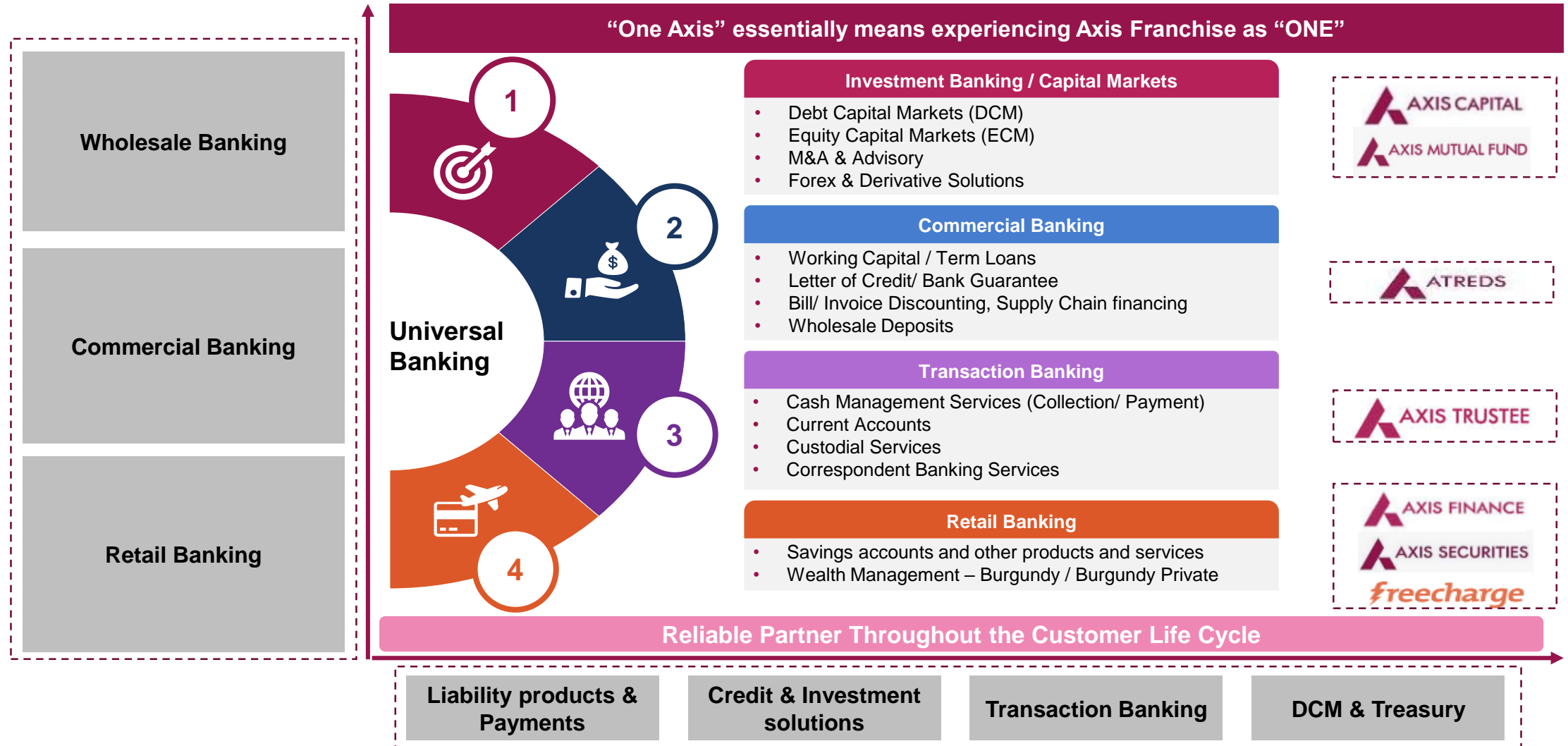


# “One Axis”

*- Significant value creation in key subsidiaries*

**Presentation - June 2021**

# One Axis enables us to offer various products and services of the Bank and its subsidiaries...



# ... creating value for its shareholders across the Bank and its group entities

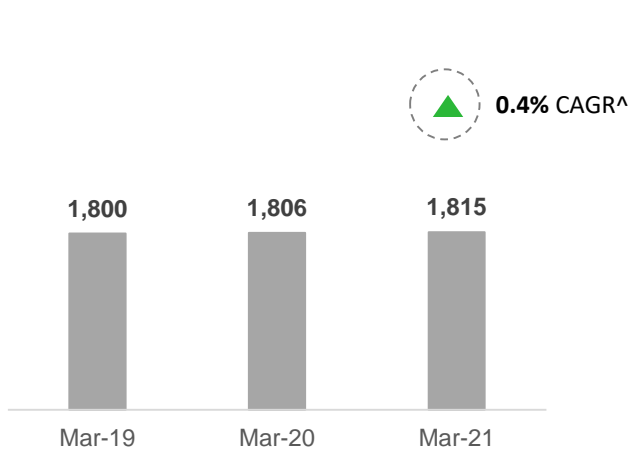


All figures in ₹ Crores

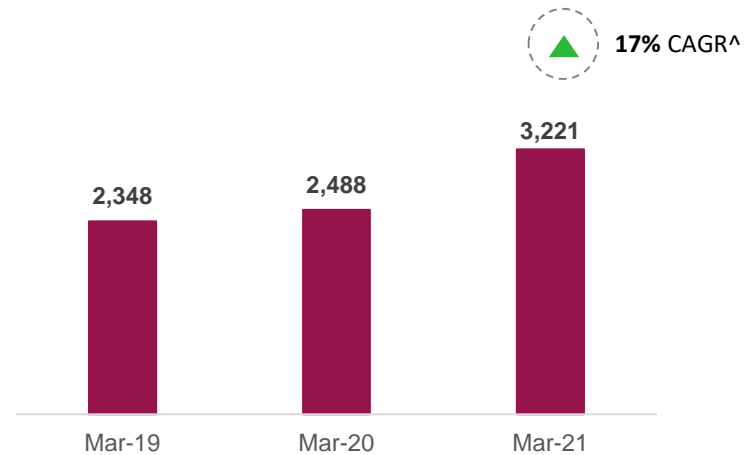
	Asset Management	Invst Banking & Inst Equities	Consumer focused NBFC	Retail Brokerage	Trustee	Fintech platform	TReDS platform	Insurance
	One of the fastest growing MF player	Leadership position in ECM deals segment	AAA rated NBFC with diversified product offerings	3 <sup>rd</sup> largest bank led brokerage firm	Amongst the leading trustees in India	One of the major fintech players in India	Leading player on TReDs platform	4 <sup>th</sup> largest private insurance company @
<b>Stake</b>	75% (JV Schrodgers Plc <sup>^</sup> )	100%	100%	100%	100%	100%	67%	12.99%** (Co-promoter)

## Significant value creation in key subsidiaries

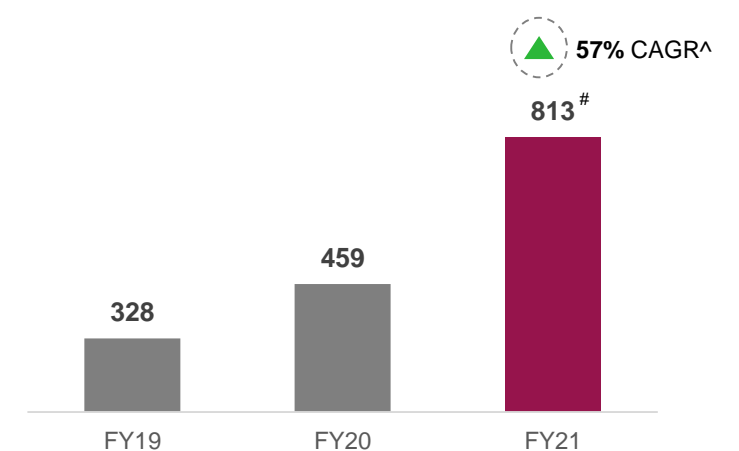
Total investments\* made



Combined network\* of operating subs



Combined PAT\* of operating subs



H2FY21 annualized PAT of Subsidiaries stood at over ₹ 1000 crores

\*\* Including stakes owned by Axis Capital and Axis Securities; Also, there is further Option to take overall stake to 19.99% <sup>^</sup> 25% is held by Schrodgers Plc  
<sup>#</sup> Domestic subsidiaries (including Axis Trustee) reported a total PAT of ₹833 crores in FY21 <sup>^</sup> CAGR for Mar-19 to Mar-21 period @ Based on New Business Premium  
<sup>\*</sup> The figures represented above are for the subsidiaries mentioned in the slide (excluding Axis Trustee and Max Life) and are as per Indian GAAP, as used for consolidated financial statements of the Group

**1** **Axis Asset Management Company Limited**

**2** **Axis Capital Limited**

**3** **Axis Finance Limited**

**4** **Axis Securities Limited**

**5** **Other Subsidiaries / Group Companies**

# Axis AMC at a glance

## Axis AMC



**₹1.96 Tn** | **36%**  
Quarterly AAUM | CAGR\*

**8 mn** | **33%**  
Client folios | YoY growth

**104**  
Branches

## Market Share



**6%** | **11%**  
Overall market share (QAAUM) | Incremental market share

**10%** | **17%**  
Equity market share (QAAUM) | Incremental market share

**89%**  
Share of individual investors\*\* in growth / equity oriented AAUM

## Profitability



**44%**  
Return on equity

**₹ 242 Cr** | **100%**  
Profit after tax | YoY Growth

**44%**  
CAGR\* - PAT

## Acquisition



**2 mn**  
Increase in Client folios in FY21

**25%**  
Incremental client folios market share for FY21

**3.28 mn** | **52%**  
SIP Count in FY21 | YoY Growth

## Fund Performance



**83%**  
Axis MF equity schemes that have outperformed the benchmark in 3 years period

**100%**  
Axis MF equity schemes that have outperformed the benchmark in 5 years period

# Key differentiators



**Unique, differentiated investment process that focuses on high quality portfolios**



**Robust long term performance track record**



**Capabilities across equity (listed/ unlisted), debt and real estate**



**Continued product innovation including Global, Alternatives and ETF strategies**



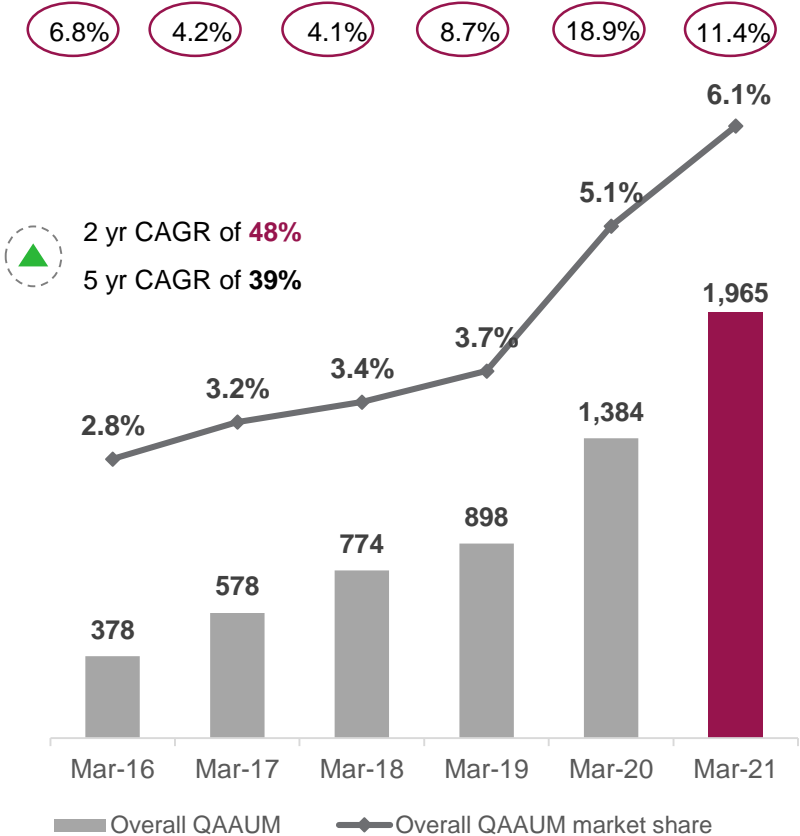
**Significant investments in digital and fintech channels to drive growth**

# We have significantly lifted the growth trajectory in the last 2 years...

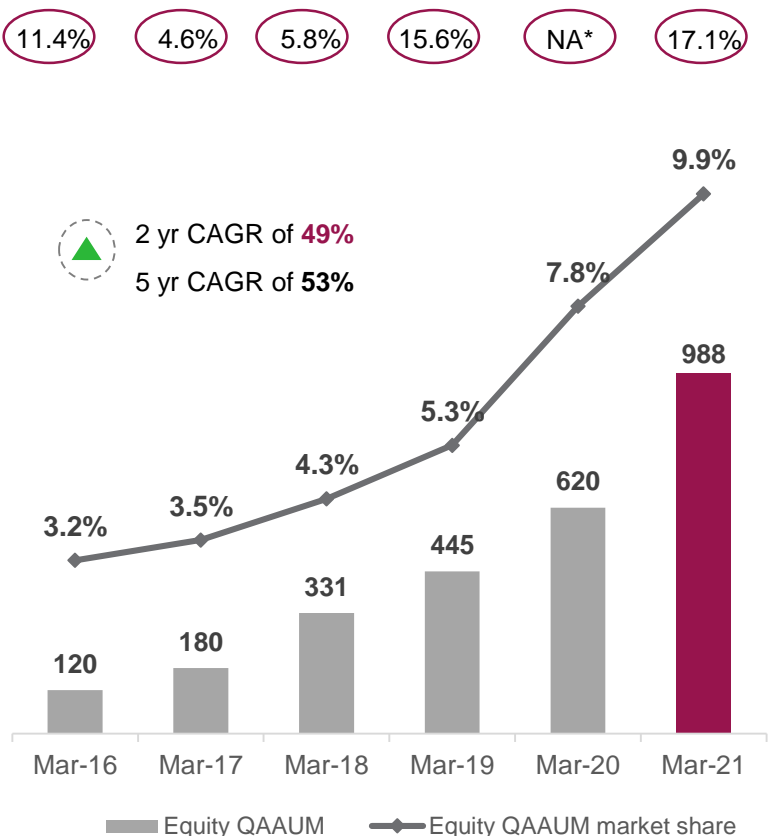
- Our average incremental market share in Overall QAAUM has been **~2x** of our closing market share
- Equity & Hybrid funds AAUM constitute **54%** of our overall AAUM, compared to 42% for the industry

All figures in ₹ bn

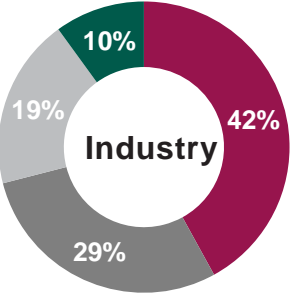
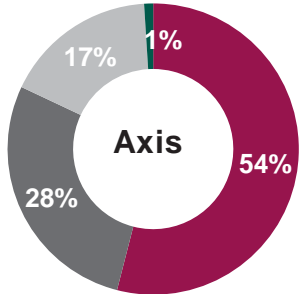
## Overall QAAUM and market share



## Equity QAAUM and market share



## AAUM mix (Mar-21)



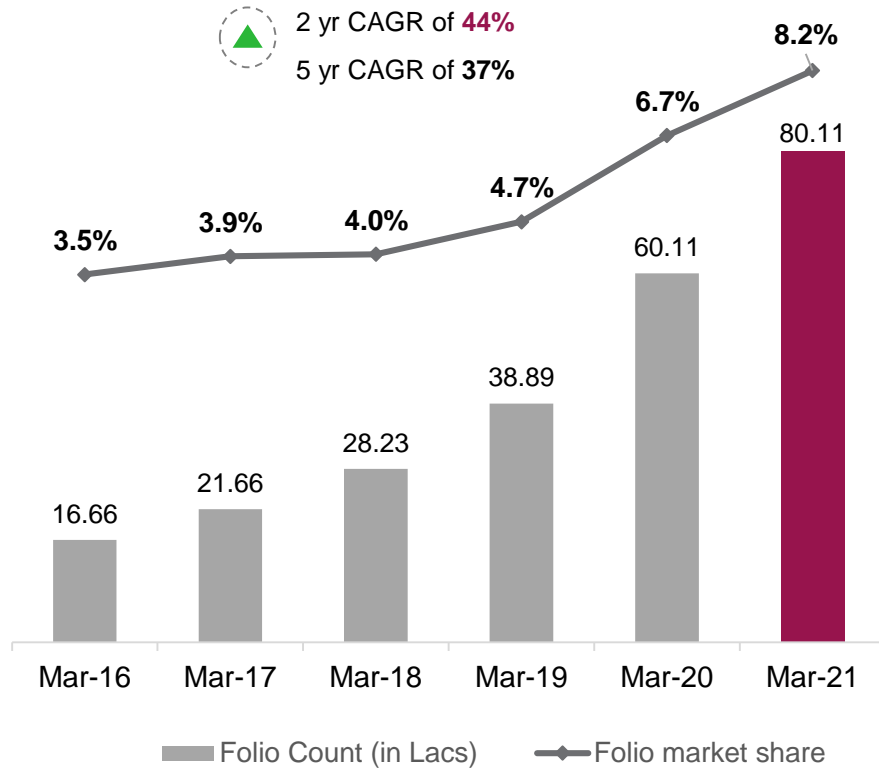
■ Equity & Hybrid ■ Debt  
■ Liquid ■ Others

○ Incremental Mkt share (in %)

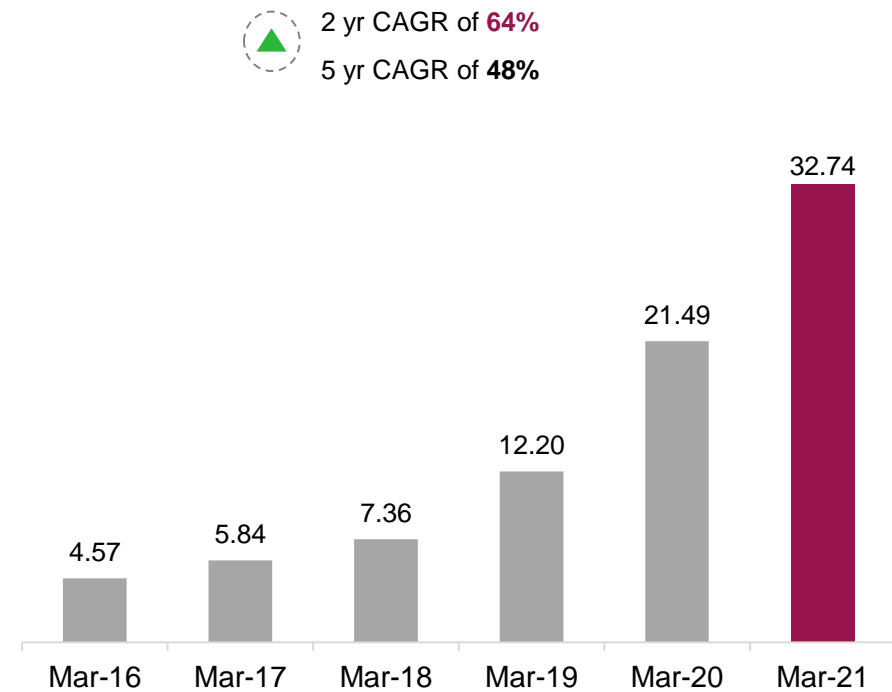
\* Industry Equity AAUM had reported negative growth in Mar-20

# ...with strong traction in customers and SIP folios

### Folio Count & market share



### SIP Count

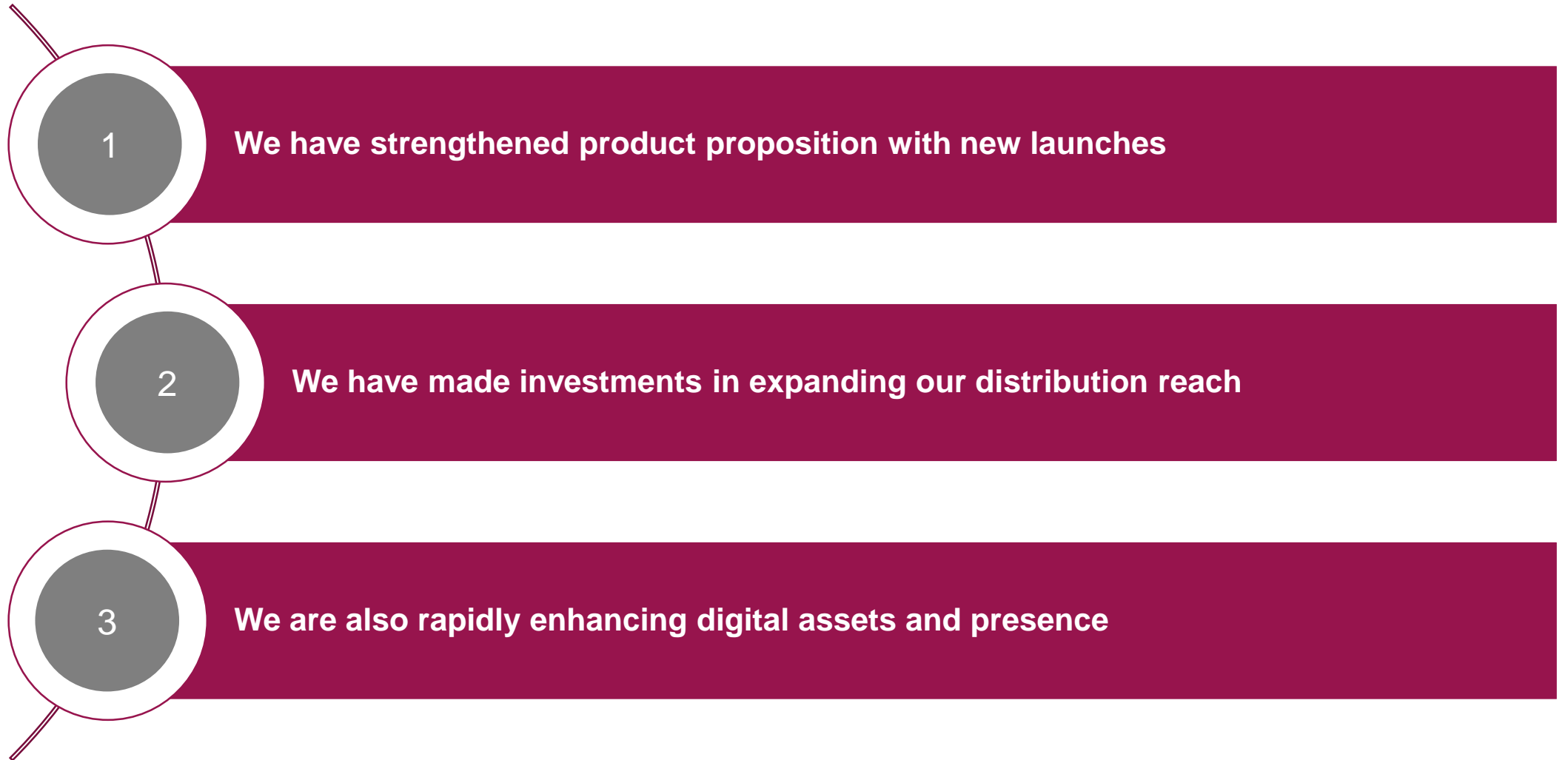


**25%** - Incremental market share in client folios in FY21

**64%** - 2yr CAGR for SIP count



## **We have delivered strong growth in last 2 years led by our strategic imperatives**



# We have strengthened product proposition with new launches

## Mutual Funds



### Axis Retirement Savings Fund:

- Provides long term retirement solution with a special Insurance bundle for SIP investors(iPlus SIP)



### Global Strategies

- In collaboration with Schrodgers, we have built a dynamic suite of international fund offerings with global high quality active strategies for domestic investors.

- **Axis Global Equity Alpha Fund of Fund** (Launched in Sept'20)
- **Axis Greater China Equity Fund of Fund** (Feb'21)
- **Axis Global Innovation Fund of Fund** (May'21)



### Axis ESG Equity Fund (Launched in Feb'20):

- Launched as a part of our drive to integrate ESG/sustainability into our investment process and decision making



### Axis All Seasons Debt Fund of Fund:

- Novel one stop debt investment solution that aims to deliver across market cycles by investing in multiple AMC's and investment strategies to build an optimum long term portfolio



### Passive Funds

- Building a differentiated bouquet of equity, gold and fixed income funds across index fund and ETF platforms

## Alternatives

- **Portfolio Managed Services**

- Launched the **Axis Core & Satellite PMS**, a multi-cap discretionary equity portfolio

- **Real Estate**

- Launched AIFs focused on making debt investments in the residential real estate space

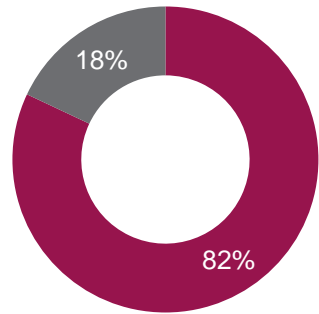
- **Unlisted/ Pre IPO Equity**

- Launched AIFs focused on investing in fast growing, mature unlisted companies

## We have made investments in expanding our distribution reach

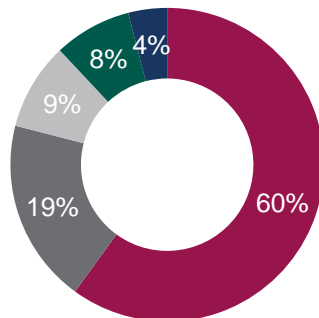
- Expanded our geographical reach with well diversified AAUM base across regions and cities
- 40%** of AAUM sourcing is through direct channels, with **89%** of Equity AAUM contribution from Individual Investors

**18%** of AAUM is from B30 locations



■ T30 ■ B30

Well diversified across cities

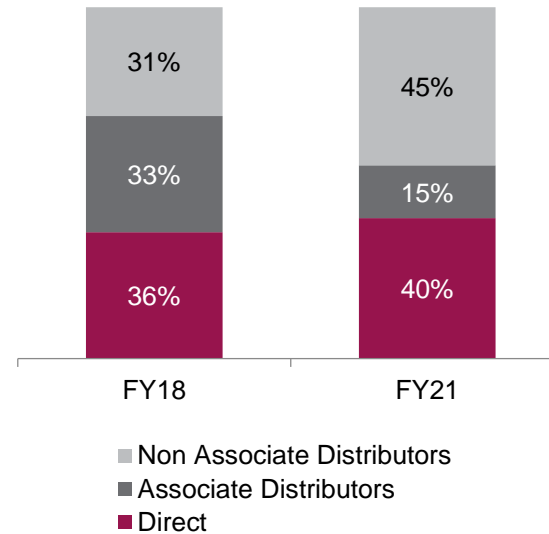


■ Top 5 ■ Next 10 ■ Next 20 ■ Next 75 ■ Others

Source: Axis MF, Data as of Mar'21

**40%** of AAUM sourcing is through direct channels

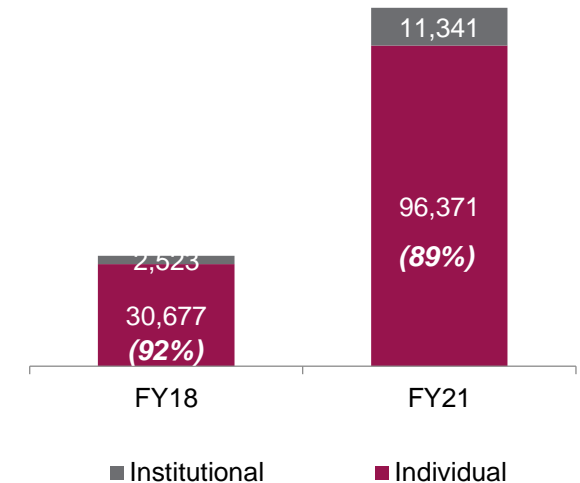
AAUM market share across distribution channels



■ Non Associate Distributors  
■ Associate Distributors  
■ Direct







**89%** of Equity AAUM is from Individual\* investors

figures in ₹ Cr

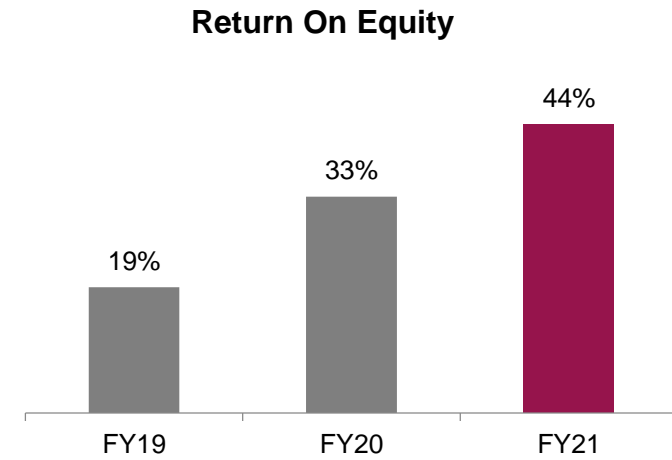
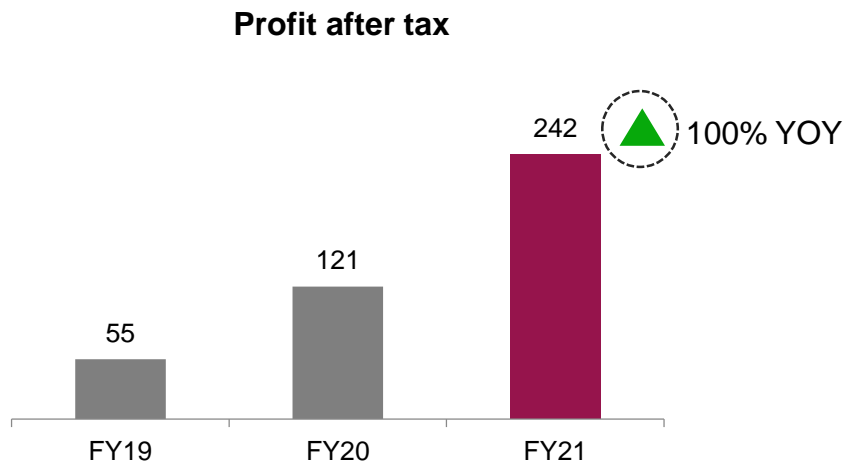
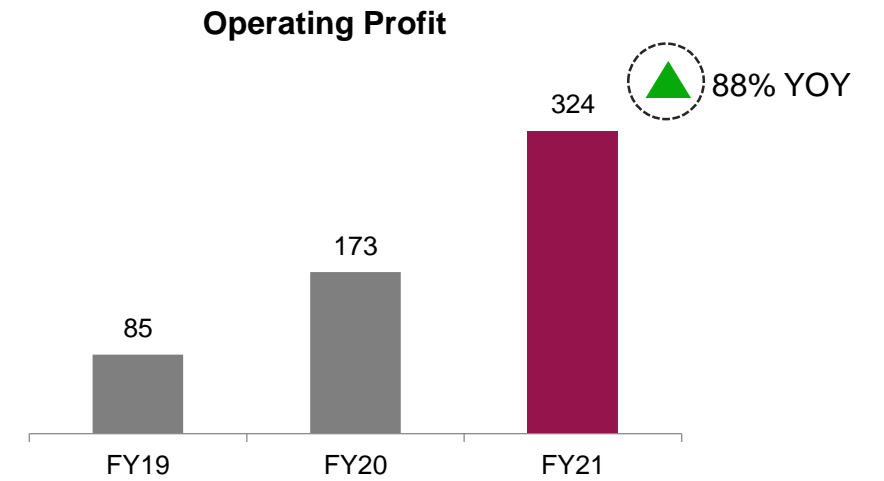
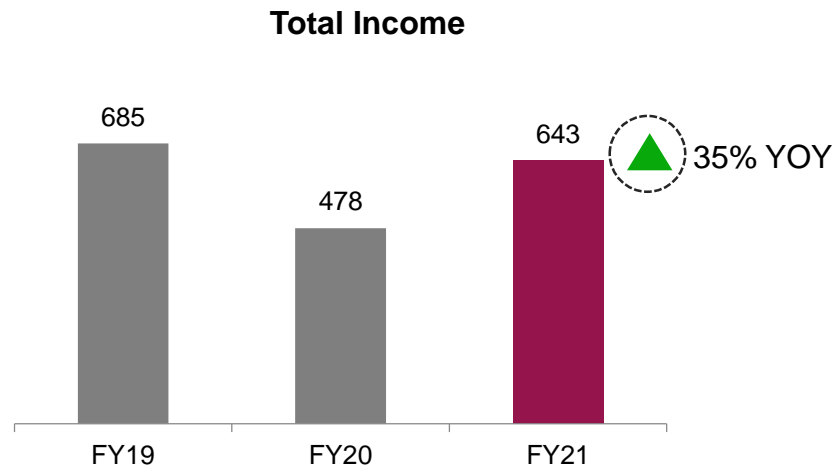


Individuals include Retail and HNI investors  
Equity AAUM refers to growth / equity oriented funds



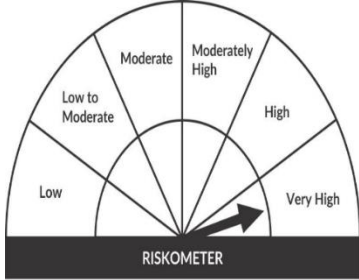
## We are also rapidly enhancing digital assets and presence

	Initiatives taken	Outcomes
	<b>VRM - B2C</b> <ul style="list-style-type: none"> <li>Leading AMC in terms of Gross sales in Industry for VRM<sup>1</sup> model space</li> <li>WFH solutions built to deliver productivity seamlessly even during COVID</li> </ul>	<ul style="list-style-type: none"> <li><b>6x</b> YOY growth in VRM Agents from Mar 20</li> <li><b>~500%</b> increase in direct investors managed in last 2 yrs</li> </ul>
	<b>B2C App</b> (launched in Mar'20) <ul style="list-style-type: none"> <li>Cart on digital assets with multiple payment methods for e-commerce kind of functionality.</li> <li>Investment packs with bundled products to invest in one go</li> </ul>	<ul style="list-style-type: none"> <li><b>350%</b> YOY increase in logins / downloads in Mar'21</li> <li><b>39%</b> gross Digital sales through B2C App,</li> </ul>
	<b>B2C website</b> (Revamped in Dec'20) <ul style="list-style-type: none"> <li>Improved UI, UX and additional features</li> <li>Investment cart and Packs are launched on website too</li> </ul>	<ul style="list-style-type: none"> <li><b>~50%</b> increase in website traffic</li> <li><b>122%</b> YOY increase in monthly logins</li> </ul>
	<b>B2B IFA Connect</b> <ul style="list-style-type: none"> <li>Released multiple features to IFAs<sup>2</sup> on digital assets like iPlus SIP, SIP First Debit, etc</li> </ul>	<ul style="list-style-type: none"> <li><b>2x</b> YOY increase in monthly registrations</li> <li><b>3x</b> YOY increase in monthly transactions</li> </ul>
	<b>Customer experience</b> <ul style="list-style-type: none"> <li>Working with tech giants and marketers to improve customer experience, product discovery and overall digital sales</li> </ul>	<ul style="list-style-type: none"> <li><b>144%</b> increase in users on website</li> <li><b>100%</b> YOY growth in fintech channel sales</li> </ul>
	<b>Personalization</b> <ul style="list-style-type: none"> <li>Notification based on user-profile, history, etc</li> <li>Investment Packs and Cart option launched</li> </ul>	<ul style="list-style-type: none"> <li><b>130%</b> increase in average SIP transaction size</li> <li><b>15%</b> increase for lumpsum investments</li> </ul>

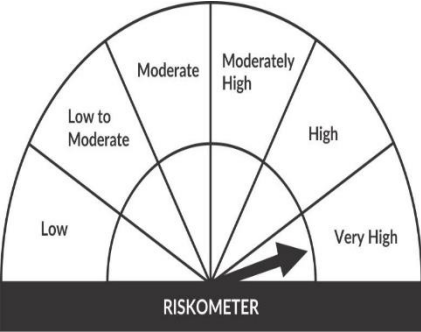

# Strong financial performance, PAT up 100% YoY



# Product labelling details of schemes & risk factors

Scheme Name & Type of the scheme	Product Labelling	Riskometer(s)
	This product is suitable for investors who are seeking --	
Axis All Seasons Debt Fund of Funds (An open ended fund of funds scheme investing in debt oriented mutual fund schemes)	<ul style="list-style-type: none"> <li>To generate optimal returns over medium term</li> <li>Investment primarily in debt oriented mutual fund schemes</li> </ul>	
Axis Retirement Savings Fund - Conservative Plan (An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))	<ul style="list-style-type: none"> <li>Capital appreciation &amp; income generation over long term.</li> <li>Investments in debt and money market instruments as well as equity and equity related instruments.</li> </ul>	
Axis Banking ETF (An Open Ended scheme replicating / tracking NIFTY Bank Index)	<ul style="list-style-type: none"> <li>Long term wealth creation solution</li> <li>An index fund that seeks to track returns by investing in a basket of NIFTY Bank Index stocks and aims to achieve returns of the stated index, subject to tracking error</li> </ul>	
Axis Greater China Equity Fund of Fund (An open ended fund of fund scheme investing in Schroder International Selection Fund GreaterChina)	<ul style="list-style-type: none"> <li>Capital appreciation over long term.</li> <li>Investment in Schroder International Selection Fund Greater China, a fund that aims to provide capital growth by investing in equity and equity related securities of People's Republic of China, Hong Kong SAR and Taiwan companies.</li> </ul>	
Axis ESG Equity Fund (An Open ended equity scheme investing in companies demonstrating sustainable practices across Environment, Social and Governance (ESG) theme)	<ul style="list-style-type: none"> <li>Capital appreciation over long term</li> <li>Investments in companies demonstrating sustainable practices across Environment, Social and Governance (ESG) parameters.</li> </ul>	
Axis Global Equity Alpha Fund of Fund (An open ended fund of fund scheme investing in Schroder International Selection Fund Global Equity Alpha)	<ul style="list-style-type: none"> <li>Capital appreciation over long term</li> <li>Investment in Schroder International Selection Fund Global Equity Alpha, an equity fund that aims to provide capital growth by investing in equity and equity related securities of companies worldwide.</li> </ul>	 <p>Investors understand that their principal will be at very high risk</p>

# Product labelling details of schemes & risk factors

Scheme Name & Type of the scheme	Product Labelling	Riskometer(s)
	This product is suitable for investors who are seeking -	
Axis Retirement Savings Fund - Dynamic Plan (An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))	<ul style="list-style-type: none"> <li>• Capital appreciation and income generation over long term.</li> <li>• Investment in equity and equity related instruments as well as debt and money market instruments while managing risk through active asset allocation.</li> </ul>	
Axis Retirement Savings Fund - Aggressive Plan (An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))	<ul style="list-style-type: none"> <li>• Capital appreciation over long term</li> <li>• Investments primarily in equity and equity related instruments.</li> </ul>	
Axis Technology ETF (An Open Ended Exchange Traded Fund tracking NIFTYIT Index)	<ul style="list-style-type: none"> <li>• Long term wealth creation solution</li> <li>• The fund that seeks to track returns by investing in a basket of NIFTY IT Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul>	
AXIS HEALTHCARE ETF (An Open Ended Exchange Traded Fund tracking NIFTY Healthcare Index)	<ul style="list-style-type: none"> <li>• Long term wealth creation solution.</li> <li>• The fund that seeks to track returns by investing in a basket of NIFTY Healthcare Index stocks and aims to achieve returns of the stated index, subject to tracking error.</li> </ul>	
Axis Global Innovation Fund of Fund (An open ended fund of fund scheme investing in Schroder International Selection Fund Global Disruption)	<ul style="list-style-type: none"> <li>• Capital appreciation over long term.</li> <li>• Investment in Schroder International Selection Fund Global Disruption, an equity fund that aims to provide capital growth by investing companies worldwide which benefit from disruption.</li> </ul>	
AXIS AAA BOND PLUS SDL ETF - 2026 MATURITY (An open-ended Target Maturity Exchange Traded Fund investing predominantly in constituents of Nifty AAA Bond Plus SDL Apr 2026 50:50 Index)	<ul style="list-style-type: none"> <li>• Income over long term.</li> <li>• Investment in AAA rated Corporate Bonds &amp; State Development Loans (SDLs) as represented by Nifty AAA Bond Plus SDL Apr 2026 50:50 Index, subject to tracking errors.</li> </ul>	 <p data-bbox="1921 832 2257 889">Investors understand that their principal will be at very high risk</p>  <p data-bbox="2007 1260 2170 1286">Investors understand that their principal will be at moderate risk</p>

## Disclosure of Average AUM in regulatory format for period ended Mar'21

- **Disclosure:** Scheme AUM/AAUM (Amt in cr) Rs.191919.66 / Rs. 196548.66 Asset Classwise AUM / AAUM: Liquid/Money Market: 29244.91/33687.69, Gilt: 162.39/ 181.70 Income/Debt: 50769.68 / 53978.42 Equity including ELSS: 100105.80 /97336.72 Hybrid: 7784.74/7676.073 Solution: 1502.62/1484.86 Index: 399.91/378.25 ETF: 522.34/469.60 FOF: 1427.27/1355.34. AUM by geography (%) [Cities]: Top 5: 60.15% Next 10: 18.78% Next 20: 8.13% Next 75: 8.11% Others: 4.82% AUM by geography for Equities including ELSS (%) [Cities]: Top 5: 51.35% Next 10: 19.03% Next 20: 10.72% Next 75: 11.66% Others: 7.24%
- For Fund of Fund schemes : Investors will be bearing the recurring expenses of the scheme in addition to the expenses of other schemes in which Fund of Funds scheme makes investment.
- **Past performance may or may not be sustained in the future**
- **Statutory Details:** Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to ` 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC). **Risk Factors:** Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme. This document must not be taken as the basis for an investment decision. Neither Axis Mutual Fund, Axis Mutual Fund Trustee Limited nor Axis Asset Management Company Limited, its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein.
- **Mutual Fund Investments are subject to market risks, read all scheme related documents carefully**



**1** **Axis Asset Management Company Limited**

**2** **Axis Capital Limited**

**3** **Axis Finance Limited**

**4** **Axis Securities Limited**

**5** **Other Subsidiaries / Group Companies**

# Axis Capital at a glance



Axis Capital		<p><b>No. 1*   ₹ 3.9 Tn</b> ECM house, executed equity deals since Jan 2015*</p>	<p><b>No. 4<sup>^</sup></b> Merger &amp; Advisory business (in FY21)</p>	<p><b>~50%</b> Deals as left lead banker since Jan 15</p>
Market Share		<p><b>13.7%</b> Revenue market share in Equity Capital Markets (FY21)</p>	<p><b>2.90%</b> Incremental market share gained in ECM revenues (FY21)</p>	<p><b>2.1%</b> Market share in Institutional Equities by volumes</p>
Profitability		<p><b>36%</b> Return on equity</p>	<p><b>₹166 Cr</b>   <b>66%</b> Profit after tax   YoY Growth</p>	<p><b>10%</b> CAGR** - PAT</p>
Full Service Investment Bank		<p><b>55%</b> Repeat clients</p>	<p><b>60%</b> Deals from large corporations</p>	<p><b>4</b>   <b>4</b> REIT deals executed in FY21   M&amp;A advisory deals in FY21</p>
Institutional Equities		<p><b>80%</b> of India's market cap under active research coverage</p>	<p><b>186</b> Institutional relationships with FIIs and DIIs</p>	<p><b>10</b> No. of tier-1 Ranks for Lead Analysts from the top 50 funds</p>

\*Source: Primedatabase; Includes IPO, REIT, InvITa, QIP, OFS, FPO and Rights offerings on full basis

<sup>^</sup> Based on Mergermarket (on deal announcement basis by deal count); Considered investment banks (domestic and international) excluding the Big 4 accounting firms and RBSA Advisors ; Does not include minority stake deals / fund raise transactions,

\*\* 4 yr CAGR

# Key differentiators



**Experienced management team with seamless and unparalleled execution capabilities**



**Strong relationships built with key investors across geographies, over last two decades**



**Ability to provide holistic solutions to corporates leveraging on 'One Axis' capabilities**



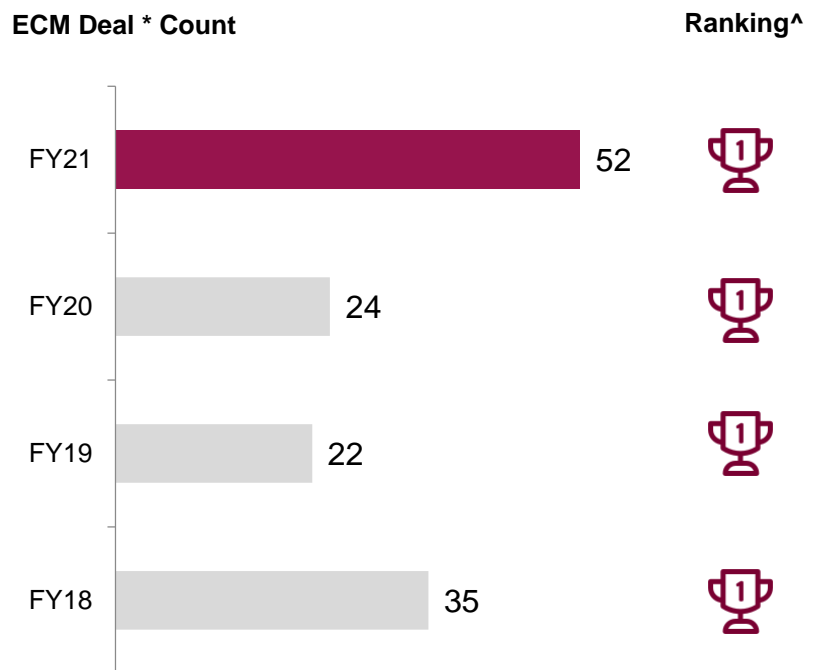
**Robust distribution and reach to market new offerings**



**Committed to invest and build a world class franchise leveraging technology and our relationships**

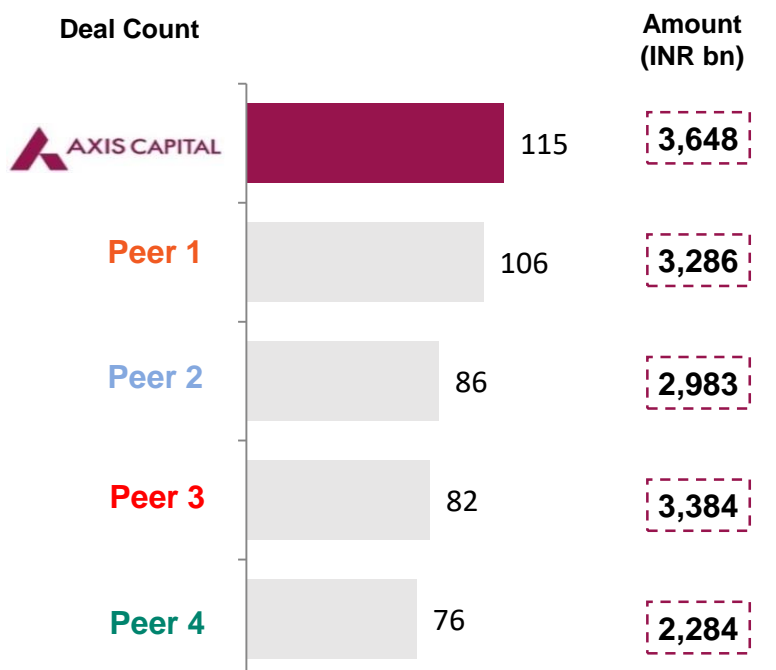
# Consistent recognition as one of India's best Investment Bank

## Highest ever number of ECM deals in FY21



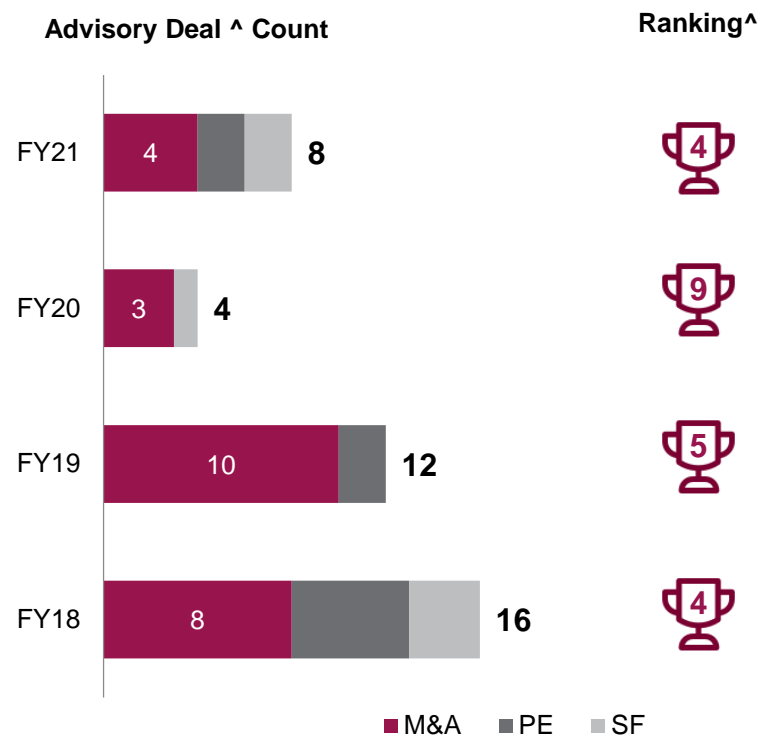
\*Includes all ECM fund raise products, Buybacks and ECM Advisory

## 5 years (since April 2016)



For the period: 1<sup>st</sup> April 2016 till 31<sup>st</sup> March, 2021

## Among the top players in Advisory



**FinanceAsia**

**Best ECM House in India**

2020, 2018, 2015, 2013

**The Banker**

**Most Innovative Investment Bank (Asia Pacific)**

2019

**The Asset Triple A Awards**

**Best Corporate and Institutional Advisor - Domestic**

2019, 2018

**FinanceAsia**

**Best Investment Bank in India**

2018, 2017, 2016, 2015, 2013

**FinanceAsia**

**Best DCM House - India**

2020, 2018, 2017, 2016, 2015, 2013

**The Asset Triple A Awards**

**Best Equity Adviser (Country)**

2018, 2017

^Source: Primedatabase; Includes IPO, REIT, InvITs, QIP, OFS, FPO and Rights offerings (Basis # of deals)

^ Based on Mergermarket (on deal announcement basis by deal count); Considered investment banks (domestic and international) excluding the Big 4 accounting firms and RBSA Advisors ; Does not include minority stake deals / fund raise transactions,

# We have further strengthened our Institutional Equities business



## People

- Recent key talent additions at leadership level
  - Co-Heads of Equities**
  - Head of Research**
  - Chief Technology Officer**
- Talent addition across Sales, Trading and Research
- Revamped Derivatives team
- New talent heading Electronic trading and Cash execution positions



## Products

- Revamped our Research products, moving away from maintenance to thematic and differentiated research
- Rankings have improved with 60% of our clients
- Strong Derivatives push in later part of the year has yielded higher revenues
  - Volumes traded up 4x and revenues up 2x



## Processes

- Invested in further improving our trading room infrastructure
- Set up trading in exchange colocation datacenter for better trading/execution latency
- Advanced trading, risk management systems and algo strategies to enhance client offering, surveillance monitoring and execution quality.

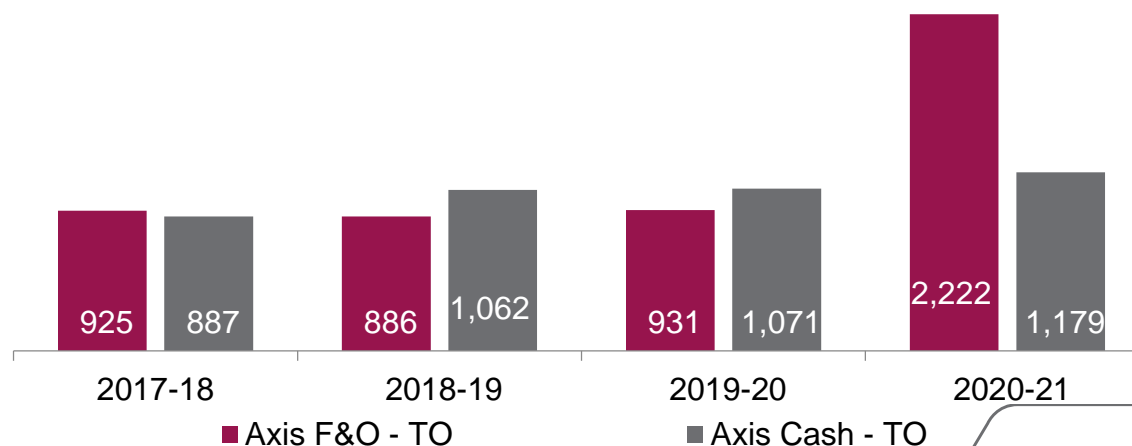
**31**

*member research team*

**80%**

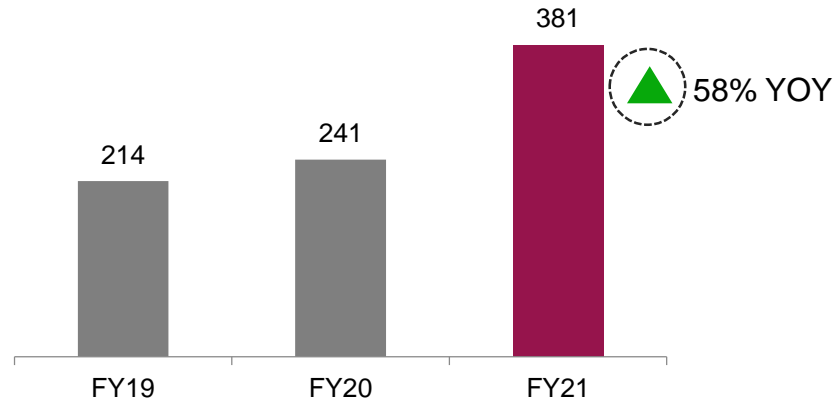
*India's market capitalization under research coverage*

**Cash and F&O Volumes of IE (INR Bn)**

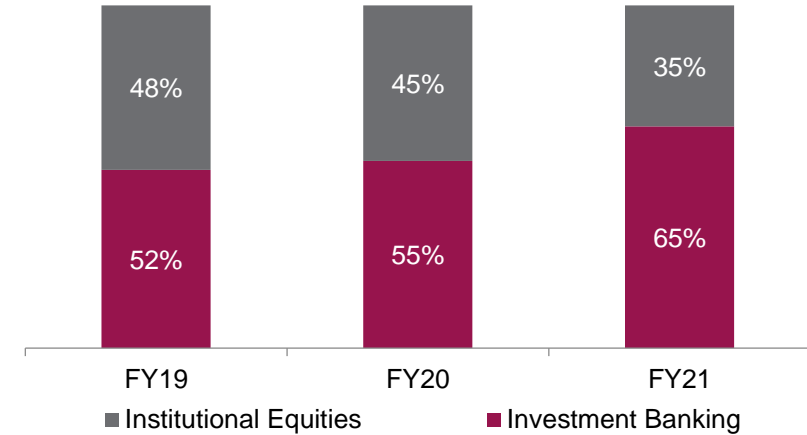


# Strong financial performance, PAT up 66% YoY

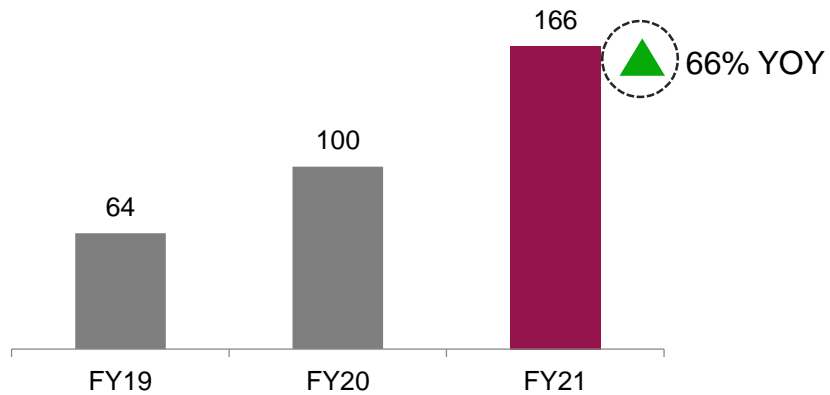
### Revenue from Operations



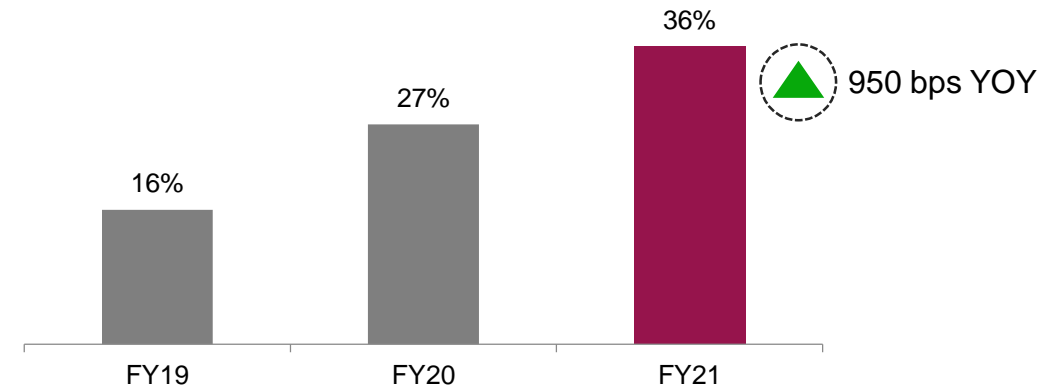
### Breakup of Revenue from operations



### Profit after tax



### Return On Equity



**1** **Axis Asset Management Company Limited**

**2** **Axis Capital Limited**

**3** **Axis Finance Limited**

**4** **Axis Securities Limited**

**5** **Other Subsidiaries / Group Companies**

# Axis Finance at a glance



## Axis Finance



**₹ 11,089 Cr**  
Assets under management

**20.4%**  
Capital Adequacy Ratio

**AAA**  
Highest Credit Rating

**14.6%**  
Return on equity

## Growth



**26%**  
CAGR\*  
Overall Book

**42%**  
YoY Growth of  
overall book

**22%**  
Growth in Wholesale book  
(YoY)

**7.5 times**  
Growth in Retail book  
(YoY)

## Profitability



**15%** | **11%**  
CAGR\* | CAGR\*  
Revenues | Operating profit

**₹211 Cr** | **9%**  
Profit after tax | YoY Growth

**5.4%** | **28%**  
NIM | Cost to income ratio

## Wholesale



**₹ 9,209 Cr**  
Wholesale loan book

**90%**  
Reduction in LAS in last 2 years

**91%** | **NIL**  
Proportion of secured loans in Wholesale | Restructuring Account

## Retail



**17%**  
Proportion of Retail in overall book, entirely built in last 2 yrs

**23%**  
Retail disbursements as % of total disbursements in FY21

**71%**  
Proportion of secured loans in Retail book

\* CAGR for 4 years



# Key differentiators



**Unique positioning as a Bank promoted, AAA rated diversified NBFC**



**Complimentary product offerings and customer segments to that of Axis Bank**



**Ability to provide holistic solutions leveraging 'One Axis' capabilities of Axis Group**



**Strong operational and risk management backed by robust technology**

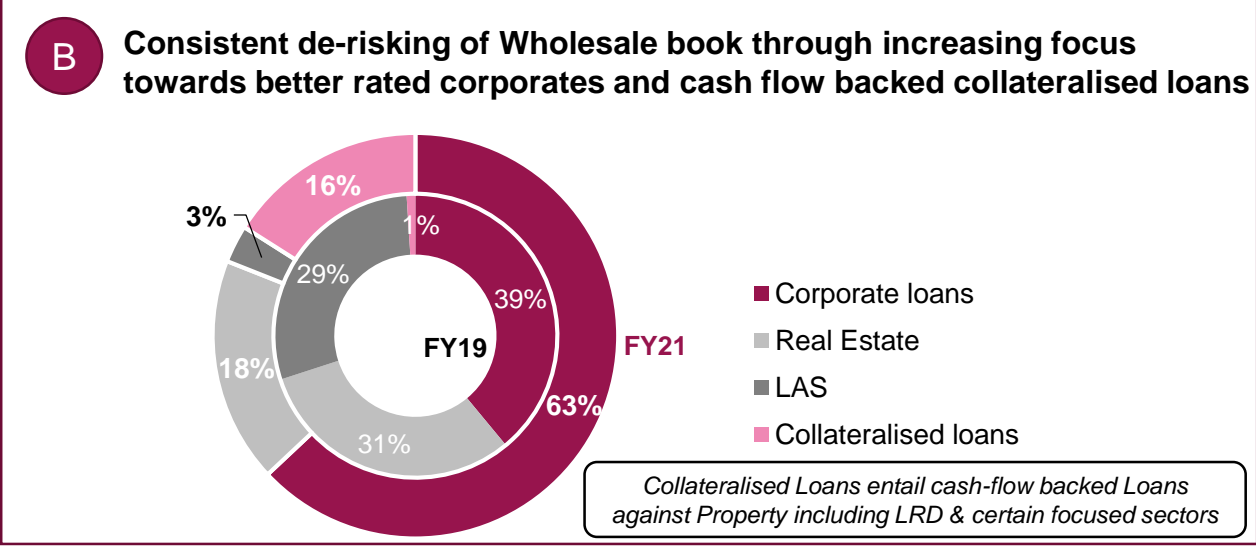
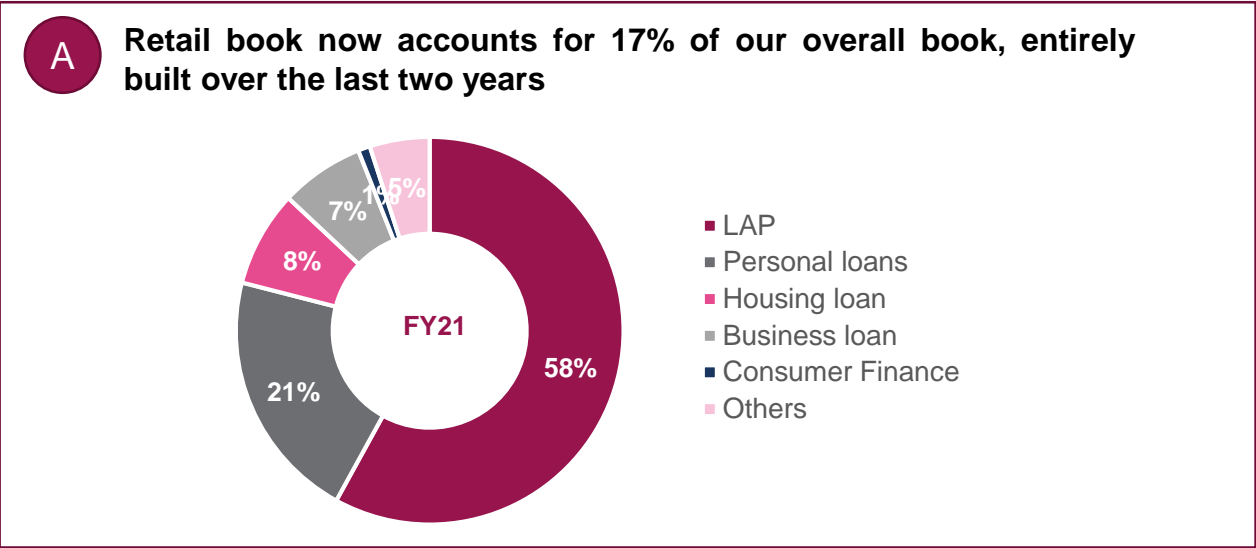
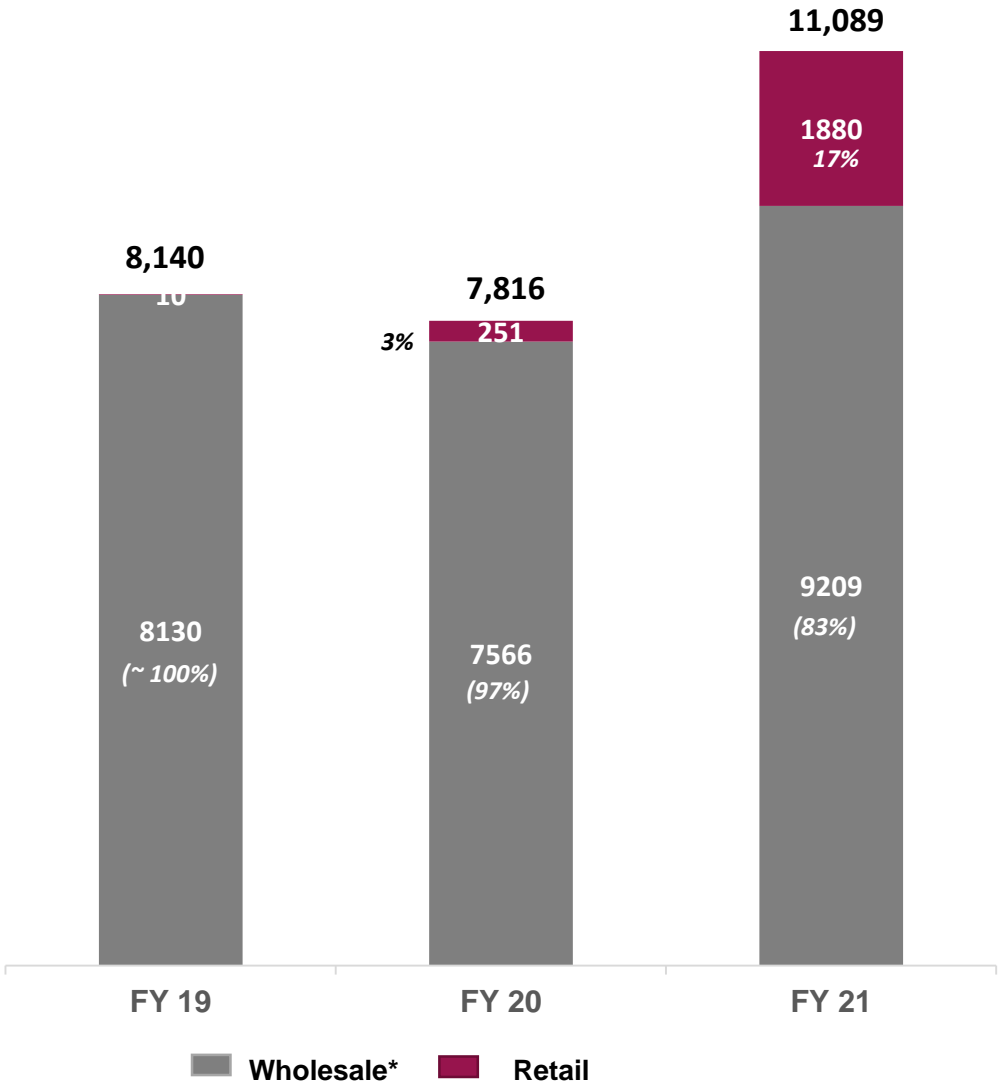


**Consistently delivering best in class operating metrics and return ratios**

# Increasing diversification with granular retail portfolio build



All figures in ₹ Crores



\*FY21 Wholesale Book includes Rs 434 of Investments

A

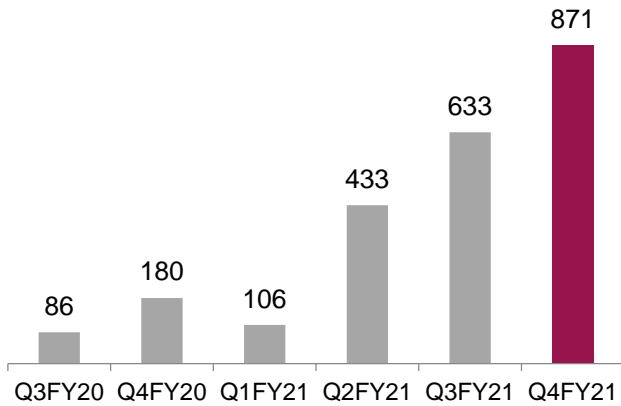
# Retail book now accounts for 17% of our overall book, entirely built over the last two years



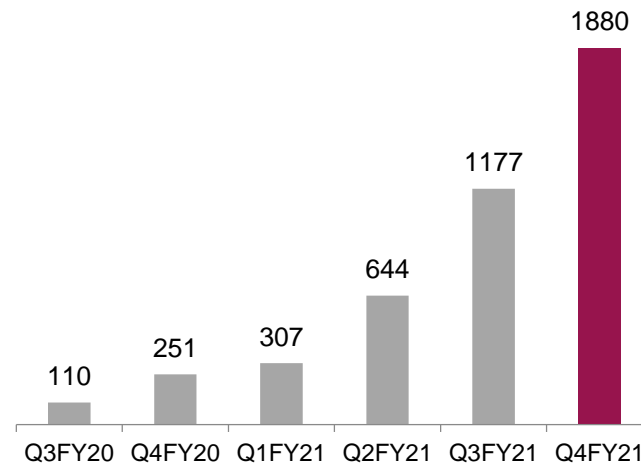
- Started mass retail business in Q2FY20 and delivered strong growth in last 6 quarters
- Of the total disbursements, Retail segment contributed ~ 23% in FY21

All figures in ₹ Crores

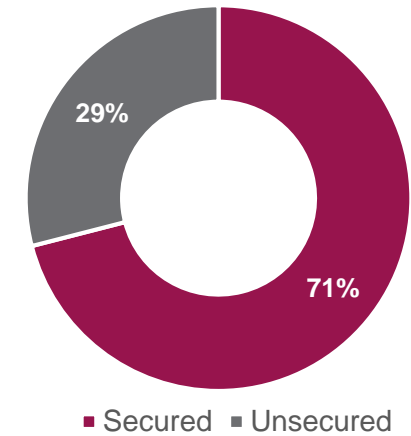
Registered strong growth in disbursements...



... leading to a healthy loan book growth...



... with optimum mix of secured loans...



... driven by unique differentiating factors

Leveraging Technology	Process Automation	Targeted Customer Segments	Unique Service Oriented Architecture
-----------------------	--------------------	----------------------------	--------------------------------------

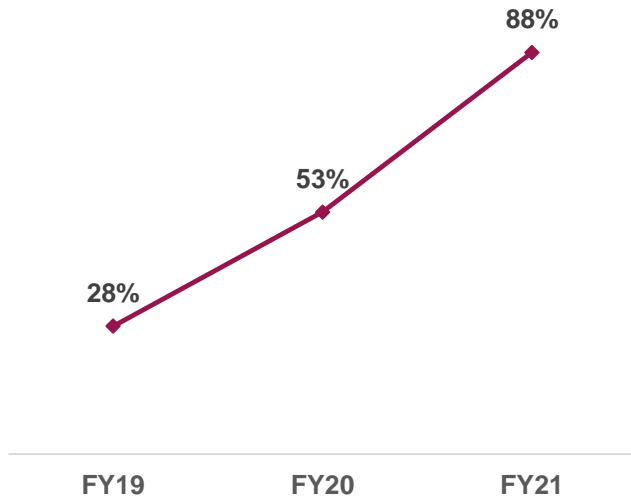
B

# Consistent de-risking of Wholesale book through increasing focus towards better rated corporates and cash flow backed collateralised loans

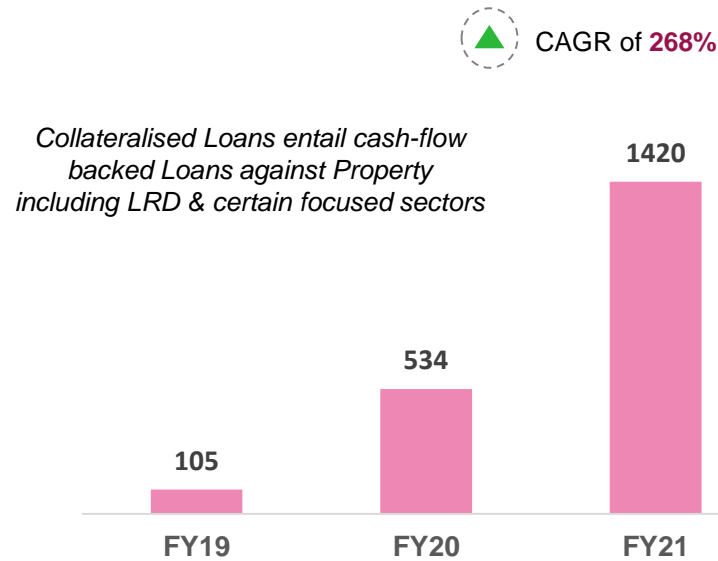
- 88% of disbursements in corporate book to A- and better rated corporates and cash flow backed businesses
- Over 13x rise in collateralised loans while simultaneously reducing LAS and Real Estate loans substantially

All figures in ₹ Crores

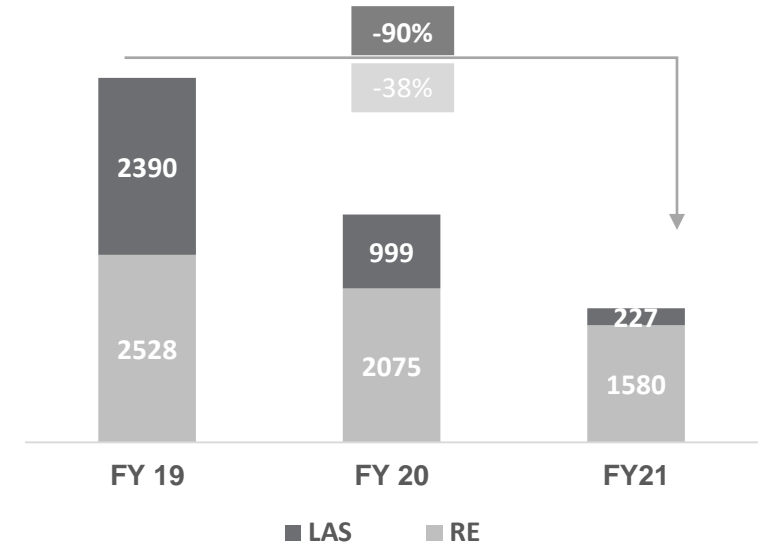
88% of disbursements in corporate book towards those rated > A- and cash flow backed businesses



Increased the proportion of Collateralised Loans



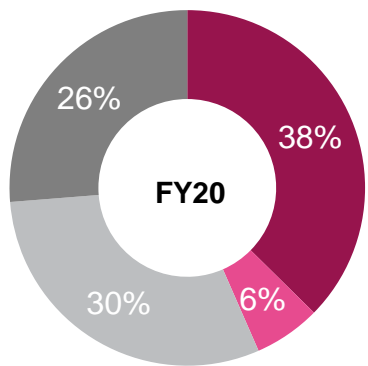
Reduced mix of LAS and Real Estate loans



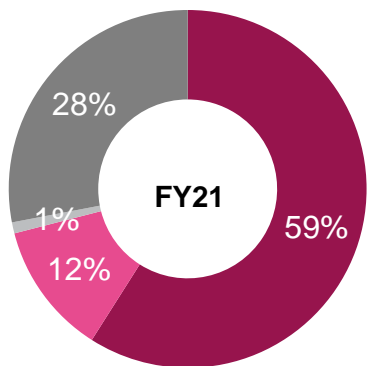
# Well diversified liability mix with best-in-class funding cost among NBFCs



## Diversified funding mix



Book size : ₹ 6,362 Crores



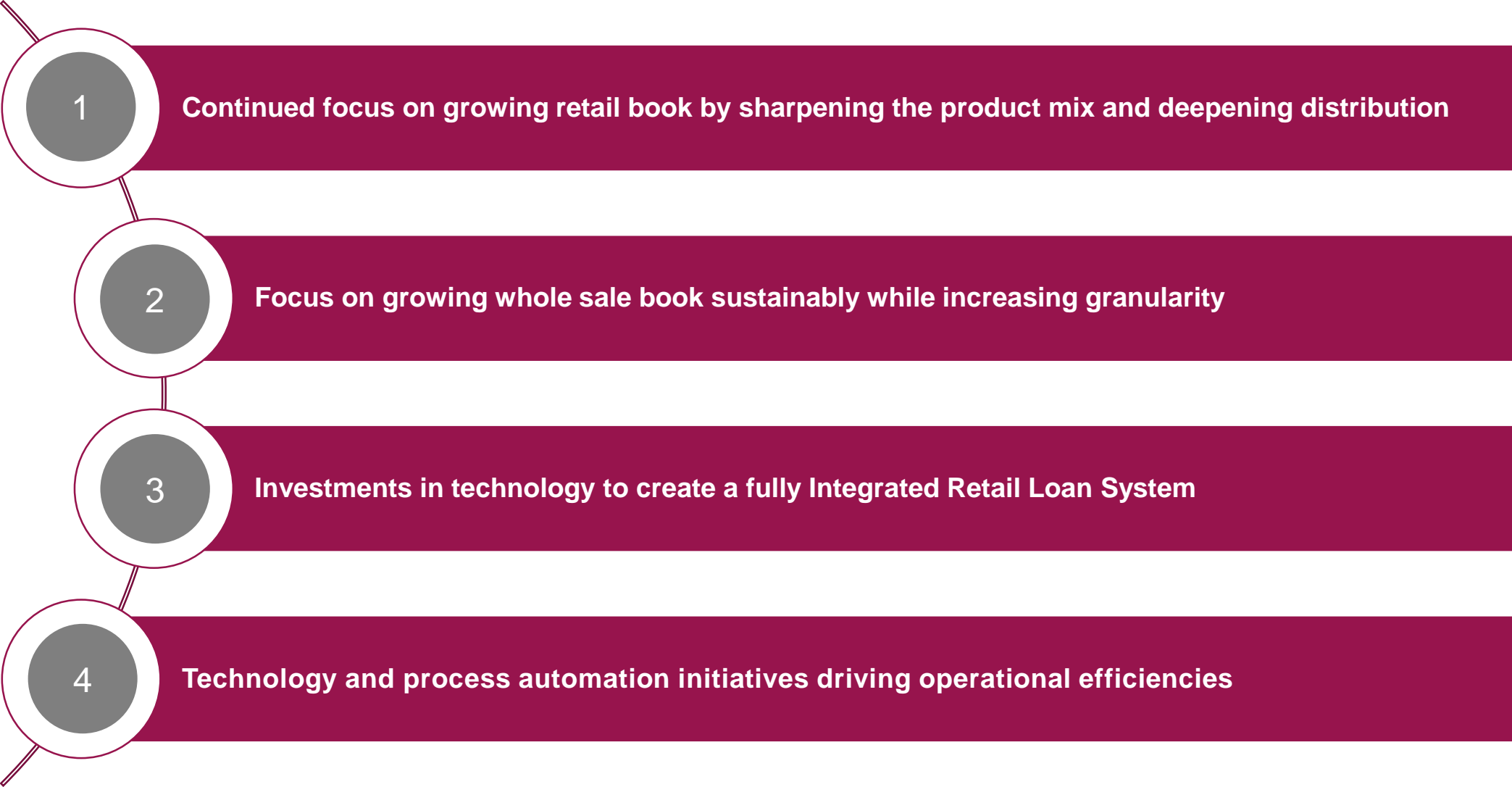
Book size : ₹ 9,098 Crores

■ NCD ■ Bank Term Loans ■ Short term WC limits ■ CPs

- 1 **71%** share of long term funding instruments as of Mar-21 up from 44% in Mar-20
- 2 **76%** funding from non Axis Bank sources ensuring deeper and wider funding access
- 3 **112 bps** YOY drop in average cost of borrowing in FY 21 to 6.9%, which remains one of the lowest among NBFCs

- **NCDs & Bank Term loans:** We have utilized lower interest rates to lock in funds with a 3-5 years maturity to provide stable longer-term funds
- **Commercial Papers** will continue to be one of the short term resource to benefit from probable short term market rates

# Our Strategy and focus areas



1

# Continued focus on growing retail book by sharpening the product mix and deepening distribution



## Focused Product Mix

*Emphasis on growing secured book*



Continue to focus on existing array of retail products in the medium term

More emphasis on secured loans consisting of Loan against Property and housing loan

Will continue to look out for securitization deals opportunities for inorganic growth

## Alternate Distribution

*Extended distribution through online partners & aggregators*



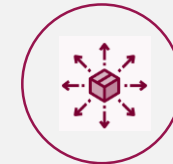
Build scale through partnerships with Online aggregators and co-lending partners

Focus on partners offering end use based solutions for schools, education, marriage, etc.

Build automated processes for assessment and seamless on-boarding journeys

## Increased Branch footprint

*Expand physical branch presence in Tier 2 / 3 locations*



Scale up branch footprints by setting up Axis Finance's own loan centers.

Use the branch network to increase the geographical coverage in extended locations

Encourage WFH models in remote locations which are only sourcing centers for AFL

- Integrated loan origination and management software, with various inbuilt controls for risk assessment, track collateral and collections through the loan period.
- We are also integrating other data sources and building dynamic scorecards basis predictive variables.

### Corporate Lending

*Continue to focus on well-rated firms with strong cash-flows*



Target large conglomerates with proven credentials, established legacy and sector-leading large corporates.

Leverage One Axis capabilities

### Collateralised Loans

*Adapt a cluster-based approach targeting non-cyclical sectors*



Cluster-based Approach in respective micro-markets for deeper penetration across geographies

Target non-cyclical sectors with strong operating entities

### Emerging Corporate Lending

*Small ticket size loans to aid granularity*



Emerging Corporate lending to SMEs and mid corporates with avg. ticket size of Rs10-15 Cr will help in increasing the granularity

Cluster based approach majorly in Tier II-IV cities with focus on leading firms in the respective segments

### Real Estate

*Focus on top developers in select micro-markets*



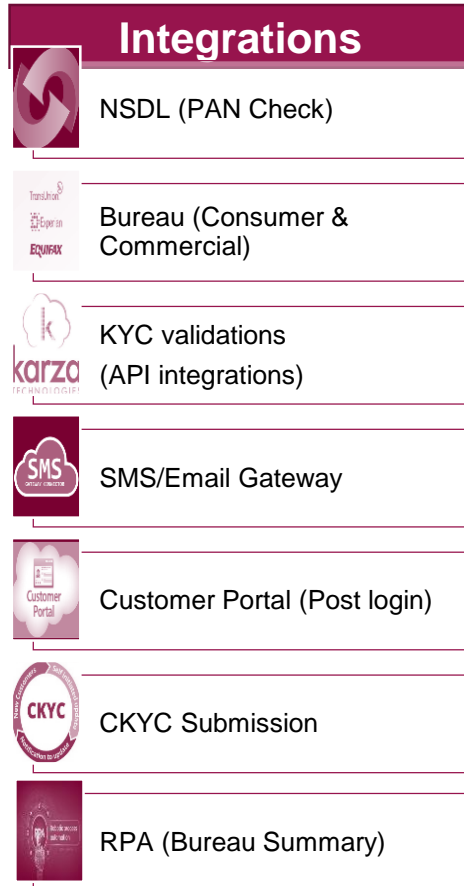
Focus on ready inventory backed funding selectively in key markets

Focus on Top Developers & existing clients in select micro-markets

Focus on sub-average ticket size transactions with a comfortable security cover

- Centralized credit decisioning as per well defined Credit Risk framework
- We are building early warning indicators for predictive risk modelling to identify risky sectors / segments / exposures

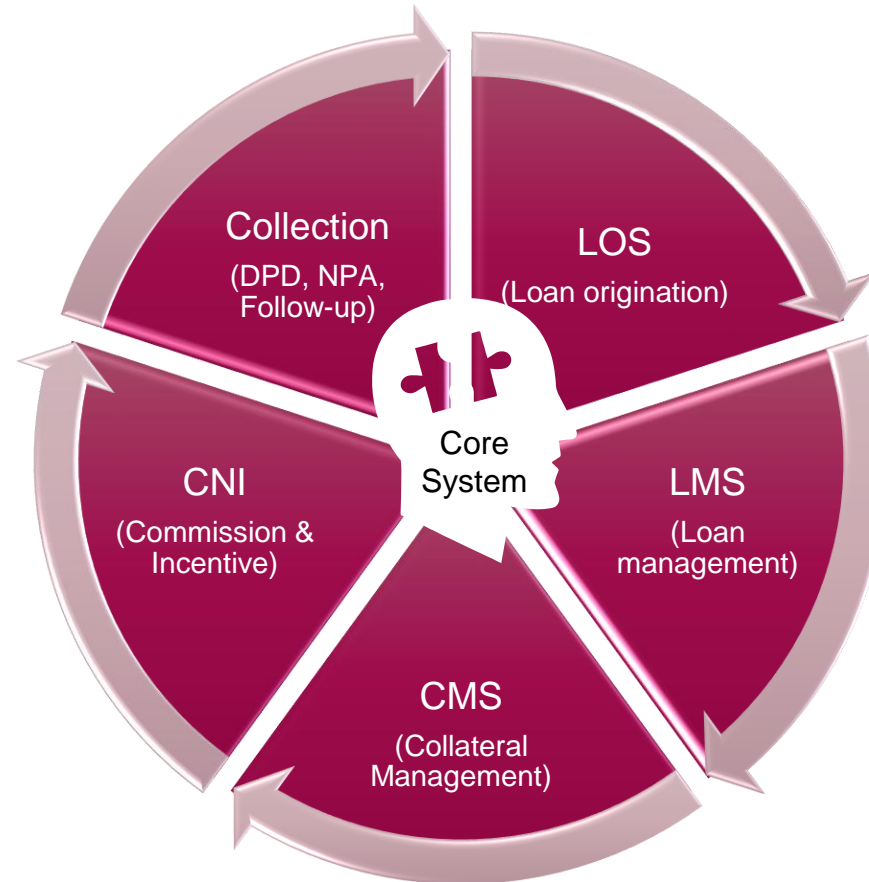




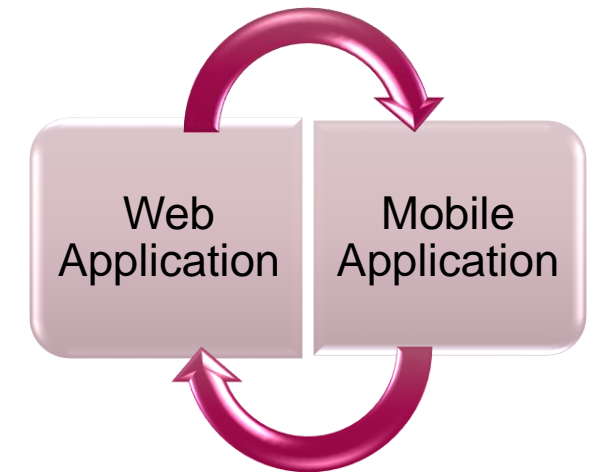
Digital Initiatives Gone Live - Integrations with Core system WIP

**eNACH, eAgreement, Whatsapp**

### Core System Architecture



### User Interface



### Initiatives taken

### Pilot outcomes



#### Sales processes

- Sales team enabled with BYOD
- Common LAF\* & OCR based reduced data entry
- e-NACH implementation
- Pre-filled loan agreements & sanction letter

- **50%** reduction in application login time through Mobile app
- **30%** reduction in FTNRs on logins and disbursals
- **80%** reduction in NACH rejections
- **3x** increase in efficiency of executing loan agreements



#### Credit Appraisal

- Bureau based Hard reject rules for initial filtration
- Cash flow based analysis & loan eligibility
- ITR / GST based validation from source
- Integrated KYC and Employment checks

- **30%** reduction in rejected applications in Credit queue
- **20%** reduction in time taken to analyse Bureau report
- **2 days** reduction in TAT to confirm validity of documents
- **5 mins** per transaction saved



#### Operations

- E-NACH for mandate registration prior to loan disbursal
- Automated Provisioning & NPA reporting
- Stamp procurement & Operations FTNR
- RPA^ for Fee application, CERSAI submission

- **15 min** reduction for each transaction
- **3 days** every month saved
- **30%** reduction in operations FTNR

### Initiatives taken

### Pilot outcomes



#### Customers

- Online loan application status tracking
- Welcome letter in 48 hours on Whatsapp
- E-Agreement (Stamp & Sign)
- Revamped Customer portal

- **Enhanced** customer experience
- **15 days** faster issuance of welcome letter as compared to some of the peers
- **Complete access** to loan details, Schedule of Amortization & interest certificates



#### Vendors

- Dashboard with online loan status
- E-Agreement
- E-Invoice generation
- Faster payments

- **Faster** decision making
- **1 day** saved in execution for each customer
- **15 days** saved for bill submission and approval
- **Less than 2 days** taken to release payments



#### Employees

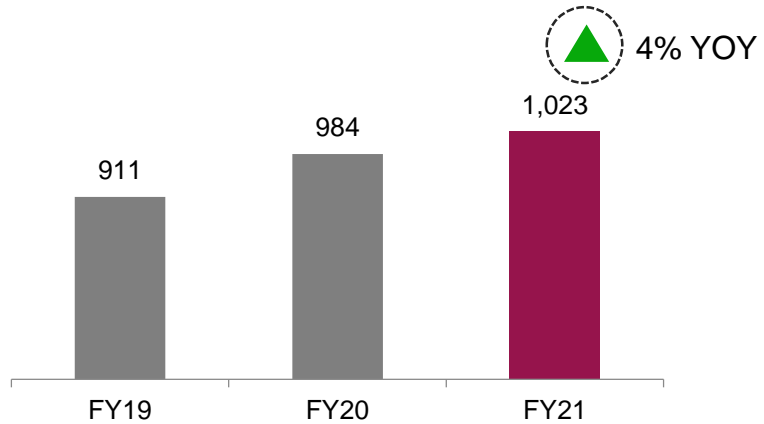
- Full on-boarding on joining date
- Sales tool kit
- Loan origination through BYOD
- C-KYC with pre-filled application form

- Welcome kit with ID card, Laptop & Business Card
- Improvement in product knowledge
- Better productivity and less operational work

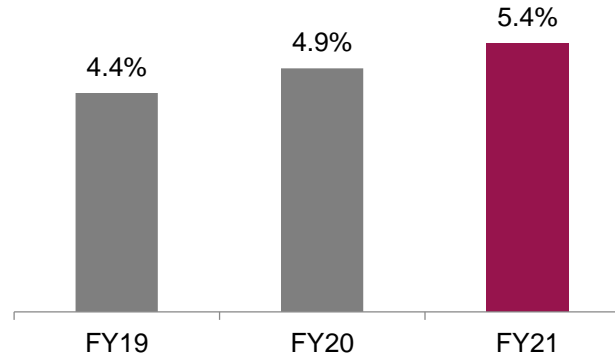
# Delivering consistently strong financial performance despite ongoing investments for building out Retail business



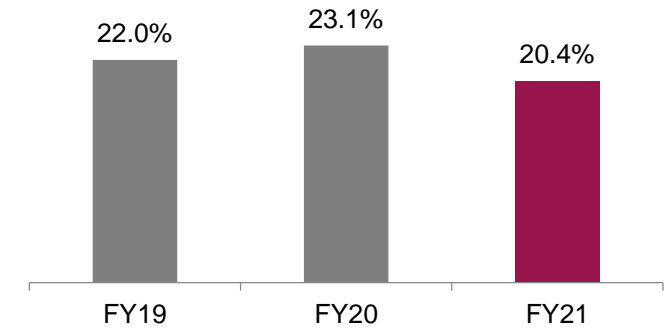
**Total Income**



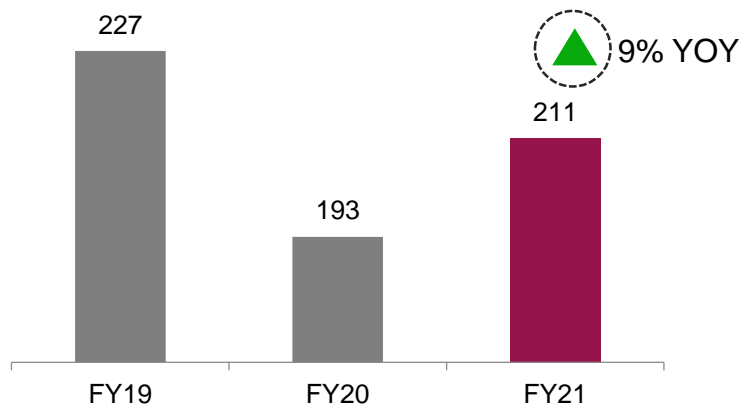
**Net Interest Margin**



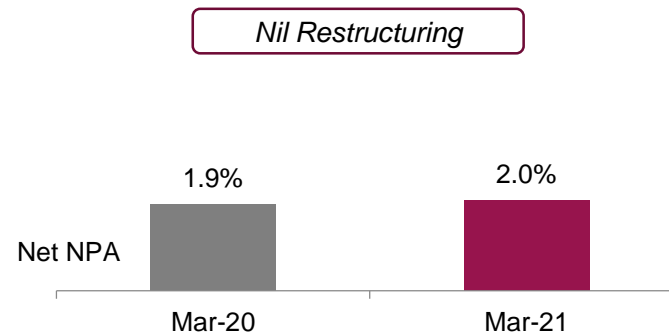
**Capital Adequacy ratio**



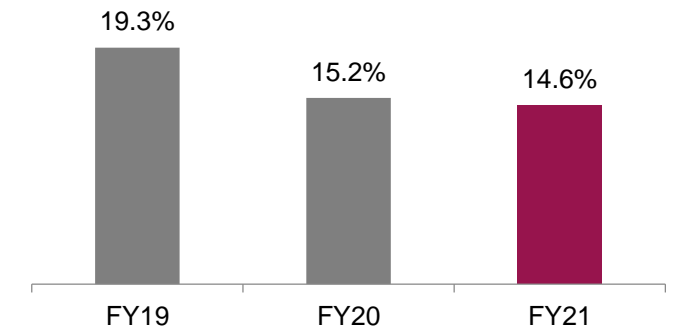
**Profit after tax**



**Asset Quality & Provisioning**



**ROE**



**1** Axis Asset Management Company Limited

**2** Axis Capital Limited

**3** Axis Finance Limited

**4** Axis Securities Limited

**5** Other Subsidiaries / Group Companies

# Axis Securities at a glance



## Axis Securities



**3.6+ mn<sup>1</sup>**  
Customer base - **3<sup>rd</sup>** largest  
Bank-led broker

**1,200+**  
Employees

**30+**  
Advisory branches  
& CDD<sup>^</sup> desks

**100+**  
Business Partners &  
Tie up with 4 Indian Banks

## Market Share



**43%**  
Cash delivery volume

**2.90%**  
Online cash market share

**1.69%**  
Cash market share

## Profitability



**41%**  
Return on equities

**₹166 Cr** | **10x**  
PAT YoY Growth

**34%**  
CAGR\* - PAT

## Acquisition & UCC\*\*



**68%**  
Digital acquisition

**68% | Ranked 1<sup>st</sup>**  
Highest growth in UCC compared  
with Bank-led brokers

**₹5,335**  
Average annual revenue per customer

## TPP Business



**₹2,250+ Cr**  
Mutual Fund AUM

**1.1 L**  
Active SIP's

**₹210+ Cr**  
SmartEdge/  
Smallcase AUM

**₹ 185 Cr**  
AUM of NDPMS<sup>2</sup>, Managed  
Account & CAT3

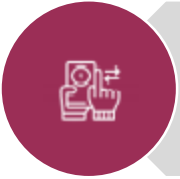
<sup>1</sup>Post acquisition of trading accounts from Karvy

\* 4 yr CAGR (FY17 to FY21) <sup>^</sup> Central dealing desks \*\*Unique Client Codes <sup>2</sup> Non Discretionary Portfolio Management Service

# Key differentiators



**Full service retail brokerage with focus on quality customer acquisitions and profitability**



**Robust technology infrastructure and digital capabilities**



**Ability to provide holistic solutions to retail clients leveraging on 'One Axis' capabilities**



**Extensive distribution reach using omni channel platforms**

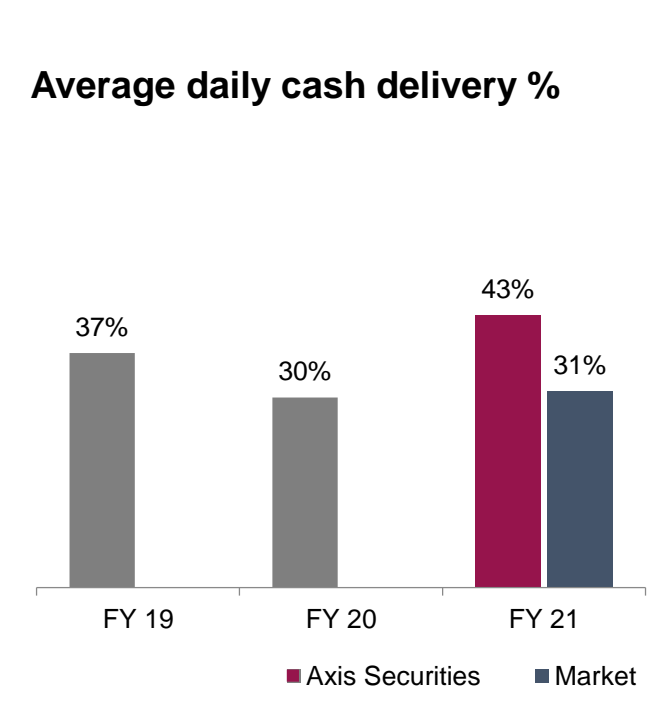
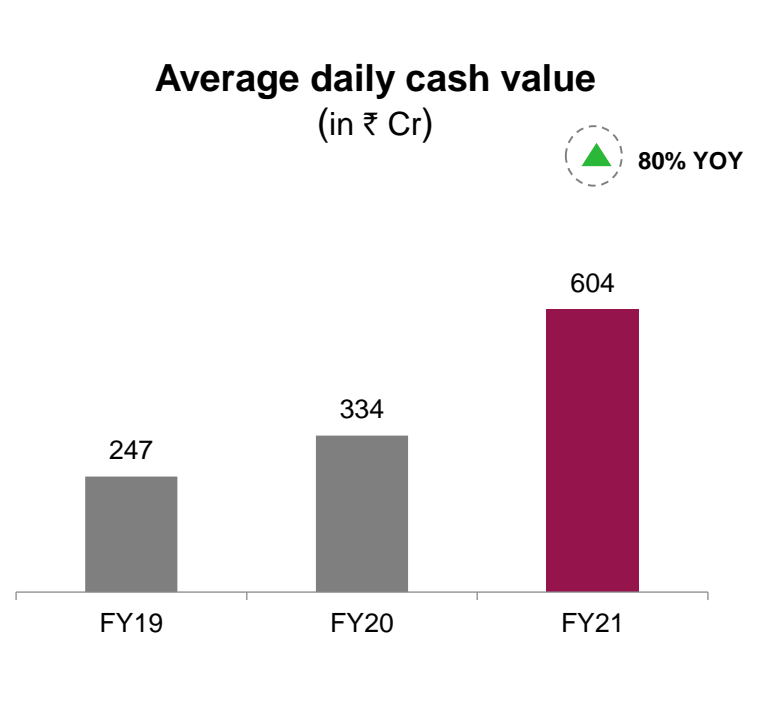
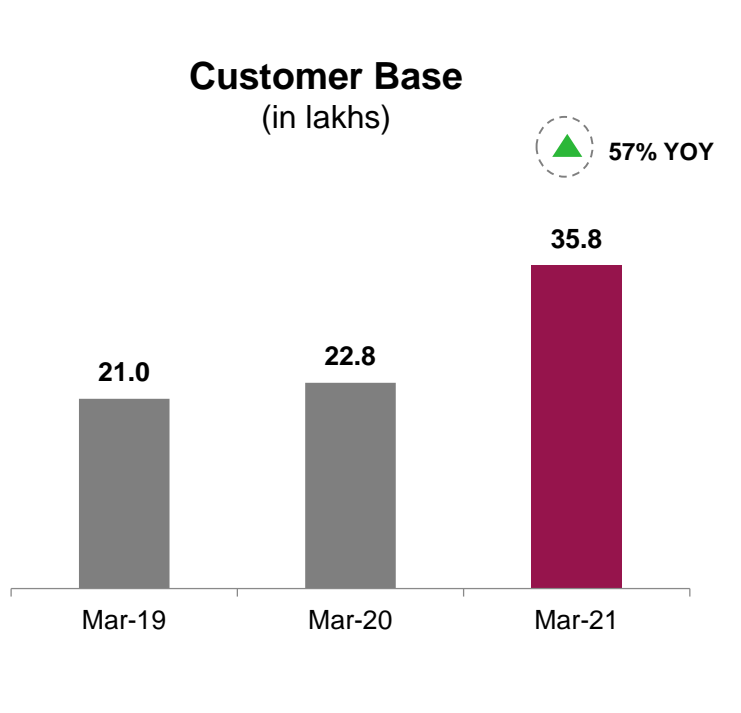


**Continuous product and service innovations to offer superlative customer experience**

# We are the 3<sup>rd</sup> largest bank led retail brokerage firm



- A full service retail brokerage firm with focus on cash delivery volumes to drive profitable growth
- **43%** average daily cash delivery volumes, higher than market cash delivery volumes of 31%



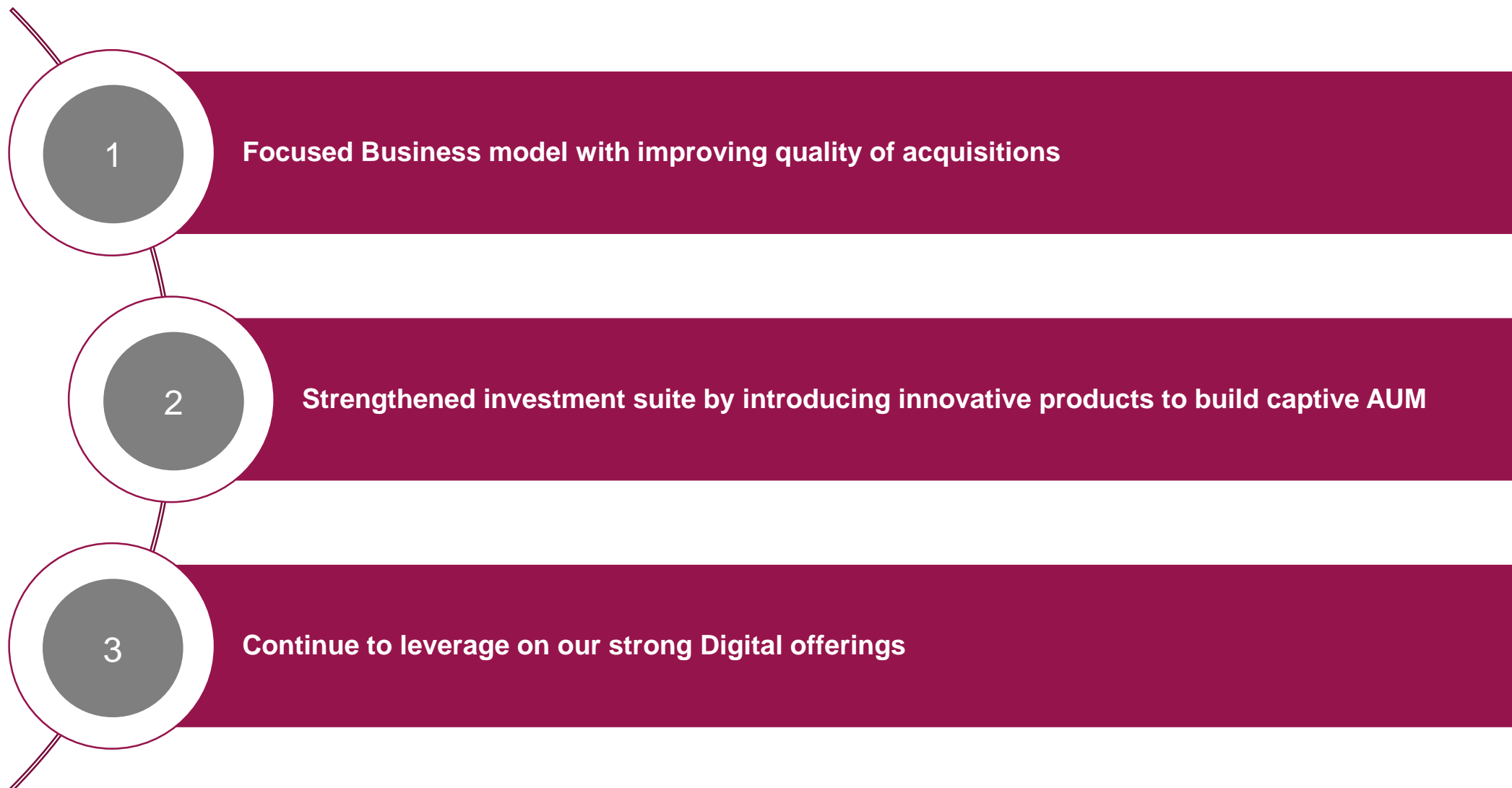
**10 lakh +** customers acquired from Karvy Broking in FY21

**47%** of the clients acquired are millennials

**3.5 lakh** new customers added organically in FY21

**39%** of the clients acquired belong to tier 1 and tier 2 cities

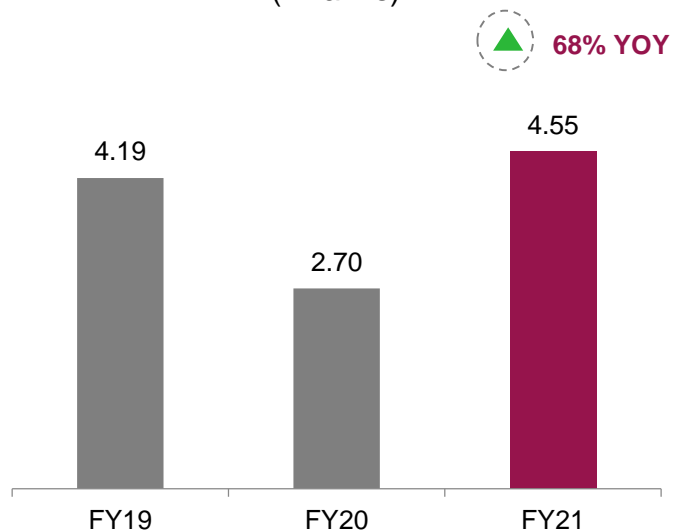




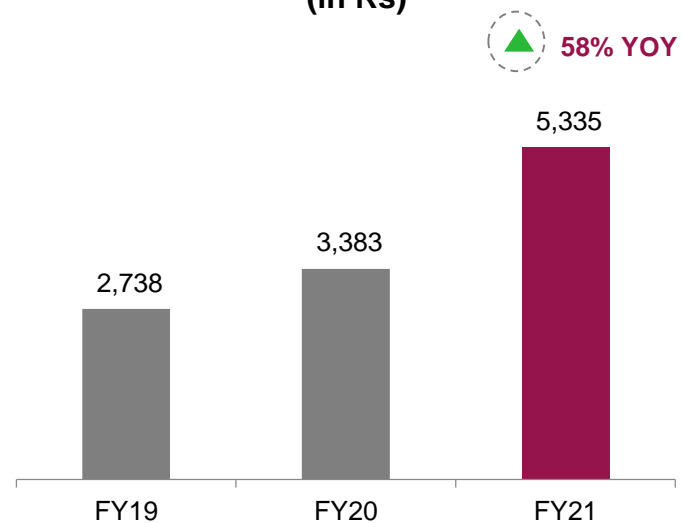
# Focused Business model with improving quality of acquisitions

- Took significant steps towards becoming a full service Retail brokerage firm in last two years by moving away from Retail Assets business and migrating away from discount brokerage model
- Focus has been to improve the quality of new customer acquisitions drive higher cash volumes leading to better ARPUs and profitability

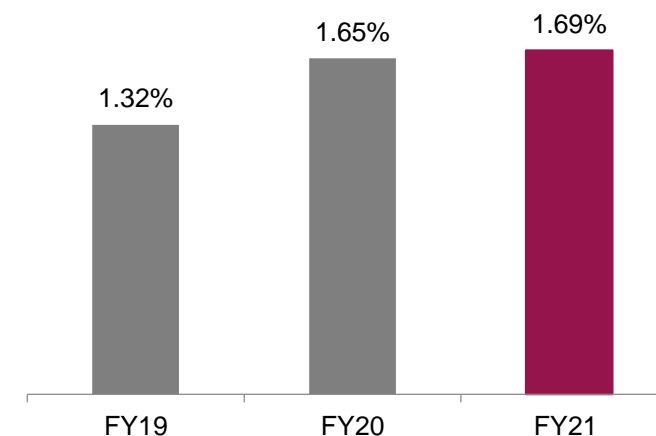
### Unique clients (UCC\*) (in lakhs)



### ARPU^ (in Rs)



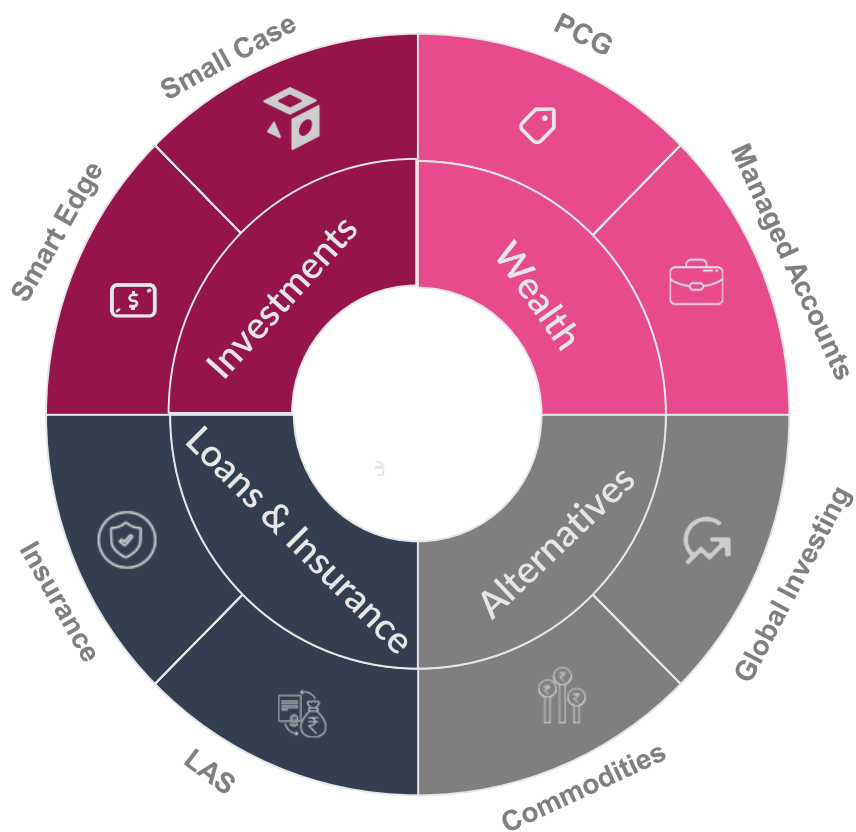
### Cash market share %



**68%** - YOY growth in NSE UCC\*, highest among bank led brokers

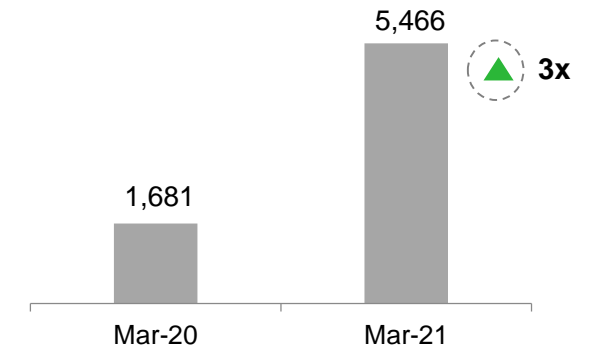
**52%** - Clients acquired in last two years are active clients

- Focus has been to build captive AUM business through robust research engine and product offerings to reduce volatility
- We have **10+** innovative product offerings across equities, commodities and advisory to scale up growth

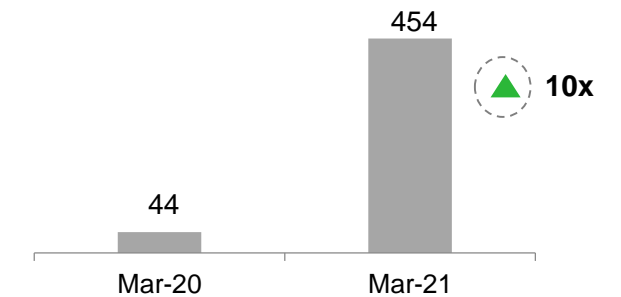


- ✓ **₹72,903 crores** of overall DP holdings
- ✓ **₹2250 crores** AUM for mutual funds, having scaled up SIP distribution
- ✓ **₹210 crores** collective AUM of newly launched advisory products **SmartEdge** and **Smallcase**
- ✓ **\$9.4 million** AUM for **Global investing**
- ✓ **10x** growth in average **Margin Trading Funding (MTF) book** with nearly 2x collateral
- ✓ Introduced **Digital LAS** and IPO bidding

### Smart Edge – No of clients



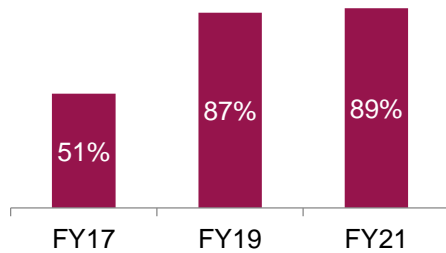
### Avg MTF Book Size (in Cr)



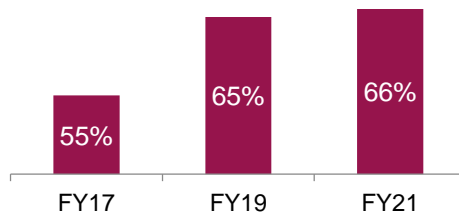
## We continue to leverage on our strong Digital offerings

- Digital contributes **89%** of volumes and **66%** of revenues, focus is on driving growth through technology led innovation across our digital platforms
- Convenient digital account opening process and launch of new RING Technology trading platforms to drive higher online business

Contribution of Digital to volumes



Contribution of Digital to trading revenues



**5x** growth in customers acquired digitally

**68%** of customers acquired digitally in FY21

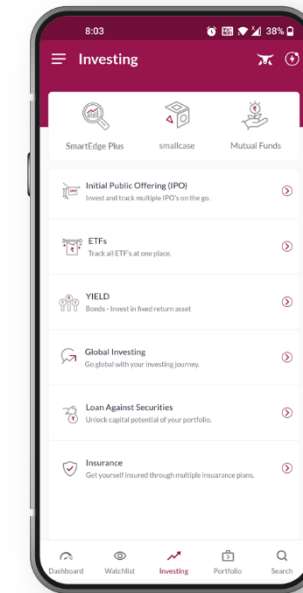
### Launched New RING Mobile App and Web platforms



#### Power and reliability in making investment decisions

- ✓ Built on the latest technology stack
- ✓ Robust order management system
- ✓ Scans over 25,000 stock market instruments in real-time
- ✓ Invest across stocks, IPOs, MFs, bonds, commodities
- ✓ Curated stock baskets and screeners

### Initial customer response has been encouraging



**68,000+**

Number of downloads  
in first 4 weeks since launch

**38%**

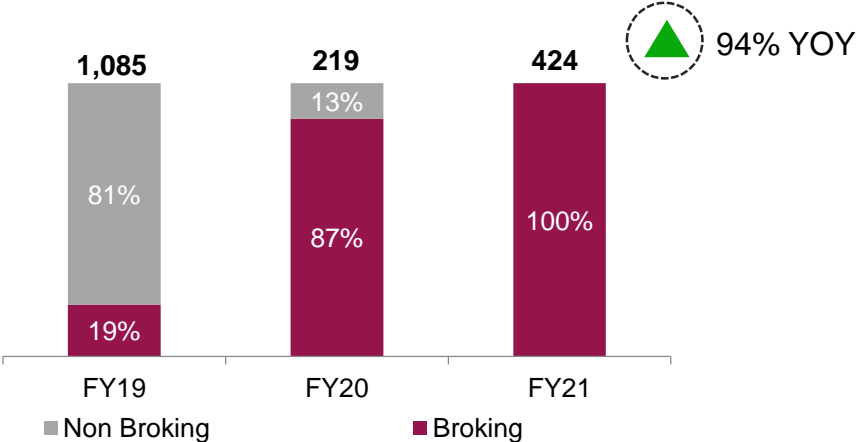
Login to trade ratio

# Delivered strong performance with 10x growth in PAT

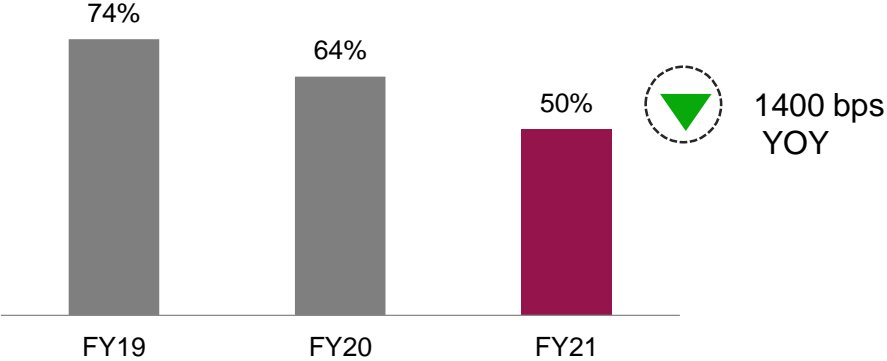


All figures in ₹ Cr

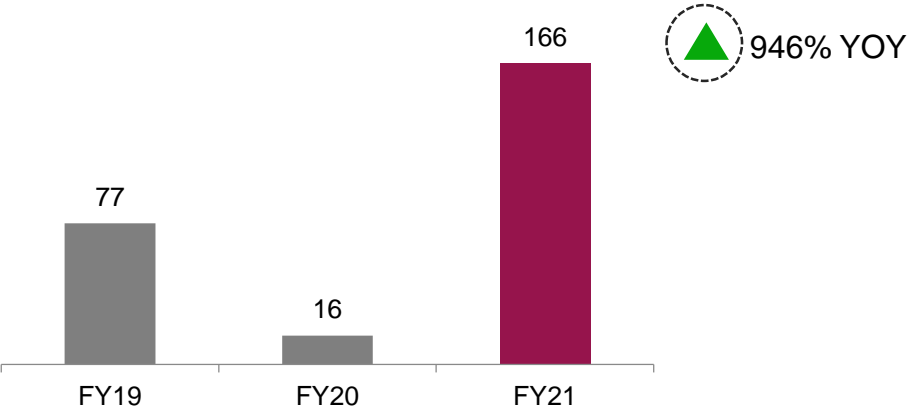
Total revenue mix (by segments)



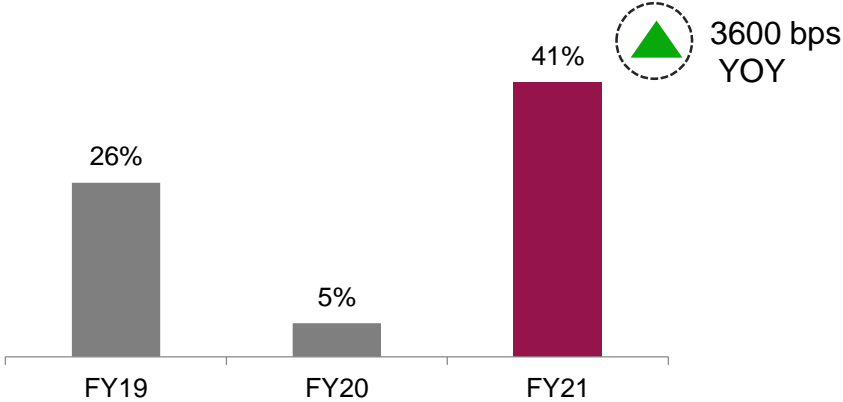
Cost to income ratio (Broking)



Profit after tax



Return On Equity



All numbers reported above are as per IGAAP  
 FY19 numbers include non broking business and are therefore not comparable with FY20 and FY21

**1** **Axis Asset Management Company Limited**

**2** **Axis Capital Limited**

**3** **Axis Finance Limited**

**4** **Axis Securities Limited**





**5** **Other Subsidiaries / Group Companies**

# Axis Trustee is amongst the leading Trustees with strong expertise in innovative investment vehicles like REITs and InvITs



- Registered with SEBI, ATSL provides trusteeship, agency & administration services since the year 1999
- Experienced team with strong domain expertise has helped ATSL to register many industry firsts and attain leadership position

## Comprehensive service offerings with many industry firsts...

-  First Trustee Company to get license from SEBI to commence operations in International Financial Services Centre at GIFT City, Gujarat.
-  Only Indian trustee company to provide facility agency service for ECBs availed by Indian corporates
-  Only Trustee in India to act as Trustee for REIT
-  Only trustee to offer control over cashflows of the company to prioritize payment to the lenders

## ...delivered through strong domain expertise...

- Strong parentage and team of experienced professionals with rich domain expertise
- Expertise in handling & delivering through complex structures like Escrow/ Structured transactions/ REIT/INVIT/ Facility Agent
- Expertise in monitoring financial/ operational progress of the projects and advising lenders on disbursement

## ...has resulted in strong positioning

**₹26.44 trillion**  
Assets under custody

**100% | >60%**  
Market share in REITs and InvITs  
respectively

**₹20.1 crores**  
Profit after tax

# Freecharge has evolved from a pure payments platform to a broader fintech platform



Freecharge serves as a “Digital Acquisition Engine” for the Bank to onboard the young digitally native and SMBs\*

It has co-created financial product offerings across deposits, loans, cards, investments and payments

## Key Product offerings

### Loans and Cards

- **Buy now Pay later** <sup>new</sup>
- Virtual Credit Cards
- Small ticket & large ticket PL

### Deposits

- Digital FD
- Digital SA
- Digital CA

### Investments

- MFs (Powered by Axis Securities)
- Digital Gold
- ASBA Mandates - Freecharge UPI

### Payments

- UPI, Bill-payments, Recharges & Fastag, EMI collection payments
- QR & SMS based payments for SMB

## Strategic focus areas

- » Develop financial service products relevant and focused toward’s digitally native customers.
- » Creation of simplified Digital end to end native journeys
- » Optimization and improvement of quality of customers in the payments space
- » Offer strong and differentiated value propositions to retail and small businesses with ability to cross sell and upsell in the future

## Key business metrics

**3 million+**  
Monthly unique active customers

**2,00,000+**  
Merchant base

**1,25,000+**  
Credit card applications

**25,000+**  
Deposit accounts sourced

**₹38 crores**  
Profit after tax (FY21)

\* SMB - Small and medium businesses



# A.TReDS continues to provide a strong platform for MSMEs to source funding



A. TReDS is one of the three entities allowed by RBI to set up an electronic Trade Receivables Discounting System platform to serve funding needs of MSMEs. 'Invoicemart', our digital invoice discounting platform continues to maintain its leadership with alliances in the fintech and supply chain space.

## Our strong tech and supply chain expertise...



Thorough understanding of supply chain finance and marketplace



Tech based secure origination and settlement processes



Intuitive and best in class UI



Integration capability with client ERP systems through open API



Unique risk rule engine and compliance towards KYC and customer onboarding

## ...has led to wide participation...

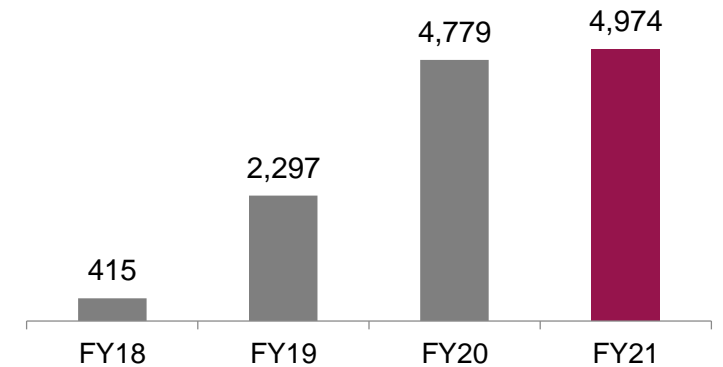
**9250+**  
participants

**486**  
Cities

**36%**  
Market share

## ...resulting in strong growth in throughput

in ₹ Cr



**6.6 lakh**  
Cumulative\* Invoices  
discounted

**₹12,465 Cr**  
Cumulative\* throughput

\*Since July'17 till Mar'31

# Max Life – 4<sup>th</sup> largest\* private life insurer in India



- Axis Bank completed the stake acquisition in India's 4<sup>th</sup> largest\* private life insurance company in Apr'21 to become a co-Promoter.
- This strategic partnership would further strengthen and deepen our relationship leading to better integration and alignment of the teams

## Update on Axis Bank stake acquisition

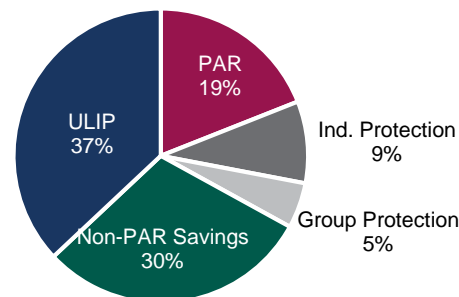
- **12.99%** stake owned by Axis Bank together with its subsidiaries, Axis Capital and Axis Securities, with right to raise stake further to 19.99%.
- To enhance customer trust further and highlight the strength of the partnership, Max Life's tag line now includes the Axis Bank name and logo



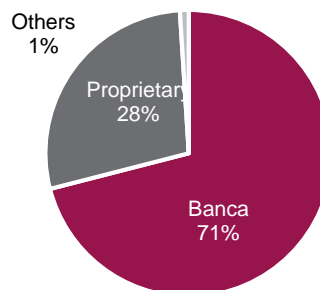
- **3** nominee directors from Axis Bank on the Board of Max Life.
- **~20 lakh** : Number of customers to whom Axis Bank sold the long-term saving and protection products of Max Life over the last decade
- Both companies have invested extensively in product and need-based sales training, thereby leading to a consistent increase in productivity.

## Strong and diversified business mix

Product Mix



Distribution Mix



## Healthy operating performance

- 10.8%**  
Private market share\*
- ₹90,407 cr | 32% YoY**  
Assets under management
- ₹11,834 cr**  
Embedded Value
- 25.2%**  
New Business margin
- 18.5%**  
Operating RoEV
- 196%**  
Solvency ratio

\* based on new business premium

**In conclusion, over the last two years we have made considerable progress in our One Axis journey with focus on delivering better value for customers across the Group**



An electronic invoice discounting platform for SME clients



Retail and Wholesale segments engage with subsidiaries to offer 'One Axis' solutions



Cross sell of Axis Bank's FDs, Cards and MFs on its platform



Working closely with Axis Capital & Burgundy Private teams to enhance distribution for Structured Finance business



Multiple trusteeship mandates won through close co-ordination with the Bank teams



**24** mandates won through One Axis across IPO, FPO, QIP, Rights issues, OFS and preferential issues



Increasing penetration in Bank's customer base with focus on Burgundy customers



Complements the Bank's product offerings and cross-sell of consumer finance to Bank's customers

# Thank You

