

OUR  
CUSTOMERS

OUR  
WORLD



Annual Report 2016-17

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**Axis Bank** is India's third largest private sector bank, offering a comprehensive suite of financial products. Headquartered at Mumbai, the Bank has 3,304 branches, 14,163 ATMs and nine international offices. The Bank employs over 56,000 people and had a market capitalisation of ₹117,548 crores (as on 31 March, 2017).

**14%**   
OPERATING REVENUE

**9%**   
OPERATING PROFITS

**11%**   
TOTAL ASSETS

**16%**   
TOTAL DEPOSITS

**10%**   
TOTAL ADVANCES

 Represents YoY growth for FY 2016-17



# OUR CUSTOMERS. OUR WORLD.

At Axis Bank, customer centricity has always been the fulcrum and foundation of our business. Despite challenges, industry uncertainties, regulatory constraints, technological changes, and economic volatilities, we have never lost sight of this critical maxim that defines our DNA.

We have consistently addressed the requirements of a diverse customer cross-section with proactiveness and integrity, even when we needed to perform on an enormous scale, and go beyond our brief.

Our efforts are powered by robust infrastructure, advanced technology, a comprehensive monitoring and control

framework and a large talent pool. Empathy and efficiency are the pivots that drive our customer centricity at and beyond branches.

We are recalibrating our lending strategy, investing in technology upgradation and expanding our footprint to make a material difference to customers. At the same time, our commitment to highest standards of ethics and governance safeguard their interests round the clock.

We are helping individuals, families, businesses, and communities to prosper. We are investing in their long-term success and ensuring a sustainable business for

our stakeholders. Besides, we are setting measurable targets in areas we believe we can make a difference as a bank and as a corporate citizen.

The trust that our customers and stakeholders have placed in us remains our strongest anchor, encouraging us to deliver value and improve our products and service proposition every step of the way.

Notwithstanding adversities, our customer focus remains unwavering. And we will continue to be close to our customers in good times and bad.

# AXIS BANK AT A GLANCE

Incorporated in 1994, Axis Bank has emerged as one of India's most trusted banks and the third largest in the private sector. It is among the country's first new generation private sector banks, and offers the entire spectrum of financial services to customer segments, spanning large and mid-corporates, SME and retail businesses.

Over the years, the Bank has developed long-term relationships with its customers by being their preferred financial solutions partner, leveraging deep insights and superior services.

Axis Bank has also taken significant steps to simplify banking for its customers by the smart use of technology. The Bank has always focused on meeting the financial needs of its customers by providing high-quality products and services through regular customer engagements.

The Bank has nine international offices with branches at Singapore, Hong Kong, Dubai, Colombo and Shanghai. It has representative offices at Dubai, Abu Dhabi, Dhaka and an overseas subsidiary at London, UK. The international offices focus on corporate lending, trade finance, syndication and investment banking and liability businesses.



## Our vision

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



## Our core values

The core values that reflect across the policies and decisions of the Bank comprise:

Customer Centricity, Ethics,  
Transparency, Teamwork, Ownership

**3<sup>rd</sup>**

LARGEST PRIVATE  
SECTOR BANK IN INDIA

**₹601,468 crs**

BALANCE SHEET SIZE

**₹414,379 crs**

TOTAL DEPOSITS

**₹167,993 crs**

TOTAL RETAIL ADVANCES

**₹373,069 crs**

TOTAL ADVANCES

**₹117,548 crs**

MARKET CAPITALISATION

**14.95%**

CAPITAL ADEQUACY RATIO

**11.87%**

TIER - I CAPITAL  
ADEQUACY RATIO

**202 lakhs**

SAVINGS BANK  
CUSTOMERS

**1.7 million**

CURRENT ACCOUNTS

**56,617**

EMPLOYEE BASE

Standalone figures as on/for the year ended 31.3.2017



# BUSINESS SEGMENTS

Axis Bank has a diversified business mix divided into two broad segments – Corporate Banking and Retail Banking.



## CORPORATE BANKING

Axis Bank provides comprehensive corporate banking solutions with presence across the value chain, comprising credit, transaction banking, treasury, syndication, investment banking and trustee services.

### Presence Across the Value Chain

#### Credit

The Bank offers various loan and fee-based products and services to Large and Mid-corporate clients and Small and Medium Enterprise (SME) businesses. These products and services include cash credit facilities, demand and short-term loans, project finance, export credit, factoring, channel financing, structured products, discounting of bills, documentary credits, guarantees, foreign exchange and derivative products. Liability products (current accounts, certificates of deposits and time deposits, among others) are also offered to large and mid-corporate segments.

#### Transaction Banking

The Transaction Banking group (TxB) focuses on flow businesses within Corporate Banking to provide effective service to the customers and to offer efficient client management and product solutions. TxB provides integrated products and services to customers in areas of current accounts, cash management services, capital market services, trade, foreign exchange and derivatives, cross-border trade and correspondent banking services and tax collections on behalf of the Government and various state governments in India.

#### Treasury

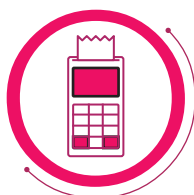
The Treasury manages the funding position of the Bank and manages and maintains its regulatory reserve requirements. It invests in sovereign and corporate debt instruments and engages in proprietary trading in equity and fixed income securities, foreign exchange, currency futures and options. It also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

#### Syndication

The Bank also provides services of placement and syndication in the form of local currency bonds, rupee and foreign term loans and external commercial borrowings.

#### Investment Banking and Trustee Services

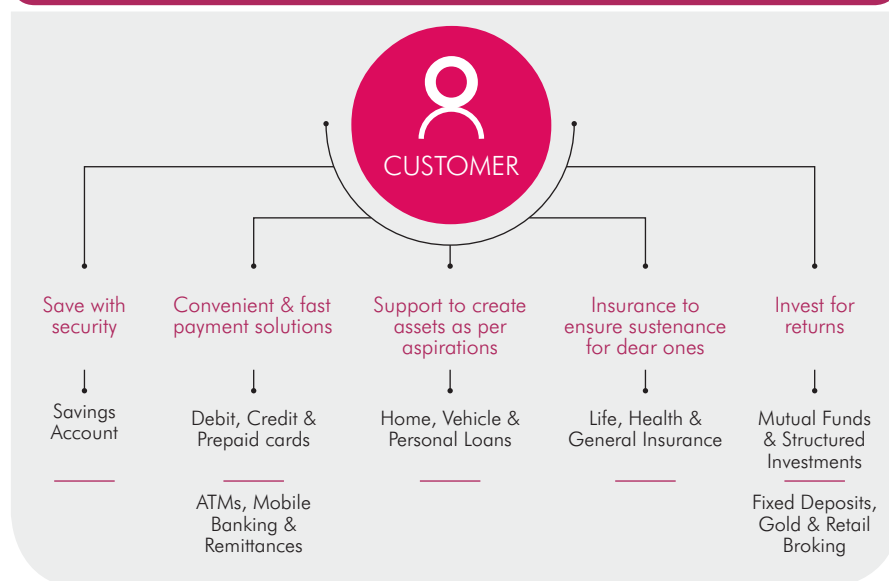
The Bank provides investment banking and trusteeship services through its wholly-owned subsidiaries. Axis Capital Limited provides investment banking services relating to equity capital markets, institutional stock broking, mergers and acquisitions advisory. Axis Trustee Services Limited is engaged in trusteeship activities, acting as debenture trustee and as trustee to various securitisation trusts.



## RETAIL BANKING

The Retail Banking segment encompasses a wide array of products and services across deposits, loans, investments and payment solutions, which are delivered through multiple channels to the Bank's customers. We cater to end-to-end retail customer requirements through retail liabilities, retail lending and investment products.

## Capturing End-to-End Customer Requirements



### Retail Deposits

Retail liability products include savings accounts, time deposits and customised products for high-net-worth individuals, senior citizens, working mothers, armed forces personnel, students and salaried employees.

### Retail Lending

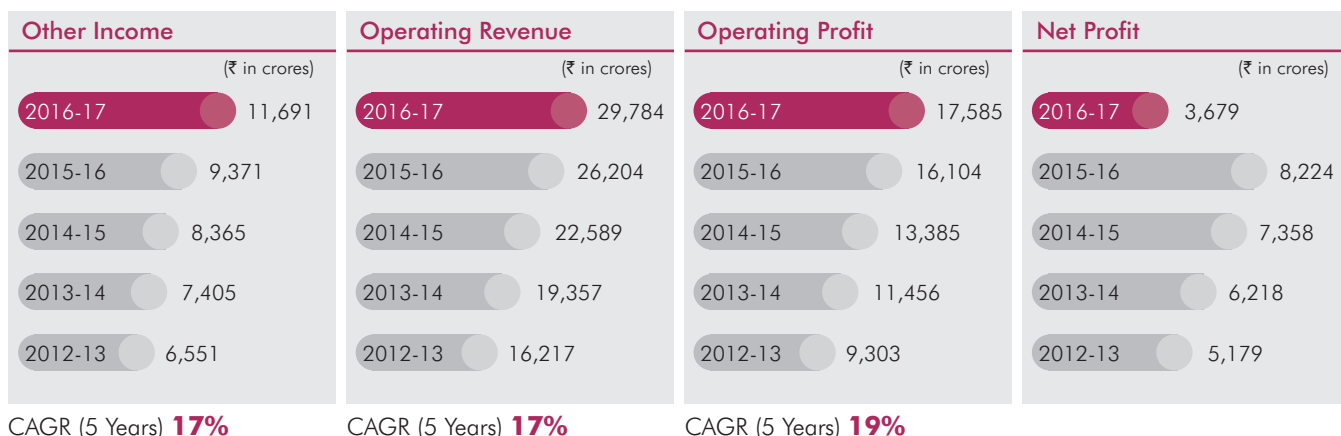
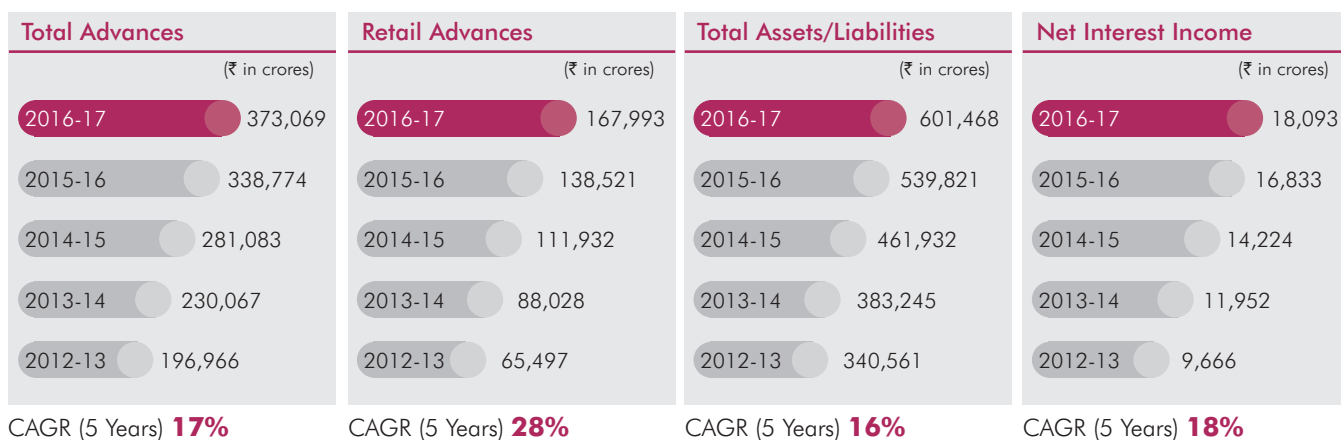
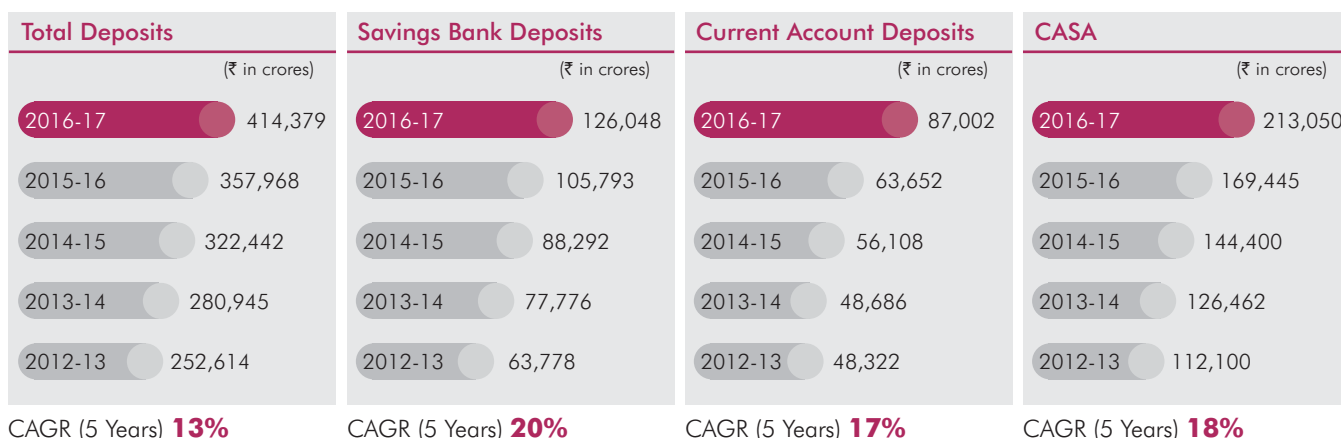
Retail asset products include home loans, personal loans, auto loans, consumer loans, loans against gold and education loans, as well as secured loans of various types. The Bank also offers payment

products and services such as debit cards, credit cards, travel currency cards and point-of-sale terminals.

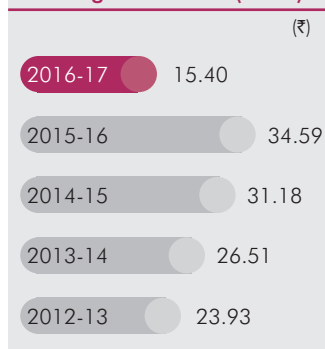
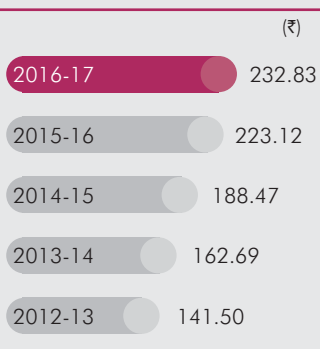
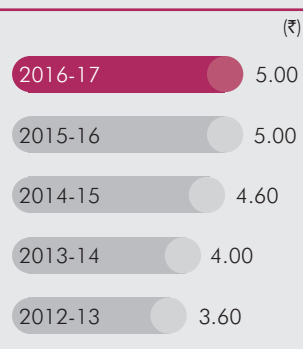
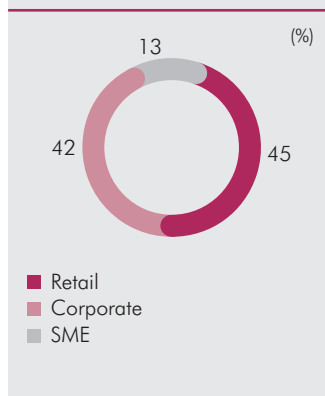
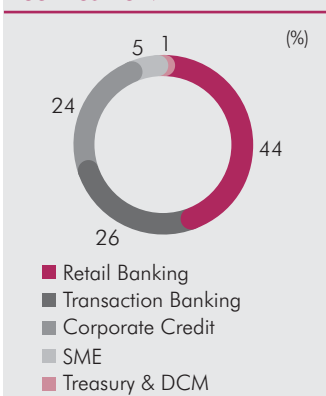
### Investment Products

The Bank distributes investment products such as mutual funds and bancassurance products (Life, Health and General Insurance) through its branches. The Bank offers online trading services to its customers in collaboration with Axis Securities Ltd. (a 100% subsidiary of the Bank) under the name Axis Direct - an enhanced and simplified online trading platform.

# KEY PERFORMANCE INDICATORS





**Earnings Per Share (Basic)\*****Book Value Per Share\*****Dividend Per Share\*****Business Mix****Loans & Advances Mix****Fee Income Mix****Key Ratios****Financial Ratios (%)**

	2012-13	2013-14	2014-15	2015-16	2016-17
Return on Equity	20.51	18.23	18.57	17.49	7.22
Return on Assets	1.70	1.78	1.83	1.72	0.65
Capital Adequacy Ratio	17.00	16.07	15.09	15.29	14.95
Tier - I Capital Adequacy Ratio	12.23	12.62	12.07	12.51	11.87
Dividend Payout Ratio	19.06	17.71	17.79	17.11	38.24

\* Previous year figures have been adjusted to reflect the effect of sub-division of one equity share of the Bank having nominal value of ₹10 each into 5 equity shares of nominal value ₹2 each.  
Previous year figures have been re-grouped wherever necessary.  
All above figures are standalone.

# HIGHLIGHTS OF 2016-17

## Retail Deposits

- Savings bank deposits grew by 19% YoY and stood at ₹126,048 crores.
- Four new trust savings account variants launched with benefits like discounts on cash management solutions, relationship pricing for other banking products, extension of premium programmes to trustees/members of trust account.
- Burgundy (proposition for affluent customers) continued to scale up with AUM crossing ₹69,488 crores from 76,000+ customers across 1,300+ branches.

## Digital Banking

- Launched Axis Active in partnership with GoQii to promote healthy living among customers. It is not only a fitness band, but also an NFC-based payment device, allowing payments across 50,000+ NFC enabled outlets across India.
- Launched Axis OK, a mobile app based on SMS and Missed Call Banking. Available in six languages, Axis OK allows users to perform almost all the internet banking functions without the need for an internet connection, using basic phones.
- Among the first to launch Unified Payment Interface (UPI) App - Axis Pay, that allows customers of any bank to transfer money to any other bank by just creating a unique virtual payment address (like an email ID).

## Payments

- Nearly 202 lakhs+ Debit Cards issued, making it one of the largest number from an Indian bank. Over 33 lakhs credit cards in use as on 31 March, 2017, making it India's 4<sup>th</sup> largest credit card issuer.
- One of the largest acquirers of point-of-sale terminals in the country with an installed base of around 4.33 lakhs.
- Enabled almost 2.57 lakhs merchant terminals for Near Field Communication (NFC) based card acceptance during the year.
- Aggregate load value on travel currency cards crossed USD 8 billion during 2016-17.

