

# Price Waterhouse Chartered Accountants LLP

## Auditors' Certificate

The Board of Directors,  
IndusInd Bank Limited  
2401 General Thimmayya Road,  
Cantonment, Pune 411 001

- 1) This certificate is issued in accordance with the terms of our agreement dated March 17, 2018.
- 2) We, the statutory auditors of IndusInd Bank Limited, (hereinafter referred to as "the Bank"), have examined the proposed accounting treatment specified in clauses 39, 40 and 63 of the Draft Scheme of Arrangement between the Bank and Bharat Financial Inclusion Limited (formerly SKS Microfinance Limited), as approved by the Board of Directors in their meeting held on October 14, 2017, in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 (the "2013 Act") ('the Draft Scheme') with reference to its compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act 2013 (the '2013 Act'), read with [Rule 7 (1) of the Companies (Accounts) Rules, 2014]<sup>1</sup> (the 'applicable Accounting Standards') and other generally accepted accounting principles.

## Management's Responsibility

- 3) The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Bank.

## Auditors' Responsibility

- 4) Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and other generally accepted accounting principles.
- 5) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Conclusion

- 7) Based on our examination and according to the information and explanations given to us, pursuant to the requirements of paragraph 5 of circular no. CIR/DIL3/CIR/2017/21 dated March 10, 2017 issued under Regulation 37(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we confirm that the accounting treatment contained in the aforesaid scheme insofar as it is related to accounting for amalgamation as mentioned in Clause 39 of the Scheme in accordance with Accounting Standard 14 – Accounting for Amalgamation which is applicable to the Bank at the appointed date (January 1, 2018) is in compliance with Regulation 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards specified under Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other generally accepted accounting principles.

<sup>1</sup> Companies (Indian Accounting Standards) Rules 2015



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

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- 8) Further, in respect of accounting of the Slump Exchange as envisaged in clause 63(i) and 63(ii) read with clause 56 of the Draft Scheme there is no specific accounting standards and to the extent there is no difference between net asset acquired and consideration received by the Bank, same is considered to be in accordance with generally accepted accounting principles.

## Emphasis of matter paragraph

- 9) We draw your attention to clause 40 of the Draft Scheme wherein it has been mentioned that goodwill or any other intangible asset, if any acquired on the Appointed Date, shall be set-off against the securities premium arising out of the business combination on the Appointed Date. Such an adjustment can be made once the proposed Scheme is approved by NCLT.

Our conclusion is not modified in respect of above matter.

## Restriction on Use

- 10) Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Bank.
- 11) This Certificate is issued at the request of the Bank pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange. This Certificate should not be used for any other purpose without our prior written consent.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016



Sharad Agarwal  
Partner  
Membership No.: 118522

Mumbai  
March 23, 2018