

IndusInd Bank

January 24, 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

Madam / Dear Sir,

Subject: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

We enclose herewith the Presentation made to the group of Debt Investors in Taiwan today, i.e., January 24, 2018.

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

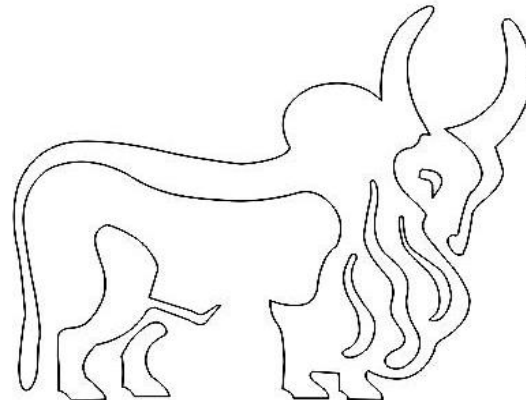
Kindly take the same on record and oblige.

Thanking you,

Yours faithfully,
For IndusInd Bank Limited


**Haresh Gajwani
Company Secretary**





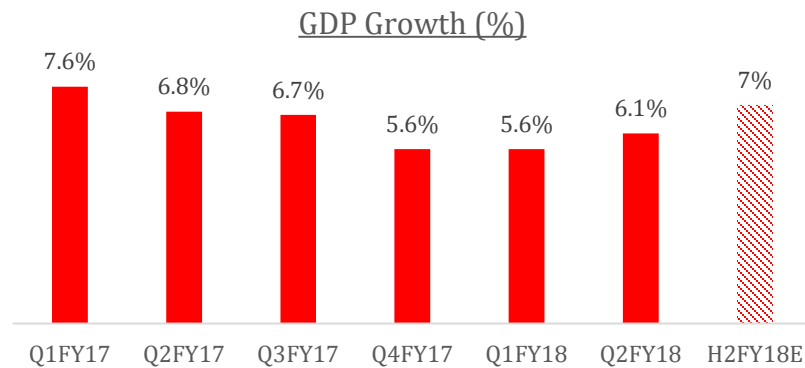
IndusInd Bank

Debt Investor Presentation

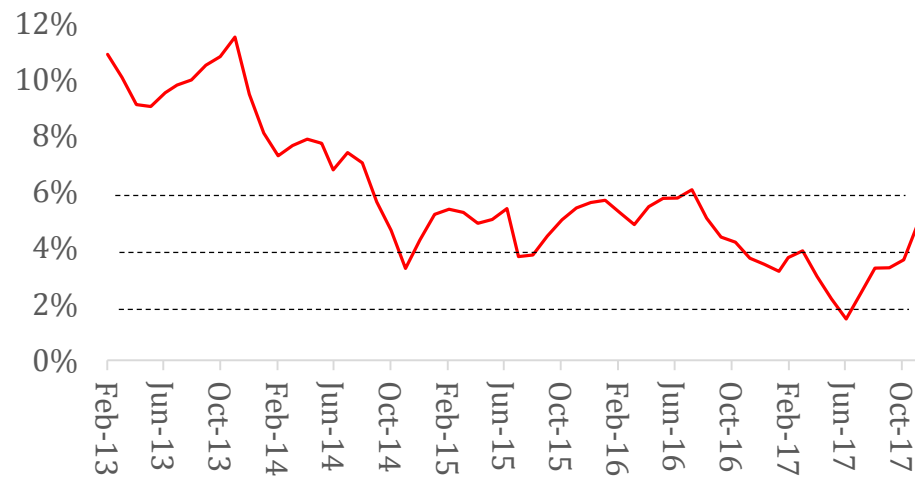
January 24, 2018

India – Positive Macro Outlook

GDP growth bottomed out and likely to accelerate henceforth

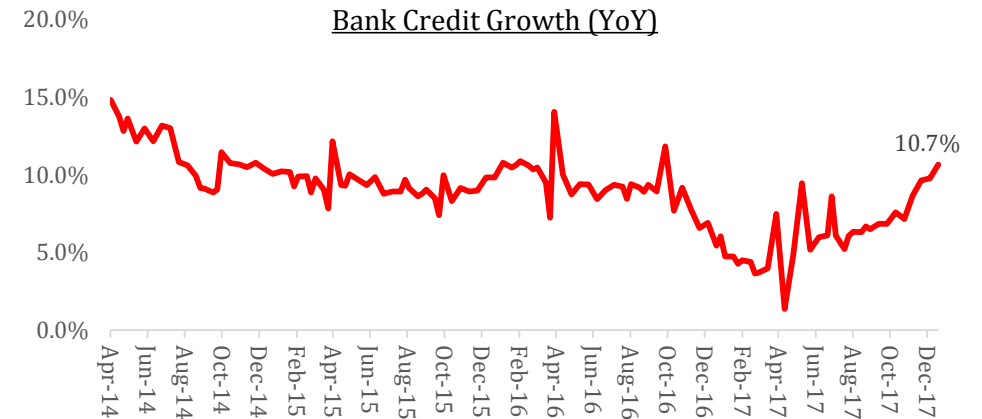


Inflation within RBI mandate of 4% +/- 2%

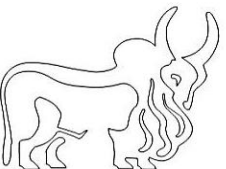
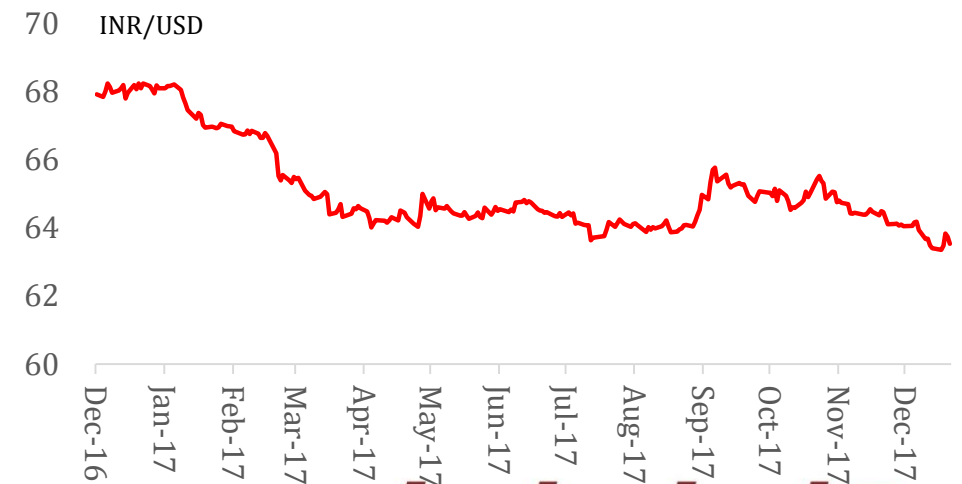


Source: CSO, RBI, Research

Credit growth back to double digits



Stable Currency Outlook



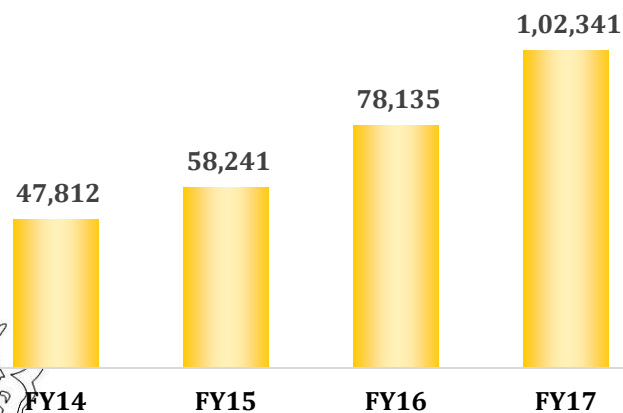
IndusInd Bank – Consistently Building Scale with Profitability

Strength

- CRAR at 15.83%; CET1 at 14.07%
- Strong Asset Quality with impaired assets proportion amongst the lowest in Indian banks; Net NPAs at 0.46%
- In top decile on productivity, profitability and efficiency parameters in Indian banking industry

Note: Data as of December 2017

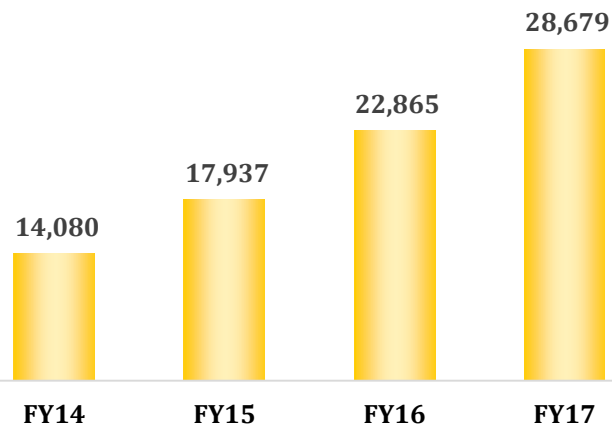
Revenue (Rs mn)



Growth

	3 Year CAGR	9MFY18
▪ Loans	27%	25%
▪ Deposits	28%	23%
▪ Revenue	29%	23%
▪ Profits	27%	25%
▪ Networth	33%	16%

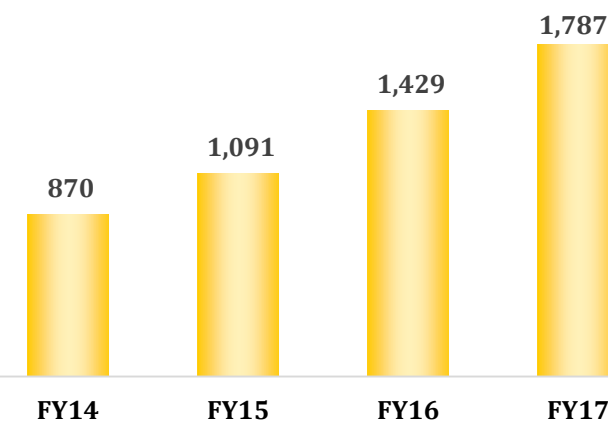
Net Profit (Rs mn)



Returns

- RoA = 1.96%
- RoE = 16.96%
- NIMs = 3.99%

Total Assets (Rs bn)

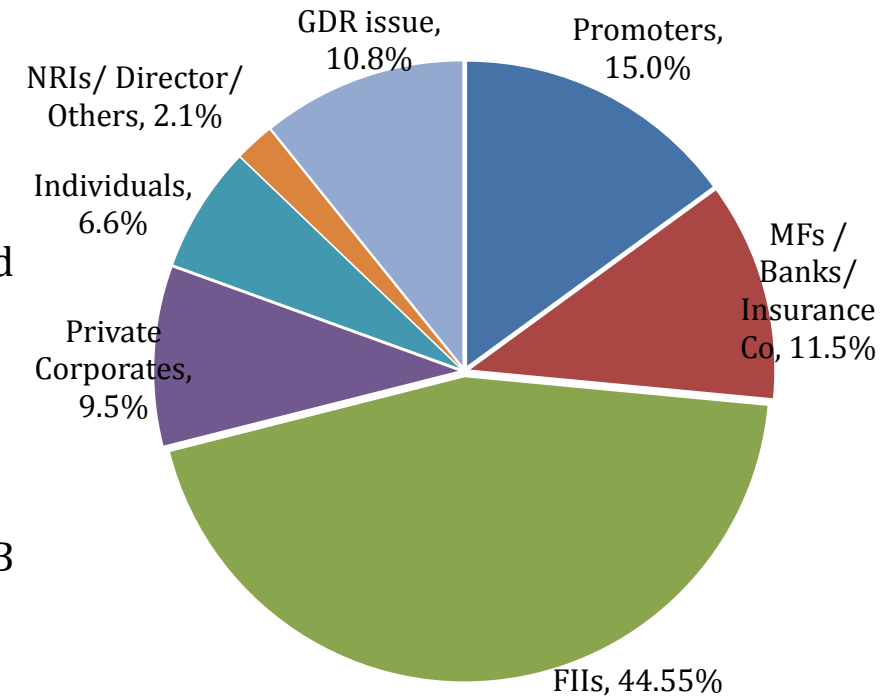


IndusInd Bank

Overview of the Bank

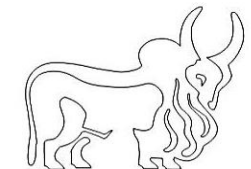
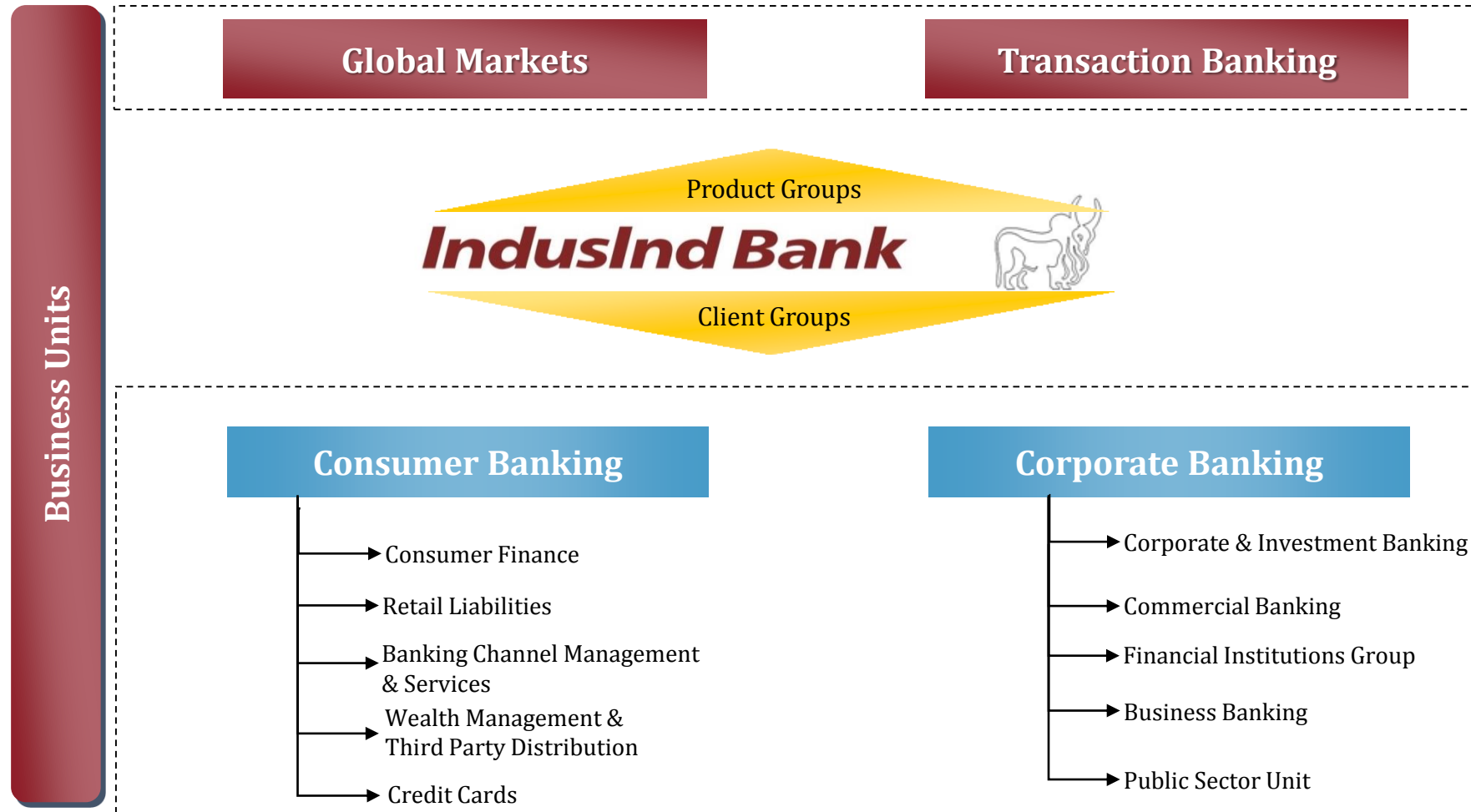
- Leading private sector bank and financial services company in India
- Incorporated in January, 1994; Current customer base of ~11 million⁽¹⁾ and Total Assets of over Rs 2,000 bn⁽¹⁾
- Pan India presence through a network of 1,320 branches and 2,162 ATMs⁽¹⁾
- Diversified loan book – Split between Corporate & Commercial Banking and Consumer Finance at 59% and 41% respectively⁽¹⁾
- Enterprise-wide Risk Management framework for effective management of risks
- Market Cap of over Rs 1,000bn⁽²⁾ implying trailing P/E multiple of 30x and P/B multiple of 4.5x
- Recently announced acquisition of Bharat Financial Inclusion Limited (BFIL), a leading Microfinance Non Bank Finance company

Shareholding ⁽¹⁾



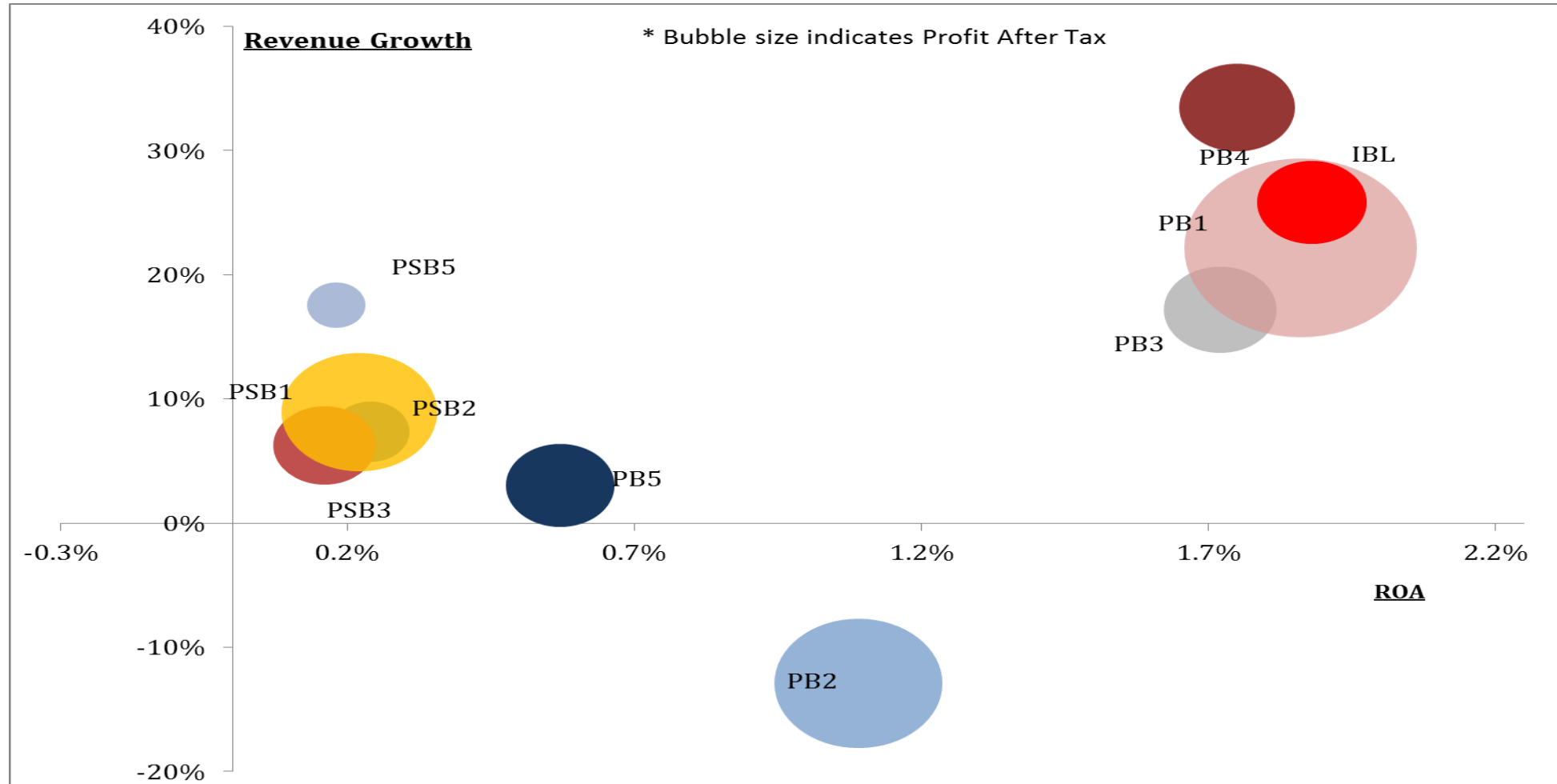
1. As on December 31, 2017
2. As on January 19, 2018

Organization Structure

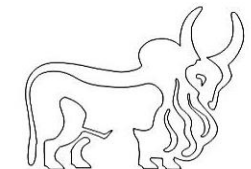


Benchmarking Revenue, Risk & Returns

- IBL performance is in top decile when comparing with the top 5 Public Sector (PSU) and other top 5 Private Sector Banks (PB)

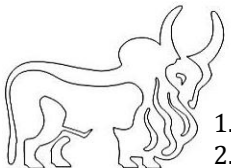


Data as of H1FY18. (Banks' nomenclature not in any particular order)



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

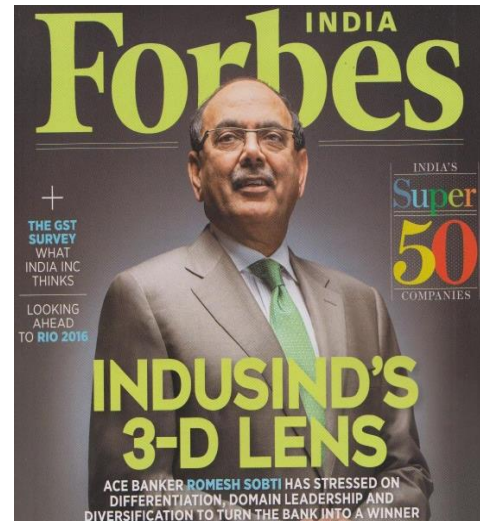
Award Winning Brand / Franchise

“The Best CEO (BFSI)”
Mr. Romesh Sobti



Business Today
2016

Forbes' Super 50
Companies in India



Forbes India
2016

Ranked 12th Most
Valuable Indian Brands

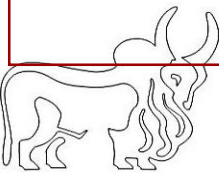


BrandZ Top 50
WPP Plc & Milward Brown
2016

Winner- Fraud
Management and
Cybersecurity



Celent Model Bank
2017



Presentation Path

➤ **Capital Adequacy**

1

➤ **Asset Quality**

2

➤ **Management Track Record & Strategy**

3

➤ **Earnings Update**

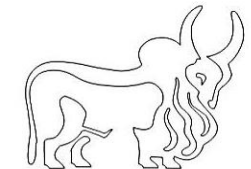
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➤ **Liquidity & Funding Profile**

5

➤ **Building Sustainable Banking**

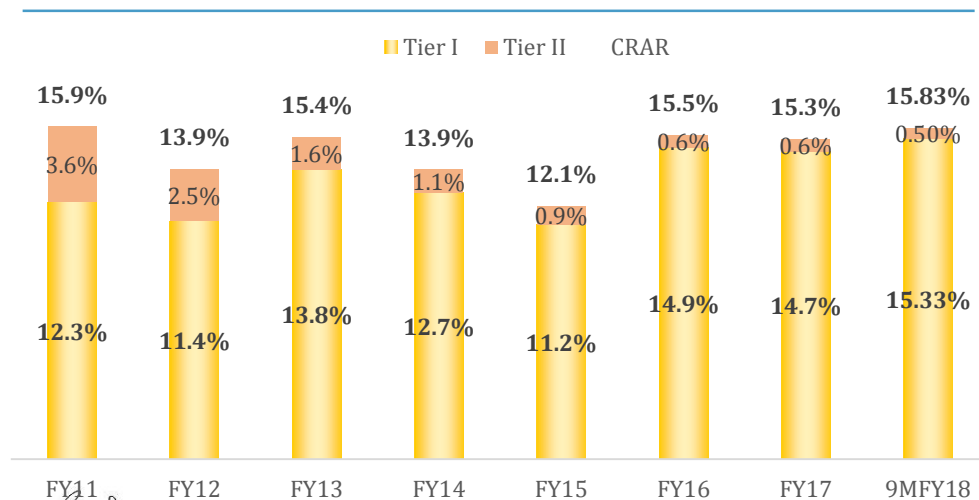
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1. Strong Capital Adequacy

- 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 FY17 and again in April 2017 to augment the Tier I ratio and position itself strongly for the next phase of growth
- The Bank is valued at 4.5x of Dec-2017 book value ⁽¹⁾

CRAR

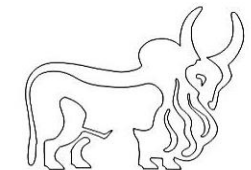
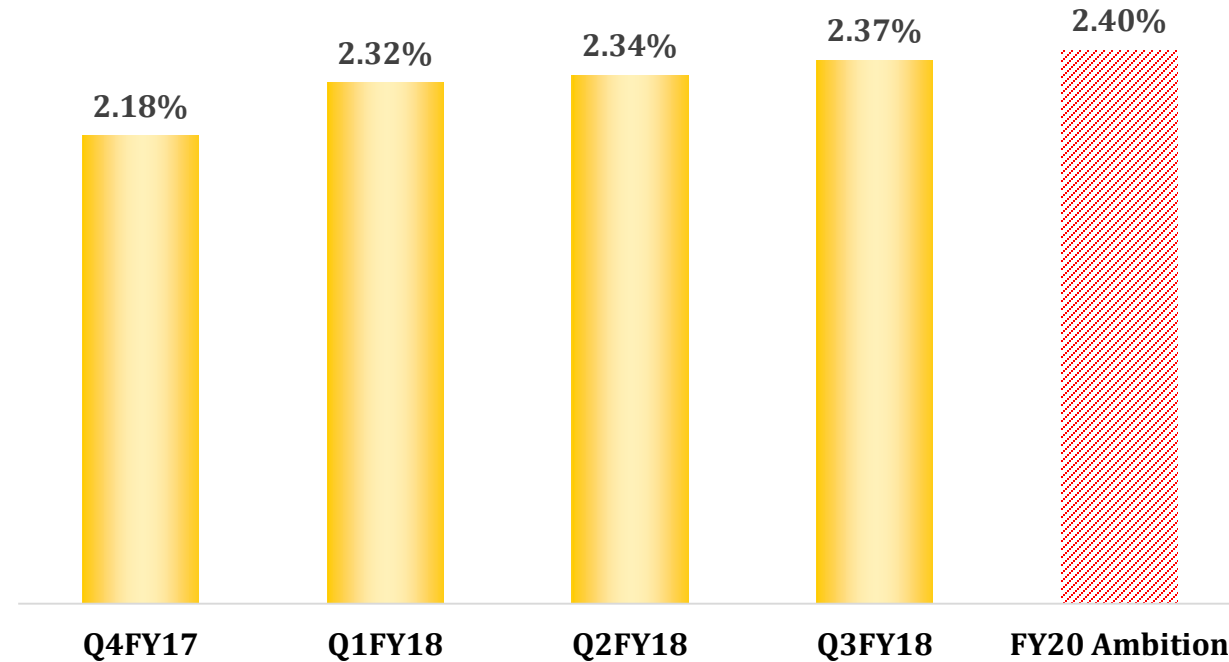


(1) Basis market cap as on January 19, 2018

Rs bn	31 Mar 16	31 Mar 17	31 Dec 17
Credit Risk, CVA and UFCE	994	1,220	1,350
Market Risk	55	67	96
Operational Risk	115	148	148
Total Risk Weighted Assets	1,163	1,435	1,594
CET 1 Capital Funds	174	201	224
Additional Tier 1 Capital Funds	-	10	20
Tier 2 Capital Funds	7	8	8
Total Capital Funds	180	220	252
CRAR	15.50%	15.31%	15.83%
CET1	14.92%	14.02%	14.07%
Tier 1	14.92%	14.72%	15.33%
Tier 2	0.58%	0.59%	0.50%

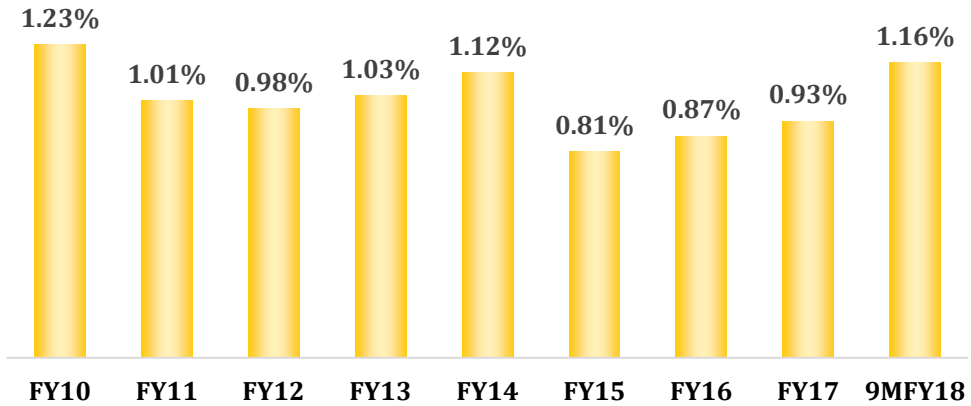
1. Deploying Capital Efficiently

Return on Risk Weighted Assets (RoRWA)

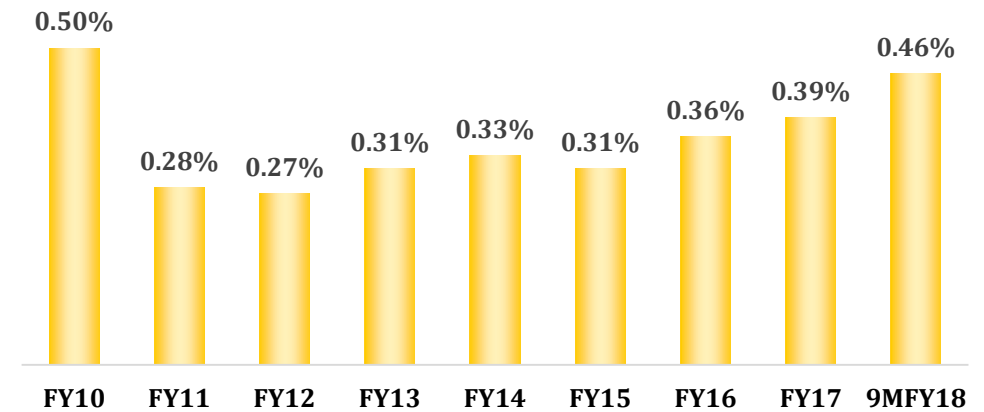


2. Asset Quality Stable Across Cycles

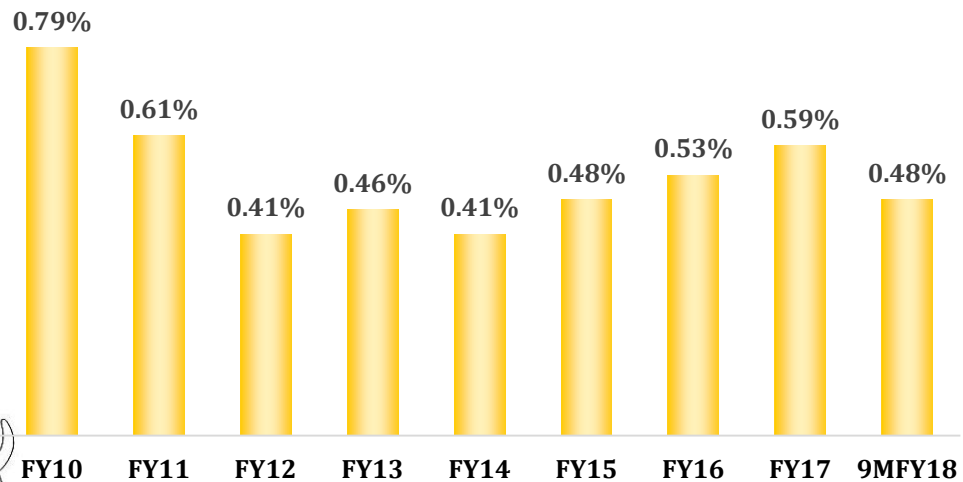
Gross NPA



Net NPA

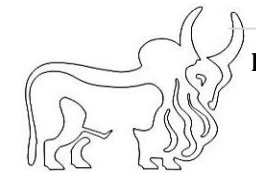
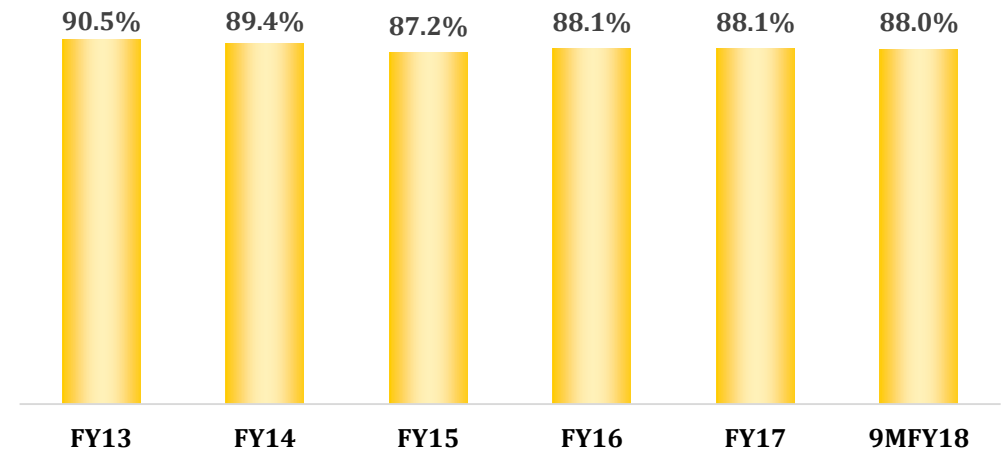


Credit Cost *



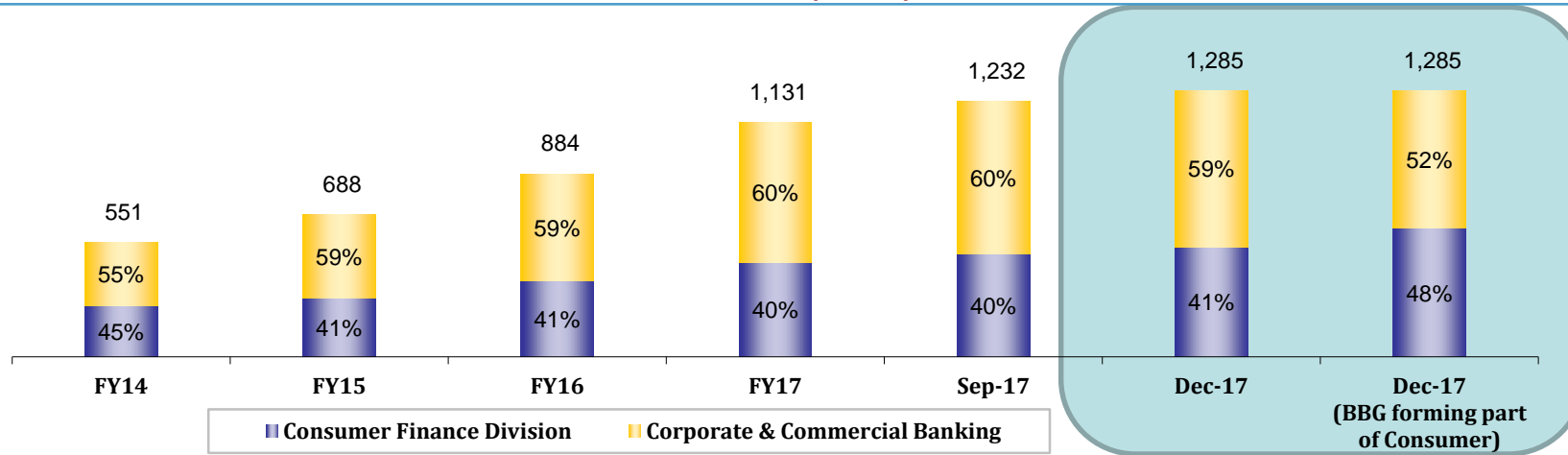
* Net of recoveries

Predominantly Secured Lending



2. Diversified Loan Book

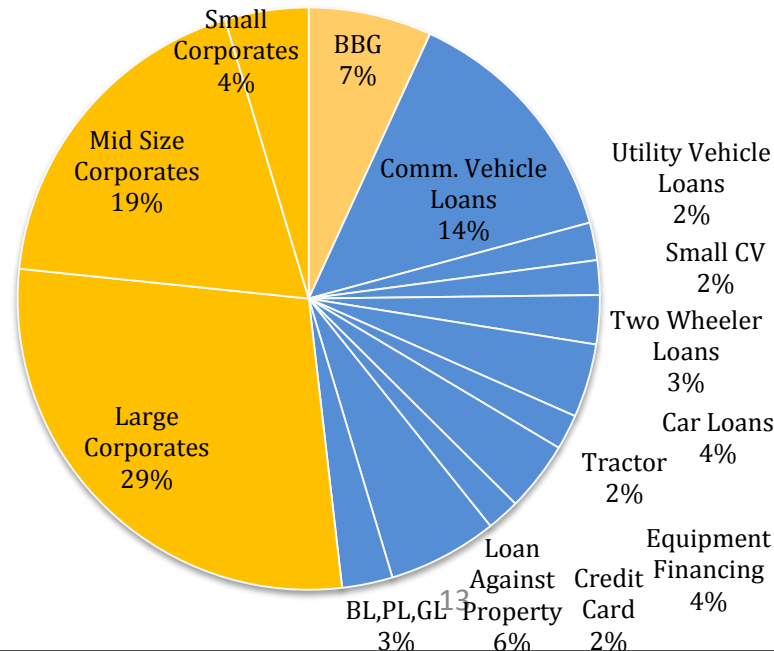
Loan Book (Rs bn)



(Rs bn)

Corporate Banking	Dec-17	(Rs bn)	%
Large Corporates	366.0	29%	
Mid size Corporates	240.7	19%	
Small Corporates*	147.5	11%	
Total Advances	754.2	59%	

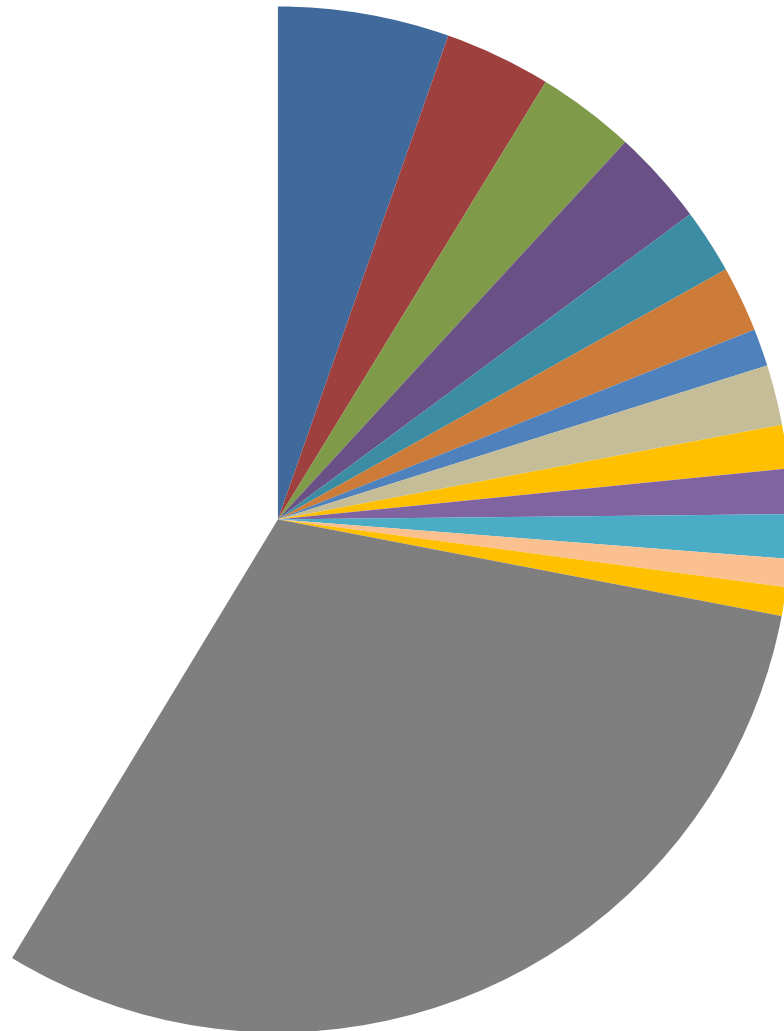
*Includes Business Banking (BBG)
Rs. 87.9 bn managed by Consumer Banking



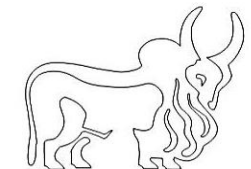
(Rs bn)

Consumer Finance	Dec-17	(Rs bn)	%
Comm. Vehicle Loans	179.4	14%	
Utility Vehicle Loans	26.9	2%	
Small CV	24.7	2%	
Two Wheeler Loans	35.0	3%	
Car Loans	52.6	4%	
Tractor	25.1	2%	
Equipment Financing	49.8	4%	
Credit Card	23.5	2%	
Loan Against Property	78.2	6%	
BL, PL, GL, Others	36.1	3%	
Total Advances	531.2	41%	

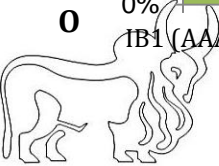
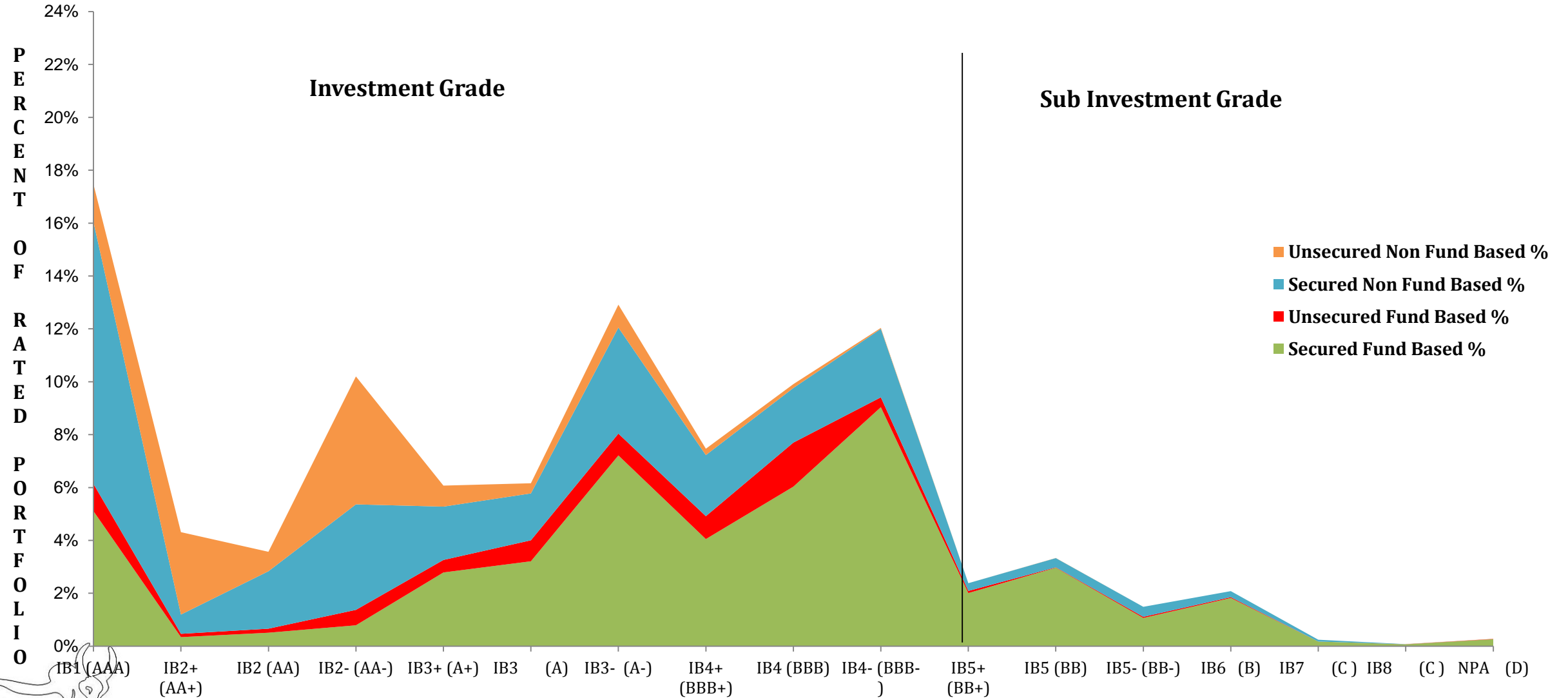
2. Diversified Corporate Portfolio



Gems and Jewellery	5.39%
Power Generation	3.36%
Lease Rental	3.10%
Real Estate	3.02%
Microfinance	2.04%
Services	2.07%
Telecom- Cellular	1.18%
Steel	1.90%
Contract Construction-Civil	1.37%
Constn related to infra.- EPC	1.42%
Food Beverages and Food processing	1.39%
Media,Entertainment & Advt	0.89%
Power Distribution	0.90%
Other Industry	30.65%

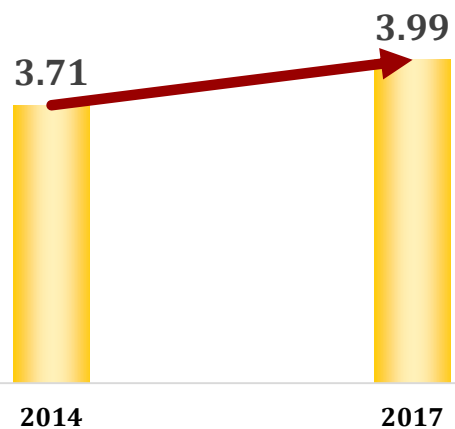


2. Well Rated Corporate Portfolio

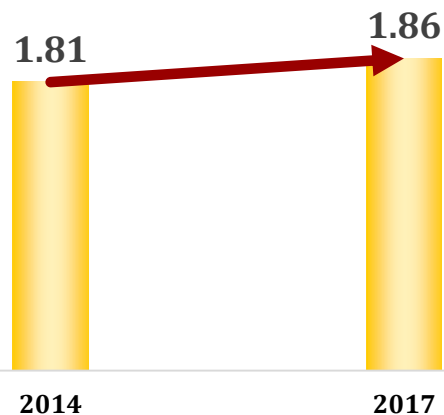


3. Management Track Record

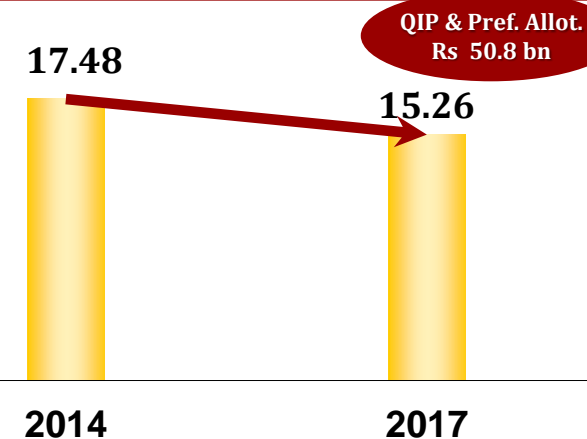
NIMs (%)



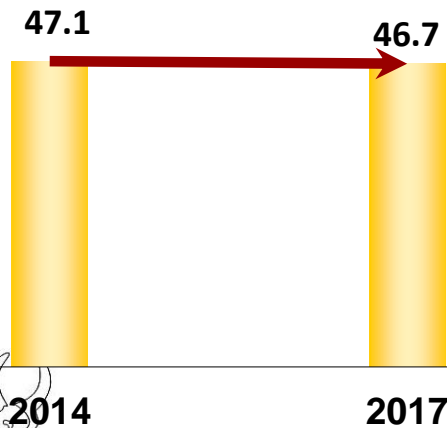
RoA (%)



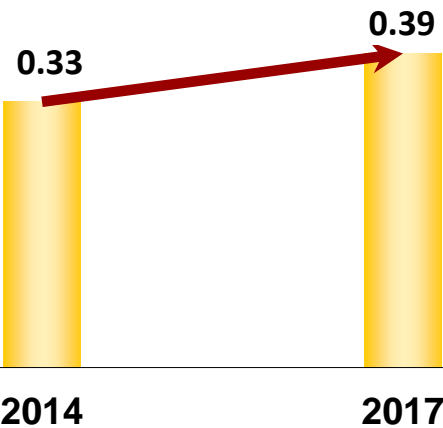
RoE (%)



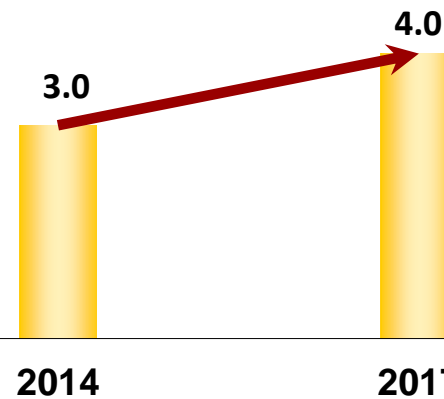
Cost / Income (%)



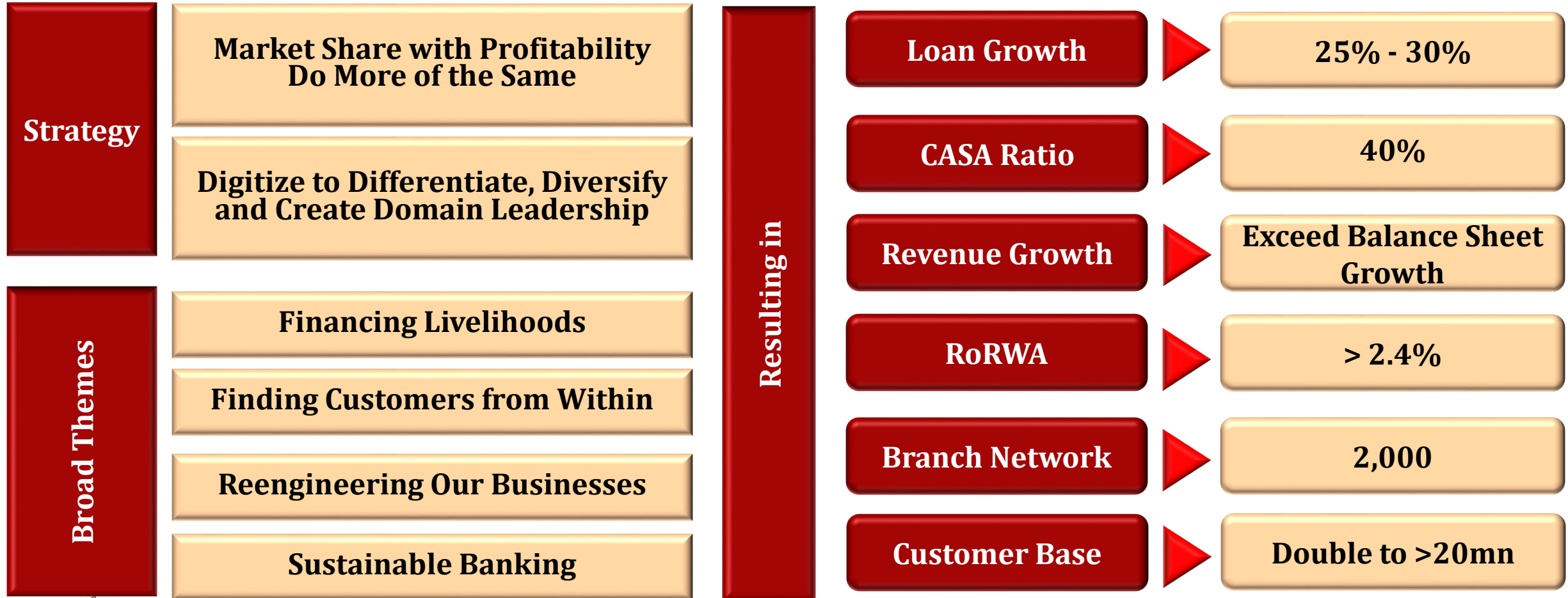
Net NPAs (%)



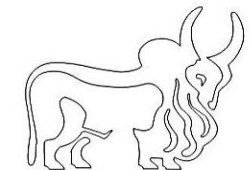
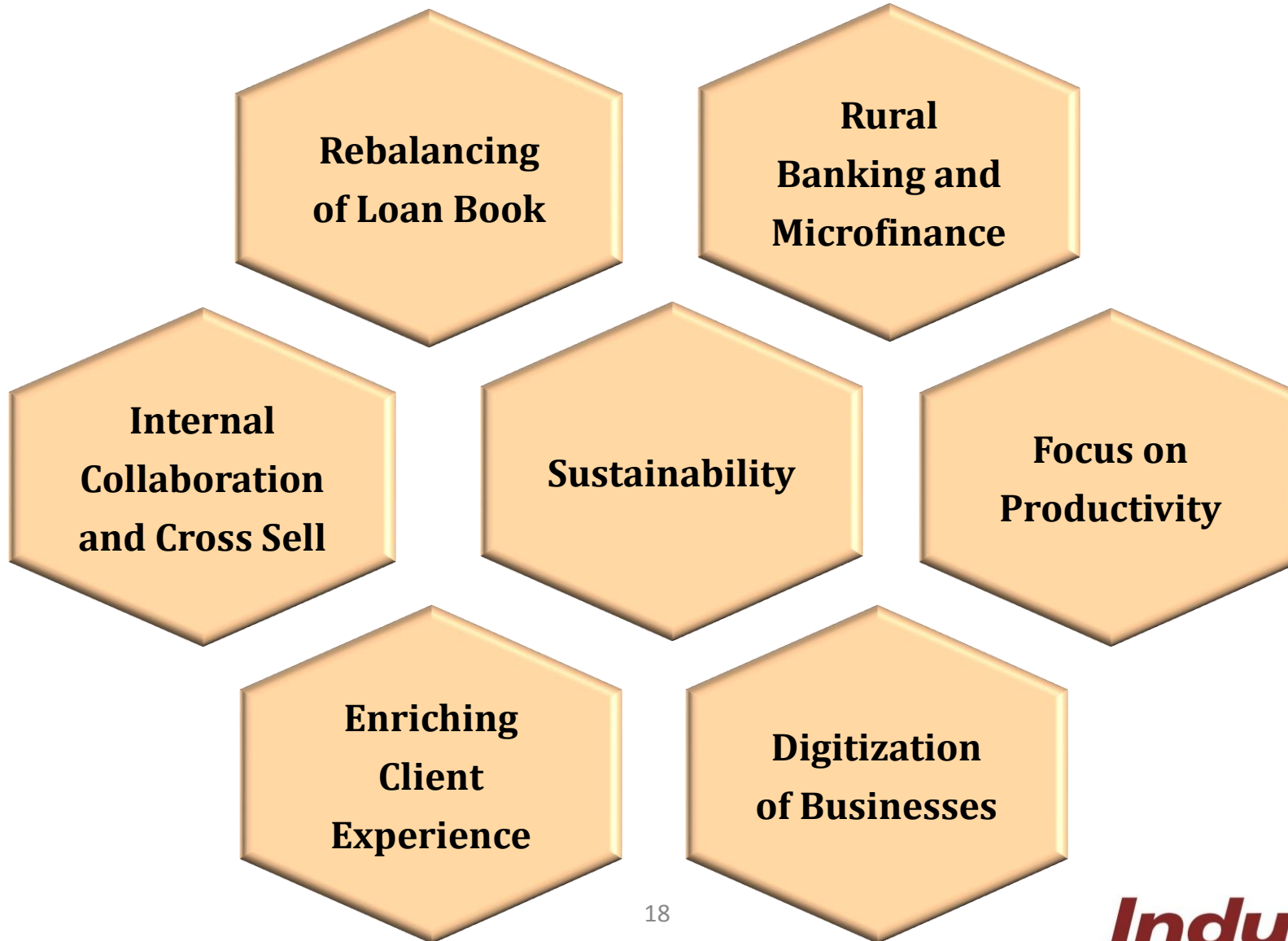
Revenue per Employee (Rs mn)



3. Planning Cycle 4 Strategy (FY17-FY20)



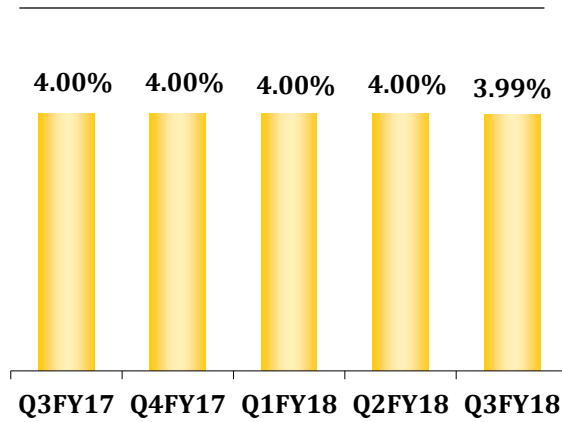
3. Strategic Themes



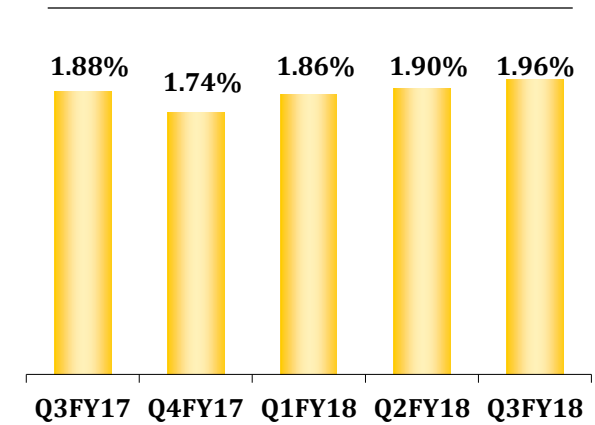
4. Earnings Update

	9MFY18 Outcome
Loan Growth	25%
CASA Ratio	43%
Revenue Growth	23%
PAT Growth	25%
RoRWA	2.34%
Customer Base	~11mn

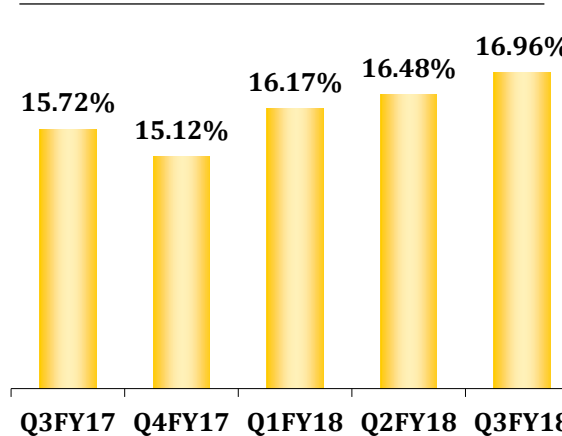
Net Interest Margin (NIM)



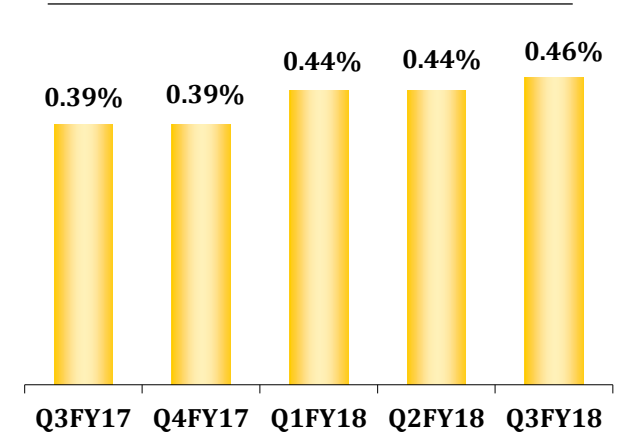
RoA



RoE

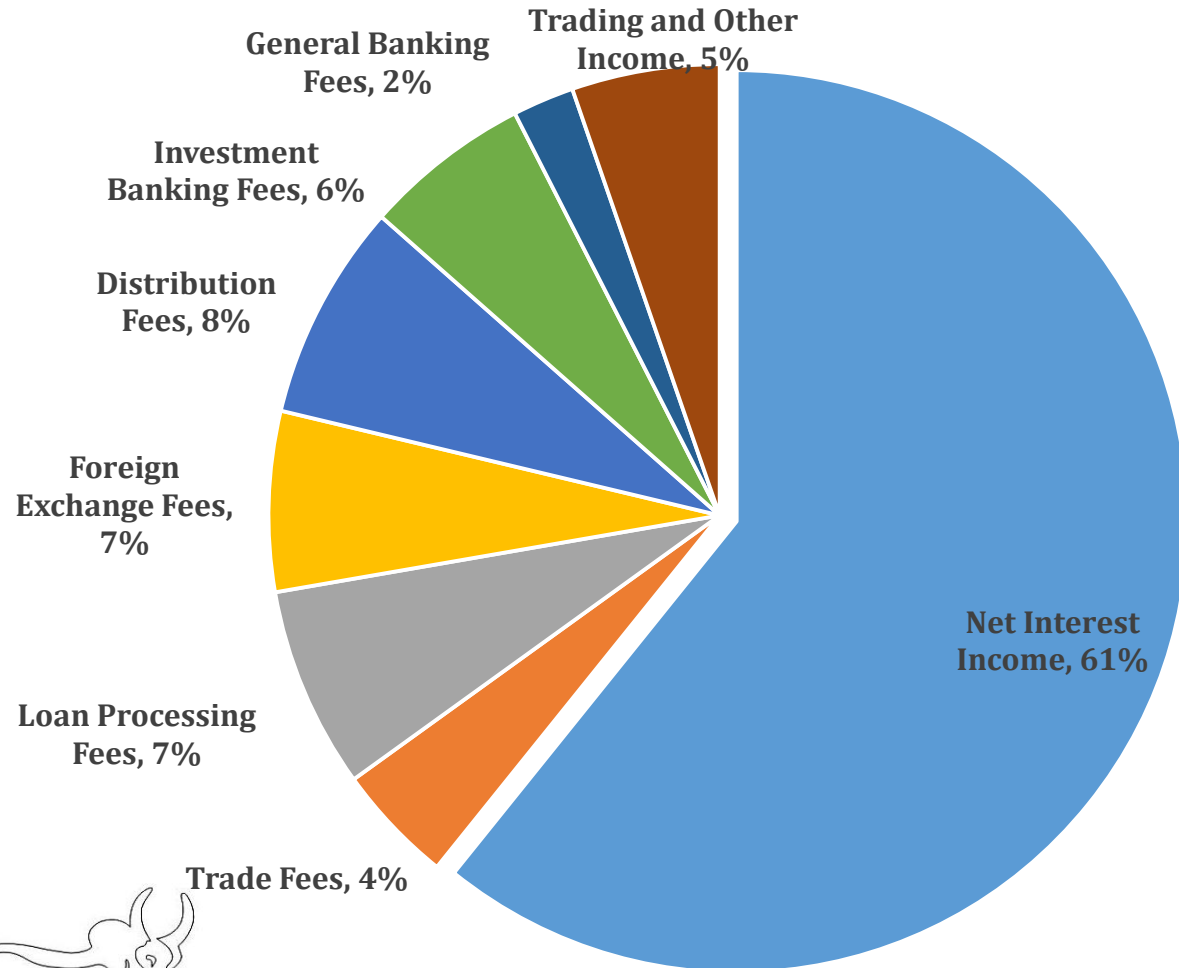


Net NPA

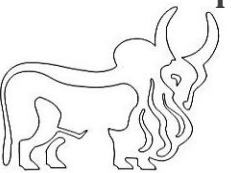
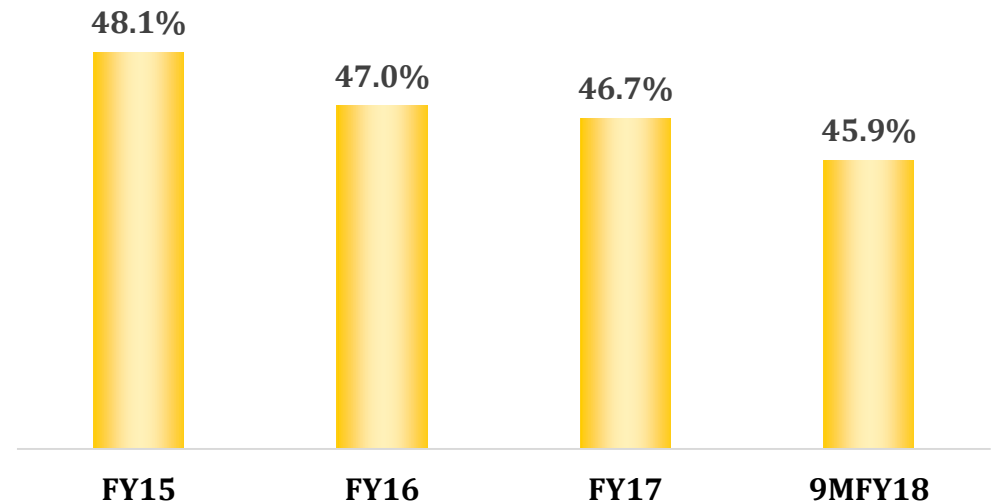


4. Diversified Revenue Streams, Opex Trend Improving

Net Revenue Streams (9MFY18)

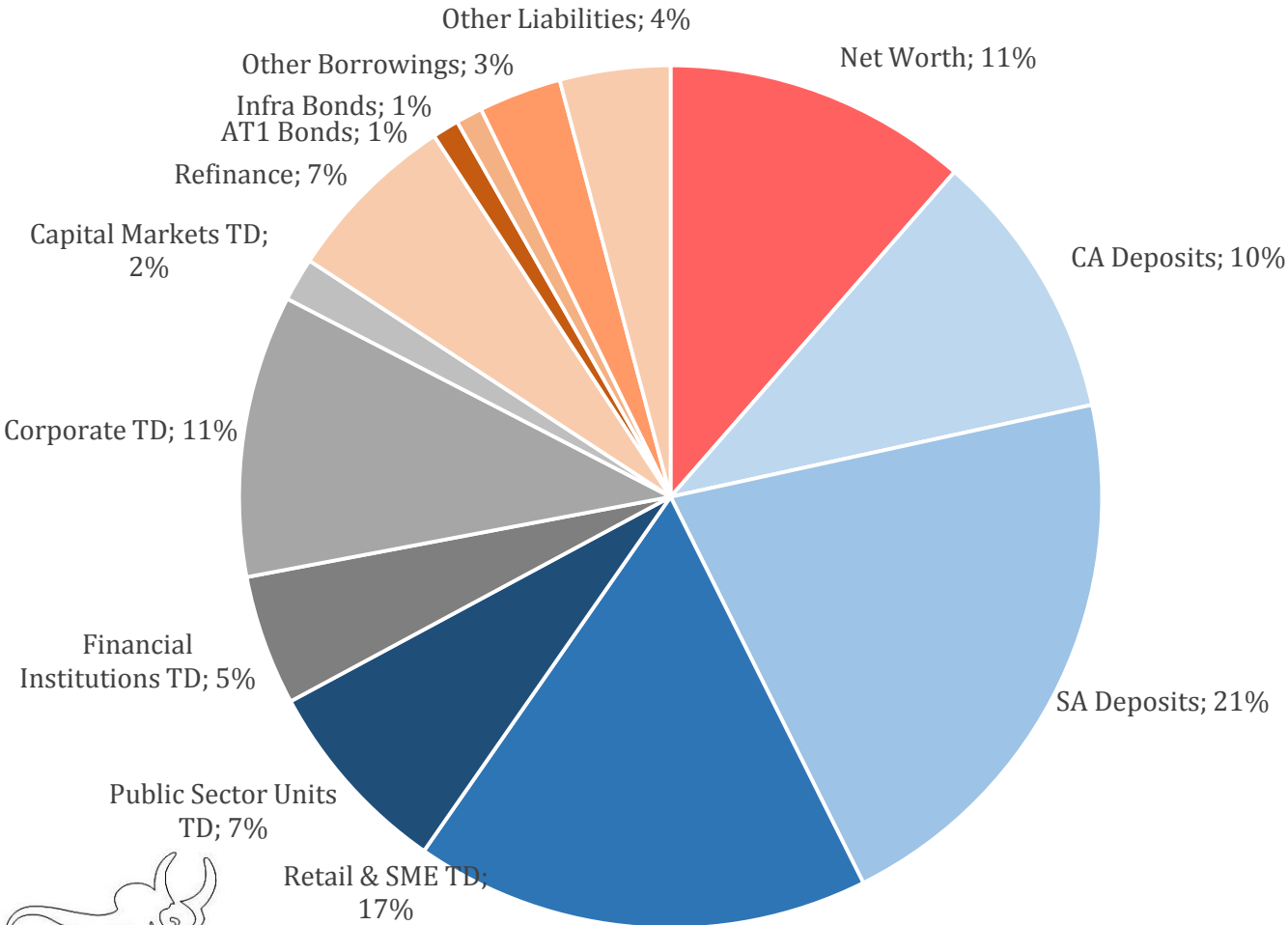


Cost / Income Trajectory

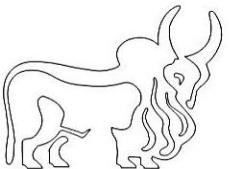
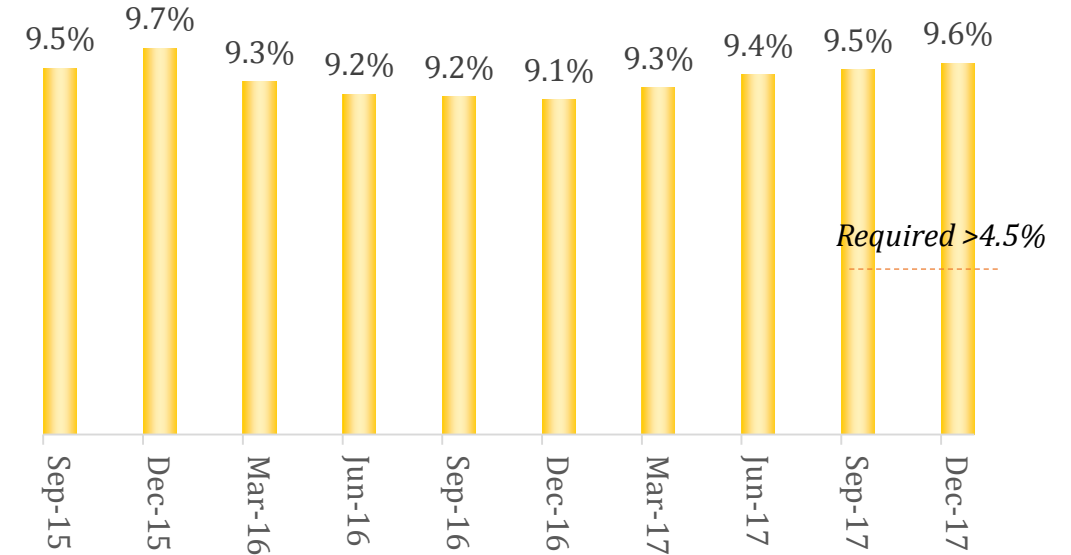


5. Liquidity & Funding Profile

Diversified Funding Sources



Basel III Leverage Ratio



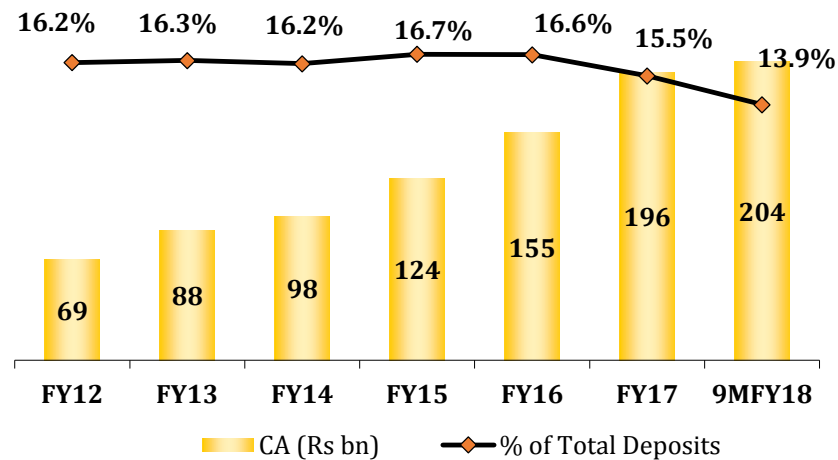
Note: Data as on Dec 2017

5. Improving CASA profile

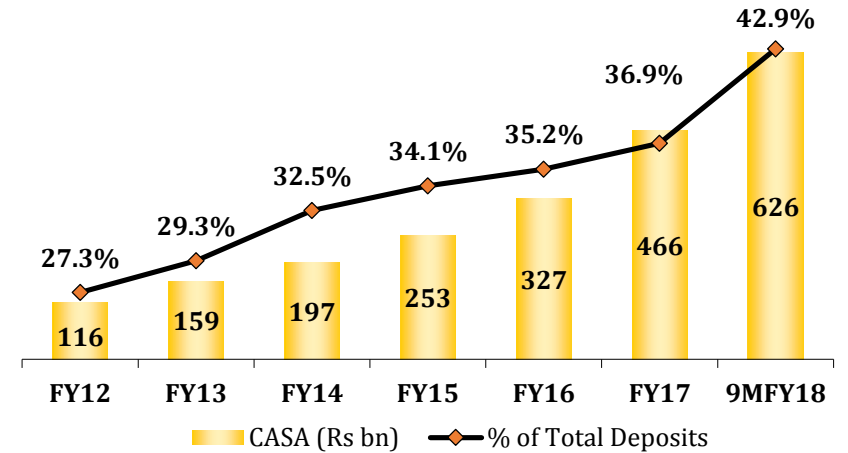
Building CASA traction

- 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

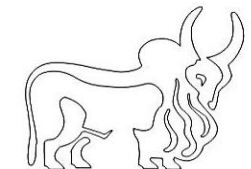
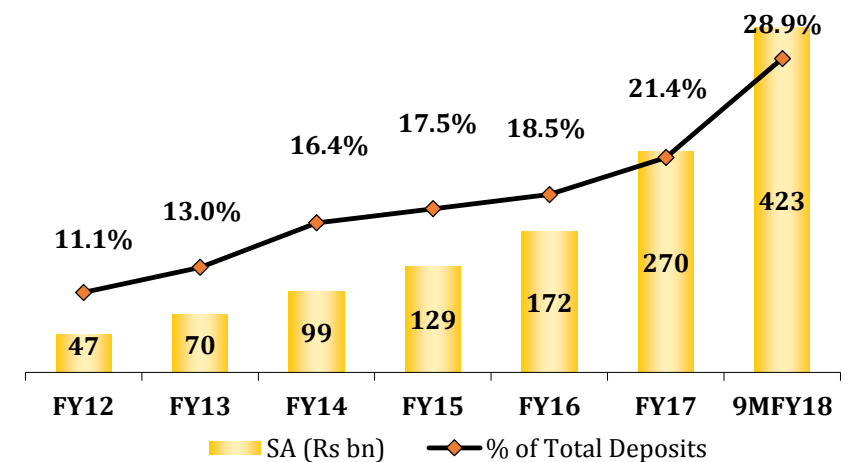
Current Account (CA)



CASA Uptick



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

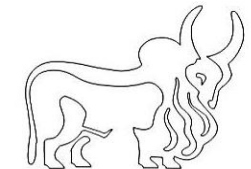
- ✓ Solar ATMs
- ✓ Thin Servers
- ✓ Waste Management
- ✓ Green champions
- ✓ LEEDs certified building
- ✓ Financing Renewable Energy
- ✓ Afforestation Projects

Social

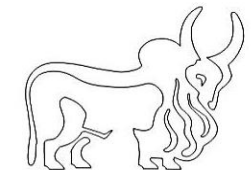
- ✓ Water rejuvenation projects
- ✓ Micro Credit
- ✓ Rural Branches
- ✓ Para Champions
- ✓ Priority sector compliance
- ✓ Legal and Financial literacy
- ✓ Critical care support

Governance

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

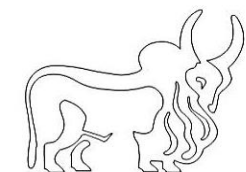


Additional Information



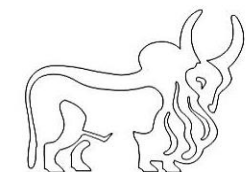
Balance Sheet

In Rs bn	Q3FY18	Q3FY17	Y-o-Y (%)	FY17
Capital & Liabilities				
Capital	6	6	1% ↑	6
Reserves and Surplus	223	193	16% ↑	200
Deposits	1,461	1,192	23% ↑	1,266
Borrowings	234	203	15% ↑	225
Other Liabilities and Provisions	83	77	8% ↑	90
Total	2,007	1,671	20% ↑	1,786
Assets				
Cash and Balances with RBI	68	51	33% ↑	77
Balances with Banks	68	130	(48%) ↓	109
Investments	462	353	31% ↑	367
Advances	1,285	1,028	25% ↑	1,131
Fixed Assets	13	13	2% ↑	13
Other Assets	111	96	15% ↑	89
Total	2,007	1,671	20% ↑	1,786



Profit and Loss Statement

In Rs bn	9MFY18	9MFY17	Y-o-Y (%)	FY17
Net Interest Income	54.9	44.0	25% ↑	60.6
Other Income	35.4	29.6	20% ↑	41.7
Total Income	90.3	73.6	23% ↑	102.3
Operating Expenses	41.5	34.8	19% ↑	47.8
Operating Profit	48.9	38.8	26% ↑	54.5
Provisions & Contingencies	8.4	6.6	27% ↑	10.9
Profit before Tax	40.5	32.2	26% ↑	43.6
Provision for Tax	13.9	11.0	27% ↑	14.9
Profit after Tax	26.5	21.2	25% ↑	28.7



Outline of Existing Borrowings

Name	Issue Date	Tenor	Related Info	Amount
Long Term Senior Infrastructure Bonds	Mar-15	7 years	AA+/ Stable by CRISIL and IND AA+/ Stable by India Ratings	Rs.5 bn (equiv. USD 77mm)
Long Term Senior Infrastructure Bonds	Dec-16	10 years	AA+/ Stable by CRISIL and IND AA+/ Stable by India Ratings	Rs.15 bn (equiv. USD 232mm)
Additional Tier 1 Bonds	Mar-17 Apr-17	Perpetual (Call option after 5 years)	AA/Stable by CRISIL Ltd and IND AA/ Stable by India Ratings & Research Private Ltd	Rs.20 bn (equiv. USD 310mm)
Refinance - Development Financial Institution	May-17	3 years	Against portfolio of eligible assets constituting of Agri & SME	Rs 132 bn (equiv. USD 2bn)
Overseas Private Investment Corporation (OPIC)	Jun-17	8 years (3 years moratorium)	Against funding for MSME	USD 225mm
Asian development Bank (ADB)	Sep-17	7 years (2 years moratorium)	Against funding to eligible women borrowers and borrowers from eligible states	USD 200mm
Syndicated Loan (4 banks)	July 17	3 years	Unrated	USD 300mm
Inter bank Money Market Borrowings	Nov -17	Up to 6 months	Unrated	Upto USD 200mm
Syndicated Loan (5 banks)	Jan-18	3 years	Unrated	USD 500mm



Thank You

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