)	-	-	-	88.19	88.19

[#] 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 maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	17,078.36	22.86	5.49	890.52	17,997.23
Placement of deposits	0.43	-	-	-	0.43
Advances	154.79	19.66	0.17	1,172.33	1,346.95
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment of related party in the Bank	135.32	0.52	-	-	135.84
Investment in non-equity instruments of related party	290.05	-	-	-	290.05

Non-funded commitments	3.35	-	-	0.05	3.40
Call lending	-	-	-	340.78	340.78
Swaps/Forward contracts	-	-	-	3.03	3.03
Investment of related party in Hybrid Capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	55.02	55.02
Other payables (net)	-	-	-	88.19	88.19

The transactions with Promoters and Key Management Personnel excluding those under management contracts are in 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 Parties 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, 2020 and 31 March, 2019 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:
(` in crores)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Dividend paid		
Life Insurance Corporation of India	26.32	-
Administrator of the Specified Undertaking of the Unit Trust of India	13.69	-
Dividend received		
Axis Securities Limited	33.23	-
Axis Bank UK Limited	31.07	-
Axis Finance Limited	120.19	-
Axis Capital Limited	42.26	117.60
Axis Trustee Services Limited	13.50	13.50
Interest paid		
Life Insurance Corporation of India	433.28	503.97
Interest received		
Axis Finance Limited	52.28	10.93
Axis Bank UK Limited	0.06	10.12
Investment in Subsidiaries		
A Treds Ltd	6.70	13.40

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Axis Bank UK Limited	-	183.77
Investment in non-equity instruments of related party		
United India Insurance Co. Limited	-	241.26
Oriental Insurance Co. Limited	-	100.00
Axis Finance Limited	45.00	50.00
Investment of related party in the Bank		
Ms. Shikha Sharma	N.A.	8.67
Mr. Rajiv Anand	2.62	4.05
Mr. Rajesh Dahiya	2.82	5.22
Purchase of Investments		
Axis Bank UK Limited	369.16	-
Oriental Insurance Co. Limited	-	205.00
Redemption of Hybrid capital/Bonds of the Bank		
Life Insurance Corporation of India	-	1500.00
General Insurance Corporation Co. Limited	10.00	-
National Insurance Co. Limited	20.00	-
United India Insurance Co. Limited	25.00	10.00
Sale of investments		
New India Assurance Co. Limited	490.00	195.00
General Insurance Corporation Co. Limited	556.00	335.02
United India Insurance Co. Limited	112.18	141.29
Oriental Insurance Co. Limited	99.85	145.76
Management contracts		
Axis Securities Limited	3.97	6.61
A Treds Ltd	4.52	6.53
Axis Capital Limited	2.09	2.68
Axis Trustee Services Limited	2.29	2.80
Remuneration paid	-	
Mr. Amitabh Chaudhry	6.26	1.28
Ms. Shikha Sharma	N.A.	6.83
Mr.. V. Srinivasan	N.A.	4.53

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Mr. Rajiv Anand	4.16	3.18
Mr. Rajesh Dahiya	3.75	2.68
Mr. Pralay Mondal	1.67	N.A.
Contribution to employee benefit fund		
Life Insurance Corporation of India	15.42	16.53
Repayment of Call/Term lending by related party		
Axis Bank UK Limited	55.61	352.14
Swaps/Forward contracts		
Axis Bank UK Limited	79.34	138.31
Advance granted (net)	-	
Axis Capital Limited	-	19.43
Accelyst Solutions Private Limited	-	2.60
Axis Asset Management Company Limited	0.37	-
Axis Securities Limited	0.08	-
Advance repaid		
Axis Capital Limited	19.54	0.02
Axis Bank UK Limited	-	183.77
Axis Finance Limited	64.32	427.61
Receiving of services		
New India Assurance Co. Limited	88.90	52.72
Oriental Insurance Co. Limited	93.87	55.84
Freecharge Payment Technologies Private Limited	109.67	84.79
Accelyst Solutions Private Limited	46.09	0.33
Axis Securities Limited	10.39	878.80
Rendering of services		
Life Insurance Corporation of India	28.22	26.60
Axis Securities Limited	10.95	1.32
Axis Asset Management Company Limited	24.75	226.47
Sale of foreign exchange currency to related party		
Ms. Shikha Sharma	N.A.	1.14
Mr. Amitabh Chaudhry	0.40	0.15
Mr. Rajiv Anand	0.36	0.06

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Mr. Pralay Mondal	0.72	N.A.
Royalty received		
Axis Asset Management Company Limited	0.70	-
Axis Capital Limited	0.36	-
Axis Finance Limited	1.51	-
Other reimbursements from related party		
Axis Securities Limited	29.10	0.44
Axis Capital Limited	3.90	3.90
Accelyst Solutions Private Limited	0.49	14.40
Other reimbursements to related party		
Axis Securities Limited	5.85	0.13
Life Insurance Corporation of India	0.19	0.66
Axis Capital Limited	0.26	0.22
Axis Bank UK Limited	4.40	0.57

Consolidated Related party disclosure

The related parties of the Group are broadly classified as:

n) Promoters

The Bank has identified the following entities as its Promoters.

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

o) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO)
- Ms. Shikha Sharma (MD & CEO) (upto 31 December, 2018)
- Mr. V. Srinivasan (Deputy Managing Director) (upto 20 December, 2018)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]
- Mr. Pralay Mondal [Executive Director (Retail Banking)] (w.e.f. 1 August, 2019)

p) Relatives of Key Management Personnel

Ms. Preeti Chaudhry, Mr. Anagh Chaudhry, Mr. Aruj Chaudhry, Mr. Aryan Chaudhry, Ms. Chhavi Kharb, Mr. Om Singh Chaudhry, Ms. Kusum Chaudhry, Mr. Sanjaya Sharma, Ms. Usha Bharadwaj, Mr. Tilak Sharma, Ms. Tvisha Sharma, Dr. Sanjiv Bharadwaj, Dr. Prashant Bharadwaj, Dr. Brevis Bharadwaj, Dr. Reena Bharadwaj, Ms. Gayathri Srinivasan, Mr. V. Satish, Ms. Camy Satish, Ms.

Ananya Srinivasan, Ms. Anagha Srinivasan, Ms. Geetha N., Ms. Chitra R., Ms. Sumathi N., Mr. S. Ranganathan, Mr. R. Narayan, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. P. Kamashi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rath, Mr. Jai Prakash Dahiya, Ms. Mahasweta Mondal, Ms. Pritha Mondal, Ms. Trina Mondal, Mr. Biplab Mondal, Ms. Anima Mondal.

The details of transactions of the Group with its related parties during the year ended 31 March, 2020 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Total
Dividend paid	46.04	0.04	-	46.08
Interest paid	551.48	1.07	0.15	552.70
Interest received	0.19	0.26	-	0.45
Investment in non-equity instrument of related party	-	-	-	-
Investment of related party in the Bank	-	5.44	-	5.44
Investment of related party in Hybrid capital/Bonds of the Bank	-	-	-	-
Redemption of Hybrid capital/Bonds of the Bank	55.00	-	-	55.00
Purchase of investments	-	-	-	-
Sale of investments	1,318.04	-	-	1,318.04
Remuneration paid	-	15.84	-	15.84
Contribution to employee benefit fund	15.42	-	-	15.42
Repayment of security deposits by related party	-	-	-	-
Non-funded commitments (issued)	-	-	-	-
Advance granted (net)	-	-	-	-
Advance repaid	5.31	6.01	-	11.32
Receiving of services	206.94	-	-	206.94
Rendering of services	29.68	0.01	-	29.69
Sale of foreign exchange currency to related party	-	1.48	0.03	1.51
Other reimbursements from related party	-	-	-	-
Other reimbursements to related party	0.19	-	-	0.19

[#] 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 31 March, 2020 are given below:

(` in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	7,119.06	16.01	5.99	7,141.06
Placement of security deposits	0.31	-	-	0.31
Advances	1.31	4.85	0.03	6.19
Investment in non-equity instruments of related party	0.02	-	-	0.02
Investment of related party in the Bank	88.56	0.08	-	88.64
Non-funded commitments	3.32	-	-	3.32
Investment of related party in Hybrid capital/ Bonds of the Bank	2,760.00	-	-	2,760.00
Payable under management contracts	-	-	-	-
Other receivables (net)	0.04	-	-	0.04
Other payables (net)	-	-	-	-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2020 are given below: (` in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	16,652.92	20.86	5.99	16,679.77
Placement of security deposits	0.31	-	-	0.31
Advances	11.51	10.99	0.06	22.56
Investment of related party in the Bank	93.60	0.09	-	93.69
Investment in non-equity instrument of related party	290.07	-	-	290.07
Non-funded commitments	3.33	-	-	3.33
Investment of related party in Hybrid capital/Bonds of the Bank	2,815.00	-	-	2,815.00
Payable under management contracts	-	-	-	-
Other receivables (net)	0.32	-	-	0.32
Other payables (net)	-	-	-	-

The details of transactions of the Group with its related parties during the year ended 31 March, 2019 are given below: (` in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Dividend paid	-	-	-	-
Interest paid	554.78	0.41	0.12	555.31
Interest received	0.13	1.09	-	1.22
Investment in non-equity instrument of related party	341.26	-	-	341.26
Investment of related party in the Bank	-	17.93	-	17.93
Investment of related party in Hybrid capital/Bonds of the Bank	-	-	-	-
Redemption of Hybrid capital/Bonds of the Bank	1,510.00	-	-	1,510.00
Purchase of investments	205.00	-	-	205.00
Sale of investments	857.07	-	-	857.07
Remuneration paid	-	18.49	-	18.49
Contribution to employee benefit fund	17.00	-	-	17.00
Repayment of security deposits by related party	0.12	-	-	0.12
Non-funded commitments (issued)	-	-	-	-
Advance granted (net)	-	-	-	-
Advance repaid	0.45	7.38	-	7.83
Receiving of services	128.91	-	-	128.91
Rendering of services	28.04	0.10	-	28.14
Sale of foreign exchange currency to related party	-	1.35	0.01	1.36
Other reimbursements from related party	0.10	-	-	0.10
Other reimbursements to related party	0.66	-	-	0.66

[#] 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 31 March, 2019 are given below:

(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	9,146.04	13.91	0.55	9,160.50

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Placement of security deposits	0.31	-	-	0.31
Advances	6.62	10.90	0.03	17.55
Investment in non-equity instruments of related party	290.05	-	-	290.05
Investment of related party in the Bank	93.60	0.08	-	93.68
Non-funded commitments	3.33	-	-	3.33
Investment of related party in Hybrid capital/ Bonds of the Bank	2,790.00	-	-	2,790.00
Payable under management contracts	-	-	-	-
Other receivables (net)	-	-	-	-
Other payables (net)	-	-	-	-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	17,078.36	22.86	5.49	17,106.72
Placement of security deposits	0.43	-	-	0.43
Advances	154.79	19.66	0.17	174.62
Investment of related party in the Bank	135.32	0.52	-	135.84
Investment in non-equity instrument of related party	290.05	-	-	290.05
Non-funded commitments	3.35	-	-	3.35
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	4,300.00
Payable under management contracts	-	3.70	-	3.70
Other receivables (net)	0.03	-	-	0.03

The significant transactions between the Group and related parties during the year ended 31 March, 2020 and 31 March, 2019 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(` in crores)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Dividend paid		
Life Insurance Corporation of India	26.32	-

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Administrator of the Specified Undertaking of the Unit Trust of India	13.69	-
Interest paid		
Life Insurance Corporation of India	433.28	503.97
Interest received		
Mr. Rajiv Anand	0.15	0.74
Mr Rajesh Dahiya	0.11	0.35
Life Insurance Corporation of India	0.19	-
New India Assurance Co. Limited	-	0.13
Investment in non-equity instruments of related party		
United India Insurance Co. Limited	-	241.26
The Oriental Insurance Co. Limited	-	100.00
Investment of related party in the Bank		
Life Insurance Corporation of India	-	-
Ms. Shikha Sharma	N.A.	8.67
Mr Rajiv Anand	2.62	4.05
Mr Rajesh Dahiya	2.82	5.22
Redemption of Hybrid capital/Bonds of the Bank		
General Insurance Corporation Co. Limited	10.00	-
National Insurance Co. Limited	20.00	-
United India Insurance Co. Limited	25.00	10.00
Life Insurance Corporation of India	-	1500.00
Purchase of investments		
The Oriental Insurance Co. Limited	-	205.00
Sale of investments		
New India Assurance Co. Limited	490.00	195.00
General Insurance Corporation Co. Limited	556.00	335.02
United India Insurance Co. Limited	112.18	141.29
The Oriental Insurance Co. Limited	99.85	145.76
Remuneration paid		
Mr. Amitabh Chaudhry	6.26	1.28
Ms. Shikha Sharma	N.A.	6.83
Mr. V. Srinivasan	N.A.	4.53

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Mr. Rajiv Anand	4.16	3.18
Mr. Rajesh Dahiya	3.75	2.68
Mr. Pralay Mondal	1.67	N.A.
Contribution to employee benefit fund		
Life Insurance Corporation of India	15.42	16.53
Advance repaid		
Life Insurance Corporation of India	5.31	0.45
Mr. Rajiv Anand	5.61	2.13
Mr. Rajesh Dahiya	0.40	5.23
Receiving of services		
The Oriental Insurance Co. Limited	95.83	55.84
New India Assurance Co. Limited	90.13	52.72
Life Insurance Corporation of India	13.53	11.42
Rendering of services		
Life Insurance Corporation of India	28.22	26.60
General Insurance Corporation Co. Limited	0.13	0.07
Sale of foreign exchange currency to related party		
Ms. Shikha Sharma	N.A.	1.14
Mr. Amitabh Chaudhry	0.40	0.15
Mr. Rajiv Anand	0.36	0.06
Mr. Pralay Mondal	0.72	N.A.
Other reimbursements to related party		
Life Insurance Corporation of India	0.19	0.66
Other reimbursements from related party		
New India Assurance Co. Limited	-	0.10

Standalone Related party disclosure FY 18-19

The related parties of the Bank are broadly classified as:

q) Promoters

The Bank has identified the following entities as its Promoters.

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)

- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

r) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO) (w.e.f. 1 January, 2019)
- Ms. Shikha Sharma (MD & CEO) (upto 31 December, 2018)
- Mr. V. Srinivasan (Deputy Managing Director) (upto 20 December, 2018)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]

s) Relatives of Key Management Personnel

Mr. Sanjaya Sharma, Ms. Usha Bharadwaj, Mr. Tilak Sharma, Ms. Tvisha Sharma, Dr. Sanjiv Bharadwaj, Dr. Prashant Bharadwaj, Dr. Brevis Bharadwaj, Dr. Reena Bharadwaj, Ms. Gayathri Srinivasan, Mr. V. Satish, Ms. Camy Satish, Ms. Ananya Srinivasan, Ms. Anagha Srinivasan, Ms. Geetha N., Ms. Chitra R., Ms. Sumathi N., Mr. S. Ranganathan, Mr. R. Narayan, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. P. Kamashi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Jai Prakash Dahiya, 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.

t) Subsidiary Companies

- Axis Capital Limited
- Axis Private Equity Limited
- Axis Trustee Services Limited
- Axis Asset Management Company Limited
- Axis Mutual Fund Trustee Limited
- Axis Bank UK Limited
- Axis Finance Limited
- Axis Securities Limited
- A.Treds Limited
- Accelyst Solutions Private Limited (w.e.f. 6 October, 2017)
- Freecharge Payment Technologies Private Limited (w.e.f. 6 October, 2017)

u) Step down subsidiary companies

- Axis Capital USA LLC (w.e.f. 2 August, 2017)

Based on RBI guidelines, details of transactions with step down subsidiaries are not disclosed since there is only one entity/party in this category.

The details of transactions of the Bank with its related parties during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	131.10	131.10
Interest paid	554.78	0.41	0.12	17.41	572.72
Interest received	0.13	1.09	-	22.19	23.41
Investment of the Bank	-	-	-	197.17	197.17
Investment in non-equity instruments of related party	341.26	-	-	50.00	391.26
Investment of related party in the Bank	-	17.93	-	-	17.93
Redemption of Hybrid capital/Bonds of the Bank	1,510.00	-	-	-	1,510.00
Purchase of investments	205.00	-	-	-	205.00
Sale of investments	857.07	-	-	-	857.07
Management contracts	-	-	-	18.64	18.64
Remuneration paid	-	18.49	-	-	18.49
Contribution to employee benefit fund	16.53	-	-	-	16.53
Repayment of security deposits by related party	0.12	-	-	-	0.12
Non-funded commitments (issued)	-	-	-	-	-
Repayment of Call/Term lending by related party	-	-	-	352.14	352.14
Swaps/Forward contracts	-	-	-	138.31	138.31
Advance granted (net)	-	-	-	22.15	22.15
Advance repaid	0.45	7.38	-	621.41	629.24
Purchase of loans	-	-	-	-	-
Sell down of loans (including undisbursed loan commitments)	-	-	-	-	-
Receiving of services	120.46	-	-	969.90	1,090.36
Rendering of services	27.88	0.03	-	195.79*	223.70
Sale of foreign exchange currency to related party	-	1.35	0.01	-	1.36
Other reimbursements from related party	-	-	-	22.68	22.68
Other reimbursements to	0.66	-	-	1.09	1.75

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
related party					

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

* Net of reversal of ₹46 crores towards fees receivable from Axis Asset Management Company Limited, pursuant to change in SEBI guidelines.

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Subsidiaries	Total
Call/Term lending to related party	-	-	-	-	-
Deposits with the Bank	9,146.04	13.91	0.55	378.75	9,539.25
Placement of security deposits	0.31	-	-	-	0.31
Advances	6.62	10.90	0.03	437.58	455.13
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Investment of related party in the Bank	93.60	0.08	-	-	93.68
Non-funded commitments	3.33	-	-	-	3.33
Investment of related party in Hybrid capital/Bonds of the Bank	2,790.00	-	-	-	2,790.00
Payable under management contracts	-	-	-	-	-
Other receivables (net)	-	-	-	17.94	17.94
Other payables (net)	-	-	-	88.19	88.19

[#] 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 maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	17,078.36	22.86	5.49	890.52	17,997.23
Placement of deposits	0.43	-	-	-	0.43
Advances	154.79	19.66	0.17	1,172.33	1,346.95
Investment of the Bank	-	-	-	2,286.12	2,286.12
Investment of related party in the Bank	135.32	0.52	-	-	135.84
Investment in non-equity instruments of related party	290.05	-	-	-	290.05
Non-funded commitments	3.35	-	-	0.05	3.40
Call lending	-	-	-	340.78	340.78
Swaps/Forward contracts	-	-	-	3.03	3.03
Investment of related party in Hybrid Capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	55.02	55.02
Other payables (net)	-	-	-	88.19	88.19

The details of transactions of the Bank with its related parties during the year ended 31 March, 2018 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Dividend paid	343.52	1.08	-	-	344.60
Dividend received	-	-	-	256.06	256.06
Interest paid	545.58	0.22	0.19	15.48	561.47
Interest received	0.02	0.77	-	29.92	30.71
Investment of the Bank	-	-	-	325.00	325.00
Investment in non-equity instruments of related party	393.00	-	-	100.00	493.00
Investment of related party in the Bank	1,200.00	33.75	-	-	1,233.75

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-	-
Purchase of investments	188.69	-	-	-	188.69
Sale of investments	868.73	1.12	-	-	869.85
Management contracts	-	-	-	15.63	15.63
Remuneration paid	-	12.18	-	-	12.18
Contribution to employee benefit fund	16.16	-	-	-	16.16
Placement of deposits	0.05	-	-	-	0.05
Non-funded commitments (issued)	0.20	-	-	0.05	0.25
Call/Term lending to related party	-	-	-	311.94	311.94
Swaps/Forward contracts	-	-	-	131.65	131.65
Advance granted (net)	-	7.99	-	858.24	866.23
Advance repaid	6.50	0.04	-	-	6.54
Purchase of loans	-	-	-	18.17	18.17
Sell down of loans (including undisbursed loan commitments)	-	-	-	64.87	64.87
Receiving of services	105.28	-	-	785.10	890.38
Rendering of services	17.42	0.05	-	264.40	281.87
Sale of foreign exchange currency to related party	-	1.29	-	-	1.29
Other reimbursements from related party	-	-	-	8.11	8.11
Other reimbursements to related party	0.75	-	-	3.73	4.48

The balances payable to/receivable from the related parties of the Bank as on 31 March, 2018 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Call/Term lending to related party	-	-	-	312.84	312.84
Deposits with the Bank	6,213.80	4.33	3.46	381.55	6,603.14

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Placement of security deposits	0.43	-	-	-	0.43
Advances	7.07	18.31	0.04	1,016.33	1,041.75
Investment of the Bank	-	-	-	2,092.71	2,092.71
Investment in non-equity instruments of related party	205.70	-	-	-	205.70
Investment of related party in the Bank	135.29	0.50	-	-	135.79
Non-funded commitments	3.35	-	-	0.05	3.40
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	35.52	35.52
Other payables (net)	-	-	-	51.85	51.85

The maximum balances payable to/receivable from the related parties of the Bank during the year ended 31 March, 2018 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Deposits with the Bank	10,153.25	17.12	5.78	830.10	11,006.25
Placement of security deposits	0.43	-	-	-	0.43
Advances	16.76	18.31	0.09	1,402.57	1,437.73
Investment of the Bank	-	-	-	2,092.71	2,092.71
Investment of related party in the Bank	137.76	0.50	-	-	138.26
Investment in non-equity instruments of related party	393.00	-	-	100.00	493.00
Non-funded commitments	3.39	-	-	0.05	3.44
Call lending	-	-	-	312.89	312.89
Swaps/Forward contracts	-	-	-	3.20	3.20
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	-	4,300.00

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Subsidiaries	Total
Payable under management contracts	-	3.70	-	-	3.70
Other receivables (net)	-	-	-	54.31	54.31
Other payables (net)	-	-	-	80.98	80.98

The transactions with Promoters and Key Management Personnel excluding those under management contracts are in 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 Parties 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, 2019 and 31 March, 2018 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(` in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Dividend paid		
Life Insurance Corporation of India	-	165.04
Administrator of the Specified Undertaking of the Unit Trust of India	-	137.42
Dividend received		
Axis Finance Limited	-	121.28
Axis Capital Limited	117.60	102.90
Axis Trustee Services Limited	13.50	12.38
Interest paid		
Life Insurance Corporation of India	503.97	502.36
Interest received		
Axis Finance Limited	10.93	15.31
Axis Bank UK Limited	10.12	12.47
Investment of the Bank		
Axis Finance Limited	-	125.00
Accelyst Solutions Private Limited	-	100.00
Freecharge Payment Technologies Private Limited	-	100.00
Axis Bank UK Limited	183.77	-
Investment in non-equity instruments of related party		

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
United India Insurance Co. Limited	241.26	393.00
Oriental Insurance Co. Limited	100.00	-
Axis Finance Limited	50.00	100.00
Investment of related party in the Bank		
Life Insurance Corporation of India	-	1,200.00
Ms. Shikha Sharma	8.67	17.36
Mr. Rajiv Anand	4.05	6.71
Mr. Rajesh Dahiya	5.22	1.65
Redemption of Subordinated Debts		
Life Insurance Corporation of India	1500.00	-
Purchase of investments		
United India Insurance Co. Limited	-	188.69
Oriental Insurance Co. Limited	205.00	-
Sale of investments		
New India Assurance Co. Limited	195.00	421.03
General Insurance Corporation Co. Limited	335.02	230.00
United India Insurance Co. Limited	141.29	157.44
Oriental Insurance Co. Limited	145.76	25.25
Management contracts		
Axis Securities Limited	6.61	7.05
A Treds Ltd	6.53	1.92
Axis Capital Limited	2.68	3.49
Axis Trustee Services Limited	2.80	3.10
Remuneration paid		
Ms. Shikha Sharma	6.83	4.84
Mr.. V. Srinivasan	4.53	3.12
Rajiv Anand	3.18	2.44
Rajesh Dahiya	2.68	1.78
Contribution to employee benefit fund		
Life Insurance Corporation of India	16.53	16.16
Placement of security deposits		
Life Insurance Corporation of India	-	0.05

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Repayment of Call/Term lending by related party		
Axis Bank UK Limited	352.14	311.94
Swaps/Forward contracts		
Axis Bank UK Limited	138.31	131.65
Advance granted (net)		
Axis Finance Limited	-	848.20
Axis Capital Limited	19.43	0.02
Accelyst Solutions Private Limited	2.60	-
Advance repaid		
Life Insurance Corporation of India	0.45	6.50
Axis Bank UK Limited	183.77	-
Axis Finance Limited	427.61	-
Purchase of loans		
Axis Bank UK Limited	-	18.17
Sell down of loans (including undisbursed loan commitments)		
Axis Bank UK Limited	-	64.87
Receiving of services		
Axis Securities Limited	878.80	740.45
Rendering of services		
Axis Asset Management Company Limited	226.47	249.67
Sale of foreign exchange currency to related party		
Ms. Shikha Sharma	1.14	1.29
Mr. Amitabh Choudhry	0.15	N.A.
Other reimbursements from related party		
Axis Capital Limited	3.90	4.10
Accelyst Solutions Private Limited	14.40	-
Axis Asset Management Company Limited	1.81	2.55
Other reimbursements to related party		
Axis Securities Limited	0.13	2.95
Life Insurance Corporation of India	0.66	0.75
Accelyst Solutions Private Limited	-	0.47

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Axis Capital Limited	0.22	0.17
Axis Bank UK Limited	0.57	0.11

Consolidated Related party disclosure

The related parties of the Group are broadly classified as:

v) Promoters

The Bank has identified the following entities as its Promoters.

- Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC)
- General Insurance Corporation, New India Assurance Co. Limited, National Insurance Co. Limited, United India Insurance Co. Limited and The Oriental Insurance Co. Limited.

w) Key Management Personnel

- Mr. Amitabh Chaudhry (MD & CEO) (w.e.f. 1 January, 2019)
- Ms. Shikha Sharma (MD & CEO) (upto 31 December, 2018)
- Mr. V. Srinivasan (Deputy Managing Director) (upto 20 December, 2018)
- Mr. Rajesh Dahiya [Executive Director (Corporate Centre)]
- Mr. Rajiv Anand [Executive Director (Wholesale Banking)]

x) Relatives of Key Management Personnel

Mr. Sanjaya Sharma, Ms. Usha Bharadwaj, Mr. Tilak Sharma, Ms. Tvisha Sharma, Dr. Sanjiv Bharadwaj, Dr. Prashant Bharadwaj, Dr. Brevis Bharadwaj, Dr. Reena Bharadwaj, Ms. Gayathri Srinivasan, Mr. V. Satish, Ms. Camy Satish, Ms. Ananya Srinivasan, Ms. Anagha Srinivasan, Ms. Geetha N., Ms. Chitra R., Ms. Sumathi N., Mr. S. Ranganathan, Mr. R. Narayan, Ms. Gitanjali Anand, Ms. Tara Anand, Ms. Nandita Anand, Mr. P.L. Narain, Mr. P. Srinivas, Ms. Ratna Rao Shekar, Ms. P. Kamashi, Ms. Hemant Dahiya, Ms. Arooshi Dahiya, Ms. Mallika Dahiya, Ms. Jal Medha, Ms. Pooja Rathi, Mr. Jai Prakash Dahiya, 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.

The details of transactions of the Group with its related parties during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel [#]	Total
Dividend paid	-	-	-	-
Interest paid	554.78	0.41	0.12	555.31
Interest received	0.13	1.09	-	1.22
Investment in non-equity instrument of related party	341.26	-	-	341.26

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Investment of related party in the Bank	-	17.93	-	17.93
Investment of related party in Hybrid capital/Bonds of the Bank	-	-	-	-
Redemption of Hybrid capital/Bonds of the Bank	1,510.00	-	-	1,510.00
Purchase of investments	205.00	-	-	205.00
Sale of investments	857.07	-	-	857.07
Remuneration paid	-	18.49	-	18.49
Contribution to employee benefit fund	17.00	-	-	17.00
Repayment of security deposits by related party	0.12	-	-	0.12
Non-funded commitments (issued)	-	-	-	-
Advance granted (net)	-	-	-	-
Advance repaid	0.45	7.38	-	7.83
Receiving of services	128.91	-	-	128.91
Rendering of services	28.04	0.10	-	28.14
Sale of foreign exchange currency to related party	-	1.35	0.01	1.36
Other reimbursements from related party	0.10	-	-	0.10
Other reimbursements to related party	0.66	-	-	0.66

[#] 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 31 March, 2019 are given below:

(*in crores*)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	9,146.04	13.91	0.55	9,160.50
Placement of security deposits	0.31	-	-	0.31
Advances	6.62	10.90	0.03	17.55
Investment in non-equity instruments of related party	290.05	-	-	290.05
Investment of related party in the Bank	93.60	0.08	-	93.68

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Non-funded commitments	3.33	-	-	3.33
Investment of related party in Hybrid capital/ Bonds of the Bank	2,790.00	-	-	2,790.00
Payable under management contracts	-	-	-	-
Other receivables (net)	-	-	-	-
Other payables (net)	-	-	-	-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2019 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	17,078.36	22.86	5.49	17,106.72
Placement of security deposits	0.43	-	-	0.43
Advances	154.79	19.66	0.17	174.62
Investment of related party in the Bank	135.32	0.52	-	135.84
Investment in non-equity instrument of related party	290.05	-	-	290.05
Non-funded commitments	3.35	-	-	3.35
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	4,300.00
Payable under management contracts	-	3.70	-	3.70
Other receivables (net)	0.03	-	-	0.03
Other payables (net)	-	-	-	-

The details of transactions of the Group with its related parties during the year ended 31 March, 2018 are given below:

(in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
Dividend paid	343.52	1.08	-	344.60
Interest paid	545.58	0.22	0.19	545.99
Interest received	0.02	0.77	-	0.79
Investment in non-equity instrument of	393.00	-	-	393.00

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel[#]	Total
related party				
Investment of related party in the Bank	1,200.00	33.75	-	1,233.75
Investment of related party in Hybrid capital/Bonds of the Bank	-	-	-	-
Redemption of Hybrid capital/Bonds of the Bank	-	-	-	-
Purchase of investments	188.69	-	-	188.69
Sale of investments	868.73	1.12	-	869.85
Remuneration paid	-	12.18	-	12.18
Contribution to employee benefit fund	16.43	-	-	16.43
Placement of security deposits	0.05	-	-	0.05
Non-funded commitments (issued)	0.20	-	-	0.20
Advance granted (net)	-	7.99	-	7.99
Advance repaid	6.50	0.04	-	6.54
Receiving of services	110.29	-	-	110.29
Rendering of services	32.64	0.13	-	32.77
Sale of foreign exchange currency to related party	-	1.29	-	1.29
Other reimbursements from related party	6.09	-	-	6.09
Other reimbursements to related party	0.75	-	-	0.75

[#] 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 31 March, 2018 are given below:

(` in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	6,213.80	4.33	3.46	6,221.59
Placement of security deposits	0.43	-	-	0.43
Advances	7.07	18.31	0.04	25.42
Investment in non-equity instruments of related party	205.70	-	-	205.70

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Investment of related party in the Bank	135.29	0.50	-	135.79
Non-funded commitments	3.35	-	-	3.35
Investment of related party in Hybrid capital/ Bonds of the Bank	4,300.00	-	-	4,300.00
Payable under management contracts	-	3.70	-	3.70
Other receivables (net)	0.03	-	-	0.03
Other payables (net)	-	-	-	-

The maximum balances payable to/receivable from the related parties of the Group during the year ended 31 March, 2018 are given below: (in crores)

Items/Related Party	Promoters	Key Management Personnel	Relatives of Key Management Personnel	Total
Deposits with the Bank	10,153.25	17.12	5.78	10,176.15
Placement of security deposits	0.43	-	-	0.43
Advances	16.76	18.31	0.09	35.16
Investment of related party in the Bank	137.76	0.50	-	138.26
Investment in non-equity instrument of the Bank	393.00	-	-	393.00
Non-funded commitments	3.39	-	-	3.39
Investment of related party in Hybrid capital/Bonds of the Bank	4,300.00	-	-	4,300.00
Payable under management contracts	-	3.70	-	3.70
Other receivables (net)	0.25	-	-	0.25
Other payables (net)	-	-	-	-

The significant transactions between the Group and related parties during the year ended 31 March, 2019 and 31 March, 2018 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of the aggregate value of all related party transactions in that category:

(in crores)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Dividend paid		
Life Insurance Corporation of India	-	165.04
Administrator of the Specified Undertaking of the Unit Trust of India	-	137.42

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Interest paid		
Life Insurance Corporation of India	503.97	502.36
Interest received		
Mr. Rajiv Anand	0.74	0.73
Mr Rajesh Dahiya	0.35	0.04
New India Assurance Co. Limited	0.13	0.02
Investment in non-equity instruments of related party		
United India Insurance Co. Limited	241.26	393.00
The Oriental Insurance Co. Limited	100.00	-
Investment of related party in the Bank		
Life Insurance Corporation of India	-	1,200.00
Ms. Shikha Sharma	8.67	17.36
Mr Rajiv Anand	4.05	6.71
Mr Rajesh Dahiya	5.22	1.65
Redemption of Hybrid capital/Bonds of the Bank		
Life Insurance Corporation of India	1500.00	-
Purchase of investments		
The Oriental Insurance Co. Limited	205.00	-
United India Insurance Co. Limited	-	188.69
Sale of investments		
New India Assurance Co. Limited	195.00	421.03
General Insurance Corporation Co. Limited	335.02	230.00
United India Insurance Co. Limited	141.29	157.44
The Oriental Insurance Co. Limited	145.76	25.25
Remuneration paid		
Ms. Shikha Sharma	6.83	4.84
Mr. V. Srinivasan	4.53	3.12
Mr. Rajiv Anand	3.18	2.44
Mr. Rajesh Dahiya	2.68	1.78
Contribution to employee benefit fund		
Life Insurance Corporation of India	16.53	16.16
Placement of deposits		
Life Insurance Corporation of India	-	0.05

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Advance granted (net)		
Mr. Rajesh Dahiya	-	7.77
Advance repaid		
Life Insurance Corporation of India	0.45	6.50
Mr Rajiv Anand	2.13	-
Mr. Rajesh Dahiya	5.23	-
Receiving of services		
The Oriental Insurance Co. Limited	55.84	66.42
New India Assurance Co. Limited	52.72	27.22
Life Insurance Corporation of India	11.42	10.94
Rendering of services		
Life Insurance Corporation of India	26.60	16.39
General Insurance Corporation Co. Limited	0.07	12.50
Sale of foreign exchange currency to related party		
Ms. Shikha Sharma	1.14	1.29
Mr Amitabh Choudhry	0.15	N.A.
Other reimbursements to related party		
Life Insurance Corporation of India	0.66	0.75
Other reimbursements from related party		
New India Assurance Co. Limited	0.10	2.42
General Insurance Corporation Of India	-	3.67

- v. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter 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: NA.
- vi. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Bank and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Bank and all of its subsidiaries:

Inquiries, inspections or investigations under Companies Act against the Bank or its subsidiaries in the last three years

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.

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

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.

- vii. Details of acts of material frauds committed against the Bank in the last three years, if any, and if so, the action taken by the Bank

Material Frauds

The Special Committee of the Board of Directors for Monitoring of Large Value Frauds comprises five Directors namely Mr. S. Vishvanathan, Mr. Amitabh Chaudhry, Mr. Rakesh Makhija, Prof. Mahendra Dev and Mr. T. C. Suseel Kumar. The Committee is chaired by Mr. S. Vishvanathan. The Special Committee of the Board of Directors for Monitoring of Large Value Frauds was constituted pursuant to an RBI circular to monitor fraudulent activity involving ₹ 1.0 crores and above. The major functions of the Special Committee involve overseeing investigation of large value frauds involving amount of ₹ 1.0 crores 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 ₹ 50.00 crores and above from the Bank, reviewing matter 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 on a half-yearly basis.

In the last three years, the acts of frauds involving an amount of ₹ 1.0 crores or more, against the Bank as reported to the RBI are as follows:

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	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.	1.379	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.	2.320	Abhishek Tubes Limited had deposited forged title deeds as mortgage in relation to the loan availed by them from the Bank. The company also misled the Bank's empanelled valuer and officials to a wrong site for valuation of the property. The case was reported to the RBI on 5 June 2018. A complaint was lodged with the Commissioner of Police, New Delhi in this regard. The matter is currently under investigation. The amount involved has been

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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.	1.847	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.	2.062	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 ₹ 23.6 crores 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.	1.80	The borrowers had availed a loan facility from the Bank in the year 2014 and had mortgaged their self-occupying residential property against the loan. During the year 2017, on the occurrence of default in payment by the borrowers and subsequent inspection by the Bank's collection team, it was discovered that the borrowers had obtained multiple funding from various lenders for the same property. The case was reported to the RBI on 23 May 2019 and a complaint was lodged with Lajpat Nagar Police Station, New Delhi in this regard. The matter is currently under investigation. An amount of ₹ 0.764 crores 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.	11.50	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	1.058	Mr. Pankaj Kumar had misappropriated funds from customers by luring them to invest in fictitious scheme assuring higher

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
	sales manager of the branch.		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 ₹ .0365 crores 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.	1.35	Shri Ganapati Ores and Ispat Private Limited had submitted fabricated financial statements to the Bank for increasing the limits of the loan facilities already availed by them. The case was reported to the RBI on 6 August 2019 and a complaint was lodged with the Raghunathpalli Police Station, Odisha in this regard. The matter is currently under investigation. The Bank has separately filed an application under Section 14 of the SARFAESI Act before the Tahasildar, Biramitrapur to take possession of the secured assets. The hearing of the application is awaited. The amount involved An amount of ₹ 1.35 crores was recovered during FY 2020-21.
9	Case of cheating and forgery by New Ganesh Motors and others.	8.327	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 ₹ 5.276 crores 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.	54.600	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			by the Bank.
11	Case of cheating and forgery by Corporate Ispat Alloys Limited.	45.45	Corporate Ispat Alloys Limited had diverted funds disbursed by the Bank towards other projects and its associate companies without completing the project for which the funds had originally been disbursed by the Bank. The case was reported to the RBI on 20 November 2018 and a complaint was lodged in this regard. The matter is currently under investigation. An original application for recovery was filed by the Bank before the Debts Recovery Tribunal, Nagpur in January 2017. The exposure has been prudentially written-off by the Bank.
12	Case of cheating and forgery by Mandhana Industries Limited.	628.44	Mandhana Industries Limited had availed loan facilities from the Bank for the fulfilment of certain objects. On occurrence of default in repayment, it was discovered, among others, that the funds which were originally disbursed by the Bank to MIL had been diverted and not used for the purpose which was originally stated by MIL. Additionally, certain other financial irregularities were observed, which included manipulation of books of accounts by the company. The case was reported to the RBI on 20 November 2018 and a complaint was lodged, in this regard. The matter is currently under investigation. An amount of ₹ 2.58 crores 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.	29.20	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 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 ₹ 29.2 crores. A case has already been registered by the Central Bureau of Investigation on the

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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.	21.75	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 ₹ 4.17 crores 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.	4.85	DSK Motors Private Limited had diverted funds disbursed by the Bank and not used for the purpose which was originally stated by the Company. The case was reported to the RBI on 8 October 2018 and a complaint was lodged with the Pune Police Station, in this regard. The matter is currently under investigation. An amount of ₹ 3.22 crores 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.	2.13	The borrowers in collusion with certain godown supervisors had fraudulently replaced the actual agricultural produce, required to be deposited as collateral with the Bank, with 'dried grass' in relation to the loan availed by them. The case was reported to the RBI on 27 December 2018 and a complaint was lodged with the Gondal Police Station in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
17	Case of misappropriation of cash by the then custodian of Securitrans Private Limited, a cash replenishment agency.	1.327	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.	2.70	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 by a certain individual to whom the Bank had financed a loan against the same property in January 2015. The case was reported to the RBI on 29 March 2019 and a complaint was lodged with the Economics Offences Wing, Delhi in this regard. The matter is currently under investigation. An amount of ₹ .2142 crores 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.	38.68	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 ₹ 2.378 crores 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.	21.00	HGCL Niraj Supreme Infrastructure Private Limited was found to have submitted forged bank guarantee amendments and renewals in relation to 14 bank guarantees worth ₹ 21.0 crores. 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.

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
21	Case of cheating and forgery by Mr. Paras Sudhir Shah.	1.178	Mr. Paras Sudhir Shah was found to have registered multiple fake sale deeds on the same property and availed home loan facilities from the Bank and other financial institutions by submitting the fake sale deeds as security. The case was reported to RBI on 3 October 2018 and a complaint was lodged with Sadhu Vaswani Chowk Police Station, Pune in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
22	Case of cheating and forgery by Sharan Communications.	1.88	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.	238.53	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 ₹ 120.0 crores 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.	218.00	Diamond Power Infrastructure Limited availed loan facilities from the Bank as a part of the consortium. On 31 December 2017, the account maintained with the Bank was classified as an NPA. During February 2018, it was found that the promoters of the company fabricated documents to avail facilities. Additionally, other financial irregularities were observed arising out of diversion of funds which included utilisation of funds from one bank to service the debt with another bank. The case was reported to the RBI on 18 June 2018 and a police complaint was lodged with the Gandhinagar Police Station, Gujarat in this regard. The matter is under investigation. The Central Bureau of Investigation is also investigating the matter suo-moto. Further, an amount of ₹ 9.58 crores has been recovered by the

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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.	185.00	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.	87.49	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 ₹ 87.49 crores in light of the issuance unauthorised letter of undertakings by Punjab National Bank. A case has already been registered by the Central Bureau of Investigation on the complaint filed by Punjab National Bank. The case was reported to the RBI on 13 July 2018 and a complaint was lodged with the Bank Securities and Fraud Cell of the Central Bureau of Investigation, Mumbai in this regard by Punjab National Bank on behalf of the consortium. The matter is under investigation. The exposure has been prudentially written-off by the Bank.
27	Case of cheating and forgery by Lakshmi Energy and Food Limited.	84.33	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
28	Case of cheating and forgery by Nakshtra Brands Limited.	40.04	Central Bureau of Investigation. The exposure has been prudentially written-off by the Bank. 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 ₹ 3.2 crores 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 ₹ 40.04 crores in light of the issuance unauthorised letter of undertakings by Punjab National Bank. A case has already been registered by the Central Bureau of Investigation on the complaint filed by Punjab National Bank. The case was reported to the RBI on 19 July 2018 and a complaint was lodged with the Bank Securities and Fraud Cell of the Central Bureau of Investigation, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
29	Case of cheating and forgery by Dr. Senthilkumar.	3.29	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.	30.11	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
31	Case of cheating and forgery by Arise India Limited.	35.76	was lodged with the Joint Commissioner of Police (Crime), Bank Fraud Section, Lal Bazaar, Kolkata. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank. 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 ₹ 599.91 crores 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 ₹ 1.05 crores was recovered. An amount of ₹ 0.41 crores 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.	881.05	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 ₹ 357.9 crores 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.	12.33	Onus Enterprise Private Limited was sanctioned working capital limits and commercial vehicle loans by the Bank. Through a forensic audit conducted by the Bank, the company was found to have committed misrepresentation and breach of trust. Further, various irregularities were observed in the documents submitted 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 ₹ 1.69 crores was recovered during FY 2020-21 and the remaining amount involved has been prudentially

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			written off by the Bank.
34	Case of misappropriation and criminal breach of trust by Mr. Manoj Bhargava.	1.551	Mr. Manoj Bhargava, the deputy manager of the Bank's branch in Beawar was found to have misappropriated funds by fraudulently crediting the accounts of his relatives. He was found to have provided misleading narrations for transactions, wrongly debiting office accounts resulting in unreconciled outstanding entries. The case was reported to RBI on 6 December 2019 and a complaint was lodged with the Beawar City Police Station against Mr. Manoj Bhargava. The matter is currently under investigation. The amount involved has been provisionally held by the Bank.
35	Case of cheating and forgery by Kwality Limited	4.722	Kwality Limited was sanctioned purchase card limits by the Bank and working capital limits by 12 other banks. The account was classified as a non-performing asset in January 2019. Pursuant to the findings of the report prepared by a transaction auditor appointed, the company was found to have diverted the funds and manipulated the books of accounts and the account was classified as a fraud. The case was reported to the RBI on 17 December 2019 and a complaint was lodged with the Economic Offence Wing, Delhi. The matter is currently under investigation. The amount involved has been written off by the Bank.
36	Case of cheating and forgery by Ind-Barath Thermal Power Limited.	34.68	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.	9.994	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
38	Case of cheating and forgery by Deccan Cargo and Express Logistics Private Limited.	247.06 9	written off by the Bank. An amount of Rs.0.84 crore recovered from sale of shares during FY2021-22. Deccan Cargo and Express Logistics Private Limited was sanctioned credit facilities by a consortium of three banks. The Bank had sanctioned term loans to the company to meet its capital expenditure. Pursuant to a forensic audit conducted by the lead bank, it was found that the company was involved in diversion of funds to related entities. The case was reported to the RBI on 2 January 2020. A complaint was lodged with the Joint Director of Central Bureau of Investigation, New Delhi by the lead bank. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
39	Case of cheating and forgery by Dewan Housing Finance Corporation Limited.	214.21 1	Dewan Housing Finance Corporation Limited, primarily a housing finance company had availed credit facilities from a consortium of 34 banks. The Bank had sanctioned term loan facilities and cash credit facilities to the company commencing from March 2010. Further, the Bank had also invested in the company by purchasing the non-convertible debentures issued during the period 2017 to 2019. The account was classified as a non-performing asset by the Bank in November 2019. Subsequently, the RBI superseded the board of directors of the company owing to the defaults made by the company in meeting various payment obligations and the concerns which arose in relation to the governance of the company. The RBI initiated a corporate insolvency resolution process against the company, pursuant to which the lead bank of the consortium conducted a forensic audit of the company. The findings of the forensic audit showed that the company was involved in various irregularities including disbursing loans and advances to entities and individuals with commonalities to the promoter and promoter entities. Based on the forensic audit report, the Bank classified the account as fraud and the case was reported to the RBI on 16 April 2020. A complaint was lodged with the Worli Police Station, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank. An amount of Rs.12.31 crore recovered under resolution plan proceeds during FY2021-22

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
40	Case of fraudulent encashment/ manipulation of books of accounts and conversion of property by Sakri IT Solutions Private Limited.	10.46	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.	173.04	Gangotri Enterprises Limited had availed term loan facilities and working capital limits from a consortium of seven banks. The credit facilities sanctioned to the company were restructured under a corporate debt restructuring scheme in September 2013. A forensic audit conducted by the lead bank showed that the company was involved in fraudulent transactions such as investments in group companies with the borrowings from the banks, sanction of loans to directors and related parties and failure to disclose the related party transactions in the audited balance sheets. The case was reported to RBI on 17 February 2020 and a complaint was lodged with the Economic Offences Wing, Mandir Marg Police Station, New Delhi in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
42	Case of cheating and forgery by Gangotri Deherdha Ishagarh Tollway Limited.	32.56	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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 ₹ 0.26 crores 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.	77.06	Gangotri Jhabua Jobat Kukshi Tollway Limited had availed term loan facilities from a consortium of two banks for undertaking a road project. The account was classified as a non-performing asset by the Bank in March 2018, post which an initial recovery was made from the company. The account was classified as a red flagged account in October 2019. Subsequently, a forensic audit was conducted by the Bank which showed that the company was involved in diversion of funds and 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 ₹ 2.34 crores 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.	16.07	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 ₹ 0.90

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
45	Case of cheating and forgery by Religare Finvest Limited.	100.00	crores has been recovered by the Bank and the remaining amount involved has been provisionally held by the Bank. 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 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.	25.00	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 investigation. The amount involved has been prudentially written off by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
47	Case of cheating and forgery by Compact Lamps Private Limited.	17.533	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 ₹ 0.14 crores 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.	12.909	Idhasoft Limited had availed working capital and cash credit facilities from the Bank. The account was classified as a non-performing asset in April 2017. Recovery proceedings were initiated before the Debt Recovery Tribunal, action under the SARFAESI Act was initiated and insolvency proceedings were also initiated before the National Company Law Tribunal. In the transaction audit report, various irregularities were observed in the company's transactions with its overseas subsidiaries. Based on these observations, the Bank classified the account as a red flagged account in January 2020. The forensic audit report showed preferential transactions and fraudulent/ wrongful trading carried out by the company with offshore entities resulting in siphoning of funds. The Bank classified the company as fraud and the case was reported to the RBI on 28 May 2020. A complaint was lodged with the Joint Commissioner of Police, Economic Offences Wing, CBD Belapur, Navi Mumbai in this regard. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
49	Case of cheating and forgery by Amrit Feeds Limited.	6.381	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
50	Case of cheating and forgery by CG Power and Industrial Solutions Limited.	447.10 8	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. CG Power and Industrial Solutions Limited had availed working capital facilities from a consortium of 10 banks. The company had also availed other facilities from nine lenders under multiple banking arrangement. The Bank classified the account as a red flagged account in November 2019 and as a non-performing asset in December 2019. The forensic audit report commissioned by the lead bank of the consortium showed that the company was involved in various irregularities and siphoning of funds. The Bank classified the company as fraud in June 2020. The case was reported to the RBI on 16 June 2020. The lead bank has lodged a complaint with the Central Bureau of Investigation, Delhi on behalf of the lenders, including the Bank on 12 October 2020. An amount of ₹ 169.49 crore was recovered during FY 2020-21 and the remaining amount involved has been provisionally held by the Bank.
51	Case of cheating and forgery by Kadevi Industries Limited.	51.179	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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.	80.260	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 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.	14.798	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.	171.628	Base Corporation Limited had availed credit facilities from a consortium of 12 banks, including the Bank. Pursuant to a forensic audit report commissioned by the lead bank, it was found that the company was involved in diversion of funds and manipulation of financial statements. The case was reported to the RBI on 17 December 2019. A complaint was lodged with the Joint Director of Central Bureau of Investigation, New Delhi by the lead bank. The matter is currently under investigation. The amount involved has been prudentially written off by the Bank.
55	Case of cheating and forgery by Gupta Energy	198.064	Gupta Energy Private Limited had availed term loans from a consortium of lenders, including the Bank, to part fund its power

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
	Private Limited.		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.	104.261	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	37.149	Jaihind Projects Limited had availed credit facilities from a consortium of banks, which were restructured under a corporate debt restructuring scheme in March 2013. The facilities extended by the Bank were not a part of the package. The account was classified as a non-performing asset by the Bank in March 2017. A transaction audit, conducted as part of the insolvency proceedings initiated against the company showed that the company had carried out preferential and fraudulent transactions and was involved in manipulation of financial statements. The case was reported to the RBI on 24 December 2019 and a complaint was lodged with the Navranpura Police Station, Ahmedabad in this regard. The matter is currently under investigation. An amount of ₹ 8.6 crores 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	63.546	Gupta Global Resources Private Limited had availed working capital and term loan facilities of a consortium of six lenders.

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
	Resources Private Limited		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 ₹ 1.57 crores 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.	1.425	Mr. Amit Kulkarni, the branch head of Adgaon Naka, Nashik Branch lured customers on the pretext of investments in the Bank's products, with lucrative returns and diverted the customers' funds to a third party, Vaze Constructions. Fictitious investment proofs were provided by Mr. Kulkarni to two customers. An aggregate amount of ₹ 1.43 crores from 23 customers was diverted towards external investments outside the Bank. On demand, he repaid the invested funds aggregating to ₹ 0.451 crores 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.	88.216	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

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			has been prudentially written-off by the Bank.
61	Case of cheating and forgery by Champion Agro Limited.	80.675	Champion Agro Limited had availed working capital limits from various banks under multiple banking arrangements. The company and its directors were reported as wilful defaulter and non-cooperative borrower by the Bank in July 2016. Recovery action under SARFAESI Act is ongoing. Based on submissions made by other banks to the Central Fraud Registry, it was observed that the company was involved in diversion of funds to group entities and disposal of movable fixed assets which were charged to banks without prior approval. The case was reported to the RBI on 5 February 2020 and a complaint was lodged with the Inspector of Police, Gautamnagar, Gandhigram, Rajkot in this regard. The matter is currently under investigation. An amount of ₹ 0.27 crores 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.	50.894	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 ₹ 1.79 crores was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank.
63	Case of cheating and forgery by Coastal Projects Limited.	404.924	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

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			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.11.9 crores 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.	879.95 8	Cox and Kings Limited had availed credit facilities from 20 lenders, including the Bank under multiple banking arrangements. Insolvency proceedings were initiated against the company in October 2019. Pursuant to a forensic audit, it was found that the company had transactions with other debtors with fictitious addresses and were not found in the statements of the company. The case was reported to the RBI on 20 February 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The matter is currently under investigation. The exposure has been prudentially written-off by the Bank.
65	Case of cheating and forgery by Ezeego One Travel and Tours Limited.	107.55 4	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.

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66	Case of cheating and forgery by Talwalkars Better Value Fitness Limited.	201.347	Talwalkars Better Value Fitness Limited and its related entity Talwalkars Lifestyle Limited (subsequently renamed as Talwalkars Healthclubs Limited) were sanctioned several credit facilities by the Bank. The Bank has initiated insolvency proceedings against the entities. Pursuant to a forensic audit conducted by the Bank, it was found that the entities were involved in inflation of revenues, diversion of funds and misappropriation of borrowed funds. The case was reported to the RBI on 7 July 2020 and a complaint was lodged with the Economic Offences Wing, Crawford Market, Mumbai in this regard. The amount involved has been provisionally held by the Bank.
67	Case of cheating and forgery by Talwalkars Healthclubs Limited.	5.00	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 Corporation.	1.241	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

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			her signatures and were forged. During an investigation undertaken by the Bank, significant mismatch in the signatures were identified. The loan documents were also referred for forensic examination by a handwriting expert post which the expert concurred that the documents were forged. It was found that the execution of guarantee did not take place in the presence of the relevant officials. The case was reported to the RBI on 22 May 2020 and a complaint was lodged with the Senior Superintendent of Police, 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	1.00	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 ₹ 1.000 crores 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	274.38	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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
71	Case of cheating and forgery by Educomp Solutions Limited.	333.58	by the Bank. 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	19.87	In January 2020, an incident of fraudulent transactions pertaining to recharge of FASTag through UPI was detected when the operations team of the Bank detected an unusual level of unreconciled debits. On further investigation, it was found that refunds were getting initiated through UPI for attempted recharges where the recharge amounts had not been received by the Bank. It was found that 4,276 refund transactions amounting to ₹ 19.87 crores 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.	6.50	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			pilferage / shortage in the pledged commodities. On further investigation, it was revealed that amounts were sanctioned to each of the 13 borrowers on the basis of the inadequate warehouse receipts. These 13 borrowers were later found to be friends, workers and people known to the proprietor of M/s. Mahantesh Traders, owned by Mr. Mahantesh. The end use of the loan funds indicated the beneficiaries as Mr. Mahantesh and his associates. The staff of Karnataka State Warehouse Corporation Limited had colluded with Mr. Mahantesh in perpetrating the fraud. Lapses were found in the due diligence conducted on the 13 borrowers. The case was reported to the RBI on 29 May 2020 and a complaint was lodged with the Chintamani Rural Town Police Station, Karnataka in this regard. The matter is currently under investigation. The amount involved has been provisionally held by the Bank. An amount of ₹ 0.5 crores 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	3.899	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	3.394	Pursuant to an investigation conducted in relation to 62 agriculture loans sanctioned to 43 farmers, it was found that Mr. Tularam, Mr. Govinda and Mr. Rajendra Kashyap and Mr. Tikendra Jaiswal posed as brokers/agents and collected KYC documents from illiterate labourers for sanction of loans. These individuals colluded with Mr. Prateek John, an ex-staff of the Bank, the patwari and the empaneled lawyer of the Bank for submission of manipulated land records and legal reports. Substantial portions of the loan amounts were siphoned off with the support of Mr. John. The case was reported to the RBI on 16 July 2020 and a complaint was lodged with the Inspector General of

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			Police, Bilaspur, Chattisgarh in this regard. An amount of ₹ 0.097 crores has been recovered. An amount of ₹ 3.228 crores 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	90.044	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	3.529	Adams Distributions Private Limited had availed cash credit facilities from the Bank. Pursuant to default in repayment, the account was classified as a non-performing asset in December 2016 and as a red flagged account in January 2020. Recovery proceedings have been initiated against the company. Pursuant to investigation undertaken by the Bank, it was found that the company was involved in various irregularities including misrepresentation and manipulation of financial statements. The account was classified as fraud 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	24.795	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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 ₹ 4.210 crores has been recovered by the Bank. An amount of ₹ 0.63 crores 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	123.64 9	Ind-Barath Power Gencom Limited had availed working capital limits and terms loan from a consortium of eight banks, led by the Bank. Pursuant to default in repayment, the account was classified as a non-performing asset in May 2017 and the credit facilities were recalled. A notice under the SARFAESI Act was issued in February 2019 and the company was admitted for corporate insolvency resolution process by the National Company Law Tribunal in November 2019. Pursuant to forensic and transaction audits, it was found that the company was involved in various irregularities including certain fraudulent and preferential transactions. The account was classified as fraud and the case was reported to the RBI on 6 August 2020. A complaint has been lodged in the matter at Joint Director (Policy), CBI, New Delhi on 27 October 2020. The exposure has been prudentially written-off by the Bank.
80	Case of cheating and forgery by Pratibha Industries Limited	313.39 6	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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
81	Case of cheating and forgery by Deepak Cables (India) Limited	63.665	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.
82	Case of cheating and forgery by Sintex-BAPL Limited	215.83 2	Deepak Cables (India) Limited had availed working capital limits from a consortium of six banks, including the Bank. Pursuant to default in repayment, the Bank classified the account as a non-performing asset in June 2015 with effect from 13 May 2014. The consortium initiated debt recovery proceedings against the company before the Debts Recovery Tribunal, Bangalore. Subsequently, insolvency proceedings were initiated against the company and the National Company Law Tribunal passed an order of liquidation of the company in July 2019. Pursuant to a forensic audit, the account was classified as a red-flagged account by the Bank in August 2020. The case was reported to the RBI on 1 September 2020. The complaint has been lodged in the matter at Joint Director (Policy), CBI, New Delhi on 27 October 2020. An amount of ₹ 1.12 crores was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank. Sintex-BAPL Limited, part of the Sintex group of companies, had availed supply chain finance limits from Bank. The company had also availed working capital limits and term loans from the Bank in the past which were duly repaid and closed. Pursuant to default in repayment with respect to the supply chain finance limits sanctioned, the Bank classified the account as a non-performing asset in September 2019. In order to protect its interest and to initiate recovery, the Bank has filed a plaint before the Small Causes Court, Ahmedabad. From the submissions made by other banks to the Central Fraud Registry, it was found that the company was involved in several irregularities such as misrepresentation of financial statements and diversion of funds. The Bank classified the account as fraud and reported the case to the RBI on 7 September 2020. The complaint has been lodged in the matter at Economic Offence Wing, Jamalpur (Raikhad), Ahmedabad on 17 May 2021. An amount of ₹ 0.05 crores has been recovered

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
83	Case of Clandestine selling off of hypothecated/mortgaged security by Maharashtra Theatres Private Limited	42.837	by the Bank and the remaining amount involved has been provisionally held by the Bank. 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
84	Case of Others by Hakim Imtiyaz and other	2.673	data required to perform forensic audit, which implied presence of malafide intent to restrain auditor from getting relevant information, raising concerns over operations and integrity of management. The borrower did not cooperate in the forensic audit exercise and information requested by the forensic auditors were not shared. Further, clarification was sought from the borrower on the adverse findings of the draft forensic report on 24.07.2020. However, despite several reminders from the forensic auditor, response from the borrower is still pending. The forensic auditor has been unable to conclude the report due to lack of information sharing and clarifications from the borrower. Conclusion: The borrower was classified as 'Fraud' by Axis Bank, based on findings of draft forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 30 September 2020 The Bank has lodged Criminal Complaint before Economic Offence Wing on 14 October 2020. An amount of ₹ 1.53 crores 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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
85	Case of Forged / Fabricated Financial Statements by Sintex Industries Limited	124.920	individual accounts maintained with Axis Bank and to accounts with other banks. The funds received in the accounts of Mr.Hakim Imtiyaz and Mr. Niamat Ali Bhat maintained with Axis Bank were further transferred to other Axis Bank accounts and to accounts with other banks. The accounts of Mr.Hakim Imtiyaz and Mr.Niamat Ali with the Bank were KYC compliant at the on-boarding stage. Further the other accounts of the customers with the Bank where the fraudulent funds routed were also KYC compliant as per extant guidelines. Mr. Hakim Imtiyaz is currently under police custody. The other customers were contactable and running their respective business. The customers informed that that Mr. Hakim and Mr. Niamat had taken the money from them and the credits in their accounts were towards repayment of such amounts. Arahama Branch had received a notice from Anti-Corruption Bureau (ACB), South Kashmir seeking KYC and other details of the account opened in the name of Assistant Engineer PW(R and B). There is no claim received by the bank on the matter. Staff Accountability Bank is in the process of initiating suitable action against the errant employees for not ensuring proper due diligence and facilitating opening of account of Asst. Engineer PW(R and B) Division Shopian fraudulently. The Bank 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 Sintex Industries Limited (SIL), incorporated on 01.06.1931, is the flagship company of Ahmedabad-based Sintex Group. SIL originally operated in two business segments: textile and plastics. Sintex group reorganized its operations along the following 3 independent verticals in FY 2017: Custom Moulding, Prefab/MHP and Textile and Yarn. As part of the scheme, custom moulding operations was demerged from SIL and merged with another group entity Sintex-BAPL Ltd. SIL manufactures yarn-dyed structured fabrics, corduroy and items relating to home textiles. Banking Arrangement: Axis Bank originally sanctioned supply chain finance limits of Rs.200 crore to the company in 2011, which was subsequently enhanced to Rs.300 crore.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Axis Bank invested Rs.100 crore in secured NCDs of SIL in June 2014. Pursuant to implementation of the reorganization scheme in FY17, Axis Bank reduced the supply chain finance limits of the company to Rs.100 crore. The company availed working capital limits of Rs.1630 crore (outstanding of Rs.1,126 crore as at 30.09.2018) from a consortium led by Punjab National Bank (PNB). Axis Bank's limits are not part of the consortium. SIL had outstanding term loans of Rs.4,324 crore from 17 lenders and NCDs of Rs.579 crore as on 30.09.2018 (including Axis Bank's NCD exposure). The company also raised foreign currency borrowing in the form of FCCB of USD 23.50 mio and ECB of Euro 35.86 mio (outstanding of Rs.189.41 crore as on 30.09.2018). Axis Bank classified the borrower as NPA on 10.09.2019. Resolution Action The lenders including Axis Bank executed the Inter Creditor Agreement on 06.07.2019. It was later informed during lenders' meeting on 16.12.2019 that the ICA has been revoked and PNB has referred the company to NCLT for insolvency process. Admission of the case by NCLT is pending. Group Exposure Axis Bank presently has exposure in the below mentioned group entities of SIL: Sintex-BAPL Limited (SBAPL): Credit exposure Rs.215.83 crore; (IRAC: substandard). SBAPL has been classified as Fraud by Axis Bank on 31.08.2020. Denis Chem Lab Limited: Credit exposure of Rs.32.06 crore (IRAC: Standard) Investigation Findings Key findings of internal investigation are given below: The invoice discounting facility from Axis Bank was not disclosed in the ABS from FY 2011 to FY 2019 of the borrower. SIL received payments for a number of invoices discounted by Axis Bank in accounts maintained with 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
86	Case of Forged / Fabricated Financial Statements by LEEL Electricals Limited	47.740	consortium and the Bank has not been invited to any lenders' meeting subsequent to 16.12.2019. Punjab National Bank (Lead Bank) advised during the lenders meeting held on 05.07.2019 (which was attended by Axis Bank) that G.D Apte and Co. was being appointed as the forensic auditor. The forensic audit report has not been shared with Axis Bank till date, inspite of repeated requests. We understand from submissions by South Indian Bank to Central Fraud Registry (CFR) that the forensic audit report has been submitted to consortium lenders. As per the submissions by South Indian Bank in CFR, key findings of the forensic report are as below: The company had deliberately concealed the information about the credit facilities availed from other entities There were variations in the DP as per stock statement submitted to banks as well as ABS as on 31.03.2019 The company had routed substantial transactions through current accounts maintained at banks outside the consortium SIL transferred Rs.500 crore raised by rights issue to repay loans of Sintex BAPL Limited / Sintex Prefab and Infra Limited Concealment of material facts Conclusion The borrower was classified as 'Fraud', based on the following: Misrepresentation in financial statements by non-disclosure of sales invoice funding facility availed from Axis Bank Breach of trust by not routing payments for invoices discounted by Axis Bank through accounts maintained in Axis Bank Non-cooperation of the borrower in conducting invoice and stock audits. The Bank classified the account as fraud and reported the case to the RBI on 16 October 2020 The Bank will be lodging Police complaint against the company and its directors. The amount involved has been provisionally held by the Bank. LEEL Electricals Limited (LEL), formerly known as Lloyd Electric and Engineering Ltd, is part of Punj group and operates in Heating, Ventilation, Air-conditioning and Refrigeration (HVACR) segment. Banking Arrangement LEL availed working capital facilities aggregating Rs.652.16 crore from a Consortium of 9 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			been repaid and closed. Axis bank's working capital facilities were gradually enhanced to Rs.221 crore during the period from June 2011 to January 2017. The working capital facilities were subsequently reduced to Rs.70 crore in 2018. NPA/Recovery Action Axis Bank classified the borrower as NPA on 30.03.2019. Recall and guarantee invocation notice dated 24.07.2019 was sent to the company and the directors of the company. Notice u/s. 13(2) of the SARFAESI Act, 2002 dated 27.01.2020 was sent to the borrower, personal guarantor and corporate guarantors. The borrower was admitted by NCLT for insolvency process on 04.03.2020. Group Exposure Axis Bank has exposure of Rs.90.04 crore (working capital facilities) in group company Fedders Electric and Engineering Limited (FEEL). FEEL was classified as 'Fraud' by Axis Bank on 02.07.2020. RFA Classification The following EWS alerts were generated for the borrower on 30.10.2018: (a) frequent devolvement of Letter of Credit, (b) Non-submission of advance import bills significantly beyond due date and (c) frequent ad-hoc sanctions. Axis Bank classified the borrower as Red-Flagged Account (RFA) on 31.12.2018 on the basis of the following factors: (s) default in payment to the banks/sundry debtors and other statutory bodies, (b) substantial related party transactions, (c) poor disclosure of materially adverse information / no qualification by the statutory auditor and (d) letter received from the Department of Financial Services (DoFS) informing the Consortium about the financial irregularities unearthed by the Income Tax Authorities in the group. Inspection Report by MCA and Recent Developments Ministry of Corporate Affairs (MCA) vide letter no. 3/101/2019/CL-II (NR) dated 22.05.2019 ordered an inspection of the books of accounts and other records of the borrower u/s. 206(5) of the Companies Act, 2013. Post completion of inspection, preliminary findings were sent to the borrower vide letter no. 1760/JDI/I/2019/758 dated 22.06.2020, seeking clarifications. The borrower has not submitted clarifications till date. Based on the said report, the Interim Resolution Professional (IRP) filed an avoidance application u/s. 66 of the IBC, 2016 on 02.09.2020. IRP shared a copy of the said inspection report with Axis Bank on 21.10.2020. Key findings of the report are as below: 1) Siphoning off of funds amounting

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
87	Case of Fabricated / Inflated Stock / Book Debt Statements by Akshaya Supply Chain Private Limited	6.00	(CoC) meeting was held on 31.10.2020. Axis Bank advised all lenders to consider the adverse observations of the MCA report. However, State Bank of India (lead bank) advised that decision on classification of account as fraud / non-fraud will be taken post receipt of final forensic audit report / transaction audit report. It was proposed to convene a lenders' meeting on 03.11.2020 to discuss the matter again. In the lenders' meeting held on 03.11.2020, State Bank of India advised the forensic auditor to incorporate the findings of MCA report along with clarifications from the borrower and submit a final conclusive forensic audit report at the earliest. Consensus decision w.r.t. 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. Akshaya Supply Chain Private Limited (ASCPL) is an Ahmedabad-based entity engaged in providing logistics solutions. Banking Arrangement Axis Bank is the sole lender to the company. Axis Bank originally sanctioned working capital facilities of Rs.4 crore to the company in July 2013. The limits were subsequently enhanced to Rs.6 crore during 2014 and 2015. NPA/Recovery Action Axis Bank classified the borrower as NPA on 29.03.2018. Recall notice dated 01.11.2018 was sent to the borrower and the guarantors. Notice u/s. 13(2) of the SARFAESI Act, 2002 dated 19.11.2018 was issued to the borrower, its directors and owner of the mortgaged properties. Original Application dated 10.12.2018 has been filed before DRT-I Ahmedabad. RFA Classification A letter dated 02.11.2019 from Sarkhej Police Station (Ahmedabad) was received by the Bank, which advised

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
88	Case of Others by Mr. Rohit Aaru - M/s. Writer SafeGuard –Hitachi	1.14	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: 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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
89	Case of Forged / Fabricated Financial Statements by NMC Healthcare LLC	455.03	Bolini, Virar, located on their cash loading route, and had advised cash van driver to park the cash van nearby before stepping down from the cash van as there was no parking space in front of the ATM site. The custodians and the security guard later on noticed that the cash van was missing from the parking place. The custodians thereafter informed the matter to their supervisors. The IAD and the CRA agency had informed the GPS device was tampered with. As the driver was not contactable, a FIR was filed with Virar, Police. The Police immediately began investigation and within a couple of hours the located the abandoned cash van near Kalyan Naka, Bhiwandi. The police later on traced the driver at Ahmednagar and arrested him along with his 2 accomplices. Infidelity and breach of trust by the CRA cash van driver resulted into perpetration of fraud and misappropriation of cash. Action taken: The amount of Rs.114.00 lakh has been recovered from IADs in terms of the Service Level Agreement (SLA) with them. A FIR has been filed by the CRA with Arnala Coastal Police Station on 12 November 2020. The Bank classified the account as fraud and reported the case to the RBI on 12 November 2020. 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 0.75 crores 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 Axis Bank, it availed Working Capital Demand Loan (WC DL) 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			of USD 1823.45 million. However, the exact outstanding debt is yet to be reconciled and confirmed. Axis Bank sanctioned WCDL limit of USD 30 million to NMCHL in December 2014. The limit was subsequently enhanced to USD 60 million in September 2016. Axis Bank further sanctioned FCTL of USD 50 million to NMCHL in June 2015. Subsequently, USD 25 million was downsold to Siemens in 2016. Adverse Developments and Insolvency Proceeding On 17.12.2019, Muddy Waters Research LLC (promoted by short seller Carson Block) released a report on NMC Health PLC (NMCHP), in which it was highlighted that there may have been instances of overpaying for assets, inflated cash balances and underreporting of debt. On 17.01.2020, NMC Group subsequently appointed Louis Frees, former Federal Judge and FBI Director, and his firm Freeh Group International Solutions LLC (FGIS) to examine the allegations raised in Muddy Waters report. On 01.03.2020, the group also appointed Moelis and Company (Moelis), PwC and Allen and Overy as independent financial adviser, operational adviser and legal adviser respectively. Moelis would advise the group on discussions with its lenders, while PwC would assist on liquidity management and operational measures. On 02.03.2020, Moelis hosted an initial call with the lenders wherein informal standstill on existing debt servicing' was proposed. On 10.03.2020, it was announced on London Stock Exchange by NMCHP that, in addition to USD 2.10 billion Group debt reported as at 30.06.2019, debt of over USD 2.70 billion has been identified that were not disclosed previously or approved by the Board. On 16.03.2020, Moelis hosted second call with the lenders along with interim CEO, Mr. Michael Davis, wherein it was advised that mapping and reconciliation of debt at group level was in progress. It was further informed that no interest and principal payment will be done during informal standstill period 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			NMCHP to the High Court of England and Wales for insolvency proceeding. The petition was admitted and Alvarez and Marsal (A and M) was appointed as Administrator on 09.04.2020. A and M has submitted a proposal consisting of a general strategy for administration on NMCHP. It was mentioned in the proposal that total debt of NMCHP was estimated to be at USD 7.4 billion. The exact outstanding debt and security structure are still being reconciled. Axis Bank filed claim of USD 62.45 million before the Administrator on 02.06.2020 against the corporate guarantee from NCMHP (extended for the facilities availed by NMCHL). The Bank issued Demand Notices to the company and guarantors for outstanding against the limits sanctioned to NMCHL on 14.06.2020. The Bank classified the borrower as NPA on 29.06.2020. Axis Bank engaged with A and M for sale of some of the assets of NMC Trading LLC, charged with Axis Bank as security for term loan. Axis Bank appointed Al Tamimi (UAE) and SNG Partners (India) as legal counsels for initiation of legal actions against the company and guarantors. On 27.09.2020, Richard Fleming and Benjamin Cairns of A and M were appointed as Joint Administrators of NMC Healthcare LTD (formerly LLC), by order of the Abu Dhabi Global Market (ADGM) court. Group Exposure Axis Bank's exposure to other BR Shetty Group companies, as on 30.09.2020, are as under: UAE Exchange Centre LLC: Axis Bank had sanctioned WCDL and FCTL facilities of USD 48.75 mio to UAE Exchange Centre LLC. The account was classified as NPA on 24.06.2020. UX Holdings Ltd: Axis Bank had sanctioned FCTL facility of USD 12.29 mio to UX Holdings Ltd. The account was classified as NPA on 24.06.2020. Neoaska Pharma Pvt Ltd: Axis Bank had sanctioned ECB and Capex LC (sublimit) of USD 5.65 mio to Neoaska Pharma Pvt Ltd. The account was classified as NPA on 16.09.2020. RFA Classification The borrower was classified as RFA by Axis Bank on 19.05.2020, based on default in payment to the banks/ sundry debtors and other statutory bodies, etc., material discrepancies in the annual report and RFA classification by other lenders viz. ICICI Bank, Canara Bank and IndusInd Bank. Recent Updates from the Administrator As part of the insolvency process, the administrator (A and M) has been sharing periodical updates with the

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
90	Case of Forged / Fabricated Financial Statements by UAE Exchange Centre LLC / UX Holdings Limited	450.34	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. 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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			vertical of BR Shetty group promoted by Dr. Bhavaguthu Raghuram Shetty. The ultimate holding company of the group's Financial Services vertical is Finabl 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 Shetty group entities to validate the allegations made in the above mentioned report. The trading of Finabl shares was suspended by the LSE on 16.03.2020. The erstwhile CEO of Finabl PLC resigned and a new management was appointed. Finabl hired Houlihan Lokey as financial advisor for restructuring of its debt obligations. The new management of Finabl, along with the financial advisors, have held a number of meetings with lenders to finalize a resolution plan. The new management of Finabl and financial advisor has been sharing periodical updates with various stakeholders. Some of the critical updates were as below: Estimated debt position of Finabl 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 Finabl group. A significant amount of funds has gone missing from Finabl and its subsidiaries. Erstwhile senior management of Finabl has fled the jurisdiction of UAE Restructuring Proposal and Insolvency Proceeding. In a meeting with lenders held on 13.05.2020, Finabl 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 Finabl, was formed which includes VTB Capital, Barclays Bank, Bank of Baroda, Punjab National Bank and CBD. Addleshaw Goddard was appointed as the legal advisor by the lenders. Central Bank of UAE again requested the lenders for additional funding for revival of the company's operations. However, the lenders were not agreeable to sanction additional limits as management control was proposed to continue with the previous promoters of the company. Meanwhile, Deloitte reached out to National Bank of Fujairah, agent of the syndicated facility of UECL/UHL, and other key lenders, for initiation of administration process at the parent company level (i.e. 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 (WCDL) facility of USD 20 mio to UECL in 2010, which was subsequently enhanced to USD 30 mio in 2011 and to USD 40 mio in 2014. Axis Bank also sanctioned a Foreign Currency Term Loan (FCTL) of USD 25 mio in 2016, as part of a total syndicated facility of USD 400 mio, split between co-borrowers, UHL and UECL in 55:45 ratio. Axis Bank issued letter for raising Reservation of Rights on 17.05.2020. Axis Bank classified the borrowers as NPA on 24.06.2020. Group Exposure Axis Bank's exposure to other BR Shetty Group companies, as on 30.09.2020, are as under: NMC Healthcare LLC: Axis Bank had sanctioned WCDL and FCTL facilities of USD 61.69 mio to NMC Healthcare LLC. The account was classified as Fraud on 17.11.2020. Neoaska Pharma Pvt Ltd: The company has availed ECB of

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
91	Case of Forged / Fabricated Financial Statements by Ballarpur Industries Limited	225.00	USD 5.65 mio from Axis Bank. The exposure is presently classified as 'Standard' 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. Ballarpur Industries Limited (BIL), incorporated in 1945, is an integrated paper manufacturer. The company produces industrial, writing and printing paper. The company was formerly known as The Ballarpur Paper and Straw Board Mills Limited and renamed as BIL in 1975. The company is part of the Avantha group promoted by Mr. Gautam Thapar. Banking Arrangement 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			exposure in the following group entities of BIL: BILT Graphic Paper Products Limited and Jhabua Power Limited. RFA Classification The following EWS alerts were generated for the borrower on 17.12.2019: (a) Fraud in Group company: CG Power and Industrial Solutions Limited declared as Fraud/RFA and (b) RFA by Kotak Mahindra Bank Ltd. on 24.09.2019. Axis Bank classified the borrower as Red-Flagged Account (RFA) on 13.01.2020 on the basis of the above mentioned alerts. Forensic Audit Observations ICICI Bank appointed BDO India LLP to conduct forensic audit of the borrower. The forensic auditor submitted its report dated 22.03.2019. Lenders requested the forensic auditor to further investigate 3 specific points and submit the findings. Subsequently, an addendum reports dated 10.09.2020 and 31.10.2020 were submitted by the auditor relating to the specific queries. Key findings were as below: (a) Management could not provide relevant documents to justify write-off of recoverable corporate expenses of Rs.2,097.61 crore in FY18 (b) Impairment of inventory of Rs.240.58 crore without adequate justification in FY18 The legal counsel opined on 03.12.2020 that the above transactions appear to be manipulation of books of accounts. Transaction Audit Report Resolution professional appointed Grant Thornton to conduct transaction audit of the borrower. Key observations of the draft transaction audit report received on 02.12.2020 are given below: a) Following preferential transactions u/s. 43 of the IBC Code, 2016 were identified: - Invocation of inventory by Finquest Financial Solutions Private Limited (FFSPL) - Invocation of shares of Premier Tissue India Limited (PTIL) by FFSPL b) Following undervalued transactions u/s. 45 of the IBC Code, 2016 were identified: - Invocation of inventory by Finquest Financial Solutions Private Limited (FFSPL) - Invocation of shares of Premier Tissue India Limited (PTIL) by FFSPL - Cancellation of brand license fees agreement with BILT Graphic Paper Products Limited of Rs.264 crore for 25 years and replacing it with an agreement for Rs.0.25 crore for 25 years without providing any justification / conducting an independent valuation - Sale of Agroforestry business of Avantha Agritech Limited (AATL) Conclusion Axis Bank classified the borrower as 'Fraud' on 04.12.2020, based

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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	2.20	Home loan was availed by Ms. Seema Tomar from the Bank. A complaint was raised by the relatives of the owner of the property (Ms. Sohanbiri) alleging that the borrower had fraudulently availed of the loan from the Bank for purchase of owner's property. On scrutiny of the documents, significant mismatch was identified in the photograph of the seller i.e. the photograph on Ghaziabad Development Authority allotment letter of 1997 was that of an old lady whereas the photograph on the sale deed signed on behalf of seller in 2019 was of relatively middle aged lady. It transpired that an unknown individual impersonated the seller, Ms. Sohanbiri, and executed the sale deed with the borrower, Ms. Seema Tomar. The Bank's empaneled legal agency did not verify the identity of the person (seller) executing the documents. The scrutiny of statement of account of seller's account with Bandhan Bank (where loan proceeds were transferred) was done and it was identified that the proceeds of the disbursed loan credited into the account was withdrawn through cash amounting to Rs.2.17 crore immediately and Rs. 11 lacs were transferred to the current account, with Axis Bank, of a firm of which Ms. Seema Tomar was a proprietor. It was also noted that the account with Bandhan Bank (opened in January 2019 and closed in May 2019) was opened just to facilitate routing of loan proceeds. The Sale Deed was executed by an unknown individual (by impersonating the seller) and fabricated documents were deposited with the bank for

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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	1.42	Company Background Unity Infraprojects Ltd. (UIL), incorporated as Unity Builders Ltd. in 1997, is engaged in construction of buildings and housing, transportation, water supply and irrigation projects. UIL was part of KK Group of Companies promoted by Mr. Kishore Avarsekar. UIL is listed on NSE and BSE Banking Arrangement UIL availed debt of Rs.3277.92 crore as on 31.10.2016 from 25 lenders, including a consortium led by State Bank of India and out of consortium lenders. Axis Bank's limits were part of the Consortium. The credit facilities of the company were restructured under CDR mechanism in December 2014. However, the company was not able to turn around its operations post restructuring. Axis Bank had initially sanctioned a term loan of Rs.25 crore to UIL in 2008. As on 14.06.2016, total credit facilities sanctioned to the company by Axis Bank was Rs.91.94 crore. As part of the CDR scheme implemented in 2014, Axis Bank subscribed to 5,24,854 equity shares of UIL having a book value of Rs.1.42 crore. The borrower was classified as NPA by Axis Bank in December 2016 w.e.f. 29.12.2014. Resolution and Insolvency Proceedings Axis Bank assigned the entire fund based credit exposure to Asset Care and Reconstruction Enterprises Ltd (ACRE ARC) for Rs.22.50 crore vide agreement dated 27.03.2017. Presently, Axis Bank's exposure in UIL is only in the form of equity shares, issued as part of CDR scheme. Additionally, BGs of Rs.18.04 crore have been issued by Axis Bank on behalf of UIL, which are yet to be invoked. As per the asset sale agreement, ACRE ARC would purchase the non-fund based facilities, as and when invoked, at the assignment value of 30% of the devolved amount. The borrower was admitted for insolvency proceedings vide National

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
94	Case of Diversion of Funds by Reliance Home	153.24	Company Law Tribunal (NCLT) order dated 20.06.2017. Resolution Professional has filed an application before NCLT for liquidation of the company on 20.03.2018. NCLT has reserved the order in the said matter. Group Exposure Axis Bank does not have any exposure in the group companies of Unity Infraprojects Ltd as on 30.09.2020. RFA Classification The borrower was classified as RFA by Axis Bank on 06.05.2020, based on fraud classification by CSB Bank. Forensic Audit Observations BDO India LLP was appointed by the Resolution Professional on 26.11.2018 to conduct a forensic audit of UIL with review period from 01.04.2011 to 31.03.2017. Key findings of the forensic audit report dated 25.09.2019 are given below: Payments amounting to Rs.1317 crore were made through LCs to related / interested entity without any underlying purchases during the period from FY2012 to FY2017 Excess payments of Rs.270.95 crore were made to related / interested entities without any supporting documents during the period from FY2012 to FY2017 Loan funds amounting to Rs.111 crore were directly accounted in the ledger of UIL's joint venture. The funds were potentially misrepresented in UIL's books of accounts As on 31.03.2017, total receivables from related/ interested entities amounted to Rs.1337 crore, of which Rs.627 crore were on account of unexplained journal voucher transactions As Axis Bank is not part of Committee of Creditors (CoC), it was not invited in lenders' meetings held for discussion of forensic audit observations and fraud classification of the borrower. Status with other Lenders As per CRILC records, the borrower has been classified as Fraud by 16 lenders. Conclusion The borrower was classified as fraud by Axis Bank, based on following: Adverse findings of the forensic audit report. Classification of borrower as 'Fraud' by majority of lenders. Root Cause: Diversion of Funds Action Taken / Proposed: SBI (lead bank) has already filed the complaint before CBI. The Bank had issued mandate/consent letter for joint complaint. The Bank has made full provision on the MTM value of equity shares as at 30.09.2020. The Bank classified the account as fraud and reported the case to the RBI on 15 December 2020 Company Background Reliance Home Finance Limited (RHFL) was incorporated

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
Finance Limited			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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			(around 86 percent of corporate loans) were disbursed to 47 Potential Indirectly Linked Entities (PILE), of which: Rs.3,573 crore were utilized towards debt servicing of PILE / group companies Rs.1,610 crore appeared to be potential circular transaction where the funds were routed back to RHFL Rs.9,443 crore were disbursed towards non housing purpose in FY19 (80 percent of loans), in spite of RHFL being a housing finance company Rs.118 crore were extended to a suspicious entity (Valuecorp Securities and Finance Ltd) and written off within 4 months Rs.7,908 crore were disbursed to borrowers with weak financial metrics Rs.1,363 crore were disbursed prior to the date of issuance of loan sanction letter Decision of Lenders and Litigation by the Borrower Post submission of fund tracing report by the auditor, lenders meeting was called on 15.05.2020 and lenders were requested to take internal decisions on the report and communicate the same to the lead bank. However, in the subsequent meeting dated 06.06.2020, lenders agreed that a joint decision to be taken in the matter. No final decision was taken on the forensic audit report after the meetings. A legal notice dated 15.06.2020 was served, on behalf of RHFL, to all the lenders requisitioning for final end use report by GT and that no coercive action be taken until review and response by the company. However, PNB classified Reliance Home Finance Ltd (RHFL) as 'Fraud' on 21.07.2020. In response, RHFL sent a legal notice to PNB on 29.07.2020 calling the declaration of Fraud by PNB as 'unilateral and wrongful'. A lenders' meeting was called on 30.07.2020. In the meeting, the legal counsel (JSA Advocates and Solicitors) advised the lenders to obtain a conclusive audit report from the forensic auditor. The lenders requested the forensic auditor to provide a clear conclusion to the report to enable lenders to proceed further. Bank of Baroda called for a joint lenders meeting on 06.08.2020. In the said meeting: Grant Thornton (forensic auditor) informed that they complied with their scope of work and given observations accordingly. Bank of Baroda and United Bank of India (now merged with PNB) advised the lenders that they propose to classify the borrower as 'Fraud'. Other lenders were asked to take their individual decisions On 14.08.2020, the legal counsels of RHFL sent letters to all the banks informing that the High Court has

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			restrained PNB from taking any coercive action pursuant to declaring the Company's account as 'Fraud'. Further, they requested the banks to not take any further steps and / or any "coercive or precipitative" steps. On 31.08.2020, the legal counsels of RHFL sent another letter to all the lenders stating that "The banks forming part of the Consortium of Lenders are also expected to adhere to the order dated 14.08.2020 passed by the Hon'ble Delhi High Court in letter and spirit. Accordingly, you are also requested not to take any further steps and / or any coercive or precipitative action against the Company, failing which the Company will be constrained to initiate legal proceedings including civil and contempt proceedings against you at your cost and peril." The matter was heard on 25.09.2020 by Delhi High Court, wherein the counsels of RHFL and RCFL sought impleadment of the remaining lenders forming part of the consortium so that the order dated 14.08.2020 is applicable to them. In hearing dated 29.09.2020, the Court stated that it would not issue notice in the impleadment applications at this juncture. In hearing dated 06.11.2020, the counsels of RHFL and RCFL (Reliance Commercial Finance Ltd) requested the Court to permission to withdraw the impleadment applications and instead file writ petitions against the individual banks. The same was permitted by the Court. The matter was again heard on 08.12.2020. The Bench directed that the arguments in the matter be continued on the next date of hearing on account of paucity of time. The matter is now listed for hearing on 21.12.2020. Conclusion Though consensus/majority decision is yet to be arrived at by lenders, 6 lenders have already classified the borrower as 'Fraud' based on adverse forensic audit 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
95	Case of Diversion of Funds by Reliance Commercial Finance Limited	48.19	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 Company Background: Reliance Commercial Finance Limited (RCFL) is a wholly owned subsidiary of Reliance Capital Limited (RCL). The company is a part of Reliance Anil Dhirubhai Ambani Group (Reliance ADAG). RCL commenced commercial finance business in May 2007, which focused on secured lending and mortgage and SME loans. In March 2017, RCL de-merged the commercial finance business into its subsidiary Reliance Gilt Limited, which was subsequently renamed as RCFL. RCFL is NBFC offering Small and Medium Enterprises (SME) loans, loans against property, agriculture loans, supply chain financing, micro financing, vehicle loans, infrastructure and construction finance. Banking Arrangement: RCFL has availed total debt of Rs.9068 crore, including credit facilities and debentures, from 24 lenders under multiple banking arrangement, as at November 2019. 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'

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			by Axis Bank on 03.01.2020, based on the above mentioned EWS alerts and adverse observations in the draft forensic audit report. Forensic Audit and Lenders Decision Grant Thornton India LLP was appointed by Bank of Baroda on 29.08.2019 to conduct a forensic audit of RCFL with review period from 01.04.2016 to 30.06.2019. Key forensic audit findings are given below: Rs.11,219 crore (around 68 percent of wholesale loans) were disbursed to 32 Potential Indirectly Linked Entities (PILE), of which: Rs.1,868 crore were utilized towards debt servicing of PILE / group companies Rs.1,199 crore appeared to be potential circular transaction where the funds were routed back to RCFL Rs.812 crore were transferred to group companies through PILE during review period, which was in violation to regulatory guidelines Rs.280 crore were extended to a suspicious entity (Valuecorp Securities and Finance Ltd) and written off within 4 months Rs.4,204 crore were disbursed to borrowers with weak financial metrics Rs.410 crore were disbursed prior to the date of issuance of loan sanction letter Decision of Lenders and Litigation by the Borrower Post submission of fund tracing report by the auditor, lenders meeting was called on 13.05.2020 and lenders were requested to take internal decisions on the report and communicate the same to the lead bank. However, in the subsequent meeting dated 06.06.2020, lenders agreed that a joint decision to be taken in the matter. No final decision was taken on the forensic audit report after the meetings A legal notice dated 15.06.2020 was served, on behalf of RCFL, to all the lenders requisitioning for final end use report by GT and that no coercive action be taken until review and response by the company. However, PNB classified RCFL as 'Fraud' on 20.07.2020. In response, RCFL sent a legal notice to PNB calling the declaration of fraud by PNB as "unilateral and wrongful". A lenders' meeting was called on 31.07.2020. In the meeting, the legal counsel (JSA Advocates and Solicitors) advised the lenders to obtain a conclusive audit report from the forensic auditor. The lenders requested the forensic auditor to provide a clear conclusion to the report to enable lenders to proceed further. Bank of Baroda called a joint lenders meeting on 06.08.2020. In the said meeting: Grant Thornton (forensic auditor) informed that they complied with their scope of work

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
96	Case of Forged / Fabricated Financial Statements by DPD Industries Limited	33.34	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 ₹ 2.16 crores 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. DPD Industries Limited (DIL) operated a rice processing unit with capacity of 14 MT per hour in Ferozepur, Punjab. Operations of the company are closed for last 3 years. The entity was established as a partnership firm by Mr. Devinder Pal Dhawan and his family members in November 2004. The firm was converted into a company in 20.11.2009. Banking Arrangement: Axis Bank initially sanctioned commodities loan limit (CLWF) of Rs.5 crore to the borrower in October 2009, which was enhanced to Rs.10 crore in November 2010. The said limit was closed in October 2011. Axis Bank sanctioned CC limit of Rs.20 crores, term loans aggregating Rs.2.64 crores and LER of Rs.0.10 Crores to DIL in September 2011, by way of takeover of limits from State Bank of India. Axis Bank is the sole lender to the company. Axis Bank classified the borrower as NPA on 01.05.2016. Resolution Action Recall notice was sent to the borrower and guarantors on 29.08.2016. Demand Notice under section 434 sent was issued on 31.08.2016. SARFAESI notice under section 13(2) was issued on 30.09.2016. Symbolic Possession of 3 properties charged as collateral was taken on 03.02.2017. Original Application (OA) has been filed in DRT, Chandigarh on 18.10.2018. It is being contested by the promoters. Physical Possession of the factory land and building in the name of DIL was obtained on 29.08.2018. Physical Possession of residential plot in Ferozepur in the name of Mr. Devinder Pal Dhawan and Mr. Surinder Pal Dhawan was obtained on 01.02.2019. The borrower was admitted for insolvency proceeding vide NCLT order dated 06.11.2019. Two Collateral properties

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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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 ₹ 0.52 crores 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	160.88	I) Karvy Stock Broking Limited (KSBL) is the broking arm of Karvy Group. II) KSBL has been operating in retail broking and distribution business, offering Equity and Derivative trading through National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and Currency Derivative on Metropolitan Stock Exchange of India Limited (MSEI). III) KSBL is registered as a Depository Participant with both NSDL and CDSL and also provides commodity trading on MCX and NCDEX. Banking Arrangement I) KSBL availed credit facilities aggregating Rs.1,612 crore from 6 lenders, led by ICICI Bank under multiple banking arrangement. II) The company has been availing credit facilities from Axis Bank since December 2005. III) The working capital limits were gradually enhanced between 2010 and 2019 to Rs.285 crore. Recent Adverse 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			01.01.2019 onwards. III) In view of above, NSE conducted a forensic audit of KSBL. The forensic audit report and NSE' observations were submitted to SEBI. The said report has not been shared with lenders. Key findings of the report, as mentioned in SEBI announcements, are given below: a) Funds raised by pledging of client securities b) Misuse of Power of Attorney given by clients c) Transfer / Sale of securities IV) Based on the mentioned violations of the Code of Conduct and other provisions of Securities Laws, SEBI passed an ex parte ad interim order dated 22.11.2019 against the company with following directions: a) KSBL was prohibited from taking new clients in respect of its stock broking activities; b) The Depositories i.e. NSDL and CDSL were directed not to act upon any instruction given by KSBL in pursuance of power of attorney given to KSBL by its clients, with immediate effect, to prevent further misuse of clients' securities by KSBL; c) The Depositories were instructed to monitor the movement of securities into and from the DP account of clients of KSBL and ensure that clients' operations were not affected; d) The Depositories were instructed not to allow transfer of securities from DP account no. 11458979 named Karvy Stock Broking Limited (BSE) with immediate effect. e) The transfer of securities from DP account no. 11458979 named Karvy Stock Broking Limited (BSE) shall be permitted only to the respective beneficial owner who has paid in full against these securities, under supervision of NSE; and f) The Depositories and Stock Exchanges were instructed to initiate appropriate disciplinary regulatory proceedings against KSBL for misuse of clients' funds and securities as per their respective bye laws, rules and regulations V) Trading activities of KSBL in capital markets, commodity markets, etc. were suspended vide NSE and 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Directors for violations of their respective bye laws. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 02.03.2020. II) Axis Bank filed a petition in DRT - II (Hyderabad) dated 28.12.2019 seeking attachment of pledged shares, receivables, mortgaged property and various other identified movable / immovable assets of Mr. C. Parthasarathy (promoter of KSBL) and Karvy Realty India Limited ("KRIL"). DRT vide Order dated 31.12.2019 restrained the defendants from alienating the assets as mentioned in the Order and directed the defendants to deposit sufficient security within 15 days with Axis Bank, failing which all the assets shall stand attached. Sufficient security has not been deposited till date. The matter is currently adjourned till 04.01.2021. III) Axis Bank filed an appeal with Securities Appellate Tribunal (SAT) seeking stay on the communication dated 23.11.2019 received from National Securities Depository Limited (NSDL) directing the bank to keep the securities (shares pledged against ODASB facility) in abeyance, in line with SEBI Orders dated 22.11.2019. SAT vide Order dated 17.12.2019 directed Axis Bank to approach SEBI and status quo was ordered to be maintained till the order of SEBI. Axis Bank had filed its representation with SEBI on 19.12.2019. SEBI vide order dated 14.01.2020 held that only shares amounting to Rs.13.69 crore can be released in favour of Axis Bank provided Axis Bank is able to show valid proof of authorisation by clients in favour of KSBL. Subsequently, Axis Bank filed an appeal with SAT on 15.01.2020 against SEBI's order dated 14.01.2020. The matter is currently adjourned till 27.01.2021. IV) Notice u/s. 13(2) dated 08.07.2020 and notice u/s. 13(4) dated 11.09.2020 under SARFAESI Act, 2002 has been sent to the company and its directors. RFA Classification I) The following EWS alerts were generated for the borrower on 17.12.2019: (a) High value (greater than Rs.1 crore) cheque bounces, (b) Raid in income tax / sales tax / excise department/ ED, (c) 46 outward cheque bounce of value more than Rs.1 lakh each, (d) News dated 24.11.2019 : SEBI unearthed Fraud scam at KSBL. II) Axis Bank classified the borrower as RFA on 22.01.2020 on the basis of above-mentioned alerts. Internal Investigation Findings I) As per the NSE inspection report, KSBL credited the funds raised by pledging of

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			client securities to its own bank accounts and did not report these bank accounts to the exchange. One of these accounts was Axis Bank A/C no. 916030054913843. II) Transaction analysis of A/c. No. 916030054913843 revealed the following outflows to accounts other than Client Accounts: a) First outflows from the account worth Rs.40 crore were to other banks accounts of KSBL via RTGS on 29.11.2016. b) Subsequently till 24.10.2017, there were outflows of Rs.22.90 crore to the GL Expenses Account of the company. c) Subsequently, there was one outflow of Rs.25 crore to GL Expense account (004010203343544) on 03.04.2018. d) Between 09.04.2019 and 15.05.2019, there were 4 NEFT outward transactions worth Rs.15.20 crore to other bank accounts of KSBL. e) Between 25.10.2019 and 02.12.2019, there were 6 debit transactions worth Rs.5.25 crores to KSBL's OD against Receivable Account with Axis Bank. III) Transaction analysis of A/c. No. 916030054913843 revealed the following outflow to Client Accounts: a) From 26.10.2017, outflows from the account began predominantly flowing into Client Accounts maintained with the Bank. b) In total, there were 84 such transactions between 26.10.2017 and 05.09.2019 which were cumulatively worth Rs.138.30 crore. c) From the client accounts, the funds were mostly transferred via RTGS or IMPS to other bank accounts of the company. Forensic Audit I) In the meeting held on 11.03.2020, the lenders discussed the scope of work and prospective agencies for conducting forensic audit. Two agencies, Deloitte and BDO, were shortlisted and lenders were requested to communicate their choice to ICICI Bank. II) Axis Bank requested ICICI Bank to appoint BDO as forensic auditor and followed up with ICICI Bank for the same. III) There was delay by ICICI Bank in appointing a forensic auditor. Finally, ICICI Bank appointed BDO as forensic auditor on 24.09.2020. IV) While lenders have shared majority of the data with BDO, there was no cooperation and information sharing from the company. V) Axis Bank, vide letter dated 22.12.2020, advised ICICI Bank to examine the borrower as non-cooperative and to consider declaring the company as fraud based on the violations highlighted in the forensic audit report conducted by NSE. VI) ICICI Bank vide letter dated 22.12.2020 advised Axis

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
98	Case of Forged / Fabricated Financial Statements by Amit Iron Private Limited	14.36	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 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 ₹ 2.0 crores was recovered during FY 2020-21 and the remaining amount involved has been prudentially written off by the Bank. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			platform arranged by Mjunction Services Limited (MJSL), in November 2014. The borrower was classified as NPA by Axis Bank on 03.09.2019. Resolution Action: All the lenders have issued notification to Tata Steel to stop supplying to the company. Axis Bank has issued recall notice to the borrower on 10.02.2020. RFA Classification: The account was classified as 'RFA' by Axis Bank on 16.04.2020, based on classification of the borrower as RFA by Yes Bank. Forensic Audit: SBI appointed Suman Kumar Agarwal and Associates on 16.03.2020 to conduct forensic audit with review period from 01.04.2017 to 29.02.2020. Draft forensic audit report was received on 09.11.2020. Key observations noted in the draft forensic audit are as under: Compensation of Rs.1.24 crore was booked from 01.04.2019 to 29.02.2020 (pertaining to FY 2013 to FY 2018) on account of an agreement to supply a minimum quantity of coils to Arya Metals Pvt. Ltd (related party). Receivable outstanding as on 29.02.2020 were Rs.77.38 crore, after write off of bad debts of Rs.12.24 crore. Recklessness in assessing the credibility of the debtors was observed. In many instances, goods had been sold at gross loss on credit basis. These goods had been purchased from party other than Tata Steel Limited. Settlement to these creditors were made either by adjusting the receivables from that party or by making payment. No concrete steps had been initiated by the borrower to recover the dues from parties. In spite of the fact that receivables from these parties were outstanding for a considerable period of time, no legal remedies had been initiated to recover the outstanding dues. It reflected borrower's apathetic nature towards recovery of receivables. Top 10 debtors amounting to Rs.48.84 crore constituted 62.94 percent of the total debtors. However, total sales made to these debtors during the period from April 2018 to February 2020 amounted to Rs.53.19 crore, which constituted 10.14 percent of the total sales during this period. This signifies that liberal credit had been extended only to some of the debtors, out of which most are new parties and no sales had been made to these parties in the earlier years. While finance cost had always been a significant expense of the borrower (debt-equity ratio increased from 4.65 times in FY 2017 to 8.36 times in FY 2019), borrower had provided interest free advances to certain parties (Rs.23.21 crore

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
99	Case of Diversion of Funds by Modex International Securities Limited	20.87	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 Section on 14 January 2021. Account has been prudentially written off 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Arrangement. MISL has availed PCM (Professional Clearing Member) services in NSE F and O, BSE F and O and MSEI F and O from Axis Bank. Axis Bank initially sanctioned working capital limits of Rs.2 crore in 2013. The company's limits have been subsequently enhanced to Rs.32 crore between 2014 and 2019. Resolution and Recovery Axis Bank classified the borrower as NPA on 31.03.2020. SARFAESI action has been initiated for a commercial property owned by Mrs. Sangeeta Sachdeva mortgaged to the Bank. Notice under section 13(2) was issued on 21.07.2020. Symbolic possession of the property was obtained on 15.12.2020. Suit for winding up of the company has been filed with DRT on 13.03.2020. RFA classification The borrower was classified as RFA by Axis Bank on 27.01.2020, based on the following: i) Inability expressed by the client to meet margin shortfall ii) MISL squared off position which led to exchange obligation and upon multiple request, the borrower was not able to arrange funds from its clients or by self. Investigation by NSE and SEBI Order As a part of offsite supervision, NSE observed inconsistencies between security balances reported by MISL in its monthly and weekly client securities balances submissions as on 29.11.2019 with the Depository Participant records and Clearing members' submissions/holdings with Clearing Corporation Accordingly, an inspection was conducted by NSE for the period from 01.03.2019 to 11.12.2019, whereby it was observed that MISL had posted journal vouchers/manual adjustments entries in ledgers/ Register of Securities of its clients, respectively. In view 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			directed to ensure that shortfall of client funds are made good through realisation from assets of the said 3 parties. NSE declared MISL as a defaulter and expelled the company from its membership on 16.09.2020. Both NSE and BSE have subsequently commenced formalities of compensating investors from investor protection funds of the stock exchanges. As per media reports, investors of MISL have filed an FIR with EOW Delhi against the company. It has been alleged that MISL misused the power of attorney to conduct unauthorised trades in the accounts of the investors, without their knowledge or consent. MISL allegedly used shares as leverage for speculative derivatives trades in order to maximise brokerage earning. Delhi Police has registered FIR against MISL under various sections of Indian Penal Code (IPC) covering breach of trust, forgery and cheating. Forensic Audit Axis Bank appointed Grant Thornton to conduct forensic audit of MISL, with review period from 01.10.2018 to 31.01.2020. There was delay by the borrower in furnishing the information on account of COVID-19 pandemic. The Bank was following up with the borrower for furnishing the information. Final forensic audit report was submitted to the Bank on 25.12.2020. Key findings are given below: i) Non -availability of client balances, misappropriation of client funds and incorrect securities balance through recording of manual adjustments ii) Misutilisation of clients funds for proprietary margin obligations iii) Round payments made to specific set of clients iv) Incorrect submission of weekly report to the stock exchange and short/non collection of margin from the clients which indicates that MISL had misutilised the financial facilities obtained from Bank for exchange margin purpose. v) MISL was engaged in unfair trade practices which were deceitful to the clients as well as the Banks. Conclusion Several regulatory violations were identified in forensic audit conducted by NSE. The said report has not been shared with lenders. However, SEBI has passed interim 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
100	Case of Diversion of Funds by J.P. Engineers Private Limited	9.78	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. J.P. Engineers Private Limited (JPEPL) is engaged in trading of prime metal, scraps and extrusion. Banking Arrangement I) J.P. Engineers, a partnership firm engaged in trading of metals, availed credit facilities from Axis Bank since March 2014, under Multiple Banking Arrangement. The other lenders of the firm were Andhra Bank, Yes Bank, and ICICI Bank. II) Subsequently, the business of the partnership firm was taken over by JPEPL w.e.f. 04.11.2016. The credit facilities of the firm was transferred to JPEPL subsequently. III) JPEPL has availed working capital facilities viz. overdraft and Letter of Credit from Union Bank of India (erstwhile Andhra Bank) and inventory funding from Axis Bank, ICICI Bank and Yes Bank, aggregating Rs.183.75 crore under multiple banking arrangement. Andhra Bank has the highest exposure in the banking arrangement. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 18.02.2020. II) The borrower was admitted for insolvency process vide NCLT order dated 26.02.2020. RFA Classification I) The following EWS alerts were generated for the borrower on 18.09.2020: (a) significant account irregularity, (b) significant drop in half-yearly credit amount in working capital facilities and (c) Fraud by Union Bank of India on 04.08.2020. II) Axis Bank classified the borrower as Red-Flagged Account (RFA) on 11.11.2020 on the basis of above mentioned alerts. Forensic Audit I) Union Bank of India (erstwhile Andhra Bank) appointed A.R. and

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 indicate diversion of funds towards purposes other than business activities. c) Transfer of Rs.10.14 crore to promoters against unsecured loans indicate that funds have been siphoned-off without creation of assets. d) The company represented that trade receivables aggregated more than Rs.164.06 crore as of June 2019. However, upon verification, none of the customers accepted their dues towards the borrower indicating misrepresentation of facts to Andhra Bank. e) The borrower had maintained accounts with other banks like ICICI Bank. The borrower continued its operations with other banks and did not route any transactions with Andhra Bank, despite classification of account as NPA with Andhra Bank indicating breach of trust with Andhra Bank. f) As per the stock statement as of June 2019, the borrower had trade receivables aggregating Rs45.53 crore from its sister concern SMW Metals. However, transaction analysis of bank accounts revealed that significant payments were made to SMW Metals indicating manipulation of books of accounts. g) Transaction analysis of bank accounts revealed significant transactions with related parties. However, such transactions were not disclosed in the audited financial statements indicating manipulation of books of accounts. III) Conclusion by Forensic Auditor: Basis the above, the borrower can be classified as fraudulent by Andhra Bank. Conclusion Axis Bank classified the borrower as 'Fraud', based on findings of the forensic audit report highlighting manipulation of financial statements and diversion of funds. Root Cause: Manipulation of financial statements and diversion of funds Date of Occurrence: 31.03.2017. The Bank classified the account as fraud and reported the case to the RBI on 13 January 2021 Action Taken / Proposed: I) Legal recourse for recovery has been initiated by the Bank.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
101	Case of Diversion of Funds by Prince Mfg Industries Limited	22.85	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. 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			behalf of Banks under Multiple Banking arrangement vide appointment letter dated 15.07.2020 with the review period from 01.04.2012 to 31.03.2020. The forensic auditors submitted an interim report on 27.12.2020, in which the following key observations were pointed out: i. Potential Misappropriation of inventory ii. Net Outflow to Promoter Accounts iii. Diversion of Term Loan Funds and Non- compliance to Sanction Terms iv. Supporting Documents for Sales Transactions are Not Available v. Supporting Documents for Purchase Transactions were Not Available vi. Vendors Credit Card Payments Stock audit findings Stock audit was conducted by Umashankar A Gupta and Co, CA on behalf of Canara Bank and report dated 10.04.2020 was submitted. Major observations are as mentioned below: i. Stock declared in the stock statement submitted to the Bank are not 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
102	Case of Diversion of Funds by Prince SWR Systems Private Limited	24.85	reminded Canara Bank several times vide email/in the JLM's. Canara Bank has informed that they shall be filing the complaint after classification of their a/c as Fraud. The exposure has been prudentially written-off by the Bank 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 Axis Bank ii. Default in payment to the banks iii. Delay observed in payment of outstanding dues iv. Frequent devolvement of LCs v. Large number of transactions with group/inter connected companies, promoters, related parties, etc. vi. Company has acquired land which is not mortgaged to the lenders and transferred funds to individual accounts in promoter family vii. Non routing of sales proceeds through the bank Forensic Audit : Canara Bank appointed BDO India LLP as forensic auditor on behalf of Banks under Multiple

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Banking arrangement vide appointment letter dated 15.07.2020 with the review period from 01.04.2012 to 31.03.2020. The forensic auditors submitted an interim report on 27.12.2020, in which the following key observations were pointed out: i. Potential Misappropriation of inventory ii. Net Outflow to Promoter Accounts iii. Diversion of Term Loan Funds and Non- compliance to Sanction Terms iv. Supporting Documents for Sales Transactions are Not Available v. Supporting Documents for Purchase Transactions were Not Available vi. Vendors Credit Card Payments Stock audit findings Stock audit was conducted by Umashankar A Gupta and Co, CA on behalf of Canara Bank and report dated 20.03.2020 was submitted. Major observations are as mentioned below: i. The method / calculation for valuation of stock followed for submission of monthly stock statement was not provided to the auditor. However, prima facie the valuation of stock adopted appears to be inconsistent. This was evident from the gross profit analysis (at material cost) statement wherein gross profit on (material cost) was showing negative trend in the month of April 2019, August 2019, September 2019, and October 2019. ii. Borrower was not declaring item wise stock position in stock statement submitted to the Bank. Monthly stock statement did not contain details of open stock, purchases, consumption / sale and only value of closing stock was declared. iii. The auditor during physical inspection observed non-moving/obsolete stock. However, the stock statement did not reflect and obsolete stock iv. The stock auditor was not provide access to the book of accounts due to which the stock audit has been qualified. The audit was unable to verify / comment the aging of stock, transactions with group 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			forensic audit report and stock audit report. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken/Proposed: To continue suitable recovery proceedings. The Bank has already mandated the lead lender viz. Canara Bank to file the complaint with CBI, vide our letter dated 16.02.21. The Bank has reminded Canara Bank several times vide email/in the JLM's. Canara Bank has informed that they shall be filing the complaint after classification of their a/c as Fraud. The same is under process at their end. The exposure has been prudentially written-off by the Bank.
103	Case of Forged / Fabricated Financial Statements by Infrastructure Leasing and Financial Services Limited	13.79	Company Background Infrastructure Leasing and Financial Services Limited (IL and FS), incorporated on 03.09.1987, was an infrastructure development and finance company, promoted by the Central Bank of India (CBI), Housing Development Finance Corporation (HDFC) and Unit Trust of India (UTI). The company was established with twin mandates of providing financial services and to develop infrastructure projects under a commercial format. IL and FS was a Core Investment Company, engaged in the business of providing financial support for commercialization of infrastructure projects by extending loans and investments in group companies. Banking Arrangement IL and FS availed term loan and working capital (fund based and non-fund based) facilities of Rs.4846.50 crore under multiple banking arrangement from 22 Banks. Axis Bank sanctioned LER facility of Rs.25 crore to the company in April 2005. Subsequently, non-fund based working capital limits (LC and BG) of Rs.500 crore were sanctioned by Axis Bank during 2011 and 2012. The working capital limits of IL and FS were last renewed on 24.05.2018 with reduction to Rs.250 crore. Recent Developments i. Government of India (GOI), based on reports received from Regional Director (Mumbai), Ministry of Corporate Affairs, concluded that the affairs of IL and FS and its group companies were being conducted in a manner prejudicial to public interest. ii. With a view to preventing further mismanagement and 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			takeover of the company's Board by GOI was approved by NCLT Mumbai vide order dated 01.10.2018. Subsequently, GOI superseded the Board of IL and FS and appointed six new directors. iv. NCLAT passed an order on 15.10.2018, permitting moratorium to IL and FS and its group companies till GOI issue appropriate notification and stayed any proceedings against them. v. SFIO filed a charge sheet against IL and FS Financial Services Ltd (IFIN), a subsidiary of IL and FS, on 30.05.2019 in the court of Additional Sessions Judge-cum-Special Judge (Companies Act) at Greater Mumbai. The following certain allegations against IL and FS were noted in the said charge sheet: Ravi Parthasarathy and Hari Sankaran (both former Managing Directors of IL and FS) received hospitality from C Sivasankaran (founder of Aircel) and used IL and FS group as their personal fiefdom to provide wrongful gains to Sivasankaran illegally. IL and FS had exhausted the regulatory limits beyond which further lending to group entities could not be done. Hence, the accused relied on IFIN to fund the requirements of the group entities. Sanction of loans of Rs.190 crore to Employee Welfare Trust which were used for repayment of loan taken to purchase shares of IL and FS and IL and FS Securities Services Ltd (ISSL) and interest payment of previous loans, which was an abusive exercise of authority. NPA Classification and Recovery Action Axis Bank classified the borrower as NPA on 13.01.2019. Post GOI superseding the Board of the company and commencement of investigation by SFIO into IL and FS group: Axis Bank froze the limits at current outstanding levels for all the group companies where Axis Bank had exposure. The account was classified as Red Flagged Account (RFA) and monitored closely. The Bank filed an application before NCLAT seeking clarification in the matter related to payment to beneficiaries on account of invocation of BGs / devolvement of LCs. RFA Classification The borrower was classified as RFA by Axis Bank on 05.12.2018, based on external developments and adverse media reports. Forensic Audit IL and FS group companies have been classified as RFA by a few lenders including Axis Bank, based on adverse media reports and SFIO investigation into the conduct of the erstwhile Board of the company. Lenders are awaiting the outcome of SFIO

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 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 Guarantee 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 Guarantee facilities of Rs.160 crore to TTL. TTL is a standard account with Axis Bank. The IL and FS management has received a binding bid, which is at advanced stage, with a positive equity value and takeover of entire debt of TTL and its subsidiaries. The bid has been approved by the COC and the approval of NCLAT is in progress. Schoolnet India Ltd (SIL formerly IL and FS Education and Technology Services Ltd): Axis Bank had sanctioned Bank Guarantee facility of Rs.91 crore to SIL. The stake sale of IL and FS was approved through the NCLAT approval dated 30.08.2020 and the company is currently held by Lexington Equity Holdings Ltd (through its subsidiary Falafal Technology Ltd). RFA / Fraud Status with Other Lenders As on 27.12.2020, 20 lenders including Axis Bank have classified the borrower as RFA. No lender has classified the borrower as Fraud. Conclusion Axis bank classified the borrower as 'Fraud', based on the following: i. Internal investigation revealed significant

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			transactions within the group companies of IL and FS ii. SFIO has filed a charge sheet against IL and FS Financial Services Ltd (IFIN), wherein various adverse observations were revealed against the borrower (holding company) and its group companies viz. IFIN and IL and FS Transportation Network Ltd (ITNL) Basis the charge sheet, various directors of the IL and FS group have been arrested. Root Cause Manipulation of financial statements. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken / Proposed: Legal recourse for recovery has been initiated by the Bank under NCLAT. The Bank has provided authorization/consent to lodge the police 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	220.48	Company Background IL and FS Transportation Networks Limited (ITNL) was promoted by Infrastructure Leasing and Financial Services Limited (IL and FS) to consolidate its existing road infrastructure projects and to pursue projects/ business in surface transportation segment. ITNL executes projects for development, operation and maintenance of state/ national highways on build-operate-transfer (BOT) basis, either on its own or in consortium with other entities. Banking Arrangement ITNL availed working capital limits of Rs.845 crore (FB-Rs.220 crore and NFB-Rs.645 crore) and term loan (TL) / external commercial borrowing (ECB) of Rs.6,056 crore under multiple banking arrangement from 35 Banks / Financial Institutions as on 30.06.2018. Axis Bank's share was Rs.97 crore (only NFB) as on 30.06.2018. Further, Axis Bank has also invested in NCDs of the company. Axis Bank had sanctioned BG limit of Rs.110 crore to ITNL in 2006. The limits were gradually enhanced to Rs.600 crore by 12.02.2014. The BG limit was reduced to Rs.175 crore on 02.08.2017, and further to Rs.115 crore on 01.06.2018. Recent Developments Government of India (GOI), based on reports received from Regional Director (Mumbai), Ministry of Corporate Affairs, concluded that the affairs of IL and FS and its group companies were

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			being conducted in a manner prejudicial to public interest. With a view to preventing further mismanagement and protecting public interest, GOI referred the company to NCLT Mumbai for approval to take over its Board and to impose a moratorium on its group entities. The said request for takeover of the company's Board by GOI was approved by NCLT Mumbai vide order dated 01.10.2018. Subsequently, GOI superseded the Board of IL and FS and appointed six new directors. NCLAT passed an order on 15.10.2018, permitting moratorium to IL and FS and its group companies till GOI issue appropriate notification and stayed any proceedings against them. SFIO filed a charge sheet against IL and FS Financial Services Ltd (IFIN), a subsidiary of IL and FS, on 30.05.2019 in the court of Additional Sessions Judge-cum-Special Judge (Companies Act) at Greater Mumbai. The following observations were noted against ITNL in the said charge sheet: The books of accounts of fourteen existing borrowers or contractors of IFIN or ITNL, were used for onward lending to ITNL or its subsidiaries/SPVs. All the loans to these entities were given on the basis of letter of comfort of ITNL and no security was taken from these borrowing entities/intermediaries. Investigation 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			the limits at current outstanding levels for all the group companies where Axis Bank had exposure. The account was classified as Red Flagged Account (RFA) and monitored closely. The Bank filed an application before NCLAT seeking clarification in the matter related to payment to beneficiaries on account of invocation of BGs / devolvement of LCs. RFA Classification The borrower was classified as RFA by Axis Bank on 06.12.2018, on the basis of ongoing SFIO investigations in IL and FS and its subsidiaries. Forensic Audit IL and FS group companies have been classified as RFA by a few lenders including Axis Bank, based on adverse media reports and SFIO investigation into the conduct of the erstwhile Board of the company. Lenders are awaiting the outcome of SFIO investigation for deciding future course of action. Since SFIO investigation is ordered against all the group companies of IL and FS, the management expressed their inability to support separate forensic audit for group companies. It was informed to Axis Bank that, as part of SFIO investigation, forensic audit of IL and FS group entities were being carried out by Grant Thornton (GT). GT released an interim report on ITNL and its SPVs on 20.12.2019. The report was based on data received till 25.10.2019 and was shared with Axis Bank on 14.08.2020. The final forensic audit report is still awaited by the lenders. Forensic audits in other group entities are in progress. Key observations in the Interim Forensic Audit Report of ITNL are as under: Potential irregularities noted with regards to the operational as well as financial management of ITNL and its SPVs Potential close nexus of vendors, with the then KMPs of IL and FS group and anomalies noted in dealings with them Review indicated that ITNL took properties on lease from the KMPs of ITNL and their family members. Additionally, the same properties were used by the same respective KMPs for their own personal use Potential stress/ liquidity issues which appeared to be known to the then KMPs of the IL and FS Group Group Exposure Axis Bank's exposure to IL and FS group companies, as on 30.09.2020, are as under: Infrastructure Leasing and Financial Services Ltd (IL and FS): Axis Bank had sanctioned Bank Guarantee, Letter of Credit and LER facilities of Rs.260 crore to IL and FS. The account was reported as Fraud in CRILC on 28.12.2020. Elsamex

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Maintenance Services Ltd (EMSL): Axis Bank had sanctioned Cash Credit and Bank Guarantee 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 Guarantee facilities of Rs.160 crore to TTL. TTL is a standard account with Axis Bank. The IL and FS management has received a binding bid, which is at advanced stage, with a positive equity value and takeover of entire debt of TTL and its subsidiaries. The bid has been approved by the COC and the approval of NCLAT is in progress. Schoolnet India Ltd (SIL formerly IL and FS Education and Technology Services Ltd): Axis Bank had sanctioned Bank Guarantee facility of Rs.91 crore to SIL. The stake sale of IL and FS was approved through the NCLAT approval dated 30.08.2020 and the company is currently held by Lexington Equity Holdings Ltd (through its subsidiary Falafal Technology Ltd). RFA / Fraud Status with Other Lenders As per CRILC database on 27.12.2020, 15 lenders including Axis Bank have classified the borrower as RFA. No lender has classified the borrower as Fraud. Root Cause Diversion of Funds Conclusion Axis bank classified the borrower as 'Fraud', based on the following: Irregularities reported in the Interim Forensic Audit Report of ITNL Internal investigation revealed significant transactions within the group companies of IL and FS SFIO has filed a charge sheet against IL and FS Financial Services Ltd (IFIN), wherein various adverse observations were revealed against the borrower (holding company) and its group companies viz. IFIN and IL and FS Transportation Network Ltd (ITNL) Basis the charge sheet, various directors of the IL and FS group have been arrested. The Bank classified the account as fraud and reported the case to the RBI on 14 January 2021. Action Taken / Proposed Legal recourse for recovery has been initiated by the Bank under NCLAT. The Bank has provided authorization/consent to lodge the police 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
105	Case of Diversion of Funds by Tanta Constructions Limited	39.84	amount. Tanta Constructions Ltd (TCL) is engaged in the business of executing engineering, procurement and construction (EPC) contracts. It focuses on roads and bridge construction. Banking Arrangement: I) TCL availed working capital facilities from 9 lenders under Consortium banking arrangement, led by State Bank of India. II) In addition, TCL also availed equipment finance and term loans from banks/financial institutions. III) Total claims aggregating to Rs.1,474.22 crore by 15 lenders, have been admitted by NCLT under insolvency process. NPA/Recovery Action: I) Axis Bank classified the borrower as NPA in Q1 2018 w.e.f.17.04.2015. II)The borrower was admitted for insolvency proceeding vide NCLT order dated 13.03.2019. RFA Classification: Axis Bank classified the borrower as Red-Flagged Account (RFA) on 07.12.2020 on the basis of adverse observations mentioned in the addendum forensic audit report. Forensic Audit: I) State Bank of India initiated forensic audit in September 2018. The auditor initially concluded the forensic audit report as Non-Fraud in August 2019. II) In the lenders' meeting held in October 2019, lenders' decided to classify the borrower as "Non-Fraud". Accordingly, Axis Bank classified the borrower as Non-Fraud in November 2019. III) Subsequent to classification of borrower as "Non-Fraud" by all lenders, State Bank of India received a letter dated 05.06.2020 from Enforcement Directorate (ED) enquiring about the reason for classification of the borrower as "Non-Fraud", despite adverse observations highlighted in the forensic audit report. IV) State Bank of India vide letter dated 17.06.2020 informed the Enforcement Directorate (ED) that the borrower was classified as "Non-Fraud" basis unanimous decision taken by the lenders since no concrete evidence of diversion of funds was detected during the forensic audit. III) In the lenders' meeting held on 15.07.2020 and 28.07.2020, the letter received from ED was discussed and it was decided that the forensic auditor may be requested to re-examine the audit report and submit additional opinion. IV) Forensic auditor submitted an addendum report to the Bank on 17.10.2020. Key findings of the report were as below: a) Diversion of Rs.240 crore and non disclose of the same in the books of

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 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	18.79	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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Bank on 19.06.2020. ii. Aspire Fitness Pvt Ltd (AFPL): Axis Bank had sanctioned overdraft facility of Rs.0.46 crore to AFPL. The account was classified as NPA on 28.08.2020. The RFA status of the account was lifted in CRILC on 29.10.2020 in absence of conclusive evidence of fraud. iii. DLL Talwalkars Club Pvt Ltd (DTCPL): Axis Bank had sanctioned term loan facility of Rs.62.15 crore to DTCPL. The account was classified as NPA on 30.01.2020. iv. Popular Prakashan Pvt Ltd (PPPL): Axis Bank had sanctioned cash credit facility of Rs.1.60 crore to PPPL. The account of PPPL is standard with Axis Bank. Conclusion Axis Bank classified the borrower as 'Fraud' based on adverse observations pertaining to transactions with group companies as observed in draft forensic audit report and internal investigations. Root Cause Inflated Stock / Book Debt Statements The Bank classified the account as fraud and reported the case to the RBI on 22 January 2021. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank under DRT. ii. The complaint has been lodged in the matter at Economic 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)	81.86	Background i. Saravana Stores (Gold Palace) (SSGP) is a partnership firm established in 2010. It is part of Saravana Stores group, which is engaged in retail trade of apparels (readymade garments, clothes, silk sarees), kitchenware, electronics, gold jewellery, etc. ii. SSGP operates 5 showrooms in Chennai. iii. The partners of SSGP are Mr. Pallaku Durai, his wife Mrs. P. Sujatha and son Mr. Y. P. Shiravan. Banking Arrangement: i. SSGP availed cash credit limits of Rs.160 crore and term loan of Rs.147.30 crore from Indian Bank and Axis Bank under multiple banking arrangement. Indian Bank is the largest lender to the firm. ii. Axis Bank sanctioned cash credit limit of Rs.92 crore and term loan of Rs. 26.88 crore to SSGP in September 2017, including takeover of limits from HDFC Bank. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 30.07.2019 ii. Notice under section 13(2) of SARFAESI Act, 2002 was issued on 02.01.2020. iii. Axis Bank

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			approved a proposal for one time settlement (OTS) for Rs.81.90 crore (against principal outstanding of Rs.81.86 crore) on 14.02.2020. However, the OTS was revoked subsequently due to non-compliance of payment terms by the borrower. iv. Notice under section 13(4) of SARFAESI Act 2002, for symbolic possession of Velacherry property was issued on 10.09.2020 and for other 3 commercial properties at T Nagar, Chennai on 07.11.2020. v.DRT issued a stay order against the symbolic possession of Velachery property on 18.11.2020, subject to the borrower remitting an amount of Rs.10 crore. However, the borrower has not deposited any funds till date. Next hearing in the matter is scheduled on 17.03.2021. vi.Original Application has been filed in Debt Recovery Tribunal (DRT)-II, Chennai on 01.12.2020. Group Exposure: Nil Forensic Audit Observations Indian Bank advised that they have conducted a forensic audit of their exposure in the borrower during lenders' meeting held on 06.08.2020. Subsequently on 17.08.2020, Axis Bank appointed the same forensic auditor to conduct forensic audit of Axis Bank's limits, with review period from 01.09.2017 to 31.12.2019. The forensic audit report was inconclusive due to non-cooperation from the borrower. Axis Bank sought response from the borrower to the forensic audit observations. As on date, no response has been received from the borrower. The forensic auditor submitted addendum report dated 08.01.2021, which highlighted a number of adverse observations as given below : i. Overstatement of inventory reported in stock statements by Rs.65 crore as per audited financials of FY 2018 and Rs.43.16 crore as per the provisional financials of FY 2019 ii. Variance of Rs.33 crore in stock reported as per 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
108	Case of Forged / Fabricated Financial Statements by Hydroair Tectonics (PCD) Limited	52.54	mentioned in the stock statement iii. Non-reporting of slow moving items / obsolete stock iv. Inadequate insurance and pending payment of statutory dues v. The borrower did not cooperate in conducting stock audit since FY 2018. Explanation for non-cooperation in stock audit was not provided. Conclusion The borrower was classified as 'Fraud', based on following: i. Overstatement of inventory in stock statement, as observed in forensic audit and internal investigation ii. Misrepresentation in financial statements as observed in forensic audit iii Adverse observations in site inspection dated 12.07.2019 by the Bank. The Bank classified the account as fraud and reported the case to the RBI on 27 January 2021. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The Police complaint filed with Chennai Police Station on 06-07-2021. iii. The amount involved has been provisionally held by the Bank. 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 ₹ crore s)	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 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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
109	Case of Forged / Fabricated Financial Statements by Freight Net Private Limited	6.73	accommodation bills which were procured from bogus parties through agents, like Mr. Kishore Jain, etc. It was confessed by the company that such accommodation bills were obtained in order to generate cash, which, in turn was paid as kickback to several persons for procuring orders and contracts. ii. The second type was mere fictitious entries of purchases and sales recorded in the books of account having no corresponding banking transactions. It was done to obtain bank finance and foreign equity. The aggregate amount of such entries is approximately Rs.666.76 crore. In its submissions before ITAT, the company claims to have booked bogus purchases amounting to Rs.328,18,70,325 in AY 2010-11. It further claimed that out of total bogus purchases, it has passed fictitious entries without involving monetary transactions from three parties, viz. Ankita Enterprises, Pavitra Infrastructure and Balaji fibre Reinforce Ltd of Rs. 67.72 crore. i. In order to nullify the credit appearing in the books of account, the company passed journal entries to credit share capital and share premium and debited trade creditors' accounts by Rs.62,72,35,875. ii. ITAT, in its order, added the above Rs. 62.72 crore and consequent expenditure of Rs.2.19 crore incurred to raise bogus share capital, to the income of the company. It may be noted that the company did not challenge the existence of bogus purchases and sales, which resulted in falsification / manipulation of books of accounts, in its submission before ITAT. Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report and consensus decision by the lenders. The Bank classified the account as fraud and reported the case to the RBI on 19 February 2021. Action Taken / Proposed i. Legal recourse for recovery has been initiated by the Bank. ii. The complaint has been lodged in the matter at Head, BS&F Zone CBI, New Delhi on 20 March 2021 iii. The exposure has been prudentially written-off by the Bank 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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Conclusion Axis Bank classified the borrower as 'Fraud', based on the adverse findings of the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 03 March 2021 Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The complaint has been lodged in the matter at Economic Offence Wing (EOW), Mandir Marg Police Station, New Delhi on 17 March 2021. iii. The amount involved has been provisionally held by the Bank.
110	Case of Forged / Fabricated Financial Statements by Eastern Gases Limited	19.15	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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			follows: i. Write off of inventory of LPG cylinders valued at Rs.11.57 crore in FY2018. No supporting documents for purchases of said LPG cylinders over the previous two years were provided to the auditors ii. Write off of trade receivables of Rs.18.98 crore (over 33% of total receivables) in FY2018. No supporting documents for the said receivables were provided to the auditors iii. Receivables of Rs.6.85 crore outstanding from a company which had not filed audited financials with MCA after March 2008 iv. As against sales of Rs.25 crore in Q4 of FY2017, sales invoices of only Rs.3.20 crore were available for verification v. Rs.30.10 crore was paid to a company, which has been struck off from ROC, during the review period. Lenders' Discussions Post reporting of the borrower as fraud by ICICI Bank on 26.07.2020, Axis Bank requested the Lead Bank to call a lenders' meeting to discuss the same. Lenders' meetings were held on 13.08.2020 and 20.11.2020 to discuss the issue. Lenders requested ICICI Bank to share the rationale for their fraud classification. ICICI Bank, vide mail dated 26.11.2020, advised that they have classified the borrower as 'Fraud' based on findings of the forensic audit report from Manish Barelia and Co. The matter was further discussed in lenders meeting held on 05.12.2020. a) It was noted by Central Bank of India that ICICI Bank was not part of the lending Consortium and an unsecured creditor. Further, the COC had not taken any decision on fraud/non-fraud classification based on the said forensic report. b) Further, NCLT has not taken cognizance of fraudulent transactions under section 66. c) Central Bank of India proposed to conduct a fresh forensic audit to establish fraudulent transactions conclusively. In the meetings dated 05.12.2020 and 11.02.2021, Axis Bank requested the lenders to take final decision on fraud classification based on findings of the forensic audit report. However, no consensus/majority decision was taken by Consortium with respect to fraud classification. Draft 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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 ₹ 1.35 crores 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	35.36	Company Background i. Tribhovandas Bhimji Zaveri and Sons Retail Pvt. Ltd. (TBZSRPL), incorporated on 26.03.2015, is engaged in retail sales of plain and diamond studded jewelry. The company's showrooms are located in Mulund (Mumbai) and Nagpur. ii. The company is jointly promoted by the Zaveri and Gawande families. Mr. Hemant Zaveri and Mr. Sagar Zaveri together holds 65 percent of the shares of TBZSRPL, whereas balance 35 percent of shares were held by Vans Scientific Information Pvt Ltd (promoted by Mr. Anant Gawande). iii The Gawande family have co promoted various business like Talwalkar Better Value Fitness Ltd (chain of gymnasiums), Talwalkar Club Ltd., India Cookery (chain of restaurants), Brainworks pre-school Pvt. Ltd. (chain of pre-primary schools). Banking Arrangement i. Axis Bank sanctioned cash credit limit of Rs.40 crore to the company in 2015. The limit was reduced to Rs.36 crore in 2019. ii. Axis Bank is the sole lender to the company. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 29.08.2019. ii. The borrower has been admitted for insolvency proceedings vide NCLT order dated 16.12.2019. The Committee of Creditors (CoC) approved for filing of liquidation in the meeting dated 23.11.2020. Liquidation order is yet to be issued by NCLT. Group Exposure Axis Bank does not have any exposure in the group companies of Tribhovandas Bhimji Zaveri and Sons Retail Pvt. Ltd. Forensic Audit: Mazars India LLP was appointed by Axis Bank to conduct a forensic audit of TBZSRPL with review period from 01.09.2015 to 18.06.2020. Key findings of the forensic audit report are as follows: i. The company has not been cooperative in arranging visit to its showrooms to verify stock of Rs.48.30 crore reported in stock statement, which raises suspicions about the veracity and genuineness of the reported

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
112	Case of Forged / Fabricated Financial Statements by Dr. Gandhi's Laboratory Private Limited	2.51	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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
113	Case of Misappropriation of funds – Staff by Mr. R. Satish	1.547	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. Mr. Neerukonda BR Prasad, customer of the Bank and his family maintain savings bank accounts with our Tagarapuvalasa Branch. The customer alleged misappropriation of funds, aggregating to Rs.54.76 lakhs, from his daughter's, Ms. Ahutluri Prathima Neerukonda and his son in law's, Mr. Pavan Atluri accounts without their knowledge and consent. He also complained about 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 customers' signatures. Mr. R. Satish had

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
114	Case of Diversion of Funds by PGC Corporation Limited	47.22	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. 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			with the next hearing scheduled on 20.09.2021 Group Exposure Axis Bank does not have any exposure in the group companies of PGC Corporation Limited. RFA Classification The borrower was classified as RFA by Axis Bank on 30.09.2020, based on 'Fraud' classification by Indian Overseas Bank. Forensic Audit The borrower was classified as 'Fraud' by Indian Overseas Bank (IOB) on 05.03.2020. As per submissions to Central Fraud Registry (CFR) by IOB, it is understood that IOB appointed M/s Thakker and Sanghani, Chartered Accountants to conduct a forensic audit of the borrower. The forensic audit report was submitted on 18.02.2019, based on which the borrower was classified as 'Fraud' by IOB. Axis Bank repeatedly requested IOB to call a lenders' meeting to discuss the same and share the forensic audit report. In spite of multiple requests by Axis Bank, IOB did not call a meeting and did not share the forensic audit report. In view of aforementioned, Axis Bank appointed J C Kabra and Associates to conduct forensic audit of PCL on 24.12.2020, with review period from 01.07.2013 to 31.07.2016. The final forensic audit report was shared with Axis Bank on 25.03.2021. Key findings were as below: i. Adjustment of trade receivables of Rs.393.21 crore from related parties against trade payables from other related parties between FY12 and FY14 ii. Utilization of packing credit disbursements of Rs.32.56 crore for unauthorized purposes like investing in another company, extending unsecured loans and payment to parties not directly related to export sale. iii. Rs.26 crore paid from the cash credit account as an unsecured loan to T-Mart Textiles Pvt. Ltd., an entity with whom company did not have significant business transactions. iv. FCTL disbursement of Rs.43.15 crore, sanctioned for investment in Switcher Holdings SA, Switzerland, was brought back in the company as share application 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
115	Case of Forged / Fabricated Financial Statements by Pyramid Saimira Theatre Limited	12.370	complaint with CBI by including Axis Bank as one of the complainants. iii. The exposure has been prudentially written off by the Bank. Company Background Pyramid Saimira Theatre Limited (PSTL) was engaged in the business of film production, distribution and exhibition. Banking Arrangement i. PSTL availed credit limits of Rs.137.85 crore from 10 banks as at 06.11.2009. ii. Axis Bank sanctioned working capital limits of Rs.25 crore to the company on 31.10.2008. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 30.09.2009. ii. The advances were recalled by Axis Bank on 07.10.2009. iii. OA was filed by Axis Bank on 01.02.2010 before DRT, Chennai. DRT passed order dated 09.06.2015 in favor of the Bank. However, there was no subsequent recovery due to lack tangible assets of the borrower. iv. The Bank filed a petition against the borrower u/s 138 in 2010 pursuant to dishonoring of a cheque of Rs.40 lac. Hearing is ongoing in the case. Last hearing, scheduled on 08.03.2021, has been adjourned. Next date of hearing is yet to be notified. Group Exposure Axis Bank does not have any exposure in the group companies of the borrower. RFA Classification i. The following EWS trigger was generated for the borrower: Account declared as fraud by Bank of India. ii. The borrower was classified as RFA by Axis Bank on 16.02.2021 based on the above trigger. Forensic Audit The borrower was classified as 'Fraud' by BOI on 14.10.2020. We understand from submissions made by BOI to Central Fraud Registry (CFR) that they had appointed M/s Chaturvedi and Co. to conduct forensic audit of the borrower with review period from 31.03.2005 till 29.03.2009. The forensic audit report was submitted on 31.08.2018, based on which the borrower was classified as "Fraud". BOI is yet to share the forensic audit report with Axis Bank, despite repeated follow-ups for the same. As per the submissions made by BOI in CFR, key findings of the forensic audit were as below: i. PSTL, being a listed company, did not adhere to rules and regulations laid down by SEBI. ii. The following terms of sanction were not complied with: a) Submission of end use certificate for the limits disbursed; b) Obtention of external rating on or before 30.09.2008. iii. Net worth statement

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
116	Case of Diversion of Funds by Sembmarine Kakinada Limited	368.02	provided by one of the guarantors, Mr. Saminathan, included an immovable property in which he had only 50% shareholding. As per forensic auditor, this amounted to misrepresentation to the bank. SEBI Observation i. The company inflated its profits and revenues in quarterly and annual financials for FY 2008 disclosed in the stock exchanges, by passing fictitious entries in books accounts. ii. PSTL did not provide records pertaining to receivables and agreements with theatres even after time granted by the investigation authority, which was a breach of law and indicated PSTL's intention to hide information. iii. PSTL allotted share warrants to promoter Mr. Saminathan without receiving the subscription amount for the same. Conclusion Axis Bank has been regularly following up with BOI for sharing of the forensic audit report and scheduling a lenders' meeting to arrive at a consensus decision on the matter. However, BOI is yet to share the report or schedule a lenders' meeting. In view of the aforementioned, the borrower was classified as 'Fraud' by Axis Bank, based on the following: i. Adverse observations in SEBI order dated 23.12.2010 regarding misrepresentation in financial statements. ii. Adverse findings of forensic audit conducted by BOI, as reported by them in CFR. The Bank classified the account as fraud and reported the case to the RBI on 26 April 2021 Action Taken / Proposed i. Legal recourse for recovery has already been initiated by the Bank. ii Lead Bank has been informed to file CBI compliant as per RBI guidelines. The Bank will be lodging Police complaint against the company and its directors. iii. The exposure has been prudentially written off by the Bank. 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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
117	Case of Forged / Fabricated Financial Statements by Paras	14.69	wherein all lenders agreed that the forensic audit report is not conclusive and prima facie does not conclusively establish any incident of fraud. The lenders decided that the borrower may not be classified as fraud based on said report. The transaction audit conducted under CIRP reported one transaction under section 66. However, it was outside the review period of the audit. In the meantime, the RP appointed M/s Sarath and Associates on 11.06.2020 to carry out transaction cum forensic audit of the borrower with an extended review period from 01.04.2011 to 31.03.2017. Transaction-cum-forensic Audit Report with Extended Review Period M/s Sarath and Associates submitted the final transaction cum forensic audit report with the lenders on 05.04.2021. Key findings of the report are as following: The borrower purchases a dry dock in 2012 at a price of USD 42.22 mio from a related party, which had bought the same in 2011 for USD 21.65 mio. Avoidance Application: The RP filed an avoidance application with NCLT citing classification of the above mentioned transaction u/s 66 of IBC. Lenders' Discussion: A meeting of the lenders was held on 12.04.2021 to discuss the latest forensic audit report. The lenders unanimously agreed to classify the borrower as 'Fraud' based on adverse finding of the report, subject to approval from competent authorities in respective banks. The minutes of the meeting were received on 15.04.2021. Conclusion: Axis Bank classified the borrower as 'Fraud', based on the following: i. Adverse observations in transaction-cum-forensic audit report dated 05.04.2021. ii. Avoidance application for transactions under section 66 of IBC filed with NCLT. iii. Consensus decision by lenders to classify the borrower as 'Fraud'. The Bank classified the account as fraud and reported the case to the RBI on 14 May 2021 Action Taken/Proposed i. The Bank to continue suitable recovery proceedings under NCLT. ii. The complaint filed with Economic Offence Wing on 23-08-2021. The Bank has issued mandate letter to Union Bank of India for filing of CBI complaint. iii. 100% provision has already been made. Background Paras Bhavani Steel Private Limited (PBSPL), incorporated on 03.10.2007, was engaged in manufacturing

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
Bhavani Limited	Steel Private		of stainless steel ERW (electric resistance welded) pipes, tubes, U-tubes, etc. The company's manufacturing facilities are located at Odhav, Ahmedabad and Rajpur, Mehsana (Gujarat). The operations of the company have stopped since October 2019. Banking Arrangement i. PBSPL availed working capital limits of Rs.52.70 crore and term loans of Rs.10.39 crore from a consortium of Bank of Baroda (lead bank) and Axis Bank, as on 31.01.2020. ii. Axis Bank sanctioned working capital limits of Rs.18 crore and term loan of Rs.0.5 crore to PBSPL in 2015. iii. The company also availed unsecured loans from HDFC Bank (Rs.0.29 crore), Capital Float (Rs.0.33 crore), ICICI Bank (Rs.0.21 crore) and Aditya Birla Finance Limited (Rs.0.29 crore) as at 31.03.2019. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 19.01.2020. ii. Notice under section 13 (2) of SARFAESI has been issued on behalf of the consortium lenders by BOB on 29.02.2020. Symbolic possession of the assets charged to the lenders have since been obtained. An Enforcement Agency have been appointed by BOB for taking physical possession of the assets. iii. Recall notice has been issued on behalf of consortium lenders by BOB on 19.06.2020. iv. Original Application has been filed on behalf of consortium lenders by BOB with DRT - I Ahmedabad on 25.08.2020. Ex-parte 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			consensus decision on fraud/non-fraud classification was arrived at in the meeting. In the lenders meeting held on 16.01.2021, the forensic auditor was advised to incorporate clarifications from the management in the forensic audit report. Based on instructions from the lenders, forensic auditors sought clarifications regarding their findings from the management of the company. Certain clarifications were received from the borrower on 08.02.2021. The forensic auditors subsequently requested the management for a meeting to discuss the responses further. However, no response was received from the borrower. Forensic auditor submitted an additional report dated 01.03.2021, incorporating the responses from the borrower. The key findings of the report are given below: i. Closing position as at 31.03.2020 with respect to a number of counterparties was not consistent with transactions executed during the review period as seen below: (a) In case of 6 key suppliers / customers of the borrower, payable position as at 31.03.2020 was assessed at Rs.17.45 crore, against Rs.0.65 crore as per the books of accounts (b) In case of 19 key parties of the borrower, receivables position as at 31.03.2020 was assessed at Rs.5.96 crore, against Rs.0.30 crore as per the books of accounts ii. There was understatement of inventory value by Rs.35 crore as on 31.03.2020 iii. No supporting documents (lorry receipts, weighment slips) were held on record for devolved LCs amounting to Rs.6.68 crore iv. Based on the above observations, the forensic auditor have concluded fraudulent encashment through forged instruments, manipulation of books of account or through fictitious accounts and conversion of property. Discussions by lenders i. Axis Bank has been regularly following up with BOB (lead bank) for scheduling a lenders' meeting to discuss the forensic audit findings and to arrive at a consensus decision on fraud/non-fraud classification of the borrower. However, BOB is yet to schedule a meeting. Conclusion In view of aforementioned, Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report. The Bank classified the account as fraud and reported the case to the RBI on 14 May 2021 Action Taken / Proposed i. Legal recourse

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
118	Case of Fake KYC Documents by R.A.Himasinka and Co (Prop. Mr. Sambhu Saran Sharma)	3.307	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. A proprietorship current account was opened in the name of M/s. R.A.Himasinka and Co, at our Samantarapur Branch, where Mr. Sambhu Saran Sharma was proprietor of the firm. As stated in the Economic Offences Wing Notice, twenty three demand drafts, aggregating to Rs.1,93,70,000, issued by 'Odisha Gramya Bank' favouring 'R.A.Himatsingka and Co' were wrongly collected through current account, 'R.A.Himasinka and Co' with our Bank. Scrutiny of the KYC documents of the current account, R.A.Himasinka and Co, revealed discrepancies. The firm's proprietorship rubber stamp affixed on the account opening form (AOF) and other KYC documents (Rental agreement for address proof, learner's driving licence and VAT certificate towards proof of proprietorship firm) were in the name of 'R.A.Himatsingka and Co' and not as per the title of the account, 'R.A.Himasinka and Co'. The VAT certificate, held with AOF, and the PAN details mentioned on the AOF were found to be invalid. Further, during the fresh field verification, it was found that the firm was not existing at the given address. Scrutiny of statement of account and other records relating to this current account, it was observed that four demand drafts/bank's cheques issued by Andhra Bank and Bank of India, aggregating to Rs. 1,36,97,055, favouring 'R.A.Himatsingka and Co' towards loan disbursement were wrongly collected through current account, 'R.A.Himasinka and Co'. Subsequently, both Andhra bank and Bank of India, have submitted letters to the Bank stating that they have no claim against the Bank as their borrowers have repaid their dues. Lapses were observed on part of the staff for being negligent during onboarding of current account of R.A.Himasinka and Co and for collection of other banks demand drafts in the third party account. Root Cause: Failure of the staff to adhere to extent guidelines on onboarding of current account and for collection of demand drafts. Actions recommended / taken: i. Rs. 193.70 lakhs is probable loss to the Bank, hence a provision for the loss amount has been made as contingent liability. In case of balance

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
119	Case of Diversion of Funds by JMT Auto Limited	58.970	amount Rs.136.97 lakhs towards amount involved, the concerned parties have submitted letters stating no claim against the Bank. ii. STR is being 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 is being initiated against the employees for the lapses observed on their part. Background i. JMT Auto Limited (JAL), incorporated on 16.01.1997, is a part of Amtek group. ii. JAL is engaged in manufacturing of auto components. Its products are used in light, medium and heavy commercial vehicles, tractors, farm equipment, construction equipment and diesel engines. iii. JAL is listed on BSE and NSE. Banking Arrangement i. JAL availed outstanding debt of Rs.156.16 crore (as on 21.04.2021) from Axis Bank, IDBI Bank, State Bank of India and Bank of India, under Multiple Banking Arrangement. ii. Axis Bank sanctioned working capital facilities of Rs.45 crore to JAL on 20.05.2011. The limits were enhanced to Rs.75 crore during 2012-2015. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 17.05.2019. ii. The advances were recalled by Axis Bank vide notice dated 27.10.2020. iii. Axis Bank has filed a petition with NCLT for initiation of Corporate Insolvency Resolution Process (CIRP) in JAL on 28.11.2020. The borrower is yet to be admitted under NCLT. The next hearing in the matter is scheduled on 05.07.2021. Group Exposure Axis Bank had the following exposure in the group companies of JMT Auto Limited. i. Amtek Auto Limited - Rs.36.56 crore (prudentially written off) ii. Castex Technologies Limited - Rs.404.61 crore (prudentially written off) RFA Classification The following EWS alert was generated for the borrower on 18.10.2020: i. Significant increase in inventory as a percent of turnover ii. Increase in Fixed Assets as a percent of sales iii. Increase in working capital borrowing as a percent of turnover. The borrower was classified as RFA by Axis Bank on 26.11.2020, based on default in payment to banks and non routing of sales proceeds through banks. Forensic Audit Subsequent to RFA classification, a lenders' meeting was convened by Axis Bank on 04.12.2020 for discussion on appointment of forensic auditor. SBI and IDBI Bank

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			informed that their decision on the matter will be advised post approval from appropriate authority in their bank. The meeting was not attended by Bank of India. Axis Bank regularly followed up with the other lenders for their concurrence on appointment of forensic auditor. However, the same has not been received. In view of the above, Axis Bank appointed Mazars India LLP on 08.02.2021 for conducting forensic audit of the borrower, with review period from 01.04.2017 to 31.12.2020. The final forensic audit was submitted to the Bank on 25.05.2021. The key findings are as under: i. Unsecured loan of Rs.25 crore to holding company was incorrectly classified as advance to sundry creditors in financial statements. ii. Loans of Rs.11.05 crore were extended to related party, Stride Autoparts Ltd. in FY 2019, for which no supporting documents were available for verification. iii. Purchase of used fixed asset worth 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	30.140	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Rs.3.30 crore as on 19.11.2020, from 12 different NBFC and Banks (Shriram City Union Finance Ltd., Fullerton India, Hero Fincorp Ltd., Magma Fincorp, Indiabulls Ventures Ltd., Capital First, Oxyzo Financial Services, HDFC Bank, Clix Capital, Ugro Capital Ltd., Rattan India Finance Pvt Ltd., Incred Financial Services). iv. Axis Bank initially sanctioned cash credit facility of Rs.11 crore and term loan of Rs.1.50 crore to the company on 03.01.2011 by way of takeover of existing limits from Canara Bank. v. The cash credit limit was enhanced gradually to Rs.40 crore by 2017. The limit was subsequently reduced to Rs.28 crore in March 2019. vi. MSRPL is also availing corporate card limit of Rs.2 crore from Axis Bank. NPA and Recovery Action i. The borrower was classified as NPA by Axis Bank on 26.11.2020. ii. Axis Bank is in the process of recalling the advances and filing Original Application with DRT. Group Exposure Axis Bank has the following exposure in the group companies of M S Retail Pvt Ltd. i. Spectra Pipes Pvt Ltd - Rs.33.99 crore (SMA1 as on 31.03.2021) RFA Classification The following EWS alerts were reported for the borrower on 18.11.2020: i. High value (greater than Rs.1 lakh) cheque bounces ii. Delay in submission of stock statement. The account was classified as 'RFA' by Axis Bank on 25.11.2020, based on the following: i. Adverse account conduct ii. Allegation against Borrower by GST Authorities for involvement in illegal circular trading and subsequent cancellation of GST registration. Forensic Audit A lenders' meeting was held on 11.01.2021 for discussion on appointment of forensic auditor. However, other lenders requested for some time for seeking internal approvals on the matter. Axis Bank appointed JC Kabra and Associates to conduct forensic audit of the borrower, with review period from 03.02.2011 to 02.02.2021. The borrower did not cooperate in the forensic audit despite repeated follow up reminders from both the forensic auditors and the Bank. Sharing of information was delayed by more than 2 months by the promoters on various pretexts. The forensic audit report was received by the Bank in May 2021. The key findings are as below: i. During the review period, sale and purchase transactions of Rs.316.13 crore and Rs.355.63 crore respectively, were entered into with 97

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			entities, with multiple duplicate ledger accounts being operated under the name of several of these parties. ii. Discrepancies in related party transactions were observed as under: a) All sale and purchase transactions recorded with M S Watertech Pvt Ltd had consecutive numbering of vouchers and dates b) No journal entry recorded against payment of Rs.4.49 crore to M S Watertech Private Limited in FY 2019. c) Sales recorded to Spectra Pipes Private Limited in ledger did not contain any details (items, rates, quantities) under sales description iii. Between FY2017 and FY2019, sales of Rs.79.47 crore (19 percent of total sales) and purchases of Rs.88.91 crore (23 percent of total purchases) were entered with 6 entities, who were notified as fake input credit issuers by the Central Board of Indirect Taxes and Customs Lenders' Decision i. The forensic audit findings were discussed by IDFC First and Axis Bank in a lenders' meeting. It was noted that the forensic auditor has concluded that the borrower may be classified as Fraud based on the observations in the report. Both the lenders agreed to take up with their respective competent authorities for fraud classification. ii. It was noted that the promoters of the company have sought unspecified time for replying to forensic audit observations. However, in view of continuous non-cooperation of the promoters in forensic audit and inordinate past delays in information sharing, it was decided to close the forensic audit. Cancellation of GST Registration i. As per reports in a local daily newspaper in July 2019, GST officials conducted a raid on group company Spectra Pipes Pvt. Ltd. and arrested the promoter, Mr. Anil Mehra, who was granted bail subsequently. ii. RBI sent a letter to Axis Bank on 30.09.2019, advising issuance of bogus sales invoices by the borrower and sought certain details regarding the exposure. The details were submitted to RBI on 19.10.2019. iii. Names of the following counterparties of MSRPL were mentioned in the said letter from RBI: Bhavani Steel Corporation, Aradhya Wire Ropes Private Limited, Aradhya Steels Private Limited, Bhava Steel Metal Alloys Private Limited, Vedik Ispat Private Limited and Spiegel Enterprise Pvt. Ltd. iv. On review of documents shared by the company with Axis Bank in September 2020, the following were noted: a) MSRPL was served with show cause notice by GST

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
121	Case of Fake Title Deeds by Rajiv Jain	2.733	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. Gist of the case: Mr. Ankush Suri, an imposter, posing as son of Mrs. Satya Suri (owner of a plot of land) executed a agreement to sale with Mr. Rajiv Jain, borrower, on the basis of a registered landed property transfer deed, purportedly executed by Mrs. Satya Suri in favour of Mr. Ankush Suri. The purchaser of the plot, Mr. Rajiv Jain availed home loan from the Bank for purchase of the said property, located at Gurgaon, Haryana and construction thereupon. Findings: Home loan was sanctioned to the borrower, Mr. Rajiv Jain in November 2019 as per product / policy guidelines of the Bank. The loan amount for purchase of the landed property was disbursed in favour of Mr. Ankush Suri, purported owner of the property and part to Mr. Rajiv Jain for initiating construction. The loan amount for construction of house was to be disbursed in stages. It transpired that the landed property financed by the Bank was owned by Mrs. Satya Suri; however, one Mr. Ankush Suri had got executed a landed property transfer deed in favour of himself, where an unknown person had posed as Mrs. Satya Suri as the owner of the property. Based on this transfer deed, Mr. Ankush Suri, imposing as a son of the property owner Mrs. Satya Suri, entered into an agreement to sale for the landed property with Mr. Rajiv Jain, borrower. The

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
			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')	1.56	A proprietorship account was opened in the name of 'The Assistant, Mumbai' at our Andheri East Branch, Mumbai. The proprietor of the firm was Mr. Vijhay Prajapati. Subsequently, the name of the account name was modified to 'The Assistant Mumbai A/c Commissioner of Customs'. The Registration Certificate of Establishment (issued under Bombay Shops and Establishment Act, 1948) was issued in the name of 'The Assistant, Mumbai' and 'The Assistant Mumbai A/c Commissioner of Customs' and the same were submitted as entity proof to the Bank. Funds aggregating to Rs.156 lakhs were credited in the account through clearing, RTGS/ NEFT and transfers. The payee name in 21 demand drafts aggregating to Rs.120 lakhs collected in the account, was different from the title of the account. The funds were subsequently routed to other accounts of the proprietor and siphoned off. The said account has since been closed. Basis above the case is classified as Fraud. No claims have been received from Government 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	2.628	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
124	Case of Multiple Sale By Builder(s) by VDB Whitefield Development Pvt. Ltd.	2.335	Red Earth India Pvt Ltd. (M/s Biodiversity Conservation (India) Pvt Ltd being parent company). Home loans of Rs 1.24 crore for purchase of two flats and Rs 1.39 crore for purchase of a villa were disbursed in July 2013 and August 2013 respectively and both the projects were covered under Approved Project Funding (APF) of the Bank. The two flats were unregistered properties. The borrower had stopped paying the EMIs and subsequently when Bank's team started following up for the repayment, the borrower provided a MoU executed between himself and the builder (BCIL Group). Upon review of the MoU, it transpired that the borrower had invested funds into the builders' projects, which were to be repaid with interest, where the part payment would be from the proceeds of home loans disbursed by the Bank. It thus, clearly indicates that the end use of the funds with respect to the home loans availed from Axis Bank was not ensured for the purpose for which they were granted. Further, the builder had sold both the unregistered flats to a third party without any intimation to Bank and the borrower. The said arrangement was not informed by both the parties to the Bank leading to breach of trust. The builder, M/s. Biodiversity Conservation (India) Pvt Ltd. sold both the flats to a third party violating tripartite agreement executed with Bank. The encumbrance check of other property, villa, financed by the Bank revealed no registration had taken place. The fraud has been perpetrated by both the parties wherein borrower colluded with builder and engaged raising funds by way of home loan from Axis bank. Action taken: (i) Staff lapses are being examined (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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 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	2.595	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
126	Case of Clandestine selling off of hypothecated/mortgaged security by Mr. Amit Chhokra and 2 Others	2.702	obtained by Axis Bank). During September 2017, borrower, Mr. Moorthy Elumalai had sent title documents to the Bank (which are suspected as fabricated) and never turned-up for creation of mortgage charge on the property in favour of Axis Bank. The loan account turned NPA in December 2020. Presently, borrower Mr. Moorthy Elumalai and co-borrower, Mrs. V Lakshmi are not contactable and as per visit of Bank's collection team at their parental residence, it was reported that Mr. Moorthy Elumalai was in jail for unknown offences. Action Taken: - Police complaint filed with CCTNS citizen portal on 17-06-2021. Bank is in the process of filing original application with DRT for recovery of the amount. 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%

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
127	Case of Cheating and forgery by Mr. Shaileshkumar Ishwarbhai Patel and 2 Others	1.251	provision is has been made in the account. Home loan of Rs. 125.13 lacs was disbursed to, Mr. Shaileshkumar Ishwarbhai Patel, borrower and Ms. Dakshaben Shailesh Kumar Patel, co-borrower on 04.07.2017 for purchase (resale) of flat from Mr. Praful Jadhav (seller). As the borrower was irregular in repayment of instalments, the loan account turned NPA and the Bank, thereafter, served notice under SARFAESI Act to the borrower. In response to the said Notice, the occupant of the property, Mr. Pankaj Bafna, submitted a letter to the Bank claiming to be rightful owner of the property. Based on this letter the matter was investigated. The borrower had submitted a registered agreement to sale between seller and the borrowers, agreement to sale between the builder and seller and NOC of the Cooperative Housing Society. As the NOC of the housing society was obtained, Bank did not undertook title search of the property in the Government records. It transpired that after availing loan amount, borrower and seller covertly cancelled the registered agreement to sale without knowledge of the Bank. The NOC of the Housing Society submitted was also found to be fabricated. Post receipt of complaint from occupant of property, Bank undertook title search of the property and it was revealed that the flat was already sold to a third party i.e. Mr. Pankaj Bafna, by the seller, Mr. Praful Jadhav, prior to the agreement to sale with our borrower/co-borrower. It also transpired that the current occupant (Mr. Pankaj Bafna) had purchased (resale) flat from Mr. Praful Jadhav, and the loan of Mr. Praful Jadhav with other financial was transferred (balance transfer) to Mr. Pankaj Bafna. Hence, the agreement to sale between the builder and seller, Mr. Praful Jadhav, submitted to the Bank during availing loan by the Bank's borrowers, Mr. Shaileshkumar Ishwarbhai Patel and Ms. Dakshaben Shaileshkumar was suspected to be fabricated. The above findings indicates collusion between the borrower and the seller to defraud the Bank. Action Taken: - Police complaint lodged with DCP zone 5 Wagle Estate Thane on 21-06-2021.
128	Case of Clandestine selling off of hypothecated/mortgaged security by Mr. Sureshbhai Vishnubhai	2.222	Gist of the case: Agriculture credit facility was sanctioned and disbursed to a partnership firm, Shree Vimal Cold Storage and to eight borrowers aggregating to Rs 2.84 crore. The loans were secured by

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
	Patel and 1 Other		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. Assessment of staff accountability is underway and status of the same would be updated through FUA.
129	Case of Clandestine selling off of hypothecated/mortgaged security by Mr. N. Raja Mohammed and 1 Other	1.465	The borrower Mr. N. Raja Mohammed and Co-borrower Mrs. Noorjahan R (spouse), availed home loan (Balance Transfer). The loan was sanctioned towards takeover of borrower's dues with other financial institution, M/s. Cholamandalam Investment and Finance Company Limited. The foreclosure and settlement amount of CIFCL identified was Rs.185.87 lakhs which was to be settled through disbursement of loan of Rs.144.87 lakhs and Rs.41 lakhs was borrower's own contribution. The borrower defaulted on loan repayment and Bank started following up for recovery, during which Bank identified that the borrower had

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
130	Case of Multiple Sale By Builder(s) by M/s. Golden Gate Properties Ltd. and 2 Others	1.480	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 is being initiated 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. Gist of the Case: Mr. V. Ravi Chandra, borrower and Ms. Mamta Shri, co-borrower had availed two home loans for purchase of two under-construction flats in an approved project of the builder M/s. Golden Gate Properties Ltd. at Bengaluru. Also, a third home loan was availed by them for purchase of plot and construction of a house thereon. As the borrower had stopped paying EMI, the account turned NPA. The borrower, Mr. V. Ravi Chandra, was employed at a senior position with M/s. Prisha Properties India Pvt. Ltd. (a group company of builder, M/s. Golden Gate Properties Ltd.). The KYC and other loan documents were found in order and all three loans were sanctioned as per product / policy guidelines of the Bank. The first two home loans were disbursed based on flats allotment letters issued by the builder, NOC of HDFC Ltd. (as project was financed by them), sale agreement between borrower and builder and tripartite agreement among borrower, builder and

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
131	Case of Multiple Sale By Builder(s) by M/s. Landmark Housing Projects Chennai Private Limited	4.033	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. Gist of the case: Borrower, Mr. Vipul Mehta and Mr. Hemant Mehta had availed home loan for purchase of a under construction residential apartment in an approved APF project 'Vertica' situated at Gopalapuram, Chennai from the builder M/s. Landmark Housing Projects Chennai Private Limited. The loan documents and other documents of the borrower were found to be in order and the home loan was sanctioned as per Bank's policy and guidelines. Since the flat was under-construction, builder and borrower executed an agreement of sale and a tri-partite agreement was executed between borrower, builder and Bank at the time of disbursement of the loan. The borrower stopped had stopped paying EMI since December 2020 and the account turned NPA. The Bank's collection team visited the borrower for recovery of the loan post which they ascertained that the borrower had filed an FIR against the builder for covertly selling the flat to a third party. The encumbrance certificate of the flat reflects that the builder had sold the flat which was financed by the Bank to a third party in June 2017 without intimation to Bank. Action Taken: - Police complaint filed with Veprey Police Station on 22-06-2021.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
132	Case of Clandestine selling off of hypothecated/mortgaged security by Ms. Shivani Puri and 4 Others	4.00	A home loan of Rs.400.00 lakhs was sanctioned to Mr. Rahul Puri, Ms. Shivani Puri, Ms. Tripta Puri , Mr. Rajiv Puri and Edit Factory (Partnership firm) for purchase a new house property (Ground plus 2 floors) situated at Safdarganj Encalve Delhi. The loan was disbursed on 27.12.2006 and the borrower had repaid the loan instalments September 2020 which were stopped subsequently. Visits by the Bank's team were paid at the residential and business addresses of borrowers which revealed that the premises were locked and neighbours were unaware about the present whereabouts of the borrowers. Further, a visit was also done at the mortgaged property and it was found that the property was occupied by third parties. There was no deficiency in sanction and disbursement of the loan. The property was in the name of Mrs. Shivani Puri and Mrs. Tripta Puri and they had deposited title deed (Sale Deed) of the entire property with the Bank towards security of the loan facility. A power of attorney was given by the borrowers in the name of the Bank which specified that the Bank can create the mortgage of the property in its name and in it's nominees name and can register the property in the land registry or Municipal records. Post account becoming delinquent, the Bank's Collection Team found that the property was in possession of third parties and also borrowers were untraceable and not contactable. Fresh search report of the property was carried out which revealed that the entire property was sold to third parties. It was also found that the third floor was constructed subsequent to the sanction of the loan and that too was also sold. Borrowers, vide execution of loan agreement have provided undertaking that during the tenure of the loan agreement they would not part with possession or create third party rights on the property or any part of it (whether by way of sale, exchange, lease, mortgage, agreement, or option or otherwise). The borrowers had contravened the agreed terms of sanction by creation of third party interest and therefore committed the act of fraud. Root cause: Covert sale of property funded by the bank, without any intimation to the Bank by the borrowers. Action Taken/Proposed: (1) 100% provision is being done, (2) Police complaint filed at Economic Offences wing Mandir Marg Police Station, New Delhi on 01-07-2021.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
133	Case of Cheating and forgery by Mr. Tapan Mukesh Shah	1.210	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 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 Chatushrunghi police station on 22-06-2021 (ii) 100% Provision has been done in the account.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
134	Case of Diversion of Funds by Kaygee Shoetech Private Limited	17.730	Background Kaygee Shoetech Private Limited (KSPL), based in Kolkata, was engaged in manufacturing of footwear and related components. Banking Arrangement I) KSPL earlier availed credit facilities from HDFC Bank and HDB Financial Services, under multiple banking arrangement. II) Credit facilities availed from HDB Financial Services were taken over by Tata Capital Housing Finance Ltd in FY 2017. III) Axis Bank sanctioned credit facilities aggregating Rs.18 crore to the company in March 2017, including takeover of cash credit limit of Rs.13 crore from HDFC Bank. NPA/Recovery Action I) Axis Bank classified the borrower as NPA on 30.04.2018. II) Notice u/s 13(2) of the SARFAESI Act, 2002 dated 06.10.2018 was sent to the company and its directors. III) The District Magistrate ordered physical possession of the mortgaged properties located in Kolkata, in favour of Axis Bank, vide order dated 24.08.2020. IV) The borrower was admitted for insolvency proceeding vide NCLT order dated 19.01.2021. Axis Bank is sole member of the COC. Axis Bank's claim of Rs.24.55 crore has been admitted by NCLT. RFA Classification I) Axis Bank classified the borrower as Red-Flagged Account (RFA) on 27.01.2021 on the basis of claim of tenancy from a third party on a property mortgaged to the Bank. Transaction Audit I) Resolution Professional appointed Rajesh Jalan and Associates to conduct transaction audit of the borrower on 01.03.2021 with review period from 01.04.2018 to 31.03.2020. II) Transaction audit report was shared with Axis Bank on 18.05.2021. Key findings of the report are given below: a) Write off of debtors aggregating Rs.17.02 crore in FY19 without supporting documents to justify the same b) Scrapping of trading goods returned by customers at NIL value, without making efforts to return them to vendors, resulting in loss of Rs.4.27 crore in FY18 c) Write off of fixed assets of Rs.0.74 crore in FY20 without appropriate reason or explanations d) Occupation of 2 floors in the company's factory 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
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on any of the adverse observations of the transaction audit report has yet been received from the borrower. IV) Resolution Professional filed an avoidance application with NCLT on 18.06.2021, on the basis of the transaction audit report. Claim of Tenancy on mortgaged property I) Notice u/s 13(2) of the SARFAESI Act, 2002 dated 06.10.2018, was sent to the company and its directors. II) Possession Notice u/s 13(4) of the SARFAESI Act, 2002 dated 08.02.2019, was sent to the company and its directors. Possession Notice was published in two newspapers, viz. Times of India and Aajkal on 08.02.2019. Subsequently, symbolic possession of all the properties mortgaged to the Bank was taken. III) The District Magistrate ordered physical possession of the mortgaged properties located in Kolkata, in favour of Axis Bank vide order dated 24.08.2020. IV) A letter from Metal Craft Engineering Private Limited (MCEPL) dated 11.12.2020, addressed to the District Magistrate, was received by the Bank, wherein MCEPL claimed to be the tenant of a property located in Kolkata (since November 2016), which has been mortgaged to the Bank. V) As per Memorandum of Entry dated 26.04.2017 executed between the Bank and the borrower, the said property was free from encumbrances. VI) Additional documents relating to the properties which are held on record, wherein details of any encumbrances were not highlighted, are given below: Valuation reports dated 16.02.2017, Title Search Reports dated 01.03.2017, Legal Audit Reports dated 28.04.2017. VII) The matter was referred to an external legal counsel, Mr. Shaktipada Banerjee. The following legal opinion was received from the external counsel on 21.04.2021: a) The mortgagor did not disclose the fact about the tenancy. b) Mortgagor has used devious practice to obstruct the right of bank. c) Hence, SARFAESI action can be initiated over the said plot of land as mortgagor / borrower has wilfully defrauded the bank. Conclusion I) Axis Bank classified the borrower as 'Fraud', based the adverse observations in transaction audit report. Action Taken / Proposed I) Legal recourse for recovery has been initiated by the Bank. II) Police complaint filed with Kolkata Police headquarters on 02-07-2021. III) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. IV) 100% provisioning already done

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
135	Case of Forged / Fabricated Financial Statements by Sanona Infotech and Services Private Limited	3.050	in the account. 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
136	Case of Cheating and forgery by Madhavrav Manikrav Ugle and 2 Others	4.198	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. Mr. Madhavrav Manikrav Ugle is holding a savings bank account with Bhandup Branch. The account was KYC compliant at on-boarding stage; however, during fresh field verification the customer was not available at the given address. Mr. Madhavrav Manikrav Ugle is a stock broker and his wife Mrs. Vidya Madhavrav Ugle is a salaried person by a profession. Mr. Madhavrav Manikrav Ugle was having a credit card facility with 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
137	Case of Fabricated Statements Industrial by Forged / Financial GEI Systems	40.290	extent of Rs.1.50 lakhs, which should not have been available till the clearance of the said cheque. Post receipt of this message, the customer executed transactions on his credit card to the extent of restored limit, even though the cheque was not cleared. The cheque had subsequently returned unpaid on same day and was debited to the card account leading to overdrawing of his credit card limit. The customers realizing this, have taken advantage of availability of card limits during intermittent period (between processing of credit of cheque and debiting post it is returned unpaid during day) for several times. Preliminary Investigation identified vulnerabilities in process relating to repayment of credit card dues through cheques, as the customers, Mr. Madhavrav Manikrav Ugle and Mrs. Vidya Madhavrav Ugle were able to transact beyond approved limits by lodging cheques with higher amounts (over and above credit card dues and sanctioned limit) in their respective card accounts and, as there was a time gap available between posting of credit / debit transactions for cheques deposited and returned unpaid during the day. The customers have also converted their credit card purchase transactions and balances into EMIs' leading to outstanding dues getting reflected in the credit card statement to the extent of billed EMIs only, instead of total outstanding. The transactions through these three credit cards were undertaken with several merchants; but majority transactions were executed through M/s. Badshah Enterprises run by Mr. Khadarbasha Shaikh, which was apparently found to be facilitating routing of transactions. Root Cause: A window was available between posting of credit / debit leg of the returned cheques that led to release of the limit equivalent to the cheque deposited (but not cleared). The limit available during the short duration was misused by the customers. Action taken/being initiated: FIR has been filed at Rabale Police Station, Navi Mumbai on 13.07.21 in the matter. Staff accountability is being examined. Recovery proceedings have been initiated. The discrepancy in process relating to repayment of credit card dues repayment through cheques has been rectified. 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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			COC meeting held on 16.06.2020 wherein the COC requested RP to submit a report with NCLT requesting expeditious disposal of the case since a considerable time had already been lost post completion of CIRP period. The NCLT vide its order dated 20.08.2020 directed the RA to approach RP and COC with their resolution plan. However, the RA (Mr. C.E. Fernandes) filed an appeal before NCLAT challenging NCLT order dated 20.08.2020. The outcome of appeal filed, under NCLAT, by the RA is awaited. RFA Classification Axis Bank classified the borrower as Red-Flagged Account (RFA) on 15.06.2021 on the basis of adverse observations in the forensic audit report. Group Exposure Axis Bank do not have any exposure in group companies of GISL. Forensic Audit IDBI Bank appointed P V R and Associates on 23.09.2018 to conduct forensic audit of the borrower, covering review period from 01.10.2013 to 19.07.2017. A draft forensic audit report was submitted on 30.12.2020. A lenders' meeting was held on 16.03.2021 to discuss the report, wherein the forensic auditor was advised to send a letter to the company/ promoters, detailing findings of forensic audit and requesting them to submit clarification within 15 days. Accordingly, the forensic auditor sent mail dated 17.03.2021 to the borrower, seeking clarification. After several reminders, 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
138	Case of Forged / Fabricated Financial Statements by Shree Vigneshkumar Jewellers	24.730	on 09.06.2021. i) The forensic audit report points towards misrepresentation of Financial Statement/ Stock Statement with excess credit facilities being availed based on fictitious work-in-progress, etc. and concludes that the company had committed fraud with bankers as per RBI guidelines. ii) Lenders also took cognizance of additional clarifications provided by Mr. Fernandes, Director, vide email dated 07.06.2021. iii) Lenders were of the view that the account is fit to be declared as Fraud. iv) As the date of occurrence of fraud had not been specifically mentioned in the forensic audit report, lenders decided to consider 01.04.2013 as the date of occurrence. Conclusion Axis Bank classified the borrower as 'Fraud', based on adverse observations in the forensic audit report and consensus decision by lenders to classify the borrower as 'Fraud'. Action Taken / Proposed i) The Bank will continue suitable course of recovery. ii) The Bank 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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
139	Case of Fabricated / Inflated Stock / Book Debt Statements by IMECO Limited	35.480	exposure in group companies of SVJ. Forensic Audit Axis Bank appointed M/s. Sagar and Associates, Chartered Accountants on 19.03.2021, for conducting forensic audit of the company, with review period from 01.06.2015 to 30.06.2020. The final forensic audit report was submitted to Axis Bank on 09.07.2021. Key findings of the forensic audit are as under: i) Entire jewelry stock was removed from the borrower's showroom in Chennai without proper records ii) No supporting documents were available for verification for payments of Rs.132.99 crore made purportedly for 'purchase of old jewelry' during FY 2017 to FY 2019 iii) Receivables of Rs.8.21 crore from 6 parties, due for over 1 year, were included in stock statements in violation of sanction terms iv) Major part of book debts in stock statements for November 2019 (Rs.8.07 crore out of Rs.18.86 crore) and September 2020 (Rs.22.36 crore out of Rs.33.96 crore) consisted of dues from sister / associate concerns, which were not disclosed as related party dues. The Bank sent a mail to the borrower on 14.06.2021 for submitting clarification/responses on the adverse observations of the forensic audit report. No response was received from the borrower. Conclusion Axis Bank classified the borrower as 'Fraud', on the basis of adverse observations in the forensic audit report. Action Taken / Proposed i) The Bank will continue suitable course of recovery. ii) Police complaint filed with City Crime branch Vepery Chennai on 04-10-2021. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) Full provision will be created as per guidelines. An amount of Rs.2.76 crore received through release of property. Background: IMECO Limited (IL) was engaged in manufacturing of pollution control equipment and medium/heavy fabrication products like electrostatic precipitators, industrial fans, industrial heat exchangers, cold formed products, compressor and pneumatic, locomotive spares, etc. Banking Arrangement: IL availed credit facilities aggregating Rs.80.93 crore from a consortium of 2 lenders - Axis Bank (lead bank) and State Bank of India (SBI). The company originally availed working capital limits from SBI for its Engineering Division. Axis Bank sanctioned working capital limits of Rs.25 crore in November 2007 for operations of the newly

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Professional and sought clarifications / responses on the same on 09.06.2021. The borrower has provided certain clarifications on 08.07.2021 and 09.07.2021. The final forensic audit report, incorporating the responses from the borrower, was received on 14.07.2021. Key findings were as below: i) Inclusion of non-moving / slow-moving inventory of Rs.14.37 crore and non-disclosure of trade payables of Rs.15.10 crore in the stock statement for March 2016, resulting in excess drawing power availed from the Bank. ii) Over valuation of inventory as on 31.03.2019 (Fair market value and liquidation value was estimated at Rs.0.84 crore and Rs.0.21 crore, respectively, as against value of Rs.6.77 crore disclosed in audited financials of FY 2019). iii) Borrower maintained current accounts with non-lending banks, through which receivables of Rs.7.35 crore were routed during the period from FY 2015 to FY 2020. Conclusion: Axis Bank classified the borrower as 'Fraud', based on the adverse observations in the forensic audit report regarding inflated stock statements. Action Taken / Proposed: i) Legal recourse for recovery has been initiated by the Bank. ii) Police complaint filed with Joint Commissioner Police Kolkata police headquarters on 02-09-2021. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) The exposure has been prudentially written-off.
140	Case of Diversion of Funds by Ramsarup Industries Limited	142.86 0	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			lender to the company. ARCIL sold its exposure to CFM Asset Reconstruction Company Private Limited on 23.04.2021. Axis Bank initially sanctioned working capital limits of Rs.20 crore to the company in 2007. Subsequently in 2008, working capital limits were enhanced to Rs.50 crore and fresh project finding limits of Rs.95 crore (RTL and Capex LC/LOU/Line of Credit) were sanctioned for part funding of plating line, chain link and welded mesh and steel fibre facilities at Unit-V of RSIL. Subsequently in 2009, WC limits of Rs.50 crore were converted into a Short Term Loan (STL) and a Funded Interest Term Loan (FITL) of Rs.4.70 crore was sanctioned for funding interest of the STL from April 2009 to December 2009. The STL and FITL were repaid and closed in June 2010. In August 2010, Axis Bank sanctioned a STL of Rs.55 crore for a period of three months for meeting temporary cash flow mismatches. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 24.11.2010. Notice under section 13(2) of SARFAESI Act was issued by Axis Bank on 17.07.2015. The borrower was admitted for insolvency proceedings vide NCLT order dated 08.01.2018. A resolution plan submitted by a consortium of two resolution applicants (namely, S.S. Natural Resources Limited and Shyam SEL and Power Limited) was approved by NCLT vide order dated 04.09.2019. The resolution applicants challenged the said order in National Company Law Appellate Tribunal (NCLAT). NCLAT issued an order in February 2021 directing implementation of the resolution plan. Subsequently, the resolution applicants appealed against the said order before Supreme Court, who dismissed the petition on 04.05.2021. Group Exposure: Axis Bank does not have exposure in group entities of RSIL. RFA Classification: The borrower was classified as RFA by Axis Bank on 28.01.2021, based on the following EWS alert: Fraud classification by United Bank of India and Bank of India. Status with other lenders: As per CRILC data, the borrower was reported as 'Fraud' by United Bank of India (UBI, subsequently merged with PNB) on 02.05.2014 (which was reported in CRILC only on 13.02.2020). Axis Bank followed up with UBI to ascertain reasons for the same. However, no details were shared by UBI. As per submission of UBI to Centralized Fraud Registry (CFR) and its FIR filed with CBI,

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
141	Case of Misappropriation and criminal breach of trust by Subham Das	1.102	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 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			customers' account on the same day and misappropriated the same. He later on deposited the amount in the customers' account with substantial delay. Further, Mr. Subham Das also carried out fraudulent debits, aggregating to Rs.3.78 lakhs in the customers' account towards investment in insurance products without knowledge/consent of customers, by forging their signatures to achieve his business targets. It was also noted that, Mr. Subham Das, had fraudulently opened a Current Account in the name of one of the customer by using the KYC documents of customer's existing Savings Bank account, by forging customer's signatures. Mr. Subham Das, was able to link the fraudulently opened current account with all the existing accounts of the customer. Mr. Subham Das, then availed overdraft facility through online mode by pledging the customer's existing term deposits and transferred the amount in fraudulent current account. He had also transferred the amount online from customer's existing saving bank account to fraudulent current account and thereafter, both the transferred amounts, aggregating to Rs.3.30 lakhs, were withdrawn in cash through cheque by forging customer's signature. Additionally, he had also duped another customer by gaining access to customers debit card details and changing mobile number in the account and effected fraudulent transactions aggregating to Rs.0.49 lakh in customer's account. Mr. Subham Das, had also issued fabricated statement of accounts to customers to mislead them about the existing balances in the account. Mr. Subham 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: Bank is in the process of

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
142	Case of Fake Title Deeds by Ashwani Kumar Sharma & Shweta Sharma	2.732	initiating suitable action against the errant staffs. Borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma were sanctioned and disbursed two home loans aggregating to Rs.273.19 lakhs during October 2017 and November 2019. In respect of home loan disbursed during October 2017 for purchase of a plot located at Dwarka, New Delhi and construction thereupon, Bank had received a legal notice from Ms. Poonam Batra and Mr. Rakesh Batra stating that the land property belongs to them as the original documents related to the property were in their possession and they were not aware of borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma. As per the documents held with Bank, the property was sold by one Mr. Pawan Kumar Garg to Mr. Ashwani Kumar Sharma during October 2017. Mr. Pawan Kumar Garg (seller) was owner of the property as per the conveyance deed executed during May 2005 by Delhi Development Authority (DDA). The complainant Mr. Rakesh Batra claimed that he had acquired the mentioned property in November 2005 from Mr. Pawan Kumar Garg. During March 2006, he sold the property to Mr. Harjit Singh who had finally sold it to Ms. Poonam Batra (wife of Rakesh Batra) in September 2019. The details provided by the complainant were matching with the Government records. This fact was not verified by the Bank's legal firm, while providing the title certificate during sanction of loan to the borrowers. The photograph and signature of seller Mr. Pawan Kumar Garg on the conveyance deed executed during May 2005 and as per sale deed executed with borrower, Mr. Ashwani Kumar Sharma during October 2017 were not matching. The seller was not available at the address as per records with Bank. Hence, it is suspected that the sale deed executed with borrower was by a person with fake identity. The documents related to other another housing loan disbursed to the borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma, for purchase of property located at Rohini, New Delhi from Mr. Sanjeev Kansal and Ms. Micky Rani during November 2019 were also scrutinized. The unregistered agreement for sale executed during October 2019 between Mr. Sanjay Bansal and Ms. Micky Rani (sellers) and borrowers, Mr. Ashwani Kumar Sharma and Ms. Shweta Sharma

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			(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	7.760	Background Arcadia Share and Stock Brokers Private Limited (ASSBPL), incorporated in 1995, is a SEBI registered stock broker. The company is promoted by Mr. Anthony Sequeria and Mr. Nitin Bhrambhett. 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

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			by NSE. In the meantime, NSE received alert from depositories regarding invocation of pledged securities by banks from proprietary demat accounts of the company between October 2020 and December 2020 worth Rs20 crore. Officials of NSE visited the company's office three times in December 2020 and obtained relevant supporting documents. On review of said documents, NSE observed certain mismatches in the clients' fund balances between trial and client ledger balances. In view of aforementioned, NSE appointed KPMG for conducting forensic audit of the company, with a review period from 01.04.2018 to 08.02.2021. A preliminary analysis of the data submitted by KPMG revealed that there was a shortfall of clients' funds against non-related client payables for around 10,000 clients, as on 31.03.2020. NSE called Mr. Antony Sequeira, founder-promoter of ASSBPL, who promised to share the required information by 19.01.2021. In its email dated 20.01.2021, ASSBPL acknowledged shortfall of clients' funds of Rs. 37.92 crore as on 31.12.2020. Mr. Sequeira subsequently assured the NSE that the company would sell off their proprietary shares, currently pledged with banks, and utilise the proceeds to settle the client payables within 15 days' time. However, the same was not done. The company claimed to have paid Rs10.20 crore to about 360 creditors between 27.01.2021 and 02.02.2021, as against the client payable of Rs47.51 crore as of 31.12.2020. However, no documentary evidence for the payment was shared with NSE. NSE subsequently ordered to disable trading terminals of ASSBPL on 07.02.2021 and instructed the lenders to put a freeze on all bank accounts of the company. BSE issued similar order on 08.02.2021. A preliminary forensic audit report from KPMG, dated 12.04.2021, was shared with the lenders by NSE in May 2021. The key findings of the report dated 12.04.2021 are given below: i) The borrower had under-reported its clients' securities payable obligations to NSE by Rs.306.64 crore ii) The borrower underreported trade payables for potential connected parties by Rs.374.62 crore and non-related parties by Rs.149.78 crore. The borrower over-reported trade payables to related parties by Rs.7.71 crore iii) Funds available with the borrower, exchanges and clearing member was not sufficient to meet its payable obligation to

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 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	21.430	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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			Exposures Axis Bank do not have any exposure in group companies of PGL. Forensic Audit Observations Axis Bank appointed J C Kabra and Associates on 05.04.2021 to conduct forensic audit of the borrower, covering review period from 01.01.2013 till 31.03.2021. The findings of the forensic audit were shared with the company, seeking clarification from its management. The final forensic audit report, incorporating the management responses, was received by the Bank on 20.08.2021. Key findings of the forensic audit are as under: i) Purchase (Rs.43.08 crore) and sale (Rs.41.58 crore) transactions were observed with 3 inter-linked parties, resulting in losses of Rs.1.49 crore. These purchase and sales were done on same days, which indicates rotation of bills ii) Purchase (Rs.38.52 crore) and sale (Rs.38.42) transactions, incurring loss, were observed with inter-connected parties and entities in unrelated line of business. These purchase and sales were done on same days, which indicates circular trading iii) Duty-free import of 1450 kg of gold under Advances Authorization Scheme by 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
145	Case of Forged / Fabricated Financial Statements by ATCIndia Agro Private Limited	4.50	Committee for Monitoring of Large Value Frauds. iv) 100% provision has been made in the account. 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 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
146	Case of Fabricated / Inflated Stock / Book Debt Statements by Arihant Retail Private Limited	11.790	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 Background: Arihant Retail Private Limited (ARPL), inc orporated on 21.05.1996, is engaged in wholesale and retail trading of textiles and clothing. ARPL was operating through a total of 9 showrooms located in Chennai. Presently, all the premises are non-functional. Banking Arrangement: ARPL availed credit facilities of Rs.94.19 crore from 5 lenders, under Multiple Banking Arrangement, as on 14.05.2020. Axis Bank sanctioned an overdraft limit of Rs.4.50 crore on 29.06.2017 and a cash credit limit of Rs.8.75 crore to ARPL on 18.09.2017 by way of takeover of limits from IndusInd Bank and Standard Chartered Bank respectively. NPA and Recovery Action: The cash flows of ARPL were impacted due to covid-19 pandemic as its shops and showrooms remained closed during lockdown. The borrower was classified as NPA by Axis Bank on 29.12.2020. Axis Bank issued a recall notice on 03.09.2021. Group Exposure: Axis Bank has no exposure in group entities of ARPL. RFA Classification: Axis Bank classified the borrower as RFA on 12.03.2021, based on the following EWS alerts: i. Non-payment of statutory dues, i.e. GST. ii. Transactions in accounts other than working capital accounts. iii. Non submission of stock statements and FFRs. Forensic Audit: Subsequent to RFA classification, Axis Bank informed other lenders about RFA classification vide email dated 25.03.2021. A lenders' meeting was convened by Axis Bank on 17.04.2021 for discussion on appointment of forensic auditor. However, there was no consent from the others lenders regarding the matter. Axis Bank appointed Sagar and Associates on 26.04.2021 for conducting forensic audit of the borrower, with review period from 01.10.2017 to 31.03.2021. The other lenders did not participate in the forensic audit. The final forensic audit report, incorporating the borrower's responses, was received by the Bank on 03.09.2021. The key findings of forensic audit report are as under: i. As per the stock statement for the month of March 2020, sundry creditors were reported as Rs.0.43 crore. However, sundry creditors as per audited financial statements of FY2020

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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. 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 made.
147	Case of Staff - Embezzlement of Cash by 1. Ms. Pantula Rama Lavanya 2. Mr. M. Venkatakirana 3. Mr. Mellaki Pushparaju (Suspected)	1.184	A cash shortage of Rs.118.37 lacs was reported by the Branch Head, Chodavaram Branch, Andhra Pradesh Circle. The Circle Head, Chennai Circle, was informed by a relative of the Branch Operations Head that there was a major cash shortage at the Branch. The Branch Bank Operations team, Andhra Circle verified the physical vault cash of the Branch and post verification of the Branch vault cash, a physical cash shortage of Rs. 118.37 lacs was identified. Investigations revealed that vault cash was mis-utilised by Mellaki Pushpa Raju, the Branch Head, in connivance with P. Rama Lavanya, the Operations Head and M. Venkata Kiran, the Teller. During investigation, the Branch Operations Head admitted that the vault cash was used by her for personal purposes to the extent of Rs.30 lacs. She accused the Branch Head of misappropriating the remaining cash, which the Branch Head denied. The Teller informed that the cash shortage issue was prevalent since June, 2020 as he had handed over cash from Teller Counter/ Vault to the Branch Operations Head at the verbal instructions of the Branch Head, from time to time. The Branch Operations Head indicated that the Branch Head started it in order to scale up the CASA deposits where cash from the vault was used to fund few Savings Bank accounts. The cash withdrawn from the vault was routed through certain accounts with the Branch initially to artificially inflate the branch CASA balances to project

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
148	Case of Staff - Embezzlement of Cash by Ms. Darshelshang Saka and 2 Others	4.122	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. The Cluster Head, during his visit to the Branch, carried out surprise cash verification of the Branch vault cash and detected physical cash shortage of Rs.412.23 lacs. A practice was prevalent in the branch to pay cash to a few customers without debiting / recording entries in their respective accounts maintained with the Branch. The Cluster Head, during his visit to the Branch carried out surprise cash verification of the Branch vault cash and detected a physical cash shortage of Rs.412.23 lacs. M/s AL Enterprise and M/s Huthukali T Chopthi were maintaining Current accounts with the branch since 09.05.2019 and 21.08.2020 respectively. A practice was prevalent in the branch to pay cash to a few customers without debiting / recording entries in their respective accounts. The Branch Head, permitted cash payments aggregating to Rs.412.23 lacs to two customers to meet their urgent need of funds, without receiving any valid mandate to debit their respective current accounts. The 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

Sr. No	Details of the fraud	Amount involved (In ₹ crores)	Summary and Action taken by the Bank
149	Case of Staff - Embezzlement of Cash by Suman Tarafder	1.388	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.. Kalyani Branch, had received 42 complaints from 35 customers against Mr. Suman Tarafder, Branch Sales Officer, alleging misappropriation of cash, misuse of credit cards / loans and transfer of funds under the pretext of offering investments fetching higher returns. Investigation revealed that Mr. Suman Tarafder was a one-point contact for multiple customers of the Branch and thereby gained their confidence. Over the period of time, he had collected cash, aggregating to Rs.49.15 lakhs, from 28 prospective customers for account opening, deposit in customers account and creation of fixed deposit. However, the funds were misappropriated by Mr. Suman Tarafder. On scrutiny it was observed that, the Mr. Suman Tarafder had provided cash acknowledgement slips duly signed / stamped to 19 customers aggregating to Rs.42.51 lakhs. The remaining complainants could not provide proper acknowledgement of having given cash to Mr. Suman Tarafder. In case of one another complainant, the customer herself had transferred an amount of Rs.0.75 lakh through NEFT to the other bank account of staff, allegedly for opening of her account with Axis Bank. It was also observed that

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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
150	Case of Fabricated / Inflated Stock / Book Debt Statements by Sri Padmavati Energy Solutions (India) Private Limited	11.47	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. Bank to examine filing of STR in the selected accounts. Staff Accountability Bank is in the process of initiating suitable action against the errant staff. 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 Udiyal village, Telangana. Banking Arrangement: The borrower availed working capital limits of Rs.14.80 crore from Axis Bank and Indusind Bank under multiple banking arrangement. Axis Bank initially sanctioned cash credit limit of Rs. 5.00 crore to the company in FY 2016 by way of takeover of limits from Bank of Baroda . The limits were subsequently enhanced to Rs. 11.50 crore during FY 2017 to FY 2019. WCTL of Rs. 2.00 crore was sanctioned to the company under Emergency Credit Line Guarantee Scheme (ECLGS) in July 2020. NPA and Recovery: The borrower was classified as NPA by Axis Bank on 07.05.2021. The advances were recalled by Axis Bank in September 2021. Axis Bank issued demand notice under Section 13(2) of SARFAESI Act in October 2021. RFA Classification: The borrower was classified as 'RFA' by Axis Bank on 20.04.2021 based on sale of collateral security without Bank's approval and adverse observations in stock audit report. Forensic audit : Axis Bank appointed M/s Raju and Prasad to conduct forensic audit of the borrower on 01.06.2021, covering review period from 01.10.2015 to 31.05.2021. IndusInd Bank did not participate in the forensic audit. Final forensic audit report, incorporating 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
151	Case of Fabricated / Inflated Stock / Book Debt Statements by Dart Air Services Private Limited	4.40	as per books, indicating shortfall to the extent of Rs.5.19 crore iii) Part of the collateral property located at Kattedan (Telengana) was sold by the borrower between December 2019 and August 2020, below market price, without NOC from/intimation to Axis Bank Conclusion: The borrower was classified as Fraud based on adverse observations in forensic audit report relating to misrepresentation in stock statement for availing higher drawing power and sale of mortgaged property without obtaining NOC from Axis Bank. Action taken/Proposed: i) The Bank to initiate suitable legal action for recovery of dues. ii) The Police complaint is lodged with Panjagutta Police Station on 25-11-2021 against the company and its directors. iii) The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv) 100% provision has been done. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			final forensic audit report, incorporating the responses from the borrower, was submitted to Axis Bank on 07.10.2021. The key findings are given below: i. On comparison of stock and book debt statements submitted to the Bank and figures as per the books of account, discrepancies were observed, which resulted in excess drawing power between December 2017 and March 2020 ii. Receivables of Rs.2.53 crore, Rs.2.12 crore and Rs.0.76 crore were outstanding from related party, Dart Air Services - London (DASL) as per audited 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 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 will be done as per guidelines.
152	Case of Diversion of Funds by Padmavati India Private Limited	15.820	Background: Chowel India Private Limited (CIPL), incorporated in 2001, was engaged in manufacturing of automobile components such as cowl bar, seat frames and other spare parts. CIPL is a wholly-owned subsidiary of Chowel Corporation Limited, Korea. Presently, the company is not operational. Banking Arrangement: Axis Bank is the sole lender to the company. Axis Bank sanctioned working capital limits of Rs.16.50 crore to CIPL in October 2016, including takeover of limits of Rs.10.00 crore from Bank of India. NPA and Recovery Action: The borrower was classified as NPA by Axis Bank on 03.07.2019. Notice u/s 13(2) of SARFAESI was issued to the borrower on 07.01.2020. The borrower was admitted for insolvency proceedings vide NCLT order dated 05.05.2020. The Resolution Professional has filed an application for liquidation of company in May 2021. The liquidation order from NCLT is awaited. RFA Classification: Axis Bank classified the

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
153	Case of Clandestine selling off of hypothecated/mortgaged security by A P Nirman Limited	2.04	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. 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
154	Case of Diversion of Funds by Arasu Autos-Thiruvapur	4.94	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. 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. 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,

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			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 Niranjan Associates on 12.07.2021, to conduct forensic audit of the borrower, covering review period from 01.07.2017 to 30.06.2021. The forensic auditor shared their findings with the borrower on 30.08.2021, seeking clarifications/ responses on the same. No response has been received from the borrower. The final forensic audit report was submitted to Axis Bank on 16.11.2021. The key findings are given below: i.The borrower made net payment of Rs.0.90 crore during the period from FY2015 to FY2018 to related party Arasu Jewels, which was not engaged in related line of business. ii. The borrower made net payment of Rs.0.82 crore during the period from FY2015 to FY2017 to related party Arasu Hyundai, which was not engaged in related line of business. iii. The borrower did not cooperate in forensic audit exercise. Fraud classification by Tamilnad Mercantile Bank (TMB): The borrower was classified as 'Fraud' by TMB on 02.09.2021. Axis Bank followed up with TMB for sharing the reasons for their fraud classification. However, no response was received from them. Key findings, as per the submissions made by TMB in Central Fraud Registry (CFR), are as under: i. AAT had submitted fabricated stock and book debts statement for availing credit facilities from TMB. ii. The borrower had sold / removed all the hypothecated stocks without remitting the proceeds in cash credit account maintained with TMB. iii. Variations in the stock figure were noted on comparison of stock statement vis--vis ABS for FY 2019. iv. TMB had appointed RSK and Associates to conduct stock audit of the borrower. The following observations were noted in stock audit report dated 23.11.2020: a. Bajaj Auto Ltd stopped supplying vehicles to the borrower since July 2020. No stock was available during unit verification done between 04.11.2020 to 06.11.2020. b. The stock declared in stock statement was not available for verification during unit verification done between 04.11.2020 to 06.11.2020. The stock statement submitted to the bank was incorrect. c. Physical stock

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
155	Case of Diversion of Funds by Goodday Ventures India Private Limited	9.26	was not available as on date of physical verification of stock at the borrower's godown. d. Huge variations were observed between the purchases made and the payments made to Bajaj Auto Ltd during the period FY 2018 and FY 2019. e. As per the account statements, net outflow/ diversion of Rs.6.69 crore to sister concerns and partners account were noted during the period from 2014 to 2021. Internal Investigation: i. It was noted that TMB had sanctioned CC limit to the borrower and their fraud classification was based on adverse observation in the stock statements/ stock audit reports. The same was not applicable for the facility sanctioned by Axis Bank. ii. As per forensic audit findings, Rs.1.72 crore was diverted to related parties (Arasu Jewels, Arasu Hyundai). On verification of statement of the accounts maintained with Axis Bank, net payment of Rs.1.60 crore was noted with the said related parties. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Classification of account as fraud by TMB. ii. Adverse observations in forensic audit report and internal investigation regarding transfer of funds to related parties. Action Taken / Proposed: i. Legal recourse for recovery has been initiated by the Bank. ii. The Bank will be lodging Police complaint against the borrower. iii. The fraud has been reported to the Special Committee for Monitoring of Large Value Frauds. iv. 100% provisioning will be done as per guidelines. Background: Goodday Ventures India Private Limited (GV IPL), incorporated in 1992, was involved in distribution of home appliance under the brands 'Gopi' and 'Spicer'. GV IPL 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: GV IPL 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 GV IPL 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

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
			13(2) of SARFAESI Act was issued to the borrower on 17.10.2018. Symbolic possession of assets were taken on 29.01.2019 and the application was filed with District Magistrate for physical possession on 09.07.2019. The order is awaited. A recovery suit was filed with DRT, Pune on 28.05.2019. The borrower was admitted for insolvency proceedings, vide NCLT order dated 04.12.2020, pursuant to a petition filed by operational creditor, Micromax Informatics Ltd. Total claims of Rs.19.44 crore from secured financial creditors have been admitted by NCLT, including Axis Bank's claims of Rs.13.15 crore. The Resolution Professional has filed an application for liquidation of company in June 2021. The liquidation order from NCLT is awaited. RFA Classification: Axis Bank classified the borrower as RFA on 30.06.2021, based on following EWS alerts: i. Adverse observations in the transaction audit report ii. Lenders decision to classify the account as RFA Group Exposure: Axis Bank do not have any exposure in group companies of GVIPL. Transaction Audit observations: Resolution Professional appointed RMJ and Associates LLP to conduct Transaction Audit on 04.02.2021, covering review period from 01.04.2012 to 04.12.2020. The findings of transaction audit were shared with the borrower on 23.05.2021 by the transaction auditor. However, no response was received. The final transaction audit report was shared with the Bank on 04.06.2021. Key findings of transaction audit and responses received from management are as under: i. Though the company's books of account showed inventory holding of Rs.5.50 crore as on 31.03.2020, no inventory was handed over to Resolution Professional at the time of handover of assets. ii. Though the company had outstanding receivables of Rs.1.92 crore from related party, Spicer International Private Limited, further payment of Rs.0.25 crore was made to it. iii. As per financial statements filed with ROC, the company had sold off its shareholding in Spicer International Private Limited. However, said transaction was not recorded in the books of accounts and no considerations were received. iv. Payment of Rs.1.12 crore were made to a related party, Atmaya Infrastructure Private Limited and other parties on behalf of it, in spite of it being a non-operative company since 31.03.2014.

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
156	Case of Misappropriation of customer's funds by the Agri Relationship Manager of the Bank	0.122	Lenders decision: i. A lenders meeting was held on 08.11.2021 to discuss the transaction audit report along with responses submitted by the borrower, views of RP on responses and to discuss views of lenders. ii. Axis Bank informed advised that they case will be put up to competent authority recommending classification as 'Fraud', based on adverse observations of transaction audit report. All lenders took cognizance of the same. iii. South Indian Bank and Citibank informed that they are assessing the account internally and would inform their decision in due course after approval from their competent authorities. Conclusion: Axis Bank classified the borrower as 'Fraud' based on the following: i. Adverse observations in the transaction audit report. Action Taken / Proposed: i. The Bank will continue suitable course of recovery. ii. 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. Complaints received by the Bank from customers of Visavdhar Branch against Agri Relationship Manager Amit Dobariya with regards to misappropriation of their funds handed over to him towards repayment of their dues. The Bank had sanctioned cash credit limits to agri borrowers of Visavdhar Branch, Gujarat Amit Dobariya, was the Agri Relationship Manager at Visavdhar Branch since 23.12.2016 Complaints were received by the Bank from agri loan customers of the Branch about misappropriation of funds handed over to the relationship manager towards repayment of their loan dues. Agri loan customers had handed over blank signed cheques to Amit Dobariya, Agri Relationship Manager, towards renewal and closure of their agri loan accounts with the Bank. Amit Dobariya had mis-utilized these cheques for personal gain. Customer account analysis revealed transfer of funds from the customer accounts to the HDFC Bank account of Amit Dobariya. Review of the CCTV footage indicates Mr. Amit Dobaria carrying out the cash withdrawals on a few occasions. No

Sr. No	Details of the fraud	Amount involved (In ₹ crore s)	Summary and Action taken by the Bank
157	Case of Diversion of funds by Saya Automobiles Limited	6.71	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. 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. Assessment of staff accountability across other sanction and disbursement process is in progress. Police complaint is being filed.

- I. Profits of the Bank, before and after making provision for tax, for the three financial years immediately preceding the date of Placement Memorandum.

Standalone

Profit before provision for tax amount in Rs.

FY 2021 – Rs. 8805.84 crores

FY 2020 – Rs. 4904.23 crores

FY 2019 – Rs. 6974.09 crores

Profit after Provision

FY 2021 – Rs. 6588.50 crores

FY 2020 – Rs. 1627.22 crores

FY 2019 – Rs. 4676.61 crores

- II. Dividends declared by the Bank in respect of the last three financial years.

FY 2021 – NIL

FY 2020 – Rs. 288.86 crores

FY 2019 - NIL

- III. Interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid). NA

- i. Summary of the financial position of the Bank as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter: Please refer to: page 82 of this Placement Memorandum.
- ii. Audited Cash Flow Statement for the three years immediately preceding the date of issue of Placement Memorandum: Please refer to: Annexure IV of this Placement Memorandum.

- IV. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Bank.

Fiscal 2019

Provision on standard advances

With effect from 31 March 2019, in the case of provision on standard advances, the Bank adopted a more stringent policy of maintaining provisions on corporate standard advances rated 'BB and Below' and all SMA-2 advances as reported to the Central Repository of Information on Large Credits (**CRILC**), at rates that are higher than those prescribed by the RBI. As a result, provisions and contingencies for fiscal 2019 are higher than they would have been prior to the adoption of this new accounting policy by ₹3.78 billion, with a consequent reduction to the Bank's profit before tax for the year.

Fiscal 2020

Provision on Non-Fund based outstanding

During the year, the Bank has adopted a policy of maintaining provision on non-funded outstanding in NPAs, prudentially written off accounts, corporate standard advances rated 'BB and Below' and all SMA-2 advances as reported to the CRILC. As a result, the provisions and contingencies for the year are higher by ₹4.11 billion with a consequent reduction to the profit before tax.

Fiscal 2021

Recognition of commission on issuance of Letters of Credit (LC) and annual fees on debit cards

The Bank had a practice of recognizing fees on issuance of LCs and annual fees on Debit Cards on an upfront basis. The Bank changed this practice, from upfront recognition to amortization over the service period. As a result, other income for the year ended 31 March 2021 is lower by ₹1.84 billion with a consequent

reduction to the profit before tax.

Provision on Red Flagged Accounts (RFA)

The Bank continues to classify exposures as ‘Red Flagged Accounts’ in accordance with its prevailing internal framework. The Bank has introduced incremental provisioning on such exposures based on a time scale and on occurrence of predefined events. As a result, provisions and contingencies for the year ended 31 March 2021 are higher by ₹0.32 billion with a consequent reduction to the profit before tax.

Recognition of depreciation on investments

The Bank was recognizing net depreciation and ignoring net appreciation within class of investments in the Profit and Loss Account in accordance with RBI guidelines. The Bank has made two changes to its practice of recognizing depreciation on investments: (i) The Bank has elected to recognize the net depreciation on each class of investments under the residual category of ‘Others’ (i.e. mutual funds, PTCs, security receipts etc.), without availing the benefit of offset against gain in another class of investment within the ‘Others’ category. (ii) For standard investments classified as weak based on the Bank’s internal framework, the Bank has elected to recognize the net depreciation on such investments without availing the benefit of set-off against appreciation within the same class of investments that is permitted by RBI. As a result, provisions and contingencies for the year ended 31 March 2021 are higher by ₹0.13 billion with a consequent reduction to the profit before tax.

XXVIII.TERM SHEET / ISSUE DETAILS

Security Name	6.99% Axis Bank 2031
Issuer	Axis Bank Limited (“Axis”/ the “Bank”/ the “Issuer”)
Issue Size	Base Issue of Rs 2,000 crore (Two Thousand Crore) and greenshoe option to retain oversubscription of Rs 3,000 crore (Three Thousand Crore) thereby aggregating Rs. 5,000 Crore (Five Thousand Crore)
Option to retain oversubscription (Amount)	Rs 3,000 crore (Three Thousand Crore)
Issue Accepted	Rs. 2,600 crore (Two Thousand Six Hundred Crore)
Objects of the Issue	Enhancing long term resources for funding infrastructure and affordable housing
Details of the utilization of proceeds	Enhancing long term resources for funding infrastructure and affordable housing
Type of Instrument	Fully paid, Senior, Unsecured, Taxable, Redeemable, Non-Convertible Debenture (Series –6)
Nature and status of Debentures	Unsecured and would rank pari-passu along with other uninsured, unsecured creditors
Seniority	Senior
Issuance Mode	In demat mode only
Trading Mode	In demat mode only
Credit Rating of the instrument	“AAA/Stable” by CRISIL Limited and AAA/Stable by ICRA Limited
Mode of Issue	Private Placement
Eligible Investor	Please refer clause “Applications may be made by” in this document
Description regarding Security	Unsecured
Face Value	Rs. 10,00,000/- per Debenture (Rupees Ten Lacs per Debenture)
Redemption Premium/ Discount on issue	Nil
Issue Price	Rs. 10,00,000/- per Debenture (Rupees Ten Lacs per Debenture)
Discount at which the security is issued and the effective yield as a result of such discount	N.A.
Redemption Amount	At par Rs. 10,00,000/- per Debenture (Rupees Ten Lacs per Debenture)
Minimum Application / Minimum Bid Lot	1 Debenture and in multiples of 1 Debenture thereafter
Tenor	10 Years from the Deemed Date of Allotment
Put Option	None
Put Option Price	Not applicable

Put Option Date	Not applicable
Put Notification Time	Not applicable
Call Option	None
Call Option Price	Not applicable
Call Option Date	Not applicable
Call Notification Time	Not applicable
Redemption/ Maturity	Bullet Redemption at par at the end of 10 years from the Date of Allotment.
Redemption Date	December 22, 2031
Coupon Rate	6.99% p.a.
Coupon Payment Frequency	Annual
Coupon Payment Dates	Annually on December 22 nd each year till maturity of Debentures
Coupon Type	Fixed
Step Up/ Step Down Coupon Rate	None
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	Not Applicable
Day Count Basis	Actual/ Actual The Coupon for each of the coupon periods shall be computed as per Actual / Actual day count convention (as per the SEBI Operational Circular bearing reference SEBI/HO/DDHS/P/CIR/2021/613 and dated 10 th August, 2021) on the face value/principal outstanding.
Interest on Application Money	Interest on application money, if applicable, will be same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation but excluding the Date of Allotment. The same is not applicable for this issuance.
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	The Bonds are proposed to be listed on the wholesale debt market (WDM) segment of NSE and BSE. The Issuer shall make listing application to BSE and NSE as per the SEBI Operational Circular dated 10 th August, 2021 bearing reference SEBI/HO/DDHS/P/CIR/2021/613 and receive listing approval from BSE and NSE within 4 (four) trading days from the Issue Closing Date. The Designated Stock Exchange for this Issue shall be BSE.
Delay in Listing	In case of delay in listing of Bonds beyond 4 trading days from the Issue Closing Date , the Issuer shall pay penal interest of 1% p.a. over the Coupon Rate for the period of delay to the investor (i.e., from the date of allotment to the date of listing).
Delay in Allotment of Bonds	The allotment of Bonds shall be made within the timelines stipulated under SEBI Operational Circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613 and dated 10 th August, 2021.
Trustee	IDBI Trusteeship Services Limited

Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Settlement mode of the Instrument	Payment of Coupon and repayment of principal amount of the Bonds shall be made by way of RTGS/NEFT or any other electronic mode or in absence of electronic mode then by cheque(s)/ demand drafts / redemption warrant(s).
Business Day Convention	‘Working Day’ shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra. If the date of payment of Coupon/redemption of principal amount of Bonds does not fall on a Working Day, the payment of Coupon/principal shall be made in accordance with as per the SEBI Operational Circular dated August 10, 2021 bearing reference SEBI/HO/DDHS/P/CIR/2021/613. If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Working Day, the payment shall be made by the Issuer on the immediately succeeding Working Day, which becomes the Coupon Payment Date for that Coupon. However, the future Coupon Payment Date(s) would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent Coupon Payment Date(s) would not be changed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on a non-Business Day. If the Redemption Date of the Bonds falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Issuer on the immediately preceding Working Day which becomes the new Redemption Date, along with Coupon accrued on the Debentures until but excluding the date of such payment.
Record Date	The ‘Record Date’ for the Debentures shall be 15 calendar days prior to each Coupon Payment Date and / or Repayment Date.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Letter appointing Trustee to the Debenture Holders; 2. Debenture Trusteeship Agreement and Debenture Trust Deed; 3. Letter appointing Registrar to the Issue and MoU entered into between the Bank and the Registrar to the Issue. 4. Rating agreement with CRISIL; 5. Rating agreement with ICRA; 6. Tripartite agreement between the Issuer; Registrar and NSDL for issue of Debentures in dematerialized form; 7. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Debentures in dematerialized form; 8. Application made to BSE & NSE for seeking its in-principle approval for listing; 9. Listing agreement with BSE & NSE; 10. This Placement Memorandum
Conditions precedent to subscription of Debentures	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from CRISIL/ICRA not being more than one month old from the issue opening date;

	2. Letter from the Trustee conveying its consent to act as Trustee for the Bondholder(s); 3. Letter from BSE/NSE conveying its in-principle approval for listing of Bonds.
Conditions subsequent to subscription of Bonds	The Bank shall ensure that the following documents are executed/ activities are completed as per time frame mentioned in the Placement Memorandum a) Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 (two) working days from the Deemed Date of Allotment; b) Making application to BSE and NSE within 4 (Four) trading days from Issue Closing Date and receive listing approval from BSE and NSE within 4 (four) trading days from the Issue Closing Date. c) Besides, the Bank shall perform all activities, whether mandatory or otherwise, as mentioned in the Placement Memorandum.
Default in Payment / Default Interest Rate	In case of default in payment of Coupon and/ or redemption of principal on the due dates for Bonds in accordance with this Placement Memorandum, additional interest of 2% p.a. over the Coupon Rate shall be payable by the Issuer for the defaulting period.
Creation of recovery expense fund	The Issuer shall create the Recovery Expense Fund in accordance with SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020.
Provisions related to Cross Default Clause (if applicable)	NA
Role and Responsibilities of Trustee	The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Debentures and shall further conduct itself, and comply with the provisions of all applicable laws. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trustee Agreement, Placement Memorandum and all other related transaction documents, with due care, diligence and loyalty.
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts at Mumbai, Maharashtra.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Other than as mentioned in this Placement Memorandum, Form SH-12 under Companies (Share Capital and Debenture) Rules, 2014 and Debenture Trust Deed, there are no additional covenants to the Issue.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As contained in Form SH-12 under Companies (Share Capital and Debenture) Rules, 2014 and more particularly described under the Debenture Trust Deed.
Additional Covenant	The Issuer shall complete all the formalities and seek listing permission within 4 days from the Deemed Date of Allotment.
Applicable RBI Guidelines	The present issue of Debentures is being made in pursuance of RBI circular no. RBI/2014-15/127 (DBOD.BP.BC.No.25 / 08.12.014/ 2014) dated July 15, 2014, RBI circular no. RBI/2014-15/320 (DBR.BP.BC.No.50 / 08.12.014 / 2014-15) dated November 27, 2014 and RBI circular no. RBI/

	2014-15/ 618 (DBR.BP.BC.No.98 / 08.12.014 / 2014-15) dated June 1, 2015 issued by the Reserve Bank of India on "Issue of Long Term Bonds by Banks – Financing of Infrastructure and Affordable Housing as amended/modified/supplemented from time to time
Issue Opening Date	December 20, 2021
Issue Closing Date *	December 20, 2021
Pay-in Dates *	December 22, 2021
Deemed Date of Allotment	December 22, 2021
Minimum Subscription	Not applicable
Mode of Issue	Private Placement in Demat form through BSE Electronic Bidding Platform.
Type of Bidding	Open Bidding
Manner of Allotment	Uniform Yield Allotment
Settlement Cycle for EBP	T+2
Date of earliest closing of the issue, if any	Not Applicable
Cumulative/ Non Cumulative	Non Cumulative
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As detailed in Form SH-12 (under Companies (Share Capital and Debenture) Rules, 2014) The Issuer or the Debenture Trustee will call for meeting of Bondholders as per the terms of the Debenture Trust Deed (to be executed). The Debenture Trustee or the Issuer may, at any time, and the Trustee shall at the request in writing of the Bondholders representing not less than one- tenth of the aggregate nominal value of the Bonds for the time being outstanding or upon the happening of any event which constitutes a breach or any Event of Default or which in the opinion of the Trustee affects the interest of the Bondholders, convene a meeting of the Bondholders. Resolutions shall be passed at the meeting of the Bondholders by way of such consent threshold as specified in the Debenture Trust Deed (to be executed). Notwithstanding anything contained above, if any regulations/ circular/ guidelines issued by SEBI/RBI or any other relevant regulator require the voting to be held in a particular manner, the provisions contained in such regulations/ circular/ guidelines shall prevail. The Debenture Trust Deed (to be executed) shall contain the provisions for the meetings of the Bondholders and manner of voting. In terms of the SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 and subject to applicable law and regulatory guidelines, a meeting of the Bondholders may consider the proposal for joining the inter creditor agreement, if applicable, and the conditions for joining such inter creditor agreement, if applicable, will be made part of the meeting agenda and the Debenture Trustee will follow the process laid down vide SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020. Further, if the Debenture Trust Deed in relation to the Issue is not executed within SEBI prescribed timelines, without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1996 and all other applicable SEBI regulations, the Issuer shall also pay interest of 2% (two percent) per annum to the Bondholders, over and above the Coupon Rate, till the execution of the Debenture Trust Deed.
Risk factors pertaining to the issue	Please refer page no. 48 of the document for detailed section in relation to 'Risk Factors'.

XXIX. THE ISSUER SHALL ENSURE THAT IT FILES THE FOLLOWING DISCLOSURES ALONG WITH THE LISTING APPLICATION TO THE STOCK EXCHANGES AND WITH THE DEBENTURE TRUSTEE:

- (a) Placement Memorandum.
- (b) Memorandum and Articles of the Issuer and copy of the requisite board/ committee resolutions authorizing the borrowing and list of authorised signatories for allotment of the Debentures.
- (c) Copies of audited annual reports of the last three financial years.
- (d) Statement containing particulars of, dates of, and parties to all material contracts and agreements.
- (e) Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories.
- (f) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed has been executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the designated Stock Exchange(s) where Debentures are proposed to be listed.
- (g) Any other particulars or documents that the Stock Exchange may call for as it deems fit.
- (h) In case of debt securities, an undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, wherever applicable, in favour of the debenture trustee to the proposed issue has been obtained.- NA

DISCLAIMER CLAUSE

This Placement Memorandum is neither a prospectus nor a statement lieu of prospectus and does not constitute an offer to the public to subscribe for or otherwise acquire the Debenture issued by the Bank (Issuer). Apart from this Placement Memorandum, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this Offer has been delivered for registration nor is such a document required to be registered under the applicable laws. This Placement Memorandum is issued by the Bank and has been prepared by the Bank to provide general information on the Bank and does not purport to contain all the information a potential investor may require. This information relating to the Bank contained in the Placement Memorandum is believed by the Bank to be accurate in all respects as of the date hereof.

DECLARATION

General Risk

Investment in non-convertible securities involve a degree of risk 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 Section IV of this Placement Memorandum. 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.

We confirm that

- a) the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- b) the compliance with the Securities and Exchange Board of India Act, 1992 and Companies Act, 2013 and the rules made thereunder does not imply that payment of dividend or interest or repayment of Bonds, is guaranteed by the Central Government;
- c) the monies received under the Offer shall be used only for the purposes and objects indicated in the Placement Memorandum; and
- d) whatever is stated in this Placement Memorandum 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.

It is hereby declared that this Placement Memorandum contains full disclosure in accordance with the relevant provisions of the SEBI Debt Regulations, as amended from time to time. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Placement Memorandum.

The Issuer also confirms that this Placement Memorandum does not omit disclosure of any material fact, which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Placement Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statements made otherwise than in this Placement Memorandum or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

The Board of Directors of the Bank vide resolution number 5(v) dated 27th April 2021 authorised MD & CEO to delegate the powers relating to Bond Issuance including signing of all relevant documents to any other senior official of the Bank and MD & CEO had accordingly delegated the powers to the Undersigned.

Accordingly, I am authorized to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with

For Axis Bank Limited



RITUPARNA BANERJEE

SENIOR VICE PRESIDENT

(HEAD – ALM, TREASURY)

Place: Mumbai

IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154



Ref. No. 36459-B/ITSL/OPR/CL/21-22/BT/1043
December 09, 2021

Axis Bank Limited

Axis House', C-2, Wadia International Centre,
Pandurang Budhkar Marg, Worli, Mumbai - 400025

Kind Attn.: Mr. Puneet Sharma

Dear Sir,

SUB.: CONSENT TO ACT AS BOND TRUSTEE FOR SENIOR UNSECURED TAXABLE REDEEMABLE NON CONVERTIBLE DEBENTURES (SERIES - 6) OF RS.10 LAKH EACH FOR CASH AT PAR WITH BASE ISSUE SIZE OF RS. 2000 CRORE (TWO THOUSAND CRORE) AND GREENSHOE OPTION TO RETAIN OVERSUBSCRIPTION OF RS. 3000 CRORE (THREE THOUSAND CRORE) THEREBY AGGREGATING UPTO RS. 5000 CRORE (RUPEES FIVE THOUSAND CRORE ONLY)

This is with reference to the captioned subject regarding appointment of IDBI Trusteeship Services Ltd. (ITSL) as Bond Trustee for the proposed Senior Unsecured Taxable Redeemable Non-Convertible Debentures (series - 6) of Rs.10 lakh each for cash at par with base issue size of Rs. 2000 crore (two thousand crore) and greenshoe option to retain oversubscription of Rs. 3000 crore (three thousand crore) thereby aggregating upto Rs. 5000 crore (rupees five thousand crore only) on private placement basis by Axis Bank Limited.

It would indeed be our pleasure to be associated with your esteemed organization as Bond Trustee on trusteeship remuneration.

In this connection, we confirm our acceptance to act as Bond Trustee for the above referred Bonds.

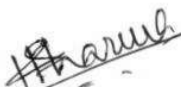
We are also agreeable for inclusion of our name as trustee in the Bank's offer document / disclosure document / listing application / any other document to be filed with SEBI / ROC / the Stock Exchange(s) or any other authority as required and in all the subsequent periodical communications sent to the holders of said bond instrument.

Axis Bank Limited shall enter into Bond Trustee Agreement for the said issue of the Bonds.

This consent letter is subject to the Due Diligence as may be required to be done by the Bond Trustee pursuant to SEBI (Issue and Listing of Non-Convertible Securities), Regulation, 2021 and the company agrees that the issue shall be opened only after the due diligence has been carried by the debenture/bond trustee.

Yours faithfully,

For IDBI Trusteeship Services Limited


Authorised Signatory

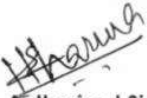
Annexure A

1. The Bank agrees & undertakes to pay to the Debenture/Bond Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture/Bond Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture/Bond Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents till the monies in respect of the Debentures/Bonds have been fully paid-off.

2. The Bank hereby agree & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (listing Obligations and Disclosure Requirement) Regulations, 2015, Listing Agreement executed by the Bank with the Stock Exchange SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated 12th November, 2020, the Companies Act, 2013 as amended from time to time and other applicable provisions as amended from time to time and agree to furnish to Debenture/Bond Trustee such information in terms of the same on regular basis.

Yours faithfully,

For IDBI Trusteeship Services Limited



Authorised Signatory

CONFIDENTIAL

RL/UTIBANK/283448/INFBOND/1221/22660/101698800

December 15, 2021

Mr. Puneet Sharma

President & Chief Financial Officer

Axis Bank Limited

Corporate Office, 8th Floor, Axis House,

Bombay Dyeing Mill Compound,

P.B. Marg, Worli,

Mumbai City - 400025

Dear Mr. Puneet Sharma,

Re: CRISIL Rating on the Rs.7500 Crore Infrastructure Bonds of Axis Bank Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AAA/Stable (pronounced as CRISIL triple A rating with Stable outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Malvika Bhotika

Associate Director - CRISIL Ratings



Nivedita Shibu

Associate Director - CRISIL Ratings



Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisil.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at CRISILRatingdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited

(A subsidiary of CRISIL Limited)

Corporate Identity Number: U67100MH2019PLC326247

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisil.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U67100MH2019PLC326247

Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)



Rating Rationale

December 15, 2021 | Mumbai

Axis Bank Limited

'CRISIL AAA/Stable' assigned to Infrastructure Bonds; 'CRISIL AA+/Stable' assigned to Tier I Bonds (Under Basel III)

Rating Action

Rs.2500 Crore Tier I Bonds (Under Basel III)	CRISIL AA+/Stable (Assigned)
Rs.7500 Crore Infrastructure Bonds	CRISIL AAA/Stable (Assigned)
Rs.3500 Crore Tier I Bonds (Under Basel III)	CRISIL AA+/Stable (Reaffirmed)
Rs.3500 Crore Tier I Bonds (Under Basel III)	CRISIL AA+/Stable (Reaffirmed)
Rs.850 Crore Tier II Bonds (Under Basel III)	CRISIL AAA/Stable (Reaffirmed)
Rs.2500 Crore Tier II Bonds (Under Basel III)	CRISIL AAA/Stable (Reaffirmed)
Rs.5000 Crore Tier II Bonds (Under Basel III)	CRISIL AAA/Stable (Reaffirmed)
Rs.2000 Crore Tier II Bonds (Under Basel III)	CRISIL AAA/Stable (Reaffirmed)
Rs.4000 Crore Tier II Bonds (Under Basel III)	CRISIL AAA/Stable (Reaffirmed)
Rs.6000 Crore Infrastructure Bonds	CRISIL AAA/Stable (Reaffirmed)
Rs.5000 Crore Infrastructure Bonds	CRISIL AAA/Stable (Reaffirmed)
Rs.3000 Crore Infrastructure Bonds	CRISIL AAA/Stable (Reaffirmed)
Rs.3205 Crore Infrastructure Bonds	CRISIL AAA/Stable (Reaffirmed)
Rs.5000 Crore Infrastructure Bonds	CRISIL AAA/Stable (Reaffirmed)
Rs.60000 Crore Certificate of Deposits	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL AA+/Stable'** rating to Rs 2500 crore Tier I Bonds (Under Basel III) and **'CRISIL AAA/Stable'** to Rs.7500 crore Infrastructure Bonds of Axis Bank Limited (Axis bank) while reaffirming its **'CRISIL AAA/CRISIL AA+/Stable/CRISIL A1+'** ratings on the other debt instruments.

The ratings continue to reflect the bank's strong capitalization and strong market position and its comfortable resource profile. These strengths are partly tempered by the average asset quality.

Supported by regular equity capital raised by via qualified institutional placements (QIP) and improved accruals, the capital ratios of Axis Bank have improved, as reflected in tier 1 and overall capital to risk-weighted adequacy ratio (CRAR) of 17.54% and 20.04%, respectively, as on September 30, 2021 as against 16.52% and 19.38%, respectively, a year earlier (16.47% and 19.12%, respectively, as on March 31, 2021). Rating on the Tier I bonds (Under Basel III) is as per the criteria for these instruments (please refer to [CRISIL's rating criteria for BASEL III-compliant instruments of banks](#)).

In line with the measures announced by the Reserve Bank of India (RBI) for Covid-19, Axis Bank had given moratorium to its borrowers. Though collections declined during the initial months of the moratorium, they have inched up since then. However, the second wave of the Covid-19 pandemic had resulted in intermittent lockdowns and localised restrictions, again impacting collections. Although the impact has been moderate compared to the past fiscal, CRISIL Ratings believes any change in the payment discipline of borrowers may affect delinquency levels.

The bank has restructured micro, small and medium enterprise (MSME) loans totaling to around 0.13% of gross advances as on September 30, 2021 under the various schemes announced by the RBI. Further, pursuant to RBI's August 2020 resolution framework 1.0 and May 2021 resolution framework 2.0, restructuring under Covid-19 schemes stands at around 0.7% of gross advances as on September 30, 2021. Nevertheless, the ability of the bank to manage collections and asset quality, given the current macro-economic environment, will be a key monitorable. The impact of the third wave of the pandemic, if and when it comes in terms of its spread, intensity and duration will also be closely monitored

Analytical Approach

For arriving at its ratings, CRISIL Ratings has combined the business and financial risk profiles of Axis Bank and its subsidiaries. This is because of majority shareholding, business and financial linkages and shared brand.

Please refer Annexure – List of Entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description**Strengths:*****Strong capital position with demonstrated ability to raise capital**

Capitalisation is strong, with sizeable network of Rs 1,07,083 crore as on September 30, 2021 (Rs 1,01,603 crore as on March 31, 2021). Tier-I capital adequacy ratio (CAR) and overall CAR were comfortable at 17.54% and 20.04%, respectively, as on same date (16.47% and 19.12%, respectively, as on March 31, 2021). Capitalisation is also supported by the bank's demonstrated ability to raise equity. The bank had raised Rs 10,000 crore in fiscal 2021 through a qualified institutional placement and had raised Rs 12,500 crore in fiscal 2020. Healthy network also cushions credit growth and helps maintain adequate cover against net non-performing assets (NPAs). Net worth to net NPA ratio stood at 14.9 times as on September 30, 2021 and has improved from 9.1 times as on March 31, 2020. Given the bank's healthy cash accrual and demonstrated ability to raise capital, it is likely to maintain healthy capitalisation to support overall credit risk profile of the bank and also adequately cover for asset-side risks, while pursuing credit growth over the medium term.

***Healthy resource profile**

The resource profile remains healthy, with share of stable low-cost current and savings account (CASA) deposits at 44% of total deposits as on September 30, 2021 (45% as on March 31, 2021, 41% as on March 31, 2020 and 44% as on March 31, 2019). Although there was a drop in the share of CASA deposits from March 31, 2018, the overall retail term deposits (retail term deposits/ total term deposits) remain stable at 83% (based on quarterly average balance) as on September 30, 2021. This contributes to competitive cost of deposits and cushions the net interest margin. The bank has a strong focus on increasing the CASA share and has been ramping up their branch network to effectively target the retail customer base.

With a network of 4,679 branches (domestic, including extension counters) and a strong digital footprint, the bank is expected to sustain a healthy resource profile over the medium term.

***Strong market position**

Axis Bank is amongst the top three private sector banks, with a market share of around 5% in advances and deposits as on September 30, 2021. Advances recorded a compound annual growth rate (CAGR) of ~13% over the five fiscals through 2021, mainly contributed by stronger growth in retail loans (~19% CAGR). Also, the loan portfolio is well balanced with retail loans constituting 56% of loans, followed by corporate (34%) and small and medium enterprise (SME; 10%) loans, as on September 30, 2021. Share of the retail portfolio has grown sharply to 56% as on September 30, 2021, from 27% as on March 31, 2013. Further, around 69% of the retail loans are now being sourced by existing customers; which should support healthy growth rates.

The bank has also retained its strong position in the debt syndication business, which continues to support expansion in fee income. With healthy capitalisation, well spread out branch network, diverse product offerings, and a strong digital footprint, market share is expected to improve over the medium term.

Weaknesses:***Average asset quality**

The bank's overall asset quality remains average, though the gross NPAs as a percentage of total advances has been declining over the last few quarters and stood at 3.53% as on September 30, 2021. The improving trend was primarily due to significant stress in the corporate loan book already being recognised coupled with higher upgradation and recoveries (Upgradations and recoveries of Rs 7,300 crore in the six months of fiscal 2022 as against Rs 2,634 crore in the corresponding period of the previous fiscal). However, over the near-to-medium term, the asset quality will remain susceptible to Covid-19 related stress and will remain a monitorable.

Bank restructured portfolio amounting to Rs 4,461 crore (0.7% of gross advances) as on September 30, 2021 under both the covid restructuring schemes announced by RBI. Provision coverage ratio (excluding technical write-offs) stood at 70% as on September 30, 2021 (72% as on March 31, 2021).

Ability to manage asset quality, in both the corporate and retail loan portfolios amidst the challenging macro environment will remain key a rating monitorables over the near-to-medium term.

Liquidity: Superior

The bank's liquidity position is comfortable, supported by a strong retail deposit base that forms significant part of the total deposits. Bank's liquidity coverage ratio was 120% (on a consolidated basis) as on September 30, 2021. The bank's liquidity also benefits from access to systemic sources of funds such as the liquidity adjustment facility from the RBI, access to the call money market, and refinance limits from sources such as National Housing Bank and National Bank for Agriculture and Rural Development.

Outlook: Stable

CRISIL Ratings believes Axis Bank will continue to maintain its strong capital position, healthy resource profile, and comfortable earnings profile over the medium term.

Rating Sensitivity factors**Downward Factors**

- Higher than expected deterioration in asset quality thereby impacting earnings profile
- Decline in capital adequacy ratios (including CCB) with CET I remaining below 11% on sustained basis

About the Bank

Axis Bank commenced operations in 1994 as UTI Bank, which was renamed in July 2007, and is now the third-largest private sector bank in India. It was jointly promoted by the administrator of Specified Unit Trust of India Undertaking, Life Insurance Corporation of India Ltd, General Insurance Corporation Ltd, and four public sector undertakings (National Insurance Company Ltd, The New India Assurance Company Ltd, The Oriental Insurance Company Ltd, and United Insurance Company Ltd). As on September 30, 2021, the bank had a network of 4,679 branches including extension counters across the country.

On standalone basis, the bank reported profit after tax (PAT) was Rs 6,588 crore on total income of Rs 44,077 crore in fiscal 2021, against Rs 1,627 crore and Rs 40,743 crore, respectively, in fiscal 2021.

On consolidated basis, the bank reported PAT was Rs 7,191 crore on total income of Rs 45,922 crore in fiscal 2021, against Rs 1,853 crore and Rs 42,062 crore, respectively, in fiscal 2020.

Key Financial Indicators : Standalone

As on/for six months ended Sep 30	Unit	2021	2020
Total assets	Rs crore	10,50,738	8,97,675
Total income*	Rs crore	22,817	20,105
PAT	Rs crore	5,293	2,795
Gross NPA (as a % of gross advances)	%	3.53	4.28
Overall capital adequacy ratio	%	20.04	19.38
Return on assets (annualised)	%	1.03	0.60

Key financial indicators (Consolidated)

As on/for six months ended Sep 30	Unit	2021	2020
Total assets	Rs crore	10,66,950	9,09,373
Total income*	Rs crore	24,057	20,762
PAT	Rs crore	5,745	2,936
Return on assets (annualised)	%	1.08	0.64

*Total income = net interest income (NII) + other income

Any other information

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Note on Tier-I Instruments (under Basel III)

The distinguishing features of non-equity Tier-I capital instruments (under Basel III) are the existence of coupon discretion at all times, high capital thresholds for likely coupon non-payment, and principal write-down (on breach of a pre-specified trigger). These features increase risk attributes of non-equity Tier-I instruments over those of Tier-II instruments under Basel III, and capital instruments under Basel II. To factor in these risks, CRISIL notches down the rating on these instruments from the bank's corporate credit rating. The rating on Axis's Tier-I bonds (under Basel III) has, therefore, been lowered by one notch from its corporate credit rating to CRISIL AA+/Stable, in line with CRISIL's criteria (refer to 'CRISIL's rating criteria for BASEL III compliant instruments of banks').

The factors that could trigger a default event for non-equity Tier-I capital instruments (under Basel III) resulting in non-payment of coupon are: i) the bank exercising coupon discretion; ii) inadequacy of eligible reserves to honour coupon payment if the bank reports losses or low profits; or iii) the bank breaching the minimum regulatory Common Equity Tier-1 (CET I; including Capital Conservation Buffer) ratio. Moreover, given the additional risk attributes, the rating transition for non-equity Tier-I capital instruments (under Basel III) can potentially be higher and faster than that for Tier-II instruments.

Note on Tier-II Instruments (under Basel III)

The distinguishing feature of Tier-II capital instruments under Basel II is the existence of the point of non-viability (PONV) trigger, the occurrence of which may result in loss of principal to the investors and hence, to default on the instrument by the issuer. According to the Basel III guidelines, the PONV trigger will be determined by the Reserve Bank of India (RBI). CRISIL believes that the PONV trigger is a remote possibility in the Indian context, given the robust regulatory and supervisory framework and the systemic importance of the banking sector. The inherent risk associated with the PONV feature is adequately factored into the rating on the instrument.

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Cr)	Complexity	Rating Outstanding with Outlook
INE238A08468	Debentures	30-Jan-20	7.65%	30-Jan-27	5000	Simple	CRISIL AAA/Stable
INE238A08443	Bonds (Additional Tier I under BASEL III)	28-Jun-17	8.75	Perpetual	3500	Highly complex	CRISIL AA+/Stable
INE238A08435	Tier II Bonds Issue (Under Basel III)	15-Jun-17	7.66%	15-Jun-27	5000	Complex	CRISIL AAA/Stable
INE238A08427	Bonds (Additional Tier I under BASEL III)	14-Dec-16	8.75%	Perpetual	3500	Highly complex	CRISIL AA+/Stable
INE238A08369	Tier II Bonds Issue (Under Basel III)	12-Feb-15	8.45%	12-Feb-25	850	Complex	CRISIL AAA/Stable
INE238A08377	Tier II Bonds Issue (Under Basel III)	30-Sep-15	8.50%	30-Sep-25	1500	Complex	CRISIL AAA/Stable
INE238A08393	Tier II Bonds Issue (Under Basel III)	27-May-16	8.50%	27-May-26	2430	Complex	CRISIL AAA/Stable
NA	Tier II	NA	NA	NA	4000	Complex	CRISIL AAA/Stable

	Bonds/Debenture Issue (Under Basel III)^						
NA	Tier II Bonds Issue (Under Basel III)^	NA	NA	NA	570	Complex	CRISIL AAA/Stable
INE238A08351	Infrastructure Bonds	5-Dec-14	8.85%	5-Dec-24	5705	Simple	CRISIL AAA/Stable
INE238A08385	Infrastructure Bonds Issue	30-Oct-15	8.25%	30-Oct-25	3000	Simple	CRISIL AAA/Stable
INE238A08401	Infrastructure Bonds Issue	20-Oct-16	7.60%	20-Oct-23	5000	Simple	CRISIL AAA/Stable
INE238A08450	Infrastructure Bonds Issue	28-Dec-18	8.60%	28-Dec-28	3000	Simple	CRISIL AAA/Stable
NA	Bonds (Additional Tier I under BASEL III)^	NA	NA	NA	2500	Highly complex	CRISIL AA+/Stable
NA	Infrastructure Bonds issue^	NA	NA	NA	8000	Simple	CRISIL AAA/Stable
NA	Certificate of Deposits	NA	NA	7-365 days	60000	Simple	CRISIL A1+

^Yet to be issued

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Axis Capital Limited	Full	Subsidiary
Axis Asset Management Company Limited	Full	Subsidiary
Axis Finance Limited*	Full	Subsidiary
Axis Securities Limited	Full	Subsidiary
Axis Bank UK Limited	Full	Subsidiary
Freecharge Payment Technologies Private Limited	Full	Subsidiary
Accelyst Solutions Private Limited	Full	Subsidiary
Axis Capital USA, LLC.	Full	Step down Subsidiary
A.TREDS Limited	Full	Subsidiary
Axis Trustee Services Limited	Full	Subsidiary
Axis Mutual Fund Trustee Limited	Full	Subsidiary

*After amalgamation of Axis Private Equity Limited as per NCLT order dated July 24, 2020 with effect from April 1, 2017

Annexure - Rating History for last 3 Years

Instrument	Current			2021 (History)		2020		2019		2018		Start of 2018
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Certificate of Deposits	ST	60000.0	CRISIL A1+	29-01-21	CRISIL A1+	17-01-20	CRISIL A1+	30-12-19	CRISIL A1+	24-12-18	CRISIL A1+	CRISIL A1+
			--		--		--		--	08-10-18	CRISIL A1+	--
			--		--		--		--	03-10-18	CRISIL A1+	--
			--		--		--		--	11-05-18	CRISIL A1+	--
			--		--		--		--	27-02-18	CRISIL A1+	--
Infrastructure Bonds	LT	29705.0	CRISIL AAA/Stable	29-01-21	CRISIL AAA/Stable	17-01-20	CRISIL AAA/Stable	30-12-19	CRISIL AAA/Stable	24-12-18	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--		--		--	08-10-18	CRISIL AAA/Stable	--
			--		--		--		--	03-10-18	CRISIL AAA/Stable	--
			--		--		--		--	11-05-18	CRISIL AAA/Stable	--
			--		--		--		--	27-02-18	CRISIL AAA/Stable	--
Tier I Bonds (Under Basel III)	LT	9500.0	CRISIL AA+/Stable	29-01-21	CRISIL AA+/Stable	17-01-20	CRISIL AA+/Stable	30-12-19	CRISIL AA+/Stable	24-12-18	CRISIL AA+/Stable	CRISIL AA+/Stable
			--		--		--		--	08-10-18	CRISIL AA+/Stable	--
			--		--		--		--	03-10-18	CRISIL AA+/Stable	--
			--		--		--		--	11-05-18	CRISIL AA+/Stable	--
			--		--		--		--	27-02-18	CRISIL AA+/Stable	--

Tier II Bonds (Under Basel III)	LT	14350.0	CRISIL AAA/Stable	29-01-21	CRISIL AAA/Stable	17-01-20	CRISIL AAA/Stable	30-12-19	CRISIL AAA/Stable	24-12-18	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--		--		--	08-10-18	CRISIL AAA/Stable	--
			--		--		--		--	03-10-18	CRISIL AAA/Stable	--
			--		--		--		--	11-05-18	CRISIL AAA/Stable	--
			--		--		--		--	27-02-18	CRISIL AAA/Stable	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria

[Rating Criteria for Banks and Financial Institutions](#)

[CRISILs Criteria for rating short term debt](#)

[Rating criteria for Basel III - compliant non-equity capital instruments](#)

[CRISILs Criteria for Consolidation](#)

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CONFIDENTIAL

Ref: ICRA/Axis Bank Limited/14122021/1
December 14, 2021

Mr. Puneet Sharma
President & CFO
Axis Bank Limited
6th Floor, Axis House,
Bombay Dyeing Mills Compound,
P.B. Marg, Worli,
Mumbai - 400 025.

Dear Sir/Madam,

Re: ICRA Credit Rating of Rs. 7,500 crore Infrastructure bonds programme of Axis Bank Limited

Please refer to the Rating Agreement dated **December 13, 2021** executed between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid bond programme. Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has assigned a **[ICRA]AAA** (pronounced as [ICRA] triple A) rating to the captioned bond programme. The outlook on the long-term rating is **Stable**. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as **[ICRA]AAA (Stable)**. We would request if you can provide your acceptance on the above Rating(s) by sending an email or signed attached acknowledgement to us latest by **December 15, 2021** as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non-accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated June 30, 2017.

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you. The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

Enclosed herewith is a copy of the rationale of the assigned rating for your reference. We request you to provide your comments on the rationale, if any, by **December 15, 2021**. We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

For ICRA Limited

KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com



Annexure:

ISIN No.	Name of Instrument	Amount (Rs. Crore)	Current Rating and Outlook
Unplaced	Infrastructure Bonds	7,500.00	[ICRA]AAA (Stable); assigned
	Total	7,500.00	



Acknowledgement

<i>(To be signed and returned to ICRA Limited)</i>
--

Please refer to your rating communication letter dated December 14, 2021, I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Axis Bank Limited

For Axis Bank Limited

Name:

Designation:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at <address> or <email>

December 15, 2021

Axis Bank Limited: Ratings reaffirmed/[ICRA]AAA(Stable)/[ICRA]AA+ (Stable) assigned to Infrastructure bonds and Additional Tier I bonds

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Infrastructure Bonds/Debentures	22,205.00	22,205.00	[ICRA]AAA (Stable); reaffirmed
Infrastructure Bonds/Debentures	-	7,500.00	[ICRA]AAA (Stable); assigned
Basel III Compliant Tier II Bonds	16,350.00	16,350.00	[ICRA]AAA (Stable); reaffirmed
Lower Tier II Bonds	4,425.00	4,425.00	[ICRA]AAA (Stable); reaffirmed
Lower Tier II Bonds	1,500.00	-	[ICRA]AAA (Stable); reaffirmed and withdrawn
Basel III Compliant Tier I Bonds	7,000.00	7,000.00	[ICRA]AA+ (Stable); reaffirmed
Basel III Compliant Tier I Bonds	-	2,500.00	[ICRA]AA+ (Stable); assigned
Certificates of Deposit	60,000.00	60,000.00	[ICRA]A1+; reaffirmed
Fixed Deposit	-	-	MAAA (Stable); reaffirmed
Total	1,11,480.00	119,980.00	

*Instrument details are provided in Annexure-1

Rationale

Axis Bank Limited's (Axis Bank) ratings are supported by its strong position in the Indian financial system, with a 6.01% share in advances and a 4.92% share in the deposits of the banking system, along with strong capital cushions, which were supported by successive capital raising in FY2020 and FY2021. Meaningfully large capital raises helped broaden the available capital cushions, which helped offset the relatively sub-optimal internal capital generation because of high slippages and elevated credit costs in the past. Nevertheless, in ICRA's view, the build-up of large floating/prudent provisions over Q4 FY2020-FY2021, coupled with the provision coverage ratio (PCR) of ~70% as on September 30, 2021, provides sufficient support to absorb unforeseen asset quality shocks and improve internal capital generation for sustainable growth.

The bank's gross slippage rate remains at elevated levels, especially in the retail segment, because of the Covid-19 pandemic-induced stress on borrowers. However, the headline asset quality metrics remained on an improving trajectory compared to the weaker levels seen in the past, supported by improved recoveries and upgrades. Furthermore, the overall restructuring under Covid 1.0 and Covid 2.0 remained limited at 0.7% of standard advances as on September 30, 2021, besides a steady moderation in the share of the BB and below book (excluding non-SLR and non-fund based exposures) at 1.1% of standard advances as on September 30, 2021. Asset quality pressure with fresh slippages will remain monitorable, given the uncertainty surrounding the resurgence in Covid infections and the sustained improvement in the operating environment, which would also be key for containing incremental slippages.

Axis Bank's ratings also factor in its strong liability profile, with a steady increase in the granularity, which is reflected in the high share of retail term deposits (RTD) and current account and savings account (CASA) deposits in total deposits. This has also supported an improvement in the liquidity profile with positive gaps in the maturity of assets and liabilities over the 1-year maturity buckets compared to negative gaps in the past. The ability to sustain the improvement in the granularity of the deposit base and deposit cost will remain critical for further improvement in the operating profitability levels while pursuing growth.

The Stable outlook on the ratings reflects ICRA's view that the bank will continue to maintain its strong position in the Indian banking sector with consistent improvement in its customer franchise while maintaining a strong capital and solvency position and generating sufficient capital internally for growth requirements.

ICRA has withdrawn the rating assigned to the Rs. 1,500-crore Basel II Lower Tier II bonds as these are fully redeemed and no amount is outstanding against the rated instrument. The rating was withdrawn in accordance with ICRA's policy on the withdrawal and suspension of ratings [\(click here for the policy\)](#).

Key rating drivers and their description

Credit strengths

Strong position in financial services industry supports share of granular assets – Axis Bank is the third-largest private bank and seventh largest in the overall Indian banking sector, with the relative share of advances witnessing a steady rise in banking sector credit to 6.01% as on September 30, 2021 (against 5.99% as on September 30, 2020, 5.66% as on September 30, 2019 and 5.34% as on September 30, 2018). Furthermore, Axis Bank offers various financial services across investment banking, asset management, securities broking and lending through its subsidiaries, namely Axis Capital Limited, Axis Asset Management Company Limited, Axis Finance Limited and Axis Securities Limited. It has also expanded its foothold into the insurance distribution business following the Group's acquisition of a ~13% stake in Max Life Insurance Company Limited, with an option to acquire an additional ~7% stake in future.

Axis Bank's net advances grew by 10.1% YoY to Rs. 6.21 lakh crore as on September 30, 2021 (Rs. 5.65 lakh crore as on September 30, 2020). While the growth remained relatively weaker than the private sector average of 11.5% during the same period, the granular retail book continued to grow at a comparatively higher pace of ~16% YoY as on September 30, 2021, while the corporate and small and medium size (SME) segments grew by ~1% and 18%, respectively. Accordingly, the share of the retail book increased to 56% as on September 30, 2021 (against 53% as on September 30, 2020), while the share of the corporate segment moderated to 34% (against 36% as on September 30, 2020) and the SME segment to 10% (against 11% as on September 30, 2020). Going forward, ICRA expects the bank to remain focused on growing its granular retail book, which will support an improvement in its profitability metrics as well.

Capital cushions remains strong – Axis Bank's capitalisation profile remains strong with common equity Tier I (CET-I), Tier-I and CRAR (as a percentage of risk-weighted assets; RWAs) at 15.8%, 17.5% and 20.0%, respectively, as on September 30, 2021 against 15.4%, 16.5% and 19.1%, respectively, as on March 31, 2021. The bank's capital position was strengthened by equity capital raises, totalling ~Rs. 33,740 crore over FY2018-FY2021. Additionally, it raised dollar-denominated Additional Tier-I (AT-I) bonds amounting to USD 600 million (~Rs. 4,400 crore) in Q2 FY2022, which led to an increase in its Tier-I capital. The meaningfully large capital raise in recent years has helped widen the capital cushions, which helped offset the impact of weak internal capital generation due to elevated credit costs.

Further, the bank has steadily built up prudent asset provisions for potential future stress. This, along with the improving profitability outlook, is expected to help support the bank's overall capital profile in the medium term. In ICRA's view, the current capital position is sufficient to support Axis Bank's growth requirements as well as absorb unforeseen asset quality shocks, while maintaining the capital cushion and solvency better than the negative rating triggers.

Steady growth in granular deposit base, although cost of interest-bearing funds remains higher than peer banks – Axis Bank's overall deposit base grew by a strong 18% YoY to Rs. 7.36 lakh crore as on September 30, 2021. This was driven by the ~17% YoY growth in the lower-cost CASA deposits, while term deposits grew by ~19% YoY during the same period. The muted credit growth limited reliance on bulk deposits, leading to satisfactory deposit granularity, with CASA to total deposits at ~44% as on September 30, 2021. This largely remained at similar levels compared to the corresponding period last year. Furthermore, the bank continues to steadily grow its granular RTD base, which accounted for ~71% of the total term deposits as on September 30, 2021 (against ~75% as on September 30, 2020). Together, CASA and RTD dominate the deposit profile at ~84% of the total deposits, which, to an extent, helped narrow the asset-liability gaps for the bank over time.

While the growth in deposits was supported by efforts to expand its geographical footprint with the addition of new branches, Axis Bank's interest rate proposition remains relatively higher than peer banks, resulting in a relatively higher cost of interest-bearing funds for the bank compared to peer private sector banks. The cost of interest-bearing funds moderated to 4.20% in FY2021 and further to 3.82% in H1 FY2022 from 5.03% in FY2020 amid the soft interest rate environment. The differential with the private sector bank average narrowed to ~18 bps (Axis Bank's cost of funds is lower by 18 bps) in H1 FY2022 compared to ~28 bps in FY2021. Going forward, the bank's ability to achieve stronger growth while maintaining or improving the cost differential will remain key to support an improvement in its operating profitability.

Improved profitability; sizeable Covid-19 provisions provide cushion against incremental asset quality impact on profitability – The net interest income (NII) grew 16% to Rs. 29,239 crore in FY2021 from Rs. 25,206 crore in FY2020, supported by the steady expansion of the lending spreads. This was driven by the change in the book mix with the increasing share of retail loans, equity capital raise and comparatively lower slippages leading to lower interest reversals. While the NII witnessed steady traction, the relatively high share of low-yielding priority sector lending (PSL) deposits and the high liquidity levels remained a drag on net interest margin (NIM)/average total assets (ATA), which limited improvement to 3.07% in H1 FY2022 (against 3.06% in FY2021 and 2.94% in FY2020). Further, the impact of Covid-19 on origination and transaction banking fees as well as the change in the accounting for recoveries from written-off accounts (now netted off from credit provisions) led to a moderation in the non-interest income/ATA to 1.21% in H1 FY2022 from 1.31% in FY2021 and the pre-Covid level of 1.51% in FY2020.

Axis Bank's operating profitability remained steady at 2.45-2.48% during FY2020-FY2021, although it moderated to 2.19% in H1 FY2022 largely due to higher operating expenses with the normalisation of business activities and franchise expansion related costs. While elevated credit costs weighed down the return on assets (RoA) in the past, the same improved steadily to 1.04% in H1 FY2022 (against 0.69% in FY2021 and 0.19% in FY2020). Furthermore, the bank holds Covid-19 and restructuring provisions totalling ~Rs.6,468 crore or 1.1% of standard assets as on September 30, 2021, which, in turn, is expected to provide a cushion against unforeseen asset quality pressures. ICRA expects the bank to maintain RoA >1.0% over the medium term, which shall suffice for its growth capital requirements during this period.

Credit challenges

Near-term asset quality remains monitorable, although prudent provisions remain a source of comfort – The gross fresh non-performing advances (NPA) generation rate remained elevated at 3.9% (annualised) in H1 FY2022, aggravated by the impact of the second Covid-19 wave on borrowers. It remained above the FY2021 level (3.07% in FY2021 and 4.12% in FY2020). Various relief measures, including a moratorium on debt servicing, loan restructuring and ECLGS¹, together prevented a spike in NPA generation in FY2021. Further, slippages in FY2021 and H1 FY2022 were largely from the retail segment as this segment was relatively more severely impacted by Covid-19, while lumpy slippages in the corporate book remained limited compared to past levels. Despite high slippages, the gross and net NPA% remained steady at 3.78% and 1.16%, respectively, as on September 30, 2021 (against 4.49% and 1.06%, respectively, as on September 30, 2020) supported by strong recoveries as the slippages were relatively granular in FY2021 and H1 FY2022.

Axis Bank's overall restructured book (0.7% of standard advances) and the BB and below corporate book of Rs.11,746 crore (which includes a large part of the corporate restructured advances) remain a potential source of near to medium term stress although the same is expected to be manageable, considering the bank's healthy operating profitability and sizeable prudent provisions. Moving forward, ICRA expects the NPA generation to moderate gradually as the operating environment improves, leading to lower credit costs and better profitability and return metrics.

¹ [Emergency Credit Line Guarantee Scheme](#)

Liquidity position: Strong

Axis Bank's liquidity remains strong with the daily average liquidity coverage ratio (LCR) at 121% in Q2 FY2022 and 115% in Q1 FY2022 against the regulatory requirement of 100%. Further, the asset-liability mismatches (as per the structural liquidity statement as on September 30, 2021) were positive across all short-term buckets, partly supported by the excess statutory liquidity ratio (SLR) holding of the bank at ~Rs. 85,580 crore, translating to ~12% of net demand and time liabilities (above the regulatory requirement of 18%). The SLR holding above the regulatory level can be utilised to avail liquidity support from the RBI (through reverse repo) apart from the marginal standing facility of the RBI in case of urgent liquidity needs.

Rating sensitivities

Positive factors – Not applicable as all the ratings are at the highest possible level

Negative factors – ICRA could assign a Negative outlook or downgrade the ratings if there is a material weakening in the bank's liability franchise, thereby impacting its resource profile. This apart, a deterioration in the asset quality or capital position, leading to the weakening of the solvency profile with net NPA/core capital of >15% on a sustained basis, could be a negative trigger. Further, a sustained RoA <1.0% and/or a decline in the capital cushions over the regulatory levels to less than 4% on a sustained basis will remain negative triggers. Additionally, weakening of the distributable reserves eligible for the coupon payment on the AT-I bonds will be a negative trigger for the rating on these bonds.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Rating Methodology for Banks
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of Axis Bank. However, in line with ICRA's limited consolidation approach, the capital requirement of the key subsidiaries of the Group, going forward, has been factored in. In ICRA's view, Axis Bank's subsidiaries will largely remain self-sufficient in meeting their capital requirements in the near to medium term and the bank will continue to comfortably meet the regulatory capital requirements at the consolidated level

About the company

Incorporated in December 1993, Axis Bank Limited is a private sector bank. The bank's promoter group includes Life Insurance Corporation of India (LIC) and Specified Undertaking of the Unit Trust of India (SUUTI), which collectively held 9.75% of the shares as on September 30, 2021 compared to 11.64% as on March 31, 2021 and 13.88% as on March 31, 2020.

As on September 30, 2021, Axis Bank had the third-largest network of branches among private sector banks with 4,679 branches and an international presence through branches in DIFC (Dubai) and Singapore and representative offices in Abu Dhabi, Sharjah, Dhaka and Dubai and an offshore banking unit in GIFT City.

Key financial indicators (standalone)

Axis Bank Limited		FY2020	FY2021	6M FY2021	6M FY2022
Net interest income	Rs. Crore	25,206	29,239	14,311	15,661
Profit before tax	Rs. Crore	4,904	8,806	3,745	7,077
Profit after tax	Rs. Crore	1,627	6,588	2,795	5,293
Net advances	Rs. Crore	5,71,424	6,23,720	5,76,372	6,21,719
Total assets	Rs. Crore	9,15,165	9,96,118	9,09,463	10,50,738
% CET	%	13.3%	15.4%	15.4%	15.8%
% Tier-I	%	14.5%	16.5%	16.5%	17.5%
% CRAR	%	17.5%	19.1%	19.4%	20.0%
% Net interest margin / Average total assets	%	2.94%	3.06%	3.14%	3.07%
% Net profit / Average total assets	%	0.19%	0.69%	0.61%	1.04%
% Return on net worth	%	1.92%	6.48%	6.12%	10.14%
% Gross NPAs	%	5.10%	3.94%	4.49%	3.78%
% Net NPAs	%	1.64%	1.12%	1.06%	1.16%
% Provision coverage excl. technical write-offs	%	69%	72%	77%	70%
% Net NPA/ Core capital	%	13.8%	7.6%	6.5%	7.0%

Source: Axis Bank Limited, ICRA Research; All ratios as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Sr. No.	Name of Instrument	Current Rating (FY2022)				Chronology of Rating History for the Past 3 Years					
		Type	Rated Amount	Amount Outstanding [^]	December 15, 2021	FY2021	FY2020		FY2019		
			(Rs. crore)	(Rs. crore)		Feb 19, 2021	Jan 23, 2020	Sep 26, 2019	Dec 27, 2018	Oct 10, 2018	Jun 29, 2018
1	Infrastructure Bonds/Debentures Programme	Long Term	22,205	20,880 [#]	[ICRA]AAA (Stable); reaffirmed	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
2	Infrastructure Bonds/Debentures Programme	Long Term	7,500	-	[ICRA]AAA (Stable); assigned	-	-	-	-	-	-
3	Certificates of Deposit Programme	Short Term	60,000	36,775	[ICRA]A1+; reaffirmed	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
4	Basel III Compliant Tier I Bond Programme	Long Term	7,000	7,000	[ICRA]AA+ (Stable); reaffirmed	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)
5	Basel III Compliant Tier I Bond Programme	Long Term	2,500	-	[ICRA]AA+ (Stable); assigned	-	-	-	-	-	-
6	Basel III Compliant Tier II Bond Programme	Long Term	16,350	11,580 [#]	[ICRA]AAA (Stable); reaffirmed	[ICRA]AAA (hyb) (Stable)	[ICRA]AAA (hyb) (Stable)	[ICRA]AAA (hyb) (Stable)	[ICRA]AAA (hyb) (Stable)	[ICRA]AAA (hyb) (Stable)	[ICRA]AAA (hyb) (Stable)
7	Lower Tier II Bond Programme	Long Term	4,425	4,425	[ICRA]AAA (Stable); reaffirmed	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
8	Lower Tier II Bond Programme	Long Term	1,500	-	[ICRA]AAA (Stable); reaffirmed and withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
9	Fixed Deposit Programme	Medium Term	-	-	MAAA (Stable); reaffirmed	MAAA (Stable)	MAAA (Stable)	MAAA (Stable)	-	-	-

[^] Outstanding as on December 13, 2021

[#] Balance yet to be placed

Removal of (hyb) suffix from Basel III instruments

In compliance with the [circular](#) issued by the Securities and Exchange Board of India (SEBI) on July 16, 2021 for standardising the rating scales used by credit rating agencies, ICRA has discontinued its practice of affixing the (hyb) suffix alongside the rating symbols for hybrid instruments.

Accordingly, ICRA has removed the (hyb) suffix that was earlier being placed alongside the rating symbol for the hybrid instruments issued by Axis Bank. The earlier and revised denotation of the rating for various instruments can be seen in the table above. This rating action only involves the removal of the (hyb) suffix and should not be construed as a change in the credit rating.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Infrastructure Bond Programme	Very Simple
Basel II Lower Tier II Bond Programme	Simple
Basel III Tier II Bond Programme	Highly Complex
Basel III Additional Tier I Bond Programme	Highly Complex
Certificates of Deposit	Very Simple
Fixed Deposits	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Basel III Tier II Bonds	Yet to be placed			4,770	[ICRA]AAA (Stable)
INE238A08443	Basel III Tier I Bonds	June 28, 2017	8.75%	Perpetual [^]	3,500	[ICRA]AA+ (Stable)
INE238A08427	Basel III Tier I Bonds	December 14, 2016	8.75%	Perpetual ^s	3,500	[ICRA]AA+ (Stable)
NA	Basel III Tier I Bonds	Yet to be placed			2,500	[ICRA]AA+ (Stable)
INE238A08435	Basel III Tier II Bonds	June 15, 2017	7.66%	June 15, 2027	5,000	[ICRA]AAA (Stable)
INE238A08369	Basel III Tier II Bonds	February 12, 2015	8.45%	February 12, 2025	850	[ICRA]AAA (Stable)
INE238A08377	Basel III Tier II Bonds	September 30, 2015	8.50%	September 30, 2025	1,500	[ICRA]AAA (Stable)
INE238A08393	Basel III Tier II Bonds	May 27, 2016	8.50%	May 27, 2026	2,430	[ICRA]AAA (Stable)
INE238A08419	Basel III Tier II Bonds	November 23, 2016	7.84%	November 23, 2026	1,800	[ICRA]AAA (Stable)
INE238A08450	Infrastructure Bonds	December 28, 2018	8.60%	December 28, 2028	3,000	[ICRA]AAA (Stable)
INE238A08351	Infrastructure Bonds	December 5, 2014	8.85%	December 5, 2024	5,705	[ICRA]AAA (Stable)
INE238A08385	Infrastructure Bonds	October 30, 2015	8.25%	October 30, 2025	3,000	[ICRA]AAA (Stable)
INE238A08401	Infrastructure Bonds	October 20, 2016	7.60%	October 20, 2023	5,000	[ICRA]AAA (Stable)
INE238A08468	Infrastructure Bonds	January 30, 2020	7.65%	January 30, 2027	4,175	[ICRA]AAA (stable)
NA	Infrastructure Bonds	Yet to be placed			8,825	[ICRA]AAA (Stable)
INE238A08328	Lower Tier II Bonds	December 1, 2011	9.73%	December 1, 2021	1,500	[ICRA]AAA (Stable); withdrawn
INE238A08336	Lower Tier II Bonds	March 20, 2012	9.30%	March 20, 2022	1,925	[ICRA]AAA (Stable)
INE238A08344	Lower Tier II Bonds	December 31, 2012	9.15%	December 31, 2022	2,500	[ICRA]AAA (Stable)
NA	Fixed Deposit	-	-	-	-	MAAA (Stable)
NA	Certificates of Deposit	Yet to be placed		7-365 days	23,225	[ICRA]A1+
INE238A160V4	Certificates of Deposit	December 23, 2020	3.80%	December 17, 2021	1,425	[ICRA]A1+
INE238A160X0	Certificates of Deposit	November 23, 2021	4.40%	September 19, 2022	2,000	[ICRA]A1+
INE238A161V2	Certificates of Deposit	December 18, 2020	*	December 21, 2021	2,300	[ICRA]A1+
INE238A161W0	Certificates of Deposit	May 12, 2021	4.20%	May 13, 2022	1,750	[ICRA]A1+
INE238A161X8	Certificates of Deposit	November 24, 2021	4.40%	September 20, 2022	1,850	[ICRA]A1+
INE238A162V0	Certificates of Deposit	December 21, 2020	*	December 22, 2021	500	[ICRA]A1+
INE238A162W8	Certificates of Deposit	May 12, 2021	4.20%	May 11, 2022	1,750	[ICRA]A1+
INE238A162X6	Certificates of Deposit	November 25, 2021	4.20%	June 17, 2022	475	[ICRA]A1+
INE238A163W6	Certificates of Deposit	May 28, 2021	3.80%	January 28, 2022	2,485	[ICRA]A1+
INE238A163X4	Certificates of Deposit	November 24, 2021	4.20%	June 15, 2022	2,350	[ICRA]A1+
INE238A164V6	Certificates of Deposit	December 22, 2020	*	December 23, 2021	60	[ICRA]A1+
INE238A164W4	Certificates of Deposit	May 28, 2021	3.80%	January 31, 2022	500	[ICRA]A1+
INE238A164X2	Certificates of Deposit	November 25, 2021	4.20%	June 16, 2022	1,305	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE238A165V3	Certificates of Deposit	December 24, 2020	*	December 28, 2021	750	[ICRA]A1+
INE238A165W1	Certificates of Deposit	June 11, 2021	3.80%	February 10, 2022	1,650	[ICRA]A1+
INE238A165X9	Certificates of Deposit	December 9, 2021	4.60%	December 7, 2022	2,000	[ICRA]A1+
INE238A166V1	Certificates of Deposit	March 9, 2021	4.20%	March 10, 2022	2,185	[ICRA]A1+
INE238A166W9	Certificates of Deposit	June 11, 2021	3.80%	February 8, 2022	1,850	[ICRA]A1+
INE238A166X7	Certificates of Deposit	December 9, 2021	4.60%	December 9, 2022	1,225	[ICRA]A1+
INE238A167V9	Certificates of Deposit	March 9, 2021	*	March 9, 2022	215	[ICRA]A1+
INE238A167W7	Certificates of Deposit	July 2, 2021	4.20%	April 28, 2022	1,700	[ICRA]A1+
INE238A167X5	Certificates of Deposit	December 9, 2021	4.60%	December 8, 2022	1,775	[ICRA]A1+
INE238A160V4	Certificates of Deposit	December 23, 2020	3.80%	December 17, 2021	1,425	[ICRA]A1+
INE238A168W5	Certificates of Deposit	July 2, 2021	4.20%	April 27, 2022	1,600	[ICRA]A1+
INE238A169W3	Certificates of Deposit	November 16, 2021	4.40%	November 16, 2022	1,650	[ICRA]A1+

Source: Axis Bank Limited; ^ Call option due on June 28, 2022; ⁵ Call option due on December 14, 2021; Certificates of deposit outstanding as on December 9, 2021, *floating rate

Key features of the rated instruments

The servicing of the Basel II Lower Tier II Bonds and infrastructure bonds is not subject to any capital ratios and profitability. However, the Basel III Tier II Bonds are expected to absorb losses once the point of non-viability (PONV) trigger is breached in the RBI's opinion. The rated Basel III Tier I (AT-I) and Basel III Tier II instruments are hybrid subordinated debt instruments with equity-like loss-absorption features. Such features may translate into higher loss severity vis-à-vis conventional debt instruments.

The rating for the Basel III Compliant Additional Tier-I Bonds is one notch lower than the rating for the Basel III Compliant Tier II Bonds as these instruments have the following loss-absorption features that make them riskier.

- The coupon payments are non-cumulative and discretionary, and the bank has full discretion at all times to cancel the same. The cancellation of discretionary payments shall not be an event of default.
- Coupons can be paid out of the current year's profits. However, if the current year's profit is not sufficient or if the payment of the coupon is likely to result in a loss, the coupon payment can be made through the reserves and surpluses created through the appropriation of profits (including statutory reserves). However, the coupon payment is subject to the bank meeting the minimum regulatory requirements for CET-I, Tier I and total capital ratios (including capital conservation buffer, CCB) at all times, as prescribed by the RBI under Basel III regulations.

These Tier I bonds are expected to absorb losses through the write-down mechanism at the objective prespecified trigger point fixed at the bank's (CET-I) ratio as prescribed by the RBI, i.e. 6.125% of the total RWAs (w.e.f. October 1, 2021) of the bank or when the PONV trigger is breached in the RBI's opinion.

The distributable reserves² that can be used for servicing the coupon in a situation of inadequate profits or a loss during the year, stood at a comfortable 8.3% of RWAs as on September 30, 2021. The rating on the Tier I bonds continues to be supported by the bank's sound capitalisation profile and expectations of improved profitability going forward.

Annexure-2: List of entities considered for limited consolidated analysis

Company Name	Axis Bank Ownership	Consolidation Approach
Axis Capital Limited	100%	Limited Consolidation
Axis Trustee Services Limited	100%	Limited Consolidation
Axis Mutual Fund Trustee Limited	75%	Limited Consolidation
Axis Asset Management Company Limited	75%	Limited Consolidation
Axis Bank UK Ltd	100%	Limited Consolidation
Axis Finance Limited	100%	Limited Consolidation
Axis Securities Limited	100%	Limited Consolidation
A.Treds Ltd	67%	Limited Consolidation
Freecharge Payment Technologies Pvt Ltd	100%	Limited Consolidation
Axis Capital USA LLC	100%	Limited Consolidation
Max Life Insurance Company Limited	13%	Limited Consolidation

Source: Axis Bank Limited

² As defined in [RBI circular](#)

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