

February 8, 2017

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

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

**NSE Symbol: INDUSINDBK**

**BSE Scrip Code: 532187**

Dear Sir,

**Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We enclose herewith the Presentation being made at Edelweiss Investor Conference today, i.e., February 8, 2017, at Mumbai.

In compliance with the Regulation 46, the Presentation is also being hosted on the Bank's website at [www.indusind.com](http://www.indusind.com).

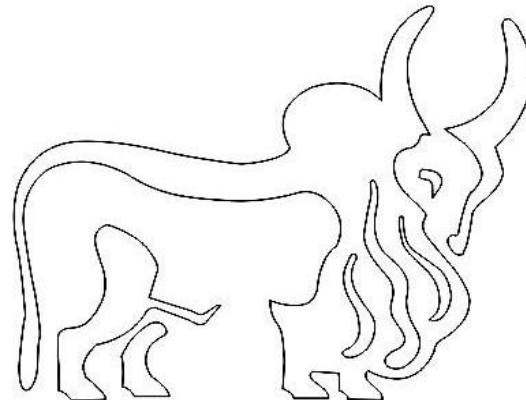
Kindly take the same on record and oblige.

Thanking you,

Yours faithfully,  
**For IndusInd Bank Limited**

  
**Haresh Gajwani  
Company Secretary**





# ***IndusInd Bank***

The Road Ahead !

Edelweiss Investor Conference

February 8, 2017

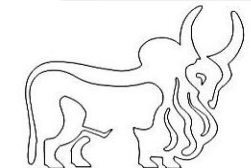
# Presentation Agenda

1. Banking Industry - Operating Environment Forecast

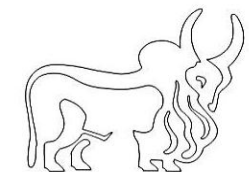
2. IndusInd Bank Planning Cycle 3 - Current Status

3. A Glimpse into Planning Cycle 4

4. Select FAQs

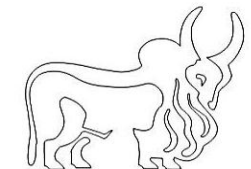


# **Banking Industry – Operating Environment Forecast**

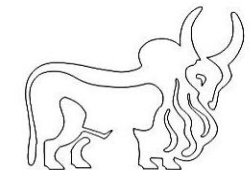


# Banking Operating Environment

- Benign to bullish environment driven by:
  1. Interest rates forecasts
  2. Credit growth scenario
  3. Loan book quality
  4. Sectoral competition



**IndusInd Bank Planning Cycle 3(PC 3)  
Market Share with Profitability  
(2014-2017)**



# PC 3: Strategy

## Planning Cycle 3 (2014–17)

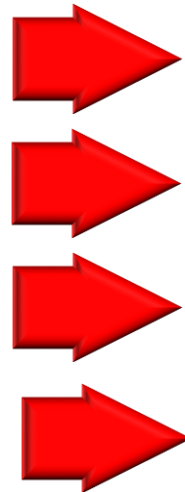
**Strategy**

**Market Share with Profitability**

**Theme**

**Domain Leadership and Specialisation**

**Focus on**

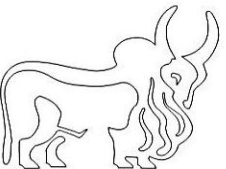


**New Yield & Fee Boosters**

**Scaling Up Client Base**

**Density in Branch Network**

**Growth in “Business As Usual”**



# PC 3: Themes

## Domain Leadership

Vehicle Finance

Home Markets

Gems & Jewellery



TO DOUBLE THE BANK

## Diversify

New Retail Products

Offshore Banking Unit

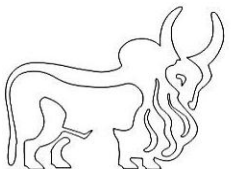
Tractor Finance

## Differentiate

Market and Client Segmentation

Investment Banking

Innovative Customer Offerings





# PC 3: Outcomes

## Planning Cycle 3 (2014-17)

### 9M FY17 Outcome

Resulting in

Loan Growth



25% - 30%

25%

CASA Growth



CASA > 35%

37%

Fee Growth



To Exceed Loan Growth

24%

Branch Network



To Double from 602

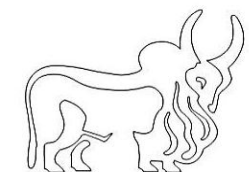
1,075

Customer Base



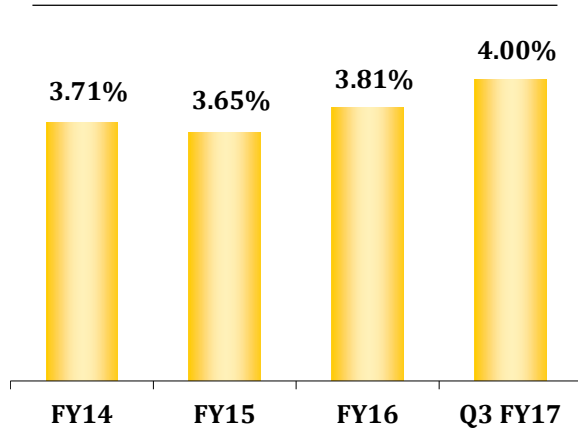
To Double

On track

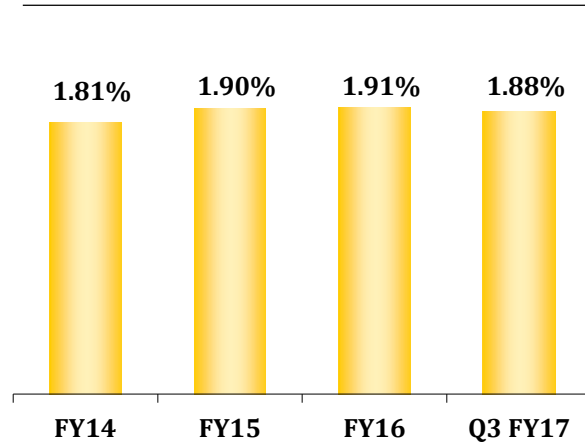


# PC3: Sustaining Top Quartile Vectors

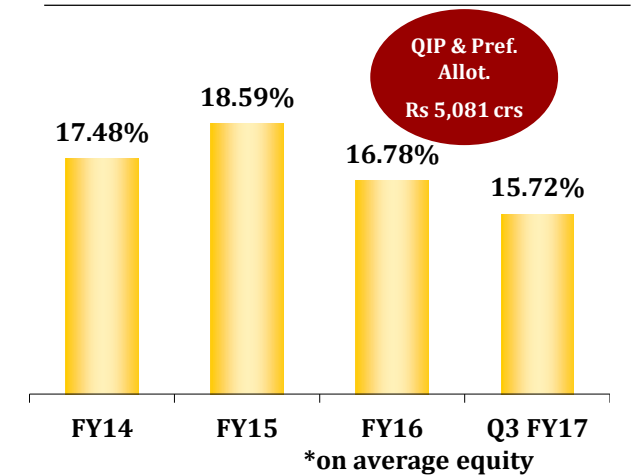
Net Interest Margin (NIM)



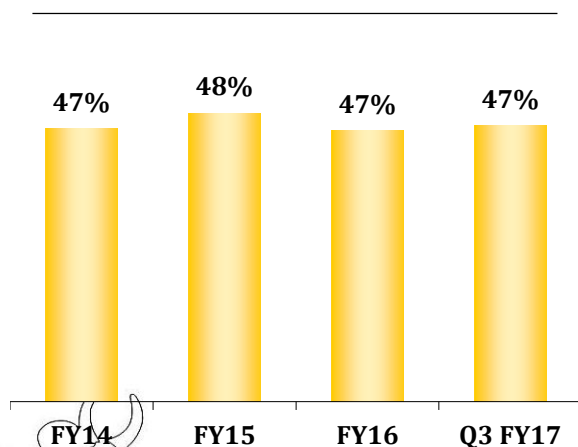
RoA



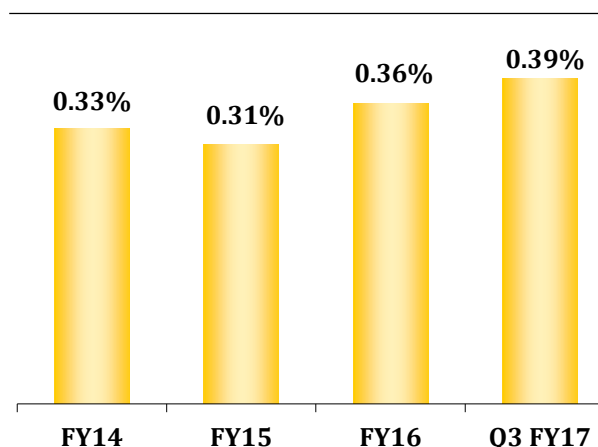
RoE\*



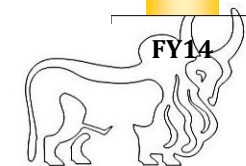
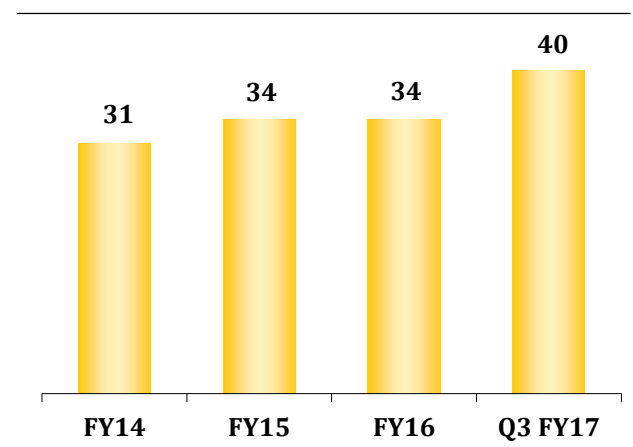
Cost /Income



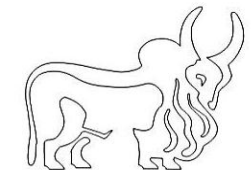
Net NPA



Revenue / Employee (Rs. Lacs)



# A Glimpse into Planning Cycle 4 (PC4)



# Key Drivers for Planning Cycle 4 (PC4)

**1. Rebalancing of Loan Book**

**2. Rural Banking Led by  
Microfinance**

**3. Digitization &  
Client Experience**

**4. Internal Collaboration  
and Cross Sell**

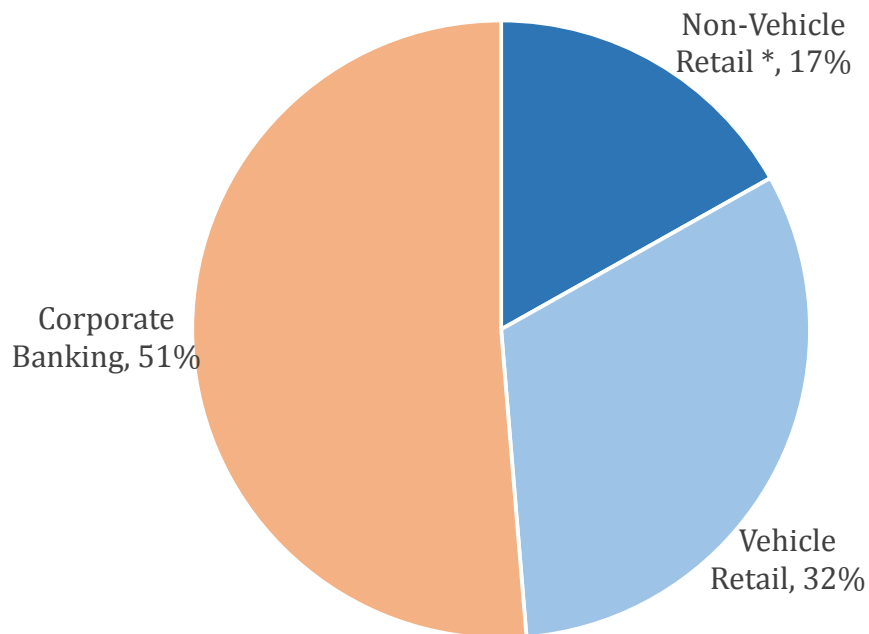
**5. Productivity Gains**

**Each Driver A Booster to Business As Usual**

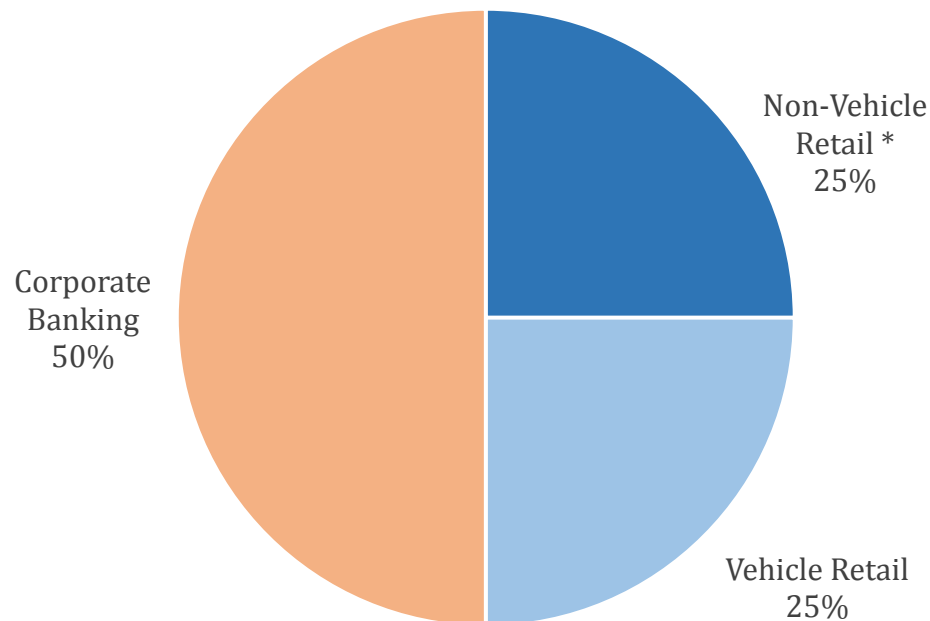


# 1. Rebalancing of Loan Book

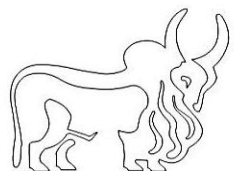
## Loan Mix – Q3 FY17



## Loan Mix – 2020 Ambition

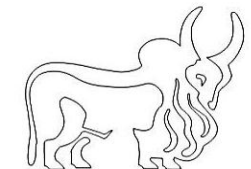
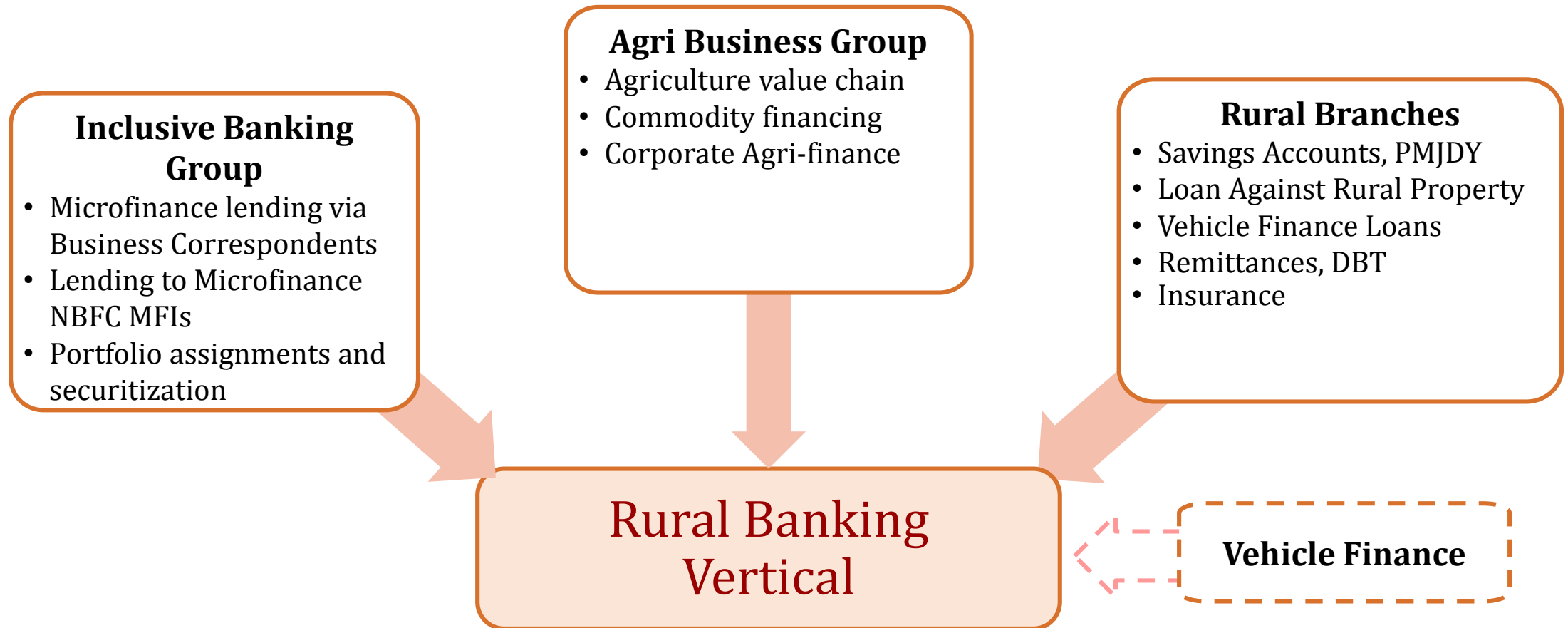


1. Loan Against Property
2. Business Banking
3. Credit Cards
4. Personal Loans
5. Commercial Cards
6. Loan Against Shares
7. Rural Loans
8. Gold Loans
9. Business Loans
10. Loan Against Card Receivables



\* Includes Business Banking

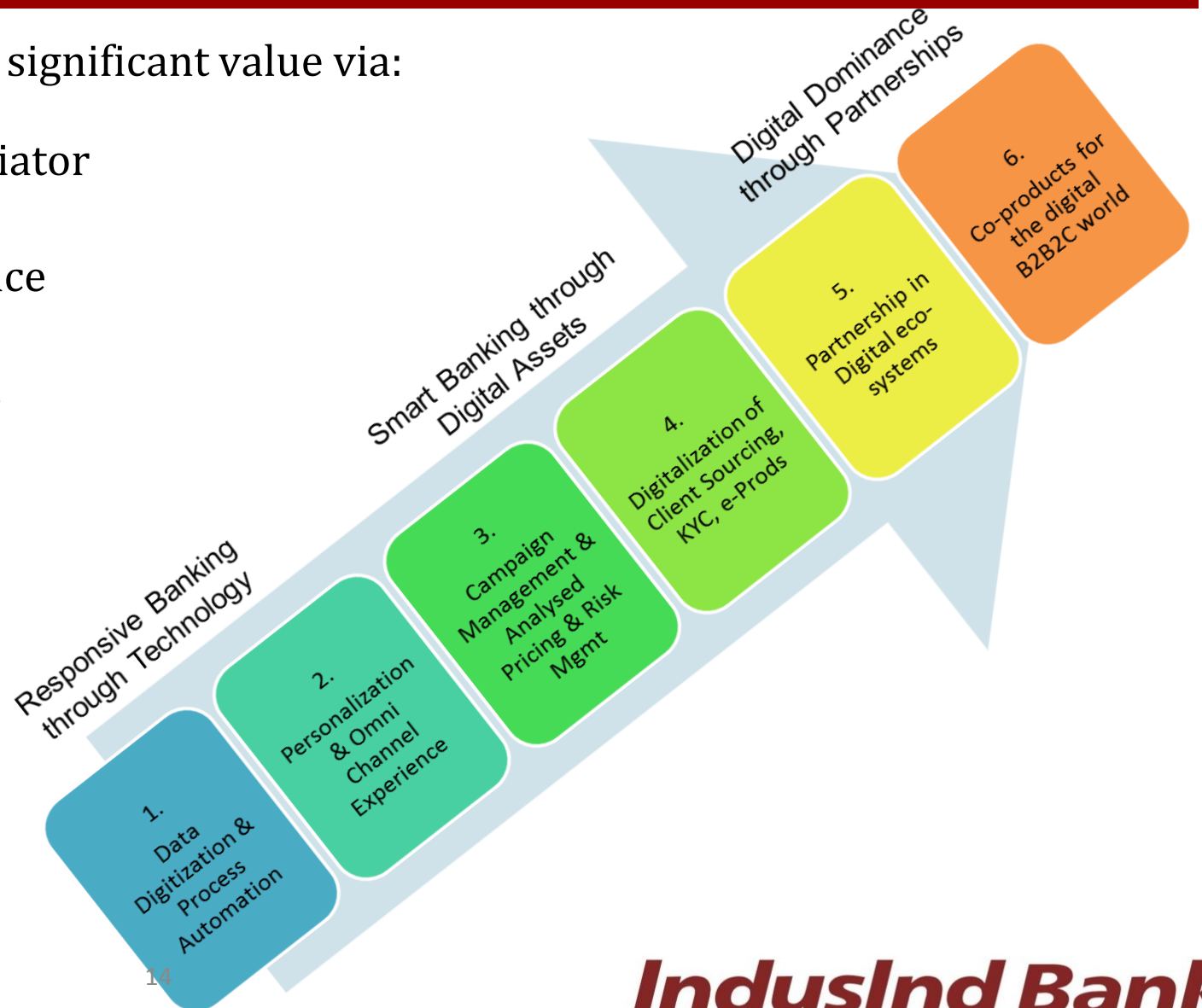
## 2. Rural Banking Led by Microfinance



# 3. Digital Strategy

■ An integrated Digital Strategy can extract significant value via:

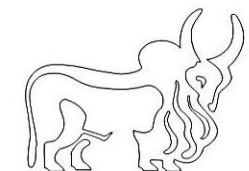
1. Agility & Innovation as Service Differentiator
2. Operating Efficiency in Front & Back Office
3. Evolution to Online and Digital Channels
4. Partnering with the Digital Ecosystems
5. Improved Decision Making & Analytics
6. Transformation to Online Offerings
7. Re-skilling Staff on Digital Technologies



# 3. Digital Execution

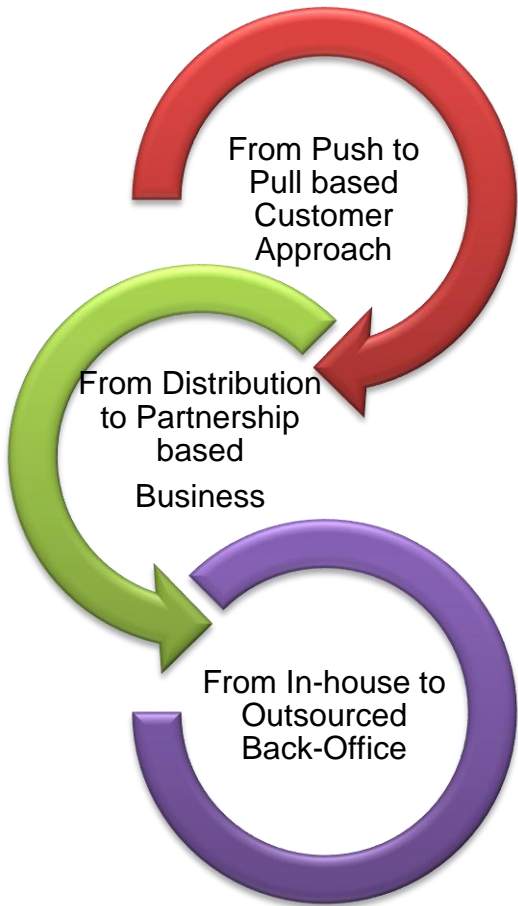
## Digital Bank: Building Blocks for the 360 degree Transformation

Digital Sales & Marketing	Channel Innovation	Data Analytics	Process Re-Design	Product Development	Client Experience
Social Media & Search Engine Marketing	Biometric led ATMs, POS, Mobile	Micro-segmentation of clients	Real Time Client On-boarding / Product X-sell	Analyzed Pricing for effective Reln Mgmt	Geo & Trigger based Offers
Online Leads & Sales via Fin. Portals	Mobile as 'Remote Control' for All Txns	Predictive Analytics for X-sell / Attrition Mgmt	Digital Documents Flow & Txn STPI	Alternate Lending Models basis Digital Surrogates	AI led Client Engagement
Omni Channel Campaign Mgmt.	API Banking for Corporates	Trigger based Fraud and Risk Management	Digital Customer Servicing & Complaints Mgmt	New Age Payment solns: BBPS / AEPS UPI / Blockchain	X-Channel Transaction Fulfilment

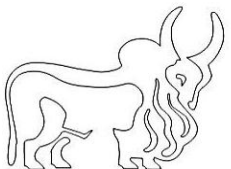




# 3. Doing Business in the Digital World

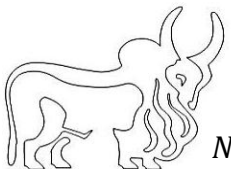
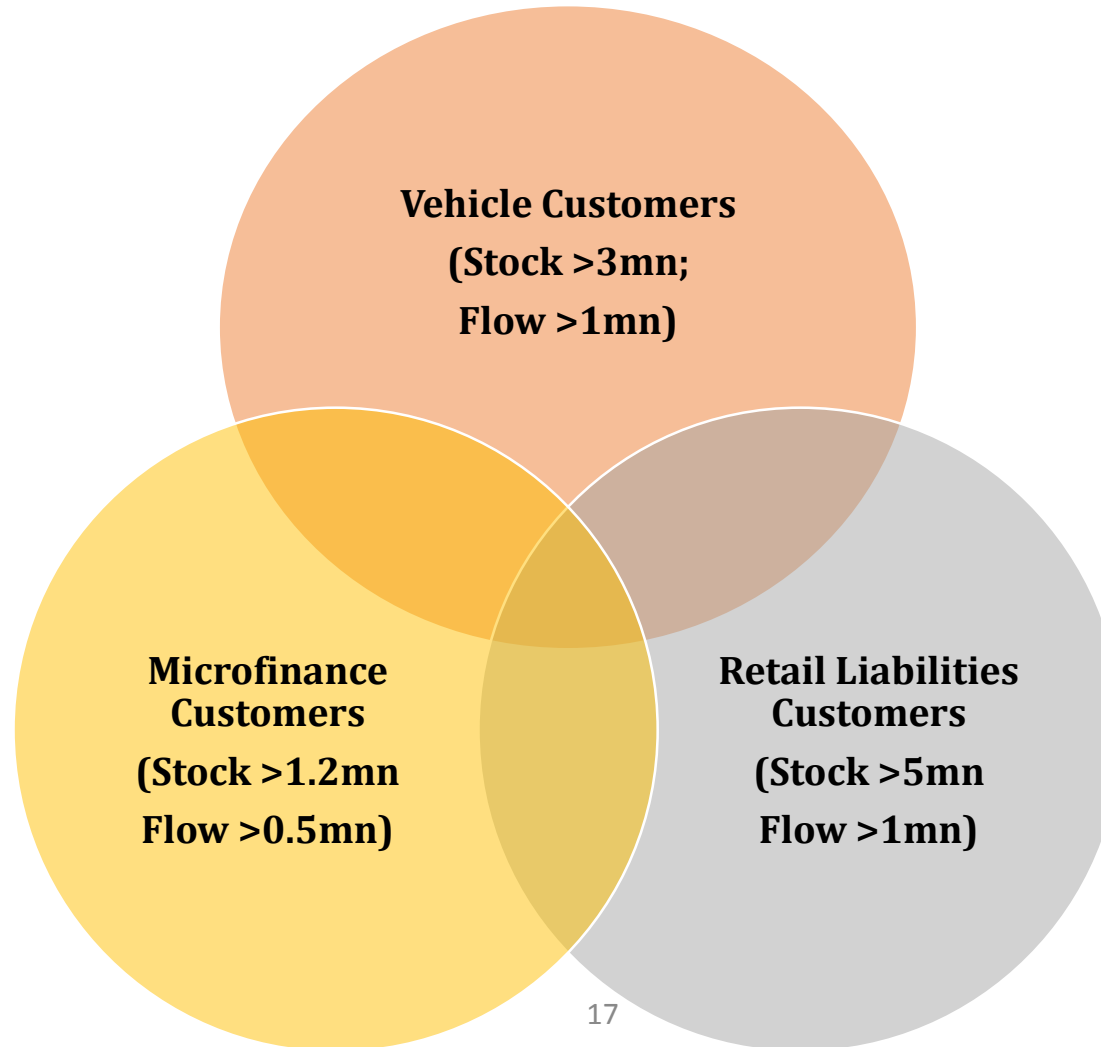


	SME / Institutional	Retail / HNI	FI / Rural
<b>PAYMENT SOLNs:</b>	Comprehensive Merchant Acquiring & Disbursement Solutions	Mobile based New Age Payment solutions around BBPS & UPI	Aadhaar based Benefits Transfer, Remittance And Merchant Transactions
<b>DIGITAL PRODUCTS:</b>	Digi Loans on Card Receivables E-Tendering & Transit Solutions 	Online Personal Finance Management and Real time Credit facility 	Micro Deposits Insurance products via USSD / Biometric 
<b>STRATEGIC PARTNERSHIPS:</b>	 	 	 



# 4. Internal Collaboration & Cross Sell

**Large & Growing Customer Base, Now Over 9mn !**

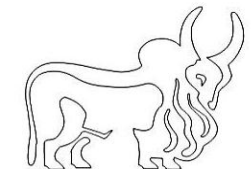
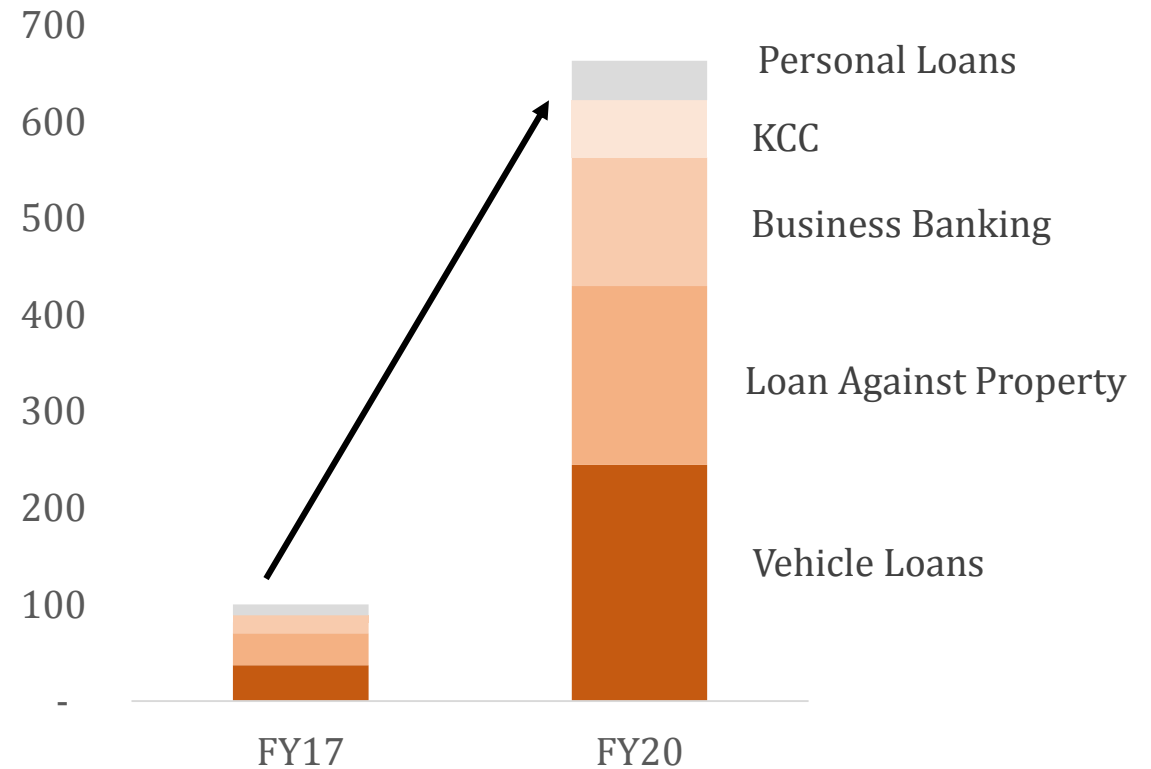


# 4. Internal Collaboration & Cross Sell

## Key Products:

- ✓ Vehicle loans
- ✓ Loan Against Property
- ✓ Kisan Credit Cards
- ✓ Personal Loans
- ✓ Savings Account
- ✓ Micro-insurance
- ✓ Remittances

## Cross Sell to be 6x of Current Run-rates

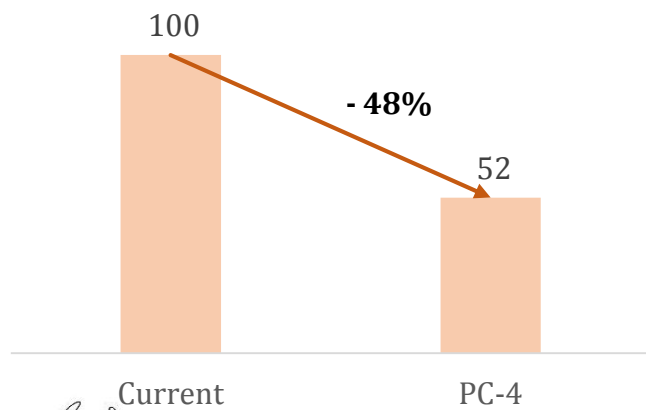


# 5. Productivity Gains – Branch Resizing

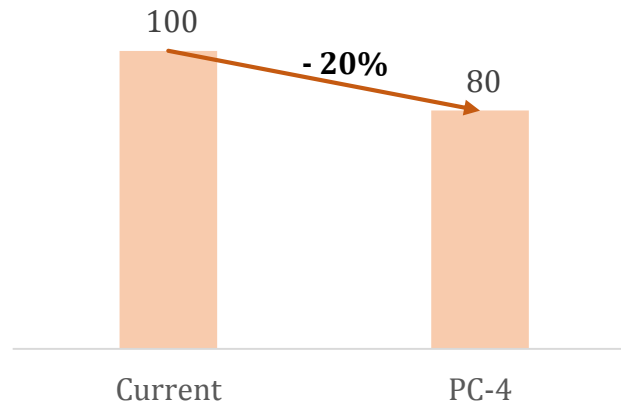
- Rapidly changing retail banking industry with evolving customer preferences
- Declining physical transaction volume at branches and prodigious growth in mobile usage
- Branch expansion in PC-4 will reflect these changes with leaner structures supported by digital delivery

Comparison of current and proposed branch layouts (excluding rural) is provided below:

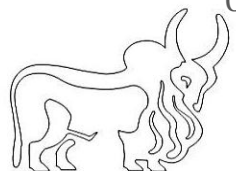
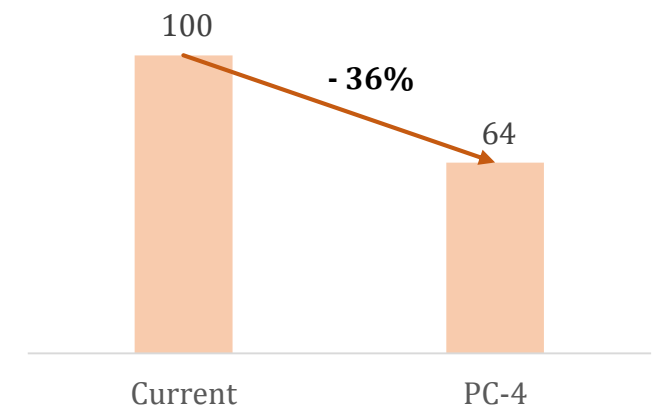
**Average Branch Size**



**Average Branch Staff**

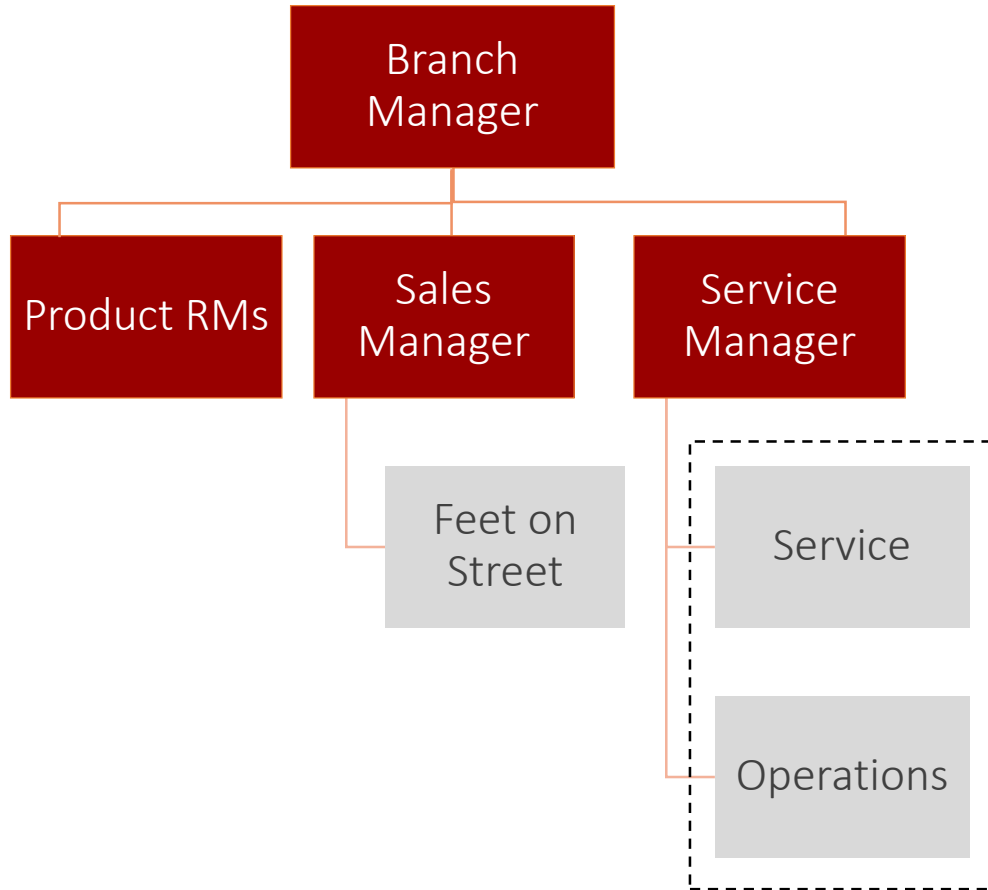


**Average Branch Costs**

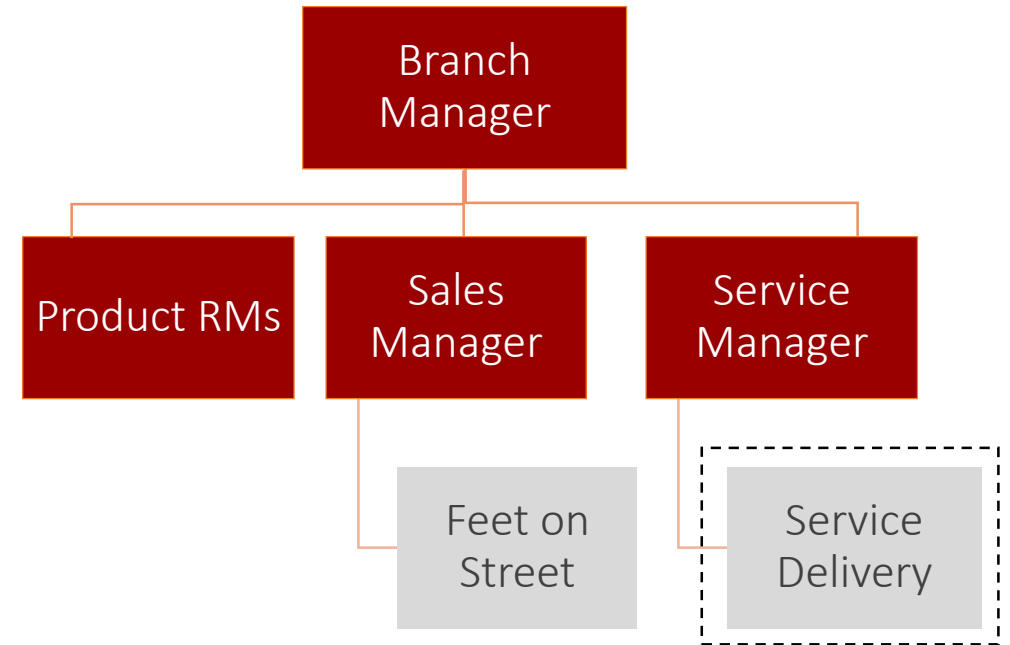


# 5. Productivity Gains – Optimizing Organizational Structures

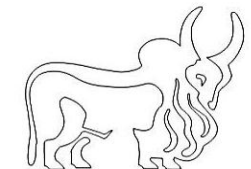
**Branch Org. Structure - Existing**



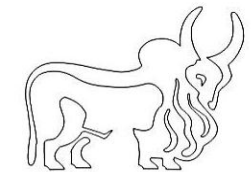
**Branch Org. Structure - New**



**Staff redeployed towards new growth !**



# Select FAQs

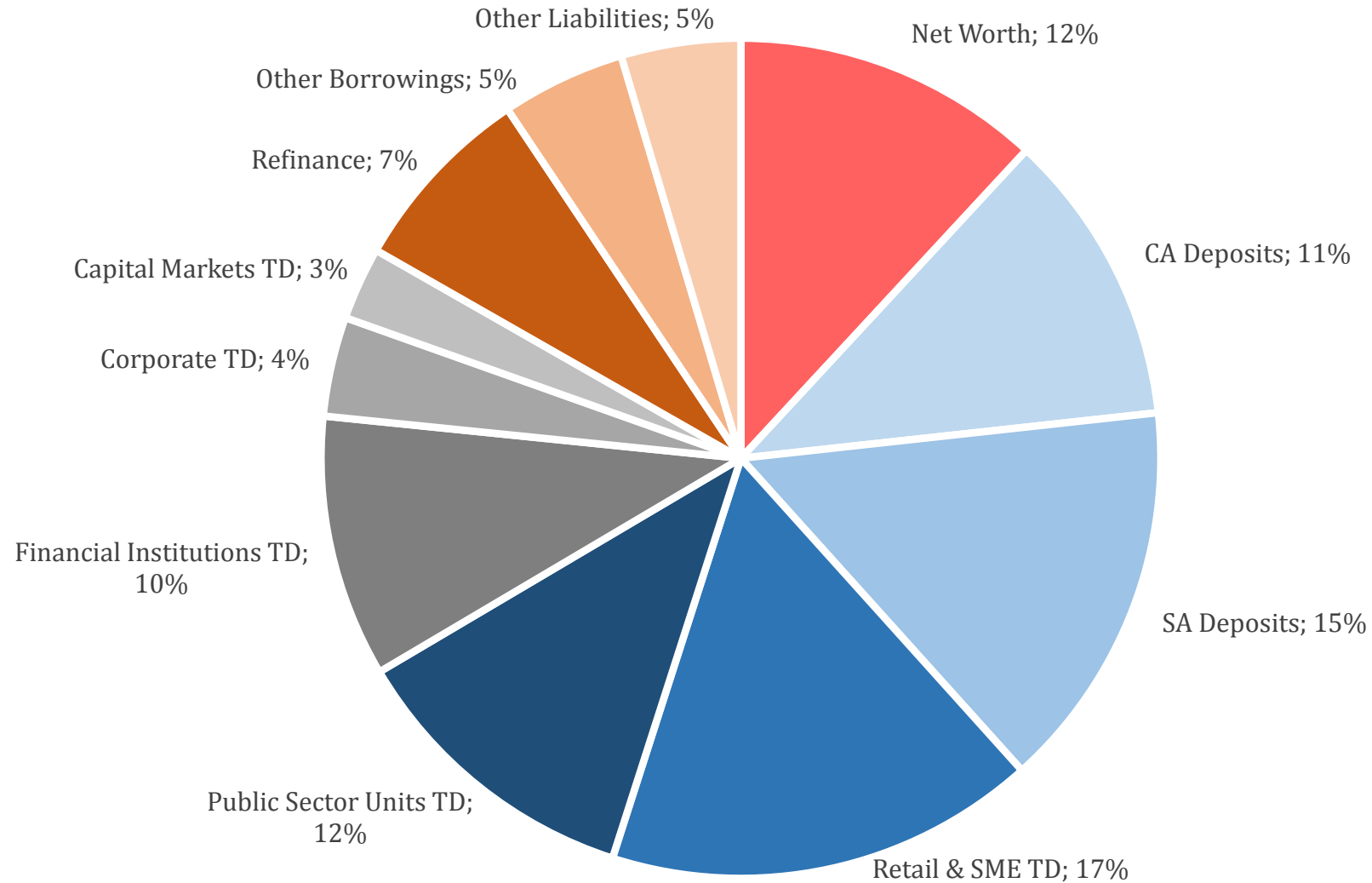


# 1. What is the impact of Demonetization ?

- Part of wider multi purpose drive, short term collateral damage
- No debate on long term benefit
- High cash segments hit relatively harder
- Huge move towards digitization – bankable market to expand
- IndusInd strategy to refocus towards business early has paid off
- Expectation of higher deposit retention, cross sell of wealth products
- Longer term encroachment into some areas played by NBFCs



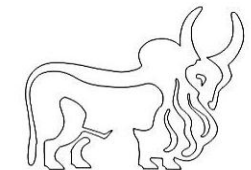
## 2. Are IBL's Funding Sources Diversified?



As a % of Total Balance Sheet as of Dec 2016

23

**IndusInd Bank**





# 3. Why is IBL not a Conglomerate ?

## Life Insurance

**Solutions for every customer need**

- Protection Solutions
- Saving Solutions
- Wealth Solutions

IndusInd Bank is a member of the IndusInd Group of Companies. The IndusInd Group of Companies is a leading financial services group in India. IndusInd Bank is a public sector bank. TATA AIA LIFE is a life insurance company. The IndusInd Group of Companies is a leading financial services group in India. IndusInd Bank is a public sector bank. TATA AIA LIFE is a life insurance company.

## General Insurance

Introducing **HomeAssist**  
a service loaded with amazing features!  
with Reliance Home Insurance

**Coverage you can bank on.**

- Motor Insurance
- Total Home Protect
- Health Insurance Plans
- Personal Accident
- Travel Insurance
- Business Insurance

For assistance, contact our Insurance Expert at the nearest IndusInd bank branches.

**Chola MS** GENERAL INSURANCE TRUST. TRANSPARENCY. TECHNOLOGY.

**IndusInd Bank**

## Health Insurance

Introducing **care** - Comprehensive Health Insurance

**care** - Comprehensive Health Insurance

- Coverage for hospitalization expenses
- Medical costs up to ₹ 100 Lakhs
- World-class treatment anywhere in the world
- Direct admission to multi-specialty hospitals
- Business coverage of your insured
- Annual health check-up
- Global protection benefits for us
- Cashless treatment

What's more! The premium medical check-ups for you insured up to ₹ 10 Lakhs till 65 years of age.

## Mortgage and Broking

**Dream it. Own it.**  
Home Loans from HDFC Ltd. Brought to you by IndusInd Bank

- Attractive interest rates
- Quick processing
- Transfer loans from other banks and save on interest costs
- Top-up facility available
- No hidden charges

**HDFC HOME LOANS** WITH YOU, EVERY THROUGH.

**IndusInd Bank**

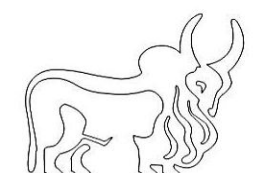
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**Indus 3-in-1 Account**  
One account for all your investment needs

- Bank Account
- Demat Account
- Online Trading Account

**kotak** Kotak Securities | **IndusInd Bank**

**IndusInd Bank**



# 4. What are IBL's Sustainability Initiatives ?

## Environmental

### River Rejuvenation, Satara (MH): Pre & Post



## Social

### Legal Literacy for Women Borrowers



### Health & Sanitation Drives in Rural India



## Governance

- ✓ Board Level CSR Committee
- ✓ 6 Years of Sustainability Reporting
- ✓ Participation in CDP, DJSI Surveys
- ✓ Environmental Lending Policy
- ✓ Winner of CNBC Asia Corporate Social Responsibility Award

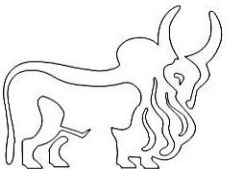
<http://www.indusind.com/content/csr-home.html>

**IndusInd Bank**



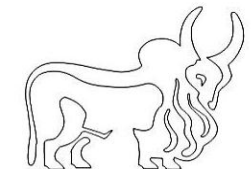
# 5. What is IBL's Acquisition Strategy ?

- Specialist and differentiated businesses
- Existing proven leadership & team
- Un-penetrated customer base
- Complementary distribution, capability, product or service
- Good asset quality
- Accretive to financial metrics in Year 1
- Ability to scale with profitability



## 6. How is IBL Planning CEO Succession ?

- Institutionalized talent since the management change happened in 2008
- Deep bench strength – Succession plans in place for all the key positions including the MD & CEO
- Leaders evolve with experience and guidance ; very few are born leaders
- The Bank has a well-knit culture where thought and action are consistent across the organization
- Leadership planning attracts the highest attention of the Board; ESOPs play a big role.



Thank You