

Financial Performance of AXIS Bank Limited During & Post-COVID-19: A Bird's Eye View

Dr. R. Uma Devi

Assistant Professor Commerce Dr. S. R.K. Govt. Arts College, Affiliated to Pondicherry University

Abstract:

Today, Axis Bank is India's third-largest private sector bank. The Bank has wide network to reach a large cross-section of customers with an array of products and services. It is using SAS to improve Risk Management throughout the organization and make the best possible business decisions. Business Process Automation (BPA) or Digital Transformation brought in remarkable changes in its banking services such as Retail Banking, Transaction Banking, Investment Banking and Trustee Services, International banking and Listing & Shareholding etc. The bank has to be guided by the three vectors - Growth, Profitability and Sustainability (GPS) - of its strategy. Despite COVID-induced uncertainty, GPS has not only stood the test of all the challenges that the year has thrown at us but has also helped it to capitalize on emerging opportunities. On this backdrop, present study has been undertaken to evaluate the financial performance of AXIS Bank Ltd during & Post-COVID-19.

1. INTRODUCTION:

Finance and Banking are critical sectors in India, contributing significantly to the country's economic growth and development. India's banking and financial services industry is regulated by the Reserve Bank of India (RBI), which is the central bank of the country. There are several types of banks operating in India, including public sector banks, private sector banks, foreign banks, regional rural banks, and cooperative banks. Public sector banks are owned by the Indian government, while private sector banks are owned by private entities. Foreign banks are banks headquartered outside India but have operations in the country. Regional rural banks cater to the banking needs of rural areas, while cooperative banks are owned by cooperatives and operate on a not-for-profit basis.

Banking is a highly regulated industry. The Federal Reserve System oversees banks and other financial institutions and coordinates with state regulatory agencies to help ensure banks follow the proper guidelines. Banks are also subject to regulation by other federal agencies, including the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS) and the Federal Deposit Insurance Corporation (FDIC).

With the passage of time, the activities covered by banking business have widened and now various other services are also offered by banks. The banking services these days include issuance of debit and credit cards, providing safe custody of valuable items, lockers, ATM services and online transfer of funds across the country / world.



Figure 1: Banking System & Services

1.1. AXIS Bank Limited

Axis Bank Limited, formerly known as UTI Bank (1993–2007), is an Indian banking and financial services company headquartered in Mumbai, Maharashtra. It sells financial services to large and mid-size companies, SMEs and retail businesses. On 30 July 2007, UTI Bank changed its name to Axis Bank.

Axis is a publicly listed private sector bank that offers treasury services, commercial and wholesale banking services, retail banking services, and those to individuals, small and medium-sized businesses, corporations, and agricultural industries.

The first Axis Bank was opened on April 2, 1994, in Ahmedabad by Manmohan Singh, who was India's finance minister at the time. UTI Bank and Global Trust Bank agreed to join in 2001, but because the Reserve Bank of India (RBI) postponed clearance, the merger never happened. Expanding service offerings and a changing regulatory environment encouraged Axis Bank Limited's President and Chief Risk Officer Bapi Munshi to take a fresh look at the bank's Risk Management Strategy. He found that an investment in people, processes and technology would give the bank a significant improvement in its data quality, reporting and compliance.

Today, Axis Bank is India's third-largest private sector bank. The organization has more than 2,402 domestic branches (including extension counters) and nearly 13,000 ATMs across the country, with overseas offices in Asia and the Middle East, to reach a large cross-section of customers with an array of products and services.

Vision of the Bank:

To be the preferred financial solutions provider excelling in customer delivery through insight, empowered employees and smart use of technology.

Growing Prominence:

- 3rd Largest Private bank in India
- 4th Consecutive year of inclusion into the esteemed FTSE4Good Emerging Index

Core Values of the Bank:

- Customer Centricity
- Ethics
- Transparency
- Teamwork

- Ownership

The business landscape of the Bank is evolving faster than ever, the financial needs of our customers are changing, and technology breakthroughs are challenging legacy business processes and enriching customer journeys. Amid this era of radical transformation, flexibility and openness hold us in good stead. The primary business comprises commercial banking operations for retail and corporate customers.

- Retail Banking: Bank operations consist of retail lending, payments, deposit taking and distribution of third-party insurance and investment products. The Bank also offers agricultural and rural banking products.
- Commercial And Wholesale Banking: It provides a range of products and services, including loan products, fee and commission-based products and services, deposit products and foreign exchange and derivative products to India's leading corporations, middle market companies and small and medium enterprises.
- One Axis: The bank's integrated 'One Axis' philosophy (including our subsidiaries) has helped it emerge as a one-stop financial services provider for its customers, with ability to cross-sell products and services. Strong customer relationships, sharp execution focus, wide distribution network, motivated team and digital outreach have helped us strengthen its Balance Sheet across various business cycles.

Axis Bank has taken its aptitude in Infrastructure Financing to the following dimension with the dispatch of the Axis Infra Index report, a compact and shrewd manual for circumstances over the foundation area. The Axis Infrastructure Index is intended to catch advancing essentials of Indian Infrastructure condensing the speculation atmosphere in infra fragments. The Axis Infrastructure is the first of its sort in India, proposed to encourage elucidation of capex, money related, strategy and administrative.

2. LITERATURE REVIEW:

Axis Bank, a prominent player in India's banking sector, has garnered considerable attention in financial analysis literature due to its significant market presence and performance dynamics. Scholars have extensively examined various aspects of Axis Bank's financial health, aiming to provide insights for investors, analysts, and policymakers. One crucial focus of literature is Axis Bank's profitability metrics, including net interest margin (NIM), return on assets (ROA), and return on equity (ROE). Studies analyze how these indicators reflect the bank's operational efficiency and competitive positioning within the industry. Additionally, researchers delve into Axis Bank's asset quality, scrutinizing metrics like non-performing assets (NPAs), loan loss provisions, and asset-liability management strategies. These analyses shed light on the bank's risk management practices and resilience to economic fluctuations.

Namrata, Ramya, Lekha & (2017), on their research paper "Analysis of financial performance of State Bank of India using Camel approach". The main objective of the paper was to analyse the financial performance of State Bank of India over a period of five years. For this purpose, financial ratio analysis were used. For this analysis various parameters i.e. investment valuation ratio, profitability ratio, management ratio, efficiency ratio were used. It is found from the result that performance of State Bank of India in the study period has been excellent.

Maninder Kaur, Ritu Priya (2017), revealed on evaluation of Bank of Baroda and Punjab National Bank with camel model. The study was based on secondary data and covering the period of 5years. For analyzing the data, statistical tool 't' test was used for the evaluation of financial performance of these two

selected banks. In the overall study, it was concluded that financial performance of Bank of Baroda was better than Punjab National Bank between the CAMEL ratios. The overall performance of SBI and ICICI bank was good due adoption of modern technology.

Purohit, A. and Bothra P (2018), revealed on their research paper, “A CAMEL model analysis of selected Public and Private Sector bank in India”. In this study, they have measured the financial position of top two major banks operating in India. For this purpose, one public sector bank namely state Bank of India and one private sector bank namely ICICI bank has been selected as sample. It revealed from the study that there is no significant difference.

Sowbarnika and Jayanti (2019), examined on their research paper “A study of financial performance of state bank of India. The study was undertaken to highlights the comparative study on the financial performance of State Bank of India from 2010-11 to 2014-15. The study revealed that it has increased its revenue by the implementation of innovative schemes to the public.

NM Darshan, C Yogashree (2017): The Indian banking sector is exposed to various risks prevailing in the market like interest rate risk and liquidity risk, etc. For this reason, the Reserve Bank of India came up with a tool called Asset Liability Management. This study examines the effect of ALM on the financial performance of AXIS Bank. The key objective of this study is to know the risk management strategies and the effect of the asset-liability mix on the financial performance of the bank. The correlation and regression analysis tools were taken on to set up the relationship and outcome of the ALM on the financial performance of AXIS Bank. The study found that the quality of assets affects the financial performance of banks.

Umar Amin (2018) viewed that the lifeline of any modern economy, is one of the imperative pillars of the Indian financial system, and spurs economic efficiency by mobilizing savings and allocating them to high-return investments. The banking sector, being the backbone of the Indian economy, plays a key role in safeguarding the economy by averting the harmful effects of economic upheaval.

Parveen Shahana, Kumar M Senthil (2019): AXIS Bank is one of the leading banks in India offering services from a mere bank account to home loans and whatnot. Its motto of ‘Badhti ka naam Zindagi’ strives for the betterment of common people in the world where changes occur in the blink of an eye. AXIS Bank has grown to be the third largest private sector bank in India and is expanding globally as well. This study has been conducted to analyze the financial positions of the company, whether it's growing according to its need and to analyze the impact that the bank has on the profitability and financial position in the banking sector.

Bangaru Pushpalatha (2020) analyzed the financial statement of AXIS Bank. The objectives of the study are to examine the portfolio of assets and liabilities in AXIS Bank. The study reported that AXIS Bank has healthier management and financial efficiency. It is also reported people refer to AXIS Bank for advance loan schemes.

Ravindra Sangvai, Rajan Dham here (2021) opined that the Axis Bank is the third largest private sector bank in India and has undergone change management under successive change leaders in the form of its Chief Executive Officers. Their different approaches have brought the bank to the forefront of Indian banking. The bank is a leader in technology adoption and has been successful against other large private-sector banks. When a large bank transforms itself while staying within the constraints of being a public sector bank vis a vis a private sector bank in India, the story of such change management is indeed unique. Priynkajha ((2018) that analyzing financial performance of public sector banks and private sector banks in India. Her objective was to assess and compare the financial performance of both the bank. The present

study concluded that ICICI bank has performed sounder as compare to PNB bank.

Pawan and Gorav (2016) this study is related to a comparative study on financial health ICICI Bank and Axis Bank. Their objective was to measure and compare financial performance and health of ICICI Bank and Axis Bank. The study concluded that Axis Bank performed well on earning per share, assets turnover and debt-equity parameters. Overall performance of Axis Bank is good to compare ICICI bank.

Sashwata Chaterjee (2016) Focus on the important of fixed and current resources in the productive operations of any association. It has a direct impact on interests & stores. There are surprising facts in the business that most organizations increase their advantage because of their interests and misfortunes, because this demonstration reflects the working capital of the transaction. However, if an organization needs to upsurge or expand its reserves, it needs to establish its working capital.

3. OBJECTIVES OF THE STUDY:

Axis Bank Limited provides a suite of corporate and retail banking products. The Bank operates through four segments: Treasury, Retail Banking, Corporate/Wholesale Banking, and Other Banking Business. Its Treasury operations include investments in sovereign and corporate debt, equity and mutual funds, trading operations, derivative trading, and foreign exchange operations on the proprietary account and for customers.

1. To analyze the financial progress of AXIS Bank during and Post-COVID-19.
2. To identify the financial of SWOT analysis of the Axis Bank.
3. To analyze the growth of Axis Bank
4. To analyze the profitability, liquidity and solvency and efficiency position of Axis Bank.
5. To study the overall monetary performance of Axis Bank
6. To analyze the financial performance of the Axis Bank with different parameters during and Post-COVID-19.
7. To offer suitable suggestions for improving the performance of the bank.

4. RESEARCH METHODOLOGY:

The study is based on two sets of data viz., Primary and Secondary. The Primary data was obtained from interviews and discussions with Executives of concerned Departments relating to subject information in the Bank. The secondary data was collected from the various publications & websites of The RBI, The Directorate of Economics and Statistics. Data relating to Axis Bank in India was obtained from the annual reports & websites of Axis Bank in India.

The collected data was suitably classified and tabulated for the purpose of analysis and interpretation. For analyzing the data for the present study, the financial tools used are Trend Analysis and Compound Annual Growth Rate (CAGR) and the data are represented in tables and graphs.

5. RESULTS & DISCUSSIONS:

Axis Bank, a prominent player in the Indian banking sector, exhibits a robust financial profile characterized by steady growth and resilience. Despite facing headwinds in the form of economic fluctuations and regulatory changes, Axis Bank has consistently delivered commendable performance. With a focus on prudent risk management and strategic expansion, Axis Bank has successfully diversified its revenue streams, leading to enhanced profitability. The bank's strong asset quality and prudent provisioning practices have bolstered its resilience against market uncertainties. Furthermore, Axis Bank's

efficient cost management initiatives have contributed to maintaining healthy margins, thereby optimizing shareholder value. Its prudent lending practices and diversified loan portfolio mitigate risks, ensuring sustainable growth and stability. The bank's commitment to innovation and digital transformation has strengthened its competitiveness in the rapidly evolving banking landscape, driving customer engagement and operational efficiency. Overall, Axis Bank's sound financial fundamentals, coupled with its strategic initiatives and resilient business model, position it well for sustained growth and value creation in the dynamic banking industry landscape.

5.1. Bank during the Post-COVID Pandemic Period

As the pandemic brought economies the world over to a grinding halt, creating a major impact on lives and livelihoods, the Axis Bank Foundation and its partner organizations were quick to come to the aid of all participant communities.

The fiscal 2020-21 was an unprecedented year with global health pandemic impacting the credit growth in the first half before the demand recovered steadily towards the second half. The overall retail banking sector that had seen strong double digit CAGR growth over the last decade with no meaningful credit cycle, witnessed growth moderating to 10% during the year. Despite the overall moderation in retail segment, the secured retail and rural segments recovered faster during the latter half of the year led by confluence of factors like low interest rates, government stimulus measures supporting the inherent consumer demand. The secured loan segments like home loans contributed to nearly half of the incremental retail credit of overall banking sector in fiscal 2020-21 even as the growth in credit cards outstanding and other personal loans moderated sharply to 8% and 17%, respectively from an average of over 25% in the previous 5 years.

The bank has to be guided by the three vectors - **Growth, Profitability and Sustainability (GPS)** - of its strategy. Despite COVID-induced uncertainty, GPS has not only stood the test of all the challenges that the year has thrown at us but has also helped it to capitalize on emerging opportunities.

- **Growth:** The Bank remain focused on growing deposits, payments, advances and our subsidiaries to reach leadership positions across its businesses. Bank and was the only domestic bank in the 'Large Corporate (Institutional and Coverage Quality)' leader category at the 2021 Greenwich Excellence Awards.
- **Profitability:** The Bank has enhanced non-credit revenue streams, driven leadership in costs, and embedded profitability in all business decisions.
- **Sustainability:** The bank has fortified credit risk management, built a strong compliance culture and strengthened the core through Technology, Operations and Process Excellence initiatives.

While Axis has been one of the early adopters of digitalization in India, the Bank has always given priority to in-person communication, conveying the message that the Bank is always with the customer in good times and bad. It will continue to stay close to our customers, providing reassurance and guidance.

The Bank supports meaningful and measurable change in the lives of socially and economically excluded communities across the country. Its diverse programmes are created to cater to needs of communities aimed at improving their lives and livelihoods.

5.2.SWOT Analysis

Axis is a publicly listed private sector bank that offers treasury services, commercial and wholesale banking services, retail banking services, and those to individuals, small and medium-sized businesses,

corporations, and agricultural industries. Today, Axis Bank is India's third-largest private sector bank. The organization has more than 2,402 domestic branches (including extension counters) and nearly 13,000 ATMs across the country, with overseas offices in Asia and the Middle East, to reach a large cross-section of customers with an array of products and services.

The Strengths, Weakness, Opportunities and Threats (SWOT) Analysis of Axis Bank gives the clear picture of the growth of the Bank:

Strengths

- It has a decent picture among urban populace.
- It is enlisting a decent development in the Indian financial area.
- An immense arrangement of item and administrations offered by the Bank.
- Decent entrance in the country zones has supported the business.
- One of a biggest PVT. Area fund in India for Crop Growing advances alongside Retail Sector and Corporate Motives.
- Excellent online administrations offered by Axis Bank like net banking, versatile applications and so on.
- Good publicizing and brand practice have helped the brand develop.

Weaknesses

- Lesser no. of branches contrasted with its rivals.
- Axis Bank has restricted piece of the overall industry inferable from huge challenge in the financial fragment.

Opportunities

- Expansion in rustic regions can enable Axis to bank develop.
- Going to outside business sectors and investigating the new economies.
- It can tap the on-screen development in the Indian financial division advancing their applications.

Threats

- New banking licenses allotted by the Reserve Bank of India.
- Foreign bank entering to India can lessen nearness of it.
- Opponent banks expanding their exercises in India

5.3. Analysis & Interpretation:

Profitability is one of the most important objectives of the banks. It is an evidence of the efficiency of its management and its ability to attract money and investments. Considered Trend Analysis and Compound Annual Growth rate as proxy for measurement of banks' profitability.

The factors affecting the profitability of the Bank are as follows:

- High cost of funds.
- Low yield of funds
- Poor cash management
- Absence of qualitative lending.
- NPA Management
- Volume of business & Reduction of spread
- Good House Keeping
- Non-Fund Business.

Keeping in view of the above areas, the performance of the Bank is analyzed through the following Trend Analysis – Percentages & Ratios and interpreted by way of tables and graphs.

5.3.1. Trend Percentages

Table 1: Growth of Deposits during the Period 2019 - 22

Growth of Deposits During the Period 2019 - 22				
S. No.	Year	Deposits (In Rs.)	Increase/Decrease in Value (In Rs.)	Growth in Percentage (%)
1	2018- 19	5,48,47,13,409	-	0
2	2019- 20	6,40,10,49,373	91,63,35,964	17
3	2020- 21	7,07,30,60,801	67,20,11,428	10
4	2021- 22	8,21,72,09,051	1,14,41,48,250	16

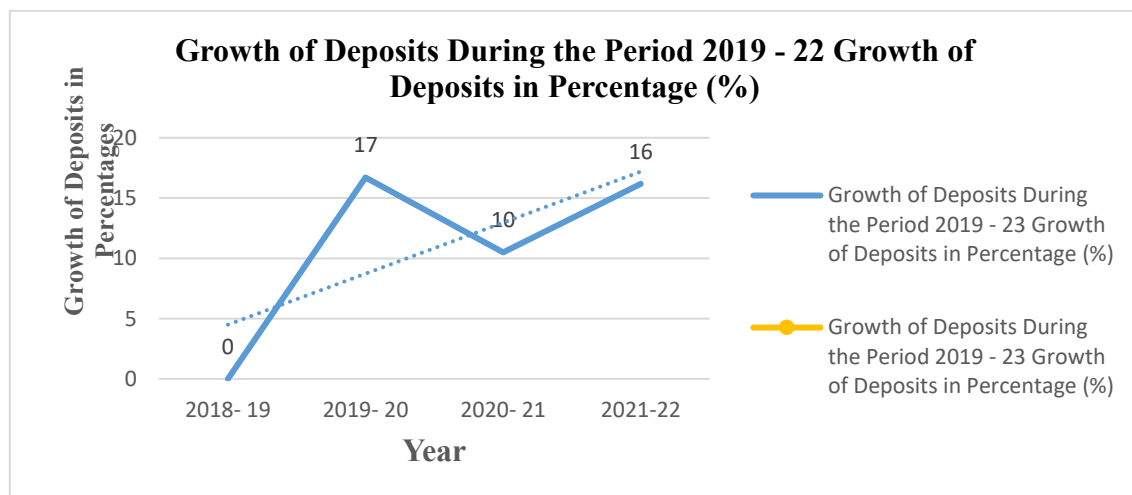


Figure 2: Growth of Deposits during the Period 2019 - 22

From the above table, it is clear that the growth of Deposits during the period has some fluctuations. Though the growth rate is 17% during 2019-20, there is sudden down fall in its rate (10%) during 2020-21 due to the COVID Pandemic, but later it revived (16%) during 2021-22.

Table 2: Growth of Advances during the Period 2019 - 22

Growth of Advances During the Period 2019 - 22				
S. No.	Year	Advances (In Rs.)	Increase or Decrease in Value (In Rs.)	Growth in Percentage (%)
1	2018- 19	4,94,79,79,721	-	0
2	2019- 20	5,71,42,41,564	76,62,61,843	15
3	2020- 21	6,23,72,01,879	52,29,60,315	9
4	2021- 22	7,07,69,59,511	83,97,57,632	13

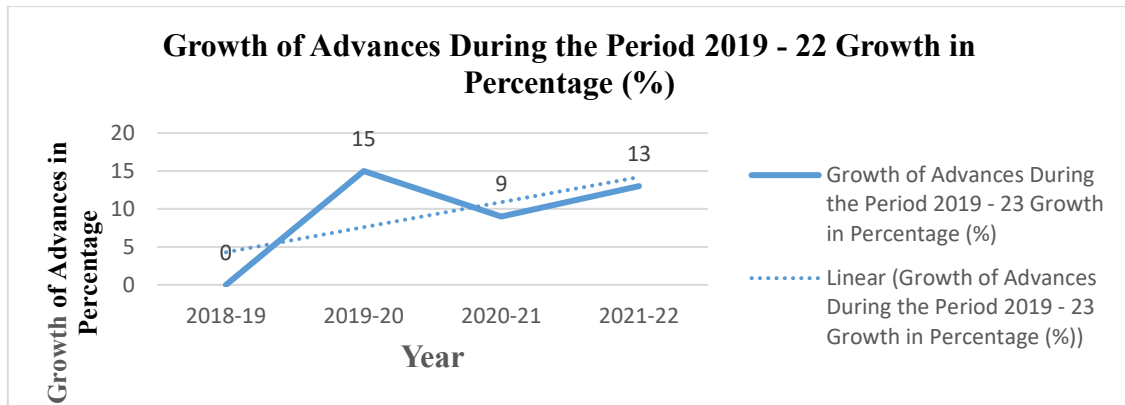


Figure 3: Growth of Advances during the Period 2019 - 22

It is clear from the above table that the trend of advances during 2020-21 declined from 15% to 9% due to the Pandemic and increased to 13% in 2021-22.

Table 3: Growth of Earning Per Share (EPS) during the Period 2019 - 22

Growth of Earning Per Share During the Period 2019 - 23				
S. No.	Year	EPS (In Rs.)	Increase or Decrease in Value (In Rs.)	Growth in Percentage (%)
1	2018- 19	1.13	-	0
2	2019- 20	18.2	17.07	1,511
3	2020- 21	5.99	4.86	27
4	2021- 22	22.15	21.02	351
5	2022- 23	42.48	41.35	187

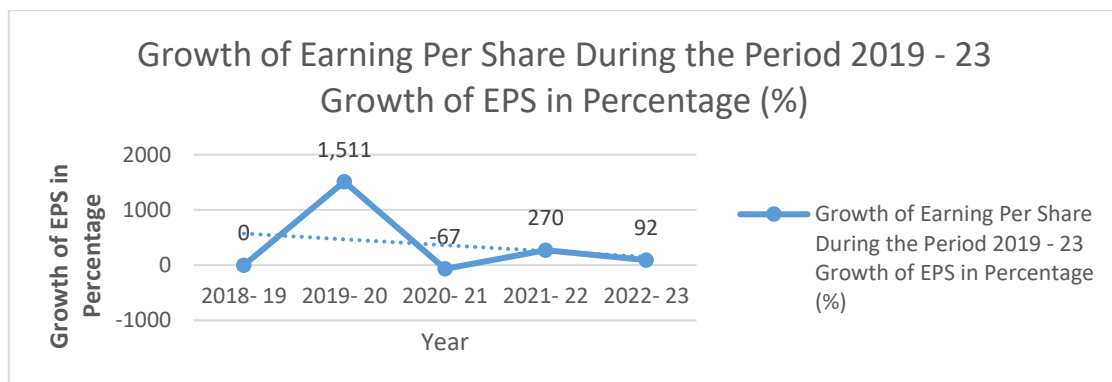


Figure 4: Growth of EPS during the Period 2019 - 22

The above table makes clear that the year 2019-20 has an abnormal increase of EPS, but later declined due to the Pandemic in 2020-21. Though it increased in 2021-22, but again showed downfall in 2022-23.

5.3.2. Trend Ratios:

The comparison of the successive values of each ratio for a single firm over a number of years.

The formula for trend percentage is:

$$((\text{Current Period Value} - \text{Base Period Value}) / \text{Base Period Value}) * 100.$$

Table 4: Growth Trend ratios of Deposits during the Period 2019 - 22

Trend Value of Deposits During the Period 2019 - 23

S. No.	Year	Deposits (In Rs.)	Increase or Decrease in Value (In Rs.)	Trend Percentage (%)	Trend Ratio
1	2018- 19	5,48,47,13,409	-	0	100
2	2019- 20	6,40,10,49,373	91,63,35,964	17	117
3	2020- 21	7,07,30,60,801	1,58,83,47,392	25	125
4	2021- 22	8,21,72,09,051	2,73,24,95,642	39	139

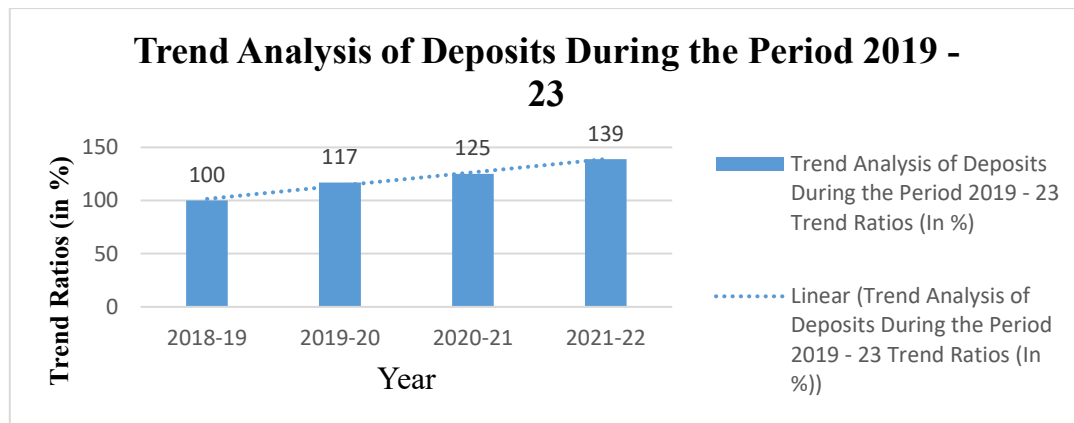


Figure 5: Growth Trend ratios of Deposits during the Period 2019 - 22

It reveals that during the period 2018-22, the Trend Ratios of Deposits increased from 100% to 139%.

Table 5: Growth Trend ratios of Advances during the Period 2019 - 22

Trend Value of Advances During the Period 2019 - 23					
S. No.	Year	Advances (In Rs.)	Increase or Decrease in Value (In Rs.)	Trend Percentage (%)	Trend Ratio
1	2018- 19	4,94,79,79,721	-	0	100
2	2019- 20	5,71,42,41,564	76,62,61,843	15	115
3	2020- 21	6,23,72,01,879	1,28,92,22,158	23	123
4	2021- 22	7,07,69,59,511	2,12,89,79,790	34	134

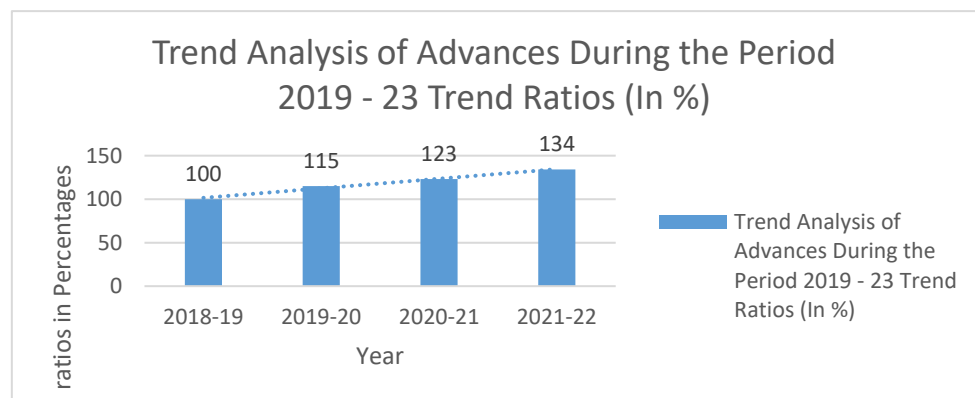


Figure 6: Growth Trend ratios of Advances during the Period 2019 - 22

It reveals that during the period 2018-22, the Trend Ratios of Advances increased from 100% to 134%.

Table 6: Growth Trend ratios of Earning per Share during the Period 2018 - 23

Growth of Earning Per Share During the Period 2019 – 23					
S. No.	Year	EPS (In Rs.)	Increase or Decrease in Value (In Rs.)	Growth in Percentage (%)	Trend Ratio
1	2018- 19	1.13	-	0	100
2	2019- 20	18.2	17.07	1,511	1,611
3	2020- 21	5.99	4.86	27	127
4	2021- 22	22.15	21.02	351	451
5	2022-23	42.48	41.35	187	287

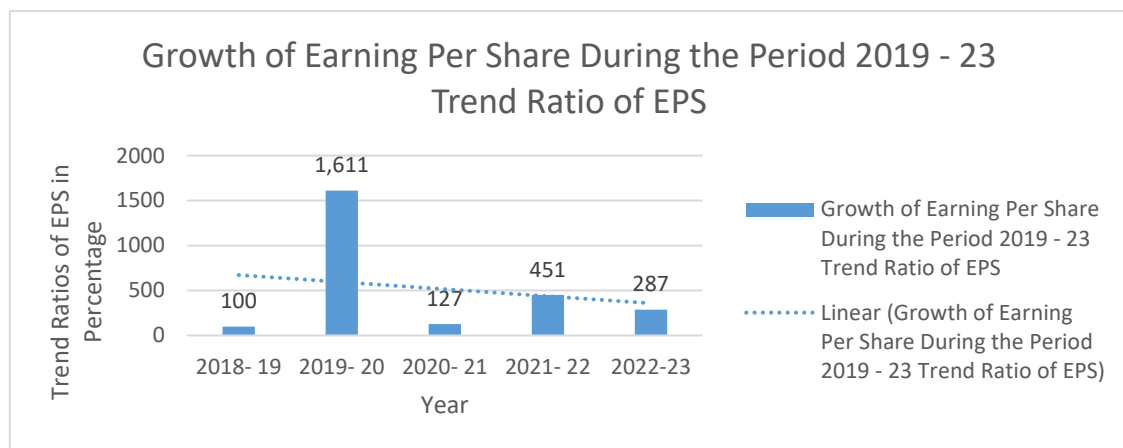


Figure 7: Growth Trend ratios of EPS during the Period 2018 - 23

The above data reveals that there is an adverse effect of the Pandemic on Earning per Share of the Bank. It declined from 1611 % to 127 % in the year 2020-21. It regained to some extent (451 %) in 2021-22, but again declined to 287 % in 2022-23.

5.3.3. Compound Annual Growth Rate (CAGR)

The Compound Annual Growth Rate (CAGR) is the Rate of Return (RoR) that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span. It is often used to measure and compare the past performance of investments or to project their expected future returns.

To calculate the compounded annual growth rate on investment, use the CAGR calculation formula and perform the following steps:

- Divide the investment value at the end of the period by the initial value.
- Increase the result to the power of one divided by the tenure of the investment in years.
- Subtract one from the total.

$$\text{CAGR} = [(\text{Ending Value}/\text{Beginning Value}) ^{(1/N)}]-1$$

Table 7: CAGR of Deposits during the Period 2018 - 22

CAGR of Deposits During the Period 2019-22			
S. No.	Year	Deposits (In Rs.)	CAGR (in %)
1	2018- 19	5,48,47,13,409	
2	2019- 20	6,40,10,49,373	

3	2020- 21	7,07,30,60,801	10.64
4	2021- 22	8,21,72,09,051	



Figure 8: CAGR of Deposits during the Period 2018 - 22

The Compound Annual Growth Rate of Deposits during the period 2018-22 is 10.64 %.

Table 8: CAGR of Advances during the Period 2018 - 22

CAGR of Advances During the Period 2019-22			
S. No.	Year	Advances (In Rs.)	CAGR (in %)
1	2018- 19	4,94,79,79,721	9.36
2	2019- 20	5,71,42,41,564	
3	2020- 21	6,23,72,01,879	
4	2021- 22	7,07,69,59,511	



Figure 8: CAGR of Advances during the Period 2018 - 22

The Compound Annual Growth Rate of Advances during the period 2018-22 is 9.36 %, which is less than CAGR of Deposits.

Table 9: CAGR of EPS during the Period 2018 - 23

CAGR of Earning Per Share During the Period 2019-22			
S. No.	Year	EPS (In Rs.)	CAGR (in %)
1	2018- 19	1.13	106.55
2	2019- 20	18.2	
3	2020- 21	5.99	

4	2021- 22	22.15	
5	2022-23	42.48	



Figure 10: CAGR of EPS during the Period 2018 - 23

The CAGR of Earning per Share is very high i.e., 106.55 % which shows the efficiency of the Bank during the study period.

The results indicate that profitability of the Axis Bank of India is affected by both internal and external factors. Strength of equity capital, operational efficiency, ratio of banking sector deposits to the gross domestic product (GDP), had significantly positive effect on profitability of banks and credit risk, cost of funds, non-performing assets (NPA) ratio and consumer price index (CPI) inflation have significantly negative influence on banks' profitability while bank size and ratio of priority loans to total loans do not have any influence on the profitability. The GDP growth and inflation have significantly negative relation with ROA and inflation has positive influence on ROE.

5.4.Suggestions:

The following suggestions are made after the study of the performance of the Bank for its overall growth in future:

- The Bank has to made immediate arrangements to strengthen funds Management by obtaining daily Cash and Bank balances of all Branches after closure of Banking Hours so as to maintain liquidity and to stop income leakage.
- The Bank has to collect Share Capital from all affiliated Societies at required level as and when required so as to maintain more equity.
- The Bank has to increase low cost deposits such as Savings Bank Accounts, Current Accounts and short term Fixed Deposits, whose interest is equivalent to Savings Bank Accounts, by providing more services to Customers.
- The Bank has to made tie-up arrangements with other Banks so as to increase non-Fund business and thereby to increase non-interest income like other Banks.
- To tap more deposits from the public, different kinds of Services/Deposits and Loans Schemes are to be introduced.
- The Bank has to chalk-out Recovery Action Plan and fix Branch-wise and Employee-wise recovery targets so as to increase recovery performance and to reduce NPA drastically. Group of Branches (6-7) should be entrusted to one Assistant General Manager so as to monitor recovery performance closely. Special Teams should be drafted to certain Branches, where huge NPAs were accumulated.
- The Bank has to reduce its dependency on higher financing agencies by reducing Borrowings and

increasing Deposits from the public.

- The Bank has to cover all segments like Small Scale Industries, farm and Non-Farm Sector, Retail Traders, Hotels, Educational Institutions, Individual Employees, Hospitals, Business Men etc. This segment mix helps the Bank to maintain business stability and to earn more profits.
- As the Reserve Bank of India already permitted the Bank to enter into Insurance Business, it is suggested the Bank to enter into Insurance Business.

6. CONCLUSION:

Axis Bank has one of the largest Correspondent Banking Networks in India, having a relationship with over 1000+ banks worldwide, across 100 countries. Through its network of partner banks across the world, Axis Bank provides its customers a one-stop solution for Correspondent Banking Services. It is the third largest private sector bank in India. The Bank offers the entire spectrum of financial services to customer segments covering Large and Mid-Corporates, MSME, Agriculture and Retail Businesses.

The Bank has a large footprint of 4,758 domestic branches (including extension counters) with 10,990 ATMs & 5,972 cash recyclers spread across the country as of 31st March 2022. The Bank has 6 Axis Virtual Centers with over 1,500 Virtual Relationship Managers as of 31st March 2022. The Overseas operations of the Bank are spread over eight international offices with branches in Singapore, Dubai (at DIFC), and Gift City-IBU; representative offices in Dhaka, Dubai, Abu Dhabi, Sharjah and an overseas subsidiary in London, UK. The international offices focus on Corporate Lending, Trade Finance, Syndication, Investment Banking, Liability Businesses, and Private Banking/Wealth Management offerings.

With a balance sheet size of Rs. 11,75,178 crores as on 31st March 2022, Axis Bank has achieved consistent growth and with a 5-year CAGR (2016-17 to 2021-22) of 14% each in Total Assets & Advances and 15% in Deposits.

The Present study undertaken on financial performance of the Bank through Trend analysis for the period of four years i.e., from 2018-19 to 2021-22 gives a wide and complete knowledge of performance of the Bank and it can pave the way for further Research.

Though the performance of the Bank is slowed down during last two years due to the Pandemic, the present newly elected Board of Management is committed and enthusiastic to bring back the Bank into flying colors. However, as seen from the detailed study made on the financial performance of the Bank, the performance of the Bank is very satisfactory. The Bank has to take effective measures in all aspects to in order to improve the performance of the Bank to the brighter mode.

Hope that in future, the Bank could increase its' profitability by making effective funds management, increasing Share capital, low cost deposits, decreasing high cost borrowings, maintaining good lending portfolio and finally strengthening recovery mechanism, which reduces Non-Performing Assets drastically.

References:

1. A Study on Financial Analysis of Axis Bank Ltd, Bilaspur.
2. A Study on the Financial Health of Axis Bank and HDFC Bank.
3. Ashwin Purohit and Princika Bothra (2018), "A camel model analysis of selected public and private sector banks in India", International Journal of Management and Applied Science, Vol.-4, Issue-3, March, 2018.

4. Axis Bank Balance Sheets, Financial Statements. (n.d.). The Economic Times.Com. Retrieved May 20, 2021, from <https://economictimes.indiatimes.com/axis-bankltd/balancesheet/companyid-9175.cms>
5. Axis Bank Ltd Balance Sheet, Axis Bank Ltd Financial Balance Sheet - The Financial Express. (n.d.). [Www.Financialexpress.Com](http://www.financialexpress.com). Retrieved May 18, 2021, from <https://www.financialexpress.com/market/stock-market/axis-bank-ltd-stockprice/financials-balance-sheet/>
6. Axis Bank. (n.d.). Wikipedia.Com. Retrieved May 19, 2021, from https://en.wikipedia.org/wiki/Axis_Bank
7. Business News | Stock and Share Market News | Financial News. (n.d.). [www.Moneycontrol. Com](http://www.moneycontrol.com). Retrieved May 15, 2021, from <https://www.moneycontrol.com/financials/axisbank/balancesheetVI/AB16>
8. Corporate Profile - Third-Largest Private Sector Bank in India | Axis Bank. (n.d.). [Www.Axisbank.Com](http://www.axisbank.com). Retrieved June 14, 2021, from <https://www.axisbank.com/aboutus/corporate-profile>
9. Deepak Kumar Adhana and Dr. Neelam Gulati (2020),” Financial Performance Analysis: A Comparative Study of AXIS Bank and ICICI Bank” Journal of Information and Computational Science ISSN: 1548-7741 Volume 9 Issue 7, (June 2020).
10. Dr. Gagan Singh Jaggi, “Financial Performance Of Axis Bank In India: A Camel Model Approach”, International Journal of Creative Research Thoughts, Volume 11, Issue 6 June 2023.
11. Financial Analysis of Axis Bank Services (MBA Finance)
12. Maninder Kaur, Ritu Priya (2017), “Evaluating the performance of Public sector Banks –Bank of Baroda and Punjab National Bank” : An Application of Camel Model with capital and Earning Model”, Asian Journal of Research in Business Economics and Management, Vol. 7, Issue-5, pp-258-270.
13. Ms. T.R. Umabharathi1 , Srinithi V, “A Study on Financial Analysis of Axis Bank Private Limited”, International Journal of Research Publication and Reviews, Vol 5, no 5, pp 352-357 May 2024.
14. NKB Naramadha, S. Ramya, S. Lekha, & (2017), “Analysis of financial performance of state bank of India usingCamel approach” International Journal of Applied Research, Vol. 3, Issue-2, Part G(2017).
15. Researchgate.net “A Study on Analysis of Loans and Deposits at Axis Bank”.
16. S.Sowarnika, M. Jayanti (2019), “A study of financial performance of State Bank of India” Peripax Indian Journal of Research, Vol.-111, Issue-1, January 2019.
17. Shalni Shukla (2016), “Performance of the Indian Banking Industry: A comparison of Public and Private Sector Banks”, Indian Journal of Finance, Vol. 10 (1), January 2016
18. www.axisbank.com
19. www.bankingindustry.com
20. www.moneycontrol.com
21. www.wikipedia.com