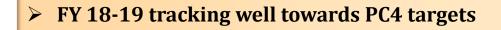


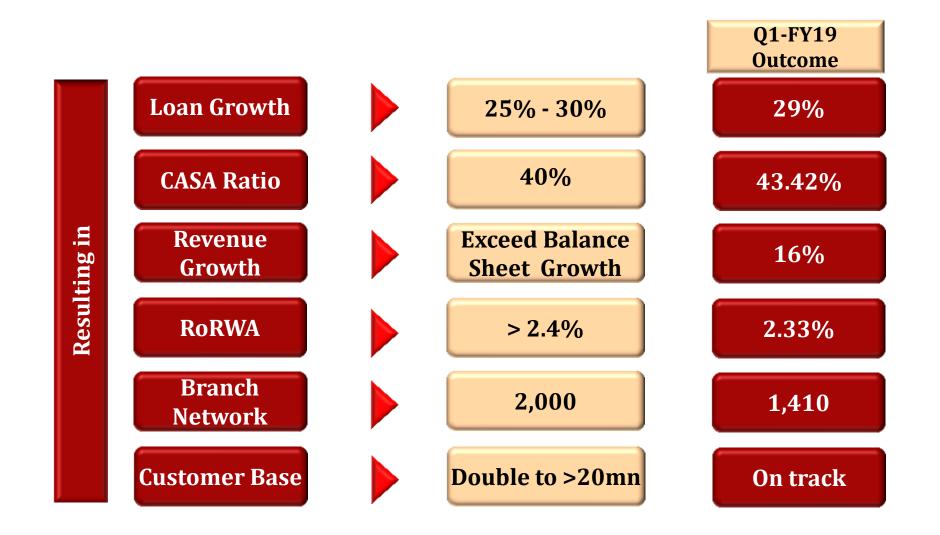
**Investor Presentation** 



- Q1 FY19 marked by strong QoQ growth in headline numbers
- Q1 PAT growth up by 24%; Core PAT up 33% excluding trading gains
- Although cost of funds increased during the quarter, NIM still stood healthy at 3.92%
- Credit growth (29% up) and Deposit growth (19% up) well above industry growth
- **➢ GNPA declined to 1.15% (previous quarter 1.17%) − lowest in the industry**
- Credit Cost for Q1 FY-19 at 14 bps in line with our expected range
- Client base touches to 12 million; on boarded 1 million during the quarter
- **EPS grows to Rs. 17.25 annualised Rs.69**



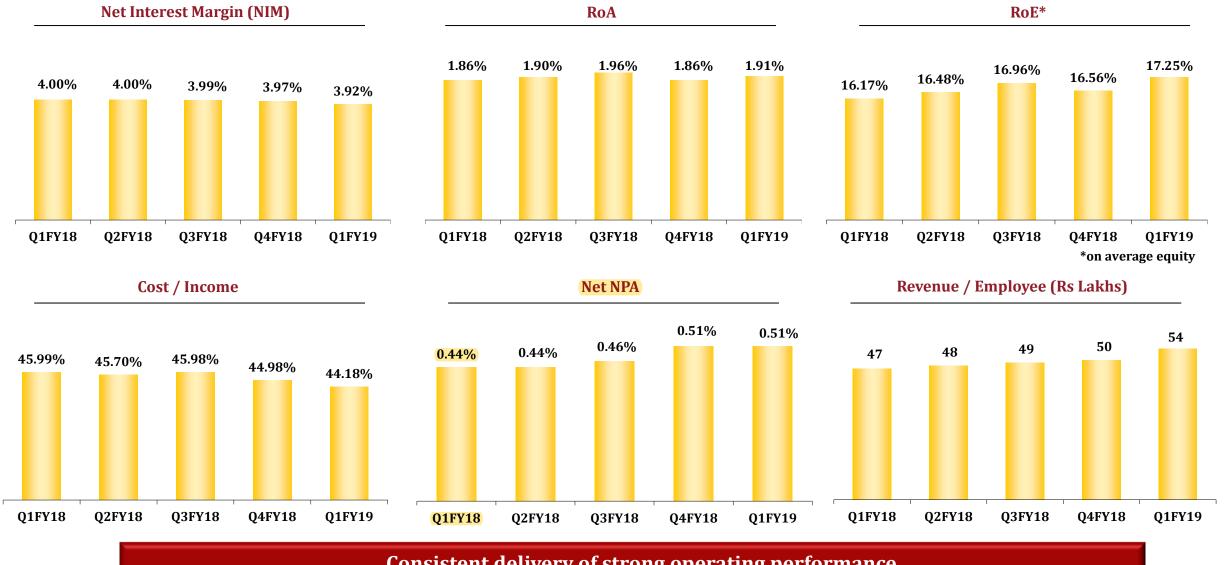
# Planning Cycle 4 (2017-2020) - Plan vs Outcome







#### **How We Measure Up On Key Metrics**







#### Ratings

- **CRISIL 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
- 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



# **Financial Performance**



#### **Steady Headline Numbers for Q1-FY19**





#### **Top line momentum**





#### **Balance Sheet**

	Q1FY19	Q1FY18	Y-o-Y (	%)	Q4FY18	Q-o-Q	(%)
Capital & Liabilities							
Capital	600	599	-	<b>↑</b>	600	-	<b>↑</b>
Reserves and Surplus	24,321	20,902	16%	<b>↑</b>	23,242	5%	<b>↑</b>
Deposits	1,58,862	1,33,673	19%	<b>^</b>	1,51,639	5%	<b>^</b>
Borrowings	37,040	27,404	35%	<b>^</b>	38,289	(3%)	<b>V</b>
Other Liabilities and Provisions	8,056	8,072	-	Ψ	7,856	3%	<b>↑</b>
Total	2,28,879	1,90,650	20%	<b>^</b>	2,21,626	3%	<b>↑</b>
Assets							
Cash and Balances with RBI	8,658	6,416	35%	<b>^</b>	10,962	(21%)	V
Balances with Banks	3,332	13,754	(76%)	Ψ	2,253	48%	<b>↑</b>
Investments	52,673	42,147	25%	<b>↑</b>	50,077	5%	<b>↑</b>
Advances	1,50,675	1,16,407	29%	<b>^</b>	1,44,954	4%	<b>↑</b>
Fixed Assets	1,349	1,360	(1%)	Ψ	1,339	1%	<b>↑</b>
Other Assets	12,192	10,566	15%	<b>^</b>	12,041	1%	<b>^</b>
Total	2,28,879	1,90,650	20%	<b>^</b>	2,21,626	3%	<b>^</b>
Business (Advances + Deposit)	3,09,537	2,50,080	24%	<b>^</b>	2,96,593	4%	<b>^</b>



### **Profit and Loss Account - Q1FY19**

	Q1FY19	Q1FY18	Y-o-Y (%)	Q4FY18	Q-o-Q (%)
Net Interest Income	2,122	1,774	20%	2,008	6% <b>↑</b>
Other Income	1,302	1,167	12%	1,208	8%
Total Income	3,424	2,941	16% <b>↑</b>	3,216	6% <b>↑</b>
Operating Expenses	1,513	1,352	12%	1,447	5% <b>↑</b>
<b>Operating Profit</b>	1,911	1,589	20%	1,769	8% 🛧
Provisions & Contingencies	350	310	13% <b>↑</b>	335	4% <b>↑</b>
Profit before Tax	1,561	1,279	22%	1,434	9% 🛧
Provision for Tax	525	442	19% <b>↑</b>	481	9% 🛧
Profit after Tax	1,036	837	24%	953	9% 🛧





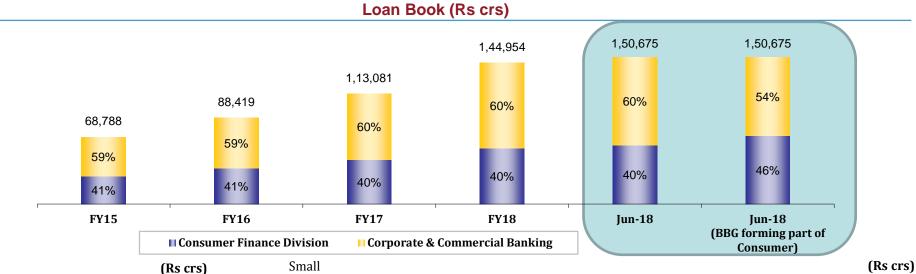
# **Key Financial Indicators**

	Q1FY19	Q1FY18	Q4FY18
Return on Assets	1.91%	1.86%	1.86%
ROE (On average equity)	17.25%	16.17%	16.56%
Cost / Income Ratio	44.18%	45.99%	44.98%
Net Interest Margin	3.92%	4.00%	3.97%
Net NPA	0.51%	0.44%	0.51%
EPS (annualized, Rs. per share)	69.00	55.92	63.54
Capital + Reserves (Excl. Revaluation Reserve) (Rs. in crs)	24,561	21,128	23,479



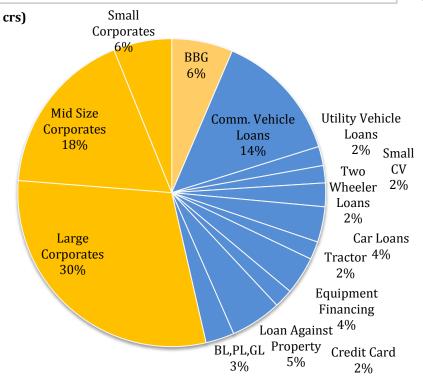


#### **Well Diversified Loan Book**



Corporate Banking	Jun-18	
Large Corporates	44,957	30%
Mid size Corporates	26,544	18%
Small Corporates*	18,910	12%
Total Advances	90,411	60%

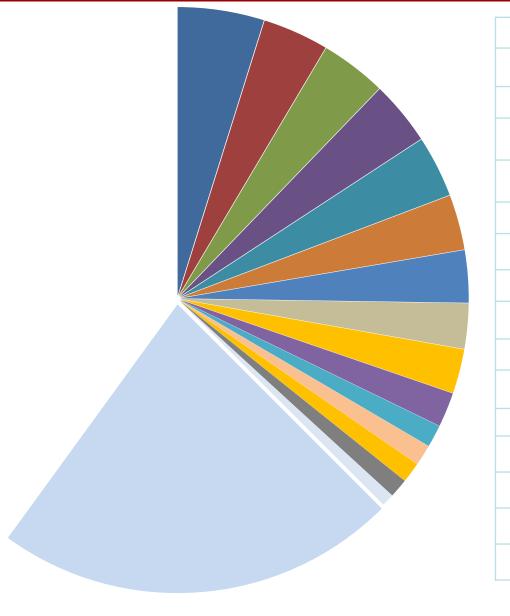
\*Includes Business Banking Rs. 9,681 crs managed by Consumer Banking



		(110 010)
Consumer Finance	Jun-18	
Comm. Vehicle Loans	20,703	14%
Utility Vehicle Loans	3,026	2%
Small CV	2,732	2%
Two Wheeler Loans	3,754	2%
Car Loans	5,600	4%
Tractor	2,857	2%
Equipment Financing	5,994	4%
Credit Card	2,983	2%
Loan Against Property	8,180	5%
BL, PL, GL, Others	4,435	3%
Total Advances	60,264	40%



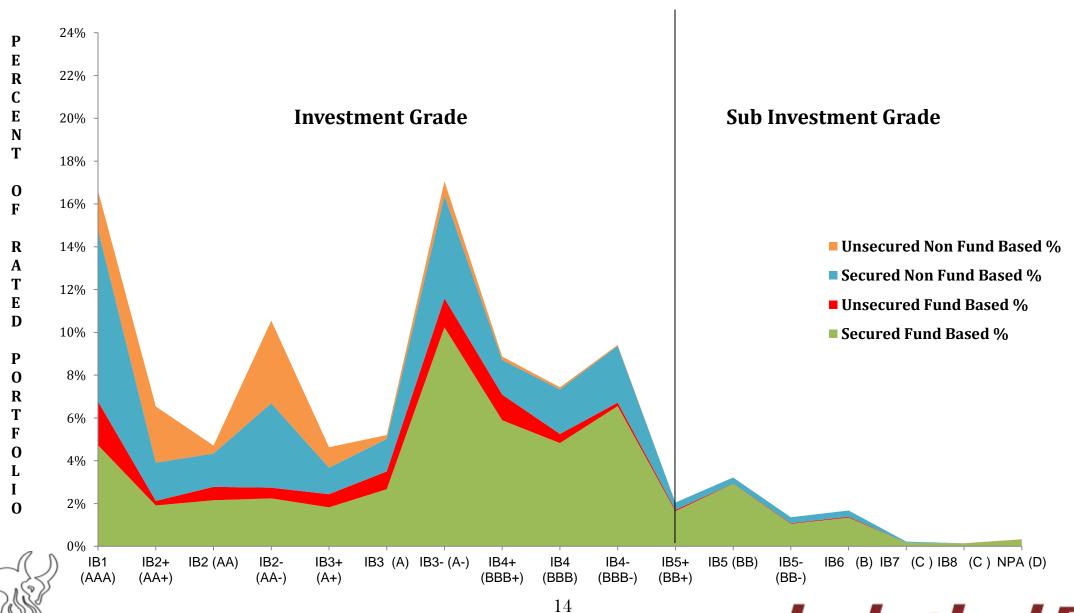
# **Diversified Corporate Loan Book**



■ Gems and Jewellery	4.83%
■ Power Generation	3.69%
■ Microfinance	3.69%
■ NBFCs	3.58%
■ Real Estate	3.44%
■ Services	3.09%
■ Lease Rental	2.93%
■ Constn related to infra EPC	2.54%
Steel	2.48%
■ Petroleum & Products	1.93%
■ Food Beverages and Food processing	1.25%
■ Telecom- Cellular	1.16%
Roads/other infra projects	1.14%
■ Contract Construction-Civil	1.06%
■ Power Distribution	0.70%
Other Industry	22.50%

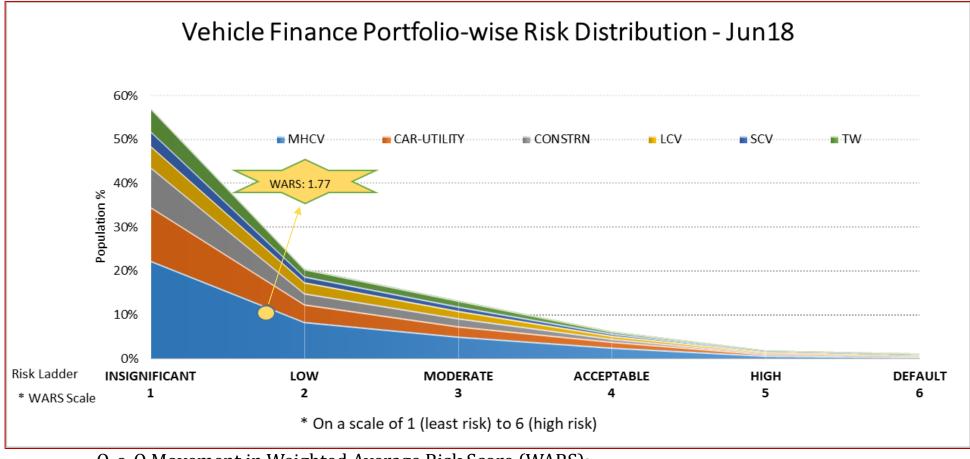


# **Well Rated Corporate Portfolio**



#### Behavioural Scoring affirms quality of Vehicle Financing Portfolio

- Behavioural Score (Bscore) 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
WARS	1.85	1.87	1.82	1.89	1.89	1.84	1.73	1.77



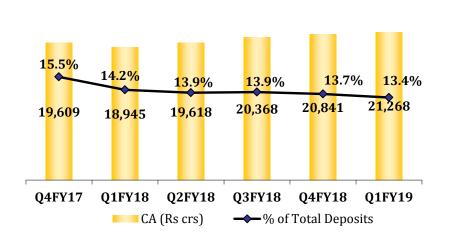


#### **Improving CASA profile**

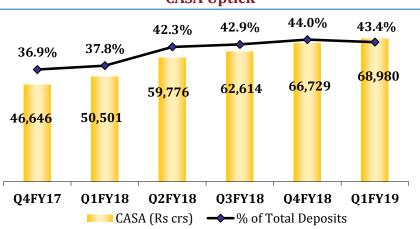
#### **Building CASA traction**

- 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

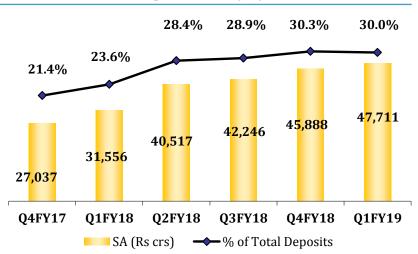
#### **Current Account (CA)**



#### **CASA Uptick**



#### Savings Account (SA)







### **Other Income**

	Q1FY19	Q1FY18	Y-o-Y (%	<b>⁄₀)</b>	Q4FY18	Q-o-Q (%	<b>%)</b>
Core Fee	1,165	974	20%	<b>↑</b>	1,113	5%	<b>↑</b>
Securities/MM/FX Trading/Others	137	193	(29%)	•	95	44%	<b>↑</b>
Total	1,302	1,167	12%	<b>↑</b>	1,208	8%	<b>↑</b>



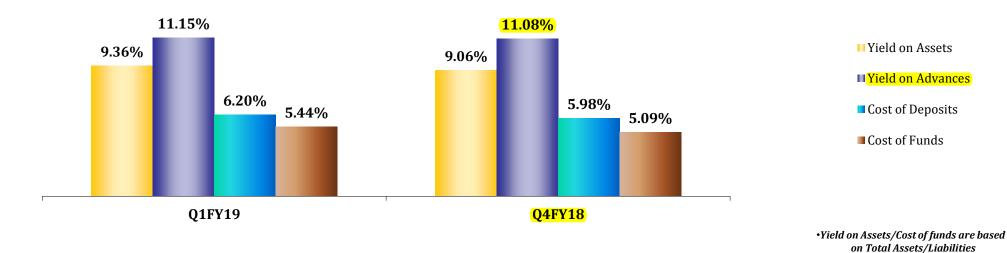
#### **Diverse Revenues from Core Fee Income**

	Q1FY19	Q1FY18	Y-o-Y(%)	Q4FY18	Q-o-Q(%)
Trade and Remittances	141	131	8% 1	153	(8%) •
Foreign Exchange Income	228	198	15% <b>1</b>	197	16%
Distribution Fees (Insurance, MF, Cards)	278	210	32%	273	2% 🛧
General Banking Fees	80	64	25% 1	65	23% 🛧
Loan Processing fees	230	196	17% <b>1</b>	228	1% 🛧
Investment Banking	208	175	19% <b>1</b>	197	6% <b>↑</b>
<b>Total Core Fee Income</b>	1,165	974	20% 1	1,113	5% 🛧
G	rowth momentu	m continues o	n regular fee flo	ws	





### **Yield / Cost Movement**



**Segment-wise Yield** 

	Q1FY	19	Q4FY18			
	Outstanding (Rs crs)	Yield (%)	Outstanding (Rs crs)	Yield (%)		
Corporate Bank	90,411	9.16%	87,715	9.07%		
Consumer Finance	60,264	13.91%	57,239	13.87%		
(Total)	1,50,675	11.15%	1,44,954	11.08%		

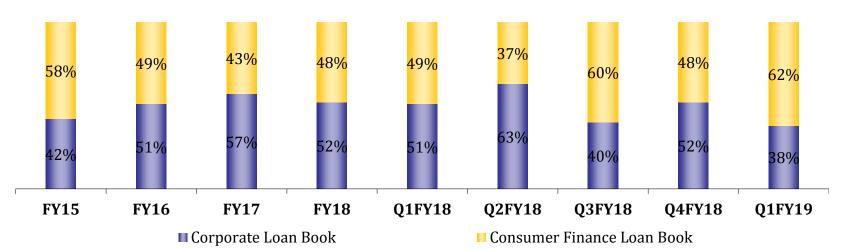




#### **Credit Cost**

(Rs Crs)

	FY15	FY16	FY17	FY18	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Corporate Bank	144	258	401	468	107	140	74	146	80
Consumer Finance	195	244	303	433	103	82	113	136	129
Gross Credit Costs	339	502	704	901	210	222	187	282	209
Gross Credit Costs (Basis Points on Advances)	49	57	62	62	18	18	15	19	14
Net Credit Cost	323	468	672	856	198	214	177	268	205
Net Credit Costs (Basis Points on Advances)	48	53	59	59	17	17	14	19	14
PCR	63%	59%	58%	56%	60%	60%	60%	56%	56%





**IndusInd Bank** 

### **Loan Portfolio - Movement in NPA and Restructured Advances**

		Q1FY19		Q4FY18		
	Corporate	Consumer	Total	Corporate	Consumer	Total
Opening Balance	1,053	652	1,705	914	585	1,499
Additions	209	266	475	539	321	860
Deductions	152	287	439	400	254	654
Gross NPA	1,110	631	1,741*	1,053	652	1,705*
Net NPA			762			746
% of Gross NPA			1.15%			1.17%
% of Net NPA			0.51%			0.51%
Provision Coverage Ratio (PCR)			56%			56%
Restructured Advances			(69)0.05%			(76)0.05%
Restructured + Gross NPA to Advances			1.20%			1.23%





<sup>\*</sup> After sale to ARC Rs. 149 crs (Rs. 182 crs)

# **NPA Composition – Consumer Finance**

Q1-FY19	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/ PL	Tractor	Cards	Total
Gross NPA	189	42	53	30	140	39	50	35	53	631
Gross NPA %	0.91%	1.38%	0.88%	1.09%	3.67%	0.69%	0.39%	1.20%	1.77%	1.04%

Q4-FY18	Com. Vehicle	Utility	Const. Equip.	Small CV	TW	Cars	LAP/HL/ PL	Tractor	Cards	Total
Gross NPA	197	37	59	32	140	36	72	35	44	652
Gross NPA %	0.99%	1.28%	1.07%	1.27%	3.81%	0.67%	0.59%	1.29%	1.61%	1.13%





	30 Jun 18	31 Mar 18
	Basel – III	Basel – III
Credit Risk, CVA and UFCE	1,53,398	1,44,549
Market Risk	9,800	9,767
Operational Risk	18,840	18,840
Total Risk Weighted Assets	1,82,038	1,73,156
Core Equity Tier 1 Capital Funds	24,014	23,243
Additional Tier 1 Capital Funds	2,000	2,000
Tier 2 Capital Funds	739	779
Total Capital Funds	26,753	26,022
CRAR	14.70%	15.03%
CET1	13.19%	13.42%
Tier 1	14.29%	14.58%
Tier 2	0.41%	0.45%





### **Distribution Expansion to Drive Growth**



Note: Numbers given above are total branches in each state

#### **Strengthening Distribution Infrastructure**

Particulars	Sept. 30, 2017	Dec. 31, 2017	Mar. 31, 2018	June 30, 2018
Branch Network	1,250	1,320	1,400	1,410*
ATMs	2,146	2,162	2,203	2,285

<sup>\*</sup>includes 177 specialized branches



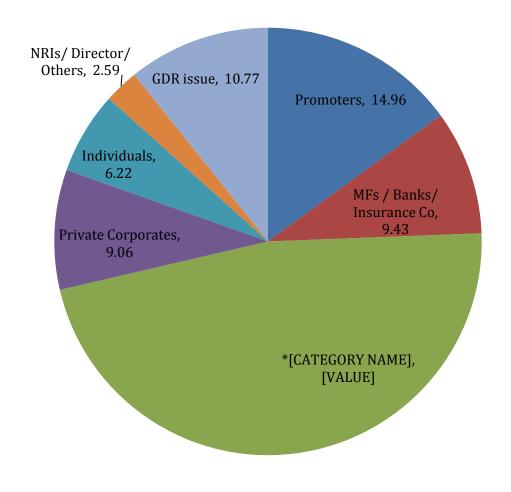
- Branch/Representative Office
- Strategic Alliance





# **Shareholding Pattern**

June 30, 2018





\*includes FPIs



# **Accolades and New Initiatives**



#### **Accolades**



IndusInd Bank has been awarded with the IBA Banking Technology Awards 2018

Winner in the category Medium Banks:

- Best Payment Initiatives
- Best IT Risk and Cyber Security Initiatives





#### **Accolades**





IndusInd Bank has been awarded with the IBA Banking Technology Awards 2018

Runner up in the category Medium Banks:

- Technology Bank of the Year
- Best Financial inclusion Initiatives





#### **Accolades**



IndusInd Bank has been awarded with the Gold Award at the Apex India CSR Excellence Award in CSR Banking category



IndusInd Bank adjudged Winner of National Payments Excellence Awards 2017 in category 'B' Banks for excellent performance in NPS ATM Network



# Thank you



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