January 23, 2020 Revised

Axis Bank Limited: [ICRA]AAA(Stable) assigned to the Infrastructure Bonds programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Infrastructure Bonds/Debentures Programme	17,205.00	17,205.00	[ICRA]AAA(Stable); outstanding
Infrastructure Bonds Programme	0.00	5000.00	[ICRA]AAA(Stable); assigned
Basel III Complaint Tier II Bonds Programme	16,350.00	16,350.00	[ICRA]AAA(hyb)(Stable); outstanding
Lower Tier II Bonds Programme	5,925.00	5,925.00	[ICRA]AAA (Stable); outstanding
Basel III Complaint Tier I Bonds Programme	7,000.00	7,000.00	[ICRA]AA+(hyb)(Stable); outstanding
Certificates of Deposit Programme	60,000.00	60,000.00	[ICRA]A1+; outstanding
Fixed Deposit Programme	-	-	MAAA(Stable); outstanding
Total	**1,06,480.00**	**1,11,480.00**	

**Instrument details are provided in Annexure-1*

The rating for the Basel III Compliant Additional Tier-I (AT-I) Bonds is one notch lower than the rating for the Basel III Compliant Tier II Bonds of Axis Bank Limited (ABL) 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 common equity tier I *(*CET-I), Tier I and total capital ratios (including capital conservation buffer, CCB) at all times, as prescribed by the Reserve Bank of India (RBI) under Basel III regulations.

These AT-I bonds are expected to absorb losses through a write-down mechanism at the objective pre-specified trigger point fixed at the bank's CET-I ratio as prescribed by the RBI, 5.5% till March 2020, and thereafter 6.125% of the total risk weighted assets (RWAs) of the bank or when the point of non-viability (PONV) trigger is breached in the RBI's opinion.

The letters hyb, in parenthesis, suffixed to a rating symbol stand for hybrid, indicating that the rated instrument is a hybrid subordinated instrument with equity-like loss-absorption features; such features may translate into higher levels of rating transition and loss severity vis-à-vis conventional debt instruments. The rated Tier II bonds under Basel III are expected to absorb losses once the PONV trigger is invoked.

Rationale

The highest credit quality ratings of the bank's debt instruments are supported by its strong position in the Indian financial system with a 5.67% share in banking sector advances. Further, the bank the capitalisation levels improved in Q2FY2020 with CET-I at 13.82% (as against 11.68% as on June 30, 2019 & 11.71% as on September 30, 2018) following the conclusion of the equity capital raise via the qualified institutional placement (QIP). The earnings profile remains supported by the strong operating profitability, driven by healthy net interest margins (NIMs) and fee income. However, the same is offset by the high credit provisions on stressed assets, which led to a below average net profitability. Nevertheless, with exception to a one-time tax impact in Q2FY2020 as well as expected reduction in the credit provisions, ICRA expects the net profitability to improve from the levels witnessed during the last few years. ABL's resource profile continues to be supported by a high share of current account and savings account (CASA) deposits though the recent performance, in terms of CASA growth, has been below the system average. This led to a decline in the share of CASA deposits for the bank, even though it remains strong at 41.3% of total deposits as on September 30, 2019. Over the last few quarters, the increased focus on the scaling up of retail term deposits led to a steady increase in the bank's cost of interest-bearing funds.

The annualised rate of fresh gross slippages continued to remain on an upward trend and remained high at 4.10% (of standard advances) in Q2FY2020, as compared to 3.97% (of standard advances) in Q1 FY2020 and 3.28% in FY2019, which remained above the private banks' average as well as that of peer rated banks. This remains a key rating challenge. The asset quality improved marginally (gross NPA and net NPA of 5.39% and 2.14%, respectively, as on September 30, 2019, compared to 5.70% and 2.22% as on June 30, 2019 and 7.49% and 3.77%, respectively, as on March 31, 2018), although it continues to remain weaker in comparison to peer rated banks. Given the high slippages in H1 FY2020 and the sizeable watchlist of stressed accounts as of September 2019, ICRA expects the fresh gross slippages to remain high at 2.7-3.0% in FY2020 and credit costs to remain elevated at 1.3-1.4% of average total assets (ATA) in FY2020. This, in turn, can keep ABL's return metrics muted at 0.7-0.8% of ATA in FY2020 (excluding the one-time tax impact). In such a scenario, the recoveries and upgrades, which remained strong in FY2019 would remain a key monitorable in the near term, being a key driver of the bank's net profitability. During H1FY2020, slippages of Rs.9,781 crores, was covered by recoveries and upgrades of Rs.4,390 crore and write-off's of Rs.6,109 crore, which helped contain overall stock of GNPA to remain at Rs.29, 071 crore as on September 30, 2019 as against Rs.29,789 crore as on March 31, 2019.

The ratings for the additional AT- I bonds are one notch lower than the rating on the Tier II instruments, given the distinguishing features of these bonds as explained earlier. The distributable reserves that can be used for servicing the coupon in a situation of inadequate profits or a loss during the year, stood at a comfortable 6.8% of RWAs as on September 30, 2019. 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.

Key rating drivers and their description

Credit strengths

Strong position in financial services sector – The bank's net advances stood at Rs. 5,21,594 crore as on September 30, 2019, reporting a YoY growth of ~14% (~13% YoY growth in FY2019). This, however, was lower than the private sector banks' YoY growth in net advances of 15.5% as on September 30, 2019. Although this is likely to improve following the capital infusion, that was concluded only towards the end of Q2FY2020. ABL is the third-largest private bank and fifth largest in the overall Indian banking sector with ~5.67% share in advances in the banking sector. ABL, through its subsidiaries, has a presence in investment banking, asset management and securities broking in the domestic financial services sector.

ABL's net advance growth was largely driven by a 23% YoY growth in retail advances and 7% YoY growth in the corporate segment as on September 30, 2019. On the other hand, the SME segment grew at a slower pace of 2% on a YoY basis as on, given the impact on slowing economic conditions on this segment. As on September 30, 2019, the corporate segment constituted 36% of ABL's overall advances (40% as of March 31, 2018) while retail advances constituted 52% (47%) and SME advances accounted for 12% (13%). The bank's share of the total banking sector credit remained increased from 5.52% as on June 30, 2019 to 5.67% in Q2FY2020, indicating its strong position in the Indian financial system. Continued credit growth in corporate sector lending by the bank, which, coupled with continued growth in the retail and SME segments, is expected to drive growth in ABL's loan book by more than 10-11% in FY2020.

Capital cushions improve following QIP– ABL's capitalisation ratios improved following the QIP of ~Rs.12,500 crore (2.11% of RWA as on September 30, 2019) in Q2FY2020, which helped in an improvement in CET-I, Tier-I and CRAR to 13.82%, 15.03% and 18.23% (as a percentage of RWA's) as on September 30, 2019 as against 11.68%, 12.90% and 16.06% as on June 30, 2019. The capital infusion helped improve capital cushions resulting in a stronger capital position.

With weak internal capital generation, the bank's capital ratios during the last three years were supported by a capital raise of Rs. 8,654 crore in December 2017, the conversion of share warrants of Rs. 2,563 crore in Q1 FY2020 and subsequently a QIP of Rs.12,500 crore in Q2FY2020. Despite the impact of weak profitability on internal capital generation, capital consumption on account of estimated growth in advances of 10-11% in FY2020, ABL is likely to remain strongly capitalised with a Tier I capital cushion of more than 5.0% over the regulatory minimum levels[1] by March 31, 2020. Going forward, ABL's ability to gradually improve profitability, generate growth capital internally and maintain strong capital cushions will remain a key rating monitorable.

Profitability improving although prospects remain dependent on ability to contain asset quality issues – Supported by a 12.5% growth in advances, the net interest income (NII) grew by 17% in FY2019 to Rs. 21,708 crore from Rs. 18,618 crore in FY2018 and was Rs. 11,945 crore in H1 FY2020 (Rs. 10,399 crore in H1 FY2019) supported by a 14.4% YoY growth in net advances over the same period. The NII growth was much higher in FY2019 because of relatively lower slippages in FY2019 compared to FY2018 leading to lower interest reversals in FY2019. The net interest margins (NIMs; as a percentage of ATA) witnessed a steady improvement with the same inching up to 2.91% in FY2019 (from 2.88% in FY2018) and further to 2.97% in Q1 FY2020 which continued to improve to 3.08% in Q2FY2020, on the back of favourable interest spreads. Despite the improvement, NIMs remained below the levels seen in FY2017 (3.17%) as well as the private sector average because of higher net NPA and higher leverage.

Going forward, on the back of a sizeable capital raise and expectations of lower net NPA, NIMs are expected to improve though the same remains dependent on the bank's ability to keep slippages at lower levels. Given the relatively high provision coverage ratios (PCRs) and steady improvement in NII and core fee income, the overall profitability is likely to improve, even though achieving a return on assets (RoA) of 1.0% can be a challenge in the near term, particularly following the one time tax impact in Q2FY2020. ICRA expects slippages to remain at elevated levels of 2.7-3.0% due to the sizeable watchlist besides the high slippages witnessed in H1 FY2020. This, in turn, is likely to keep the bank's credit costs high at 1.3-1.4% of ATA, which will impact its profitability and keep the overall return metrics muted at 0.7-0.8% of ATA in FY2020.

Credit challenges

Asset quality remains below average on account of high slippages and high GNPA levels – In H1FY2020, the bank reported a sharp increase in gross slippages at Rs. 9,781 crore, as compared to slippages of Rs.6,758 crore in H2FY2019 and Rs.7,114 crore in H1FY2019, leading to a spike in the annualised rate of fresh NPA generation to 4.05% in H1FY2020. However, despite the high slippages, recoveries and upgradations of Rs. 4,390 crore and write-offs of Rs. 6,109 crore offset the increase in gross NPA. Consequently, gross NPA (as a percentage of gross customer advances) reduced to 5.39% as on September 30, 2019 from 5.70% as on June 30, 2019 and was lower than 7.49% as on March 31, 2018, although it remained higher than the private sector bank's average of 4.27%. Further, the PCR (excluding write

[1] *Regulatory minimum Tier I requirement as on March 31, 2020 is 9.5% including CCB of 2.5%*

offs) remained stable at 61.69% as on September 30, 2019 compared to 62.46% as on June 30, 2019, although it was higher than 51.56% as on March 31, 2018. As a result, net NPA (as a percentage of net customer assets) reduced to 2.14% as on September 30, 2019 from 2.22% as on June 30, 2019 and 2.28% as on March 31, 2019 and remained lower than 3.77% as on March 31, 2018. Even though the provision cover for ABL remains similar to private bank averages, the net NPA was higher than the private bank average of 1.68% as on September 30, 2019.

Further, ABL's standard stressed exposures (companies rated BB and below) reduced to 1.1% of gross customer assets as on September 30, 2019 from ~2% as on September 30, 2018. In addition to BB and below exposures, in Q1 FY2020, the bank identified exposures to certain stressed corporate groups across various sectors, a part of which were included in the BB and below list. It also has non-funded exposures to these BB and below exposures and stressed groups. Given the large slippages in H1 FY2020 and the sizeable value of stressed accounts, ICRA expects the slippages to remain elevated in FY2020 at 2.7-3.0% of standard advances.

Going forward, given the existing stock of NPAs, the extent of recoveries would be a key monitorable in the near term and could be a key driver of the bank's net profitability. Equity capital raise in Q2FY2020 helped improve the solvency profile (Net NPA's to Core equity) from 15.81% as on June 30, 2019 to which stood at 13.49% as on September 30, 2019, but still continued to remain lower than peer rated banks. Going forward, high slippages in H2FY2020 and associated credit costs could prevent significant improvement in solvency levels beyond existing levels. Nevertheless, the bank's strong operating profitability is likely to provide coverage against higher credit costs thereby enabling it to lower net NPA.

Muted growth in CASA deposits leading to higher increase in cost of interest-bearing funds related to peers – Despite adding ~350 branches in FY2019, ABL's CASA base witnessed a marginal degrowth of 0.2% on a YoY basis as on March 31, 2019. This was mainly due to a sharp decline in current account deposits and muted growth in savings account deposits, which remained in contrast to the stronger growth trend registered by the private sector average and peers. Further, the YoY growth in CASA deposits stood at 8.2% as on September 30, 2019, which was lower than the peers and private bank average of ~15.6%. This was however offset by strong growth in retail term deposits with the quarterly average balance growing at a healthy 36% to Rs. 2,16,083 for Q2FY2020 from Rs. 1,58,789 crore for Q2FY2019. Consequently, the contribution of the lower-cost CASA to total deposits declined to 41% as on September 30, 2019 from 44% as on March 31, 2019 and was significantly lower than 54% as on March 31, 2018. Nevertheless, the bank's CASA as well as the sizeable retail term deposit base remains a credit positive in light of the high granularity of the depositor base. The decline in CASA has resulted in a gradual increase in the cost of interest-bearing funds to 5.48% in Q2 FY2020 and 5.49% in Q1FY2020 from 5.11% in FY2019. Moreover cost remained higher on a YoY basis as well, with cost of interest bearing funds at 5.25% in Q2FY2019. Despite the increase in cost, ABL continues to operate at a lower cost than the private sector average though the cost differential between the two continues to narrow. As on September 30, 2019, ABL's CASA remained only marginally better than the private sector bank average of ~40%.

Liquidity position: Strong

The bank's daily average liquidity coverage ratio remained strong at 119.72% in Q2FY2020 & 125.39% in Q1 FY2020 against the regulatory requirement of 100% as on January 1, 2019. As per the structural liquidity statement for December 15, 2019, the bank has negative mismatches (outflows higher than inflows) in across all the less than one year buckets. Hence, ABL's ability to sustain its deposit base will remain key for liquidity. The bank's SLR holding was ~21% of net demand and time liabilities as on March 31, 2019 against the regulatory requirement of 19.25%. The excess SLR holding above the regulatory levels 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

Negative triggers – 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 / CET of >15% on a sustained basis, could be a negative trigger. Further, sustained RoA <1.0-1.1% and/or if the capital cushions over the regulatory levels fall below 4% at the CET-I and Tier I levels on a sustained basis, will remain negative triggers.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Rating Methodology for Banks
Parent/Group Support	Not applicable
Standalone/Consolidated	To arrive at the ratings, ICRA has considered the standalone financials of Axis Bank Limited

About the company

Incorporated in December 1993, Axis Bank Limited (ABL) is a private sector bank. The bank's promoter group includes Life Insurance Corporation of India (LIC), Specified Undertaking of the Unit Trust of India (SUUTI), General Insurance Corporation of India, The New India Assurance Company Limited, National Insurance Company Limited, The Oriental Insurance Company Limited and United India Insurance Company Limited, which collectively held 15.71% of the shares as on December 31, 2019 compared to 26.36% as on March 31, 2018.

As on September 30, 2019, the bank had the third-largest network of branches among private sector banks with 4,284 branches and an international presence through branches in DIFC (Dubai), Singapore, Hong Kong, Colombo, Shanghai, representative offices in Abu Dhabi, Sharjah, Dhaka and Dubai, an offshore banking unit in GIFT City and an overseas subsidiary in the United Kingdom (UK).

For FY2019, ABL reported a net profit of Rs. 4,677 crore on total assets of Rs. 8.01 lakh crore as on March 31, 2019 compared to a net profit of Rs. 276 crore in FY2018 on total assets of Rs. 6.91 lakh crore as on March 31, 2018. In H1 FY2020, the bank reported a net profit of Rs. 1,258 crore compared to a net profit of Rs. 1491 crore in H1 FY2019. As on September 30, 2019, it reported capital adequacy of 18.23% (Tier I of 15.03% and CET-I of 13.82%).

Key financial indicators (audited) - Standalone

	FY2018 Audited	FY2019 Audited	H1 FY2019 Unaudited	H1 FY2020 Unaudited
Net interest income	18,618	21,708	10,399	11,945
Profit before tax	122	6,974	2,201	4,511
Profit after tax	276	4,677	1,491	1,258
Net advances	4,39,650	4,94,798	4,56,121	5,21,594
Total assets	6,91,330	8,00,997	7,30,423	8,09,294
% CET	11.68%	11.27%	11.71%	13.82%
% Tier 1	13.04%	12.54%	13.04%	15.03%
% CRAR	16.57%	15.84%	16.45%	18.23%
% Net interest margin / Average total assets	2.88%	2.91%	2.93%	2.97%
% Net profit / Average total assets	0.04%	0.63%	0.42%	0.31%
% Return on net worth	0.46%	7.19%	4.64%	3.34%
% Gross NPAs	7.49%	5.80%	6.52%	5.39%
% Net NPAs	3.77%	2.28%	2.79%	2.14%
% Provision coverage excl. technical write-offs	51.56%	62.15%	58.90%	61.69%
% Net NPA/ CET	27.40%	17.56%	20.64%	13.49%

All ratios as per ICRA calculations
Amount in Rs. crore
Source: Bank, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. No.	Name of Instrument	Current Rating (FY2020) Type	Rated amount (Rs. crore)	Amount Outstanding (Rs. crore)	23-Jan 2020	26-Sep 2019	Chronology of Rating History for the Past 3 Years FY2019 27-Dec-18	10-Oct-18	29-Jun-18	FY2018 23-Feb 2018	21-Jun 2017	14-Jun-2017	21-Apr 2017	FY2017 21-Nov 2016	18-Oct 2016	2-Jun 2016	26-May-2016	18-May-2016
1	Infrastructure Bonds/Debentures Programme	Long Term	17,205	16,705	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[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	5,000	-	[ICRA] AAA (stable); assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Certificates of Deposit Programme	Short Term	60,000	-	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+
3	Basel III Compliant Tier I Bonds Programme	Long Term	7,000	7,000	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	[ICRA] AA+ (hyb) (stable)	-	-	-	-	-
4	Basel III Compliant Tier II Bonds Programme	Long Term	16,350	11,580	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)	[ICRA] AAA (hyb) (stable)
5	Lower Tier II Bonds Programme	Long Term	5,925	5,925	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AAA (stable)
6	Fixed Deposit Programme	Medium Term	-	-	MAAA (stable)	MAAA (stable)	-	-	-	-	-	-	-	-	-	-	-	-

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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 Compliant Tier II Bonds Programme	Yet to be placed	Yet to be placed	Yet to be placed	4,000	[ICRA]AAA(hyb)(stable)
INE238A08443	Basel III Compliant Tier I Bonds Programme	28-Jun-2017	8.75%	Perpetual (Call: 28-Jun-2022)	3,500	[ICRA]AA+(hyb)(stable)
INE238A08427	Basel III Compliant Tier I Bonds Programme	14-Dec-2016	8.75%	Perpetual (Call: 14-Dec-2021)	3,500	[ICRA]AA+(hyb)(stable)
NA	Basel III Compliant Tier II Bonds Programme	Yet to be placed	Yet to be placed	Yet to be placed	770	[ICRA]AAA(hyb)(stable)
INE238A08435	Basel III Compliant Tier II Bonds Programme	15-Jun-2017	7.66%	15-Jun-2027	5,000	[ICRA]AAA(hyb)(stable)
INE238A08369	Basel III Compliant Tier II Bonds Programme	12-Feb-2015	8.45%	12-Feb-2025	850	[ICRA]AAA(hyb)(stable)
INE238A08377	Basel III Compliant Tier II Bonds Programme	30-Sep-2015	8.50%	30-Sep-2025	1,500	[ICRA]AAA(hyb)(stable)
INE238A08393	Basel III Compliant Tier II Bonds Programme	27-May-2016	8.50%	27-May-2026	2,430	[ICRA]AAA(hyb)(stable)
INE238A08419	Basel III Compliant Tier II Bonds Programme	23-Nov-2016	7.84%	23-Nov-2026	1,800	[ICRA]AAA(hyb)(stable)
NA	Infrastructure Bonds Programme	Yet to be placed	Yet to be placed	Yet to be placed	500	[ICRA]AAA(stable)
INE238A08450	Infrastructure Bonds Programme	28-Dec-2018	8.60%	28-Dec-2028	3,000	[ICRA]AAA(stable)
INE238A08351	Infrastructure Bonds Programme	05-Dec-2014	8.85%	05-Dec-2024	5,705	[ICRA]AAA(stable)
INE238A08385	Infrastructure Bonds Programme	30-Oct-2015	8.25%	30-Oct-2025	3,000	[ICRA]AAA(stable)
INE238A08401	Infrastructure Bonds Programme	20-Oct-2016	7.60%	20-Oct-2023	5,000	[ICRA]AAA(stable)
NA	Infrastructure Bonds Programme	Yet to be placed	Yet to be placed	Yet to be placed	5,000	[ICRA]AAA(stable)
INE238A08328	Lower Tier II Bonds Programme	01-Dec-2011	9.73%	01-Dec-2021	1,500	[ICRA]AAA(stable)
INE238A08336	Lower Tier II Bonds Programme	20-Mar-2012	9.30%	20-Mar-2022	1,925	[ICRA]AAA(stable)
INE238A08344	Lower Tier II Bonds Programme	31-Dec-2012	9.15%	31-Dec-2022	2,500	[ICRA]AAA(stable)
NA	Certificates of Deposit	-	-	7-365 days	60,000	[ICRA]A1+
NA	Fixed Deposit	-	-	-	-	MAAA(Stable)

Source: Axis Bank Limited

Corrigendum:

Rationale dated January 23, 2020 has been revised with changes as below:

Summary of rating action (page 1) has been updated
The rating history table (page 7) has been updated

Analyst Contacts

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Aashay Choksey
+91 22 6114 3430
aashay.choksey@icraindia.com

Anil Gupta
+91 124 4545 314
anilg@icraindia.com

Sandeep Sharma
+91 22 6114 3472
sandeep.sharma@icraindia.com

Relationship Contact

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata	+ (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore	+ (91 80) 2559 7401/4049
Ahmedabad	+ (91 79) 2658 4924/5049/2008
Hyderabad	+ (91 40) 2373 5061/7251
Pune	+ (91 20) 2556 0194/ 6606 9999

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents