Axis Bank

Operator: Ladies and gentlemen, good evening and welcome to the Axis Bank conference call to discuss the bank's financial results for the quarter ended June 30, 2026. Participation in the conference call is by invitation only. Axis Bank reserves the right to block access to any person to whom an invitation has not been sent. Unauthorized dissemination of the contents or the proceedings of the call is strictly prohibited, and prior explicit permission and written approval of Axis Bank is imperative. As a reminder, all participants' lines will be in the listen-only mode. There will be an opportunity for you to ask questions at the end of the briefing session. Should you need assistance during the conference call, please signal the operator by pressing star zero on your touch-tone phone. Please note that this conference is being recorded.

On behalf of Axis Bank, I once again welcome all the participants to the conference call. On the call, we have Mr. Amitabh Chaudhary, MD & CEO, and Mr. Puneet Sharma, CFO. I now hand the conference call over to Mr. Amitabh Chaudhary, MD and CEO. Thank you, and over to you, sir.

Management: Thank you, Michelle. We welcome you all to the discussion on Axis Bank's financial results for the quarter ended June 30, 2026. We have on the call our ED, Subrat Mohanti, Manisha Yadava, Neerash Gambhir, and other members of the leadership team as well. While the global macroeconomic environment is agile and susceptible to geopolitical and trade-related uncertainties, intermittent moderation in energy prices and normalization of supply chains are keeping sentiment light, similar to where it was when we reported our Q4 FY26 results. India, meanwhile, continues to stand out as one of the fastest-growing major economies. The country has navigated recent geopolitical disruptions with notable resilience, underpinned by robust consumption, strong investment activity, and the government's sustained focus on infrastructure and capital expenditure.

In this favorable yet evolving macro environment, Axis Bank remains steadfast in its commitment to build a stronger and more resilient franchise. We continue to deliver quality growth while further strengthening our balance sheet, improving productivity, and deepening customer relevance across businesses. Now, let me talk briefly about the progress we have made on each pillar of our GPS strategy.

Starting with growth, our growth momentum remained firmly intact during the quarter as we continue to gain market share across advances and deposits, both on a year-on-year and quarter-on-quarter basis. Our total advances grew 19% year-on-year and 2% quarter-on-quarter, within which wholesale grew 38%, SME 25%, and retail 8% on a year-on-year basis. Retail disbursements continue to sustain and remain encouraging, supported by our focus on sourcing quality customers, maintaining underwriting vigor, and scaling distribution through effective execution across multiple distribution channels.

Our SME franchise continues to deliver strong and diversified growth with digital analytics serving as key enablers of scale. These capabilities are enhancing sourcing, speeding upgrade decisions, and improving customer experience while supporting disciplined and scalable growth. Wholesale banking growth remains broad-based, driven by sectors benefiting from strong transaction flows. Our relationship-led strategy, continued scaling of mid-corporates and conglomerates, and deeper One Axis engagement are enabling us to gain wallet share by steadily improving yields and relationship economics.

Moving on to the deposits, we continue to sustain faster than industry growth. On a QAV basis, our total deposits grew 18% year-on-year, term deposits grew 21%, CA grew 13%, SA grew 14%, and total CASA deposits grew 13%. Sequential momentum in deposits was also strong on a QAV basis, with total deposits growing at 6%, CASA growing at 5%, and term deposits growing at 7%. Our FCNR-B deposit is attracting strong interest from NRI customers, and we see that there is a meaningful opportunity to augment our deposit base through our NRI franchise and our proactive outreach to banks across overseas markets.

Our cost of funds declined by 35 basis points year-on-year and two basis points quarter-on-quarter. Our efforts remain focused on further strengthening the deposit franchise to increase liability granularity and a more stable liability mix, supporting a resilient and well-diversified funding base. We continue to see strong momentum in both customer acquisition and engagement. Our new-to-bank franchise is scaling with improving quality and premiumization, evidenced by an 18% year-on-year increase in NTB average balances.

The corporate salary segment continues to be a strong growth driver with a 30% year-on-year increase in average NTB balance in salary accounts, while the existing-to-bank salary book also grew at 18% year-on-year, reflecting continued strengthening of our corporate salary franchise and customer deepening. Burgundy continues to be a key driver of premiumization with assets under management at 30% year-on-year and 11% quarter-on-quarter, including AUM for Burgundy Private up 16% year-on-year and 12% quarter-on-quarter. The strength and consistency of our proposition was further recognized with Burgundy Private being honored at PWM Wealth Tech Awards 2026.

On profitability, our focus has been on building a more sustainable earnings profile, driven by disciplined execution, operating leverage, and ongoing efficiency gains. Our NIM for Q1 FY27 at 3.46% is a cycle bottom. With the FCNR-B deposit opportunity in the near term, we will focus on growth and deployment of additional liquidity raised through this route. Our cost to assets declined further to 2.2%, down 21 basis points year-on-year and eight basis points quarter-on-quarter through continued improvement in operational productivity. For the quarter, our consolidated ROA was 1.56% and ROE was 14.52%.

On sustainability, we stay focused on quality, balance sheet resilience, building future-ready technology platforms, and investing in people and capabilities to deliver sustainable outcomes at scale. Our GNPA was at 1.28%, declining 29 basis points year-on-year, and NNPA was 0.39%, declining six basis points year-on-year, while the net credit cost was at 0.63%, down 75 basis points year-on-year. We successfully raised $600 million in additional Tier-1 and $300 million in senior debt instruments, further strengthening our capital position and funding profile. The AT1 saw interest from high-quality, long-holding investors. The transaction reinforced our credit standing and enhances financial flexibility.

We introduced regular updates on our AI transformation journey last quarter, reflecting the growing role of AI across the franchise. Please refer to slides 13 and 14 for details on the progress made. Axium, our enterprise AI offering, is designed to systematically embed AI in the functioning of the bank by adopting a capability platform-led approach. The core idea is simple: build capabilities once, govern them centrally, and deploy them many times across the enterprise. This will enable us to create reusable AI assets that can be leveraged across businesses, functions, products, and customer journeys, guaranteeing consistency, speed, and scale.

Our investments in digital AI and innovation continue to gain industry recognition. During the quarter, we were named Best Digital Bank at the Financial Express India's Best Bank Awards, won the Best AI-driven customer experience initiative at the 14th Digital Customer Experience Award 2026, and received the Platinum Award at the Infosys Finacle Innovation Award 2026 for leveraging next-generation technologies to drive innovation in corporate banking.

At the heart of our strategy continues to be a relentless focus on customers. Through our customer-obsessed approach, we are leveraging digital capabilities, analytics, and AI to simplify journeys, enhance customer service outcomes, and build deeper, more meaningful customer relationships. Our digital enablers are helping consistently enhance customer interactions through AI and CX platforms. ADI handled 7.4 lakh queries, while 30.9 lakh customer service interactions were enabled through Kaleidoscope during the quarter.

We remain watchful of evolving uncertainties, including the potential implications of El Nino on the macro economy. We are confident in the strength and resilience of the franchise we have built. With a robust balance sheet, disciplined risk culture, and a diversified growth engine, we are well-positioned to capitalize on opportunities and deliver sustainable growth that outpaces the industry. With that, I will now hand over to Puneet to discuss the financial performance for the quarter.

Management: Thank you, Amitabh. Good evening and thank you for joining us. This evening features the financial performance of the bank for Q1 FY27 across operating performance, capital and liquidity position, asset quality, restructuring, and provisioning as follows.

Net interest income was 14,646 crores, reflecting year-on-year growth of 8% and 1.3% quarter-on-quarter growth. Fee income was at 6,156 crores, with year-on-year growth of 7%; granular fees represent 90% of total fees. Expenses were at 9,722 crores, with year-on-year growth of 5%. Expenses declined sequentially by 7%. We delivered a positive operating jaw on both operating revenue and core operating revenue. Cost to assets was at 2.2%, declining 21 basis points year-on-year and eight basis points quarter-on-quarter. Operating profit was 11,659 crores, up 16% quarter-on-quarter. Core operating profit was 11,122 crores, showing year-on-year growth of 10% and quarter-on-quarter growth of 4.8%. Net credit cost was at 0.63%, down 75 basis points year-on-year. In rupee terms, the cost was down by 46%. PAT was 7,114 crores, up 23% year-on-year and 1% quarter-on-quarter.

GNPA at 1.28% declined 29 basis points year-on-year. Net NPA at 0.39% declined six basis points year-on-year. Our provisioning coverage is healthy at 70%. Standard asset coverage at 1.24% improved 12 basis points year-on-year. All provisions to GNPA ratio at 161% improved by 2,318 basis points year-on-year. Annualized consolidated ROA was 1.56%, and annualized consolidated ROE was 14.52%. Subsidiaries contributed five basis points to the consolidated annualized ROA and 36 basis points to the consolidated annualized ROE for the quarter.

The bank's CET1, including Q1 FY27 profits, stands at 14.64%. We net added 26 basis points of CET1 in the quarter. The fresh AT1 raised to date places us comfortably to call back the existing AT1 on its contracted call date, subject to receipt of regulatory approvals.

Regarding net interest income and margins, the net interest margin for Q1 FY27 was 3.46%, which declined 34 basis points year-on-year and 16 basis points quarter-on-quarter. The year-on-year NIM decline of 34 basis points can be attributed to 19 basis points due to the full impact of the 125 basis point repo cut in the current quarter, versus a 25 basis point repo cut in the same quarter last year, net of the benefit from cost of funds due to liability repricing. Additionally, 16 basis points was due to the change in balance sheet mix over the last 12 months.

The year-on-year net interest income growth was 8%. The difference between the 8% NII growth and the 19% advances growth can be attributed to 6% due to the full impact of the 125 basis point repo rate cut in the current quarter versus only a 25 basis point repo rate cut in the same quarter last year, net of pricing benefits on liabilities. The remaining 5% is attributed to the change in balance sheet mix.

The quarter-on-quarter NIM decline of 16 basis points is attributed to three basis points due to net interest income reversal attributable to agri seasonality in slippages in Q1 versus Q4. Four basis points was due to the change in balance sheet mix during the quarter, and the remaining nine basis points were due to changes in pricing floors. The cost of funds declined 35 basis points year-on-year and two basis points quarter-on-quarter.

Low-yielding RIDF declined to 5,725 crores year-on-year. RIDF comprised 0.41% of our total assets at June 30. This is half of what it was at June 30, 2025, when we were at 0.84%. Our fee to assets stood at 1.30%. Total wholesale fees grew 18% year-on-year in line with corporate advances, reflecting the improvements in the quality of the franchise. Trading income and other income stood at 580 crores, declining 62% year-on-year, mainly due to the booking of realized gains from government securities and bonds in Q1 FY26.

Operating revenue for the quarter stood at 9,722 crores, growing 5% year-on-year and declining 7% sequentially. The year-on-year increase in operating expenses is 420 crores. This increase can be attributed to the following: 38% is due to volume, 44% to technology growth-related expenses, and the remaining to business operations. Our staff cost decreased by 6% year-on-year. The quarter-on-quarter decline in operating expenses is 744 crores. Of this, 271 crores was due to a one-time item for staff cost. Our period-end headcount declined by 609 in absolute numbers. Operating expenses other than staff were down 9% quarter-on-quarter, largely driven by lower statutory costs and lower volume-led expenses on a sequential basis. Technology and digital expenses constituted 11% of our total operating expenses. We opened 20 branches in the quarter and 417 branches year-on-year. Net credit cost for the quarter was 2,079 crores. Annualized net credit cost for the quarter is 0.63%, declining 75 basis points year-on-year.

During Q4 FY26, the bank actively strengthened its balance sheet by voluntarily enhancing the prudent provisioning framework for standard assets based on an assessment of evolving uncertainties. The bank created an additional one-time provision of 2,001 crores in Q4 FY26. The bank has not drawn down any amount from this provision during Q1 FY27; hence, the provision remains at 2,001 crores as of June 30, 2026. This provision continues to be prudent and precautionary and does not reflect any deterioration in asset quality or adverse credit trends as of the reporting date.

Cumulative non-NPA provisions as of June 30 stand at 15,553 crores, comprising prudent provisions for standard assets at 7,013 crores, restructuring provisions at 184 crores, standard asset provisions at higher-than-regulatory rates of 1,854 crores, and additional one-time standard asset provisions of 1,231 crores, with other asset provisions at 5,326 crores.

Regarding growth, loans and deposits grew as Amitabh discussed. We gained 10 basis points of market share in the loan franchise and 20 basis points on a year-on-year basis in the deposit franchise. Our loan book is granular and well-balanced, with retail advances constituting 64% of overall advances, corporate at 34%, and CBG at 2%.

Of our loans, 74% are floating rate. 45% of our fixed-rate loan book matures within 12 months. In Q1 FY27, retail disbursals grew 18% year-on-year. Disbursal growth in home loans was 24%, vehicle loans was 21%, retail agri was 16%, and personal loans was 23% year-on-year.

Domestic subsidiaries reported a net profit of 546 crores in Q1 FY27, growing 21% year-on-year. The return on investment in domestic subsidiaries was approximately 41%. Axis Finance assets under finance crossed 50,000 crores, growing 21% year-on-year. The retail plus MSME book constitutes 70% of total loans at Axis Finance. Q1 FY27 PAT grew 29% year-on-year to 244 crores, and the capital adequacy ratio stands at 21.56%. Asset quality remains strong with net NPA at 0.39%.

Axis AMC average assets under management grew 10% year-on-year to 3,69,030 crores. Q1 PAT was 134 crores, up 3% year-on-year. Axis Securities revenue for Q1 FY27 was 410 crores and PAT stood at 96 crores, up 8% year-on-year. Axis Capital PAT stood at 65 crores, up 72% year-on-year, and we executed 11 deals in Q1 FY27.

Gross slippages for the quarter were 5,566 crores, of which retail was 5,176 crores, CBG was 266 crores, and wholesale was 124 crores. Our gross slippage ratio declined 134 basis points year-on-year. For the quarter, 31% of gross slippages are attributed to link accounts of borrowers which were standard when classified or have been upgraded in the same quarter. Net slippages were 3,440 crores. Segmentally, net slippages were 3,204 crores in retail, 210 crores in CBG, and 26 crores in wholesale. The net slippage ratio for the quarter declined 121 basis points year-on-year. Recoveries from written-off accounts were 961 crores, up 6% year-on-year. Net slippages adjusted for recoveries were 2,479 crores.

In summary, we continue to progress towards building a more sustainable franchise. We remain vigilant in monitoring the environment and our cost of funds. We thank you for your patience and are happy to take questions.

Operator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question and answer session. Anyone who wishes to ask a question may please press star and one on their touch-tone phone. At this time, please use only hands-free while asking your question. We will wait for a moment while the queue assembles.

The first question is from the line of Chintan from Autonomous. Please go ahead.

Chintan - Autonomous: Thank you for taking my question. Can I get some color on the nine basis points of pricing of loans mentioned in the quarter-on-quarter NIM bridge? What exactly is this? Is this incremental pressure on loan yields that is impacting margins? Also, could you discuss the nature of these corporate loans? What are the tenors and types of products we are writing? Is this something that reverses once capital markets become more attractive to corporates?

Secondly, on the funding side, it feels like much of this corporate loan funding is driven by wholesale funding. Your LCR retail proportion has come down, and while CASA has recouped, it seems a little weaker. Is this a matching of temporary corporate loans with temporary wholesale funding which might subside over time?

Management: Chintan, thank you for your question. I'll respond in parts. Regarding corporate lending, we are lending at positive spreads and benchmarks we feel comfortable with. As long as we lend at positive spreads and meet risk thresholds, we are happy to pursue this. Please note that 91% of our corporate lending is to A-minus and above-rated corporates. We have not slipped down the credit spectrum at all; this is high-quality lending.

On the nine basis points impact, consider it this way: we had roughly an 8 percentage point shift in book mix last quarter. Period-end growth was higher than average growth, so there has been a spillover of last quarter's corporate loan pricing into the current quarter. We also had about a percentage point shift of mix in the current quarter. Both of these influence pricing on loans. In general, loan pricing has been competitive.

Regarding CASA, we have held up reasonably well on both period-end and average CASA. Our Q-o-Q performance on average CASA has been better than most in the industry.

Chintan - Autonomous: Just two quick follow-ups. You mentioned four basis points from the balance sheet mix. I assume that is due to the corporate mix shift. Regarding the nine basis points in loan pricing, does that represent spread compression? Secondly, are these corporate volumes temporary? Are corporates coming to Axis Bank because it is currently cheaper than the bond market?

Management: These loans span project finance, term loans, and working capital across sectors like energy, commercial real estate, infrastructure, and metals. While some may transition into bonds as they mature, they are given for specific working capital cycles or long-term projects. We don't expect them to vanish as soon as the bond market becomes active; they will transition naturally when the assets mature.

I also want to clarify that we aren't creating a specific batch of temporary loans. This is a standard wholesale franchise with normal ratios across working capital and term loans.

Chintan - Autonomous: That is helpful. Thank you.

Operator: Thank you. In order to ensure that the management can address all participants, please limit your questions to two per participant. The next question is from the line of Maruk Adadanya from Tara Capital. Please go ahead.

Maruk Adadanya – Tara Capital: Hi, good evening. My first question is about NIMs. Your cost of funds seems to have bottomed out. Where do NIMs go from here? We previously discussed a structural NIM target of 3.8% achievable over 12 to 15 months. Where do we stand on that soft guidance? My second question is on OpEx. What would be a normalized run rate for OpEx, considering the productivity gains and reversals you've seen?

Management: On the direction of NIM, we have not changed our structural guidance of 3.8%, including the previously mentioned timeframe. We believe this quarter represents the bottom of the cycle. From here, we will effort to move toward that structural target. As mentioned, the FCNR-B opportunity may bring surplus liquidity, which we will deploy to support growth.

On cost guidance, the work on efficiency has been ongoing for four to six quarters. Cost to assets has been trending downwards. While we don't offer a specific terminal ratio, there are opportunities to improve branch-level productivity and leverage technology and AI investments. No specific guidance on the landing point, but we expect to continue on this path.

Maruk Adadanya – Tara Capital: Thank you. Regarding foreign loans, they have grown quite sharply. Could you comment on that?

Management: We remain very selective about sectors and clients. Where we see opportunities that meet our internal thresholds and RAROC requirements, and offer reciprocal flows and fees, we participate. In this case, the opportunity was in foreign currency loans. This is opportunistic; there is no specific directional change in the long-term portfolio mix.

Operator: Thank you. The next question is from the line of Viken Shah from IIFL Capital. Please go ahead.

Viken Shah – IIFL Capital: Thanks. Regarding margins, could you provide a bridge for the 34 basis points of NIM expansion expected in the next 12 to 15 months? How much comes from reducing the wholesale loan share, wholesale cost of funds, or overseas loan share? Secondly, on OpEx, there was a one-time write-back of around 220 crores; what exactly was that? Third, upgrades and recoveries seem weak this quarter. How should we think about potential recoveries from technical slippages? Finally, would you like to increase your stake in Max Financial Services to 30%, given recent RBI leanings?

Management: Regarding the bridge to 3.8%, we lost about 16 basis points due to the balance sheet mix over the last 12 months. We believe we can recalibrate this over time as retail disbursements and growth pick up. Additionally, 19 basis points were lost year-on-year due to repo rate cuts. While I won't provide an itemized bridge, we believe these factors, along with book recalibration, will bridge the gap.

On OpEx, there were three items. We had a reversal of a provident fund liability due to easing G-sec rates. There was also an adjustment for gratuity and a reversal of excess variable pay provisions. These are detailed on slide 12 of the presentation.

Regarding upgrades and recoveries, we are no longer calling out technical versus non-technical slippages. You should find comfort in the fact that Q3 and Q1 credit costs are similar despite seasonality. We remain confident that slippages from technical criteria will not result in economic loss.

On the Max Life stake, there is an opportunity based on RBI clarifications from December. We are evaluating this internally and will engage with the regulator once we have board approvals. We have always been keen on a higher stake.

Operator: Thank you. The next question is from the line of Kunal Shah from ICICI. Please go ahead.

Kunal Shah – ICICI: Regarding the change in balance sheet mix, will this impact growth? If we pull back the non-rupee proportion to support margins, do we see a normalization of the growth run rate? Also, could you highlight the FCNR opportunity and the quantum raised so far?

Management: We don't provide run-rate outlooks, but we remain comfortable with our guidance of growing at 300 basis points above the industry. Regarding the overseas book, 98% is rated A-minus and above, and 64% is to top conglomerates. It is a high-quality book. We aren't calling out the specific FCNR-B quantum raised yet, but we believe we will exceed our organic market share in that space.

Operator: Thank you. The next question is from the line of Ji-Hwan Gong from Schonfeld. Please go ahead.

Ji-Hwan Gong – Schonfeld: Thank you. On the margin part, you discussed a reversal of the 16 basis point mix change. But that resulted from high wholesale growth and 8% retail growth. To reverse this, what are the expectations for retail growth? Also, regarding the nine basis points pricing impact, could you clarify that further?

Management: We don't offer specific milestone numbers for the mix reversal. Retail disbursement growth has been strong at about 18% over the last three quarters, which will eventually translate to book growth.

Regarding the nine basis points, that reflects the full impact of loan pricing from the previous quarter on this quarter's yields, plus repricing of contracted loans and lower pricing for incremental growth in competitive segments. The four basis points in balance sheet mix include changes in both asset and liability composition, as well as the proportionality of earning assets.

Ji-Hwan Gong – Schonfeld: Regarding retail disbursements, may I have the actual number?

Management: We do not provide product-specific or segment-specific growth guidance beyond our headline industry-plus-300 basis points target.

Operator: Thank you. The next question is from the line of Piran Engineer from CLSA. Please go ahead.

Piran Engineer – CLSA: Hi team, thanks for taking my question. Mathematically, if NIM declined 16 basis points on a base of 3.5%, and assets grew 3-4%, NII should have declined. But it grew. What am I missing?

Management: Period-end advances growth does not fully reflect average interest-earning assets through the quarter. For example, if we book an asset on day one and sell it on day 88, we earn income for most of the quarter, but it doesn't appear in the closing balance. Our average interest-earning book grew at a much faster pace than the period-end growth suggests.

Piran Engineer - CLSA: Got it. Regarding the nine basis points pricing impact, can that be offset by lower credit costs given the higher quality of corporate borrowers?

Management: In terms of the pass-through, we saw a nine basis point impact on pricing but an eight basis point improvement in our cost to assets this quarter.

Piran Engineer - CLSA: For corporate loans linked to T-bills or similar benchmarks, can you change the spread terms with a borrower mid-quarter?

Management: Typically, we cannot reprice the spread unless there is a specific credit event or a change in the repo rate.

Piran Engineer - CLSA: Lastly, regarding reporting on Saturdays, is this a one-time thing or the new steady state? I would urge you to move back to weekdays for maximum outreach.

Management: We prefer the Saturday format as it allows for a more deliberated, detailed discussion with our board on results during a market holiday. It helps manage data confidentiality and institutional risk. For now, you should assume results will continue to be on Saturdays.

Operator: Thank you. The next question is from the line of Abhishek Murarka from HSBC. Please go ahead.

Abhishek Murarka - HSBC: Good evening. In the structural NIM guidance of 3.8%, have you accounted for any dilutive effect from FCNR balances?

Management: We have not provided a specific near-term or full-year NIM outlook, only a long-term structural guidance. We mentioned earlier that we would deployment the liquidity raised through FCNR-B effectively, but we aren't providing guidance on whether that will be specifically accretive or dilutive in the immediate term.

Operator: Thank you. The next question is from the line of Ankit Bihani from Nomura. Please go ahead.

Ankit Bihani - Nomura: Thank you. Regarding investment yields, they declined even as investment growth slowed. Why is that? Also, on the ECL plan, what is the expected one-time impact on net worth and the ongoing credit cost run rate?

Management: Regarding investment yields, we saw a six basis point increase in average earning investments quarter-on-quarter. The decline you may be seeing might be due to period-end movements. We are happy to review your specific data offline.

On ECL, our assessment as of the March 31, 2026 balance sheet is that the impact on net worth will be marginal. This is because ECL is an exposure standard whereas IRAQ is an outstanding standard; unfunded exposures will require more provisioning. On a rolling basis, the industry will likely see higher provisions to assets in the first year of transition compared to the current 40 basis points for standard assets.

Operator: Thank you. This will be the last question from the line of MB Mahesh from Kotak Securities. Please go ahead.

MB Mahesh – Kotak Securities: Hi. In the last few quarters, you pushed corporate growth, which seemed to cause margin compression. Why the push into wholesale if margins are under pressure, and do you believe retail is now generating a similar return?

Management: When we talk about returns, we are looking at total relationship returns, not just NIM. This includes trade fees, FX, and other ancillary business. The RAROC of our wholesale business stands head-to-head with our other attractive businesses. If we can raise deposits and find high-quality wholesale deployment opportunities that meet our RAROC standards, it makes sense to grow there rather than slowing down. We aren't dropping growth just to maintain a specific NIM number.

Management: To add, 91% of our book is A-minus or better. We aren't simply competing on price. We are targeting sectors with economic tailwinds and clients who provide reciprocal flows, corporate salary momentum, and investment banking opportunities. These meet our internal RAROC thresholds, so we will continue following these opportunities.

MB Mahesh – Kotak Securities: Regarding ECLGS applications, can you give some color on those requests?

Management: We have guardrails in place to select the right customers for ECLGS. These requests are predominantly in the MSME space, specifically in manufacturing and trading. To date, we have sanctioned about 5,000 crores of ECLGS and disbursed approximately 2,400 crores.

MB Mahesh – Kotak Securities: Thank you.

Operator: Ladies and gentlemen, that was the last question. I now hand the conference over to Mr. Puneet Sharma for closing comments.

Management: Thank you, Mahesh. Thank you, everyone, for taking the time on a Saturday evening. We heard the concern and we appreciate your participation. If any questions remain, please reach out to our IR team. Abhishek, my apologies for the cut-off earlier. I will now hand over to Amitabh.

Management: Thank you, everyone. We believe we have performed well on our deposit franchise, delivering positive growth after the typical fourth quarter. Our margins are headed in the right direction, and we have a resilient balance sheet with sufficient provisions.

I want to take this opportunity to thank Puneet for working with us over the last 6 years. He carries immense credibility with the investor community. We are sad to see him go, but we wish him the very best for his career aspirations. I am confident he will remain an ambassador for Axis Bank. Thank you, Puneet, and thanks to everyone for joining the call.

Operator: Thank you. On behalf of Axis Bank, we thank you for joining us. You may now disconnect your lines.