

IndusInd Bank

December 6, 2018

**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

Dear Sirs,

Disclosure under Regulation 30(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations")

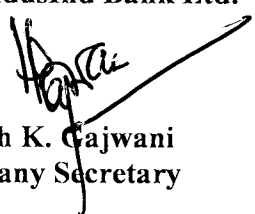
We are enclosing herewith a copy of the debt investor presentation made today at the Barclays Access India Day.

We request you to kindly place the aforesaid update on your website for the information of Investors.

A copy of this disclosure, in compliance with Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is being uploaded on the website of the Bank at www.indusind.com.

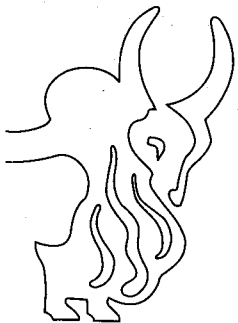
Thanking you,

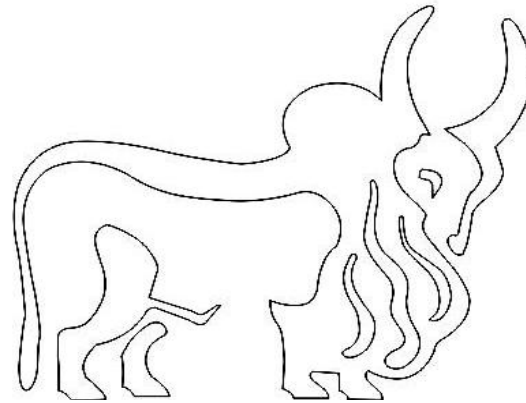
Yours faithfully,
For IndusInd Bank Ltd.


**Haresh K. Gajwani
Company Secretary**

IndusInd Bank Limited, 701-801 Solitaire Corporate Park, 167, Guru Hargovindji Marg, Andheri (E),
Mumbai - 400 093, Maharashtra, India Tel: (022) 66412200 Fax: (022) 66412224

Registered Office: 2401 Gen. Thimmayya Road, Pune 411 001, India
Tel.: (020) 2634 3201 Fax: (020) 2634 3241 Visit us at www.indusind.com
CIN: L65191PN1994PLC076333





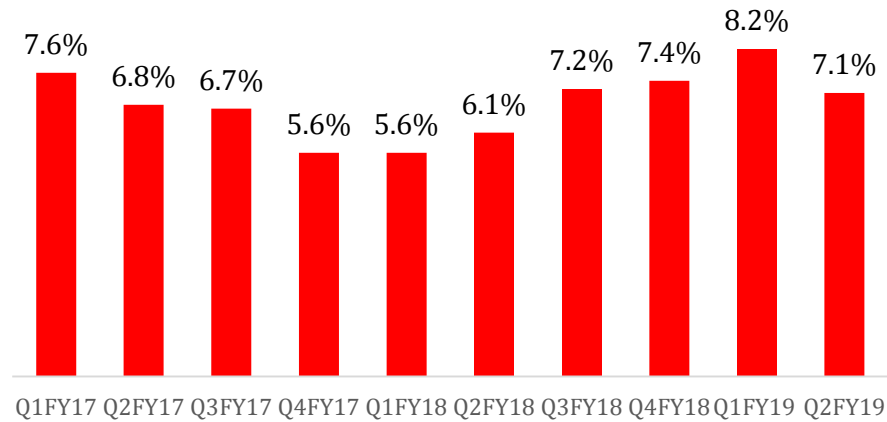
IndusInd Bank

Debt Investor Presentation

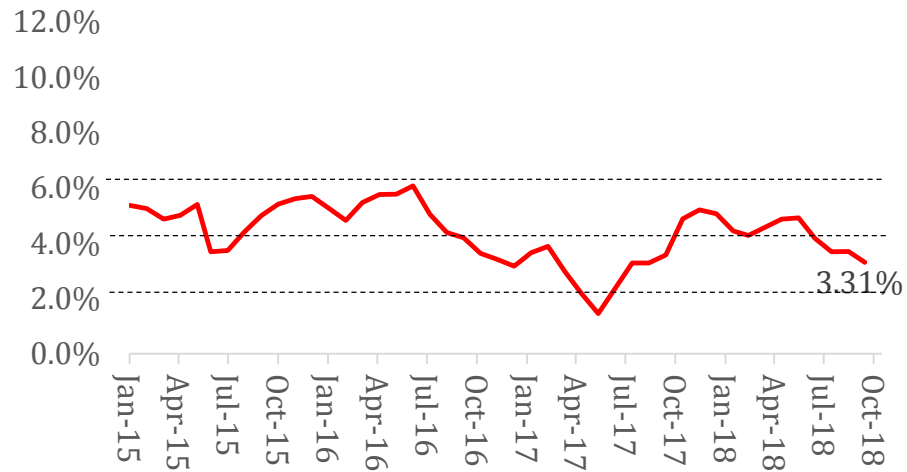
December 06, 2018

India – Positive Macro Outlook

GDP growth to remain in the 7.0%-7.5% range this year and the next



CPI within RBI mandate of 4% +/- 2%



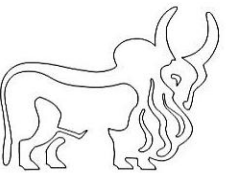
Credit growth at multi-year high



Currency Recovered from the Recent Fall



Source: CSO, RBI, Research



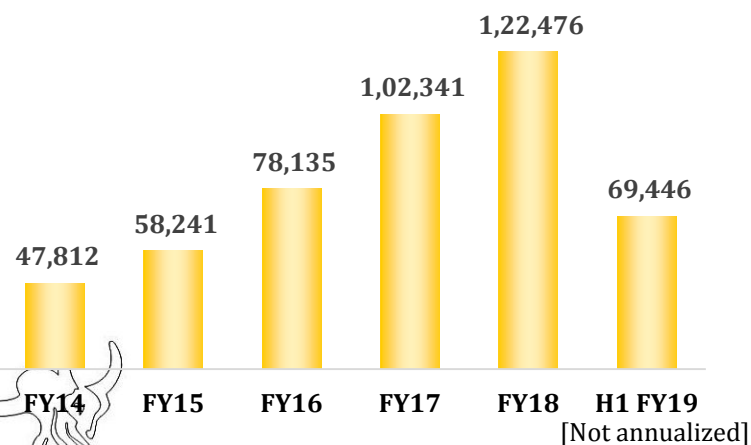
IndusInd Bank – Consistently Building Scale with Profitability

Strength

- CRAR at 14.28%; CET1 at 12.83%
- Strong Asset Quality with impaired assets proportion amongst the lowest in Indian banks; Net NPAs at 0.48%
- In top decile on productivity, profitability and efficiency parameters in Indian banking industry

Note: Data as of September 2018

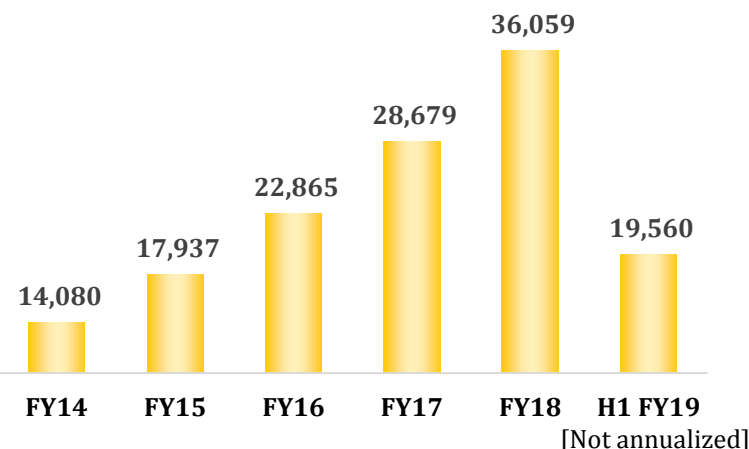
Revenue (Rs mn)



Growth

| | 3 Year CAGR | H1FY19 (y-o-y) |
|----------|-------------|----------------|
| Loans | 26% | 32% |
| Deposits | 28% | 19% |
| Revenue | 24% | 17% |
| Profits | 22% | 14% |
| Networth | 15% | 16% |

Net Profit (Rs mn)

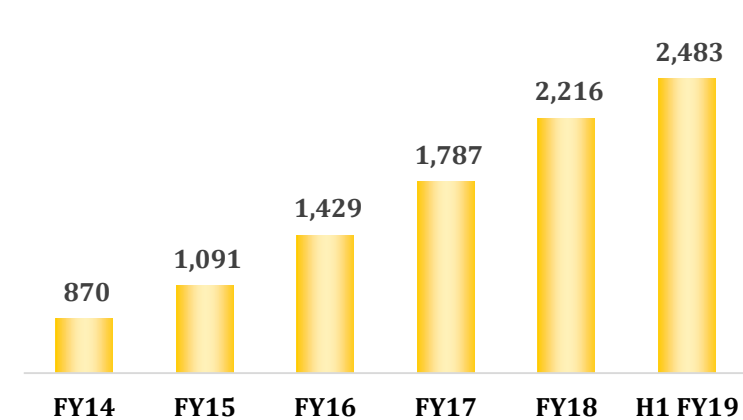


Returns

- RoA = 1.74%
- RoE = 16.14%
- NIMs = 3.88%

Note: Data for H1FY19

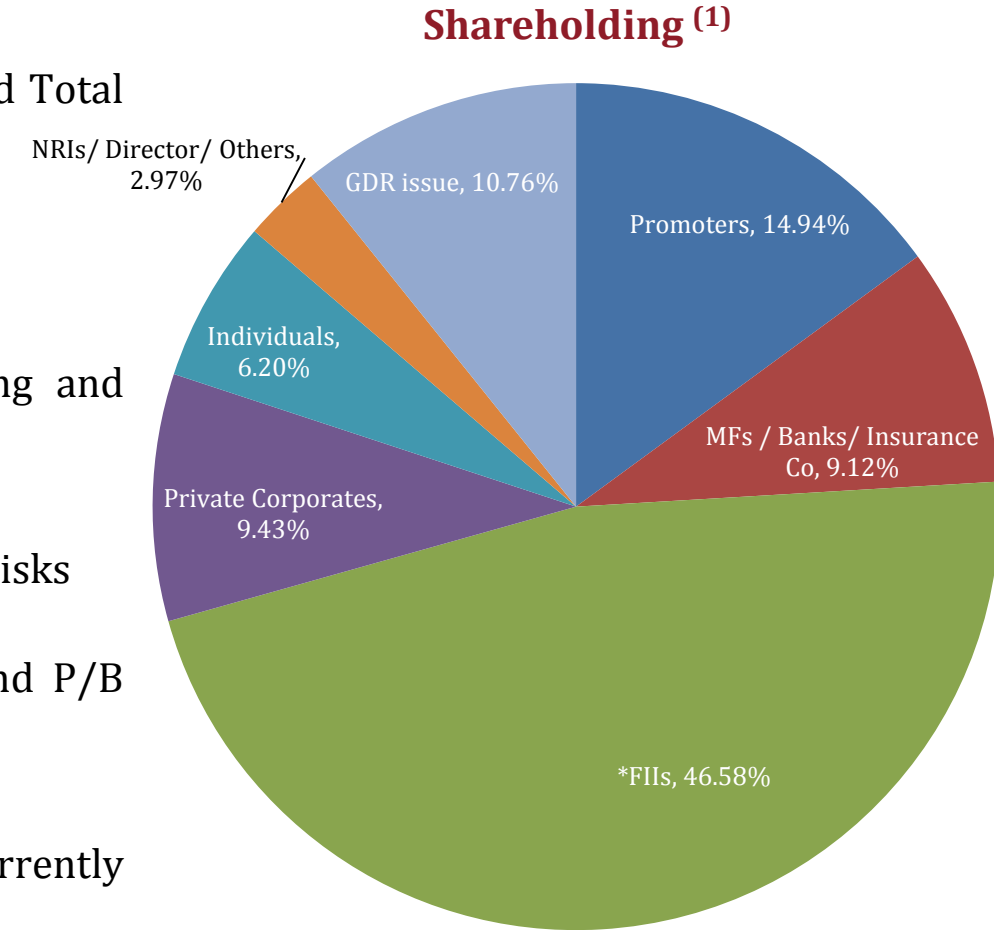
Total Assets (Rs bn)



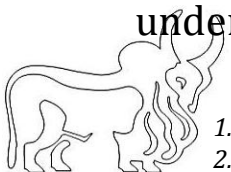
IndusInd Bank

Overview of the Bank

- Leading private sector bank and financial services company in India
- Incorporated in January, 1994; Current customer base of ~13 million⁽¹⁾ and Total Assets of over Rs 2,400 bn⁽¹⁾
- Pan India presence through a network of 1,466 branches and 2,372 ATMs⁽¹⁾
- Diversified loan book – Split between Corporate & Commercial Banking and Consumer Finance at 61% and 39% respectively⁽¹⁾
- Enterprise-wide Risk Management framework for effective management of risks
- Market Cap of over Rs 989bn⁽²⁾ implying trailing P/E multiple of 27x and P/B multiple of 3.9x
- Announced acquisition of Bharat Financial Inclusion Limited (BFIL), currently under approval process

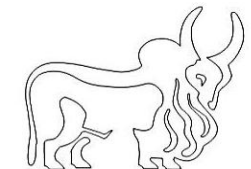
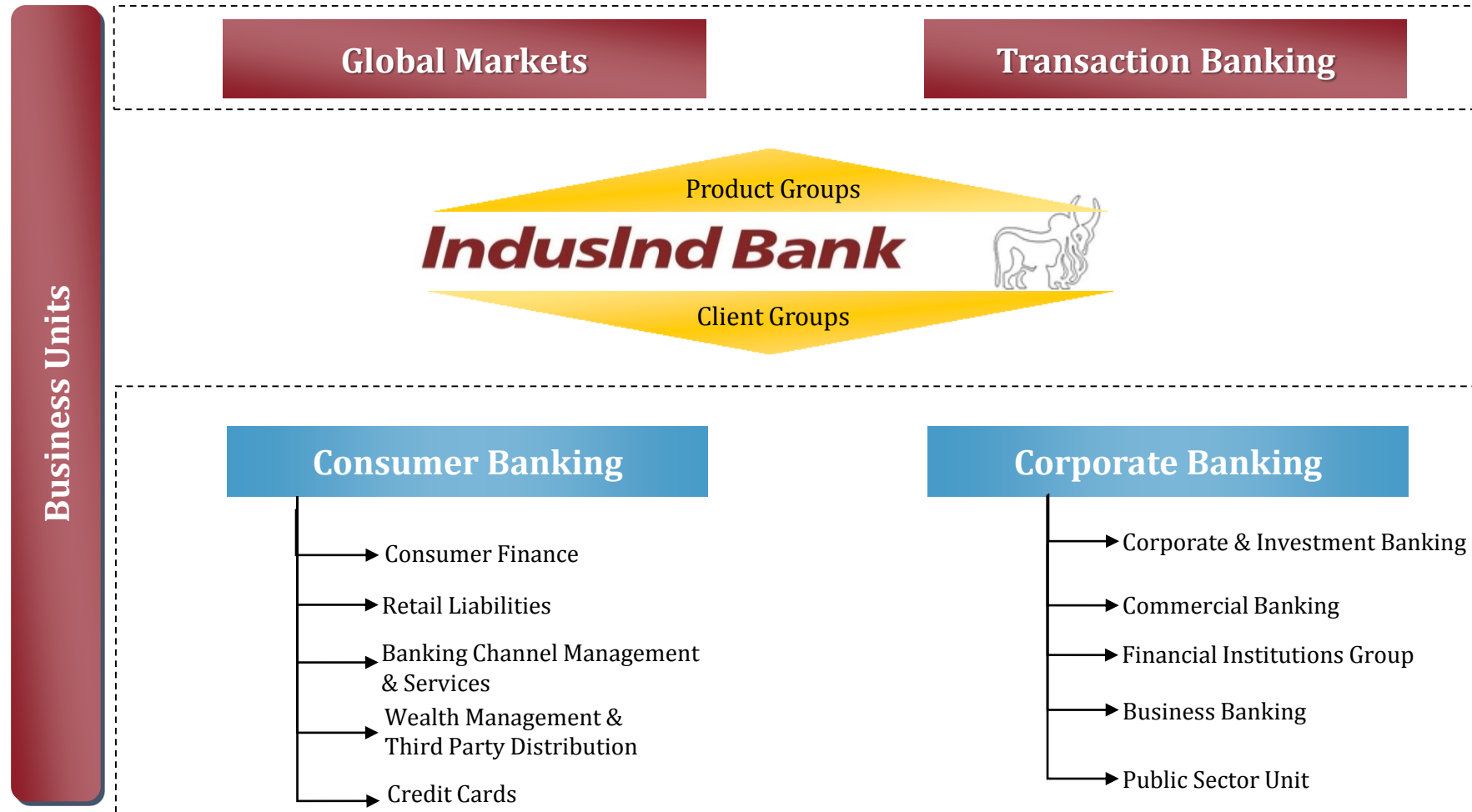


*includes FPIs



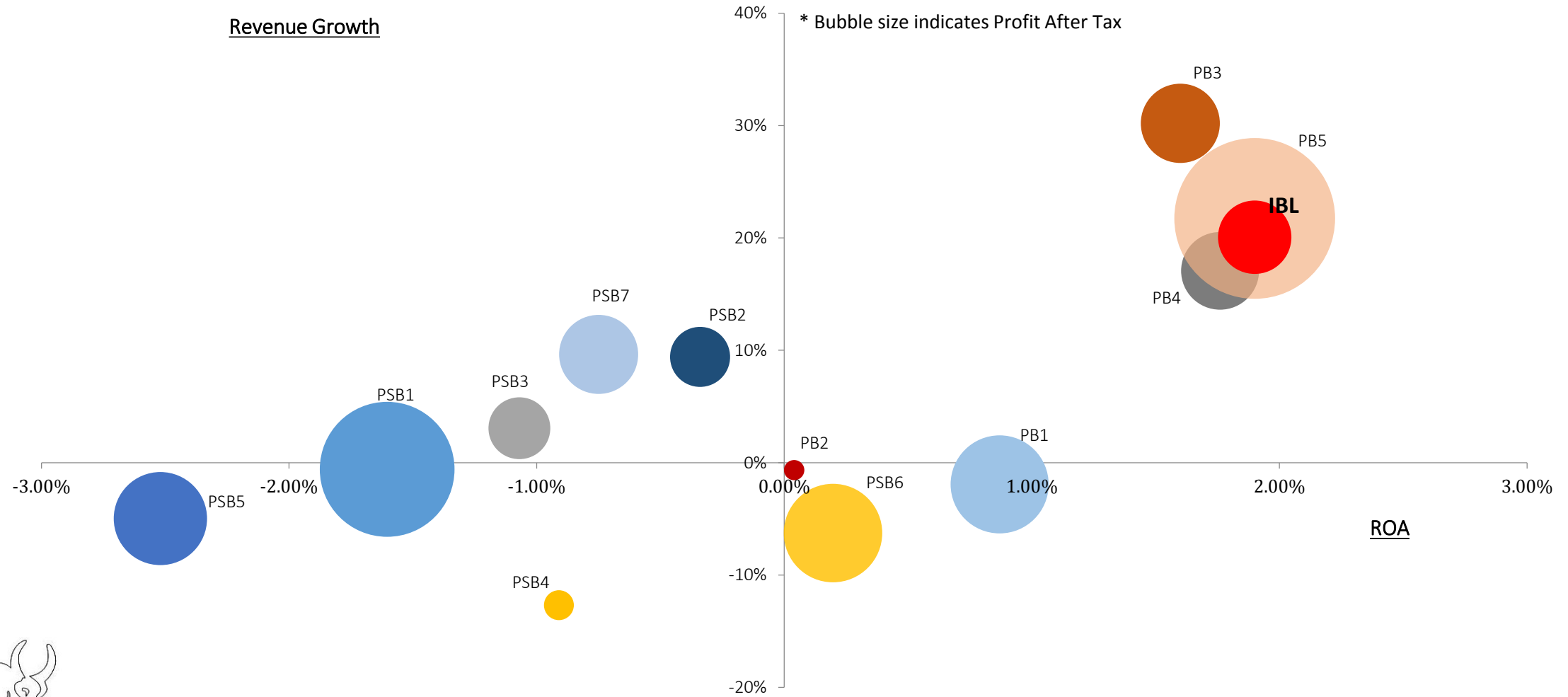
1. As on September 30, 2018
2. As on December 3, 2018

Organization Structure

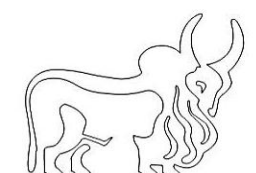


Benchmarking Revenue, Risk & Returns

- ❑ A comparison of IBL with the top 7 Public Sector (PSU) and top 5 Private Sector Banks (PB)

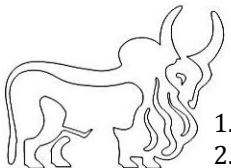


Data as of FY18. (Banks' nomenclature not in any particular order)
PSB PAT are all negative



Domestic Ratings

- **CRISIL⁽¹⁾ AA +** for Infra Bonds program
- **CRISIL AA** for Additional Tier I Bonds program
- **CRISIL A1+** for certificate of deposit program
- **IND AA+** for Senior bonds program by India Ratings and Research ⁽²⁾
- **IND AA** for Additional Tier I Bonds program by India Ratings and Research
- **IND A1+** for Short Term Debt Instruments by India Ratings and Research



1. Indian subsidiary of S&P
2. Indian subsidiary of Fitch

Award Winning Brand / Franchise

International Banker 2018 Awards



Best Commercial Bank of the
Year, India



Best Innovation in
Retail Banking India

Ranked 12th Most Valuable Indian Brands

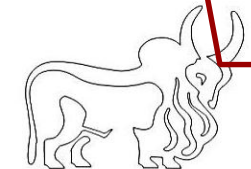


BrandZ Top 50
WPP Pls & Milward Brown
2017

Apex India Excellence Awards



CSR For Sports
2017



Presentation Path

➤ **Capital Adequacy**

1

➤ **Asset Quality**

2

➤ **Management Track Record & Strategy**

3

➤ **Earnings Update**

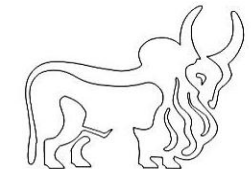
4

➤ **Liquidity & Funding Profile**

5

➤ **Building Sustainable Banking**

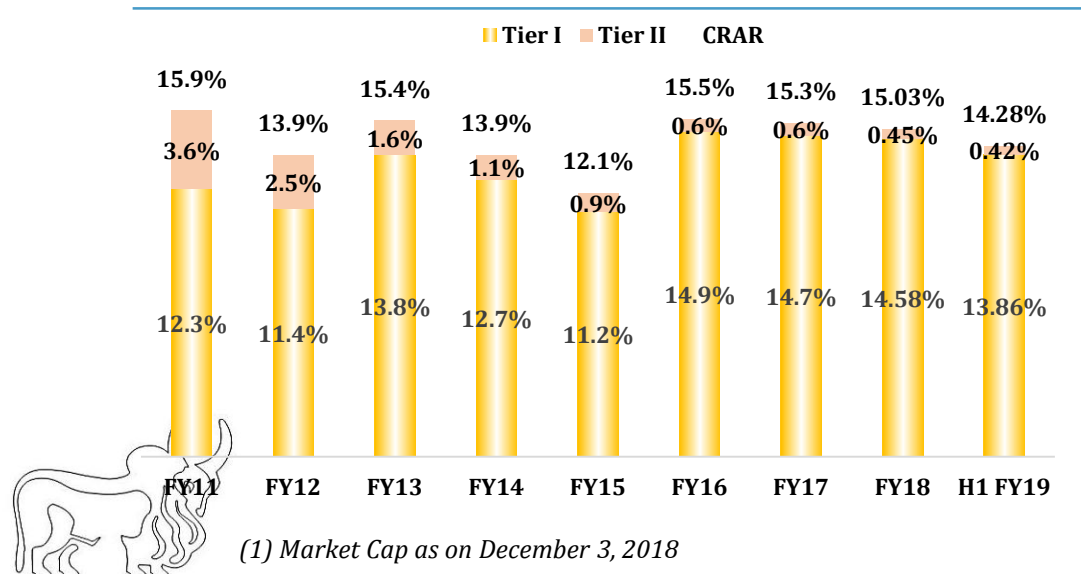
6



1. Strong Capital Adequacy

- Bank has maintained strong capital adequacy levels well in excess of the minimum regulatory requirement
- Raised Rs 10 billion of Additional Tier I (AT1) bonds in FY18 to augment the Tier I ratio and position itself strongly for the next phase of growth
- The Bank is valued at 3.9x of Sep-2018 book value ⁽¹⁾
- The Bank's policy of dividend payout ratio between 14% and 17% of the Net Profit earned during the year.

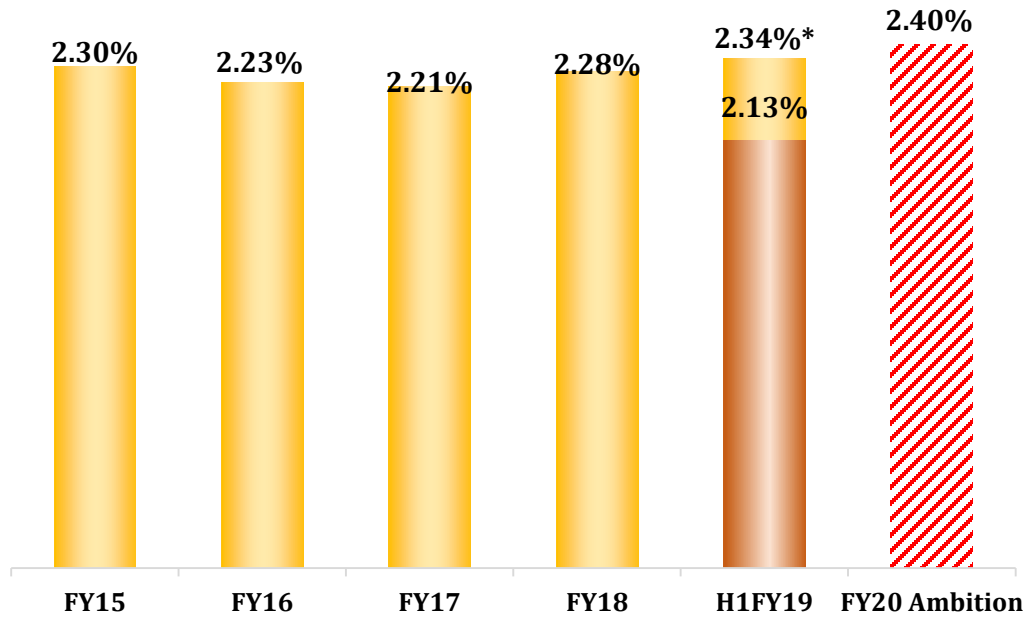
CRAR



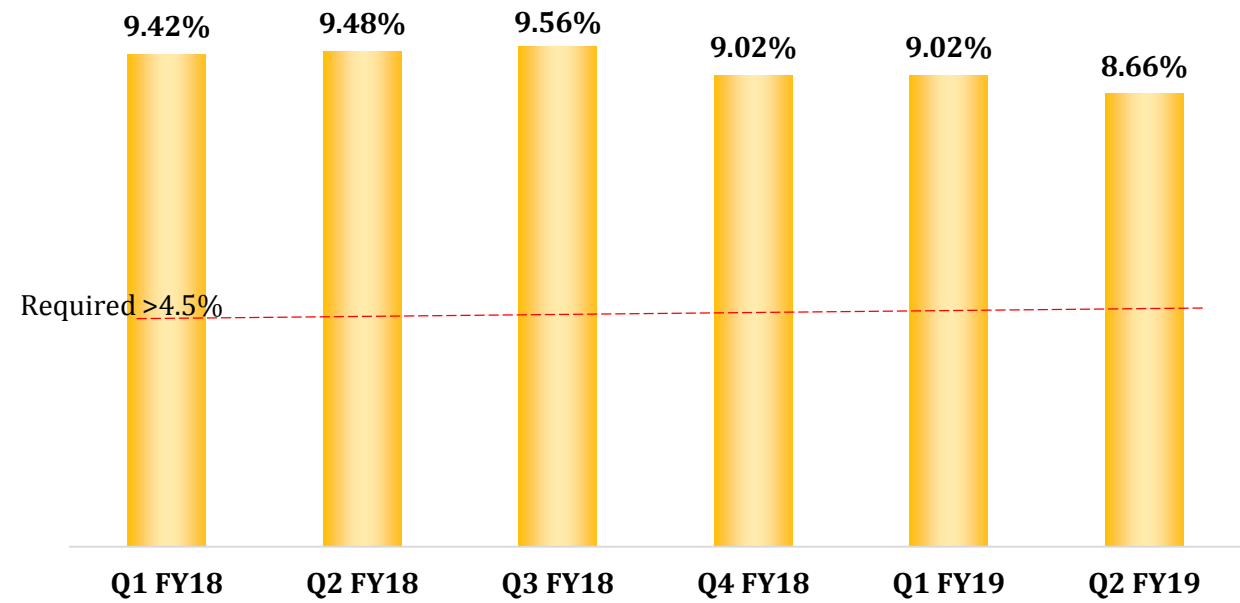
| Rs bn | 31 Mar 18 | 30 Jun 18 | 30 Sep 18 |
|-----------------------------------|---------------|---------------|---------------|
| Credit Risk, CVA and UFCE | 1,445 | 1,533 | 1,666 |
| Market Risk | 98 | 98 | 86 |
| Operational Risk | 188 | 188 | 188 |
| Total Risk Weighted Assets | 1,732 | 1,820 | 1,940 |
| CET 1 Capital Funds | 232 | 240 | 249 |
| Additional Tier 1 Capital Funds | 20 | 20 | 20 |
| Tier 2 Capital Funds | 8 | 7 | 8 |
| Total Capital Funds | 260 | 268 | 277 |
| CRAR | 15.03% | 14.70% | 14.28% |
| CET1 | 13.42% | 13.19% | 12.83% |
| Tier 1 | 14.58% | 14.29% | 13.86% |
| Tier 2 | 0.45% | 0.41% | 0.42% |

1. Deploying Capital Efficiently

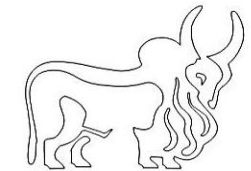
Return on Risk Weighted Assets (RoRWA)



Leverage Ratio

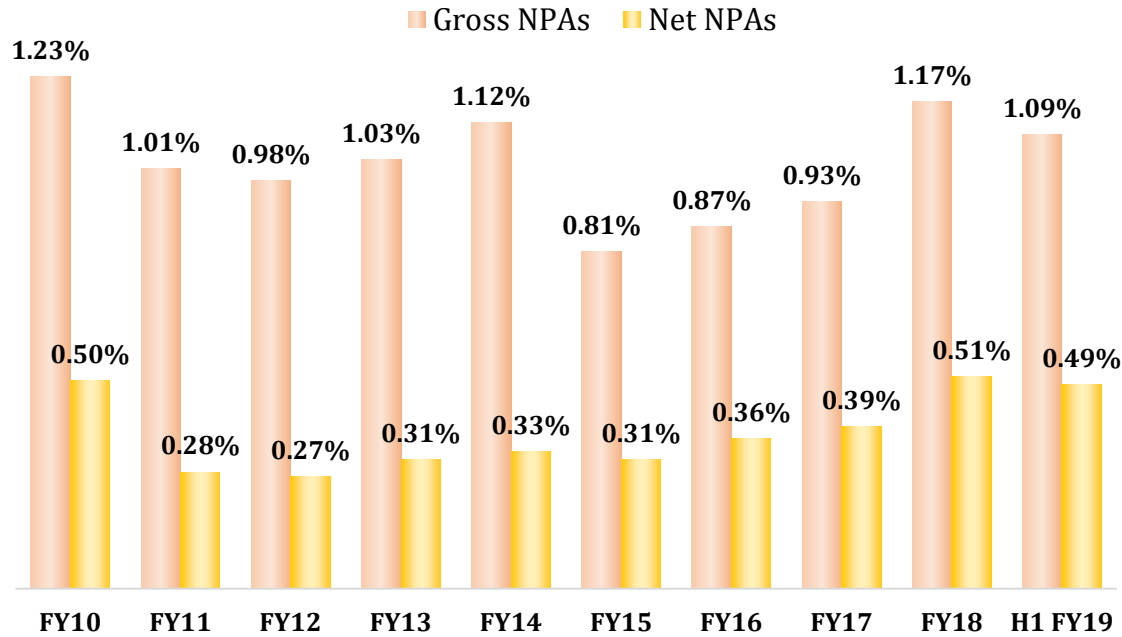


*Excluding contingent provision

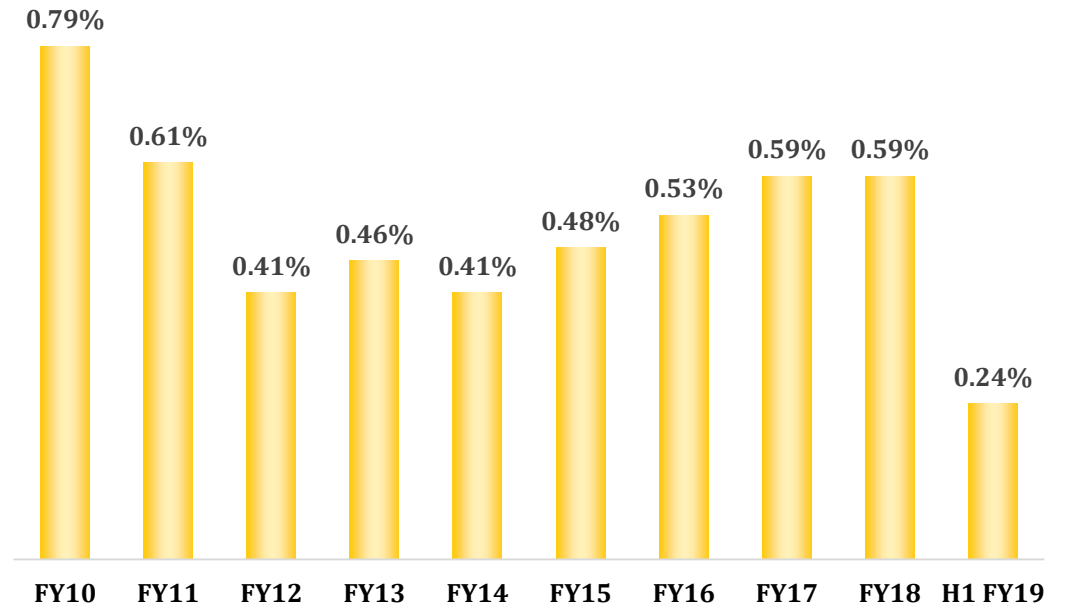


2. Asset Quality Stable Across Cycles

NPA

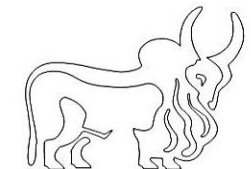


Credit Cost *



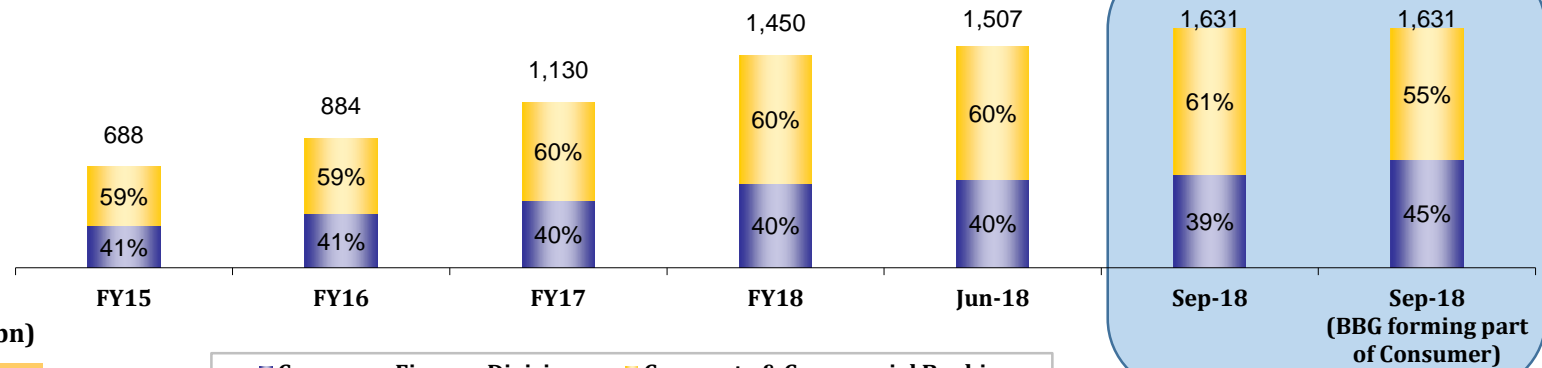
[Not annualized]

* Net of recoveries



2. Diversified Loan Book

Loan Book (Rs bn)

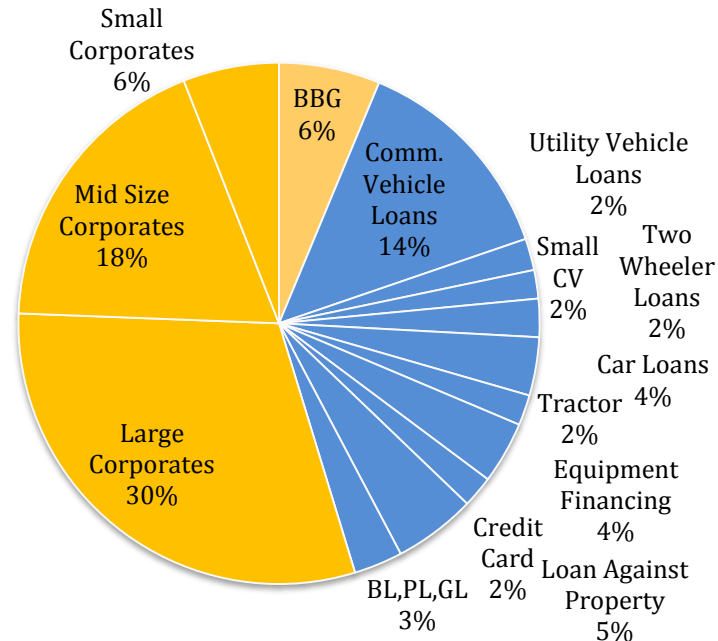


(Rs bn)

| Corporate Banking | Sep-18 | |
|-----------------------|------------|------------|
| Large Corporates | 495 | 30% |
| Mid size Corporates | 301 | 19% |
| Small Corporates* | 199 | 12% |
| Total Advances | 995 | 61% |

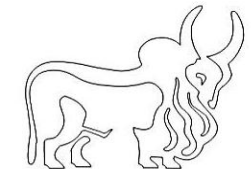
*Includes Business Banking
Rs. 102 bn managed by
Consumer Banking

■ Consumer Finance Division ■ Corporate & Commercial Banking

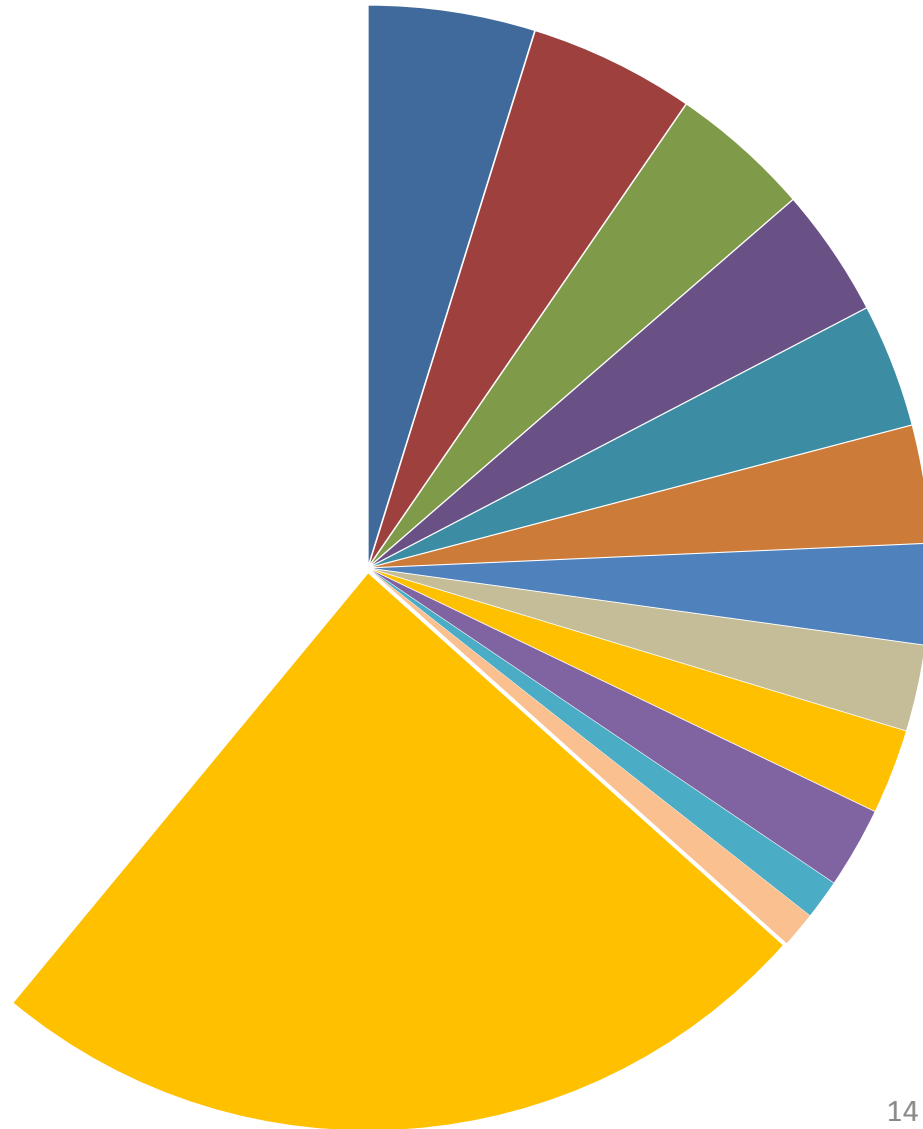


(Rs bn)

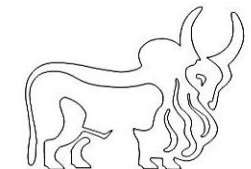
| Consumer Finance | Sep-18 | |
|-----------------------|------------|------------|
| Comm. Vehicle Loans | 220 | 13% |
| Utility Vehicle Loans | 32 | 2% |
| Small CV | 29 | 2% |
| Two Wheeler Loans | 39 | 2% |
| Car Loans | 59 | 4% |
| Tractor | 31 | 2% |
| Equipment Financing | 63 | 4% |
| Credit Card | 32 | 2% |
| Loan Against Property | 83 | 5% |
| BL, PL, GL, Others | 49 | 3% |
| Total Advances | 636 | 39% |



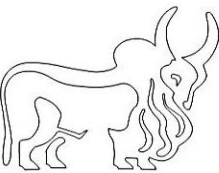
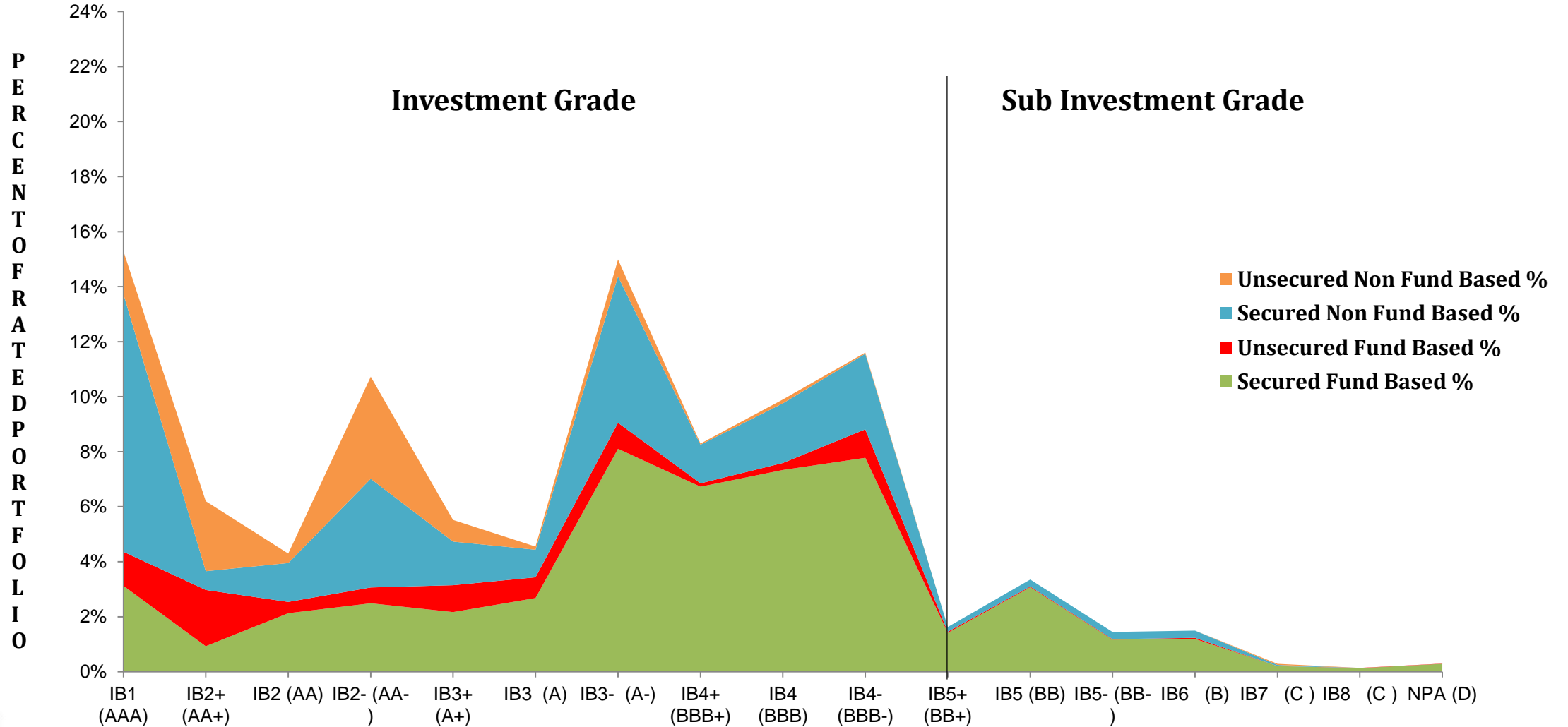
2. Diversified Corporate Portfolio



| | |
|--------------------------------------|--------|
| ■ Gems and Jewellery | 4.80% |
| ■ NBFCs (other than HFCs) | 4.77% |
| ■ Real Estate Developer | 4.06% |
| ■ Microfinance | 3.71% |
| ■ Steel | 3.56% |
| ■ Power Generation | 3.39% |
| ■ Constn related to infra.- EPC | 2.89% |
| ■ Lease Rental | 2.49% |
| ■ Services | 2.45% |
| ■ Roads/other infra projects | 2.34% |
| ■ Food Beverages and Food processing | 1.14% |
| ■ Contract Construction-Civil | 1.03% |
| ■ Other Industry | 24.36% |

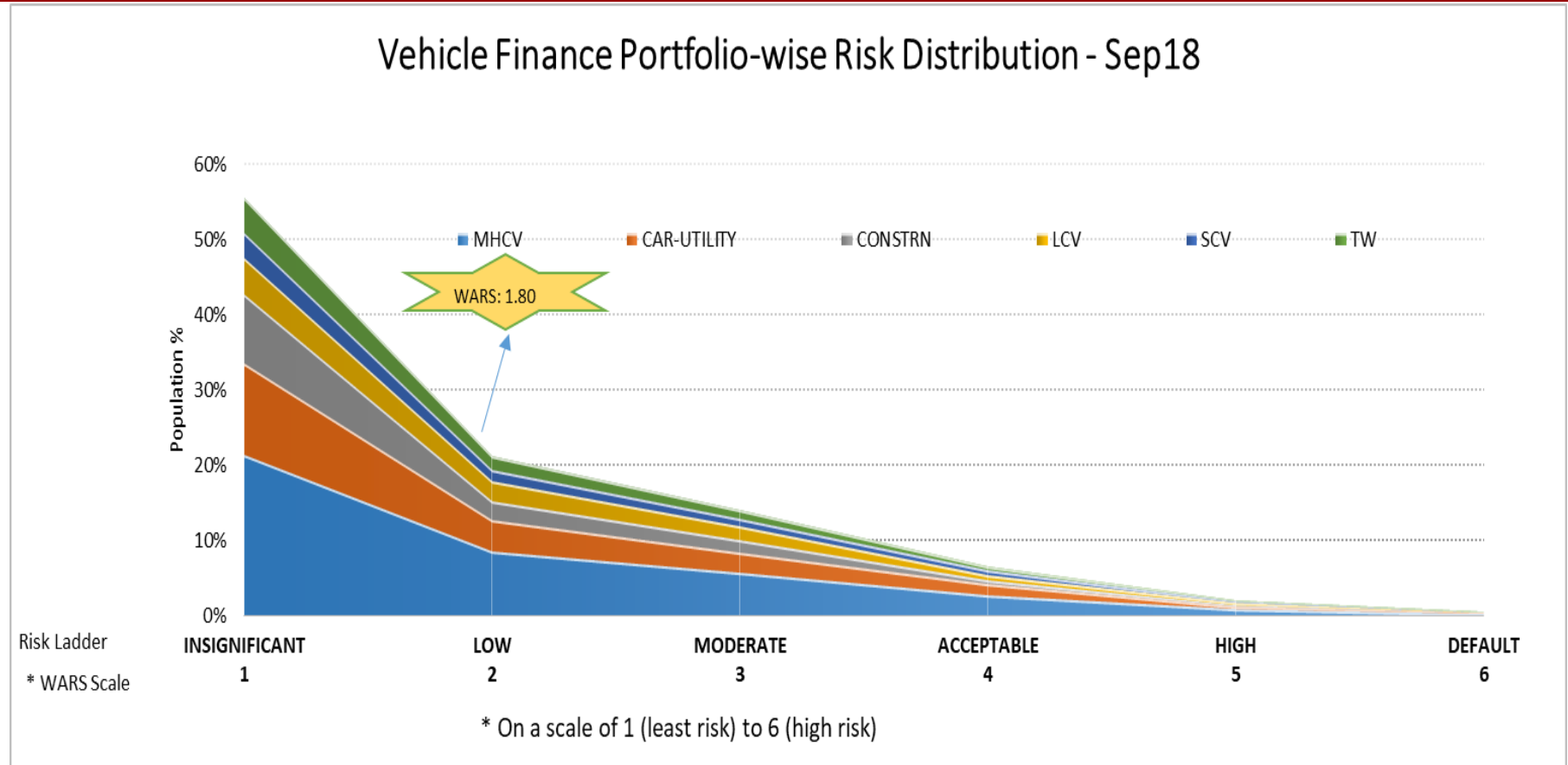


2. Well Rated Corporate Portfolio



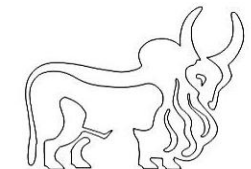
2. Behavioural Scoring affirms quality of Vehicle Financing Portfolio

- Behavioural Score (B-score) measures post disbursement credit quality using long range historical data.
- B-score assesses every borrower risk using Current and Historical DPD, LTV, Geography, Loan tenor, Customer type, etc.
- B-score is used for credit / portfolio quality assessment, improving collection efficiency, cross-sell and is a lead indicator of credit cost.



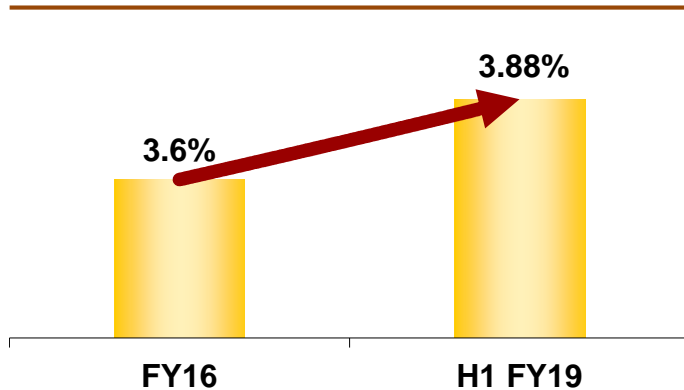
Q-o-Q Movement in Weighted Average Risk Score (WARS):

| Quarter | Sep'16 | Dec'16 | Mar'17 | Jun'17 | Sep'17 | Dec'17 | Mar'18 | Jun'18 | Sep'18 |
|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| WARS | 1.85 | 1.87 | 1.82 | 1.89 | 1.89 | 1.84 | 1.73 | 1.77 | 1.80 |

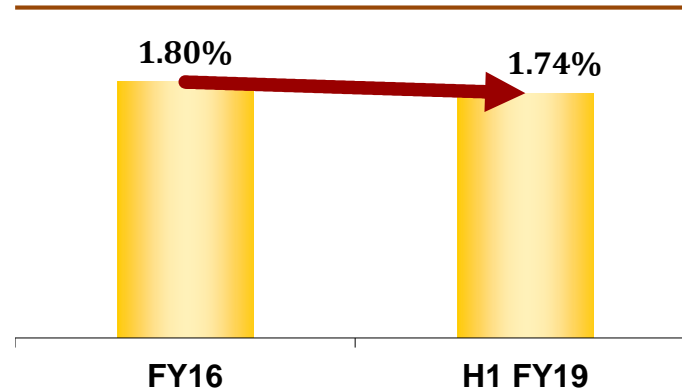


3. Management Track Record

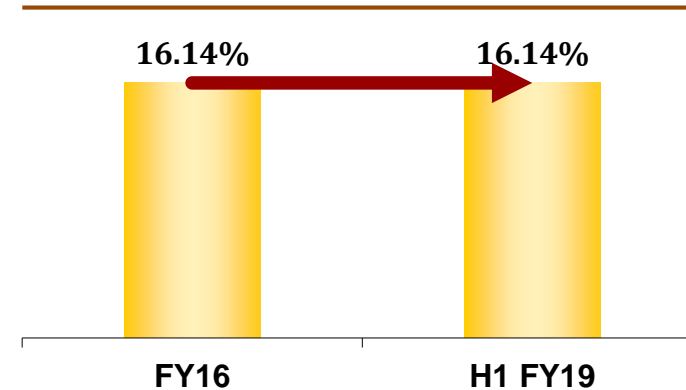
Net Interest Margin (NIM)



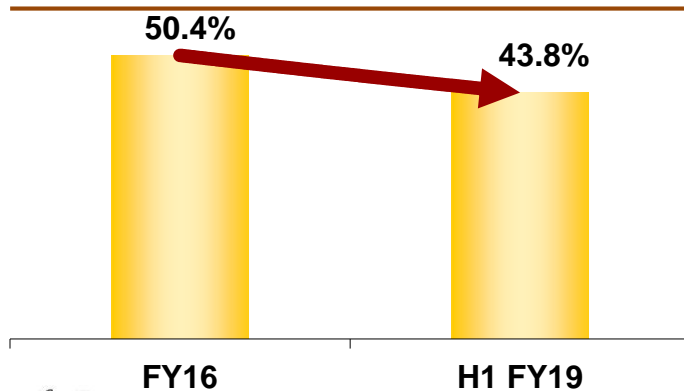
RoA (%)



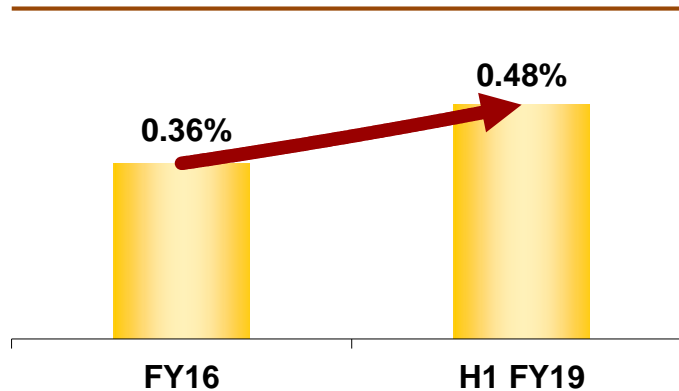
RoE (%)



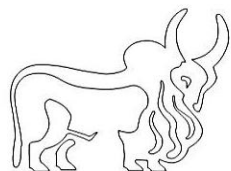
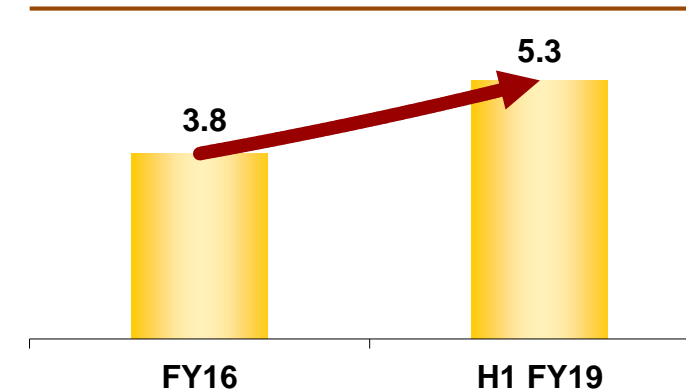
Cost to Income (%)



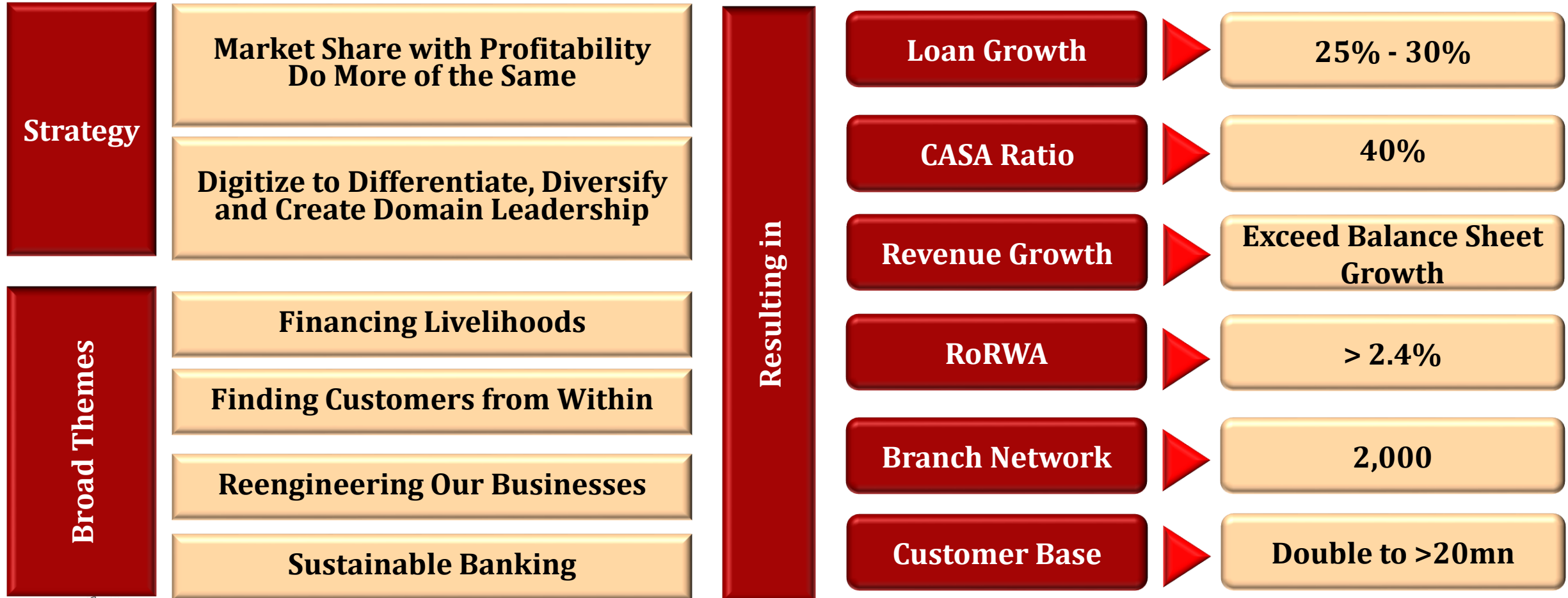
Net NPA (%)



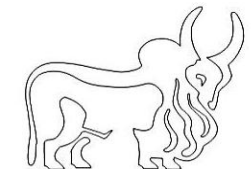
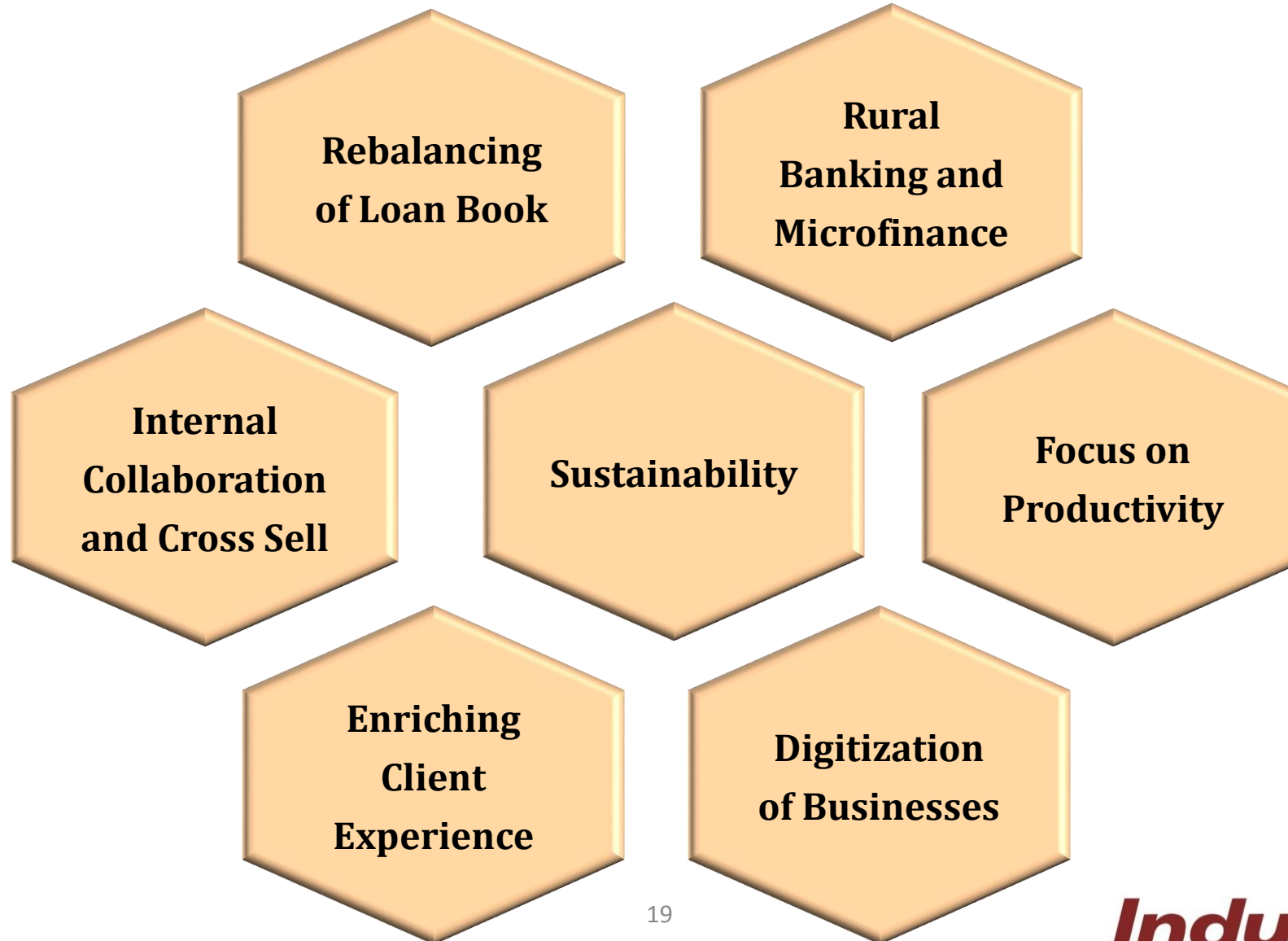
Revenue per Employee (Rs. mn)



3. Planning Cycle 4 Strategy (FY17-FY20)



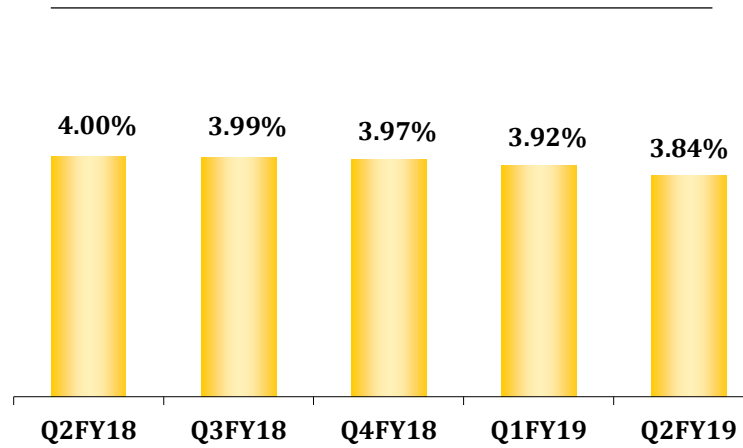
3. Strategic Themes



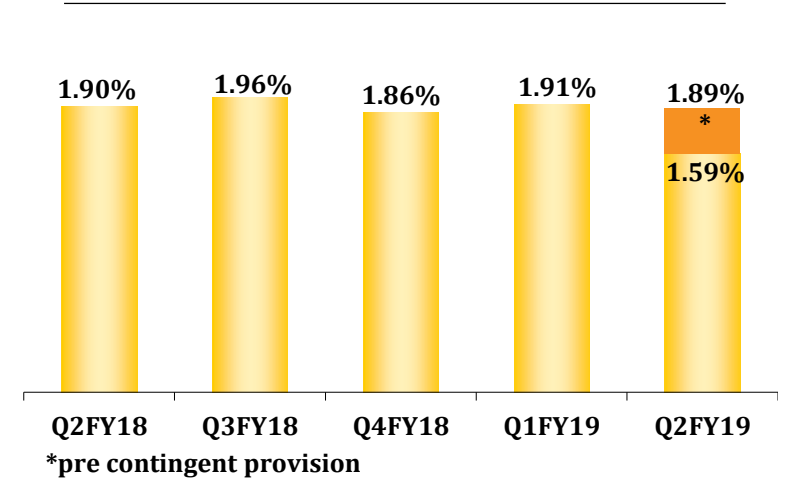
4. Earnings Update

| | Q2FY19 Outcome |
|----------------|----------------|
| Loan Growth | 32% |
| CASA Ratio | 44% |
| Revenue Growth | 17% |
| PAT Growth | 5% 25%* |
| RoRWA | 1.96% 2.34%* |
| Customer Base | ~13 mn |

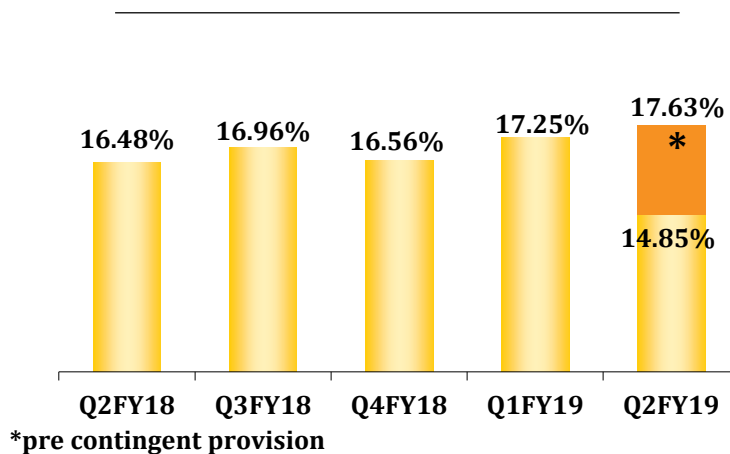
Net Interest Margin (NIM)



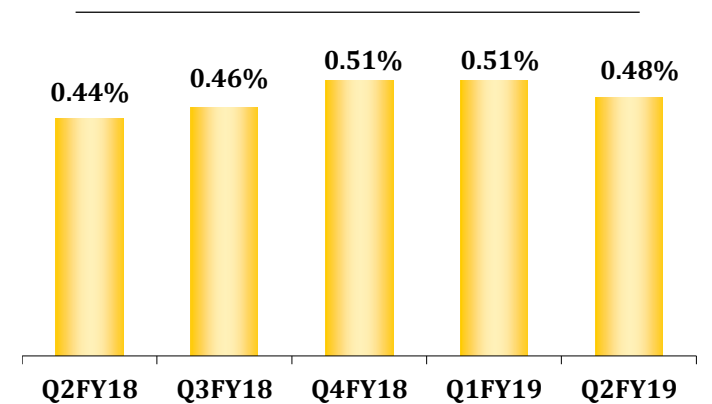
RoA



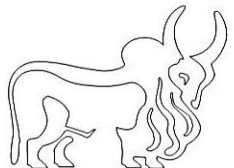
RoE



Net NPA

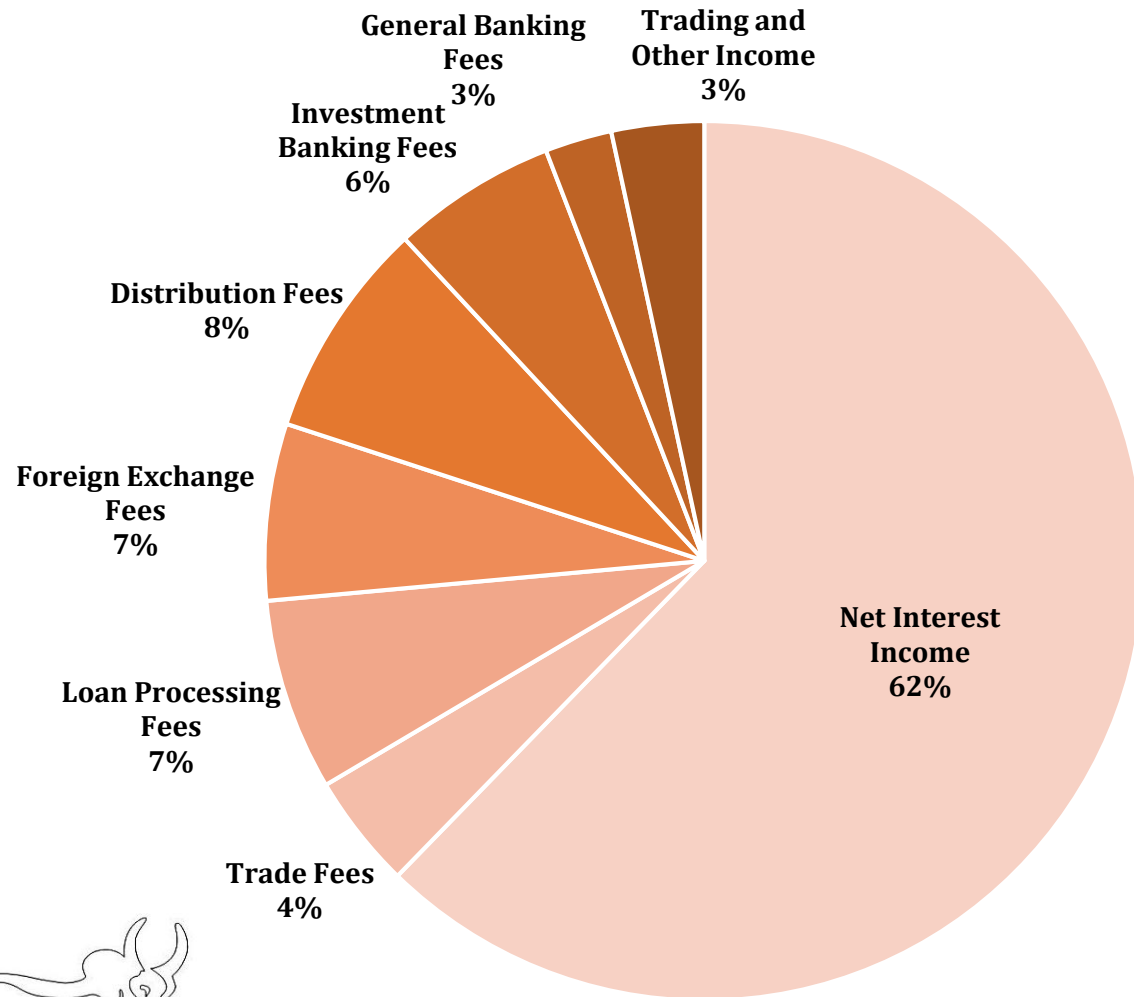


* Pre contingent provisioning

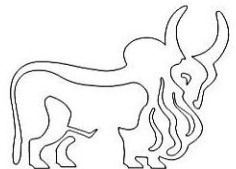
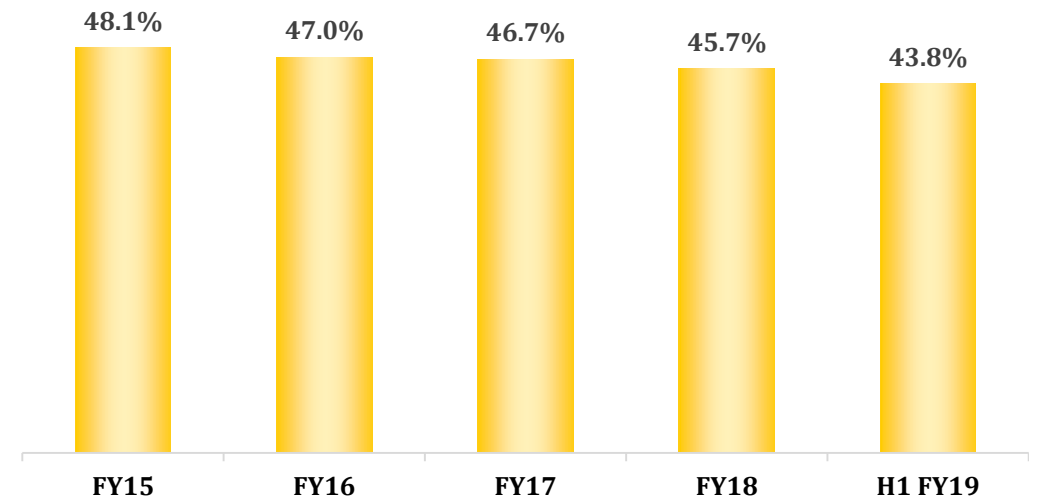


4. Diversified Revenue Streams, Opex Trend Improving

Net Revenue Streams (H1 FY19)

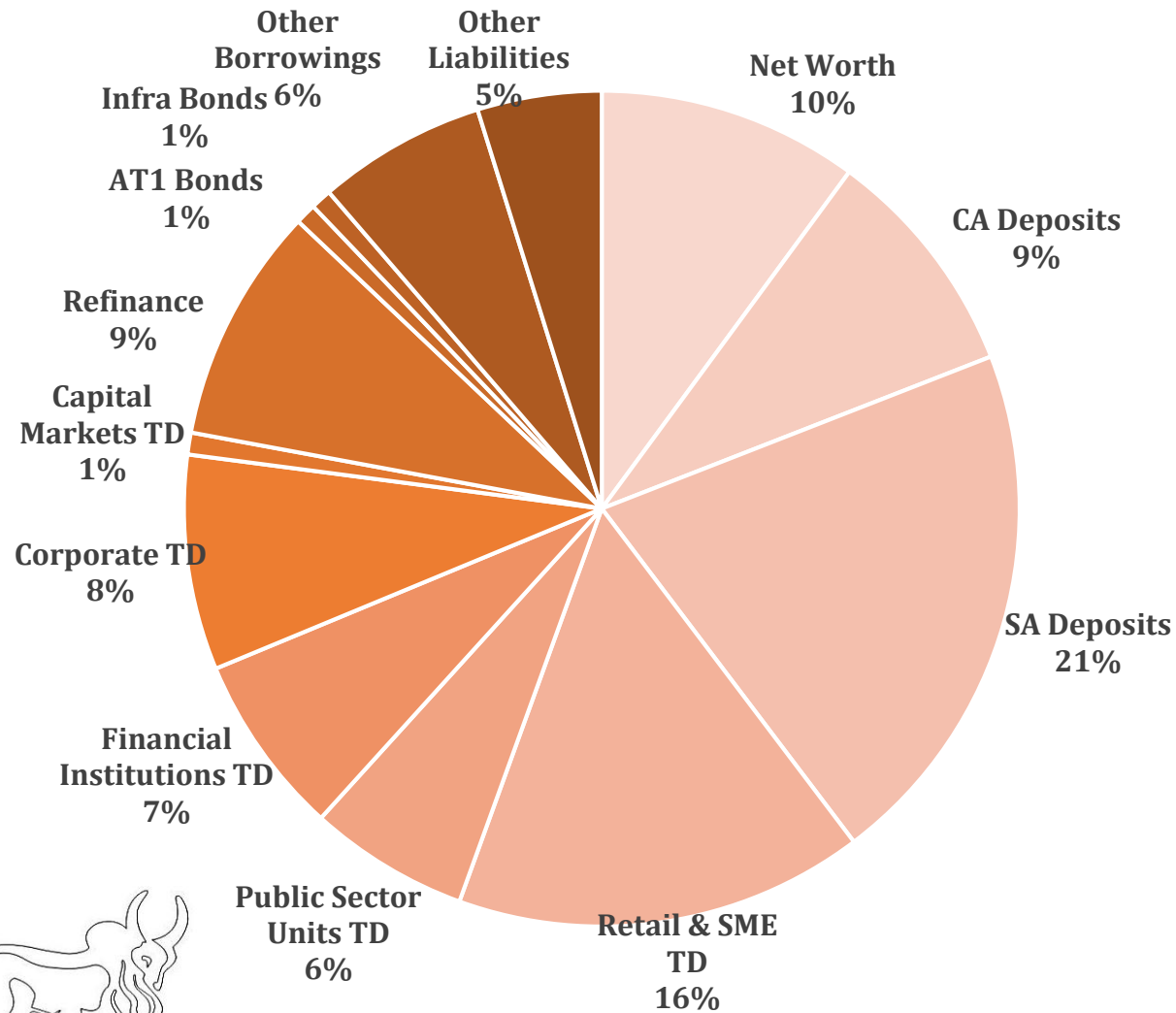


Cost / Income Trajectory

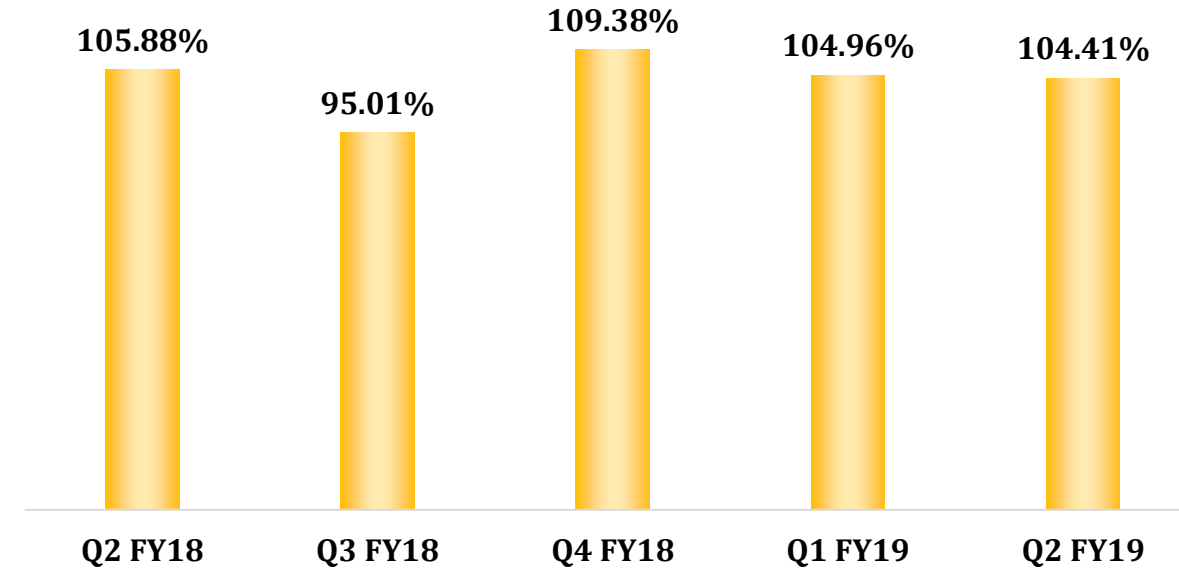


5. Liquidity & Funding Profile

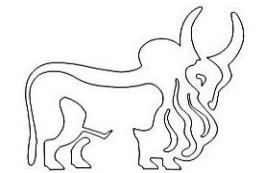
Diversified Funding Sources



Liquidity Coverage Ratio



Note: Data as on Sep 2018

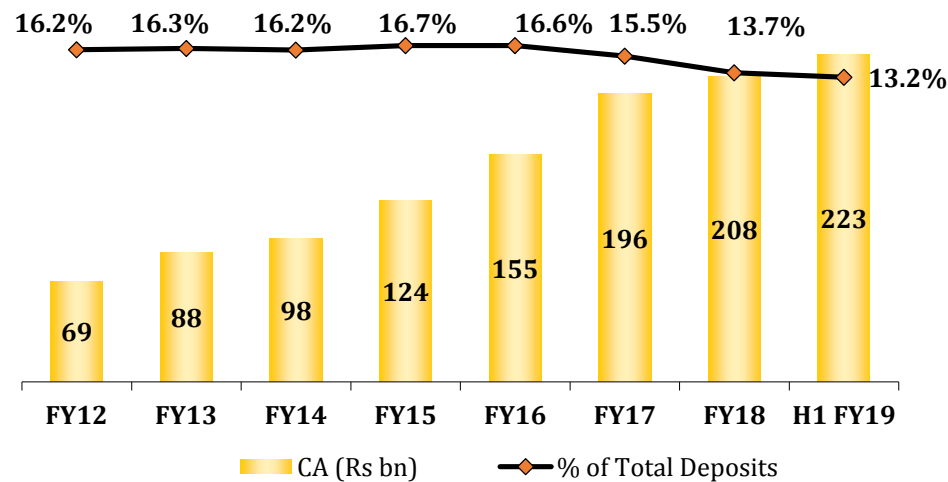


5. Improving CASA profile

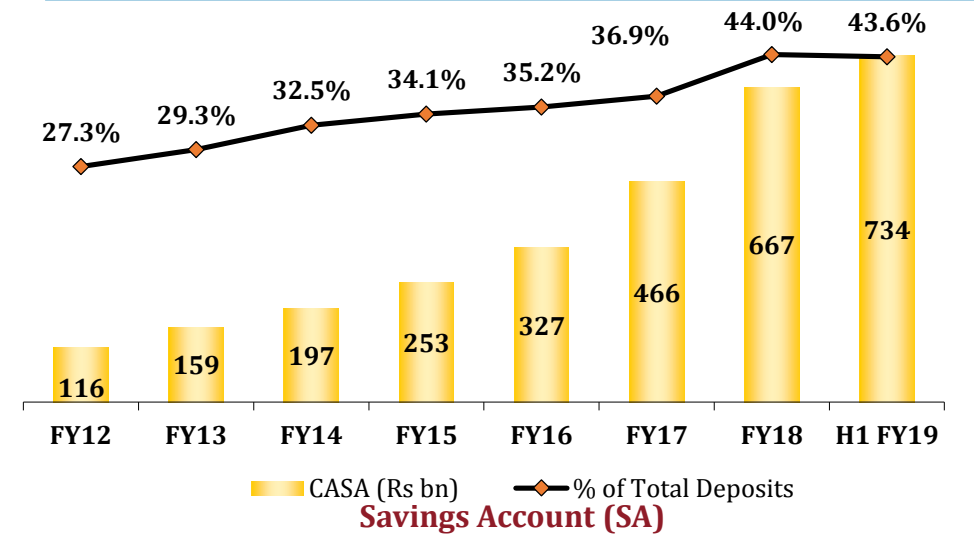
Building CASA traction

- Expanding branch network
- Focus on target market segments
 - Government business
 - Capital market flows
 - Key Non Resident markets
 - Self employed and Emerging Corporate businesses
 - Transaction Banking and CMS Mandates
- Differentiated service propositions

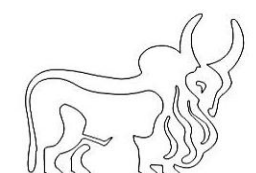
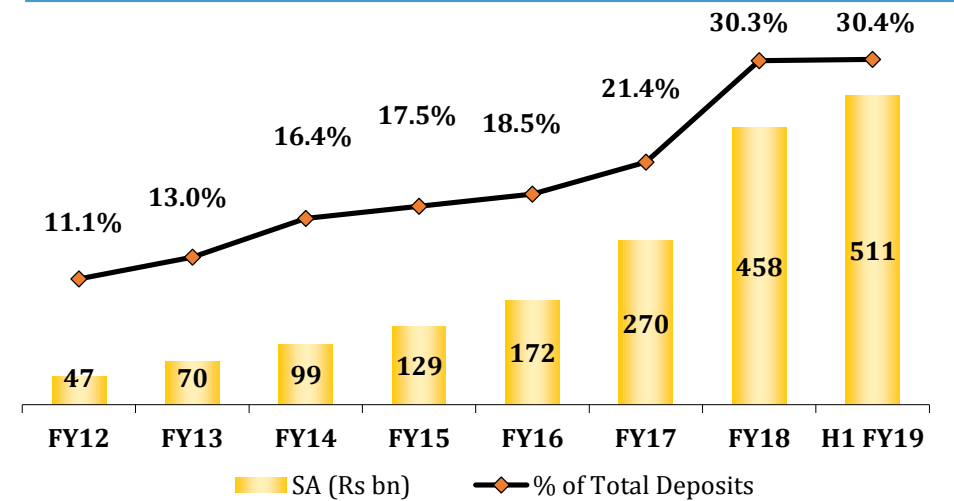
Current Account (CA)



CASA Trajectory



Savings Account (SA)



6. Sustainable Banking: Good Ecology is good Economics!

Regulatory Compliance

- ✓ Operational Compliance
- ✓ Market Risk Management
- ✓ Liquidity Management
- ✓ AT-1 Capital Issuance
- ✓ IT & Information Security
- ✓ Reputation Risk Management
- ✓ Strategic Risk Management

Environmental

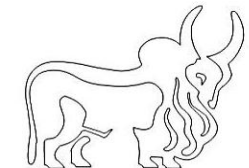
- ✓ Solar ATMs
- ✓ Thin Servers
- ✓ Waste Management
- ✓ Green champions
- ✓ LEEDs certified building
- ✓ Financing Renewable Energy
- ✓ Afforestation Projects
- ✓ ESMS Policy

Social

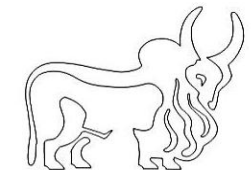
- ✓ Water rejuvenation projects
- ✓ Micro Credit
- ✓ Rural Branches
- ✓ Para Champions
- ✓ Priority sector compliance
- ✓ Legal and Financial literacy
- ✓ Critical care support

Governance

- ✓ Board Level CSR Committee
- ✓ 7 Years of Sustainability Reporting
- ✓ Participation in CDP, DJSI Surveys
- ✓ Environmental Lending Policy
- ✓ Integrated Financial Reporting



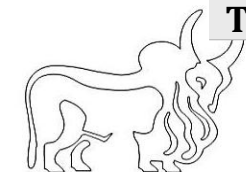
Additional Information



Balance Sheet

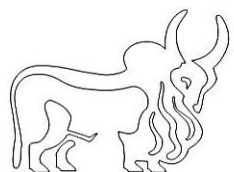
| INR mn | H1 FY19 (USD mn) | H1 FY19 | FY18 | FY17 |
|----------------------------------|------------------|------------------|------------------|------------------|
| Capital & Liabilities | | | | |
| Capital | 83 | 6,013 | 5,190 | 5,982 |
| Reserves and Surplus | 3,413 | 2,47,632 | 2,32,269 | 2,00,580 |
| Deposits | 23,187 | 16,82,193 | 15,16,390 | 12,65,722 |
| Borrowings | 5,903 | 4,28,281 | 3,82,890 | 2,24,537 |
| Other Liabilities and Provisions | 1,641 | 1,19,080 | 78,563 | 89,764 |
| Total | 34,227 | 24,83,199 | 22,15,301 | 17,86,484 |
| Assets | | | | |
| Cash and Balances with RBI | 1,208 | 87,650 | 1,08,641 | 64,687 |
| Balances with Banks | 1,319 | 95,670 | 22,535 | 1,08,795 |
| Investments | 6,905 | 5,00,890 | 5,00,767 | 3,67,021 |
| Advances | 22,487 | 16,31,450 | 14,49,537 | 11,30,805 |
| Fixed Assets | 188 | 13,630 | 13,410 | 12,800 |
| Other Assets | 2,121 | 1,53,910 | 1,20,412 | 1,02,375 |
| Total | 34,227 | 24,83,199 | 22,15,301 | 17,86,484 |

USD 1 = INR 72.55 as of Sep 30, 2018



Profit and Loss Statement

| INR mn | H1 FY19 (USD mn) | H1 FY19 | FY18 | FY17 |
|----------------------------|------------------|---------------|-----------------|-----------------|
| Net Interest Income | 596 | 43,257 | 75,372 | 60,626 |
| Other Income | 361 | 26,189 | 47,506 | 41,715 |
| Total Income | 957 | 69,446 | 1,22,878 | 1,02,341 |
| Operating Expenses | 419 | 30,410 | 55,914 | 47,831 |
| Operating Profit | 538 | 39,036 | 66,964 | 54,510 |
| Provisions & Contingencies | 130 | 9,403 | 11,757 | 10,913 |
| Profit before Tax | 408 | 29,633 | 55,207 | 43,597 |
| Provision for Tax | 139 | 10,073 | 18,750 | 14,918 |
| Profit after Tax | 270 | 19,560 | 36,456 | 28,679 |



USD 1 = INR 72.55 as of Sep 30, 2018

Thank You

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