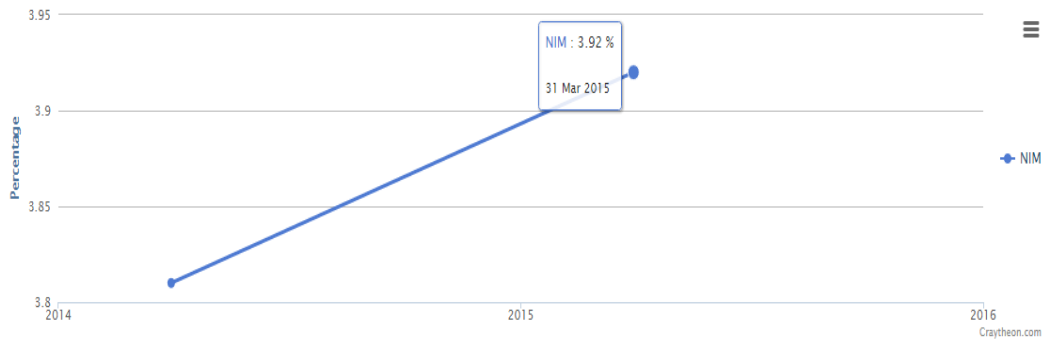


## Strengths:

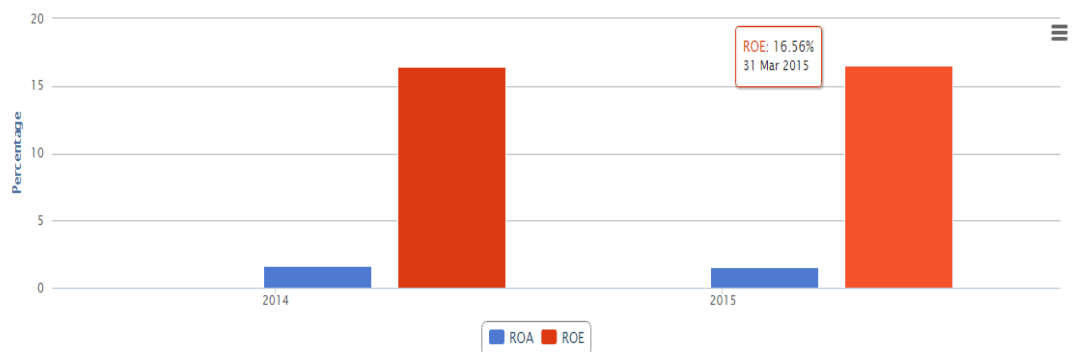
- 3<sup>rd</sup> largest among private Indian banks.
- Among the top 3 fastest growing banks in India.
- Good reputation among urban population due to the use of the most advanced banking and supporting technologies.
- An increase of 11 bps in Net Interest Margin over last 1 year.

### Net Interest Margin



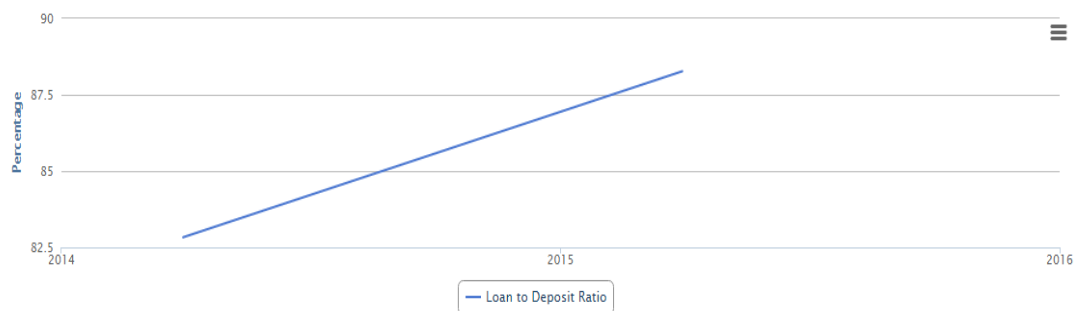
- High ROA and ROE.

### Return on Assets and Return on Equity - Axis Bank Ltd.



- Loan to deposit ratio well under 100 %.

### Loan to Deposit Ratio - Axis Bank Ltd.



## Weaknesses:

- Small presence in rural areas.
- Not the best of [profit margins](#) in the industry.

INR Cr.	Axis Bank	HDFC Bank	ICICI Bank	Kotak Mahindra	IndusInd Bank
<b>Total Income</b>	43843.65	57466.25	61267.27	11748.32	12095.83
<b>Net Profit (Mar '15)</b>	7357.82	10215.92	11175.35	1865.98	1793.72
<b>% Profit</b>	16.8%	17.8%	18.2%	15.9%	14.8%

- Increasing loan to deposit ratio will reduce liquidity.
- [Poor management legacy](#).

#### Opportunities:

- Penetration into the vacant [rural territories](#) of the country.
- Market development in international markets (especially emerging ones).
- Government initiatives like Make in India and Startup India have and will spur economic growth and will increase demand for rupee against dollar. This phenomenon can result into increased interest rates and thus margins and ratios may increase in the long term.

#### Threats:

- Weakness in Indian economy in general and in banking sector in particular.
- US Fed rates hiked and likely to be hiked more this year. This will cause capital flight out of Indian economy.
- Most of the economic initiatives of the central government won't get approved in the houses of parliament.