

# SHAREHOLDERS & PROVIDERS OF CAPITAL

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Actively engage with Shareholders and Providers of Capital  
to create enduring value

## SHAREHOLDERS & PROVIDERS OF CAPITAL

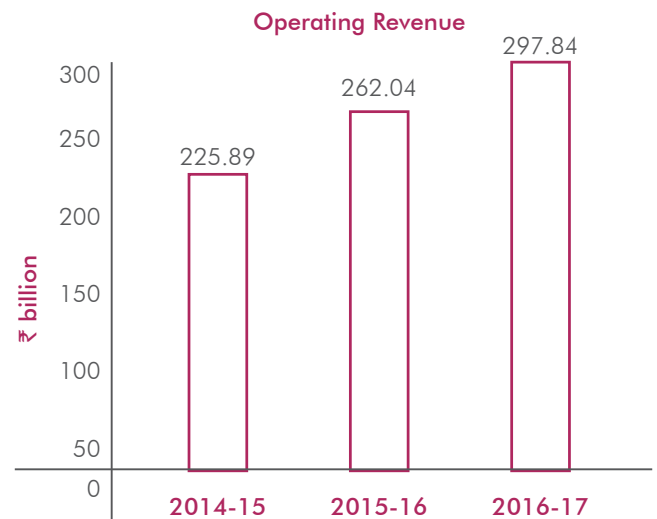
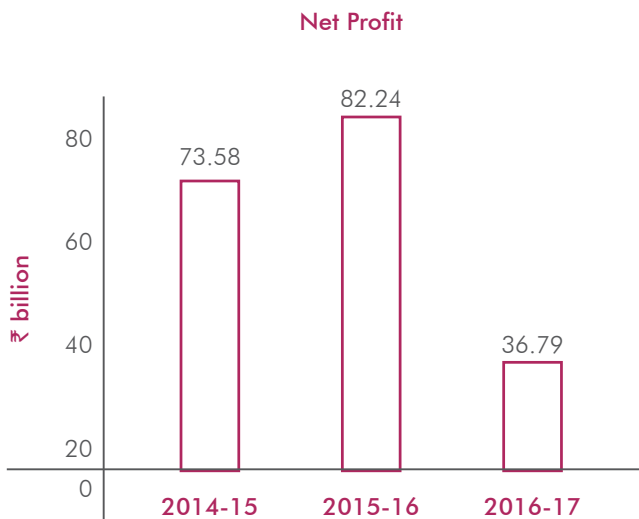
### Profitable growth

The year under review has been a challenging one for us but we continued to deliver steady growth by continuing to focus on our customer-first approach backed by strong wide-spread branch network and innovative electronic channels, robust retail franchise and multiple key corporate and SME relationships.

- Operating revenue grew by 13.66% and operating profit grew by 9.20%. This growth in earnings was achieved owing to contribution from all business segments.
- Net profit of ₹ 36.79 billion was reported for the year ended 31<sup>st</sup> March 2017.

- We displayed a steady increase in key balance sheet parameters till the end of the financial year.
- The total assets surged by 11.42% to ₹ 6014.68 billion, total deposits rose by 15.76% to ₹ 4143.79 billion while total advances increased by 10.12% to ₹ 3730.69 billion.

Retail Banking has been the mainstay of our overall growth and strategy in the last few years. We continued to post good growth numbers across retail deposits, retail advances and payments, ably supported by a blend of physical branch network and digital channels. We have been cautious in our corporate lending practices and have avoided sectors with imminent stress or unviable business models.



Shareholders attending Axis Bank's 22<sup>nd</sup> AGM held in Ahmedabad, India.

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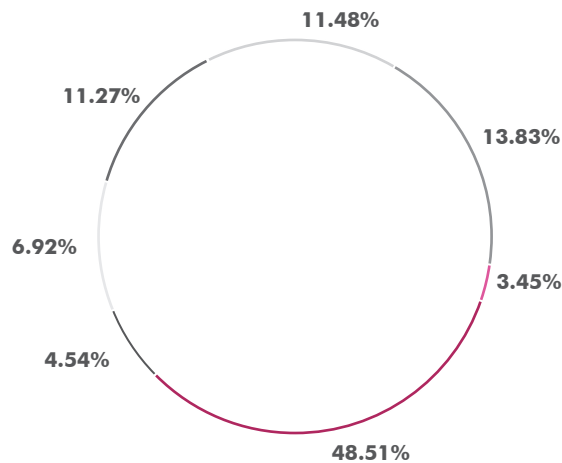
## Capital management

We continue to place emphasis on greater capital efficiency and shoring up our capital adequacy to enhance shareholder value. In order to achieve this objective, the focus has been to increase the proportion of lower risk weighted assets. Our capital management framework ensures proper allocation and utilisation of capital for an optimal mix of businesses.

non-performing assets. Given the inherent improvement in the underlying strength of the our franchise over these years, it is only a matter of time that the return ratios improve again, as the benefits of lower slippages and credit costs begin to reflect.

- Basic Earnings Per Share (EPS) was ₹ 15.40 compared to ₹ 34.59 last year, while the Diluted Earnings Per Share was ₹ 15.34 compared to ₹ 34.40 last year.

### Shareholding Pattern (as on 31<sup>st</sup> March 2017)



- Administrator of the specified Undertaking of the Unit Trust of India (SUUTI)
- Life Insurance Corporation of India (LIC) & its group entities
- General Insurance Corporation and four PSU insurance companies
- Overseas investors (including FIIs/OCBs/ NRIs)
- Foreign Direct Investment (GDR issue)
- Other Indian financial institutions/Mutual funds/Banks
- Other

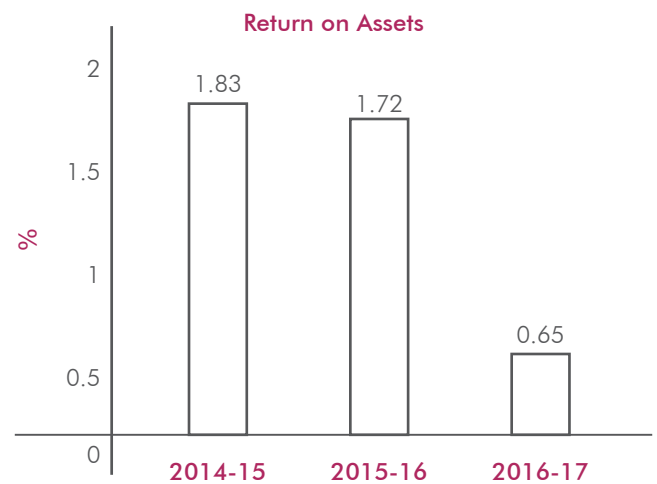
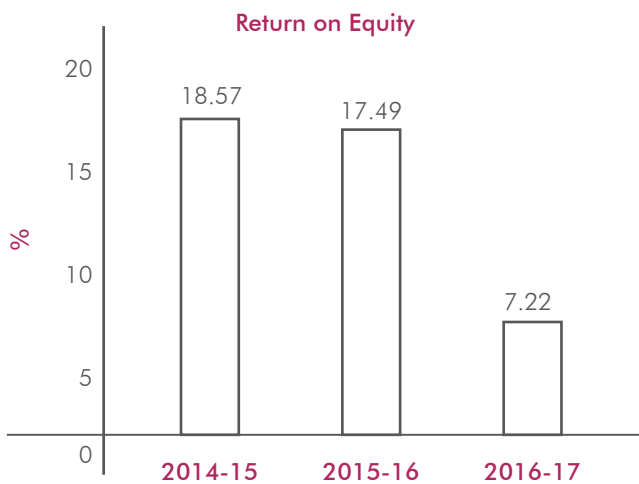
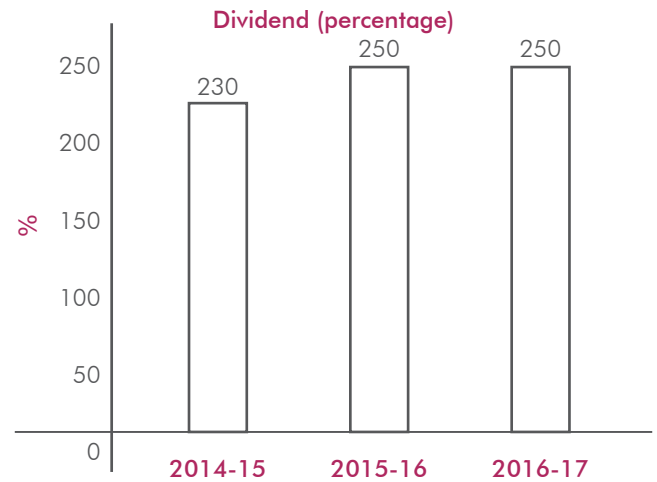
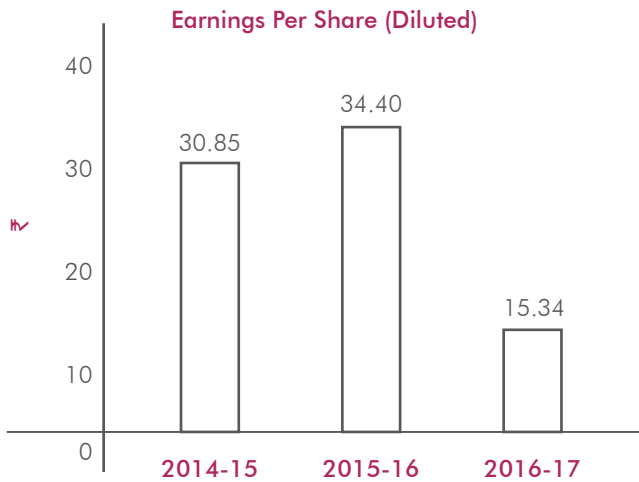
- We are well capitalised with an overall Capital Adequacy Ratio (CAR) of 14.95% as on 31<sup>st</sup> March 2017, computed under Basel III norms – which is well above the benchmark requirement of 10.25% stipulated by the Reserve Bank of India (RBI).
- The Common Equity Tier I CAR was 11.13% (minimum regulatory requirement of 6.75%) against 12.48% last year, and Tier I CAR was 11.87% (minimum regulatory requirement of 7.00%) against 12.51% last year. The Bank raised Additional Tier I capital in the form of perpetual debt instruments amounting to Rs. 3,500 crores during the year.
- The Tier II CAR stood at 3.08% against 2.78% in 2015-16. In accordance with RBI's guidelines on issuance of long-term bonds for financing of infrastructure and affordable housing, the Bank successfully raised ₹ 5,000 crores of long-term infrastructure bonds during the year.

## Shareholder Returns

The key financial return ratios witnessed moderation during the year on account of higher provisions for

- Return on Equity (RoE) stood at 7.22% and Return on Assets (RoA) stood at 0.65%.
- The Net Interest Margin (NIM) for the year was 3.67% compared to 3.90% last year.
- Ratio of gross NPAs to gross customer assets stood at 5.04% and Net NPA ratio (Net NPAs as percentage of net customer assets) was 2.11%.

Considering the overall performance of the Bank, and with the objective of rewarding shareholders with cash dividends, while retaining capital to maintain a healthy Capital Adequacy Ratio to support future growth, the Board of Directors has recommended a dividend of ₹ 5 per equity share of ₹ 2 each for the year ended 31<sup>st</sup> March 2017, similar to dividend declared last year.



## Shareholder Engagement

We engage with shareholders and investors continually. Key updates are shared during investor and analyst meetings and calls, and quarterly and annual result announcements.

Our website also contains shareholder information and updates. Annual General Meetings are held to apprise shareholders of our performance and plans, and seek shareholder approvals. In case of grievances,

shareholders can reach us through email or by writing to us.

The Board, through Stakeholder Relationship Committee, has an oversight on the redressal of the grievances of security holders of the Bank, inter alia relating to non-receipt of dividend/interest, refund order/redemption, transfer/transmission, non-receipt of annual report and other grievances.

	Pending As on 31.3.2016	Received during 2016-17	Redressed during 2016-17	Pending As on 31.03.2017
Investor Complaints	0	768	768	0