

**Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of IndusInd Bank Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

**To the Board of Directors**

**IndusInd Bank Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of IndusInd Bank Limited ("the Bank") for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) as applicable from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Bank personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed



the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.

5. We draw attention to Note 6 to the Statement with regard to merger of Bharat Financial Inclusion Limited with the Bank. We did not review the financial results of Bharat Financial Inclusion Limited included in the Statement, whose financial results reflect total income of Rs. 66723.22 lacs and total profit after tax of Rs. 21302.30 lacs for the quarter ended June 30, 2019, as considered in the Statement. These financial results have been reviewed by the other auditor whose report has been furnished to us by the Bank's Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of Bharat Financial Inclusion Limited, is based solely on the report of the other auditor.

Our report on the Statement is not modified in respect of the above matter.

6. The comparative financial information of the Bank for periods upto year ended March 31, 2019 included in the Statement have been reviewed/audited by the predecessor auditors. The report of the predecessor auditors on comparative financial information for the quarter ended June 30, 2018 dated July 10, 2018 and for the quarter and year ended March 31, 2019 dated May 22, 2019 expressed an unmodified opinion.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Purushottam Nyati

Membership No.: 118970

UDIN: 19118970AAAACG4075

Place: Mumbai

Date: July 12, 2019



Regd. Office : 2401, Gen. Thimmayya Road, Cantonment, Pune 411 001  
CIN : L65191PN1994PLC076333

Unaudited Standalone Financial Results for the quarter ended June 30, 2019

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended 30.06.2019 (unaudited)	Quarter ended 31.03.2019 (audited) Refer Note 10	Quarter ended 30.06.2018 (unaudited)	Year ended 31.03.2019 (audited)
1.	<b>Interest Earned (a)+(b)+(c)+(d)</b>	696137	599144	506815	2226115
(a)	Interest / Discount on Advances / Bills	575384	489474	414662	1825668
(b)	Income on Investments	106994	97945	86103	367734
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	4878	2798	1868	10203
(d)	Others	8881	8927	4182	22510
2.	Other Income	166325	155899	130160	564672
3.	<b>Total Income (1+2)</b>	<b>862462</b>	<b>755043</b>	<b>636975</b>	<b>2790787</b>
4.	Interest Expended	411738	375906	294572	1341497
5.	Operating Expenses (i)+(ii)	191628	172368	151290	640468
(i)	Employees Cost	64722	48124	46204	185351
(ii)	Other Operating Expenses	126906	124244	105086	455117
6.	<b>Total Expenditure (4+5) Excluding Provisions and Contingencies</b>	<b>603366</b>	<b>548274</b>	<b>445862</b>	<b>1981965</b>
7.	<b>Operating Profit before Provisions and Contingencies (3-6)</b>	<b>259096</b>	<b>206769</b>	<b>191113</b>	<b>808822</b>
8.	Provisions (other than tax) and Contingencies	43062	156069	35001	310765
9.	Exceptional items	-	-	-	-
10.	<b>Profit (+) / Loss (-) from Ordinary Activities before Tax (7-8-9)</b>	<b>216034</b>	<b>50700</b>	<b>156112</b>	<b>498057</b>
11.	Tax Expense	72784	14690	52540	167947
12.	<b>Net Profit (+) / Loss (-) from Ordinary Activities after Tax (10-11)</b>	<b>143250</b>	<b>36010</b>	<b>103572</b>	<b>330110</b>
13.	Extraordinary items (net of tax expense)	-	-	-	-
14.	<b>Net Profit for the period (12-13)</b>	<b>143250</b>	<b>36010</b>	<b>103572</b>	<b>330110</b>
15.	Paid up Equity Share Capital (Face Value: Rs.10/- each) (Refer Note 7)	60314	60269	60044	60269
16.	Reserves excluding revaluation reserves				<b>2575773</b>
17.	<b>Analytical Ratios</b>				
(i)	Percentage of shares held by Government of India	0.00	0.00	0.00	0.00
(ii)	Capital Adequacy Ratio (%) - Basel III	14.90	14.16	14.70	14.16
(iii)	<b>Earnings per share - (Basic and Diluted) (Rs.)</b>				
(a)	Basic EPS before Extraordinary items (not annualized)	20.68	5.98	17.25	54.90
	Diluted EPS before Extraordinary items (not annualized)	20.58	5.94	17.08	54.46
(b)	Basic EPS after Extraordinary items (not annualized)	20.68	5.98	17.25	54.90
	Diluted EPS after Extraordinary items (not annualized)	20.58	5.94	17.08	54.46
(iv)	<b>NPA Ratios</b>				
(a)	Gross NPA	419966	394741	174062	394741
	Net NPA	238051	224828	76235	224828
(b)	Gross NPA (%)	2.15	2.10	1.15	2.10
	Net NPA (%)	1.23	1.21	0.51	1.21
(v)	Return on Assets (%) (annualized)	2.05	0.56	1.91	1.39



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**Notes:**

- 1 There has been no material change in the accounting policies adopted during the quarter ended June 30, 2019 as compared to those followed for the year ended March 31, 2019.
- 2 The working results for the quarter ended June 30, 2019 have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposure, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.
- 3 The above financial results for the quarter ended June 30, 2019 were subjected to a Limited Review by the Statutory Auditors of the Bank. An unqualified / unmodified report has been issued by them thereon. These financial results were reviewed by the Audit Committee and subsequently have been taken on record and approved by the Board of Directors at its meeting held on July 12, 2019.
- 4 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, as amended, on Basel III Capital Regulations contain guidelines on certain Pillar 3 and leverage ratio disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link:  
<http://www.indusind.com/content/home/important-links/regulatory-disclosures-section.html>  
These disclosures have not been subjected to Limited Review.
- 5 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 6 On October 14, 2017, the Board of Directors of the Bank and Bharat Financial Inclusion Limited (BFIL), at their respective meetings, approved a Composite Scheme of Arrangement (Scheme). The Scheme contemplates the merger of BFIL with the Bank, a preferential allotment of 1,57,70,985 Share Warrants at a price of Rs. 1,709 per warrant to the Promoters, issue of 57,50,000 Employee Stock Options and a simultaneous transfer of the Business Correspondent Undertaking (BC Undertaking) contained in BFIL to a wholly owned subsidiary of the Bank. For the purposes of the Scheme, IndusInd Financial Inclusion Limited (IFIL), a wholly owned subsidiary of the Bank, was incorporated on August 8, 2018 after obtaining requisite RBI approval.  
Pursuant to receipt of all necessary approvals, the National Company Law Tribunal Mumbai sanctioned the Scheme on June 10, 2019 with the Appointed Date set at January 1, 2018. The Scheme became effective on July 4, 2019 and accounting effects for the Scheme in so far as it relates to merger of BFIL with the Bank have been given in the financial statements for the period ended June 30, 2019 under Accounting Standard 14 – Accounting for Amalgamation, and hence the financial results for the period ended June 30, 2019 are not comparable with the previous periods. Consequently Net Profit for the period of the Bank is higher by Rs. 213.02 crores.
- 7 Pursuant to the Composite Scheme of Arrangement as stated in para 6 above, on July 6, 2019 the Bank allotted 8,96,17,781 equity shares of Rs. 10 each fully paid-up, to the eligible equity shareholders of erstwhile Bharat Financial Inclusion Limited in the ratio of 639 shares of the Bank for every 1000 shares of Bharat Financial Inclusion Limited. For quarter ended June 30, 2019 the same is shown under Share Suspense and does not form part of Paid up Equity Share Capital Sr. No. 15 above.  
Further on the same date, 1,57,70,985 Share Warrants were allotted to the promoters of the Bank, in accordance with the Scheme at Rs.1,709 per warrant, convertible into 1 (one) equity share each, which price has been determined in accordance with the applicable SEBI regulations. In accordance with the Scheme, the promoters have paid an amount equivalent to 25% of the aggregate warrant consideration for subscription to the share warrants.
- 8 In accordance with a clarification issued by RBI on May 8, 2019 regarding Debt Asset Swap Transactions, a provision of Rs.54.30 crores was made during the quarter ended March 31, 2019, by debiting Reserves and Surplus - Balance in Profit and Loss Account which was to be reversed by debiting Profit and Loss Account over the next three quarters. Accordingly Rs.18.10 crores has been debited during the quarter ended June 30, 2019.
- 9 During the quarter ended June 30, 2019, the Bank allotted 4,52,074 shares pursuant to the exercise of stock options by certain employees.
10. The figures of last quarter for the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the previous year.

11. Previous period / year figures have been regrouped / reclassified, where necessary to conform to current period / year classification.



**Romesh Sobti**  
Managing Director





Regd. Office : 2401, Gen. Thimmayya Road, Cantonment, Pune 411 001  
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## Segment Reporting for the quarter ended June 30, 2019

### Business Segments:

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended 30.06.2019 (unaudited)	Quarter ended 31.03.2019 (audited)	Quarter ended 30.06.2018 (unaudited)	Year ended 31.03.2019 (audited)
<b>(a)</b>	<b>Segment Revenue :</b>				
(i)	Treasury Operations	140661	119999	100029	441755
(ii)	Corporate / Wholesale Banking	252122	239904	207150	904490
(iii)	Retail Banking	475662	415550	346480	1505234
(iv)	Other Banking Business	1295	2006	1791	6969
	<b>Total [ Items (i) to (iv) ]</b>	<b>869740</b>	<b>777459</b>	<b>655450</b>	<b>2858448</b>
	Less : Inter-segment Revenue	7278	22416	18475	67661
	<b>Total Income</b>	<b>862462</b>	<b>755043</b>	<b>636975</b>	<b>2790787</b>
<b>(b)</b>	<b>Segment Results :</b>				
(i)	Treasury Operations	23515	13148	11397	48358
(ii)	Corporate / Wholesale Banking	82163	68234	64996	279064
(iii)	Retail Banking	159619	131021	119358	501961
(iv)	Other Banking Business	435	635	617	2324
	<b>Total [ Items (i) to (iv) ]</b>	<b>265732</b>	<b>213038</b>	<b>196368</b>	<b>831707</b>
	Add: Unallocated Revenue	-	-	-	-
	Less: Unallocated Expenses	6636	6269	5255	22885
	<b>Operating Profit</b>	<b>259096</b>	<b>206769</b>	<b>191113</b>	<b>808822</b>
	Less: Provisions & Contingencies	43062	156069	35001	310765
	<b>Net Profit before tax</b>	<b>216034</b>	<b>50700</b>	<b>156112</b>	<b>498057</b>
	Less: Taxes including Deferred Taxes	72784	14690	52540	167947
	Extraordinary Profit / Loss	-	-	-	-
	<b>Net Profit</b>	<b>143250</b>	<b>36010</b>	<b>103572</b>	<b>330110</b>
<b>(c)</b>	<b>Other Information :</b>				
	<b>Segment Assets</b>				
(i)	Treasury Operations	7339179	6988449	6039447	6988449
(ii)	Corporate / Wholesale Banking	8757247	8300771	7069379	8300771
(iii)	Retail Banking	12148686	11413074	8870993	11413074
(iv)	Other Banking Business	-	-	-	-
	Unallocated Assets	1059464	1079648	908096	1079648
	<b>Total Assets</b>	<b>29304576</b>	<b>27781942</b>	<b>22887915</b>	<b>27781942</b>
	<b>Segment Liabilities</b>				
(i)	Treasury Operations	5053380	4795599	3767156	4795599
(ii)	Corporate / Wholesale Banking	8238423	8797608	7144058	8797608
(iii)	Retail Banking	11988974	10828981	8909370	10828981
(iv)	Other Banking Business	-	-	-	-
	Unallocated Liabilities	818023	691157	575205	691157
	<b>Capital &amp; Other Reserves</b>	<b>3205776</b>	<b>2668597</b>	<b>2492126</b>	<b>2668597</b>
	<b>Total Liabilities</b>	<b>29304576</b>	<b>27781942</b>	<b>22887915</b>	<b>27781942</b>



*[Signature]*

**Romesh Sobti**  
Managing Director

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**Unaudited Standalone Financial Results for the quarter ended June 30, 2019**

Particulars	(Rs. in lakhs)		
	Quarter ended 30.06.2019 (unaudited)	Year ended 31.03.2019 (audited)	Quarter ended 30.06.2018 (unaudited)
Total income from operations	862462	2790787	636975
Net Profit / (Loss) for the period (before tax, exceptional and /or extraordinary items)	216034	498057	156112
Net Profit / (Loss) for the period before tax (after exceptional and /or extraordinary items)	216034	498057	156112
Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary items)	143250	330110	103572
Equity Share Capital	60314	60269	60044
Reserves (excluding Revaluation Reserve as shown in the Audited Balance Sheet of the previous year)	2575773 (As at 31.03.2019)	2575773 (As at 31.03.2019)	2287922 (As at 31.03.2018)
Earnings Per Share (of Rs.10 each) (for continuing and discontinued operations) (not annualised)			
Basic	20.68	54.90	17.25
Diluted	20.58	54.46	17.08

**Note:**

- 1.The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Stock Exchange websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and Bank website [www.indusind.com](http://www.indusind.com).
- 2.Information relating to Total Comprehensive Income and Other Comprehensive Income are not furnished as Ind AS is not yet made applicable to banks.

Mumbai  
July 12, 2019

**Romesh Sobti**  
Managing Director

