

**Axis Bank Limited**

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**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2017**

(₹ in lacs)

PARTICULARS	FOR THE QUARTER ENDED 30.09.2017	FOR THE QUARTER ENDED 30.06.2017	FOR THE QUARTER ENDED 30.09.2016	FOR THE HALF YEAR ENDED 30.09.2017	FOR THE HALF YEAR ENDED 30.09.2016	FOR THE YEAR ENDED 31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Interest earned (a)+(b)+(c)+(d)	11,235,08	11,052,49	11,159,11	22,287,57	22,273,01	44,542,16
(a) Interest/discount on advances/bills	8,406,31	8,210,58	8,386,18	16,616,89	16,705,99	33,124,96
(b) Income on Investments	2,432,03	2,417,87	2,380,58	4,849,90	4,816,86	9,622,82
(c) Interest on balances with Reserve Bank of India and other Inter bank funds	86,38	112,69	76,75	199,07	134,34	503,84
(d) Others	310,36	311,35	315,60	621,71	615,82	1,290,54
2. Other Income (Refer Note 2)	2,585,54	2,999,81	2,539,66	5,585,35	5,277,94	11,691,31
3. TOTAL INCOME (1+2)	13,820,62	14,052,30	13,698,77	27,872,92	27,550,95	56,233,47
4. Interest Expended	6,695,46	6,436,35	6,645,24	13,131,81	13,242,22	26,449,04
5. Operating Expenses (i)+(ii)	3,347,84	3,324,79	2,953,35	6,672,63	5,739,18	12,199,91
(i) Employees cost	1,082,84	1,088,25	988,83	2,171,09	1,952,01	3,891,86
(ii) Other Operating expenses	2,265,00	2,236,54	1,964,52	4,501,54	3,787,17	8,308,05
6. TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	10,043,30	9,761,14	9,598,59	19,804,44	18,981,40	38,648,95
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	3,777,32	4,291,16	4,100,18	8,068,48	8,569,55	17,584,52
8. Provisions (other than tax) and Contingencies (Net)	3,140,41	2,341,93	3,622,74	5,482,34	5,739,91	12,116,96
9. Exceptional Items	-	-	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before Tax (7-8-9)	636,91	1,949,23	477,44	2,586,14	2,829,64	5,467,56
11. Tax Expense	204,53	643,63	158,36	848,16	955,03	1,788,28
12. Net Profit/(Loss) from Ordinary Activities after Tax (10-11)	432,38	1,305,60	319,08	1,737,98	1,874,61	3,679,28
13. Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14. Net Profit/(Loss) for the period (12-13)	432,38	1,305,60	319,08	1,737,98	1,874,61	3,679,28
15. Paid-up equity share capital (Face value Rs. 2/- per share)	479,53	479,40	477,95	479,53	477,95	479,01
16. Reserves excluding revaluation reserves						55,283,53
17. Analytical Ratios						
(i) Percentage of Shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy Ratio (Basel III)	15.97%	16.36%	14.78%	15.97%	14.78%	14.95%
(iii) Earnings per Share (EPS) for the period/year (before and after extraordinary items)						
- Basic	1.80	5.45	1.34	7.25	7.85	15.40
- Diluted	1.80	5.43	1.33	7.23	7.81	15.34
(iv) NPA Ratios						
(a) Amount of Gross Non Performing Assets	27,402,32	22,030,87	16,378,65	27,402,32	16,378,65	21,280,48
(b) Amount of Net Non Performing Assets	14,052,34	9,765,98	7,761,15	14,052,34	7,761,15	8,626,55
(c) % of Gross NPAs	5.90	5.03	4.17	5.90	4.17	5.04
(d) % of Net NPAs	3.12	2.30	2.02	3.12	2.02	2.11
(v) Return on Assets (annualized)	0.27	0.87	0.23	0.57	0.70	0.65

Notes:

1. Statement of Assets and Liabilities of the Bank as on 30<sup>th</sup> September, 2017 is given below.

PARTICULARS	(₹ in lacs)	
	As on 30.09.2017 (Unaudited)	As on 30.09.2016 (Unaudited)
<b>CAPITAL AND LIABILITIES</b>		
Capital	479,53	477,95
Reserves and Surplus	55,692,03	53,345,37
Deposits	4,16,430,56	3,80,187,16
Borrowings	1,35,405,69	1,07,414,68
Other Liabilities and Provisions	27,308,37	23,033,27
<b>TOTAL</b>	<b>6,35,316,18</b>	<b>5,64,458,43</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	26,154,12	23,881,14
Balances with Banks and Money at Call and Short Notice	6,057,26	18,125,33
Investments	1,44,175,61	1,27,007,15
Advances	4,10,170,76	3,53,169,94
Fixed Assets	3,891,49	3,592,70
Other Assets	44,866,94	38,682,17
<b>TOTAL</b>	<b>6,35,316,18</b>	<b>5,64,458,43</b>

2. 'Other income' includes gains from securities' transactions, commission earned from guarantees/letters of credit, fees earned from providing services to customers, selling of third party products, ATM sharing fees.
3. During the quarter ended 30<sup>th</sup> September, 2017, the Bank allotted 6,51,210 equity shares pursuant to the exercise of options under its Employee Stock Option Scheme.
4. The Bank had entered into an agreement with Jasper Infotech Pvt. Ltd. to acquire 100% stake in its subsidiaries viz. Accelyst Solutions Pvt. Ltd. (ASPL) and Freecharge Payment Technologies Pvt. Ltd. (FPTL), which together constitute the digital payments business under the "Freecharge" brand. Pursuant to the receipt of RBI approval for the arrangement, the Bank has acquired 100% stake in ASPL and FPTL at an aggregate consideration of ₹398.80 crores in October 2017 and consequently the said companies have become wholly owned subsidiaries of the Bank.
5. In accordance with RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated 1<sup>st</sup> July, 2015 on 'Basel III Capital Regulations' and RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31<sup>st</sup> March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures which are available on its website at the following link: <http://www.axisbank.com/investor-corner/baselIII-disclosures.aspx>. The disclosures have not been subjected to audit or limited review by the statutory auditors of the Bank.
6. Divergence in Asset Classification and Provisioning for NPAs –
- The Bank classifies advances into performing and non-performing advances (NPAs) as per the RBI guidelines. NPAs are identified and provided for based on RBI's Prudential Norms on Income Recognition, Asset Classification and Provisioning.
  - Based on application of RBI's prudential norms as stated above, the Bank classified and made the prescribed provisions against the NPAs as at the end of 31<sup>st</sup> March, 2017.
  - As part of the Risk Based Supervision (RBS) exercise for FY 2016-17, the RBI has pointed out certain modifications in the Bank's asset classification and provisioning as on 31<sup>st</sup> March 2017 as detailed in the table below:

(₹ in crores)

<b>Sr. No.</b>	<b>Particulars</b>	<b>31 March, 2017</b>
1	Gross NPAs as on 31 March, 2017, as reported by the Bank	21,280.48
2	Gross NPAs as on 31 March, 2017, as assessed by RBI	26,913.28
3	Divergence in Gross NPAs (2-1)	5,632.80
4	Net NPAs as on 31 March, 2017, as reported by the Bank	8,626.55
5	Net NPAs as on 31 March, 2017, as assessed by RBI	12,943.65
6	Divergence in Net NPAs (5-4)	4,317.10
7	Provisions for NPAs as on 31 March, 2017, as reported by the Bank	12,205.72
8	Provisions for NPAs as on 31 March, 2017, as assessed by RBI	13,521.42
9	Divergence in provisioning (8-7)	1,315.70
10	Reported Net Profit after Tax (PAT) for the year ended 31 March, 2017	3,679.28
11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended 31 March, 2017 after taking into account the divergence in provisioning	2,793.95

The Bank has duly recorded the impact of the above in the results for the quarter ended 30<sup>th</sup> September, 2017.

7. The above results have been approved by the Board of Directors of the Bank at its meeting held at Mumbai today.
8. These results for the quarter and half year ended 30<sup>th</sup> September, 2017 have been subjected to a "Limited Review" by the statutory auditors of the Bank.
9. Previous period figures have been regrouped and reclassified, where necessary, to make them comparable with current period figures.

**Axis Bank Limited  
Segmental Results**

(₹ in lacs)

		FOR THE QUARTER ENDED 30.09.2017	FOR THE QUARTER ENDED 30.06.2017	FOR THE QUARTER ENDED 30.09.2016	FOR THE HALF YEAR ENDED 30.09.2017	FOR THE HALF YEAR ENDED 30.09.2016	FOR THE YEAR ENDED 31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Segment Revenue</b>						
A	Treasury	15,542,99	15,875,14	15,749,07	31,418,13	31,857,58	65,008,41
B	Corporate/Wholesale Banking	5,585,99	5,594,91	6,079,75	11,180,90	12,202,92	24,084,60
C	Retail Banking	10,083,79	9,706,32	9,586,64	19,790,11	18,710,21	38,239,80
D	Other Banking Business	269,87	229,77	236,39	499,64	394,58	1,002,14
	<b>Total</b>	<b>31,482,64</b>	<b>31,406,14</b>	<b>31,651,85</b>	<b>62,888,78</b>	<b>63,165,29</b>	<b>1,28,334,95</b>
	Less: Inter segment revenue	17,662,02	17,353,84	17,953,08	35,015,86	35,614,34	72,101,48
	<b>Income from Operations</b>	<b>13,820,62</b>	<b>14,052,30</b>	<b>13,698,77</b>	<b>27,872,92</b>	<b>27,550,95</b>	<b>56,233,47</b>
<b>2</b>	<b>Segment Results After Provisions &amp; Before Tax</b>						
A	Treasury	990,67	1,265,94	(39,67)	2,256,61	985,43	2,858,71
B	Corporate/Wholesale Banking	(1,338,35)	150,11	(708,00)	(1,188,24)	(261,02)	(1,876,33)
C	Retail Banking	743,12	333,64	1,016,82	1,076,76	1,765,99	3,600,86
D	Other Banking Business	241,47	199,54	208,29	441,01	339,24	884,32
	<b>Total Profit Before Tax</b>	<b>636,91</b>	<b>1,949,23</b>	<b>477,44</b>	<b>2,586,14</b>	<b>2,829,64</b>	<b>5,467,56</b>
<b>3</b>	<b>Segment Assets</b>						
A	Treasury	2,03,390,38	2,02,649,14	1,96,479,86	2,03,390,38	1,96,479,86	2,09,865,71
B	Corporate/Wholesale Banking	2,17,914,78	2,04,613,07	1,96,274,91	2,17,914,78	1,96,274,91	1,98,331,45
C	Retail Banking	2,06,710,67	1,93,165,15	1,67,576,66	2,06,710,67	1,67,576,66	1,86,937,38
D	Other Banking Business	787,92	677,89	690,88	787,92	690,88	746,92
E	Unallocated	6,512,43	5,613,01	3,436,12	6,512,43	3,436,12	5,586,21
	<b>Total</b>	<b>6,35,316,18</b>	<b>6,06,718,26</b>	<b>5,64,458,43</b>	<b>6,35,316,18</b>	<b>5,64,458,43</b>	<b>6,01,467,67</b>
<b>4</b>	<b>Segment Liabilities</b>						
A	Treasury	2,19,570,63	2,08,547,73	1,92,545,08	2,19,570,63	1,92,545,08	1,94,987,16
B	Corporate/Wholesale Banking	1,10,722,44	1,00,760,44	87,016,98	1,10,722,44	87,016,98	1,18,340,37
C	Retail Banking	2,48,564,34	2,40,241,27	2,30,935,66	2,48,564,34	2,30,935,66	2,32,331,99
D	Other Banking Business	60,25	40,88	28,83	60,25	28,83	42,00
E	Unallocated	226,96	15,32	108,56	226,96	108,56	3,61
	<b>Capital and Other Reserves</b>	<b>56,171,56</b>	<b>57,112,62</b>	<b>53,823,32</b>	<b>56,171,56</b>	<b>53,823,32</b>	<b>55,762,54</b>
	<b>Total</b>	<b>6,35,316,18</b>	<b>6,06,718,26</b>	<b>5,64,458,43</b>	<b>6,35,316,18</b>	<b>5,64,458,43</b>	<b>6,01,467,67</b>

Note:

1. Previous period figures have been regrouped and reclassified, where necessary, to make them comparable with current period figures.
2. Effective 1<sup>st</sup> April 2017, the Bank has introduced a methodology for allocation of costs with respect to shortfall in achievement of Priority Sector Lending to SBUs, based on the internal cost allocation methodology. Accordingly, segment results for the quarter are not comparable with the previous periods.

For and on behalf of the Board

Place: Mumbai  
Date: 17<sup>th</sup> October, 2017

**SHIKHA SHARMA**  
MD & CEO