

March 30, 2020

**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

Chief Regulatory Officer,
India International Exchange.
1st Floor, Unit No. 101,
The Signature Building No.13B,
Road 1C, Zone 1, GIFT SEZ,
GIFT CITY, Gandhinagar - GJ 382355

Scrip Code: 1100027

Madam / Dear Sir,

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

In compliance with Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we enclose herewith the Investor Presentation pertaining to the “Analyst / Investor Call” scheduled for 6.30 p.m. today, March 30, 2020.

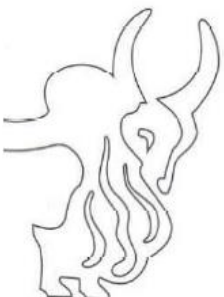
In compliance with the Regulation 46, the information is being hosted on the Bank's website at www.indusind.com.

Kindly take the above information on record and oblige.

Thanking you,

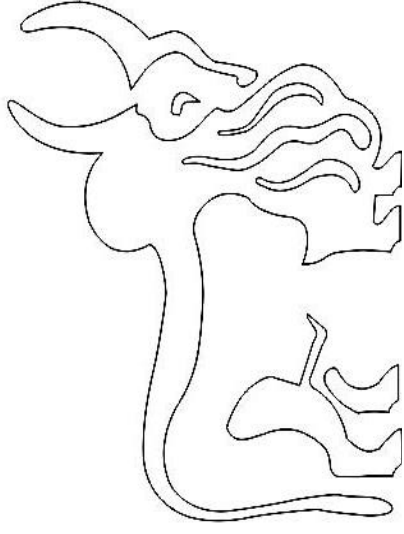
Yours faithfully,
For IndusInd Bank Limited

**Haresh Gajwani
Company Secretary**



IndusInd Bank Limited, Building No. 7, Solitaire Corporate Park, Andheri-Gharkopar Link Road, Chakala, Andheri E, Mumbai - 400 093, India. Tel: (0022) 66412200

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CIN: L65191PN1994PLC076333



IndusInd Bank

Business Update

March 30, 2020

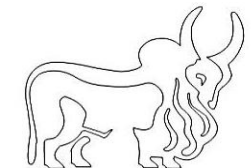
Economic impact of COVID-19 outbreak under different suppression scenarios

The economic impact of the local outbreak of COVID-19 flu, will be dependent upon its impact on demand and supply conditions. While assessing the impact on economic activity a few points need to be considered:

- A pre-emptive national lockdown of 21 days was announced in order to flatten the curve of the spread and total number of positive cases. While the states of Maharashtra and Kerala have been the worst affected, large scale internal migration from states like Delhi and Maharashtra, have increased the risk in densely populated states like UP and Bihar. The scale of the national lockdown is unprecedented and, likely, would be relaxed towards a more targeted local lockdown. The current lockdown has given time to State governments to ramp up healthcare testing facilities, with the help of the Centre and agencies like Railways.
- India's services oriented economic structure would help to ensure that the temporary supply disruption can be normalized faster, than in case of manufacturing sector, which requires resumption of both imports and local supply chain. This will be a critical driver of recovery of activity over the second half of the year. Economic impact will be seen the most during the first quarter of FY21 while Q4FY20 real GDP growth too will be impacted.
- Demand impact will be larger than that on supply, with the drag on private final consumption being the main driver of the slowdown. In such a scenario a well-targeted fiscal and monetary stimulus package will help mitigate the adverse impact of a prolonged outbreak and containment.
- Both monetary and fiscal response will be calibrated to counter the shock. The core objective will be to ensure viable businesses are supported through this period via loans/ loan guarantees, wage subsidies, operational subsidies and if required direct bailouts and to ensure income and employment support to workers. This will help reduce defaults, delinquencies, bankruptcies and help avoid permanent job and capacity losses. A fiscal stimulus of 1-2% of GDP is likely to be provided depending upon the duration of national lockdown and monetary policy rates can be cut further by 40-65 bps over H1, taking total monetary easing to about 115-130 bps.

Considering these factors, we see the following real GDP growth scenarios, based on the duration of lockdown and the persistence of the negative demand and supply shocks:

GDP Growth under different scenarios	Q4FY20	FY20	Q1FY21	Q2FY21	H1FY21	Q3FY21	Q4FY21	H2FY21	FY21	Key Assumptions
Baseline	3.10%	4.65%	2.25%	3.25%	2.75%	4.65%	6.15%	5.40%	4.10%	Partial rollback of national lockdown in Q1 followed with local lockdowns; supply of services is normalized over the 3-4 months; demand recovers over Q1 & Q2
Median	3.10%	4.65%	1.90%	2.70%	2.30%	4.20%	6.00%	5.10%	3.70%	National lockdown is extended by 2 more weeks; supply normalization is extended into Q2 and demand recovery is delayed towards end of Q2.
Worse	3.10%	4.65%	1.00%	2.00%	1.50%	4.20%	5.90%	5.05%	3.25%	National lockdown extended by 3-4 more weeks, supply and demand disruption persists over H1FY21.



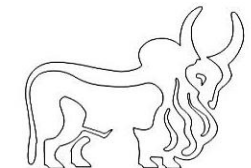
Policy measures and steps to deal with public health emergency and the economic fallout

Public health :

- The initial response was to test people with foreign travel history and treat positive cases while quarantining their direct contacts. With the national lockdown the focus now is on preventing a community spread and flattening the curve while ramping up the healthcare infrastructure to deal with the outbreak in each State
- Ahead of the national lockdown the central Government announced that it will spend Rs. 150 billion on the healthcare infrastructure.
- As we enter stage 3 of the spread with over 1000 positive cases, Ministry of Health and Welfare has widened the testing criteria to include people without travel history too. 5,00,000 test kits have been imported and 1,00,000 are already available and private labs have been roped in for testing. South Korean experience shows that extensive testing of sample population, especially in the age group of 29-40 years, is an effective strategy to contain the spread.
- Central government has also involved Railways, DRDO and Armed forces to help with manufacturing of ventilators, mobile isolation units and hospitals
- Specifically, targeting migrants, government has released Rs. 290 billion from National Disaster Relief Fund to states to help them.

Fiscal Policy:

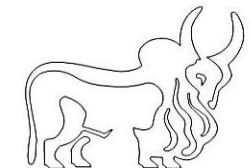
- A welfare package worth 0.8% of GDP to support vulnerable sections of the population involving cash transfers to farmers, increase in daily wage payouts to workers under NREGA, easier loan access to SHGs, and cash payments to women account holders on Jan Dhan accounts, has been announced.
- An economic stimulus is expected to focus on sectors directly affected e.g. Airlines, tourism, SMEs, auto, hospitality among others, through loan/ loan guarantees, wage subsidies and to help counter the drag on consumption spending through income support and employment guarantee schemes and by cutting the GST rates.
- Depending on the severity and the duration of the outbreak, we expect the net fiscal stimulus i.e. increase in fiscal deficit to GDP for FY21 – by 1 to 2%. The fiscal stimulus will have to provide a timely, targeted and temporary cash flow relief to individuals and affected businesses.



Policy measures and steps to deal with public health emergency and the economic fallout

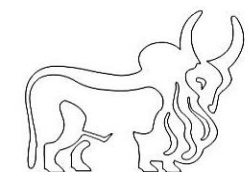
Monetary Policy:

- The RBI has announced a comprehensive package with a 0.75% repo rate cut, durable liquidity infusion of Rs. 3700 billion, through a 1% CRR cut and targeted LTRO to support demand for corporate bonds, along with a temporary debt relief package on both term and working capital loans, from all lending institutions.
- Other anticipated steps– another 40-65 bps cut in the Repo rate, a Repo window for high rated corporate bonds, a refinancing window for banks to on-lend to MFs
- For durable liquidity infusion, especially to counter the FPI debt outflows and to absorb higher borrowing needs of the government considering the need for fiscal stimulus, the RBI can conduct large scale open market purchase of government bonds or directly monetize government debt, similar in size to what was done in FY2018-19 (~Rs. 3 trillion).
- The RBI would look to ensure that a short-term liquidity crisis does not turn into a solvency and a financial crisis. The central bank has over the years developed many tools to deal with large liquidity drains from the system. Addressing dislocation in credit markets will also be crucial.
- Dollar liquidity shortage in the FX market will also be actively addressed through swaps and active intervention in the FX market will be done ensure USD/INR rate remains stable.



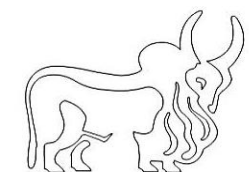
IBL Has Absorbed External Shocks in the Past

Event	GFC			Taper Tantrum		
	Before	During	After	Before	During	After
	Q4FY08	Q2FY09	Q4FY09	Q4FY13	Q2FY14	Q4FY14
NIMs	1.64%	1.84%	2.33%	3.70%	3.65%	3.75%
C/I	68%	65%	52%	47%	47%	45%
PPOP/Assets	0.9%	1.1%	2.3%	3.1%	3.1%	3.4%
Total Provisions / Loans	0.9%	0.5%	2.0%	0.7%	0.7%	0.9%
RoA	0.25%	0.55%	0.75%	1.77%	1.74%	1.91%
RoE	4.3%	8.4%	12.1%	16.7%	16.7%	18.5%
GNPA	3.04%	3.00%	1.61%	1.03%	1.11%	1.12%
NNPA	2.3%	2.2%	1.1%	0.3%	0.2%	0.3%



IBL Has Absorbed External Shocks in the Past

Event	Demonetisation			GST Implementation		
	Before	During	After	Before	During	After
	Q1FY17	Q3FY17	Q1FY18	Q4FY17	Q2FY18	Q4FY18
NIMs	3.97%	4.00%	4.00%	4.00%	4.00%	3.97%
C/I	47%	47%	46%	45%	46%	45%
PPOP/Assets	3.4%	3.4%	3.4%	3.6%	3.5%	3.4%
Total Provisions / Loans	1.0%	0.8%	1.1%	1.5%	1.0%	0.9%
RoA	1.94%	1.88%	1.86%	1.74%	1.90%	1.86%
RoE	15.1%	15.7%	16.2%	15.1%	16.5%	16.6%
GNPA	0.91%	0.94%	1.09%	0.93%	1.08%	1.17%
NNPA	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%



BCP invoked to ensure uninterrupted operations

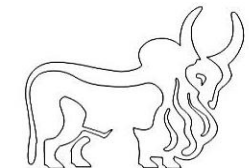
Work stream	Actions Taken	Work stream	Actions Taken
Employees	Split teams in WFH or BCP sites. Health & Safety awareness/measures in place.	Roles and Responsibilities	Allocated to all BCP and Business Unit / Operations Heads for business critical items
Hardware	Staff provided laptops with data card / VPN access to bank systems. Hot desks in place.	Communication	BCP & Quick Response Teams constituted, reporting to Top Management. Key persons addressing various stakeholders.
Customers	No meetings. Connect over phone, SMS, video, contact centre & emails. Customer awareness & digital advocacy.	Security Protocol	Incoming data flow information security protocol i.e. firewall, anti virus, etc. in effect.
Vendors	Provided Laptops or remote working capability with security protocol.	Workload Balancing	Additional space rentals, work load sharing between Mumbai & Chennai hubs.
Branches / ATMs	Skeletal branch staff with reduced timings, some representing clusters. ATM replenishment by vendors.	Asset Quality & Liquidity	Elevated oversight & monitoring at CRO and Head Global Markets



Covid-19 Implications to Select Loan Portfolios

Baseline Assumption

- ❖ 3 months disruption
- ❖ No material community level spread
- ❖ Support by way of Moratorium of 3 months where required
- ❖ FY20-21 GDP Growth ~ 3.5% - 4.1%
- ❖ Slow first half, recovery second half of the year
- ❖ Rs 1.7 tr Welfare package announced, Fiscal Stimulus awaited especially for most impacted areas



Covid-19 Implications to Select Loan Portfolios

Business Segment	Who is our customer?	Why comfortable underwriting this ?	Actions taken to minimise Covid-19 disruption	Asset quality implication
Business Banking (6% of loans)	<ul style="list-style-type: none"> SME/MSME across industries and geographies Thrust area of Government of India being MSME class of borrowers. Negligible capital market exposure 	<ul style="list-style-type: none"> Granular portfolio Dispersed by industry and geography Ticket size ~ 2.5 crores Sole Banking Cash Flow based. Collateralised typically self-occupied marketable assets 	<ul style="list-style-type: none"> Sector based Portfolio / Policy review. Relationship / collection model strengthened to monitor each and every account at ground level. Covid-19 emergency lines to select borrowers & moratorium per RBI 	<ul style="list-style-type: none"> < 8 % portfolio in impacted sectors like Retail, Tour Travel, etc. DSCR with sensitivity analysis so a limited shock is not disruptive. Proven track record during earlier shocks GST, Demonetisation
Loan Against Property (5% of Loans)	<ul style="list-style-type: none"> Small business owners, smaller than Business Banking - less complex and lending itself to program based lending 	<ul style="list-style-type: none"> Program based cash actual flow lending 60-70 lac ticket size Portfolio LTV 50%, mostly self occupied 	<ul style="list-style-type: none"> Advisory for collection resumption in 3 weeks Pipeline loan re-assessment Policy changes on select impacted sectors 	<ul style="list-style-type: none"> < 5% portfolio in impacted sectors like Retail, Tour Travel, Ent. Portfolio is granular, very well secured and distributed.



Covid-19 Implications to Select Loan Portfolios

Business Segment	Who is our customer?	Why comfortable underwriting this ?	Actions taken to minimise Covid-19 disruption	Asset quality implication
Micro-finance (10% of loans)	<ul style="list-style-type: none"> • Women borrowers from low income households • Rural focussed with ticket size ~ 25K • Livestock, grocery / retail & weaving / tailoring account for 60% of loans 	<ul style="list-style-type: none"> • Self employed livelihood loans • Conservative practices • Net producers to economy • Provide essential products to their immediate community 	<ul style="list-style-type: none"> • Virtual Centre Meetings to engage 8 lac customers/day • Village Manager in touch by phone to offer advice on Health & Safety • Advisory for collections retained by Centre/Group leader & that operations recommence in 3 weeks • Contact centre/helpline fully operational 	<ul style="list-style-type: none"> • Negligible COVID in Rural / lower migration. • Government initiatives for rural poor • 3 months moratorium • No Centre Meetings till removal of lockdown. • History has shown strong collections on resumption: 98% for recent Kerala floods and 96% for demonetisation.
Cards & Personal Loans (5% of loans)	<ul style="list-style-type: none"> • Salaried individuals • Internal X-sell clients • Well spread client base • Focus on higher end of income & social pyramid 	<ul style="list-style-type: none"> • Max PL/Card holding of 1 at time of acquisition • Must comply with min internal risk score A • Limits on analysis of disposable income • Regular portfolio churn 	<ul style="list-style-type: none"> • Contact centre fully operational • Online channels in vogue for collections here • Portfolio reviews underway for any sign of stress 	<ul style="list-style-type: none"> • Some elevation in delinquency likely • Moratorium applies • Sense that portfolio resumes normalcy soon after situation stabilises



Covid-19 Implications to Select Loan Portfolios

Business Segment	Who is our customer?	Why comfortable underwriting this ?	Actions taken to minimise Covid-19 disruption	Asset quality implication
Commercial Vehicles (12% of loans)	<ul style="list-style-type: none"> • >90% are Small Road Transport Operators with 3-10 vehicles • Serve every segment of the economy • Ticket size 6L (LCV), 12L (ICV), 30L (MHCV) 	<ul style="list-style-type: none"> • 70% repeat customers • Granular portfolio • Credit Cycle management over 30 years by same team • Dispersed by application and geography 	<ul style="list-style-type: none"> • Regular customer contact on Health & Safety and to enhance client experience • Digital repayment modes enabled obviating field visit • Contact centre/helpline fully operational 	<ul style="list-style-type: none"> • Experienced client set able to withstand upto short term downturn • 3 months moratorium • Tends to bounce back rapidly from disruption as fully linked to economy
Passenger Vehicles & 2 Wheelers (combined 6% of loan book)	<ul style="list-style-type: none"> • Blend of self-employed, farmers and salaried • Semi urban and Rural focussed with ticket size 5L (Cars) and 0.5L (2W) • Large percent of self employed 	<ul style="list-style-type: none"> • Typically livelihood loans • Net producers providing essentials to local communities • Expertise in business owner underwriting • Catering day-to-day essential services 	<ul style="list-style-type: none"> • Teams in contact with their customers • Digital repayment modes enabled for cash paying customers (NACH adoption) • Contact centre / helpline fully operational 	<ul style="list-style-type: none"> • Negligible Covid in Rural & Semi Urban so far • 3 month moratorium

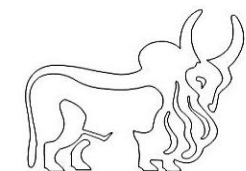


Covid-19 implications to Select Loan Portfolios

Business Segment	Who is our customer?	Why comfortable underwriting this ?	Actions taken to minimise Covid-19 disruption	Asset quality implication
Gems & Jewellery (3% of loans)	<ul style="list-style-type: none"> • Rough Diamond importers, manufacturers and exporters of polished diamonds • Jewelry manufacturer and exporters • Jewelry manufacturers for Domestic market. • Reputed Jewelry Retail chain for B2C 	<ul style="list-style-type: none"> • A sustainable business across many decades in ABN AMRO / IBL with zero or negligible delinquencies • Risk weightage of 73% based on external ratings. • Strong backing by way of second way out like AIG Credit guarantee, mortgage of quality collateral like residential & commercial properties, factory set up and cash collateral to the extents of 54% of portfolio. • Excellent risk reward profile and sustained quality of assets is the key drivers for our underwriting. 	<ul style="list-style-type: none"> • Continuous monitoring of loans and active discussion with customers for business impact • Re-assessing working capital requirements of individual customers on case to case basis • Sound tracking of situation basis insights from our global connects with miners, key industry players and financial institutions located across the globe. • With reduced business levels, we are reducing operating lines on our portfolio which is uncommitted and repayable on demand. 	<ul style="list-style-type: none"> • Negligible impact as on date on portfolio with no SMA. • Sound realization of export bills is continuing till date • Currently envisaged 3 months lockdown of major markets is expected to delay the shipments and realization of already exported goods for payments. • RBI 3 months moratorium to help adjust supply lines • We expect markets in many parts of the world to open up post May 2020.

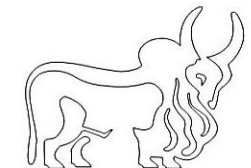
Covid-19 implications to Select Loan Portfolios

Business Segment	Who is our customer?	Why comfortable underwriting this ?	Actions taken to minimise Covid-19 disruption	Asset quality implication
Real Estate Developer (4% of loans)	<ul style="list-style-type: none"> RE: Developer Loans for under construction properties Commercial and Residential Ticket size 100-125 Cr 	<ul style="list-style-type: none"> Sector focused specialized and experienced team Strong monitoring process 	<ul style="list-style-type: none"> Team working from home without any business impact 	<ul style="list-style-type: none"> Likely delay in some projects due to lockdown / labour migration Continuous regulatory interventions to help the sector.
NBFCs (3% of loans)	<ul style="list-style-type: none"> Large NBFCs 	<ul style="list-style-type: none"> Good sponsors Several niche retail financiers e.g. Gold, Vehicle Well capitalised entities 	<ul style="list-style-type: none"> Team working from home without any business impact Portfolio reviews underway for any sign of stress 	<ul style="list-style-type: none"> Clients largely in secured lending space 3 months moratorium to help them tide over Some elevation in delinquencies likely if disruption > 3m



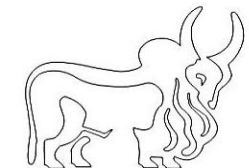
Liquidity Context: Short Term Toggle Between Deposits & Borrowings

- ❖ **Total Deposits lower by approx. 10-11%**
 - ❑ Almost 2/3rd of reduction is on account of Government related accounts – this is largely related to general private sector bank stance. This will also result in lower CASA ratio, but reduce our dependency on this category for deposits in future.
 - ❑ Some reduction in wholesale, possibly attributable to stock price fall
 - ❑ Retail reduction is least of above categories
- ❖ **Currently deposits more stable and flows recommenced. NIMs expected to remain stable.**
- ❖ **Replaced deposit outflows by the following, in order of size of inflow:**
 - ❑ Longer duration Refinance / FX borrowings swapped to INR
 - ❑ Bank CD and Term money borrowings
 - ❑ Repo of excess SLR/ Non SLR securities
 - ❑ Call money (both interbank borrower and lender as a balancing figure)
- ❖ **The Bank did not dip into other lines of credit like the Marginal Standing Facility (MSF)**
- ❖ **Liquidity Cover Ratio (LCR) maintained at a daily average of 112% in March in line with our historical range**

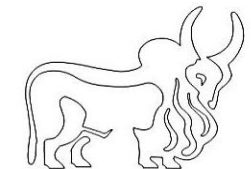
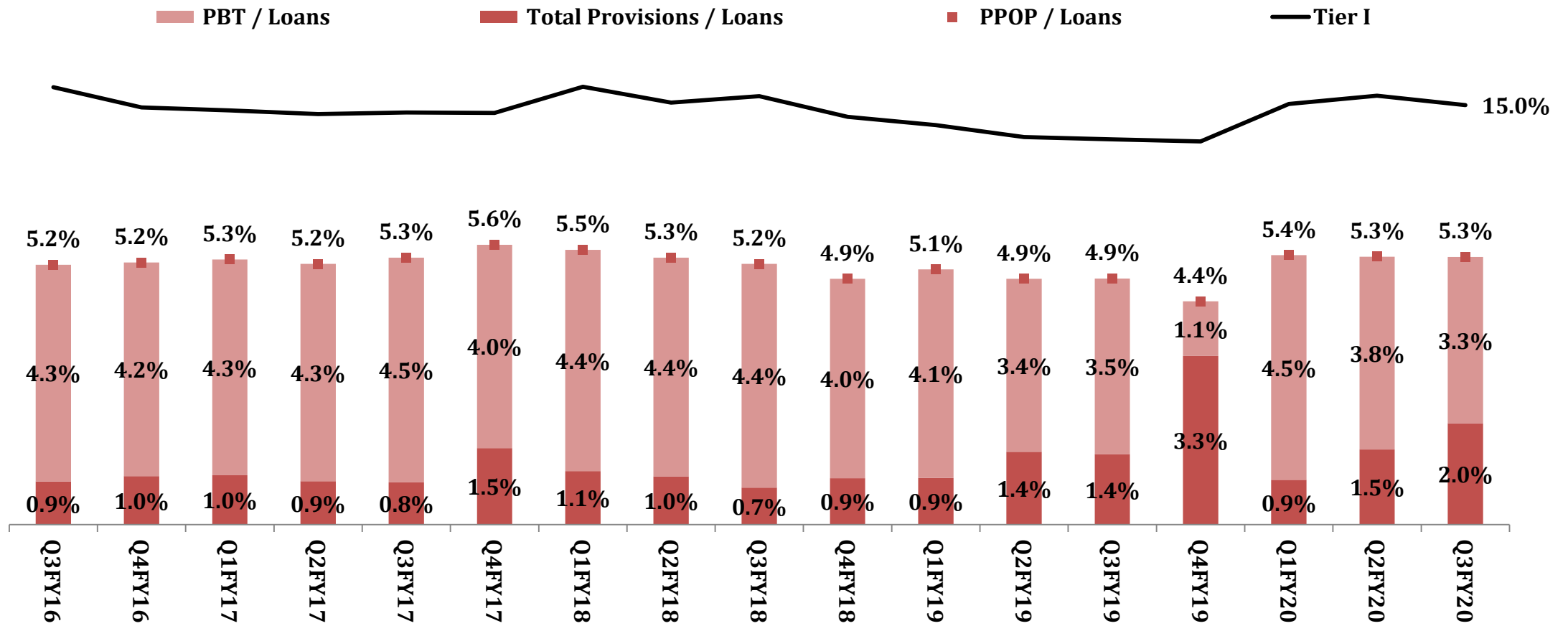


Liquidity Strategy: Ample Contingency Buffers, Deposits to re-grow

- ❖ **We expect market liquidity to normalise during April as RBI on March 28th has:**
 - ❑ Cut CRR cut by 1%
 - ❑ Increased MSF cut by 1% to total of 3% (unutilised by us)
 - ❑ Announced 1 trillion LTRO which will assist the Bond/CD/CP market
- ❖ **Deposit traction will rebuild in April. Furthermore, CRISIL has reaffirmed ratings on all our short and long term deposit programmes and debt securities on March 27th.**
- ❖ **The bank has an aggressive deposit retailization strategy in place. LCR based retail deposit base growing >40%, significantly ahead of peers. We have enhanced a deposit category by 25 bps to accelerate this.**
- ❖ **The bank has access to BRDS, IBPC, Direct Assignment to manage select asset sell down as is our customary practice in most quarters.**
- ❖ **Near term preference of balance sheet alignment over growth.**

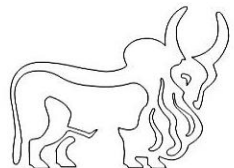


IBL has strong profitability to absorb Covid-19 impact



Business Build-Out Philosophy

- ❖ Sustainability to underscore our 4D strategy !
- ❖ Management team largely intact, but some tweaks on structure and accountability.
- ❖ Employees to be incentivised appropriately but with mix of fixed/variable and malus/clawback provisions where applicable
- ❖ Deposit Retailization: Reduced Reliance on Bulk & Government deposits moving forward
- ❖ Sharper focus on Wholesale RORWA : Strengthening Risk Management, Disciplined Underwriting & Portfolio Management, Reduced Concentrations
- ❖ Strengthening the balance sheet by continuously raising PCR & maintaining a high threshold for CET1 capital.
- ❖ Moderated balance sheet during the COVID-19 period, and thereafter growth aligned with deposit and asset quality granularization
- ❖ Immediate priority to consolidate / build resilience



Thank You