

October 14, 2017

**The Asst. Vice President
Listing Department
National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051

**The Deputy General Manager
Corporate Relationship Dept.
BSE Ltd.**
1st Floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort
Mumbai – 400 001

NSE Symbol: INDUSINDBK

BSE Scrip Code: 532187

Madam / Dear Sir,

Sub: Investor Presentation


Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Investor Presentation of the Bank.

In compliance with the Regulation 46, the information is being hosted on the Bank's website at www.indusind.com.

Kindly take the above information on record and oblige.

Thanking you.

Yours faithfully,
For IndusInd Bank Limited


**Haresh K. Gajwani
Company Secretary**

Encl. : a/a





IndusInd Bank



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IndusInd Bank and Bharat Financial Inclusion Merger

Building Sustainable Platform for Financing Livelihoods

October 14, 2017

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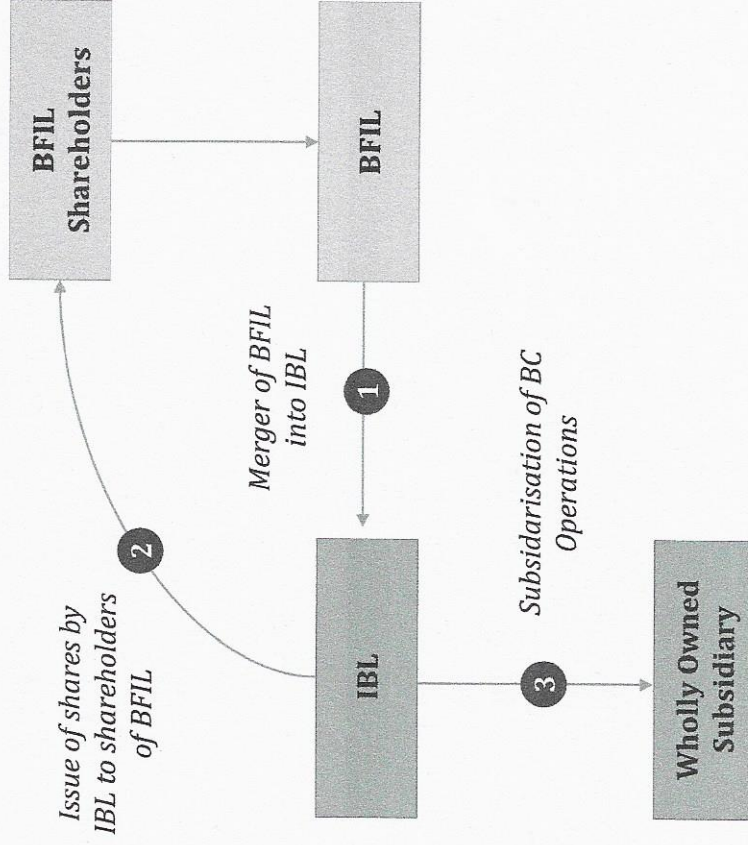


1. Transaction Structure



Transaction Structure

1. BFIL to merge into IBL under a Scheme of Arrangement
2. BFIL shareholders to receive IBL shares as consideration
3. IBL to transfer the employees and operations into a wholly owned subsidiary* making it a captive Business Correspondent



* Subsidiary to be incorporated post RBI approval

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Transaction Structure

Resultant Structure

- BFIL assets and liabilities to merge into IBL's assets and liabilities.
- BFIL operations to be part of Wholly Owned Subsidiary of IBL.
- Subsidiary to act as a Business Correspondent of IBL

Swap Ratio

- BFIL shareholders to receive 639 IBL shares for every 1,000 BFIL shares
- This implies a premium of 12.6% to BFIL's 2 week VWAP

Board

- No change in the Board of IndusInd Bank
- MFI Advisory Committee to be set up for the Wholly Owned Subsidiary

Employees

Continuity of all BFIL Management and Employees in current assignments

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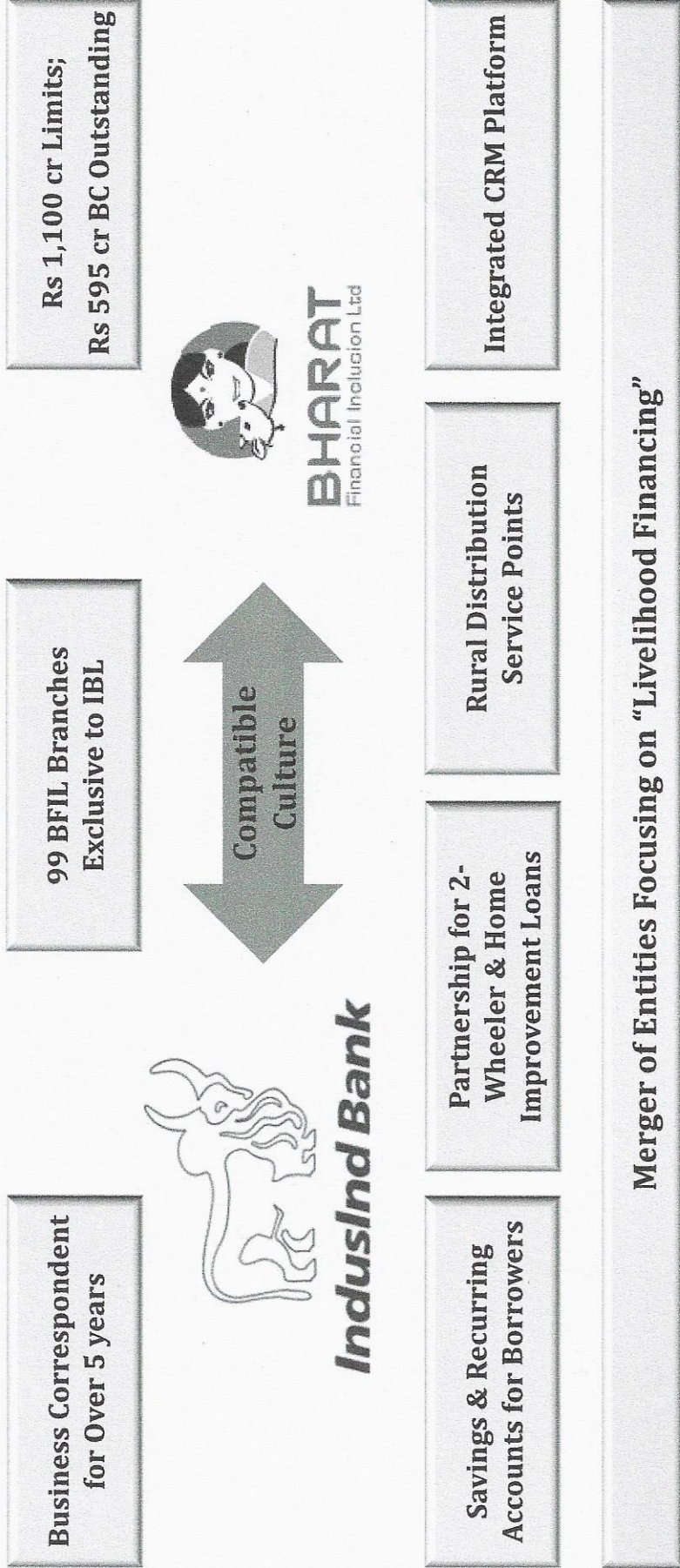
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2. Merger Rationale and Synergies



Culmination of Existing Long Standing Relationship



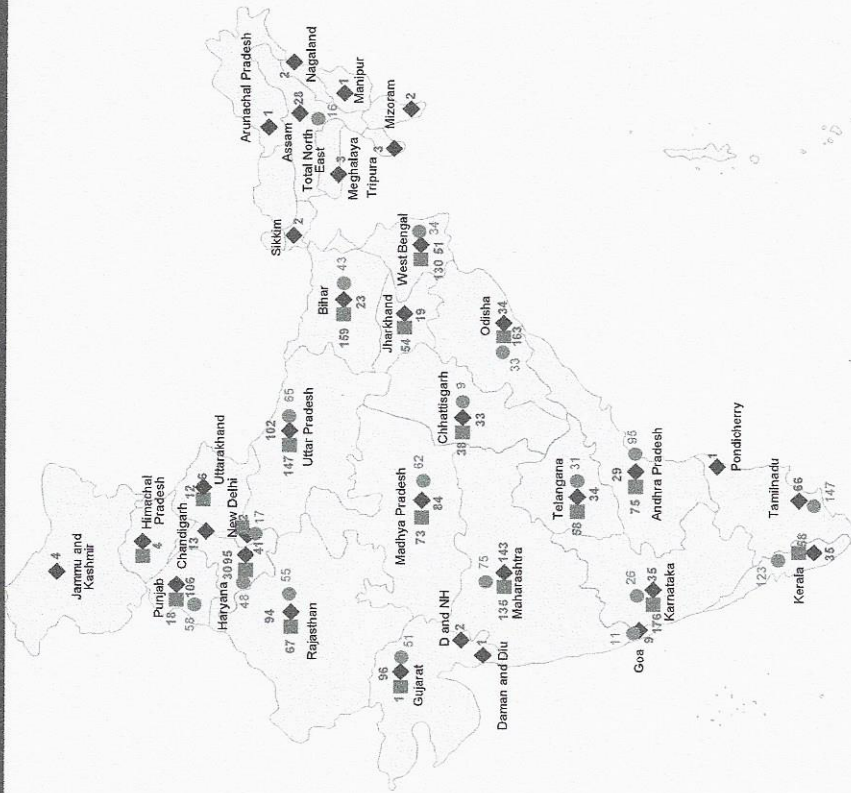
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Creates Large and Complementary Network

Geographic Reach as of 30th June 2017

- ◆ IBL Presence : 1,210 Branches (includes 250 rural branches)
- BFIL Presence: 1,408 strong MFI Network
- CFD Presence: 999 Outlets (excluding Dealer Points)

Merged Entity to have 3,600+ branches and outlets

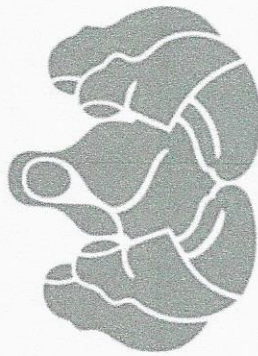


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BFIL Provides Large CASA & Deposit Opportunity



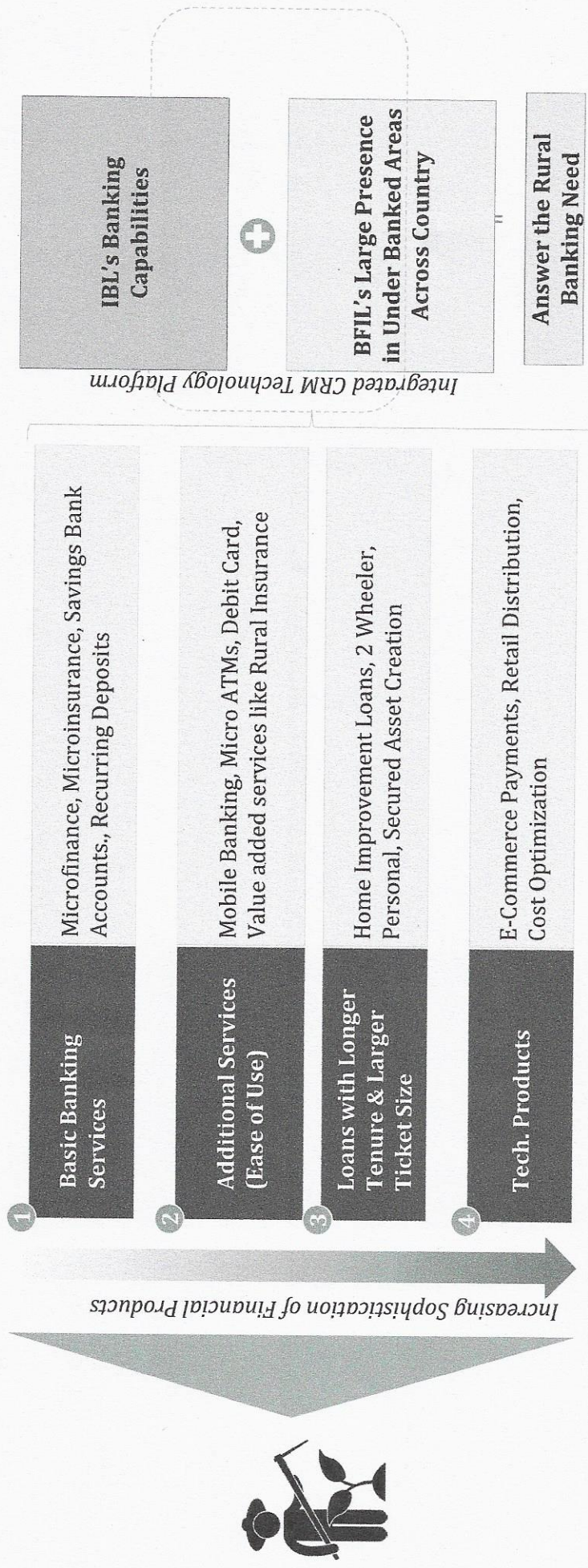
6.8 Million Members
spread across ~100,000
villages



*Stronger CASA Base resulting
in lower cost of funding*

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IBL & BFIL together bridging the Financial Inclusion gap



No Mission Drift: Committed to the Cause / Enhancement of Microfinancing

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Key Synergy Estimates

Lower Cost of Funds	Reduction of 3%
Priority Sector Loans	100% Eligible as PSL Fee income of 1%-1.5% on excess
Capital Release	75% Risk Weight in Bank
Liabilities	Potential to penetrate >50% Customer Base
Ancillary Products	2-Wheeler Financing Home Improvement Loans Fixed Usage Loans Micro Insurance

Note: Synergies are management estimates and subject to transaction receiving all approvals

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Creating Domain Expertise in Microfinance

Furthering PC 4 Strategic Theme of "Rural Banking and Microfinance"

For IBL

- ✓ Creates "Scale with Profitability" - Faster growth and higher profitability vs IBL
- ✓ Provides access to best-in-class microfinance capabilities
- ✓ Huge increase in outreach with ~1,400 well-spread MFI outlets with 6.8 Mn borrowers
- ✓ Ability to leverage network, clients and capital
- ✓ Transaction is key driver of "Bharat" Play (currently serving ~100,000 villages)
- ✓ Portfolio eligible for Priority Sector Loans

For BIFL

- ✓ Becomes a "Bank" overnight and provides ready platform to drive operating synergy
- ✓ Universal product suite for customers
- ✓ Reduces risks and improves competitiveness vis-à-vis recently licensed SFBs
- ✓ Continuation of the business without merger interruption through a "lift and drop" approach
- ✓ Diversification for all stakeholders
- ✓ Access to stable and low-cost of funds at a bank

Transaction Accretive to All Key Vectors on Day 1 !

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3. Key Financials

Key Financial and Operational Details

Parameter	IBL	BFIL	IBL + BFIL
Customers	9.5mn	6.8mn	16.3mn
Employees	25,071	15,284	40,355
Loans (Rs cr)	1,16,407	9,631*	1,26,038
Networth (Rs cr)	21,501	2,420	23,921
Total Assets (Rs cr)	1,90,650	10,170	2,00,820
CRAR	16.18%	31.8%	-

As of June 30, 2017

* Non-AP Gross Loan Portfolio

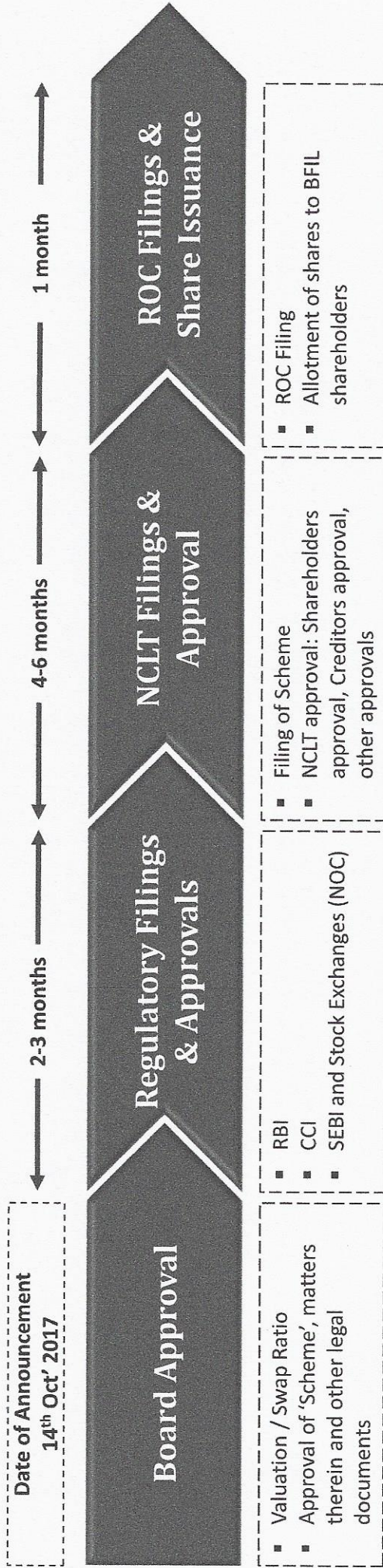
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4. Indicative Timelines



Process and Indicative Timelines



Transaction to take up to 6-9 months for closure



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Thank You

Disclaimer

The proposed transaction is subject to approval of various regulatory and other authorities, including without limitation, the Reserve Bank of India, Competition Commission of India, Securities and Exchange Board of India (Stock Exchanges), and the National Company Law Tribunal as well as the shareholders and credits of BFIL and IndusInd Bank. Estimates, expectations, and business plans in this press release are forward-looking statements based on currently available information and the management's current views and assumptions. Such statements are naturally subject to risks and uncertainties. In addition to statements which are forward-looking by reason of context, the words "will", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Factors such as changes in applicable laws and regulations, including in regard to the life insurance sector, the development of general economic conditions, future market conditions, unusual catastrophic loss events, changes in the capital markets and other circumstances may cause the actual events or results to be materially different from those anticipated by such statements. IndusInd Bank Limited and Bharat Financial Inclusion Limited ("Parties") do not make any representation or warranty, express or implied, as to the accuracy, completeness or updated status of the statements contained in this release. Therefore, in no case whatsoever will the Parties be liable to anyone for any decision made or action taken in conjunction with the information and/or statements in this press release or for any related damages.

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