

**IndusInd
Bank**



THREE DECADES OF
**TRUST, TECHNOLOGY &
TRANSFORMATION**



Integrated Annual Report
2023-24





THREE DECADES OF **TRUST, TECHNOLOGY & TRANSFORMATION**

For three transformative decades, IndusInd Bank has been at the forefront of technological advancements and digital innovations, shaping the future of banking in India. As the Bank celebrates its 30th anniversary, it honors its achievements and resolute commitment to you—its *valued stakeholders* — the customers, partners, investors, employees, and communities.

Since its inception, the Bank has envisioned to redefine banking, making it more intuitive, inclusive, and innovative. This vision is brought to life through pioneering digital solutions like Indus PayWear, India's first contactless wearable for credit and debit cards, digital self-onboarding, and revolutionary platforms like the INDIE app. *These innovations symbolize the Bank's growth journey, where every step forward is made with you, for you.*

The Bank's commitment to leveraging cutting-edge technology, including artificial intelligence and data analytics, has enhanced security, efficiency, and the overall customer experience. This dedication ensures that ***the Bank grows with you as you grow, creating a seamless and empowering banking experience.***

As the Bank steps into the future, it remains steadfast in its commitment to being your reliable partner. With a vision set on continuous evolution, the Bank aims to meet your aspirations and exceed your expectations.

Join the IndusInd Bank family in celebrating **30 years of shared success.**

Together, we look forward to the next 30 years of possibilities powered by technology and driven by you.

Here's to **growing together**, innovating together, and achieving greatness together.



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ABOUT THE REPORT

Approach to Reporting

IndusInd Bank is an Indian banking leader that has integrated Environmental, Social, and Governance (ESG) principles into its business operations, risk underwriting, and reporting practices. The Bank is committed to creating long-term value for its stakeholders and has reported its sustainability efforts proactively since 2011. In 2017, the Bank published its first Integrated Report, a significant milestone that set the tone for the coming years. Since then, the Bank's Integrated Reports have provided a comprehensive overview of its strategy, achievements, relationships, value-creation initiatives, and overall approach to ESG considerations.

Reporting Frameworks

This report has been created following the <IR> framework prescribed by the International Integrated Reporting Council (IIRC), which has now been merged into the IFRS Foundation. The report also includes disclosures according to the Global Reporting Initiative (GRI) Standards: Core Option, Task Force on Climate-related Financial Disclosures (TCFD), and United Nations Sustainable Development Goals (UN SDGs).

Reporting Scope and Boundary

This report provides a comprehensive overview of the Bank's financial and non-financial performance across various business verticals from April 1, 2023 to March 31, 2024.

Board of Director's Assurance

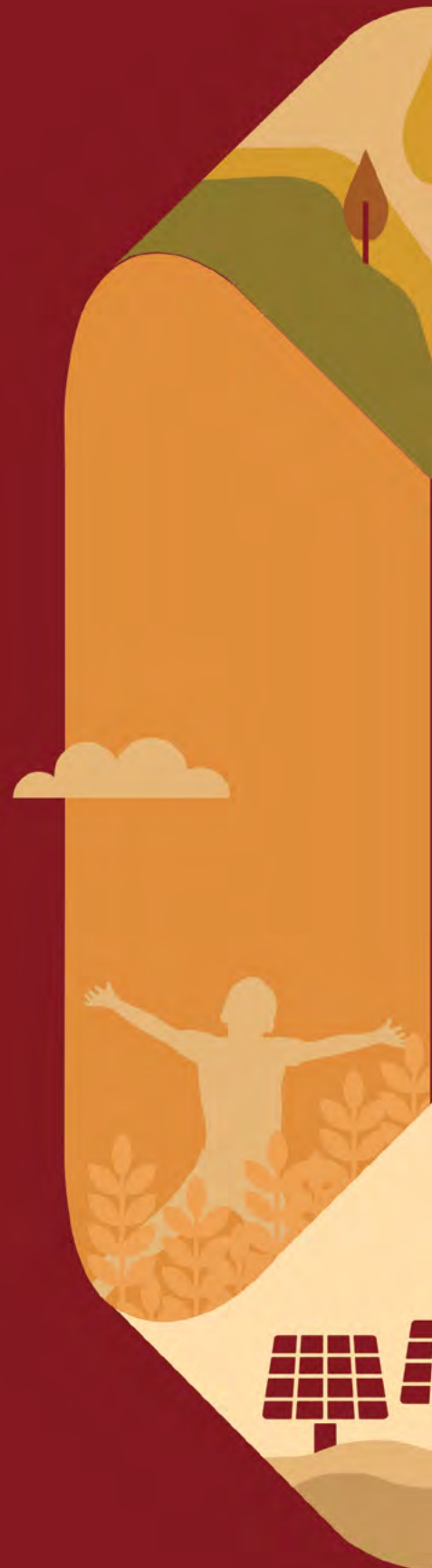
The Bank's Board of Directors and Senior Management have carefully reviewed this report to ensure its accuracy, completeness, and relevance in accordance with the requirements of the <IR> Framework.

External Assurance

This report has been externally assured by Ernst & Young Associates LLP. Please refer to page 393 of the report for the assurance statement.

Precautionary Principle

As a financial establishment, the Bank's ecological influence primarily arises from its operations and loan portfolio. The Bank actively manages and mitigates its inherent carbon footprint while fostering collaborations with clients and suppliers to address their ecological and societal impacts. Additionally, the Bank is dedicated to educating its employees about the significance and implications of ESG factors, further solidifying its commitment to sustainable practices.



CAPITALS



Financial



Manufactured



Natural



Intellectual



Human



Social & Relationship

STAKEHOLDERS



Investors



Customers



Employees



Suppliers



Regulators & Policymakers



Society & Communities



MESSAGE FROM THE **CHAIRMAN**

Dear Shareholders,

In a year marked by significant global and domestic economic shifts, IndusInd Bank has demonstrated steady performance and strategic growth, highlighted in the Integrated Annual Report for FY2023-24.



The Bank has embraced digital transformation and leveraged emerging technologies such as AI and machine learning to enhance operational efficiency, improve customer experiences, and ensure robust regulatory compliance.

GLOBAL ECONOMIC HORIZON

The global economic and financial outlook showed significant improvement over the second half of the year. Despite higher central bank rates, economic activity remained resilient, supported by steady growth in employment and incomes. The US and several large emerging markets outperformed initial estimates made at the start of the year. In many economies, stronger-than-expected private consumption and larger-than-expected government spending propelled growth.

The global economy confronts multiple challenges in 2024. Steep inflation levels, tight monetary conditions, escalating geopolitical tensions, rising geo-economic fragmentation, disruption in key shipping routes, high public debt burdens and financial stability risks stand out amongst them. The year 2024 is also shaping up to be the biggest-ever election year, with a record number of countries who've held and will be holding elections, including pivotal elections in the US, France, EU, UK and of course India. The outcomes of these elections could significantly impact global flow of capital and goods with potential growing protectionism and inward-looking political mandates in some economies.

HARNESSING EMERGING TECHNOLOGIES FOR SUSTAINABLE BANKING

The banking industry is undergoing a remarkable transformation, driven by rapid technological advancements and evolving consumer expectations. The future of banking lies in seamlessly embedding financial services into everyday life, adapting swiftly to the fast-changing behaviors of customers.

Artificial Intelligence (AI) and Machine Learning (ML) are revolutionizing banking operations by enabling robotic process automation, fraud prevention, predictive analytics and regulatory compliance.

Hyper-personalization has become essential, driving the demand for data-backed financial services and product recommendations. On these lines, I'm proud to say that IndusInd Bank's revolutionary hyper-personalized financial super-app, 'INDIE' has completed one year since its launch and has been witnessing encouraging response from the customers. Banks are further leveraging Big Data to develop robust analytics, identify patterns and create predictive models.

The importance of cybersecurity and data protection has never been greater. Banks are investing heavily in cybersecurity to safeguard customer data and maintain trust, ensuring their systems are resilient against evolving threats.

Scalability and cloud infrastructure are pivotal for future-proofing banking operations. By building scalable cloud solutions, banks can enhance economic efficiency and resilience.

The shift towards an all-digital, mobile, and cashless ecosystem is undeniable. Mobile banking usage has surged and this trend is driving continuous innovation in banking, meeting the growing demand for convenience and accessibility both in rural and urban markets.

AI's role in banking is transformative but must be adopted responsibly. The finance sector stands to gain significantly from AI, but transparency, fairness, and ethical considerations are absolutely crucial.

All-in-all, the banking industry is at the cusp of a technological revolution. Embracing AI, hyper-personalization, Big Data and cybersecurity is essential to thrive in this new era. The shift to a digital, mobile and cashless ecosystem signals a new world order in banking, where innovation, adaptability and their ethical applications are key to success.

India and the New Global Order

Multiple disruptive technological and climate change trends threaten to upend the world. Forces such as generative AI, decentralized finance, climate change and its consequent implications – including centering sustainable finance and gene editing and other changes in biotech are causing transformative change at blinding speed. They defy sovereign boundaries and sectoral silos. Each of these defy current regulatory paradigms and require imaginative regulatory frameworks – that balance facilitation and regulation. There is an urgent need for a regulatory system that evolves with the global economy to support sustainable and balanced growth. Regulators need to be ahead of the curve to deal with leapfrogging technologies. Regulators are rapidly moving to green finance, responsible investing and adopting ESG, requiring new international regulatory paradigms.

₹ 8,977 cr

Net Profit 21% y-o-y growth

Total Income

₹ 55,144 cr



Looking ahead, the outlook for growth remains promising. Domestic conditions are pointing to an upward trend in real GDP growth from an average of 6% over the previous decade.

India's increasing global stature, economic gravitas and technological heft makes it a natural leader in pursuing an international alliance for building a new global regulatory development institution. The New Global Order requires a more contemporary global regulatory architecture and framework that takes economic interests of a wider spectrum of nations including Global South. Building consensus in a world marked by polarized divisions will not be easy. However, India has always shown the grit and determination to accomplish most difficult tasks with ingenuity and integrity of purpose. As India moves towards its rightful position to the third largest economic power in the world, this leadership role on regulatory architecture will propel the momentum towards this goal.

DOMESTIC ECONOMIC DEVELOPMENTS

Amidst the shifting global economic terrain, the Indian economy grew at a robust pace in 2023-24, achieving an impressive annual average growth of 8.3% over the past three years. India continues to hold its position as the fastest-growing major economy in the world, reflecting in the rapid post-pandemic recovery. An upturn in the investment cycle has bolstered this phase of growth, underpinned by persistent and robust public sector capital expenditure, households' real estate investments and the gradual resurgence of private corporate sector capacity. Exports of goods and services grew, thanks to the resilient global growth and a turnaround in global trade, reducing the external sector drag.

Bank credit growth remained strong, reflecting the improving economic activity. Growth in non-food bank credit increased to 16.3% year-on-year as of March 2024, up from 15.4% as of March 2023, driven by the services and retail sectors.

Alongside robust growth, macro-economic stability parameters improved significantly. Headline CPI inflation eased despite multiple food price shocks. Current account deficit narrowed, fiscal consolidation pace accelerated, and foreign exchange reserves touched a record high. The Rupee exchange rate also remained largely stable.

India's Growth Outlook for the Near Future

Looking ahead, the outlook for growth remains promising. Domestic conditions are pointing to an upward trend in real GDP growth from an average of 6% over the previous decade. The recently presented Union Budget for 2024-25 has also laid out a comprehensive roadmap to attain and sustain faster, inclusive and greener growth. The budget puts thrust on capex and fiscal consolidation combined with supporting ongoing recovery in rural demand. The initiatives, along with overall macroeconomic and price stability, are aimed at crowding in private capex, which in turn will help improve medium-term growth prospects and foster job creation in the economy. A push for next generation

of reforms and a comprehensive review of tax policy would set the stage for achieving higher levels of growth on a sustainable basis, in an increasingly challenging global economic environment.

We must, however, remain cognizant of the potential risks to growth. Foremost among them are prolonged geopolitical tensions, extreme weather conditions, and heightened financial market volatility as systemically important global central banks carefully navigate the final stages of disinflation. Additionally, geo-economic fragmentation and rising trade tensions, particularly concerning China's manufacturing exports, pose significant challenges. Despite these potential headwinds, India's strong external buffers, flexible exchange rate and overall macro-economic stability are well-positioned to counteract any adverse global developments and help sustain our growth trajectory.

INDUSIND BANK: POSITIONED TO CAPITALIZE ON INDIA'S GROWTH

Your Bank is well poised to contribute to India's economic growth with its well-defined strategy and focused execution. The 3-year planning cycle strategies serve as a comprehensive roadmap for the Bank's sustainable growth. During the year, the Bank embarked on the Planning Cycle 6 (PC-6) strategy for the FY24 to FY26 period. The PC-6 strategy remains pivoted on and strongly committed to Growth, Granularity & Governance (i.e. 3G) focusing on key themes driving PC-6 strategy:

- Continuing the Retailization Journey
- Diversifying Domains
- Scaling Sub-Scale Businesses
- Accelerating Digital 2.0 and
- Imbibing ESG into all our Businesses

In the retailization journey, the Bank is focused on growing granular businesses in loans as well as deposits and reducing concentrations from large customers. The Bank is also working on diversification in areas of domain leadership such as vehicle finance, microfinance and gems & jewelry wherein new growth boosters are built in to complement existing strengths of the businesses. The Bank is investing in scaling some of the sub-scale businesses with initiatives like enhancing MSME penetration, scaling home loans, empowering merchants and strengthening affluent & non-resident Indian segments. Our dedicated digital business unit, with its Digital 2.0 strategy, innovates relentlessly to delivering innovative customer centric solutions and creating a profitable digital bank. Sustainability, guided by ESG principles, defines our ethos. Responsible lending, financial literacy and environmental consciousness are integral to your Bank's philosophy of building highest ethical standards.



Your Bank continues to advance its Environmental, Social, and Governance (ESG) impact across its business and operations.

Overall, the PC-6 strategy is aligned towards the Bank's long term goal of delivering 'High Quality Sustainable Growth'.

SHOWCASING THE BANK'S ROBUST PERFORMANCE

In FY24, your Bank exhibited robust traction across key business metrics, successfully executing its planning cycle-6 (PC-6) first year strategic objectives.

Financially, the Bank's balance sheet crossed the ₹5 lakh crore mark, supported by deposits of ₹3,84,586 crores (a 14% y-o-y increase) and loans of ₹3,43,298 crores (an 18% y-o-y increase) as of March 2024. Consequently, the Bank's total income (net of interest expense) stood at ₹30,012 crores, compared to ₹25,765 crores in the previous year. Operating expenses were ₹14,148 crores, and pre-provision operating profit rose to ₹15,864 crores. Net profit grew to ₹8,977 crores, marking a 21% y-o-y increase. The return ratios remained healthy and consistent throughout the year, with Return on Assets (RoA) and Return on Equity (RoE) close to 1.9% and 15%, respectively.

Over the last few years, your Bank has emerged as a stronger and more focused institution, demonstrating remarkable resilience amidst a challenging macro environment. As we move forward, the Bank remains steadfast in its commitment to delivering healthy and sustainable Growth, Granularity and very strong Governance. Your Bank stays committed to its Planning Cycle 6 plan of "Market Share with Diversification". The Bank is continuously working on accelerating Digital initiatives and delivering value to our esteemed customers. With the right strategies and resources in place, your Bank is well-positioned to achieve its stated ambitions and objectives.

ENVISAGING A BRIGHTER FUTURE

Your Bank continues to advance its Environmental, Social, and Governance (ESG) impact across its business and operations. The Bank remains committed to integrating sustainability into our business strategy, ensuring that our growth is both responsible and inclusive. We have developed and implemented a robust CSR policy and strategy that aligns with the global Sustainable Development Goals (SDGs) and National Priorities. Our programs aim to impact communities at the grassroots level and elevate the Human Development Index, ensuring a brighter future for all. Our strategic programs, focused on three areas – Water Stewardship, Inclusive Sports and Education and Employability – have positively impacted the lives of more than 5.5 lakh beneficiaries across the nation.

This year, the Bank has actively pursued opportunities to expand our ESG-linked business across various business units to foster sustainability and social equity. These include IndusWE, which

supports women entrepreneurs; Indus Solar for promoting solar rooftop installations for our MSE clients; and green, social, and sustainability-linked loans for our corporate clients to assist them in their decarbonization journey towards building a better and eco-friendly India.

Your Bank has developed a comprehensive strategy to achieve carbon neutrality by 2032, converging social impact and environmental responsibility in its business model. This reflects in our focus on sustainable investing and reducing carbon footprint, transcending traditional corporate responsibility. Our CSR strategy aligns with national development priorities and the United Nation's Sustainable Development Goals for 2030, aiming to elevate the Human Development Index and ensure a brighter, inclusive future for all.

Our dedication to fostering an inclusive environment, rooted in strong core values and a clear sense of purpose, remains unwavering.

Employee Development and Talent Pool

Your Bank employees have once again demonstrated highest levels of commitment in delivering exemplary performance to all stakeholders. IndusInd Bank has been certified for the second consecutive year as a "Great Place to Work" by the esteemed Great Place to Work Institute®, a global authority on assessing company culture and people practices across various sectors and countries. This recognition underscores your Bank's sincere efforts towards building a workplace that values diversity, integrity, collaboration and highest ethical standards. Your Bank is committed towards continuous development of competencies of the talent pool and making them future ready.

As we reflect on the past year, it fills me with immense pride to witness the significant strides our Bank has made while navigating the evolving macro-economic landscape. The integrated Annual Report will offer you deeper insights into our achievements, progress, and future outlook.

I extend my heartfelt gratitude to our esteemed shareholders, loyal customers, fellow Board colleagues, dedicated employees, regulators, and all other stakeholders for their unwavering trust and support. Your belief and trust in us propels our accomplishments, imposes more responsibility and inspires us to reach new heights. Together, we look forward to a future brimming with shared success and prosperity for all.

Sunil Mehta
Chairman



MESSAGE FROM THE **MANAGING DIRECTOR & CEO**

Dear Shareholders,

This year marks a significant milestone as IndusInd Bank celebrates 30 years of excellence. Over these three decades, we have witnessed remarkable growth and transformation.



I am pleased to share that our balance sheet has now surpassed the ₹ 5 lakh crores milestone.

Today, IndusInd Bank stands tall as the fifth-largest private sector bank in India, serving as the trusted financial partner for nearly 39 million customers across the nation. With our universal banking approach, we cater to the financial aspirations of all, from the women in rural India to the global ambitions of multinational corporations. Your steadfast support has been the bedrock of our success, propelling us to new heights and fortifying our resolve through every challenge we've encountered.

Before I delve into IndusInd Bank's performance over the past financial year, let's take a moment to reflect on the broader economic and banking canvas. Despite global challenges, India's economic resilience and prudent policies have set the stage for consistent growth, with GDP poised to grow by 6%-7% in the next few years. India's economic resurgence is underpinned by a robust external balance sheet, a resilient financial ecosystem, a fiscally prudent framework, and a corporate landscape primed for a renewed investment cycle.

Concurrently, India finds itself on the cusp of a digital revolution, reshaping its economic and banking contours. Technological innovations are not just disrupting traditional models but also democratizing financial access. The rapid expansion of digital infrastructure is fostering financial inclusion and unleashing new avenues of growth.

Amidst this backdrop, India's inflationary concerns have been managed prudently, with retail inflation easing to 4.85% in March 2024, thanks to concerted efforts by the government and the RBI. Yet, we remain vigilant of developments on the inflation side, as we navigate through evolving market dynamics.

The banking sector, as a pivotal cog in India's economic machinery, has demonstrated remarkable resilience. Bolstered by robust capital ratios, enhanced asset quality, and robust earnings growth, the sector has sustained credit growth above 16% during FY24. While deposit growth at 13.5% picked up from 9.6% in the preceding year, the liquidity in the system remains tightened. Looking ahead, we anticipate a convergence between credit and deposit growth, paving the way for a balanced growth trajectory in FY25.

IndusInd Bank, in alignment with these macro trends, has demonstrated exemplary performance with strategic foresight. We have continued to advance our market position through innovative solutions and a steadfast commitment to our customers and stakeholders. As we navigate the future, our focus remains on leveraging India's economic dynamics to enhance our customer offerings and delivering sustainable growth.

BANK'S PERFORMANCE HIGHLIGHTS

In FY24, IndusInd Bank witnessed a year of consistent growth and healthy profitability. Completing the first year of Planning Cycle 6 in March 2024, the outcomes have largely aligned with our ambitions.

We also made important progress on our digitization journey with the successful launch of 'INDIE', one of the key offerings of our 'Digital 2.0' strategy. I will cover our digital progress in more detail in the later part of my address.

I am pleased to share that our balance sheet has now surpassed the ₹ 5 lakh crores milestone. This achievement was underpinned by an impressive 18% Year-on-Year (YoY) growth in loans and a 14% YoY growth in deposits.

Our Profit after Tax for the year stands at ₹ 8,977 crores, showcasing a robust 21% y-o-y growth. Through effective balance sheet management, the Bank has maintained a healthy and stable Net Interest Margin of 4.28%. We continued our investments in distribution, human capital, digital, and marketing initiatives. We have consistently delivered Return on Assets (RoA) and Return on Equity (RoE) close to 1.9% and 15% respectively for FY24.

Strengthening Liabilities Franchise with Retail Deposit Growth

- ▶ The Bank continued to bolster its liability profile, placing a strong emphasis on the retailization of deposits. The retail deposits, as defined by LCR, witnessed healthy growth of 18% YoY. Concurrently, we continued to expand our presence in new business segments such as Affluent Banking, with deposits at ₹ 53,445 crores growing 24% YoY and NRI Banking with deposits at ₹ 45,628 crores growing 33% YoY. Our reliance on bulk sources remained minimal, with Certificates of Deposits (CDs) accounting for a 3% of deposits and borrowings constituting only 9% of total liabilities.

Loan Growth Driven by Granular Businesses

- ▶ The Bank witnessed healthy loan growth at 18% Year-on-Year (YoY), driven by granular businesses. Retail loans surged by 23% YoY, while corporate loans saw a growth of 13% YoY. The share of retail loans improved to 56% compared to 54% YoY. Notably, our vehicle finance disbursements surpassed the ₹ 50,000 crore mark for the first time in the Bank's history, resulting in a 17% YoY loan growth in vehicle loan book. Bharat Financial Inclusion Ltd (BFIL), the growth engine for our rural business, too had a robust year, with the loan book sourced via BFIL growing at 23% YoY. The diversification initiative at BFIL is yielding positive results, with merchant loans now constituting 13% of the BFIL-originated book. Other retail loans maintained strong momentum with 32% YoY growth. The home loan product, launched last year, already clocked an outstanding loan book of ₹ 1,792 crores.
- ▶ Within the corporate segment, small corporates witnessed a remarkable growth of 33% YoY, while mid corporates (excluding gems and jewelry) grew by 19%, and large corporates grew by 13% YoY. The gems and jewelry book experienced a reduction



‘INDIE’ has garnered impressive early adoption, with over 5 million downloads, 1.2 million accounts opened, and approximately 10 million transactions per month.

in working capital due to weak global demand. The asset quality of the gems and jewelry book nevertheless remains pristine, with no Non-Performing Assets.

Investing for Future

- ▶ We persisted in investing in the Bank’s branch infrastructure, digital initiatives, human capital, and brand building efforts. In FY24, the Bank added 378 branches, bringing the total to 2,984 branches widely spread across geographies and regions. Additionally, the Bank has bolstered its rural presence through its subsidiary BFIL, which now operates 3,620 branches covering 1.57 lakh villages.
- ▶ In FY24, we augmented our workforce by around 7,500 employees across the Bank. This year we also got the re-certification as a ‘Great Place to Work’ by the Great Place to Work Institute®. Our Trust Index scores improved by 500 basis points, a remarkable achievement that reaffirms our employee-friendly work culture, policies, and processes. Overall, the dedication of our employees has been pivotal in achieving our stated objectives.
- ▶ With an aim to build a strong brand, the Bank is investing in targeted marketing initiatives. During the year, as many of you would have seen, we did a massive marketing campaign in collaboration with the ICC Cricket World Cup hosted in India. This initiative garnered over 520mn viewers via television coverage besides 1.5bn social media Impressions and 238mn video views generated throughout the tournament. We anticipate sustained benefits from our association with the recently concluded T-20 World Cup.

Improving Asset Quality

- ▶ We witnessed improvement in asset quality, marked by reduced slippages across all business units. The provisions for the year decreased by 13% compared to the previous year. Gross Non-Performing Assets (GNPA) and Net Non-Performing Assets (NNPA) decreased to 1.92% and 0.57%, respectively, compared to 1.98% and 0.59% YoY. Our provision coverage ratio remains robust at 71%, further supported by contingent provisions of ₹ 1,000 crores outside the PCR.

Driving growth through digital transformation

In FY24, IndusInd Bank’s digital transformation achieved a new milestone with the successful rollout of ‘INDIE’, a cornerstone of its Digital 2.0 strategy, featuring cutting-edge propositions. ‘INDIE’ has garnered impressive early adoption, with over 5 million downloads, 1.2 million accounts opened, and approximately 10 million transactions per month. We have cultivated a robust suite of digital products and capabilities, witnessing sustained growth across our digital platforms throughout the year. Direct-to-client platforms are scaling with efficiency creating a new tech-led business model. This approach not only elevates customer satisfaction through personalized services and AI-driven predictive insights but also substantially reduces operational costs.

To fortify the stability and resilience of our IT systems, the Bank is spearheading the modernization of our entire technology stack, spanning from infrastructure to applications, with an unwavering focus on enhancing customer experience and convenience. Key initiatives executed during the year include: a) Upgrading the Core Banking System b) Establishing an On-Premise Hyper Scaling Data Centre to support business expansion c) Successfully migrating approximately 5 million vehicle finance customers to Core Banking System from the legacy system d) Facilitating multiple end-to-end paperless journeys through Straight Through Processing, etc.

Responsive Innovation

With unwavering consistency, a sense of responsibility, and a spirit of innovation, IndusInd Bank challenges conventional norms, reshaping the perception of the banking experience. The Bank introduced several pioneering products during FY24, with some of the key launches including

- ▶ **Indus Grande:** A fit-to-market prime banking proposition crafted for the rising affluent segment.
- ▶ **Indus PayWear:** India’s first All-in-One tokenizable contactless payment wearables for both debit and credit cards.
- ▶ **Indus Solitaire:** First of our community-focused relationship products aimed to leverage our strong position in the gems and jewelry segment.

The Bank is working on several other new launches which we are excited to bring to you in the coming months.

IMBIBING ESG INTO BUSINESS

ESG is deeply interwoven into our operations, shaping our strategy and guiding daily decisions. Our commitment to environmental sustainability, social responsibility, and strong governance has led to specific initiatives that align with these principles. The Bank has deepened its impact in society through responsible lending, undertaking initiatives to mitigate the effects of climate change, and promoting social behavioural changes. We have launched multiple initiatives encompassing:

- ▶ ESG-linked products including green deposits, sustainability-linked bonds among others
- ▶ IndusWE, a platform for Women Entrepreneurs, offering them holistic banking and non-banking services, on the three pillars of Learn, Connect and Grow
- ▶ Indus Solar, offering Solar Rooftop Loans to MSE clients, fostering smart savings by transitioning from grid to solar energy
- ▶ ESG-oriented debt solutions for corporates

LOOKING AHEAD AND WAY FORWARD

The Bank has inherent areas of domain expertise such as vehicle and microfinance. While the Bank continues to leverage these domains into ancillary businesses, the Bank is also looking at new growth engines to bolster long term sustainable growth for the Bank. Some of the themes that the Bank is currently working on are as follows:

- ▶ Investing for New Asset Classes: The Bank is diversifying its loan book through launch of new products as well as diversifying existing segments. Market share gains in Light Commercial Vehicles, Passenger Cars, Merchant Acquiring stand testimony to this strategy. We are further scaling up Home Loans and Affordable Housing which we believe is a large underpenetrated opportunity. These products largely are also in secured lending and thus reduce portfolio risk.
- ▶ Serving a Vibrant Urban Economy: We believe India's urban consumer is going through a premiumization phase. We have been successful in serving this segment through our Affluent Banking services. We are now taking this to the next level with the launch of Private Banking offering which should position us as the banker of choice for the high net worth individuals.
- ▶ Leapfrogging Digital: Technology space is rapidly evolving including with the onset of Artificial Intelligence. Banking being a services industry has multiple use cases to improve client experience and servicing through effective use of technology. We have launched multiple products using new age technologies in the last couple of years and we aim to take this to the next level cementing our ethos of Responsive Innovation.
- ▶ Strengthening the Core: While Digital is inevitable, we continue to believe the traditional banking would remain to be mainstay given the diverse customer profiles and preferences India has. We continue to invest in our branch distribution and human connect as we transform our franchise in the digital world.
- ▶ Leveraging Our Rural Presence: We have one of the largest rural presence covering over 1.57 lakh villages through our microfinance business. We are leveraging this monoline business into providing universal micro-banking to the underserved segment via "One Bank" offering to realize combined strength across distribution points and serve customers of RUSU geographies.



We thus have long growth runway and focused execution should help the Bank deliver growth with sustainability.

CONCLUSION

In the fiscal year 2024, the Bank achieved noteworthy progress across critical financial metrics and strategic endeavors, guided by the clear vision outlined in Planning Cycle 6. Over the last few years, our Bank has evolved into a more resilient and focused entity, demonstrating sustainable growth amid macro-economic challenges.

Building on this momentum, the Bank is strategically positioned to maintain its upward trajectory in the years ahead. We are focused on growing the areas where we have the right to win, such as vehicle finance, microfinance, and MSMEs etc. Enhancing granularity in our loan and deposit mix is a priority, and we have implemented various initiatives to achieve this objective. We aim to broaden our customer base via our phygital sourcing strategy and accelerate on our retailization journey. Digital transformation remains a cornerstone of our future vision, as we execute our Digital 2.0 strategy to deliver unparalleled customer experiences.

Our strategic approach is underpinned by robust governance practices and effective risk management to navigate evolving market & regulatory dynamics.

Overall, we have crafted a comprehensive roadmap to guide IndusInd Bank towards sustainable growth, enriched customer experiences, and consistent value creation for all stakeholders. The management team and I are deeply committed to executing this roadmap.

As we conclude, I extend heartfelt gratitude to our shareholders for their unwavering support and trust, which serve as the driving force behind our determination. I express sincere appreciation to our customers, whose engagement fuels our aspirations, and to our dedicated employees, whose resilience underpins our success. I am grateful to the regulatory authorities & members of the Board for their guidance & support to the management team.

Together, we have charted a path of healthy growth delivering on strategic priorities. Looking ahead, we remain steadfast in our commitment to enhancing shareholder value, elevating customer experiences, and fostering the professional and personal growth of our employees.

Thank you for being an integral part of our growth journey, and for your continued partnership, which inspires us to pursue exciting opportunities on the horizon.

Sumant Kathpalia
Managing Director & CEO

BOARD OF DIRECTORS

IndusInd Bank's achievements stem from the collaborative insights and capable leadership of its respected Board of Directors and Management Team. Their forward-looking mindset and effective oversight guarantee that IndusInd Bank upholds the highest standards of integrity, transparency and responsibility. Together, they epitomize a culture of ingenuity, distinction and a customer-focused approach, all of which pave the way for the Bank's ongoing expansion and success.



Mr. Sunil Mehta

Independent Director, Part-time Chairman



Mr. Sumant Kathpalia

Managing Director & CEO



Mrs. Akila Krishnakumar

Independent Director



Mr. Rajiv Agarwal

Independent Director



Mrs. Bhavna Doshi

Independent Director



Mr. Jayant Deshmukh

Independent Director



Mr. Pradeep Udhas

Independent Director



Mr. Lingam Venkata Prabhakar

Independent Director



Mr. Rakesh Bhatia

Independent Director



Mr. Sudip Basu

Non-Executive, Non-Independent Director



Mr. Arun Khurana

Whole-time Director
(Executive Director)

MANAGEMENT TEAM



Mr. Sumant Kathpalia
Managing Director & CEO



Mr. Arun Khurana
Executive Director &
Deputy CEO



Mr. Sanjeev Anand
Head - Corporate, Commercial,
Rural & Inclusive Banking



Mr. Zubin Mody
Chief Human Resources Officer



Mr. Soumitra Sen
Head - Consumer Banking
& Marketing



Mr. Anil M. Rao
Chief Administrative Officer



Mr. Gobind Jain
Chief Financial Officer



Mr. A. G. Sriram
Head - Consumer Finance



Mr. Vivek Bajpeyi
Chief Risk Officer



Mr. Samir Dewan
Head - Affluent Banking &
International Business



Ms. Charu Sachdeva Mathur
Head - Digital Banking & Strategy
(Existing Business)



Mr. Shiv Bhasin
Chief Transformation Officer



Mr. Anish Behl
Head - Wealth & Para Banking



Mr. Siddharth Banerjee
Head - Investment Banking,
Global Markets &
Financial Institutions Group



Mr. Jyoti Prasad Ratho
Head - Inspection & Audit



Mr. Niraj Shah
Head - Corporate & Institutional
Banking, Gems & Jewelry



Mr. Rana Vikram Anand
Head - Pan Bank Liability Group,
Customer Service & Synergy



Mr. Indrajit Yadav
Head - Investor Relations
and Strategy

KEY HIGHLIGHTS A SNAPSHOT



PERFORMANCE (STANDALONE)

₹ 30,004 Cr

Revenue

4.28%

Net Interest Margin

₹ 20,616 Cr

Net Interest Income

Deposits up by **14%** to

₹ 3,84,793 Cr

₹ 8,950 Cr

Profit After Tax

15.32%

Return on Equity



OPERATIONAL HIGHLIGHTS

39 Mn

Customer base

44.1%

Retail LCR Deposits

56:44

Loan mix (Retail vs. Corporate)

17.23%

CRAR

89.22%

Credit to Deposit Ratio

RATINGS

DOMESTIC RATINGS

CARE A1+

for Certificate of Deposits

CRISIL AA +

for Infrastructure Bonds program/Tier 2 Bonds

CRISIL A1+

for certificate of deposit program /
short term FD program

INTERNATIONAL RATINGS

Ba1

for Senior Unsecured MTN programme by
Moody's Investors Service



ESG MILESTONES

ESG RATINGS



'B'

CDP Rating (FY 2023)



55/100

S&P Global (FY2023)



85/100

LSEG ESG Score (FY 2022)
(formerly Refinitiv)



'A'

ESG Rating by Morgan Stanley
Capital International (MSCI) (FY 2024)

ENVIRONMENT



12

LEED-certified
PIONEER Branches / Lobbies



30,039 Kwh

Energy from
renewable sources





SOCIAL



8,956

Volunteering Hours
Contributed



10,347

Female employees



10

Exclusive all-women
branches



Great Place to Work-
Certified™ for the second
time in a row



GOVERNANCE



15 years

of reporting on
sustainability initiatives



2

Women Directors
on the Board



0

Cases of corruption



0

Breaches against the Code
of Conduct and Ethics



0

Data breaches
occurred

PIONEERING BANKING SOLUTIONS SINCE 1994: INDUSIND BANK

About the Bank

IndusInd Bank, India's 5th largest private bank with a disproportionately large distribution network, is one of the nation's premier financial services brands. Inspired by the Indus Valley Civilization—a historic blend of innovation and sound business and trade practices—the name 'IndusInd Bank' reflects a legacy of excellence and forward-thinking.

Founded in 1994 under the visionary leadership of the late Mr. Srichand Parmanand Hinduja, alongside distinguished members of the Indian diaspora, IndusInd Bank has evolved into the preferred banking solutions provider for approximately 39 million customers. This diverse clientele includes individuals, large corporations, government entities, and public sector undertakings.

Throughout its 30-year growth journey, IndusInd Bank has offered a comprehensive range of products and services, including microfinance, personal loans, personal and commercial vehicle loans, credit cards, and SME loans. The Bank remains committed to innovating and diversifying its offerings to meet the evolving needs of its stakeholders. Leveraging advanced technologies, IndusInd Bank ensures a seamless, convenient, and highly effective banking experience, continually expanding its customer base and enhancing service delivery.

As IndusInd Bank celebrates three decades of service, it stands poised to continue its tradition of excellence. It will focus on sustainable growth, digital innovation, and stringent commitment to its customers.

At a Glance

39 Mn

Customers

5th

Largest Private Bank

2,984

Branches

2,956

ATMs

93%

Overall Digital
Transaction Mix

6,971

Group Network
Pan India



IndusInd Bank's Vision

IndusInd Bank will be:

A relevant business and banking partner to its clients

Engaged with all our stakeholders and will deliver sustainable and compliant growth and returns

Customer-responsive, striving at all times to collaborate with clients in providing solutions for their banking needs

A forerunner in the marketplace in terms of productivity, technology, efficiency and profitability

A change agent for financial inclusion in India

An equal opportunity and preferred employer

The Mission

The Bank will consistently add value to all its stakeholders by enhancing the sustainability of the organization and emerge as India's most convenient Bank with financial metrics amongst the best in the industry.



INDUSIND BANK PORTFOLIO 30 YEARS OF FINANCIAL LEADERSHIP

IndusInd Bank has significantly enhanced its customer base during its three decades of service, transforming the banking experience into a seamless, user-friendly, personalized, and efficient journey. The Bank has positioned itself as a leader in the industry through strategic digital innovation and technological advancements, coupled with the integration of Environmental, Social, and Governance (ESG) practices.

The Bank is committed to sustainability and focuses on impactful investments and environmentally conscious lending practices.

The Bank offers extensive products and services, demonstrating continuous expertise in microfinance, vehicle finance, and diamond banking. This comprehensive portfolio makes IndusInd Bank the preferred choice for corporate entities and government bodies and establishes it as a favored partner, providing tailored solutions for specific industries and sectors.





Diverse Client Coverage

CONSUMER BANKING

IndusInd Bank prioritizes the financial well-being and convenience of its customers. The Bank is dedicated to providing tailored banking solutions that meet the distinctive needs of each customer, ensuring personalized and efficient service for all.

Consumer Liabilities: The Bank's consumer liability business has demonstrated resilience amidst fluctuating market conditions, exhibiting impressive growth across diverse client segments. This success is primarily due to the strategic emphasis on deposit mobilization, which has resulted in a remarkable 21% y-o-y increase in the Consumer Liability Book.

SME & Merchant Acquisitions: The Bank continues to enhance the Indus Merchant Solutions (IMS) App, significantly augmenting its digital payment collection capabilities. Additionally, the Bank has introduced a Current Account option for self-employed individuals and new-age small businesses, allowing them to open accounts anytime using DIY-CA, a platform dedicated to digital KYC for current accounts.

Client Wealth Management: IndusInd Bank continues to provide tailored client solutions. The insurance services segment grew steadily due to increased demand for comprehensive coverage. The Bank maintained a disciplined investment approach and managed substantial Assets Under Management (AUM) of ₹2,50,540 crores.

NRI Banking: IndusInd Bank's NRI Banking segment has demonstrated consistent growth, achieving a 33% increase in FY2024. The Bank is now a crucial player in the NRI banking landscape.

Retail Payments: IndusInd Bank's retail deposit growth surpassed market expectations. UPI transactions witnessed 70% growth over the previous year. Additionally, the Bank has launched Indus PayWear, a pioneering payment solution that includes wearable devices such as rings, watch clasps, and mobile stickers.

Retail Assets & Credit Cards (RACC): The RACC segment encompasses Retail Agriculture, Loans Against Property, Credit Cards, Personal Loans, Business Loans, Loans Against Card Receivable, Gold Loans, Loans Against Securities, Health Care Finance, Prime Home Loans, and Overdrafts against Fixed Deposits. It experienced a 35.3% year-over-year growth in disbursements.

AFFLUENT BANKING

IndusInd Bank offers a customized banking and wealth management program to the High-Net-Worth Individuals (HNI) and Ultra High-Net-Worth Individuals (UHNH) client segments in India and internationally through its flagship brand, PIONEER. The program provides seamless services such as one-touch Relationship Manager (RM) calls, video calls, doorstep banking, and priority processing.

The Bank launched
‘PIONEER Private’ in FY2025,
 introducing an elevated and exclusive
 range of financial products, backed
 by a team of highly experienced
 private bankers.

BHARAT FINANCIAL INCLUSION LIMITED (BFIL)

BFIL, a wholly-owned subsidiary of IndusInd Bank, is dedicated to promoting financial inclusion by offering various banking services. These include microfinance loans, merchant loans, liability products, and remittances. With an extensive distribution network, BFIL serves over 157,000 villages across 23 states, focusing primarily on rural areas.

CONSUMER FINANCE DIVISION (CFD)

The CFD focuses on vehicle financing for both new and used vehicles, maintaining a solid market presence and a large customer base. CFD also offers affordable housing loans, contributing to the Government of India's 'Housing for All' initiative. In FY2024, total disbursements reached ₹50,804 crores, a 10% increase from the previous year. Disbursements for new vehicles increased by 22% to ₹11,318 crores, while those for used vehicles rose by 27% to ₹3,622 crores.

CORPORATE AND COMMERCIAL BANKING GROUP (CCBG)

The CCBG caters to a diverse corporate clientele, ranging from emerging mid-to-large Indian companies with annual turnovers exceeding ₹150 crores to large conglomerates, PSUs, NBFCs, financial institutions, and Indian branches of MNCs. It offers a comprehensive suite of corporate products designed to support clients' financial and strategic banking needs throughout their entire business lifecycle.



The Bank's corporate book stood at **₹ 1,52,053 crores**, experiencing **y-o-y growth of 13%**.

GLOBAL DIAMONDS AND JEWELRY GROUP (GDJG)

The gems and jewelry industry is a crucial component of India's exports and plays a significant role in promoting the growth of MSMEs. The Bank's GDJG is a major domain leadership vertical. In FY2024, 40% of the total client base in this sector consisted of MSMEs, and the portfolio quality was effectively maintained.

IndusInd Bank was awarded Best Bank by Gem and Jewelry Export Promotion Council (GJEPC) for 'Highest Growth of limit sanctioned with Minimum base of **₹ 500 crores**.'



ESG Portfolio

The Bank is proactive in identifying opportunities for innovation and seeks to increase the share of ESG-linked business through deal origination, structuring, and launching new products across various Business Units.

ESG IN BUSINESS

IndusWE: IndusWE is an offering exclusively crafted for aspiring Women Entrepreneurs (WE). It is built on the three pillars of Learn, Connect and Grow, aimed at empowering women-owned businesses. Women who are a part of the IndusWE Community have access to a range customized financial solutions and carefully curated partner offers that are designed to enhance every facet of the entrepreneurial journey.

Indus Solar: The Bank introduced a Rooftop Solar Loan product for MSE clients. Through this product, micro and small businesses will be able to transition from consuming grid to solar power. This will increase their savings on energy costs while contributing to environmental sustainability.

Green/Social Loans and Bonds:

The Bank has introduced a suite of partnership-based debt solutions designed to help corporate clients secure climate and socially impactful financing, including green and transition finance instruments.

Partnership with Development Finance Institutions (DFIs):

The Bank has actively pursued collaborations with funds, foundations, and Development Financial Institutions (DFIs) to support entities and projects in sectors such as Healthcare, Agriculture, and Microfinance.

Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE):

CGTMSE provides credit guarantees up to ₹500 lakhs for MSEs without physical collateral, enhancing lending through a boosted credit guarantee portfolio for banks and financial institutions.



ESG IN RISK UNDERWRITING

Environment & Social Management System (ESMS):

The Bank has implemented an ESMS that mandates the evaluation of ESG risks, including climate change impacts, for wholesale banking loan proposals above a specified credit threshold. This evaluation is integrated with credit risk assessments before final approval. The total credit exposure approved under the ESMS policy in FY 2024 was over 70% of the total wholesale banking exposure.

Enhancement Assessment Standards

Severe Risk Industries: IndusInd Bank has developed industry-specific checklists, in collaboration with a leading consulting firm, to facilitate detailed assessments of ESG risks in six high-risk industries.

Climate Risk and Disclosure:

The Bank is committed to aligning its policies with the Reserve Bank of India's (RBI's) directives. The sustainability team actively monitors regulatory developments to assess their implications for the Bank.

Taskforce on Nature-related Financial Disclosures: The Bank successfully completed the United Nations-supported Task Force on Nature-related Financial Disclosures (TNFD) Pilot Program, becoming the only bank in India selected for this exercise, which focused mainly on assessing the bank's agricultural portfolio.

The outcome of the study can be accessed at: <https://globalcanopy.org/wp-content/uploads/2024/01/IndusInd-TNFD-case-study.pdf>

ESG IN OPERATIONS

Carbon Neutrality Target 2032: IndusInd Bank is committed to achieving carbon neutrality by 2032 and has developed a comprehensive strategy to reach this goal.

GHG Emission Intensity: The Bank has significantly reduced greenhouse gas (GHG) emissions, underscoring its strong commitment to sustainability and proactive efforts to mitigate climate impact.

Green IT: The Bank's vision for Green IT includes regular software updates, utilizing new technologies, and streamlining IT operations to enhance energy efficiency.

Read more about the Bank's client segments in the MDA on Pg. No. 94

OPERATING ENVIRONMENT

IndusInd Bank operates in a dynamic landscape characterized by strong economic growth, evolving regulatory frameworks, climate change challenges, and transformative trends such as digitization and sustainability. This landscape presents unique opportunities for the Bank to innovate, enhance its impact, and drive sustainable growth.



Economy

Despite global economic challenges, India's economy is forecasted to grow robustly. The International Monetary Fund (IMF) has raised India's GDP growth forecast to 6.8% in 2024, driven by strong consumer demand, favorable demographics, and improving trade balances. This positive economic outlook supports the banking sector by enhancing credit growth and financial stability, ensuring financial institutions can better serve their customers and communities.



Regulatory Environment

The Reserve Bank of India's (RBI) policies are crucial in shaping the banking environment. Ongoing measures to improve asset quality, such as increased provisioning for bad loans and higher risk weights for certain types of credit, help strengthen banks' balance sheets. Additionally, stress tests indicate that Indian banks are well-capitalized and resilient to macroeconomic shocks, ensuring stability within the sector. These measures collectively enhance the sector's robustness and reliability.



Digital Transformation

The adoption of digital technologies is transforming the banking sector. Banks are increasingly leveraging artificial intelligence (AI), machine learning (ML), and robotic process automation (RPA) to enhance efficiency, reduce costs, and improve customer experiences. Initiatives like digital lending, open digital infrastructure, and wealth management platforms are creating new growth opportunities. These advancements enable banks to offer more personalized services and respond swiftly to market changes.

THE BANK'S RESPONSE

IndusInd Bank leverages India's projected GDP growth by focusing on sectors like retail banking, microfinance, and corporate banking. Strategic initiatives, including diversifying the loan portfolio and enhancing digital solutions, align with the country's strong economic fundamentals, ensuring sustainable growth.

THE BANK'S RESPONSE

IndusInd Bank maintains strong regulatory compliance through improved asset quality and higher provisioning for bad loans, as mandated by RBI. Stress tests confirm resilience to macroeconomic shocks, with a Capital Adequacy Ratio (CRAR) of 17.23%, ensuring stability and robust financial health within the sector.

THE BANK'S RESPONSE

IndusInd Bank leads digital innovation, leveraging AI, ML, and RPA to enhance efficiency, reduce costs, and improve customer experiences. Initiatives like INDIE and Indus PayWear exemplify the commitment to digital transformation, creating new growth opportunities and offering more personalized banking services.



Sustainability Considerations

Environmental, Social, and Governance (ESG) factors increasingly shape banking operations. Banks are integrating sustainable finance practices, such as green bonds and eco-friendly loans, to support environmentally responsible projects. Initiatives like renewable energy financing, sustainable infrastructure investments, and adherence to climate risk management frameworks are essential to align with global and national sustainability goals, such as India's net-zero target by 2070.

THE BANK'S RESPONSE

IndusInd Bank integrates ESG factors into its operations, supporting sustainable finance practices such as green bonds and renewable energy financing. This commitment to environmental responsibility aligns with global and national sustainability goals, including India's net-zero target by 2070. The Bank has established a comprehensive governance structure comprising a board-level CSR and Sustainability Committee, and a dedicated Sustainability team.



Customer Expectations

With the rapid digitalization of banking services, customer expectations are evolving towards more personalized and seamless experiences. Banks leverage artificial intelligence and machine learning to offer tailored financial products and services. Enhanced digital platforms and user-friendly mobile applications are crucial for maintaining competitive advantage and meeting the demands of tech-savvy consumers, who now expect real-time, personalized interactions and robust cybersecurity measures.

THE BANK'S RESPONSE

IndusInd Bank meets evolving customer expectations through AI-driven personalized services and enhanced digital platforms. User-friendly mobile applications ensure real-time, personalized interactions, maintaining a competitive advantage in the rapidly digitalizing banking landscape and responding swiftly to market changes.



Financial Inclusion and Social Responsibility

Promoting financial inclusion remains a top priority for banks in India. Efforts include developing products and services that cater to underserved populations, such as rural areas and low-income groups. Banks also focus on enhancing financial literacy and supporting local communities through social responsibility initiatives. These efforts not only foster community development but also expand the customer base and improve long-term financial stability.




THE BANK'S RESPONSE

IndusInd Bank prioritizes financial inclusion by developing products for underserved populations and enhancing financial literacy. The Bharat Financial Inclusion Limited (BFIL) subsidiary supports initiatives like the Bharat Sanjeevani Program, which provides livestock healthcare services to rural areas. Social responsibility efforts, such as financial literacy programs and community development projects, foster economic empowerment and bridge the rural-urban divide.

VALUE CREATION MODEL

IndusInd Bank's value creation model leverages innovative financial solutions, customer-centric services, and sustainable practices to drive growth and stakeholder value.

INPUTS

 FINANCIAL CAPITAL	 MANUFACTURED CAPITAL	 NATURAL CAPITAL
₹60,710 Core Equity Tier 1 Capital	2,984 Branches/Banking Outlets	67,428,204 Kwh Electricity Consumption
15.82% CET Ratio	3,620 BFIL Branches	9,32,609 liters Fuel Consumption
₹5,15,094 Cr Balance sheet size	367 IMFS	3,87,243 Kgs Paper Consumption
₹3,84,586 Cr Deposits	2,956 ATMs	5,27,905 kiloliters Total Water Usage
₹3,43,298 Cr Advances	198 NRI Focused Branches	2032 Carbon Neutrality Target
	13 PIONEER Branches / Lobbies	Precise monitoring of Scope 1, 2, and 3 emissions
	6 Currency Chests	Green IT Initiatives
	Supportive and scalable IT support	

VALUE DRIVERS



VISION



MISSION



**RISK
MANAGEMENT**

OUTPUTS

Net Interest Income

₹20,616 Cr




Revenue

₹30,012 Cr

Profit Before Tax

₹11,979 Cr



 INTELLECTUAL CAPITAL	 HUMAN CAPITAL	 SOCIAL & RELATIONSHIP CAPITAL
<p>Upgraded digital platforms to enhance customer experience</p> <hr/> <p>Revamped existing lines to increase operational efficiency</p> <hr/> <p>Developed new business models incorporating digital marketing and open banking</p> <hr/> <p>Launched INDIE – a revolutionary new way of Banking</p> <hr/> <p>Established digital platforms for superior customer engagement</p> <hr/>	<p>A workforce of 45,637 permanent employees</p> <hr/> <p>Committed to be an Equal Opportunity Employer</p> <hr/> <p>Diversified Hiring Channels</p> <hr/> <p>Learning and Development</p> <hr/> <p>Employee Welfare and Digitization</p> <hr/>	<p>CSR expenditure ₹132.72 Cr</p> <hr/> <p>Dedicated Client Experience unit</p> <hr/> <p>Launched IndusWE- a holistic offering for helping women entrepreneurs</p> <hr/> <p>Partnership with Development Finance Institutions</p> <hr/> <p>Responsible ESG practices.</p> <hr/> <p>Good relationships with our stakeholders.</p> <hr/>



GOVERNANCE



OUR STAKEHOLDERS



OUR STRATEGY



Operating Profit
₹15,864 Cr

Net Profit
₹8,977 Cr

ROE
15.27%

OUTCOMES

Profitability metrics remained stable with Net Interest Margin of **4.28%** RoA at **1.91%** and RoE at **15.27%**

Net profit at **₹8,977 Cr** (up 21% y-o-y)

EPS at **₹115.54** with a healthy Capital Adequacy Ratio of **17.23%**

Retail deposits, as defined by LCR, grew by **18%** y-o-y, in sync with overall loan growth

Expansion enables the Bank to offer its services to **~39 million** customers.

With branches spread across urban (**25%**), rural (**24%**), semi-urban (**23%**), and metro (**28%**) areas, the Bank is effectively positioned to cater to diverse banking needs and capture market share in different economic environments.

Serving through a diverse distribution network that encompasses **~1,57,000 villages**.

Reduction in GHG Emission Intensity: Approximately **20%** reduction in emission intensity y-o-y, indicating effective emissions management.

Progress toward carbon neutrality: Continuous tracking and measurement of emissions help in strategic decision-making toward the 2032 neutrality goal.

Enhanced Energy Efficiency in IT Operations: Improved operational efficiency and reduced energy consumption through optimized IT practices.

SDGs IMPACTED





WhatsApp: **8.5 million**
registered users

2 million
New clients acquired digitally

1,000+ Cr
Personal loans disbursed to new-to-
bank customers acquired digitally

250,000
New-to-bank Credit Cards
acquired digitally

25-30% improvement in
Customer Acquisition Cost

IndusMobile
Monthly active user base increased by
19% y-o-y; 8.4 million registered users

INDIE
~ 5 million installs, 10 million
monthly transactions, 1.2 million
accounts opened

'Great Place to Work'
for the second year in a row with a
500 bps score

New hires in FY2024 **7,458**

Employee payments increased by
28.60% y-o-y. From ₹4,178.66 Cr in
FY2023 to **₹5,373.93 Cr in FY2024.**

Conducted 17.9 lakh virtual
learning man-hours

39 million
customers across the segment

MSCI ratings upgraded from 'BBB' to
'A' in FY 24.



STAKEHOLDER ENGAGEMENT

IndusInd Bank's stakeholders—including customers, investors, employees, suppliers, regulators, policymakers, society, and communities—have been pivotal to its 30-year success and will continue to drive the Bank's future growth. Effective communication with these stakeholders fosters trust, aids in identifying and managing risks and opportunities, and ensures sustainable growth. By actively engaging with stakeholders, the Bank creates value, drives innovation, and paves a sustainable growth strategy, thereby contributing to long-term success and community development.





Investors

Key Areas of Engagement

- ▶ Efficient operational performance with a focused growth strategy
- ▶ Risk management
- ▶ Compliance to regulations
- ▶ Building a responsible value chain
- ▶ ESG Performance, Ratings, and Disclosures

Mode of Engagement

- ▶ Investor gatherings
- ▶ Grievance channels
- ▶ Round table discussions
- ▶ Quarterly calls
- ▶ In-person meetings
- ▶ Annual general meetings

Engagement

The Bank prioritizes transparency and insight by ensuring thorough information disclosure and fostering a deep understanding of its performance and strategic direction. This approach helps maintain investor confidence and supports informed decision-making.

Value Creation

Consistent financial excellence in the face of market turbulence and shifting dynamics.

Capitals Impacted



Customers

Key Areas of Engagement

- ▶ Client-centric solutions
- ▶ Ease of banking
- ▶ Complaint resolution

Mode of Engagement

- ▶ Video conferencing
- ▶ Surveys
- ▶ Net Promoter Score (NPS)
- ▶ Social media interactions

Engagement

The Bank focuses on creating innovative solutions and products and superior services that cater to individual needs. This commitment ensures customers receive personalized and efficient banking experiences that enhance their financial well-being.

Value Creation

Significant benefits for all clients, leading to decreased client attrition and improved efficiency.

Capitals Impacted



Legends



Financial



Manufactured



Natural



Intellectual



Human



Social & Relationship



Employees

Key Areas of Engagement

- ▶ Benefits and remuneration
- ▶ Grievance redressal and timely response
- ▶ Training and career development
- ▶ Work-life balance

Mode of Engagement

- ▶ Town hall gatherings
- ▶ Comprehensive performance evaluations

Engagement

Aligning employee concerns with the Bank's strategic goals is a key focus. The Bank ensures a motivated and cohesive workforce dedicated to achieving organizational objectives by addressing and integrating employee feedback.

Value Creation

Advancing careers while ensuring overall employee well-being for a thriving workplace.

Capitals Impacted



Suppliers

Key Areas of Engagement

- ▶ Fair treatment
- ▶ Procurement from local suppliers
- ▶ Service delivery and quality
- ▶ Operational efficiency

Mode of Engagement

- ▶ Supplier meets
- ▶ Techno-commercial dialogues
- ▶ Sustainability evaluations
- ▶ Ethical procurement practices

Engagement

Substantial investments are made to foster enduring partnerships with suppliers. This includes ensuring sustainability and ethical procurement practices, which strengthen the supply chain and support long-term collaboration.

Value Creation

Cultivating a network of suppliers that actively contribute to creating a responsible and sustainable supply chain through the implementation of exemplary practices.

Capitals Impacted



Legends



Financial



Manufactured



Natural



Intellectual



Human



Social & Relationship



Regulators & Policymakers

Key Areas of Engagement

- ▶ Regulatory compliance
- ▶ CSR reporting
- ▶ BRSR reporting

Mode of Engagement

- ▶ In-person meetings
- ▶ Email communications
- ▶ Performance reports
- ▶ The Bank is committed to demonstrating corporate citizenship and executing publicly available policies.

Engagement

The Bank demonstrates corporate citizenship by adhering to publicly available policies.

Value Creation

Supporting government initiatives and diligently complying with laws, leading by example and mitigating potential risks.

Capitals Impacted



Society & Communities

Key Areas of Engagement

- ▶ Financial literacy and inclusion
- ▶ Support for livelihoods
- ▶ Socio-economic development
- ▶ Rural development
- ▶ Environment
- ▶ Education
- ▶ Inclusive Sports
- ▶ Job creation

Mode of Engagement

- ▶ Community development programs
- ▶ CSR initiatives
- ▶ Environmental initiatives
- ▶ Public consultations and surveys

Engagement

As a leading provider of livelihood finance in India, the Bank is committed to its CSR philosophy 'Sattvam – Our Country. Our Commitment.' This includes efforts to reduce its carbon footprint and promote social responsibility.

Value Creation

Creating positive impact through CSR initiatives, including environmental stewardship, education, skill development, healthcare and promotion of arts and sports.

Capitals Impacted

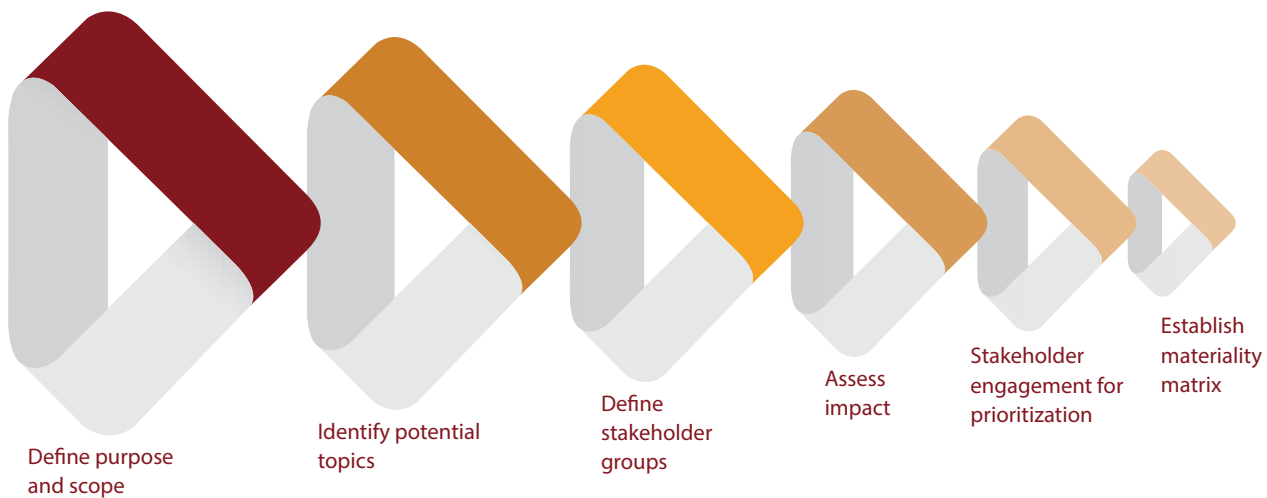


MATERIALITY

Material issues impact the Bank's operations, assets, financials, and reputation. Evaluating these issues is essential for crafting a sustainability strategy prioritizing value generation and robust risk management.

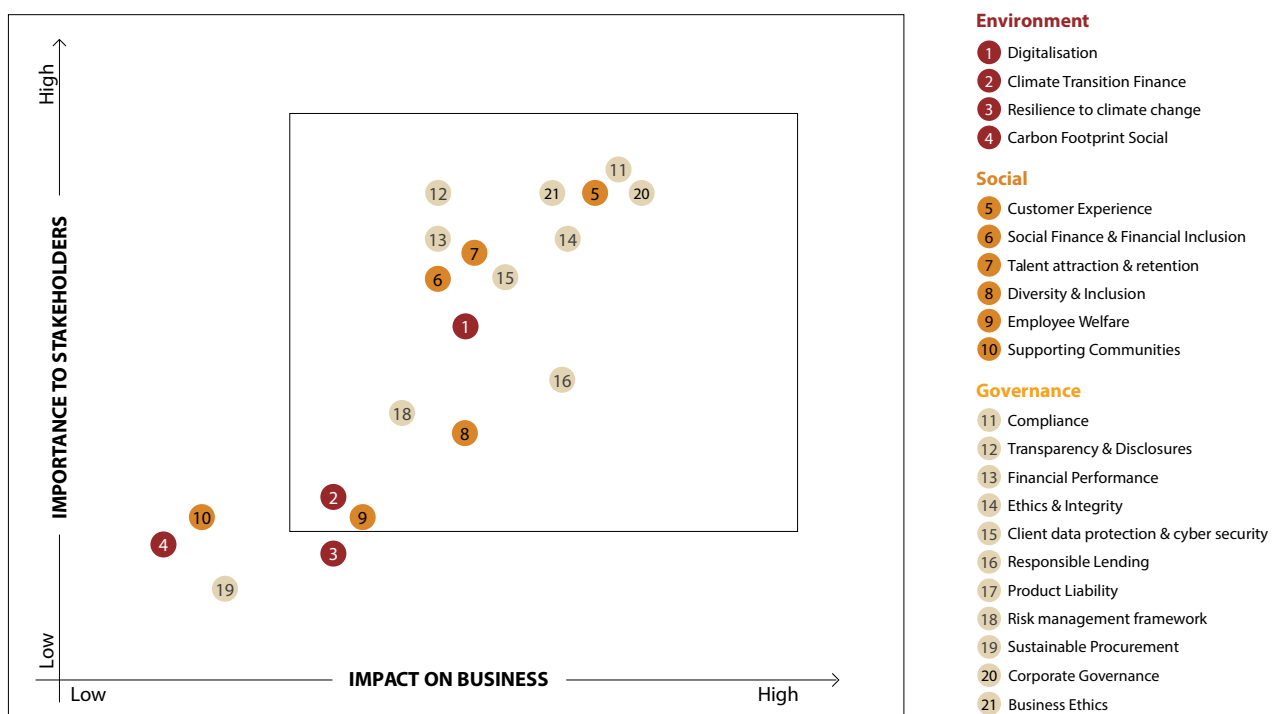
Materiality Assessment Process

IndusInd Bank operates within a dynamic market characterized by evolving customer demands, regulatory changes, and an increasing focus on sustainability. The Bank has implemented a comprehensive materiality assessment process to navigate this complex landscape. This process is pivotal in balancing generating revenue with the need to uphold exemplary governance, foster meaningful stakeholder engagement, and address broader sustainability imperatives.






Materiality Matrix

IndusInd Bank has identified a critical set of 19 material topics with strategic significance. These topics are evaluated across two vital dimensions: impact on business and importance to stakeholders.



Addressing Material Issues

Key Material Issues	Management Approach
Customer Experience Stakeholders Impacted 	<p>The Bank is dedicated to delivering an exceptional customer experience. From the first interaction, every effort is made to understand and meet customer needs. The Bank provides seamless, effective, and tailored services using state-of-the-art technology and a customer-centric approach. Its primary goal is to build trust, exceed expectations, and ensure a positive banking experience for every customer.</p>
Social Finance & Financial Inclusion Stakeholders Impacted 	<p>IndusInd Bank recognizes that social finance extends beyond financial gains, emphasizing the creation of lasting and meaningful societal benefits. The Bank actively supports the growth and impact of social enterprises by providing customized debt solutions tailored to their specific needs. This commitment includes financing initiatives in vital sectors such as health and sanitation, significantly enhancing community well-being.</p>
Talent Attraction & Retention, Diversity & Inclusion Stakeholders Impacted 	<p>The Bank recognizes that diversity and inclusion extend beyond its internal operations. This commitment is also reflected in its relationships with customers, partners, and the communities it serves.</p> <p>Key Diversity and Inclusion highlights of the Bank include:</p> <ul style="list-style-type: none"> ▶ The Bank has launched 10 all-women branches across India in Jalandhar, Chandigarh, Delhi, Jaipur, Pune, Bhubaneswar, Kolkata, Bengaluru, Chennai and Thiruvananthapuram. ▶ In FY2024, the Bank hired neurodivergent employees, contributing to a workforce that includes 148 specially-abled employees. ▶ 2 Out of a total of 11 Directors on the Board are women.
Compliance, Transparency & Disclosures Stakeholders Impacted 	<p>The Bank is committed to being a responsible organization, continuously cultivating a culture of risk management and compliance. It remains attentive to the evolving regulatory environment, ensuring its operations adhere to standards set by regulatory authorities. The Bank's control functions guarantee alignment with industry-leading practices.</p> <p>Transparency and disclosure are fundamental principles for the Bank. It firmly believes that providing comprehensive and accurate information is essential for customers and stakeholders to make well-informed decisions. The Bank is committed to openly sharing its financial data, policies, and procedures, ensuring access to necessary information, building trust and promoting accountability in its banking relationships.</p>
Ethics & Integrity Stakeholders Impacted 	<p>The Bank is committed to upholding the highest ethical standards in all its operations and interactions. The staff adheres to a strict code of conduct emphasizing honesty, fairness, and accountability. The Bank believes that maintaining integrity is not just a responsibility but a necessity to earn and sustain the trust of its customers and communities.</p>
Client Data Protection & Cyber Security Stakeholders Impacted 	<p>The Bank is dedicated to adapting to the evolving cyber landscape. Its specialized team, focused on cyber and information risk management, ensures the Bank remains vigilant and proactive in safeguarding its operations and customer data from cyber threats.</p>

Legends



Investors



Customers



Employees



Suppliers



Regulators & Policymakers



Society & Communities



STRATEGY

The Bank's strategy is designed in 3 year planning cycles based on an assessment of the current business and financial profile, the vision of the Bank, competitive landscape, regulatory environment, potential business and strategic risks, macro-economic conditions and operating dynamics. These 3 year strategic plans are further dissected into annual and quarterly goals.

The formulation of IndusInd Bank's strategy is a collaborative endeavour, involving all stakeholders, including crucial top-down strategic inputs from the Core Executive Team (CET). Additional refinement is carried out by collecting insights from the Bank's operating staff, ensuring the seamless integration of evolving customer preferences and emerging market opportunities. When necessary, the Bank involves specialized agencies and consultancies, employing an outside-In perspective to critically evaluate specific domains. Subsequently, the CEO and the Core Executive Team (CET) present this strategic plan to the Board for thorough review and final approval.



Planning Cycle-6 Strategy

The current Planning Cycle-6 (FY2023-26) strategy is also prepared on the similar lines taking into account universal banking offering, disproportionately large distribution, innovative digital initiatives, greater penetration into existing client wallets, adequacy of capital and employee productivity. The strategy for PC-6 is “Market Share with Diversification”. Bank’s focus is clear towards getting Growth, building Granularity with relentless focus on Governance i.e. 3G in short.



The Bank completed first year of planning cycle and the progress was broadly in line with the stated objectives. Below is a demonstration of the performance in the identified 5 key focus areas of the PC-6 strategy.

PC-6 Strategy



Strategy	Market Share with Diversification 3G: Growth, Granularity, Governance
<p>Key Themes</p>	Continuing Retailisation Journey
	Diversifying Domains
	Scaling Sub-scale Businesses
	Accelerating Digital 2.0
	Imbibing ESG into Business

Key Themes Driving PC-6

Continuing Retailisation Journey

Retailisation of deposits was one of the major focus area for the Bank during last 4 years and the bank has made significant progress. The share of retail deposits as defined by LCR increased to 44% in Mar-24 from 31% in Mar-20. The Bank however believes this is a work in progress agenda and will continue its sharp focus on retailisation of deposits and aim to increase share of retail deposits to 45%-50% by end of PC-6 (FY26).

Diversifying domains

The Bank carries domain expertise in livelihood financing including Vehicle Finance, Microfinance and Gems & Jewelry. These domains have delivered strong risk adjusted return across cycles. The Bank continue to grow these domains while diversifying via launch/ scale-up of new initiatives.

Vehicle Finance

Over the period, the Bank has diversified its vehicle finance book with addition & scale-up of new vehicle categories like Light Commercial Vehicles, Cars, Utility Vehicles, Construction Equipment & Tractor portfolios. The Bank has built leadership position across vehicle categories and reduced its dependency on MHCV segment. The Bank has ramped up its LCV business by carving out dedicated business unit. Bank's LCV market share has now crossed 10% from sub 5% a few years' back. The Bank also scaled up its passenger vehicle book improving balance between passenger and commercial vehicles. Overall, vehicle portfolio is now diversified across product categories and the Bank is well positioned for sustainable growth across different product cycles.

Micro Finance/ Inclusive Banking via BFIL

The Bank is transitioning BFIL's rural business from microfinance to micro banking via merchant offering, two-wheeler loans, individual loans, liabilities build-up. With scale-up of merchant business, the share of non-microfinance loans is now close to 13% of overall loan sourced via BFIL as on Mar-24. Going forward, the Bank aim to increase the share of non-microfinance portfolio to 30%-35% in next couple of years.

Gems & Jewelry

The Bank is adopting 'One Bank' approach to capture entire echo-system via community banking and scale-up of non-diamond loan book. The Bank has launched 'Indus Solitaire' a community focused relationship programme offering a gamut of tailored banking services for the Diamond Industry.

Scaling Sub-scale Businesses

The Bank is scaling its new and existing initiatives across assets and liabilities. This is one of the key focus area for PC-6. On the asset side, loan book under home loan product, which was launched last year, stands at ₹ 1,792 crores while merchant advances via BFIL are at ₹ 5,565crores growing at 38% YoY. MSME initiatives have shown strong traction driven by sharp focus via dedicated business units & best in class digital offerings. Overall, loan book via our MSME focused business units grew at 26% YoY in FY24. The Bank continues to scale existing liabilities initiatives of Affluent and NRI Banking. The Bank will further expand affluent and NRI offering with launch of Private Banking focused on HNI/ UHNI customers

Accelerating Digital 2.0

The Bank has laid a strong digital foundation with progress on its 'Digital 2.0' strategy and Digital Bank has been carved out as distinct business unit focused on delivering innovative customer centric solutions across Individual & MSMSE segments with a goal to build a profitable Digital Bank. The INDIE app launched in the last financial is seeing healthy early trends & user adoption with 5mn+ downloads, 1.2mn accounts opened and around 10mn transactions per month. Overall the Bank will continue to Integrate digital across our businesses with scale up of existing initiatives and plan launches













Imbibing ESG into with Business

The Bank prioritises delivering long-term value to our stakeholders by embedding sustainability principles deeply in our business. The Bank has deepened its impact on the society through responsible lending, mitigating climate change, and promoting social behavioural changes.

Overall the PC-6 strategy is aligned towards Bank's long term goal of delivering 'Sustainable Growth' and with multiple initiatives in place the Bank is well equipped to progress towards its strategy of delivering 'Market Share with Diversification'.

Planning Cycle 6 (FY 2023-26)

FY24 Outcome

Resulting in	Loan Growth	 18% - 23%	 18%
	Retail Loan Mix	 55% - 60%	 56%
	Retail Deposits as per LCR	 45% - 50%	 44%
	PPOP / Loans	 5.25% - 5.75%	 5.2%
	Branch Network	 3,250 - 3,750	 2,984
	Customer Base	 > 50mn	 39mn

Advancing Digital 2.0: IndusInd Bank's Tech-Led Transformation

IndusInd Bank continues to drive its Digital 2.0 agenda – propelling the transition from tech-enabled to tech-led.

Key Objectives

Promote superior customer experience across digital platforms and applications, enhancing engagement and advocacy.

Transform existing lines of businesses to drive operational efficiency and unlock productivity gains.

Create new business models leveraging digital platform marketing and open banking.

Key Highlights

2 Mn

new clients
acquired digitally

139% growth

Do-It-Yourself (DIY) Direct
platform led business in
Assets y-o-y

73%

of service requests
processed digitally

63%

y-o-y growth in mobile
transaction volumes



Through these strategic initiatives, IndusInd Bank is well-positioned to achieve its ambitious goals for PC-6, fostering growth, innovation, and sustainability.

THREE DECADES OF FINANCIAL EXCELLENCE AND STABILITY

Over the **past 30 years**, financial capital has been instrumental to IndusInd Bank's success. The Bank's profitable growth is built on effective risk management systems, robust credit policies, and strong underwriting capabilities. These core strengths have solidified **IndusInd Bank's** leadership position in the Indian banking sector, enabling it to deliver sustained value and consistently build trust with its customers and stakeholders. As the Bank celebrates its 30th anniversary, it continues to leverage its financial capital to drive innovation, ensure stability, and support long-term growth strategies, reinforcing its commitment to excellence and reliability in the financial industry.

FINANCIAL CAPITAL

Key Focus Areas



Key Performance
Indicators



Strategic Progress
in FY2024



Key Highlights

₹20,616 Cr

Net Interest Income, a 17% growth from last year

₹8,977 Cr

Net profit for the year

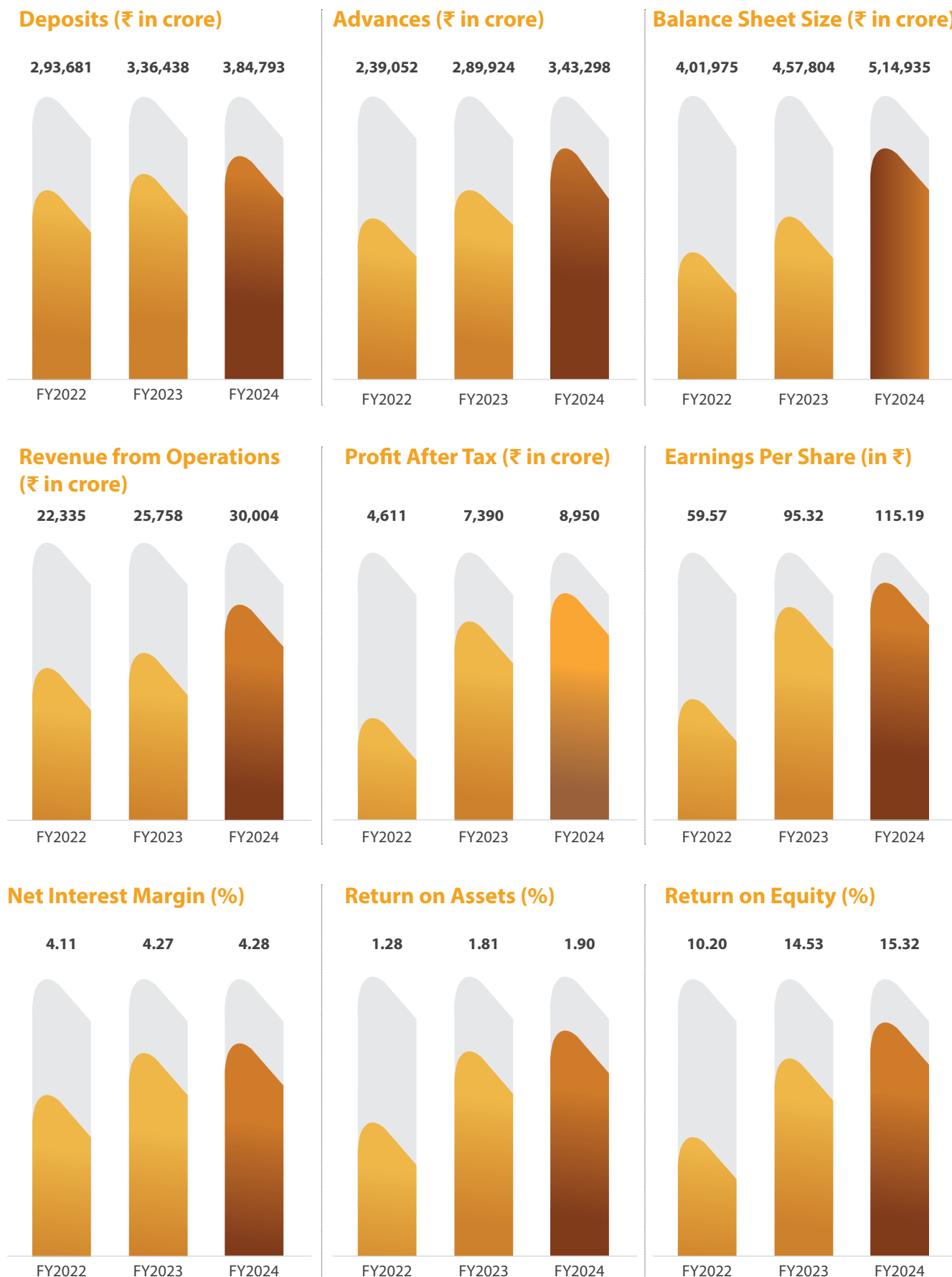
15.27%

Return on Equity (RoE)

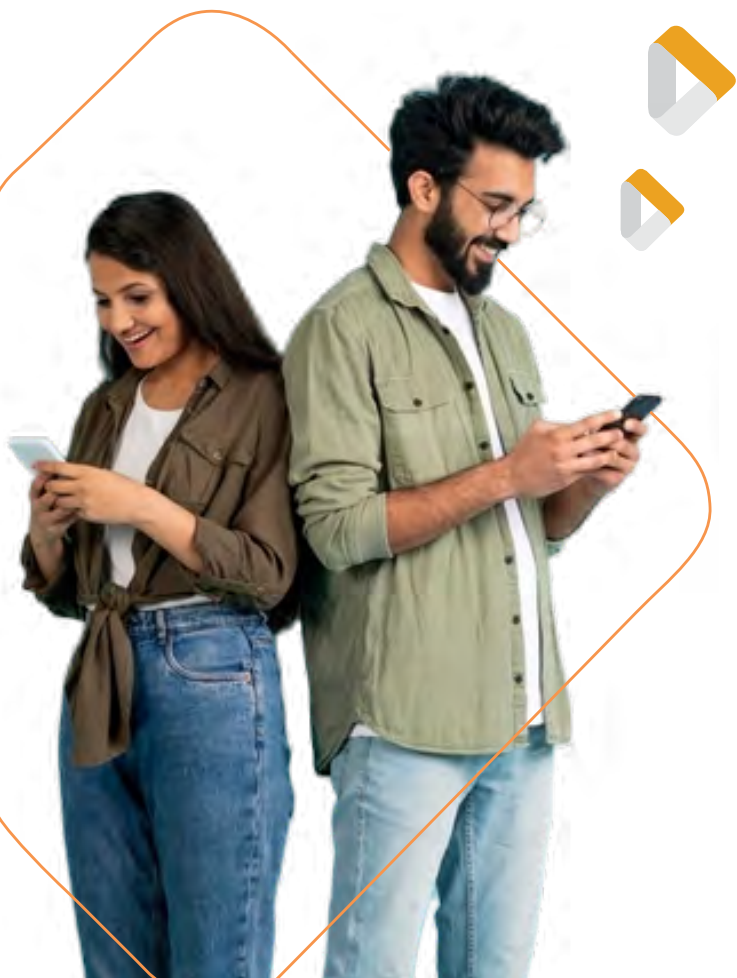
SDGs Impacted



Key Performance Indicators (Standalone)



Surpassing a balance sheet of **₹ 5,00,000 crores** and marking three decades of successful operations, IndusInd Bank continues progressing on its journey of **‘Growth, Granularity, and Governance’**.



Strategic Progress in FY2024

FY24 was year of consistent growth and healthy profitability for the Bank. While the operating environment saw challenges in terms of heightened liquidity, sticky inflation, adverse geopolitical developments etc, the Bank exhibited healthy traction across key metrics executing on strategic objectives. Deposits grew by 14% y-o-y with improved share of retail deposits. Overall loan growth for the year at 18% y-o-y was driven by granular business segments. Profit After Tax for the year increased by 21% y-o-y to ₹8,949.78 crore.

IndusInd Bank achieved a commendable consolidated Return on Equity (RoE) of **15.27%**, reflecting our dedication to enhancing shareholder value. Earnings per share (EPS) increased to **₹115.54**, and dividends per share rose to **₹16.50**.

The Bank did not raise any non-equity Tier 1 or Tier 2 capital. However, during FY2024, the Bank exercised a call option on AT1 bonds amounting to ₹1,489.90 crores, resulting in an outstanding AT1 bonds balance of Nil.

Overall, FY 2024 was aligned with the PC-6 strategy and the Bank's long-term goal of delivering sustainable growth.

(Read more about the Bank's performance in the MDA on Page No. 92)

THREE DECADES OF ADVANCED INFRASTRUCTURE AND SERVICE DELIVERY

IndusInd Bank's Manufacturing Capital encompasses its comprehensive distribution network and sustainable infrastructural practices. With an extensive presence across urban and rural regions, the Bank ensures efficient service delivery and optimizes customer reach and engagement. This effective framework supports innovation, enhances operational efficiency, and drives long-term growth and sustainability.

MANUFACTURED CAPITAL

Key Focus Areas



Comprehensive Network and Strategic Expansion



Commitment to Sustainability in Infrastructure



Key Highlights

2,984

Branches

2,956

ATMs

28

States, 7 Union Territories

718

Rural branches

674

Semi-urban branches

12

LEED-certified PIONEER
Branches / Lobbies

Bharat Financial Inclusion Limited (BFIL)

3,620

branches

~157,000

villages

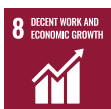
549

districts

23

states

SDGs Impacted



Comprehensive Network and Strategic Expansion

Nationwide Presence

IndusInd Bank has meticulously established a comprehensive network comprising 2,984 banking outlets and 2,956 ATMs, ensuring its presence across all 28 States and 7 out of the 8 Union Territories in India. This extensive reach underscores the Bank's commitment to accessible and inclusive banking services.

International Operations

To cater to offshore banking needs, the Bank operates an International Financial Services Unit (IFSC) Banking Unit (IBU) at the Gujarat International Finance Tec-City (GIFT City). Additionally, Representative Offices are strategically located in key international hubs, including London, Dubai, and Abu Dhabi, enhancing the Bank's global footprint.

PIONEER Branches / Lobbies

In a bid to provide specialized services, IndusInd Bank has launched 13 PIONEER Branches / Lobbies in prominent locations across the country:



Mumbai
Juhu, Pedder Road,
Lower Parel



Pune
Ghole Road



Delhi
Defence Colony,
Punjabi Bagh



Gurugram
Palm Springs



Chandigarh
Sector-9



Kolkata
AJC Bose Road



Chennai
R. K. Salai Road



Bengaluru
Church Street



Jaipur
Malviya Marg



Ahmedabad
Corporate Road

These branches are strategically situated to cater to high-net-worth individuals and offer bespoke banking and wealth management services.

Currency Management

IndusInd Bank operates six currency chests strategically located in Mumbai, Delhi, Chennai, Kolkata, Bengaluru, and Chandigarh to facilitate efficient currency management. This strategic placement ensures smooth and efficient currency operations, enhancing the Bank's ability to manage cash flow and provide optimal service delivery across its network.

Commitment to Sustainability in Infrastructure

IndusInd Bank is diligently advancing its Environmental, Social, and Governance (ESG) footprint through strategic initiatives such as the Green Branch Initiative. Illustrating this commitment, the IBL House office in Mumbai and the Karapakkam office in Chennai have both attained Leadership in Energy and Environmental Design (LEED) certification, conferred by the United States Green Building Council (USGBC), meeting its stringent standards.

Pioneering a Sustainable Future

12 PIONEER Branches / Lobbies of IndusInd Bank nationwide have achieved LEED certification, underscoring the Bank's commitment to **environmental sustainability**. Eight branches / lobbies, located in Mumbai, Chennai, Delhi, Bengaluru and Pune, have earned LEED Platinum certification. Four branches, located in Gurugram, Kolkata, Jaipur, and Chandigarh, have achieved LEED Gold certification.

Branch-wise certification details are as under:

PIONEER Branches / Lobbies	Certification Types	Level	Savings in %		
			Water	Waste	Energy
Malviya Marg, Jaipur	LEED ID+C CI#	Gold	59.73	82.73	20.05
Church Street, Bangalore	LEED ID+C	Platinum	60.48	78	20.93
Pedder Road, Mumbai	LEED O+M	Platinum	56	100	16.40
Lower Parel, Mumbai	LEED O+M	Platinum	53	100	14.30
Ghole Road, Pune	LEED O+M	Platinum	58	100	16.11
Defence Colony, Delhi	LEED O+M	Platinum	52	100	12.80
Punjabi Bagh, Delhi	LEED O+M	Platinum	59	100	28
Sec-9, Chandigarh	LEED O+M	Gold	54	100	13.66
R.K. Salai, Chennai	LEED ID+C CI	Platinum	59.60	93.92	16.11
Palm Springs, Gurugram	LEED ID + C CI	Platinum	55	100	13.40
AJC Bose Road, Kolkata	LEED ID+C CI	Gold	62.49	95.46	23.90
Juhu Mumbai	LEED O+M	Platinum	57	100	13.40

LEED O&M: Operation & Maintenance

LEED ID+C: Interior Design + Construction

These branches achieved an average water savings rate of 57.70%, waste savings rate of 94.02% and energy savings rate of 17.88%.

THREE DECADES OF INTEGRATING ENVIRONMENTAL STEWARDSHIP INTO OUR 30-YEAR JOURNEY

IndusInd Bank recognizes the critical importance of natural capital in ensuring sustainable development and long-term economic stability. The Bank is committed to integrating natural capital considerations into its business practices, aiming to enhance ecosystem services and mitigate environmental impacts. By doing so, the Bank supports environmental sustainability and ensures long-term economic resilience and value creation for its stakeholders.

NATURAL CAPITAL

Key Focus Areas



Climate Resilience
and Opportunities



Water Conservation



Energy



Sustainable Financing



Waste Management



Carbon Neutrality 2032



Key Highlights

2.18

Emission Intensity (MTCO₂e/ ₹ cr.)

12 PIONEER

Branches / Lobbies nationwide have achieved LEED certification

SDGs Impacted



Empowering a Greener Future: IndusInd Bank's Sustainability Initiatives

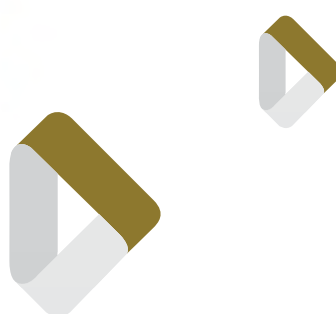
IndusInd Bank is committed to supporting India's Nationally Determined Contributions (NDCs) by aiming to reduce the country's GDP carbon intensity by 45% from 2005 levels by 2030. The Bank is also dedicated to supporting Sustainable Development Goal (SDG) 13, which focuses on combating climate change. To achieve these objectives, the Bank will allocate financial resources to sustainability programs and initiate several new efforts to green its operations.

The Bank actively promotes the adoption of e-statements among its customers to minimize paper usage. Throughout FY2024, the Bank's GHG emissions from paper consumption decreased by 4% compared to the previous year. Additionally, the Bank encourages customers to utilize its digital banking platforms to further reduce emissions.

Climate Resilience and Opportunities

The Bank aims to enhance its portfolio's resilience to climate risks while seizing climate-related opportunities. The Bank actively collaborates with funds, foundations, and Development Financial Institutions (DFIs) to support entities and projects in sectors such as Healthcare, Agriculture, and Microfinance.

As of March 2024, the Bank has established risk-sharing partnerships totaling over **\$80 million** with USAID and DFC.



Energy

Energy Efficiency

The Bank is actively implementing measures to reduce carbon emissions and ensure energy efficiency across its operations. These measures include:

- ▶ Sourcing electricity from renewable sources.
- ▶ Incorporating energy-efficient technologies and equipment into building designs.
- ▶ Embracing a 'Green IT' vision by updating software, adopting new technologies, and streamlining IT operations to minimize energy consumption.
- ▶ Conducting regular energy audits to identify areas for improvement and develop long-term strategies.
- ▶ Organizing workshops to promote energy conservation and raise awareness about sustainability.

276,417 GJ

Total energy consumption in FY2024

		FY2022		FY2023		FY2024	
		MWh	GJ	MWh	GJ	MWh	GJ
Non-renewable	Direct Energy (Fuel-Diesel)	8,244.93	29,681.73	8,644	31,119	9,263	33,345
	Direct Energy – Petrol	169.39	609.81	178	641	92	330
	Direct Energy – Total	8,414.32	30,291.55	8,822	31,760	9,354	33,675
	Indirect Energy (Electricity)	6,89,30.30	2,48,149.09	76,386	2,74,989	67,398	242,633
Total Non - Renewable		77,344.62	2,78,440.64	85,208	306,750	76,752	2,76,309
Renewable	Solar	1,406.50	5,063	51	183	30	108
Grand Total		78,751.12	2,83,504.04	85,259	3,06,932	76,782	2,76,417

Energy Consumption

87.78%

Non-renewable indirect energy (electricity)

12.06%

Non-renewable direct energy (diesel)

0.12%

Non-renewable direct energy (petrol)



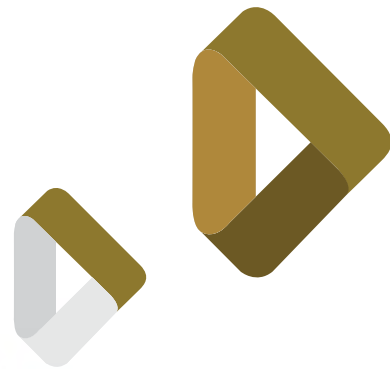
Mitigating Emissions

The Bank's emissions intensity stands at **2.18 MTCO₂e/Revenue ₹ crore.**

Significant progress has been made in reducing emission intensity per branch (MTCO₂e/No. of branches), which decreased from 39.76 in FY2019 to 21.94 in FY2024. Similarly, emission intensity per full-time equivalent (FTE) employee (MTCO₂e/FTE) decreased from 2.39 in FY2019 to 1.44 in FY2024.

To achieve emissions reduction, the Bank has implemented several measures, including:

- ▶ Measuring, monitoring, and reducing greenhouse gas (GHG) emissions associated with its operations across India.
- ▶ Investing in renewable energy sources and energy-efficient solutions to meet its energy requirements while divesting from fossil fuel interests.
- ▶ Installing timers in signage has further reduced electricity consumption in offices and branches.
- ▶ The Bank has embraced new-age architecture by transitioning to a modern Data Centre (DC) and a multi-cloud environment. This approach aims to balance different cloud platforms, supporting a sustainable future by reducing the carbon footprint. These initiatives align with the Data Centre Evaluation Framework (DEF) and adhere to the latest international guidelines from IEEE.



Absolute Emissions (MTCO₂e)

The Bank aims to reduce emissions intensity by 50% from FY2020 to FY2025 compared to the baseline of 3.8 MTCO₂e/Revenue ₹ crore.

Units	FY2022	FY2023	FY2024
Direct GHG Scope 1	9,552	19,074	16,977
Indirect GHG Scope 2	57,359	53,348	48,515
Total (Scope 1 + Scope 2)	66,912	72,422	65,492
Scope 3	9,251	6,592	9,600

Emissions Intensity

The Bank aims to reduce emissions intensity by 50% from FY2020 to FY2025 compared to the baseline of 3.8 MTCO₂e/Revenue ₹ crore.

Units	FY2022	FY2023	FY2024
GHG emissions intensity (Scope 1+2) in MTCO ₂ e per revenue Cr (₹)	2.99	2.81	2.18
GHG emissions intensity (Scope 1+2) in MTCO ₂ e per FTE	1.99	1.90	1.44
GHG emissions intensity (Scope 1+2) in MTCO ₂ e per branch	29.54	27.79	21.94

Empowering a Greener Future: IndusInd Bank's Sustainability Initiatives

The Bank actively promotes the adoption of e-statements among its customers to minimize paper usage. Throughout FY2024, the Bank's GHG emissions from paper consumption decreased by 4% compared to the previous year. Additionally, the Bank encourages customers to utilize its digital banking platforms to further reduce emissions.



Scope 3 Emissions Overview (MTCO₂e)

Units	FY2022	FY2023	FY2024
Air travel	364	654	804
Rail travel	1	2	3
Bus travel	7	11	-
IBL car hire	11	10	19
CFD- car hire + reimbursement	0.1	21	69
Employee commute	409	122	113
Paper consumption	3,495	2,181	2,098
Transaction-based off-site ATMs	1,502	1,251	3,594
Hotel stays	247	482	438
Work-from-home emissions	-	104	155
CFD personal car + office Jeep reimbursement	-	1,124	546
CFD bus + rail reimbursement	-	461	1,761
CFD air reimbursement	-	169	-
Total	9,251	6,592	9,600

*CFD office jeep is considered in scope 1 from FY24



Mitigating Emissions

The Bank generates paper and electronic waste. To address this, the Bank has implemented waste segregation with separate bins in corporate office pantries, recycling dry waste and converting wet waste. Electronic waste is properly recycled in collaboration with authorized e-waste vendors.

68.01 MT

E-waste recycled

Water Conservation

The Bank has implemented water-saving measures in its facilities. Bio-blocks have been installed in male urinals, eliminating the need for water flushes. This innovative system converts flush-based urinals into waterless ones, saving approximately 3 liters per flush. Additionally, aerator sprinkler filters have been installed in washbasins, significantly reducing water usage. Each device saves approximately 2,500 liters of water per day.

5,27,905 Kiloliters

Total water used

Sustainable Financing

IndusInd Bank has launched a range of sustainable finance initiatives and frameworks, successfully completing numerous financial deals. For FY 2024, the Bank's sustainable finance portfolio represented approximately 48% currently undergoing assurance of the Bank's total advances.

Critical areas targeted by the Bank's sustainable financing programs include:

Renewable Energy: The Project Finance team has established a dedicated Clean Energy Finance unit. This team collaborates with clean and green energy stakeholders, including regulators, operators, and asset owners, to effectively seize opportunities. These projects encompass solar, wind, biomass, biogas, small hydro, renewable energy products, production, transmission, and distribution.

Green Buildings: The Bank provides financing for green building initiatives, including those accredited by LEED, GRIHA, and IGBC. This support facilitates the transformation of traditional buildings into environmentally friendly structures.

Energy Efficiency: Energy efficiency is a key focus, with financed projects evaluated to reduce consumption and enhance efficiency across various sectors. Following Bureau of Energy Efficiency (BEE) guidelines, IndusInd Bank promotes sustainable energy management practices.



WaSH (Water, Sanitation and Hygiene) Program focuses on improving access to safe drinking water and basic sanitation. It finances sewage treatment plants, industrial and municipal wastewater treatment, water management and treatment, and desalination projects.

Debt Financing Solutions for Corporates: The Bank offers an extensive array of ESG-linked financing solutions, such as green bonds and social bonds, among others, demonstrating its dedication to fostering sustainable practices and promoting environmental responsibility within the corporate sector.

The Bank supports NLC India's de-carbonization efforts by financing its **300 MW** solar initiative with a **₹ 1,000 crore** facility.

Climate-positive Sectors: The Bank is transitioning towards contributing to ESG-positive sectors such as E-mobility and distributed off-grid rooftop solar systems.

Rooftop Solar Loan Finance Program (IndusSolar): This initiative promotes sustainable energy practices, envisioning a future where micro and small businesses can harness solar energy to contribute to a greener, more sustainable economy.

Carbon Neutrality 2032

The Bank has publicly announced its Board-approved goal of achieving carbon neutrality by 2032. To this end, the Bank has developed a comprehensive strategy to ensure the successful attainment of this target:

Calculate overall emissions from various sources for each location.

Forecast emissions until FY 2032, considering the current growth of the Bank's business in categories such as branches and offices.

Analyze facility energy benchmarking data using questionnaires and compare them with BEE benchmarks.

Collect and analyze average annual energy consumption details for all locations.

Assess potential energy-saving opportunities and investments based on available technologies.

Implement interventions for carbon neutrality using various strategies, including supply-side and demand-side measures and the purchase of carbon offsets.

Realign strategy every two years to utilize best-in-class technology.

Ensure relevant CapEx and OpEx are captured in the Bank's books.



LEADING THE WAY: FROM TECH-ENABLED TO TECH-LED

Harnessing intellectual capital is vital for driving innovation, enhancing customer experiences, and achieving sustainable growth at IndusInd Bank. The Bank continuously adapts and excels in the dynamic banking sector by investing in advanced technologies, fostering employee expertise, and forming strategic partnerships. This intense focus on intellectual capital boosts the Bank's operational efficiency and solidifies its position as a leader in delivering forward-thinking banking solutions. Through these efforts, IndusInd Bank ensures it remains at the forefront of industry advancements, providing exceptional customer service.

Key Focus Areas



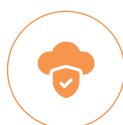
Digital Banking



Strategic Investment –
Technology

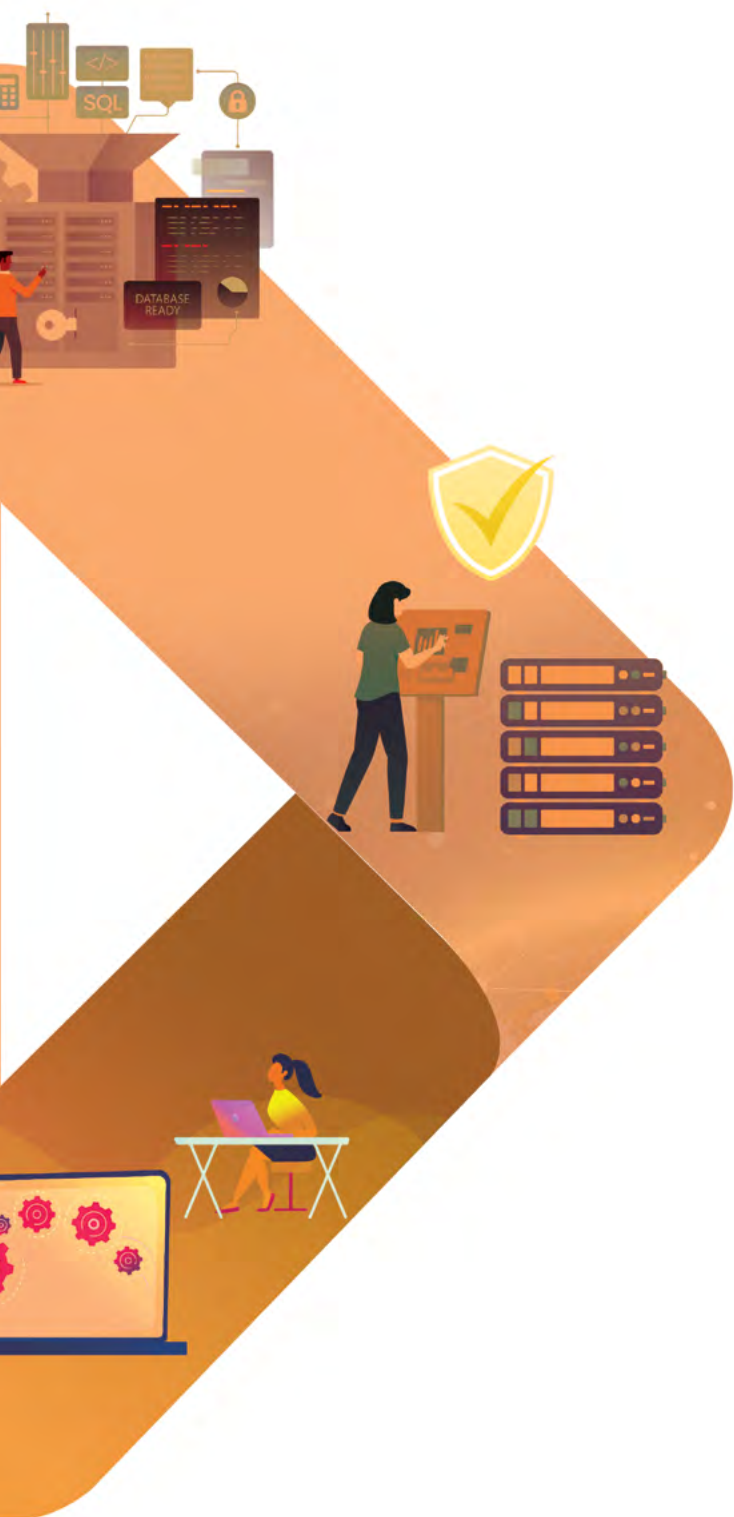


Sustainable
Technology



Data Safety

INTELLECTUAL CAPITAL



Key Highlights

2 Million

clients acquired digitally

Launch of INDIE and Indus PayWear

5 Million

million installations and 1 million new customers within six months of the launch of the INDIE app

19%

year-on-year increase in monthly active users of the IndusMobile app

8.5 Million

registered user base under the WhatsApp banking platform

60,000

users IMS registered base

SDGs Impacted



Enhancing Experiences Through Digital Innovation

IndusInd Bank advanced its Digital 2.0 agenda during the year, transitioning from tech-enabled to tech-led. The digital strategy aims to enhance customer experience, transform business operations for efficiency, and create new business models through digital marketing and open banking. The Bank has undergone a comprehensive transformation by deploying various applications, significantly improving efficiency. The Bank remains committed to pursuing major technological initiatives.

Our Leading Partnerships

Tech Partners

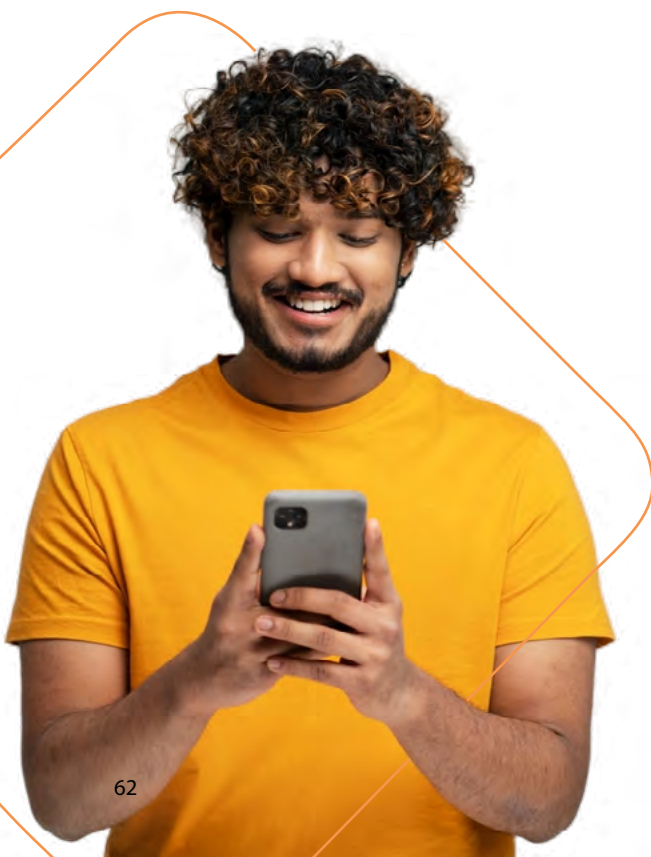


Fintech Partners



INDIE - A Hyper-Personalized Financial Super-App

INDIE, the new mobile banking app from IndusInd Bank, offers a unique experience for digitally savvy customers. Utilizing advanced analytics, it provides personalized insights and industry-first features. Key offerings include:



Best-in-class payment capability enabled with advanced analytics



Flexible line of credit, enabling customers to draw and repay funds as needed, unlike traditional personal loans



Customers can choose their loyalty program



Unparalleled security with a numberless debit card, dynamic PINs generated in-app, and single-use virtual cards

IndusMobile

IndusMobile is a state-of-the-art mobile app that has transformed customer interactions and engagement across multiple channels. The Bank personalizes communications for each customer by utilizing real-time events-based engagement, leading to improved app ratings. The Bank has integrated One Span and LookOut SDK for maximum security to protect against fraud. The app now includes MoEngage, a customer engagement platform, to provide targeted experiences tailored to user preferences. Rupay credit card integrations also enable new product line users to access the platform.

Indus PayWear

IndusInd Bank introduced 'Indus PayWear,' India's first All-in-One tokenizable wearables for debit and credit cards. These contactless payment wearables—rings, watch clasps, and stickers—enable swift and secure tap-and-pay transactions worldwide.

IndusNet

IndusNet, the bank's flagship net banking platform, provides customers with a comprehensive view of their accounts, loans, cards, and investments. The Bank has seamlessly integrated with CBDT and GST portals, for processing tax payments. With a focus on client experience and engagement, significant product enhancements were made during the year – increased transaction limits, Aadhaar-based registration, improved system performance, and new alert mechanisms. Alliances with Fintech partners like Cashfree, EaseBuzz, JioPay, Xsilica, Razorpay, BillDesk, Paytm, and PayU have played a major role in strengthening digital payments.

Central Bank Digital Currency (CBDC)

As a pioneer in digital banking, IndusInd Bank has significantly contributed to the Reserve Bank of India's (RBI) CBDC pilot. IndusInd Bank was among the select organizations involved, playing a crucial role in advancing the Digital Rupee initiative. The Digital Rupee application has been enthusiastically adopted, and the Bank actively promotes its use in 26 pilot cities. With initiatives like CBDC-UPI QR interoperability, offline CBDC, and programmable CBDC, IndusInd Bank aims to revolutionize financial transactions across India.

IndusInd Bank has a solid user base of approximately 1.2 lakh on its CBDC platform.

Indus Merchant Solutions (IMS)

IMS, an all-in-one digital mobile platform for merchants, is designed for microfinance users. It enables Bharat Super Shop merchants to access real-time UPI collections and seamlessly use banking facilities. Merchants can open a current account within 15 minutes through video KYC on the app. The IMS app's security has also been enhanced by integrating OneSpan and Lookout.

WhatsApp Banking and ChatBot

AI-driven ChatBot and WhatsApp banking enable customers to check balances, access mini statements, and view transaction history through natural conversation. Over the past year, we have enhanced user experience and strengthened security features. These platforms expand the bank's digital footprint, serving as additional customer service and engagement channels. IndusInd Bank aims to leverage WhatsApp's vast user base to deliver banking services to its deposit and loan customers.

The Bank's active WhatsApp users surged by **107%** in FY2024 compared to FY2023.

Digital GIFT City App

Within Gujarat International FinanceTech CITY (GIFT City), IndusInd Bank maintains an active branch as part of its 'DigitalFirst' approach. The Bank is developing a groundbreaking mobile application that leverages advanced technology and streamlined processes to better serve its GIFT City customers. This commitment to innovation allows the Bank to effectively address the evolving needs of its customers in this dynamic ecosystem. The application is set to launch in Q2 of FY2025.

Indus Easycredit

Indus Easycredit, the Bank's flagship digital lending platform, offers personal loans, credit cards, co-branded cards, and a unique interactive credit card. Its loan origination system now approves loans in under five minutes. This year, the platform was enhanced to include new products such as buyer's credit, Letter of Credit Backed Discounting (LCBD), commercial cards, business cards, and secured credit cards.

Savings Account and Fixed Deposits Online Platform

This platform is an essential product for the Bank, streamlining the digital account opening process for customers. Significant enhancements implemented this year include ease of account opening for returning users and the implementation of a co-browsing solution via GTM. As a result, the Bank has achieved a remarkable year-on-year increase in the number of savings accounts opened through its portal.

Indus Fast Remit (IFR)

IndusInd Bank introduced Indus Fast Remit (IFR), an online marketplace for remittances accessible across various geographical locations. This platform allows customers to select remittance services based on their preferences and partner offerings, presenting significant potential for the Bank to expand its Non-Resident liability book.

Strategic Investment – Technology

IndusInd Bank is dedicated to achieving optimal operational efficiency by strategically adopting advanced technologies. The Bank has embraced a modern architectural approach, transitioning to a hybrid cloud model to ensure a balanced and resilient technological presence.



Enhancing Customer Experience

The Bank has introduced innovative solutions to enhance customer experience in its pursuit of excellence. These include paperless, remote, and cashless solutions, all supported by a state-of-the-art data center that complies with DEF and IEEE standards.



Real-Time Data Handling

The upgraded Enterprise Data Platform provides real-time data handling, instant alerts, and enhanced customer visibility.



Innovative Payment Technology

Integrating the Enterprise Payments Hub (EPH) platform and premier products like IBM Webseal and TCS's Enterprise Payment Hub highlights the Bank's commitment to cutting-edge payment solutions.

(Read more about the Bank's Digital Banking in the MDA on Page No. 104)

Strategic Investment – Technology

With a focus on its core philosophy to integrate sustainability into all aspects of business, IndusInd Bank has effectively incorporated ESG principles into its operations through innovative technologies, while enhancing digital experiences for clients.

Software-Defined Data Center (SDDC)

The Software-Defined Data Center (SDDC) is a virtualization technology that partitions server hardware into multiple virtual applications. This division enhances stability, resiliency, availability, scalability, and performance while reducing space and power consumption. SDDC efficiently allocates server resources, enabling approximately 17 to 18 virtual applications to run on a single server.

Centralized e-Client Communication (CCM)

CCM is an IT project focused on migrating customers to digital channels for receiving letters, statements, and other communications, including email, SMS, and WhatsApp.

Hyper-converged Infrastructure (HCI)

Hyper-Converged Infrastructure (HCI) seamlessly integrates computing, storage, and network functions into a single unit, eliminating the need for separate storage and networking components. This technology significantly reduces space and power requirements within the data center.



Data Safety

IndusInd Bank places paramount importance on the security of its clients. The Board of Directors reviews information and cybersecurity rigorously, with the IT Strategy Committee overseeing the strategy. A Chief Information Security Officer (CISO), reporting to the Chief Risk Officer (CRO), manages cybersecurity, supported by a \$10-\$100 million insurance policy. The Bank's IT infrastructure is ISO 27001 certified and undergoes external audits and third-party vulnerability assessments. Employees receive cybersecurity training and must report incidents to incidentresponse@indusind.com. Access to customer information is strictly for business purposes and is governed by a code of ethics covering personal and sensitive data.



**JAANKAAR
BANO
JAGRUK
RAHO**

Jaankaar Bano,
Jaagruk Raho

IndusInd Bank has launched the 'Jaankar Bano, Jagruk Raho' campaign to enhance cybersecurity awareness among its customers. This initiative aims to educate and empower customers with knowledge to protect themselves from financial fraud. The campaign utilizes creative visuals to disseminate essential tips and safe banking practices, primarily through social media and internal employee-focused emails.

No. of information security breaches/cybersecurity incidents

FY2023	FY2024
0	0

No. of data breaches

FY2023	FY2024
0	0

No. of fines/penalties paid in relation to information security breaches/cybersecurity incidents

FY2023	FY2024
0	0

THREE DECADES OF COLLABORATIVE GROWTH AND EMPOWERING TALENT

Harnessing intellectual capital is vital for driving innovation, enhancing customer experiences, and achieving sustainable growth at IndusInd Bank. The Bank continuously adapts and excels in the dynamic banking sector by investing in advanced technologies, fostering employee expertise, and forming strategic partnerships. This intense focus on intellectual capital boosts the Bank's operational efficiency and solidifies its position as a leader in delivering forward-thinking banking solutions. Through these efforts, IndusInd Bank ensures it remains at the forefront of industry advancements, providing exceptional customer service.

HUMAN CAPITAL

Key Focus Areas



Employees-focused
Initiatives



Human Rights



Health and
Safety



Prevention of Sexual
Harassment



Key Highlights

45,637

Employees

Great Place to Work-Certified™ for the second time in a row

8,956

volunteering hours contributed

16,206

Employees sensitized about workplace safety

4,062

Total contractual employees

148

Employees with disabilities

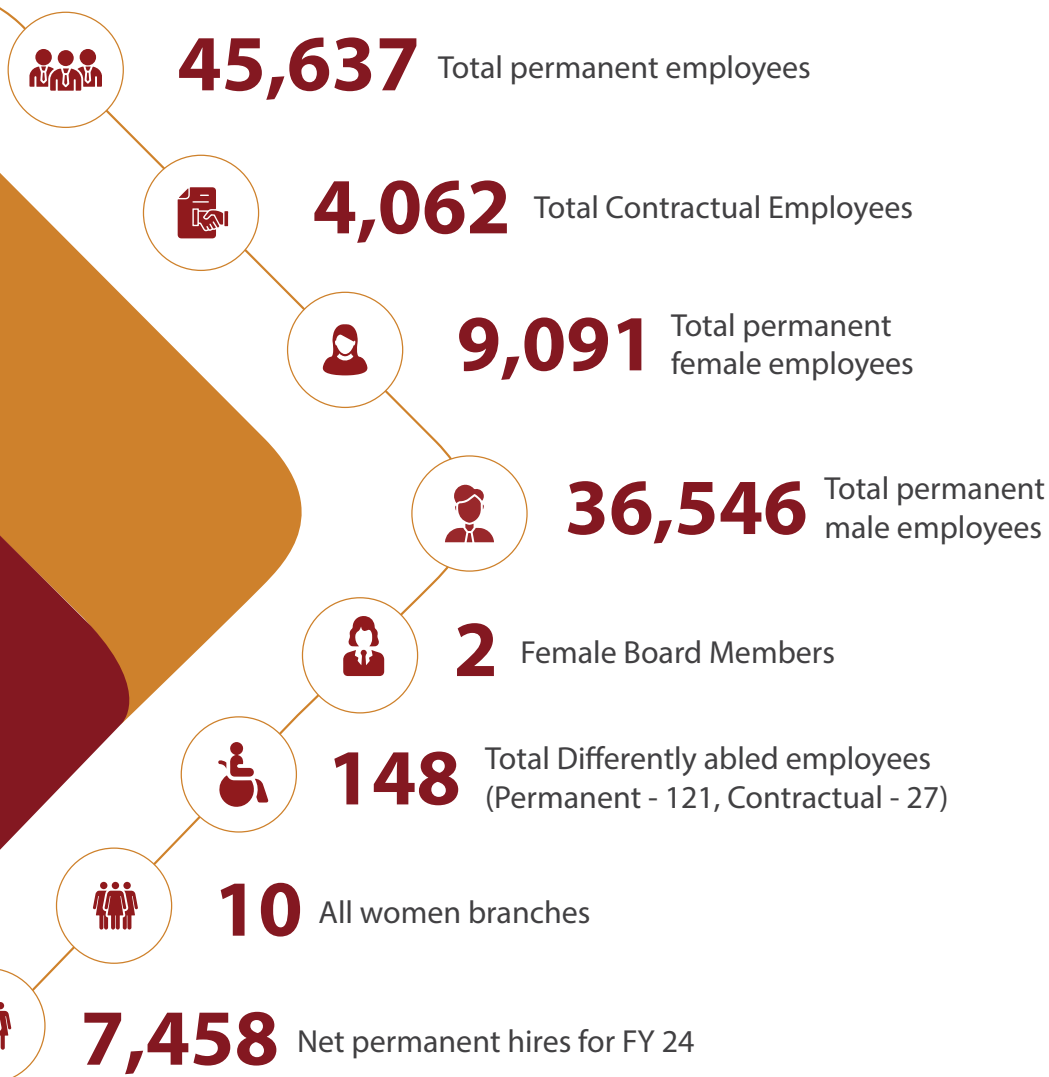
SDGs Impacted



Promoting Diversity and Inclusion

IndusInd Bank places great importance on diversity and inclusion within its workforce. The Bank actively promotes inclusivity by recruiting individuals from diverse backgrounds. This commitment is demonstrated through female representation on the Board, hiring neurodivergent and specially-abled individuals, and establishing all-women branches. Recognizing that a diverse workforce enhances brainstorming and brings new perspectives, IndusInd Bank strives to improve performance and create positive value.

Key Highlights



Employees-Focused Initiatives

Equal Opportunity Employer

The Bank remains committed to being an Equal Opportunity Employer. IndusInd Bank places great importance on diversity and inclusion within its workforce, recruiting diverse individuals across genders, regions, and backgrounds.

Learning and Development (L&D)

The Bank promotes continuous learning for its new and existing employees through a blend of e-learning and virtual classroom initiatives. Prioritizing capacity-building, the Bank offers tailored learning roadmaps, leadership programs, domain-specific courses, and certifications. Comprehensive training for newly onboarded employees covers all crucial aspects of the Bank. These initiatives are essential for effective adaptation, achieving business objectives, and enhancing performance.

Indus Evolve, one of the Bank's mobile apps, promotes L&D for its employees by offering convenient, scalable, and cost-effective learning solutions.

Employee Experience

IndusInd Bank is steadfastly committed to employee engagement initiatives that ensure workplace cohesion and interconnectedness. These initiatives include:

- ▶ Quarterly webcasts by the MD & CEO to discuss the Bank's performance, governance, and strategic direction
- ▶ Programs like We Connect, Coffee Connect, and Employee Appreciation which promote grievance resolution, recognition, appreciation, and retention
- ▶ Celebrating events such as International Women's Day, regional festivals, and sports events to foster a sense of community
- ▶ In FY2024, the Bank connected with over 1.10 lakh employees on notable occasions.

Programs such as 'Indus Cares' and 'You Matter' showcase the Bank's commitment to creating a supportive environment for women employees.

Employee Welfare

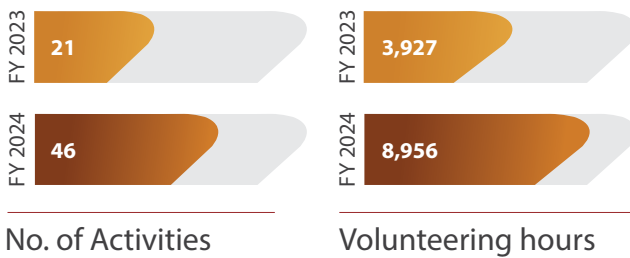
The Bank remains committed to employee welfare and supports it through various curated benefits such as paternity leave, career guidance programs for employees' children, and women-centric policies.



Employee Volunteering

The Bank's Employee Volunteering Program entered its second year in FY 2024. Through the Program, the Bank fosters a culture of social responsibility among all employees. For this, the Bank partners with various NGOs to organize activities in which employees can contribute their time and skills to make a difference. In addition, the Bank has made a provision for employees to avail two days of Volunteering Leave per year to support various environmental and social causes.

During the year, the Sustainability Team introduced various initiatives to increase the reach of the Employee Volunteering Program. These included the first edition of the IndusInd Bank Volunteering Week, Virtual Volunteering Activities and Team Volunteering Activities.



Key Highlights

Great Place to Work-Certified™

for the second time in a row

Over 17.9 lakh

virtual learning man-hours conducted

8,956

volunteering hours contributed

Health and Safety

The Bank has a Safety Management System that allows the organization to identify risks, reduce potential accidents and achieve compliance. As part of this System, the Bank has in place:

- ▶ Workplace Health and Safety Policy: Provides a framework for setting and reviewing health and safety objectives.
- ▶ Fire Safety and Security: Established a framework to identify and prevent fire hazards. Additionally, Safety Management team employees receive comprehensive training.
- ▶ Workplace Safety Assessment: Periodic audits, safety inspections, and management reviews to assess the effectiveness of the safety management system.

	FY 2023	FY 2024
Reported cases of work-related hazards	0	0
Women employees trained in safety	4,337	7,289
Employees sensitized about workplace safety	9,625	16,206

Human Rights

IndusInd Bank upholds human rights across its operations, ensuring zero violation tolerance. This extends to employees, activities, products, services, and partnerships. Rigorous due diligence identifies and addresses human rights risks, covering issues like trafficking, labor practices, and discrimination. The Bank refrains from financing activities involving child labor, deforestation, and mining in prohibited areas. Regular reviews and SOPs during hiring and operations ensure compliance, with KYC checks and evidence verification being standard procedures.

Prevention of Sexual Harassment

The Bank handles all reported cases in compliance with the Prevention of Sexual Harassment (Prevention, Prohibition, and Redressal) Act of 2013. Employees found to be violating the law face appropriate disciplinary action.



FOSTERING CONNECTIONS OVER OUR 30-YEAR JOURNEY

IndusInd Bank's Social and Relationship Capital is built upon its customers, clients, frontline staff, contact center representatives, relationship managers, service executives, our communities, and those impacted by our **CSR programs**. The Bank's commitment extends from ensuring customer responsiveness and satisfaction to nurturing thriving client partnerships and promoting the welfare and growth of its employees. The Bank strives to ensure that every individual and group associated with it prospers alongside its **progress**.

**SOCIAL AND
RELATIONSHIP CAPITAL**

Key Focus Areas



Customer-focused
Initiatives



Marketing
Initiatives



Sustainable
Procurement



Social
Financing



Community
Development



The Bank's 30-year journey of positive impact

is characterized by the enduring and dynamic relationships it maintains with all its stakeholders.

Key Highlights

157,000 villages

across 23 states benefit from microfinancing services

16 lakh+

beneficiaries – Flagship CSR program

**Improved Net Promoter Score (NPS)
across all touchpoints**

128 MSME Hubs

established across India

26.45 lakh+ m³

water potential capacity created under Sustainable Environment Programs

SDGs Impacted



Customer-centric Initiatives

Customer Engagement

Customer engagement is a top priority at IndusInd Bank. The Bank focuses on personalizing services, creating innovative solutions such as INDIE, and driving customer engagement through WhatsApp banking and social media interactions. The Bank aims to drive client profitability and build lasting relationships by enhancing its ecosystem and transaction banking. IndusInd Bank is dedicated to delivering exceptional support and ensuring continuous and meaningful engagement for all its clients.

Customer Satisfaction

IndusInd Bank's focus on customer-centricity has been a critical pillar of its 30-year success. The Bank uses Net Promoter Score (NPS) to measure customer loyalty and satisfaction. The NPS program is embedded throughout the bank, driving improvements across customer channels and journeys. The Bank's commitment to superior customer service is evident in the rising Promoter trends and improved NPS across all touchpoints.

Rural Connect – BFIL

Bharat Financial Inclusion Limited (BFIL), a wholly-owned subsidiary of IndusInd Bank, offers diverse microfinance services. BFIL facilitates daily financial transactions, provides insurance services, and helps customers achieve aspirations like owning a two-wheeler or consumer durable items.

Customer Grievance Redressal

The Bank adheres to a Board-approved Grievance Redressal Policy, outlining a defined escalation process for all customer complaints received at branches and corporate offices in compliance with RBI guidelines. An Internal Ombudsman has been appointed to review complaints, ensuring an unbiased resolution independently.



Customer Experience

In line with the Bank's vision of being the 'Most Convenient Bank,' it adheres to 'simple, easy, fast, and transparent' principles to enhance customer experience. IndusInd Bank has established a Client Experience Unit, to digitally measure the 'Voice of Customers' to understand better what's working well & what needs improvement and to prioritize the improvement efforts accordingly. The Bank has been continuously devising innovative solutions, investing in cutting-edge technologies for a safe, convenient, personalized and reliable banking experience. The Bank continuously improves service and product delivery to meet evolving client needs and expectations.

Customer Data Privacy

IndusInd Bank ensures strict confidentiality and refrains from sharing customer account information with external entities, except when necessary for lawful bank operations. The Bank's data centers, IT, and support functions are certified to the ISO 27001:2013 standard, a globally recognized Information Security Management System (ISMS). This commitment assures customers that the Bank values their data privacy and takes appropriate measures to protect their sensitive information.

(Read more about the Privacy Policy of the Bank here)

Affluent Banking

The Affluent Banking business offers a bespoke Banking and Wealth Management program to HNI and UHNI clients through its flagship brand, PIONEER. It has quickly become a top wealth management franchise, focusing on exceptional value and experience, widespread distribution with seasoned professionals, and advanced technology for seamless, proactive service delivery.

BFIL serves over

157,000 villages

in 549 districts across 23 states

Affluent Business has achieved robust growth, delivering a CAGR of 20% on NRV, reaching

₹82,000 Cr



Marketing Initiatives

Launching INDIE: A New Banking Era

The Bank's INDIE app represents a significant advancement in the banking sector, promising to deliver an exceptional and seamless banking experience to all users. Marking the launch of INDIE, a comprehensive marketing campaign was executed, highlighting the app's unique value proposition. The campaign began with internal engagement efforts, featuring a Bollywood-themed email marketing campaign to build employee awareness and drive app installations.

The brand film campaign showcased how 'everyday banking shouldn't feel like a battle,' depicting daily struggles humorously. This campaign was supported by TV advertisements, leveraging the cricket frenzy in India during the ICC Men's Cricket World Cup 2023. The advertisements achieved over 200 million views and reached over 70 million households. Additionally, digital films aired during the World Cup garnered over 245 million impressions on Hotstar CTV, 64 million on Meta platforms, and 180 million on YouTube.

INDIE collaborated with broadcaster and cricket commentator Jatin Sapru to further highlight the app's distinctive features. Aston band advertisements during the World Cup were also utilized, garnering favorable feedback from the audience.

INDIE's out-of-home (OOH) campaigns combined topicality and wit, targeting high-traffic areas such as metros and airports. A multifaceted approach was utilized on social media, leveraging topical content pieces, quizzes, educational reels, and blogs to engage and inform the target audience.



Partnership Announcement - ICC

On September 26, 2023, IndusInd Bank proudly announced a pioneering multi-year partnership with the International Cricket Council (ICC). This collaboration positions the Bank as a Global Partner for the ICC Men's Cricket World Cup 2023, ICC Men's U19 World Cup 2024, and ICC Men's T20 World Cup 2024.

Anthem Companion Program: The Bank's Anthem Companion program allowed customers, employees, and stakeholders to have their children participate in the teams' walkout onto the field before the start of each match to honor the national anthems. This initiative, part of the ICC Men's Cricket World Cup 2023, created unforgettable experiences for the 1,440 children throughout the tournament.

On-Ground Campaign: The On-Ground Campaign saw significant participation and engagement, with over 6,600 individuals participating in the 'Virtual Reality Cricket' stall. This activity attracted an estimated 100,000+ spectators across all matches and venues. Additionally, 96 participants were upgraded to VIP hospitality seats, and influencer-generated content amassed nearly 2 million views. The strategic stadium branding ensured extensive visibility on TV and in-stadium, complemented by enhanced visibility at key airports and branch collaterals nationwide.

Print Ad Campaign: To mark the conclusion of the World Cup, IndusInd Bank placed a prominent jacket ad in the Economic Times, reaching an audience of 591,000 readers.

Digital Campaign: The Bank launched the #CheerForGreatness digital campaign during the World Cup. A dedicated team of 16 individuals managed real-time content and engagement across the Bank's social media platforms, resulting in remarkable outcomes:

1.5 Billion impressions

238 Million video views

199 Million cumulative reach

6.8 Million engagements

Brand sentiment saw a notable increase from -44% to 80%, positioning the Bank as the brand with the highest Share of Voice (SOV) among Tier 1 sponsors of the ICC Men's Cricket World Cup 2023. The Bank's social media follower base grew substantially, with Instagram leading at a growth rate of 205% compared to the average monthly growth over the last six months. Overall, digital brand communication reached 108 million users on social media.

#WishForGreatness Diwali Campaign

The Bank launched this campaign by blending festive cheer with cricketing enthusiasm. In partnership with ESPN Cricinfo, the Bank crafted an exclusive show featuring cricket legends. Moment marketing was leveraged to capture and amplify match moments instantaneously.

Social Media Reach

The digital brand communication reached:

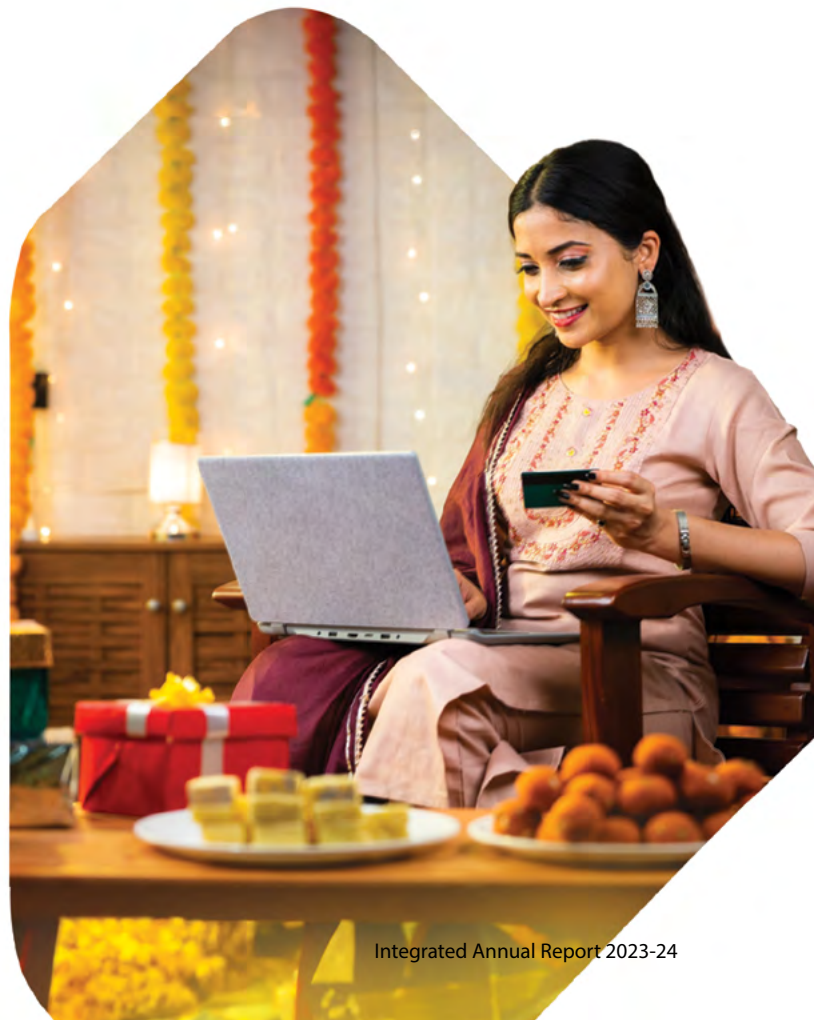
107 Million Social media unique users (cumulative)

45 Million Instagram

38 Million Facebook

18 Million YouTube

6 Million X (formerly Twitter)



Employee Engagement Campaign

The employee-focused campaigns during the ICC events included engaging contests such as Cricket Trivia, Predict & Win, and Spot & Share, which garnered over 21,000 responses. More than 260 workers won match tickets, and more than 4,000 employees received exclusive merchandise. With over 100 emailers and comprehensive engagement metrics, these efforts underscored IndusInd Bank's commitment to employee satisfaction and participation.

New PIONEER Branch in Ahmedabad

To celebrate the launch of a new PIONEER branch in Ahmedabad, Gujarat, strategic advertisements were placed in The Times of India and The Economic Times to maximize visibility and effectively reach our target audience.

A high-impact Q&A advertorial featuring Mr. Samir Dewan, Head of Affluent Banking & International Business, was prominently displayed in The Economic Times (Mumbai and Delhi editions). This advertorial highlighted the unique attributes of the PIONEER program and showcased how it addresses the comprehensive financial and banking needs of HNIs, C-suite corporate executives, business owners, NRIs, and SME businesses.

Additionally, an advertisement was published in a Sindhi regional community magazine in Dubai, detailing the features and competitive interest rates of PIONEER Savings Accounts. Furthermore, an advertisement in the ICC (Indian Coastal Conference) Shipping Association Souvenir Magazine illustrated IndusInd Bank PIONEER's specialized banking solutions tailored for maritime ventures.

IndusInd For Sports

The Bank organized the 'You Too Can Win' Series, an internal campaign to inspire employees through the remarkable stories of athletes partnered with the Bank. The campaign conveyed through mailers and athlete interviews, highlighted our collaborations with diverse sports organizations, emphasizing inclusivity and impact in the sports realm. Notable features included narratives from five athletes in our Para Athlete Program, our association with the Inspire Institute of Sport, and the IndusInd Blind Cricket Program.

FY2024 witnessed stellar performances from Bank-supported athletes. Through social media posts and mailers, the Bank created awareness. It cheered for these athletes during tournaments such as the IBSA World Games, Hangzhou 2022 Asian Para Games, and the Indian Blind Cricket Team's felicitation at the UK High Commission. The social media campaign for the Hangzhou 2022 Asian Para Games generated over 155,541 impressions, with 600+ reposts and 2,000+ likes and comments.

Get Set Run: The Marketing and Communications team supported the IndusInd ForSports team with communications and branding for the 'Get Set Run' activities. This key employee engagement initiative promoted participation in various nationwide marathons, highlighting the Bank's commitment to fostering a culture of health and wellness among its employees.

Box Cricket Tournament: The IndusInd ForSports team organized the IndusInd Bank Box Cricket League held in Mumbai and Kolkata. The tournament saw participation from around 800 employees, including a significant turnout for the Women's Box Cricket League. These highly anticipated events were supported by theme-based communications.

(Read more about the Bank's Marketing Initiatives in the MDA on Page No. 125)

Sustainable Procurement

IndusInd Bank is committed to sustainable operations through responsible sourcing, emphasizing principles against child labor, upholding health and safety standards, and safeguarding human rights. The Bank engages with suppliers through meetings, techno-commercial discussions, and sustainability assessments, adhering to responsible procurement practices and investing in strong supplier relationships.



Social Financing

Social financing is crucial for cultivating responsible and sustainable growth, generating a positive societal impact. IndusInd Bank is dedicated to providing these solutions to individuals and organizations, prioritizing the well-being of stakeholders and the broader community at the core of its operations.

The Bank recognizes that social finance is not only about financial returns but also about creating meaningful and lasting benefits for society.

Inclusive Banking

The banking sector plays a crucial role in accelerating financial inclusion. IndusInd Bank is dedicated to this mission, providing flexible and affordable solutions to every citizen. The Bank offers sustainable livelihood financing, offering microfinance, loans for the 'missing-middle' segment, micro-enterprises, savings accounts, micro-recurring deposits, and remittances. As part of its inclusion strategy, the Bank provides small loans tailored for women borrowers and extends services to underprivileged and economically disadvantaged groups, fostering development in the rural sector.

Financial Services for Individuals with Disabilities

IndusInd Bank is committed to ensuring that individuals with disabilities can access various financial services easily. Some initiatives undertaken by the Bank towards this end are:

- ▶ Dedicated counters with lower-height workstations for senior citizens and individuals with disabilities
- ▶ All 2,956 ATMs are equipped with audio-enabled 'Talking ATMs', featuring braille keypads and accessibility ramps, allowing individuals with visual impairments and mobility challenges to carry out transactions independently.
- ▶ Doorstep banking is in compliance with the Banking Codes and Standards Board of India (BCSBI), and net banking and mobile banking services are offered, ensuring individuals with disabilities can access banking services from home or remotely.



Bharat Financial Inclusion Limited (BFIL)

BFIL, a wholly-owned subsidiary of IndusInd Bank, acts as a business correspondent to promote financial inclusion, offering services such as microfinance loans, merchant loans, liability products, and remittances. Over a decade ago, IndusInd Bank entered the microfinance sector through partnerships, and its acquisition of BFIL in 2019 positioned the Bank as a leading microfinance provider in India. BFIL facilitates daily financial transactions, including small loan disbursements, installment repayments, savings and deposit account openings, insurance services, and fulfilling aspirations like owning a two-wheeler or consumer durable items.

Microfinance: BFIL's Joint Liability Group (JLG) model empowers women entrepreneurs at the bottom of the economic pyramid, promoting financial independence, health, well-being, and education. With a focus on rural activities, BFIL blends hands-on support from field staff with a tech-driven, paperless loan platform, achieving market leadership.

Loans to Retailers: BFIL supports small retail store entrepreneurs through its Bharat Super Shop (BSS) and Bharat Money Stores (BMS) programs, targeting the 'missing middle.' It provides banking services such as zero-balance current accounts, recurring deposits, secured and unsecured working capital loans, UPI/QR code payment services, and Mobile/WhatsApp banking channels.

Retail Agriculture Business

To expand its reach in the core sector of the Indian economy, the Bank has sanctioned loans to farming households to support agricultural and agri-allied activities. Committed to enhancing digital literacy, the Bank educates and empowers customers on the benefits of cashless transactions. Additionally, the Bank extends loans to small and marginal farmers, women beneficiaries, and economically disadvantaged sections, reaffirming its dedication to these segments.

Micro, Small and Medium Enterprises (MSMEs)

Last year, the Bank launched MSME Branch Operating Model 2.0, emphasizing MSME distribution. Customer-centricity drives IndusInd Bank's strategy, leading to new product introductions to meet evolving needs, such as the IndusWE program for Women Entrepreneurs, CGTMSE-backed loans for Micro and Small Enterprises, Rooftop Financing, and Loan Protect Insurance. The Bank has established MSME Hubs across India as one-stop solutions for all MSME banking and financing needs, enhancing product penetration in this segment.

As a key element of our PC-6 strategy, the Bank prioritizes the MSME segment, recognizing it as a core growth driver. With the Government's efforts to simplify business operations for MSMEs, the Bank expects substantial portfolio growth in the coming years.

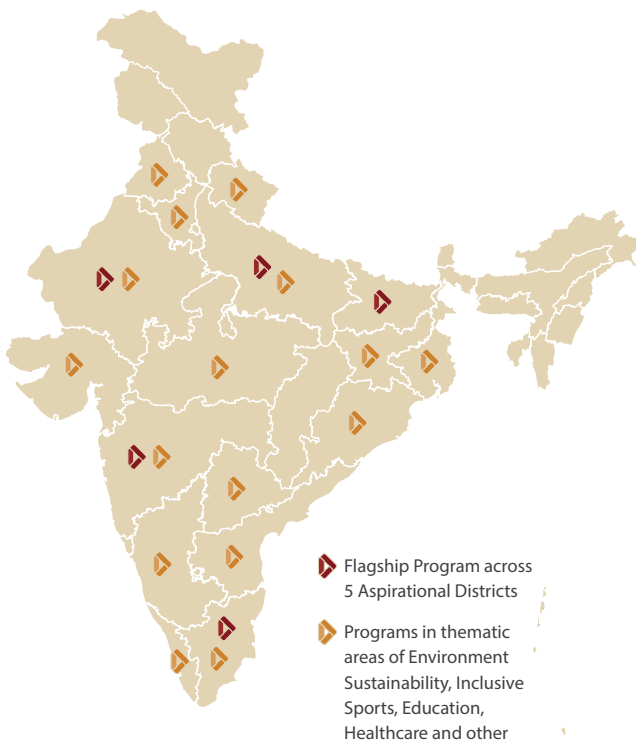


Community Development

Sattvam – Our Country. Our Commitment.

‘Sattvam – Our Country, Our Commitment’ is the Bank’s CSR philosophy. The Bank is committed to social progress and environmental sustainability, driving transformation through inclusivity, sustainability, and empowerment. IndusInd Bank’s CSR strategy aligns with national development priorities and the United Nations’ Sustainable Development Goals.

CSR Reach



FLAGSHIP PROGRAM

Holistic Rural Development Program

This flagship program aligns with the Government of India’s ‘Transformation of Aspirational Districts’ initiative, aiming to raise income levels and improve the quality of life for rural populations in selected districts. Based on need assessments, interventions focus on enhancing primary livelihoods, building climate resilience, and empowering women. The project addresses agriculture, water, livelihood, health, and education, tackling key challenges in rural communities.

In FY2024, the program’s advocacy with the Government of India, State Governments, and district authorities benefited marginalized communities.

16 lakh+

beneficiaries

512 lakh m³

water potential capacity created

44,000 tonnes

Reduction in carbon emission

₹103,000

Average increase in annual income of

9000 families

45,000

Farmers benefitted by strengthening

45 FPOs

92,000

Women benefitted by strengthening

9,293 women SHGs

IndusWE

The Bank launched IndusWE – a holistic offering for women entrepreneurs to scale their businesses. Exclusively for the women entrepreneur community, IndusWE offers a full suite of banking products, including loans, fixed deposits, current and savings accounts, and transaction banking services. It also provides a range of non-financial services through various partners.

Consumer Financing

The Consumer Finance Division (CFD), specializing in vehicle financing, is one of the Bank's three key areas of expertise. CFD provides financing for both new and used vehicles. Additionally, CFD offers low-cost housing loans, supporting the Government of India's 'Housing for All' initiative.

BFIL handles the credit needs of 8.8 million women borrowers and receives deposits from

10.4 Million clients

During FY2024, BFIL added

2.35 Million

'New to Bank' loan clients to its JLGs

Over ₹3,250 crores were sanctioned to support more than

21,000

farming households across 135 districts

128 MSME

Hubs established across India

(Read more about the Bank's Social Financing programs in the MDA on Page No. 145)



STRATEGIC PROJECTS

The Bank's strategic projects, focus on formidable change and impact for communities in areas such as Sustainable Environment, Inclusive Sports, Education, and development in urban and semi-urban areas.



Sustainable Environment

The Bank strives to create a sustainable value for all, leaving behind a better world for generations to come. Through our Sustainable Environment programs and sharp focus on water stewardship projects, we tackle water scarcity and environmental degradation, emphasizing accountability and action with activities such as conservation of natural springs, roof rain and river water harvesting, afforestation, restoration and revival of traditional water bodies, and renewable energy initiatives. These interventions have yielded tangible benefits like increased crop productivity, soil conservation, community institution strengthening, and climate-resilient agricultural practices.

Key Areas of Impact



Water Stewardship



Renewable Energy



Waste Management



Afforestation

Education

IndusInd Bank's projects offer children and young adults holistic education, through its remedial, life skills and nutrition programs aiming to prepare them for employability and lift marginalized families out of poverty. Besides implementing multiple projects to support rural students, the Bank also provides teachers with training in advanced teaching methodologies.

Key Areas of Impact



Remedial Education



Skill Development



Scholarships

Inclusive Sports

The Bank's Inclusive Sports programs focus on inclusion across gender, differently-abled individuals, and the underprivileged, enhancing their talents and achieving sporting excellence. Athletes who are scouted and supported, compete at national and international sports tournaments.

Key Areas of Impact



Sports for Women



Sports for Persons with Disabilities (PWDs)



Sports for the Underprivileged

Other Initiatives

The Bank undertakes need-based projects on a case-by-case basis. In FY2024, the Bank implemented an Armed Forces Welfare program for dependents of veterans and widows; healthcare support for cancer patients; and a healthcare delivery program with the government's Primary Healthcare System.

2.15 lakh Students

6,055 teachers; and **651 PWDs** benefited by Education programs

2.40 lakh Beneficiaries

across 14 states impacted by Sustainable Environment projects

1,010 Sportspersons

500+ women athletes and **42 para-athletes** supported

(Read more about the Bank's Community Development initiatives in the MDA on Page No. 145)



AWARDS & RECOGNITION



Asiamoney Best Bank Award 2023

IndusInd Bank was recognized as the 'Best Bank for ESG in India – FY23' by Asiamoney for FY-2023, for the second year in a row.

Captain Tractors

IndusInd Bank was recognized as the Number 1 Financier, for consecutive two financial years.

Wells Fargo Operational Excellence Award

IndusInd Bank's CGMO – Trade and Remittance team received a Wells Fargo Award for Operational Excellence.

JCB Annual Financiers Award 2022

IndusInd Bank ranked second at the JCB Annual Financiers Award 2022.

Finnoviti Awards 2023

IndusInd Bank was recognized for 'Open API Banking with Omni channel experience' at the Finnoviti Awards 2023.

Lentra CNBC-TV18 Digital Lending Summit

IndusInd Bank was recognized as a Digital Lending Achiever and bestowed with the Excellence in Digital Lending – Growth Bank award.

Pitch BFSI Marketing Summit & Awards 2023

IndusInd Bank was recognized for its marketing campaigns in the below categories:

- ▶ Most Effective Holiday, Seasonal & Festival Marketing Campaign for #BankOnHappiness
- ▶ Most Effective Launch/Relaunch Campaign for EazyDiner Credit Card
- ▶ Most Effective 360degree Marketing Campaign for Savings Account Ho Toh Asia Campaign
- ▶ Most Effective Use of OTT/ Digital for Savings Account Ho To Aisa Campaign

Business World Supply Chain Awards 2023

IndusInd Bank was recognized and awarded by Business World in two significant categories at the "BW Supply Chain Awards 2023":

- ▶ Outstanding Customer-centric Supply Chain
- ▶ Excellence in Supply Chain Innovation and Creativity

Infosys Finacle Innovation awards 2023

IndusInd Bank was recognized for its commitment to establishing world-class technology architecture, aspiration to deliver outstanding technology-led solutions, and digital innovation charter.

- ▶ Gold Winner: Ecosystem Led Innovation - Open Banking & Omni-Channel
- ▶ Platinum Winner: Modern Technologies-led innovation - Digital Centre of Excellence
- ▶ Gold Winner: Maximizing Customer Engagement Centralized hub for communications

Euromoney 2023 Market Leaders Award

IndusInd Bank was recognized as a Market Leader in ESG in India by Euromoney.

IBA Banking Technology Awards 2024

IndusInd Bank was recognized at the IBA Banking Technology Awards 2024

- ▶ Best Digital Engagement – Winner
- ▶ Best Technology Bank – Winner
- ▶ Best IT Risk Management – Runner Up
- ▶ Best AI&ML Bank – Runner Up
- ▶ Best Technology Talent – Special Mention
- ▶ Best Fintech & DPI Adoption – Special Mention

India Gem & Jewelry Awards 2024

IndusInd Bank was awarded as 'Best Bank Financing The Industry' (Highest Growth of Limit Sanctioned with Minimum Base of Rs 500 crore) at the India Gem & Jewelry Awards 2024 held by GJEPC (Gem & Jewelry Export Promotion Council).

CORPORATE INFORMATION

Board of Directors as on March 31, 2024

Mr. Sunil Mehta
Independent Director, Part-time Chairman

Dr. T. T. Ram Mohan
Independent Director
(upto 11.05.2024)

Mrs. Akila Krishnakumar
Independent Director

Mr. Rajiv Agarwal
Independent Director

Mrs. Bhavna Doshi
Independent Director

Mr. Jayant Deshmukh
Independent Director

Mr. Pradeep Udhas
Independent Director

Mr. Lingam V. Prabhakar
Independent Director

Mr. Rakesh Bhatia
Independent Director

Mr. Sumant Kathpalia
Managing Director & CEO

Mr. Arun Khurana
Whole-time Director
[Executive Director]

Director appointed after March 31, 2024

Mr. Sudip Basu
Non-Executive, Non-Independent Director (appointed with effect from 30.05.2024)

Company Secretary

Mr. Anand Kumar Das

Auditors

M/s. M S K A & Associates
Chartered Accountants
602, Raheja Titanium, Western Express Highway
Geetanjali Railway Colony, Ram Nagar, Goregaon (East), Mumbai 400063.
Tel: (022) 62280817

M/s. M. P. Chitale & Co.
Chartered Accountants
Hamam House, Ambalal Doshi Marg, Fort, Mumbai – 400001.
Tel: (022) 22651186

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
C 101, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai – 400 083.
Tel: (022) 49186280, 49186000 | Fax: (022) 49186060

Company CIN: L65191PN1994PLC076333

Registered Office

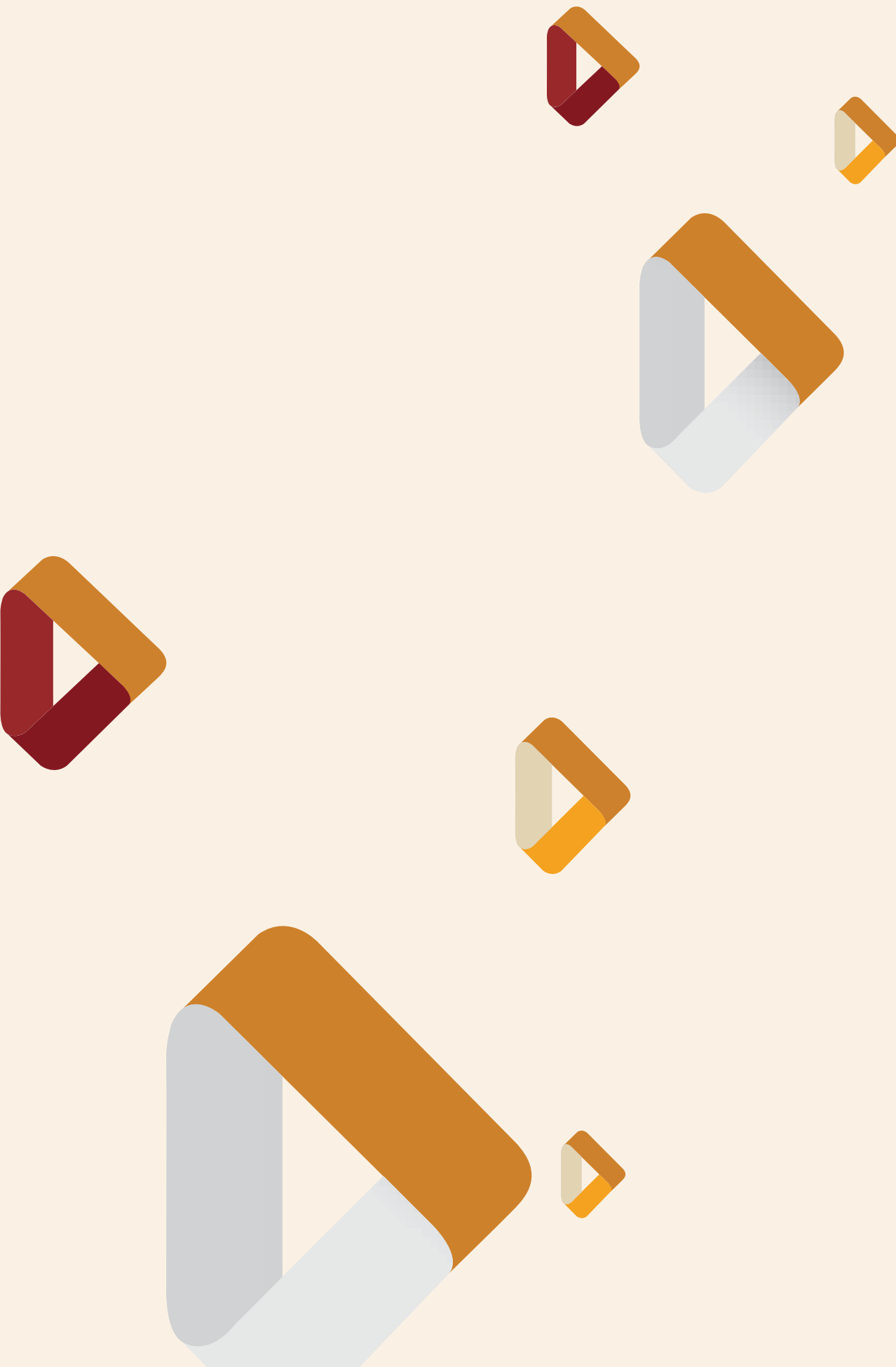
2401, Gen. Thimmayya Road (Cantonment)
Pune – 411001.
Tel: (020) 69019000

Corporate Office

One World Centre, 8th Floor, Tower 1
841, Senapati Bapat Marg, Prabhadevi, Mumbai – 400013.
Tel: (022) 30493999

Secretarial & Investor Services Cell

Solitaire Corporate Park, Building No. 7, Ground Floor, 167, Guru Hargovindji Marg, Andheri (East), Mumbai – 400093.
Tel: (022) 66412487 / 66412359





MANAGEMENT DISCUSSION & ANALYSIS

1. Macroeconomic and banking environment

The Indian economy grew at a robust pace in the year 2023-24, taking the annual average growth over the last three years to 8.3%. India continued to be the fastest-growing major economy in the world, further cementing its post-pandemic recovery. Official estimates placed real GDP growth at 8.2% for the year. Encouragingly, this phase of growth is supported by an upturn in the investment cycle backed by persistent and robust public sector capital expenditure, households' real estate investments and private corporate sector capacity additions gradually improving. Private consumption became a soft spot. Uneven monsoon rains affected farm production and rural demand, while urban consumption levels remained strong, supported by the services sector's continued rapid growth. A revival in the manufacturing sector saw the non-farm economy register over 8.5% growth, while farm sector growth declined to its lowest in eight years. The external sector dragged on growth eased, as exports of goods and services picked up supported by resilient global growth and a turnaround in global trade. The Global economic and financial outlook improved over the second half of the year, with activity holding steady and inflation reverting to targets in many countries. According to the IMF, in 2023 headline inflation neared its pre-pandemic levels in most economies and is expected to ease further over CY2024 and - CY2025. Economic activity was resilient despite higher central bank rates, helped by steady growth in employment and incomes. The US and several large emerging markets, including India, outperformed the estimates made at the start of the year. While stronger-than-expected private consumption and larger-than-expected government spending propelled growth in many economies, India's growth surprise was driven by strong investment activity. Along with that, macro-economic stability parameters improved. Headline CPI inflation eased despite multiple food price shocks, the current account deficit (CAD) narrowed, the pace of fiscal consolidation was accelerated and foreign exchange reserves reached a record high. Reflecting these improving fundamentals, the Rupee exchange rate remained largely stable.

Growth during the year predominantly came from fixed assets investments. GDP estimates showed that gross capital formation is expected to clock 9.2% growth in FY2024 over 9.0% growth in FY2023. Of the 8.2% headline growth, 4.3% is due to capital formation, which is powered by public sector capital expenditure. Central government capex recorded 30.5% y-o-y growth for the year. State capex also saw a pick-up, to 2.9% of GDP in FY2024 from 2.5% in FY2023. Household sector investment activity in physical assets continued to show strong growth, on top of 17% growth in FY2023. In contrast, private corporate sector capex continued to lag. Private consumption, which contributes



over half of the GDP, remained a soft spot for overall growth and is estimated to have registered 4% y-o-y growth during the year. External sector drag eased over the second half, with export growth holding steady and import growth slowing down compared to the first half.

Macroeconomic policy focus remained on supporting growth while maintaining price and financial stability. Fiscal policy aimed to shore up public investments to create a more conducive environment for private capex. Monetary policy levers were left unchanged after a 250 bps increase in the Repo rate in FY2023 in order to guide inflation towards the 4% target over the medium-term. The monetary policy committee (MPC) left the Repo rate unchanged at 6.5% throughout the year and maintained a policy stance of withdrawal of accommodation. While the headline CPI inflation eased to an annual average of 5.4% compared to 6.7% in the previous fiscal, it remained above the target. Liquidity conditions in the banking system turned into a persistent deficit mode from September, after four and a half years of surplus, on the back of an increase in currency-in-circulation and a build-up in government's cash balances. Prior to that, withdrawal of currency notes of ₹2000 denomination from circulation shored up system liquidity. The RBI imposed an incremental CRR in August to avoid a surplus liquidity build-up. Stable policy rates, anchored inflation expectations, lower government borrowing needs and proposed inclusion of Indian government bonds in the JP Morgan and Bloomberg emerging markets bond indices, helped pull down sovereign yields across the curve, especially for the longer tenors. Over the year, yield on 1-year G-sec eased by 5 bps, while the yield for the 5-year and 10-year tenors eased by 11 and 26 bps respectively.

On the fiscal front, the FY2025 budget maintained policy continuity, accelerated the pace of fiscal consolidation and retained focus on capex. A reduced budget size as a percentage of GDP with a largely unchanged tax-to-GDP ratio, which reached a 16-year high in FY2024, and a non-tax revenue boost from the RBI dividend, will help reduce budget deficit. For FY2025, the fiscal deficit is estimated at 4.9% of GDP versus 5.6% for FY2024. Capital expenditure at 3.4% of GDP versus 3.2% last year, is slated to grow by 17% over the year, with railways, roads and national highways



continuing to receive a majority of allocation. For financing the fiscal gap, net market borrowings at ₹11.63 trillion, are placed at nearly same level for the last two years, though gross borrowings at ₹14 trillion are lower than ₹15.43 trillion in FY2024. The budget has thus used the positive economic backdrop to strengthen long-term potential growth through investments and build back fiscal buffers to counter future shocks and free up space for productive spending.

Bank credit growth remained strong during the period, with improving economic activity. Growth in non-food bank credit increased to 16.3% y-o-y as at the end of March 2024 from 15.4% as at the end of March 2023. From a sectoral perspective, credit growth was driven by services and retail sectors. Credit growth to the services sector at 21.2% y-o-y, remained resilient during FY2024, while personal loans growth moderated to 18.1%, especially after the regulatory measures taken by the RBI in November. Industrial credit growth, which was tepid during the first half, improved over the second half due to higher offtake by large as well micro and small industries. Credit growth to the agriculture sector clocked 20.1% growth. The asset quality of banks improved, with the overall Gross Non-Performing Assets (GNPA) ratio declining to 2.8% in March 2024 from 3.9% a year ago. A combination of tight liquidity conditions and robust credit demand prompted banks to increase their term deposit rates to raise fresh deposits. Transmission of the cumulative 250 bps repo rate hike to lending and deposit rates continued, with banks increasing rates on the back of persistent credit demand. In the current tightening cycle, the extent of transmission to term deposit rates has remained higher than the lending rates.

On the external side, the Indian Rupee remained largely range-bound supported by strong macroeconomic fundamentals and improvements in India's external position with a moderation in the Current Account Deficit (CAD), revival of capital inflows, and rising foreign exchange reserves. The Rupee depreciated by 1.4% against the US dollar, although it outperformed other emerging market currencies.

Going forward, the outlook for growth remains promising. Domestic conditions are supporting a trend upshift in real GDP growth. Private consumption is expected to recover, aided by ongoing – pick-up in rural demand, IMD forecast of above-normal monsoon in 2024, and improving consumer confidence. A sustained momentum in manufacturing and services and improving employment conditions will help support urban demand and overall private consumption. Investment activity prospects remain bright. Private corporate capex is becoming steadily broad-based. This, combined with robust government capital expenditure, healthy balance sheets of banks and corporates, rising capacity utilization levels, and positive business



sentiment, supports a strong pace of capital formation. Improving global growth and trade prospects also bode well for exports. However, risks to growth are numerous, including protracted geo-political tensions, extreme weather conditions, heightened financial market volatility as systemically important global central banks carefully navigate the last mile of disinflation, geo-economic fragmentation and rising trade tensions, particularly with concerns around China's manufacturing exports. The year 2024 is also the biggest ever election year. A record number of countries are holding elections. Global flow of capital and goods can be impacted by their outcomes, especially of the U.S. presidential election. India's strong external buffers, flexible exchange rate and overall macro-economic stability will help mitigate any adverse global developments and sustain growth.

2. Business Overview

The global economy remained resilient, witnessing a synchronous rebound that stabilized outlooks. This recovery enhanced exports and improved capital flows, leading to recalibrated spending that drove higher private investment and consumption.

Consumer spending has grown post-pandemic, reflecting the rise of the middle-income class and a shift in consumption patterns. Demand for luxury and high-end products and services is growing faster than for basic goods. The number of middle- to high-income households is expected to rise with increasing disposable income, likely amplifying this trend and driving overall private consumer expenditure growth.

IndusInd Bank continues to participate in this robust economic progress with healthy and granular business growth. We are proud that the Bank has achieved two important milestones this financial year: completing 30 years of operations and exceeding ₹5,00,000 crores on its balance sheet. The Bank showed consistent performance across all vectors. Deposits grew by 14% y-o-y with improved share of retail deposits. Overall loan growth for the year at 18% y-o-y was driven by granular business segments. Profit After Tax for the year increased by 21% y-o-y to ₹8,949.78 crore, with a ROA of 1.90% and an ROE of 15.32%.

2.1 Planning Cycle 6 Progress

The Bank completed the first year of the planning cycle and the progress was broadly in line with the stated objectives. Below is a demonstration of the performance in the identified 5 key focus areas of the PC-6 strategy.

- 1) Continuing the Retailization Journey — Retailization of deposits was one of the major focus areas for the Bank during the last 4 years and the bank has made significant progress. The share of retail deposits as defined by LCR increased to 44% in Mar-24 from 31% in Mar-20. The Bank however believes this is a work in-progress agenda and will continue its sharp focus on realization of deposits and aim to increase the share of retail deposits to 45%-50% by end of PC-6 (FY26).
- 2) Diversifying Domains – The Bank carries domain expertise in livelihood financing including Vehicle Finance, Microfinance and Gems & Jewellery. These domains have delivered strong risk adjusted returns across cycles. The Bank continues to grow these domains while diversifying via launch/ scale-up of new initiatives.
 - Vehicle Finance: Over the period, the Bank has diversified its vehicle finance book with addition & scale-up of new vehicle categories like Light Commercial Vehicles, Cars, Utility Vehicles, Construction Equipment & Tractor portfolios. The Bank has built leadership positions across vehicle categories and reduced its dependence on the MHCV segment. The Bank has ramped up its LCV business by carving out a dedicated business unit. Bank's LCV market share has now crossed 10% from sub 5% a few years' back. The Bank also scaled up its passenger vehicle book improving balance between passenger and commercial vehicles. Overall, the vehicle portfolio is now diversified across product categories and the Bank is well positioned for sustainable growth across different product cycles.
 - Micro Finance/ Inclusive Banking via BFIL: The Bank is transitioning BFIL's rural business from microfinance to micro banking via merchant offering, two-wheeler loans, individual loans, liabilities build-up. With scale-up of merchant business, the share of non-microfinance loans is now close to 13% of overall loan sourced via BFIL as on Mar-24. Going forward, the Bank aims to increase the share of the non-microfinance portfolio to 30%-35% in the next couple of years. The deposits sourced via BFIL are also now more than ₹ 2,900 crores as on Mar-24.
 - Gems & Jewelry: The Bank is adopting the 'One Bank' approach to capture the entire echo-system via



community banking and scale-up of non-diamond loan book. The Bank has launched 'Indus Solitaire' a community focused relationship programme offering a gamut of tailored banking services for the Diamond Industry.

- 3) **Scaling Sub-scale Businesses** – The Bank is scaling its new and existing initiatives across assets and liabilities. This is one of the key focus areas for PC-6. On the asset side, the loan book under home loan product, which was launched last year, stands at ₹1,792 crores while merchant advances via BFIL are at ₹5,565 crores growing at 38% YoY. MSME initiatives have shown strong traction driven by sharp focus via dedicated business units & best in class digital offerings. Overall, loan book via our MSME focused business units grew at 26% YoY in FY2024. The Bank continues to scale existing liabilities initiatives of Affluent and NRI Banking. The Bank will further expand affluent and NRI offerings with the launch of Private Banking focused on HNI/ UHNI customers.
- 4) **Accelerating Digital 2.0-** The Bank has laid a strong digital foundation with progress on its 'Digital 2.0' strategy and Digital Bank has been carved out as a distinct business unit focused on delivering innovative customer centric solutions across Individual & MSME segments with a goal to build a profitable Digital Bank. The INDIE app launched in the last financial year is seeing healthy early trends & user adoption with 5mn+ downloads, 1.2mn accounts opened and around 10mn transactions per month. Overall the Bank will continue to Integrate digital across our businesses with scale up of existing initiatives and plan launches
- 5) **Imbibing ESG into Business** – The Bank prioritizes delivering long-term value to our stakeholders by embedding sustainability principles deeply in our business. The Bank has deepened its impact on the society through responsible lending, mitigating climate change, and promoting social behavioral changes.

Overall the PC-6 strategy is aligned towards Bank's long term goal of delivering 'Sustainable Growth' and with multiple initiatives in place the Bank is well equipped to progress towards its strategy of delivering 'Market Share with Diversification'.

2.2 Operating Performance

The salient features of the Bank's Operating Performance during FY2024 are summarized in the table below:

(₹ in crore)

Particulars	FY2024	FY2023	y-o-y Growth
Interest Earned	45,748.21	36,367.92	25.79%
Interest Expended	25,132.30	18,775.80	33.85%
Net Interest Income	20,615.91	17,592.12	17.19%
Non-Interest Income	9,387.85	8,166.37	14.96%
Revenue	30,003.76	25,758.49	16.48%
Payment to Employees	3,895.28	3,030.52	28.54%
Other Expenses	9,943.53	8,008.05	24.17%
Operating Expenses	13,838.81	11,038.57	25.37%
Operating profit before Depreciation, Provisions and Contingencies	16,164.95	14,719.92	9.82%
Depreciation	424.68	373.44	13.72%
Operating Profit	15,740.27	14,346.48	9.72%
Provision and Contingencies	3,798.24	4,486.83	-15.35%
Profit Before Tax	11,941.53	9,859.65	21.12%
Provision for Tax	2,991.75	2,469.93	21.13%
Net Profit	8,949.78	7,389.72	21.11%
Consolidated Performance			
Operating Profit	15,864.06	14,419.02	10.02%
Net Profit	8,977.30	7,443.49	20.61%

Key Balance Sheet Parameters:

(₹ in crore)

Particulars	FY2024	FY2023	y-o-y Growth
Deposits	3,84,792.92	3,36,438.14	14.37%
Advances	3,43,298.27	2,89,923.68	18.41%
Balance sheet size	5,14,935.15	4,57,804.05	12.48%

PC-6 Strategy (2023-2026)



Strategy

Market Share with Diversification 3G: Growth, Granularity, Governance

Key Themes



Continuing Retailisation Journey



Diversifying Domains



Scaling Sub-scale Businesses



Accelerating Digital 2.0



Imbibing ESG into Business

Planning Cycle 6 (FY2023-26)

FY2024 Outcome

Resulting in

Loan Growth



18% - 23%



18%

Retail Loan Mix



55% - 60%



56%

Retail Deposits as per LCR



45% - 50%



44%

PPOP / Loans



5.25% - 5.75%



5.2%

Branch Network



3,250 - 3,750



2,984

Customer Base



> 50mn



39mn

2.3 Business Performance Highlights

FY2024 was a year of consistent growth and healthy profitability for the Bank. While the operating environment saw challenges in terms of heightened liquidity, sticky inflation, adverse geopolitical developments etc., the Bank exhibited healthy traction across key metrics executing on strategic objectives.

During FY2024, the Bank further strengthened its liability profile with sharp focus on realization of deposits. The share of retail deposits as per LCR improved by 151 bps to 44.1% vs 42.6% YoY. The Bank scaled-up new segments like Affluent Banking with deposits at ₹ 53,445 crores growing 24% YoY and NRI Banking with deposits at ₹ 45,628 crores growing 33% YoY.

Loan growth at 18% YoY has been healthy driven by granular businesses with retail loans growing at 23% YoY and Corporate at 13% YoY. The share of retail loans improved to 56% vs 54% YoY.

Asset quality remained steady, with Gross NPA and Net NPA down at 1.92% & 0.57%, respectively vs 1.98% & 0.59% YoY. The Provision Coverage Ratio (PCR) remains healthy at 71% with contingent provisions of ₹1,000 crores outside PCR.

Net Interest Income grew by 17.19% YoY, totalling ₹20,615.91 crore, compared to ₹17,592.12 crore in the previous year. The Cost of Deposits increased to 6.34% from 5.32% a year ago amidst the heightened rates and tight liquidity. The Bank however maintained steady and healthy Net Interest Margin (NIM) at 4.28% supported by improved portfolio yield and mix.

Other Income witnessed a growth of 14.96%, reaching ₹9,387.85 crores from ₹8,166.37 crore. The fee income continues to be driven by granular retail sources with consumer banking fee contributing more than 70% of overall other income.

The Bank persisted with investing in the Bank's branch infrastructure, digital initiatives, human capital, and brand building efforts. In FY2024, the Bank added 378 branches, bringing the total to 2,984 branches widely spread across geographies and regions. Additionally, the Bank has bolstered its rural presence through its subsidiary BFIL, which now operates 3,620 branches covering 1.57 lakh villages.

Overall, Bank's Net Profit for the year increased by 21.11% to ₹8,949.78 crore compared to ₹7,389.72 crore in the previous year. The Bank has consistently delivered Return on Assets (RoA) and Return on Equity (RoE) close to 1.9% and 15% respectively during FY2024.

The Bank is making efficient utilization of capital with improved risk density and robust internal accruals. During the current year, the Bank has not raised any equity or non-equity Tier 1 or Tier 2 capital. Bank's CRAR remains healthy at 17.23% with total capital of ₹66,115 crores. The Bank exercised call option on AT1 bonds of ₹1,489.90 during the year, resulting in the outstanding AT1 Bonds standing at Nil.

3. Consumer Banking

3.1 Consumer Liabilities

The Consumer Banking division has demonstrated an impressive growth trajectory in its liabilities business across various client segments, underscoring its resilience amid fluctuating market conditions. A critical factor in this success has been the strategic focus on deposit mobilization, which resulted in a remarkable 21% y-o-y increase in the Consumer Liabilities Book. This growth is attributed to a multifaceted approach, which includes acquiring new customers, strategic branch expansion, enhancing the lifetime value of existing customers, and effective cross-selling efforts.

By leveraging the power of digital technology and analytics, the Bank has skilfully capitalized on opportunities to attract retail deposits through an Omni-channel campaign strategy, with a particular focus on its exceptional product suite. The Introduction of the Indus GRANDE program, characterized by its commitment to convenience, modern offerings, and personalized experiences, has further bolstered The Bank's appeal to discerning customers. Additionally, the Bank has pioneered community banking with the launch of the Indus Solitaire program, focussing on diamond merchants & their employees. This innovative program offers 0% cross-currency markup for business travelers across the globe on metal cards, dedicated Solitaire branches for support during non-business hours, and a lifetime free locker facility for customers.

In line with its consumer-focused initiatives, the Bank has continued investing in merchant payment solutions and current account offerings for retailers, diversifying its portfolio and enhancing its market presence. These comprehensive efforts have resulted in significant growth in the new CASA (Current Account Savings Account) Acquisition Value in FY2024.

3.2 NRI Banking

The NRI segment has demonstrated continuous growth with a 33% growth in FY2024 on NRI Liabilities. The Bank's market share on NRI liabilities has grown 2.2x since March 2019 and the Bank is now a vital player in the NRI banking landscape.

In an endeavor to further strengthen its position, the Bank is working on expanding its product suite and partnerships across the globe. The online multi-partner remittance platform, Indus Fast Remit, which is currently live for USD and SGD, will soon be expanded to add more partners and currencies. IndusInd Bank remains committed to the NRI community and soon will be offering a gamut of FCY products in addition to Savings and Term Deposits from its IFSC GIFT City branch-International Banking Unit (IBU).

To provide NRI clients with a seamless onboarding experience, the Bank offers a robust NRI Non-Face-to-Face Digital Account Opening platform, allowing clients to open accounts from the comfort of their overseas homes. Recognizing the importance of dedicated services, IndusInd Bank has designated 198 branches as NRI-focused branches. Moreover, to service NRI clients, the Bank has established a strong Virtual Service team, digital banking platforms and 24x7 Toll-Free Call Centre numbers in select countries to cater to NRI clients residing outside India.

3.3 SME and Merchant acquiring

As of March 31, 2024, the Consumer's current account book continued to grow over the previous year. Through our wide network of branches, we engaged with the Business Owners segment, which resulted in 99% of branches contributing to Current Account Business, led by digital client onboarding and the addition of payment products like POS, Soundbox, and QR stickers/Standees.

The Bank continued to invest in providing a seamless client journey by integrating digital interfaces like Indus Merchant Solution. The Bank also added Current accounts for self-employed and new-age small businesses, which allow them to open accounts 24/7 with the help of DIY—CA, a platform focussed on digital KYC for current accounts.

The Bank has maintained its strategic focus to bolster its Merchant Acquisition business by implementing substantial enhancements to the Indus Merchant Solutions (IMS) App and augmenting its digital payment collection capabilities. In line with the Bank's

commitment to offering comprehensive digital payment solutions, the Bank has seamlessly integrated VKYC-based CA opening and merchant on-boarding for new to bank clients, complemented by an array of innovative features in IMS App tailored to address the evolving needs of SMEs / MSMEs.

This has led to a significant increase in the Bank's active merchant base as of March 2024 compared to the previous year. This impressive growth trajectory can be attributed to the expansion of the Bank's geographic footprint along with the enhanced productivity facilitated by the IMS App.

3.4 Retail Payments

Our retail deposit growth has been robust, and similar to the previous year, it was supported by higher-than-average growth in UPI transactions. UPI transactions achieved a growth of 70% over the previous year, while the Industry grew by 57%. We are the first in the Industry to launch Payment Wearable – Indus PayWear, the most convenient payment form factor that offers flexibility to the customers to use either debit or credit card through DIY App. It is available in the form of rings, watch clasps & mobile stickers.

The Bank is also strengthening its position in the transit space with a focus on FASTag customers. Our persona-based campaigns and customer engagement matrix are designed to encourage digital payment activation across various channels and merchant categories. Post the success of the Delights Debit Card, the Bank this year has introduced the World Delights Debit Card, offering esteemed customers up to 5% cashback on transactions across merchant categories, thus driving card spending.

3.5 Client Wealth Management

The Wealth Management division played a pivotal role in the Bank's financial performance in FY2024. Throughout the year, we remained committed to delivering tailored solutions to meet our client's evolving insurance and investment needs while ensuring prudent risk management practices.

The Bank's insurance services segment experienced steady growth, driven by increased demand for comprehensive coverage across various sectors. We expanded our innovative product offerings by adding two new life insurance partners, taking the partnerships to four life insurers, three general insurers, and one stand-alone health insurer. Furthermore, our focus on customer-centricity and excellence in claims management contributed to high customer satisfaction and retention levels.

Our investment management division delivered robust results, demonstrating resilience and adaptability in navigating challenging market conditions. We maintained a disciplined approach to investment selection. These solutions are made available through more than 25 Asset Management Company partners. Additionally, we continued to enhance our digital capabilities to provide clients with seamless access to a wide range of investment solutions.

As of March 31, 2024, the Bank managed substantial Assets Under Management (AUM) of ₹2,50,540 crore on behalf of its customers. These assets include investments in Mutual Funds, Portfolio Management Services (PMS), Alternate Investment Funds (AIF), and demat accounts. Additionally, the Bank has successfully mobilized insurance premiums of almost ₹3,000 crore for Life and Non-Life insurance products during FY 2023-24.

3.6 RACC – Retail Assets and Cards

The RACC franchise, which encompasses retail agriculture, loans against property, credit cards, personal loans, business loans, loans against card receivable, gold loans, loans against securities, health care finance, prime home loans, and overdraft against fixed deposits, saw disbursements grow by 35.3% y-o-y. Cards spending also increased by 24.7% y-o-y, resulting in a 29.9% y-o-y growth in the overall book.

On the Risk Cost front, RACC closed the fiscal year FY2024 at 2.36% of Average Net Receivables.

3.6.1 Retail Agriculture Business

To expand its reach in the core sector of the Indian Economy, the Bank has sanctioned an impressive amount of over ₹3,250 crore to support more than 21,000 farming households across 135 districts in Madhya Pradesh, Gujarat, Haryana, Punjab, Kerala, Rajasthan, Maharashtra and Chhattisgarh. These funds are intended to aid Agricultural and Agri-allied activities in these regions.

In line with its commitment to enhancing digital literacy, the Bank continues to empower its customers by promoting and educating them about the benefits of cashless transactions through RuPay Debit Card and Net/Mobile Banking.

The Bank has extended loans to small and marginal farmers, women beneficiaries, and other economically disadvantaged sections of society, reaffirming its dedication to serving these segments. By actively engaging with stakeholders in the Agri value chain, the Bank remains informed about the latest developments in the agricultural sector, enabling it to provide the best-suited products to its customers.



To ensure the financial security of its customers, the Bank offers a unique insurance facility that safeguards their loan liabilities in the event of death or disability. Additionally, through the Pradhan Mantri Fasal Bima Yojana (PMFBY) crop insurance scheme, the Bank provides crop insurance to protect farmers against losses. The Bank also facilitates the implementation of government subsidy schemes such as KCC Interest Subvention and Pashu KCC for individual farmers.

3.6.2 Loan Against Property

IndusInd Bank's Loan Against Property (LAP) business continued its growth momentum in FY2024, focusing on portfolio growth and maintaining asset quality. LAP disbursements grew by 15% y-o-y, and advances increased by 12% y-o-y to ₹10,811 crore. The Bank's branch channel contributed to 37% of overall disbursements, effectively reducing the cost of acquisition of loans. An increase in advances and fee income has ensured profitable growth for the business. New product variants introduced in FY2024 further boosted sourcing and revenue. The business continued to leverage its credit scorecards and collections efficiency to enhance asset quality and risk cost.

3.6.3 Prime Home Loans

IndusInd Bank's Prime Home Loans business was launched in September 2022 to offer loans to individuals for the purchase & construction of residential housing units. The business gathered momentum in FY2024, leading to advances growth of 368% y-o-y to ₹1,792 crores. The Home Loans business is currently being sourced from 22 locations across 13 states. The business will continue to focus on advanced growth and asset quality.

3.6.4 Personal Loans

The Personal Loan disbursements grew by 42% y-o-y in net value, and the portfolio grew by 49% y-o-y, along with 14% y-o-y growth in Fee income. The focus was on Salaried Open Market Customers, Digital Business, and cross-selling Personal Loans to existing Savings account customers, contributing to 80% of disbursements. Moreover, an impressive 42% of the disbursements were sourced and fulfilled completely using digital platforms, helping improve efficiencies and customer experience. The product has a live portfolio size of ₹7,950 crore (4.64 lakh accounts), with 2.04 lakh accounts being on-boarded in FY2024 itself.

3.6.5 Credit Cards

The Bank continues strengthening its credit card franchise and has made rapid strides in FY2024.

New customer account acquisition for Credit Cards surpassed the 1 million mark in the last fiscal year, with customer onboarding through digital platforms contributing to an increase of over 98%. As of FY2024, there are now over 2.86 million Cards in Force (CIF).

The credit card spending growth continued its upward trajectory for the overall industry, and IndusInd Bank continued to increase its throughput faster than the industry, which has helped the Bank maintain its market share in overall spending volumes. Total Spending in the financial year grew by 24.7% year over year. Portfolio metrics have shown robust growth in numbers. ENR (End Net Receivable) grew by 28% compared to the last fiscal year.

During the year, the Bank launched the IndusInd Bank Platinum RuPay Credit Card, the first credit card on the RuPay Network that seamlessly combines the convenience of UPI with the rewarding experience of credit cards. The card offers accelerated 2X rewards on UPI transactions with a high redemption rate of Re. 0.35 per

reward point, with the flexibility to convert reward points into air miles or opt for multiple redemption options.

The Bank launched the Avios Visa Infinite Credit Card to cater to ultra-HNI frequent flier customers with best-in-class offerings. It is an ultra-premium metal card with an innovative, sleek design which is the country's first credit card to offer the benefits of two leading international airlines— Qatar Airways and British Airways— on a single card. The card allows customers to select their preferred airline loyalty program, meet & greet services at leading international airports worldwide, earn accelerated rewards on chosen international destinations, and enjoy unparalleled joining and milestone benefits.

In line with our vision to cater to diverse segments, the Bank launched the IndusInd Bank Samman RuPay Credit Card exclusively for the government sector employees. This card offers a comprehensive range of features including Scan N Pay with UPI, 1% Cashback on all Retail spends, Movie tickets, and Fuel Surcharge benefit.

3.6.6 Business Banking Group

With the Government's and the financial sector's efforts to bolster support mechanisms for MSMEs, the demand for MSME credit increased in FY2024. Growing digital infrastructure for the MSME sector has facilitated easier credit availability for this segment.

The Bank's MSME Book under business banking grew by 21% y-o-y. Last year, we launched the MSME Branch Operating Model 2.0, which redefined our distribution strategy for MSMEs. We have identified 128 MSME Hubs across India to intensify our penetration into products targeting the MSME segment.

The customer remains at the core of our business strategy. In our continuous effort to evolve our product offerings, we introduced new products to broaden our coverage and meet customer needs—the IndusWE program for Women Entrepreneurs, CGTMSE-backed loans to Micro and Small Enterprises, Rooftop Financing products, and Loan Protect Insurance are just a few examples.

Over the year, new acquisitions have reached an all-time high, and the updated branch operating model has significantly boosted growth. MSME Hubs across the country now serve as one-stop solutions for MSME customers for all their banking and financing needs.

In terms of asset quality, the book's quality, which was previously impacted by COVID-19, has stabilized. Further, this segment's focus on MSMEs enhances the Bank's involvement in Priority Sector Lending.

As a critical pillar of our PC 6 strategy, the Bank maintains a strong focus on the MSME segment, recognizing it as one of the core growth engines that augment the Bank's asset book and granularity. With the government's increasing emphasis on providing ease of doing business for MSMEs, the Bank anticipates healthy growth in the portfolio in the coming years.

Digital infrastructure is a key lever for achieving scale in this segment. The Bank is committed to strengthening its digital capabilities, aiming for a Digital transformation that encompasses both clients and other internal/external stakeholders. Currently, 70-80% of our new acquisitions are digitally enabled, giving customers best-in-class sanction turnaround times.

The Bank's endeavor is to continue to enhance client experience and address clients' financial needs across both business and personal wallets. It also strives to provide best-in class service. This commitment is demonstrated by ongoing investments in revamping processes and developing new products to meet these goals.

4. Affluent Banking

Through its flagship brand, PIONEER, the Affluent Banking Business offers a bespoke Banking and Wealth Management program to the HNI and UHNI client segment across India and International markets. Over the last five years, Affluent Business has achieved robust growth and delivered a CAGR of 20% on NRV, 34% on Liabilities, and 30% on Fee Income, touching an NRV of over ₹82,000 crore in March 2024. It has rapidly consolidated its position amongst the top wealth management franchises in the country.

Affluent Business has achieved this rapid growth through the relentless execution of its three-pronged approach:

- Exceptional value and experience to clients across all financial products and services. We leverage the power of One Bank to offer universal banking and wealth solutions customized to clients' risk profiles and financial goals.
- Widespread distribution with seasoned Banking Partners, Service Relationship Managers and domain specialists offering services via a large network of Bank branches, dedicated PIONEER lobbies and banking outlets. The frontline team is groomed to handhold clients over the long term and act as the one-stop window for all their financial requirements.
- Use of technology and a superior tech stack across all categories to enable seamless, prioritized, proactive service delivery, advanced analytics tools, data mining, and ML (Machine Learning) for providing cogent insights and real-time alerts.

The Bank unveiled "PIONEER Private" in the first half of FY25, delivering remarkably greater value and benefits to the top end of the Affluent segment. Building upon the PIONEER brand, PIONEER Private will offer an elevated and exclusive basket of financial products, backed by a team of highly experienced Private Bankers. This strategic launch aims to attract clients in the top tier of the value chain, significantly boosting our NRV and profit margins. With the introduction of PIONEER Private, IndusInd Bank will provide a comprehensive spectrum of financial services, ranging from Microfinance to Private Banking, solidifying its position at the forefront of the financial industry.

5. Consumer Finance Division

The Consumer Finance Division (CFD), focusing on vehicle financing, is one of the Bank's three areas of domain expertise, boasting a healthy market share across product segments, deep customer penetration, and a well-managed business franchise.



The CFD extends funding for a wide range of Vehicles / Equipment, including Heavy, Light, and Small Commercial Vehicles for both goods and Passenger Applications, Passenger Cars, Utility Vehicles, Two-Wheelers, Tractors, and Construction Equipment such as Excavators, Loaders, Tippers, Cranes, etc. Finance is extended for both new and used assets across all these segments.

Additionally, the CFD offers low-cost/affordable housing loans, actively supporting the 'Housing for All' initiative, which is a key focus area for the government of India.

CFD managed approximately 3 million loans with an outstanding of ₹90,383 crore as against ₹77,115 crore in 2022-23, a 17% increase over the previous year. In terms of advances growth, passenger vehicles recorded the highest growth, with 31% growth over the previous year and advances of ₹25,658 crore as against ₹19,600 crore in the previous year. This was followed by Light Commercial vehicles, which recorded a 22% growth over PY at ₹10,923 crore.

Disbursement in 2023-24 was at an all-time high of ₹50,804 crore, as against disbursement in 2022-23 ₹46,309 crore, a 10% increase over the previous year. CFD disbursed loans of 10.46 lakh in 2023-24. New car disbursement has increased to ₹11,318 crore in 2023-24 from ₹9,279 crore in 2022-23, an increase of 22%, and Used cars to ₹3,622 in 2023-24 crore from ₹2,857 crore in 2022-23, a 27% increase. The commercial vehicle segment encompassing Medium and Heavy Commercial vehicles, Light Commercial Vehicles, and Small Commercial Vehicles recorded a disbursement of ₹20,726 crore, an 8.7% growth over previous year, and Construction Equipment recorded a 17% growth over 2022-23 at ₹6763 crore disbursement as against ₹5,703 crore in 2022-23. Tractor funding showed a de-growth for the year at a disbursement of ₹3,875 crore, consequent to a de-growth in the Tractor industry sales. Two-wheeler disbursement was stable around ₹4,100 crore in FY2024.

The operations of CFD are well supported by a back office and the Document Storage and Retrieval Facility at the Bank's Karapakkam Unit in Chennai. During the year, this Unit handled nearly 50 million transactions. CFD sources applications for all products through Android Tablets, which has enabled a seamless credit and business approval process

Amidst all the chaos
in the world,
reap the benefits of
a peaceful approach.

Indus Valley was the first to figure out the link
between lasting peace and a prosperous
civilization. We believe that this lesson should
never be forgotten.

6. Bharat Financial Inclusion Limited

6.1 Bharat Financial Inclusion Limited (BFIL)

Bharat Financial Inclusion Limited (BFIL), a wholly owned subsidiary of IndusInd Bank, is a business correspondent of the Bank for promoting financial inclusion and offers various banking services such as microfinance loans, loans to merchants, liability products, remittances, and more. Over a decade ago, IndusInd Bank entered the microfinance lending sector through partnerships with microfinance lenders, and the acquisition of Bharat Financial Inclusion Limited (BFIL) in 2019 positioned the Bank as one of India's leading microfinance providers. BFIL has an extensive distribution network in rural areas, serving over 157,000 villages, and operates in 549 districts across 23 states as of March 2024, encompassing rural, semi-urban, and urban centers. With a dedicated team of more than 36,000 field staff, BFIL facilitates daily financial transactions for customers, including small loan disbursements, installment repayments collection, opening savings and deposit accounts, insurance services, and fulfilling aspirations such as owning a two-wheeler or consumer durable items.

6.2 Macro Economy & Sector Outlook

The Indian economy has showcased robust growth backed by increasing private consumption expenditure. A recently released Household Consumption expenditure survey showed a more than doubling of consumption per rural household (₹3,773 in 2022-23 vs ₹1,430 in 2011-12).

Also evident is an increase in non-food expenditure (transport, consumer durables & medical expenses), presenting an opportunity for BFIL with its Consumer Durable Finance, Hospicash (Hospital Cash Insurance Benefit) & Rural Mobility loans.

6.3 Assets

As of 31 March 2024, BFIL managed an asset portfolio of over ₹44,000 crore, growing 22% y-o-y, and an active borrower base of 95 lakhs through its 3,620 branches across 23 states. Disbursements for the year 2023-24 exceeded ₹53,500 crore, growing 23% y-o-y. BFIL is serving an overall client base of around 160 lakhs across Assets and Liabilities, out of which 77 lakhs hold asset and liability products of the Bank.

Microfinance

BFIL's Joint Liability Group (JLG) model is focused on supporting women entrepreneurs at the bottom of the economic pyramid, enabling them to achieve financial independence, good health, well-being, and quality education. Most of these women engage in rural economic activities, such as livestock rearing, farming, producing agricultural products, crafting handmade goods, tailoring, and many more. BFIL operates through a blend of high touch (BFIL field staff assisting the borrowers in conducting financial transactions) and technology-driven (in-house technology platform enabling paperless processing of loans) models that have enabled it to gain market leadership in this space.

Through its JLG model, BFIL exists in 1.51 lakh villages across 453 districts and 21 states. It handles the credit requirements of 88 lakh women borrowers and receives deposits from 104 lakh clients.

During FY2024, BFIL added 23.5 lakh "New To Bank" loan clients to its Joint Liability Groups.

As of 31 March 2024, BFIL's JLG-based loan book amounted to ₹38,562 crore, registering a ~20% y-o-y growth.

Loans to Retailers

BFIL has been offering loans catering to the needs of entrepreneurs managing small retail stores across the country, thereby addressing the "Missing Middle" through its Bharat Super Shop (BSS) and Bharat Money Stores (BMS) programs. BFIL provides these nano entrepreneurs with a range of banking services, including zero-balance current accounts, recurring deposits, secured and unsecured working capital loans, payment services like UPI/QR codes, and Mobile/WhatsApp banking channels.

As of 31 March, 2024, BSS operates in over 500 cities across 19 states, serving over 14 lakh retailers, and has an active borrower base of nearly 7 lakhs and a loan book of ₹5,565 crore, growing at 38% y-o-y. The loan book of the BMS merchants was ₹139 crore as of March 31, 2024.

6.4 Liabilities

True to its vision of being a diversified financial services provider to its serviced Bank's customers, BFIL's liability book has shown robust y-o-y growth. Customers serviced by BFIL hold more than 179 lakhs active accounts with IndusInd Bank, and the liability pool for all BFIL-serviced customers, including savings, current, recurring, and fixed deposit accounts, amounts to ₹2,912 crore (+24% y-o-y) as of March 2024. The growth in liability balances was driven by a 30% increase in CASA deposits.

6.5 Transaction points and customer service

BFIL continuously endeavors to bridge the last-mile gap and enhance financial inclusion in India. In 2017, BFIL developed Bharat Money Store (BMS) in collaboration with IndusInd Bank, creating a banking and transaction platform for Kirana Merchants to achieve this objective.

As of 31 March, 2024, BMS has about 83,400 Kirana merchant outlets spread across 34,860 villages, 326 districts and 12 states reaching out to the remote corners of India. During the year, more than 19,000 new merchants were onboarded. The merchants leverage BMS's banking and transaction platform and act as banking touchpoints providing a range of banking and financial services to the public.

During FY2023-24, the BMS outlets served more than 54.4 lakh rural customers and facilitated transactions worth ₹4,994 crore, including Aadhaar-enabled remittances, opening savings and deposit accounts, utility payments, and more.

6.6 CSR Program

Bharat Sanjeevani is the flagship CSR program of BFIL, designed to offer emergency response services to livestock farmers at their doorsteps. Utilizing advanced technology, the program effectively reduces mortality rates and health issues, enhances productivity and promotes better livestock management practices. By alleviating challenges such as the shortage of qualified doctors and transport costs for cattle, Bharat Sanjeevani lightens the burden on farmers and enhances their livelihoods.

The program operates on a 'Doctor on Call' model, where farmers can avail services by calling a toll-free number and receive timely assistance based on the severity of the situation. Along with treatment, essential medicines are provided to farmers, guaranteeing prompt and focused treatment for their livestock.

Currently, the 'Doctor on Call' model is operational in eight states: Jharkhand, Madhya Pradesh, Maharashtra, Himachal Pradesh, Telangana, Karnataka, Rajasthan, and Uttar Pradesh.

In FY2024, the Bharat Sanjeevani Program has achieved remarkable milestones, impacting the lives of over 4 lakh

livestock farmers and providing crucial treatment to more than 6.34 lakh livestock. Notably, this initiative has been pivotal in saving the lives of 4.42 lakh critical animals. Moreover, it has significantly lightened the financial burden on 90% of farmers by reducing out-of-pocket expenses previously incurred for animal treatments, transportation, and medicines while achieving a 66% reduction in livestock morbidity. An impact assessment conducted by a reputable external agency has found that since its inception, the Bharat Sanjeevani program has helped avert economic losses amounting to ₹19,715 crore across three states: Jharkhand, Madhya Pradesh, and Maharashtra.

The Bharat Sanjeevani Program's notable contributions have been well recognized. During the year, the program won the inaugural IIT Madras CSR Awards 'Building India 2047—Technologies for a Better Tomorrow' for its impactful work and technological innovation and research to bring change in society.

Bharat Pragat, another BFIL CSR initiative launched in 2019 in Kalaburagi District, Karnataka, is making strides in holistic village-level development.

Having served over 24,000 beneficiaries through 58,366 general physician consultations and 4,801 specialist consultations, Bharat Pragat exemplifies a commendable impact on healthcare provision and community well-being.

6.6 Sustainable Development Goals (SDGs).

Initiatives taken at BFIL align with 12 of the 17 Sustainable Development Goals (SDGs).

Bharat Pragat, a CSR initiative, envisions holistic village development to enhance the availability of basic needs—water and health. The initiative adopts a collaborative approach with the local government and communities and leverages the existing public infrastructure to meet the villagers' basic requirements.

By providing comprehensive primary healthcare services, including preventive and curative treatments, through government health facilities and working towards water conservation and increasing water levels in reservoirs.

BFIL supports members by providing financial assistance for purchasing products that contribute to sustainable development goals.



No Poverty and Zero Hunger: BFIL offers IndusInd Bank products to the underbanked segments of the population, promoting financial inclusion and offering income-generating loans that address poverty. CSR initiatives directly help livestock health and sustain income generation through livestock. Under CSR Initiatives Bharat Sanjeevani, emergency response centers offer precision-driven service through technology, guaranteeing farmers prompt and accurate treatment for their livestock and ensuring income levels are sustained. Artificial insemination helps improve income generation through the creation of livestock assets.

Good Health and Wellbeing: Bharat Sanjeevani and Bharat Pragat's CSR initiatives offer comprehensive healthcare services, contributing significantly to community health and well-being.

Gender Equality: By providing microfinance loans exclusively to women, BFIL supports female entrepreneurship and boosts women's participation in the workforce.

Clean Water and Sanitation: The Bharat Pragat initiative focuses on water conservation, enhancing water table levels in reservoirs, and ensuring the availability of clean water. Financial assistance is provided to purchase water filters, ensuring the availability of clean water in the hinterlands.

Affordable and Clean Energy and Climate Action: Several clean energy products such as solar lights and energy-efficient home appliances, contribute to reduced carbon footprints and promote clean energy usage.

Industry, Innovation, and Infrastructure : Through the loan products of the Bank, BFIL facilitates easy access to financing, enhances mobile penetration, connects remote corners of the country to the Internet, and promotes seamless communication.

Reduced Inequalities and Sustainable Cities and Communities: BFIL promotes financial inclusion and credit facilities for the underbanked, empowered communities by providing livelihood opportunities and reducing inequalities.

Partnerships for the Goals : The Bharat Pragat initiative adopts a collaborative approach with the local governments and communities, forging reliable partnerships to achieve sustainable goals.

7. Global Diamonds and Jewellery Group (GDJG)

The Gems and Jewellery Industry has long been important to India's exports. This sector is one of the areas focused on in India's growth story, particularly in boosting exports of goods and services. Apart from contributing to merchandise exports, the sector provides substantial employment opportunities in India and fosters the growth of MSMEs. GDJG is the biggest player in financing this industry segment in India and globally. This sector is one of the Bank's major domain leadership verticals. The Bank's excellence in this field has been recognized repeatedly by the Trade Council. Recently, the Gems and Jewellery Export Promotion Council (GJEPC), sponsored by the Commerce Ministry of the Government of India, awarded the Bank as the 'Best Bank Financing the Industry' in the category of 'Highest Growth of Limit Sanctioned with Minimum Base of ₹500 Crore.'

GDJG, from predominantly being a mid-stream player for financing manufacturers of polished diamonds, has evolved to financing rough trading activities, polished distribution, jewelry manufacturing and distribution, domestic retail jewelry, and lab-grown diamonds. Apart from financing through the domestic tariff area, GDJG has contacted clients in Hong Kong, UAE, Belgium, USA, and Luxembourg through GIFT City. The total client base is 40% MSME, and the portfolio quality was maintained during FY2024. The coverage model is based on relationship banking, which captures the client's entire wallet. It provides a huge cross-sell opportunity for the Bank.

8. Corporate and Commercial Banking Group (CCBG)

The Bank's Corporate and Commercial Banking Group serves a wide range of corporates, from emerging mid-large Indian companies with an annual turnover of over ₹150 crore to large conglomerates, public sector undertakings, NBFCs, financial institutions, and multinational multi-corporations.

The CCBG franchise offers a comprehensive corporate product suite to support the financial and strategic banking needs of clients throughout their entire business lifecycle. This includes working capital finance, supply chain solutions, trade solutions, cash management services, capex and project financing, strategic advisory and financing, capital markets solutions, global market solutions, and varied cross-bank products and services.

Corporate India's performance in FY2024 aligned with the credit growth expectation. Corporate credit profiles improved in FY2024 as a result of deleveraged balance sheets, healthy domestic consumption demand, and the government's continued focus on capex.

As of March 31, 2024, the Bank's corporate book stood at ₹1,52,053 crore, experiencing y-o-y growth of 13%. The credit expansion was wide-based across large, mid, and small corporates in FY2024. Small corporates grew at a faster pace, aligning with the Bank's strategic focus on developing its small and emerging mid-corporate book.

Since the onset of PC 6, there has been a conscious effort to focus on small businesses within the corporate book, with an aim to granulate the book. This has resulted in a steady increase in the share of small corporations in the overall corporate franchise—from 8% in March 2022 to ~12% in March 2024.

The asset quality of our corporate book remains steady as we focus on balancing our risk profile with large corporates - our proportion of A-rated customers has increased from last year's level; the risk density of the corporate book has improved from last year, and the slippage ratio has reduced in FY2024. Our corporate franchise remains healthy and fundamentally well-placed to leverage economic tailwinds and have desired segmental growth.

Looking ahead to FY2025, the unit's focus will be on achieving growth with improved profitability and deepening its presence in small & mid corporates. The Bank will continue to focus on identified strategic priorities:

- a) Deepening corporate franchise across segments and building a dominant position in Mid & Small corporates.
- b) Sharper focus on ecosystem & transaction banking to drive client profitability, cross-sell and client engagement.
- c) Continued sustainable and cost-effective liability franchise build-up by leveraging the ONE BANK approach.
- d) Maintaining underwriting excellence to maintain credit costs at desired levels.

8.1 Client Coverage Groups

As a client-facing franchise, it is important to continuously evolve our coverage model to ensure optimal coverage across client segments while focusing on our strategic priorities. In light of this, our bank has undertaken a comprehensive review of client coverage units and re-aligned corporate coverage in line with customer segmentation.

This strategic realignment underscores our dedication to adapting to our clients' evolving needs, positioning us for sustained growth and success in the future.

Corporate & Institutional Banking Group

This unit is strategically focused on conglomerates/ Institutional groups and large corporations across India, taking into account their geographical and sectoral complexities. The unit aims to provide dedicated and bespoke coverage, a strong panel of embedded product partners, and differentiated client and service delivery with the aim of strengthening the Bank's position amongst these groups.

Commercial Banking Group

Commercial Banking Group is focused on expanding the Bank's franchise presence in the mid-corporate segment. The unit is guided by the Bank's 'relationship-lending' approach, which provides a strong foothold with the Bank's clients and enhances product penetration in this segment. The unit also has a significant liability book spread across customers, providing granularity in deposits.

The unit focuses on accelerating on-boarding of new clients by focusing more deeply in under-penetrated regions and activating new markets. It aims to leverage strong promoter connections and capture the entire ecosystem's opportunities.

Emerging Local Corporates

Previously known as the SME Business Group and carved out in FY2022, this unit is dedicated to meeting the banking requirements of emerging mid-corporate enterprises. In FY2024, the unit has experienced robust growth, with a 35%+ y-o-y increase in assets.

8.2 Specialized Business Verticals

Through dedicated coverage in the identified specialized sectors, the CCBG group focuses on providing a customized product & services suite backed by in-house domain expertise:

Education & Healthcare:

The unit adopts a consultative approach to banking, specifically tailored for clients operating in the Education and healthcare segments. It offers a suite of financial products and services, including project financing, cash management, virtual account solutions, escrow services, and digital services for end-to-end fee collection and reconciliation.

Healthcare Services:

The Healthcare unit primarily serves the healthcare business ecosystem, primarily hospitals (Primary, Secondary, and Tertiary care units) and large diagnostics chains. The Bank's consumer franchise complements the unit, which provides medical equipment loans to doctors.

Education Services:

The Education Unit provides specialized solutions to public and private educational institutions and online players to help them achieve their business goals.



Under the combined umbrella of Education & Healthcare, the unit aims to further strengthen the Bank's presence in these sectors by leveraging the 'ONE Bank' approach. The strategy involves catering to the diverse requirements of all stakeholders in the ecosystem across retail products, corporate lending products, cash management & advisory services.

Financial Services

The unit provides financial products and services to various players in the financial services sector, including NBFCs, HFCs, insurance companies, mutual funds, capital market clients and public financial institutions. The unit has developed strong relationships with key players, with the majority of its portfolio rated 'A' or higher (Internal rating). The unit has established itself as a preferred transaction banking partner with a leading market share in cash management and escrow services for top NBFCs. With fintech and other new-age financial services providers becoming mainstream, the unit aims to focus on tapping this opportunity. The unit has made in-roads into well-capitalized and proven fin-techs across their cash management journey.

Real Estate

The unit offers products for commercial and residential projects, including lease rental discounting and construction finance. It also offers advisory & syndication for REIT. The unit follows a targeted underwriting strategy with a micro-market approach, resulting in a resilient and robust portfolio.

Agriculture Business Group

Following a value chain financing approach, the Bank's unit covers the entire Agri Value Chain, from HNI farmers to Agri corporates. With a strong presence in 17 states, operating across 60 locations and catering to 45 different commodities, the unit has established a robust foothold in core agriculture-based markets.

Currently, the Bank's unit leads the way in commodity funding through the Bank's flagship Pledge Finance product against Agri commodities. The unit progressively focuses on mid-size corporates in the food and agriculture sectors, positioning the Bank as a significant player in the dairy financing & edible oils segment. Leveraging the Bank's subject matter expertise in the agriculture domain and the success the unit has achieved in the dairy sector, it aims to expand the Bank's presence into selected sub-sectors such as commodities and edible oils.

Furthermore, the unit has played a pivotal role in boosting the Bank's liability business and is a major contributor to the Bank's Priority Sector Lending (PSL) targets.

8.3 Supply Chain Finance (SCF)

The unit provides comprehensive financing solutions, including channel finance and vendor finance, catering to the financing needs of dealers/vendors across industries, including large and mid-corporates. The key ones are Auto and Auto OEMs, Steel and Consumer Durables.

The supply chain finance product offered by the unit has significantly strengthened relationships with large corporations, and it is supported by a dedicated and experienced relationship team, robust product propositions, and seamless services. Using a hub and spoke model, the unit covers more than 250 business locations, serving around 2000 dealers and 3000 suppliers through a range of comprehensive product structures.

The SCF portfolio under supply chain financing has been one of the key contributors to the initiative of portfolio granularity for the Bank's corporate franchise. The Bank continues to invest and build its capabilities in small businesses.

The Bank's comprehensive SCF product solutions are among the best-in class, further validated by various accolades. The unit received several recognitions at International and Domestic platforms for SCF solutions/business. Our supply chain finance team was awarded 'Excellence in Supply Chain Innovation and Creativity' and 'Outstanding Customer-Centric Supply Chain' by BW Business World in the 2nd Edition of Supply Chain Competitiveness Awards 2023.

The Bank has consistently demonstrated excellence, winning six awards for the sixth consecutive year at 'The Asset Triple A Treasuries Awards, 2024'. These accolades underscore the Bank's commitment to offering best-in-class, industry-leading solutions.

Additionally, the Bank has maintained a high-quality portfolio in its SCF book and achieved significant growth, owing to its strict governance processes and comprehensive portfolio monitoring tools.

8.4 Project Finance

The Project Finance unit excels in providing financial solutions for projects in various sectors, including Wind Energy, Solar Energy, Hybrid Projects, Roads, Logistics, Water and Power Transmission & Distribution. With strong expertise in project financing, the unit has successfully underwritten and syndicated projects for renowned infrastructure players in the country.

In line with the Bank's sustainability strategy, the unit has expanded the Bank's focus on Project Finance to include sectors that support Sustainable Development Goals (SDGs). Over the years, the Bank has extended financing to projects in sectors such as, Renewables, Water Treatment, E-mobility, Energy Efficiency and City Gas Distribution. By investing in these sectors, the Bank contributes to sustainable development while meeting clients' evolving needs.

The unit has been the Bank's pillar of strength in creating value for both clients and the Bank. It has developed significant underwriting and syndication abilities and showcased its structuring capabilities through its deep understanding of the Transportation, Energy and Water sector. With the government's increased focus on Infrastructure development, the unit is well poised to capitalize on the forthcoming opportunities.

8.5 Investment Banking

The Bank's Investment Banking unit specializes in providing corporate finance advisory services, encompassing equity and debt solutions, to Indian business conglomerates across various sectors. The unit caters to a diverse array of industries, such as Financial Services, Renewable Energy EV - mobility solutions, Fintech/Digital Tech, Healthcare, Hospitality Logistics, Education, Real Estate and the entire spectrum of Industrials and Manufacturing. The unit provides strategic solutions across M&A Advisory, Private Equity Advisory, Structured Finance and Debt Capital Markets (DCM) to aid growth, capitalization or consolidation initiatives for the Bank's clients. This is facilitated by the Bank's expertise across various investment banking products and well-entrenched relationships with the investor community, market intermediaries & Indian and International corporates, enabling the Bank to act as a one-stop solution provider for both equity and debt.

The well-established DCM team, given their sector-agnostic expertise, continues to partner with other units within the Bank to offer bespoke debt solutions for clients. Their services span a wide array, including project finance, structured finance, foreign currency, working capital, securitization, off-balance sheet financing, mezzanine, and acquisition financing.

In addition to employing a debt underwriting and sell-down strategy, the DCM team is actively engaged in providing debt advisory and fundraising services for corporate clients. This involves syndicating the debt with reputable institutions that meet the client's specific end-use requirements, while adhering to the local regulatory framework. The team's effectiveness is amplified by leveraging the Bank's excellent distribution reach across a network of banks (Private, Public & Foreign), NBFCs, asset management companies (including mutual funds, credit funds, impact funds, infra debt funds), FPIs, insurance companies, multilateral institutions, and more.

With a remarkable track record, the Bank has established itself as one of the leading Mandated Lead Arrangers in India. The Bank's strong performance is a testament to its expertise and commitment to delivering exceptional financial solutions to clients.

8.6 Public Sector Group

The Public Sector Group cultivates close ties with various Public Sector Undertakings (PSUs), including illustrious Maharatnas, Navratnas and Mini Ratnas, controlled by the Central Government and certain State Governments. Because of the Bank's singular focus, we can comprehend and meet the specific needs and goals of these prestigious PSUs.

The PSU Assets are preferred by many lenders considering the lower delinquencies and hence the Assets portfolio growth is achieved under stiff competition from all banks and at competitive pricing. PSUs also act as a source of large Liability books and Current Account floats for the Bank which has been growing over the years.

The group extends tailored solutions to PSU clients across various domains, including Trade, Forex, Cash Management and a suite of digital products. Furthermore, a comprehensive range of Asset products, including term loans, working capital finance, bonds and NCDs are also available to these esteemed clients, meticulously customized to meet their specific requirements. The Bank offers targeted retail banking products to the employees of its PSU clients, such as salary accounts, credit cards and retail loans amongst junior and middle-level managers and a Pioneer

range of products for the senior management team. The Bank is keen to garner increased market share and be a sizable banking partner to strategic large PSUs.

8.7 Financial Institution Group

Financial Institution Group (FIG) is responsible for the management and administration of relationships with Banks and various types of Financial Intermediaries in the global financial market. The unit manages relationships across Financial Institutions ranging from Domestic Banks, International Banks, Development Financial Institutions (DFIs), Export Credit Agencies (ECAs) and Multilateral Financial Institutions (MFIs). The Unit also manages and supervises the Correspondent Banking Network of the Bank, which comprises the network of Nostro and Vostro Accounts and RMA arrangements with multiple banks across the globe. FIG also plays a crucial role in framing and managing the Correspondent Banking Policy and Bank Risk Policy. Over the years, FIG has evolved into a specialized sectoral vertical of the Bank, managing diverse roles from business origination and facilitation to policy-making and risk management, along with their primary role as the Channel Manager of the Bank's correspondent banking network.

Despite the headwinds in the global trade and payments landscape due to the ongoing geopolitical tensions and turbulence in the global financial market, FIG has acquitted



itself very well in the year under review, helping the Bank to offer superior correspondent banking services to the clients. FIG also contributed to the Bank's top and bottom line by building a profitable and high-quality FI Book. FIG works closely with the ALM desk in areas such as resource raising and balance sheet management, adding value to these endeavours by virtue of their domain knowledge and client coverage. During the year FIG helped to generate liquidity from global and domestic financial institutions to the tune of US\$ 5 billion through market borrowings, syndicated / bilateral loans, inter-bank deposits and refinancing. The Bank conducts its FI Business in strict conformity with applicable domestic and international laws and abides by various global sanctions as applicable to Indian banks from time to time.

8.8 International Financial Services Centre Banking Unit (IBU) at GIFT City

The Bank's offshore branch, IBU at GIFT City, concluded the year with a balance sheet size of USD 2.88 billion as of March 31, 2024. The unit witnessed substantial growth in offshore business, offering a variety of services including International Retail, External Commercial Borrowings (ECBs), Trade Credits, loans to overseas entities, Swaps and Derivatives. The IBU caters to both client and proprietary portfolios.

The IBU is instrumental in serving both existing and new clients, contributing to the overall Bank's balance sheet and profitability. With its comprehensive range of products in global currencies, the IBU plays a pivotal role in catering to the diverse needs of the IBU GIFT based entities & Indian diaspora offshore. The Unit

has extended the Bank's brand globally, as it offers end-to-end solutions to large corporates with international presence, engaging in the global syndicated loan and financial markets. Through these endeavors, the IBU has enhanced the Bank's global reach and established itself as a trusted global financial partner.

Furthermore, IBU's Global Markets desk leads commands over a third of the derivative trades at IFSC GIFT City by leveraging and strengthening the presence to trade in non-deliverable derivatives contracts and other offshore products. This strategic position has enabled the desk to generate steady revenue through trading and offering treasury risk solutions globally. Additionally, the IBU maintains a leading position with around 13% market share in customer liabilities amongst the IBUs at IFSC GIFT City, highlighting prominence in managing significant customer liability books.

The Bank continues to be at the forefront in its association with IFSCA in formulating guidelines on financial markets derivatives as a member of the Advisory Committee on Exchange Traded Currency Derivatives and on sustainable finance as a member of the Expert Committee on Climate Finance.

9. Digital Banking

During the year, the Bank continued to drive its Digital 2.0 agenda – accelerating the shift from being tech-enabled to tech-led. Overall, the digital strategy of the Bank strives to achieve 3 objectives: (a) create a differentiated and superior customer experience across digital platforms and applications to enhance customer engagement and advocacy, (b) transform existing lines of businesses to drive operational efficiency and unlock productivity gains and (c) to create new business models on the back of digital platform marketing and open banking

The IndusMobile application continued to experience robust growth, with a 19% y-o-y increase in monthly active users. The app now has a customer base of 8.4 million registered users. Ongoing enhancements to the platform have led to improved ratings of 4.5 stars on the App Store and 4.3 stars on Play Store. Similarly, the Indus Merchant Solutions app has also seen significant expansion, with the registered user base growing to nearly 60,000 users. The monthly active user base for this app increased by 38% y-o-y.

The Bank's WhatsApp banking platform continues to register robust growth with conversions increasing by 202% y-o-y, supported by an 8.5 million registered user base. Additionally, the Bank successfully scaled up the Central Bank Digital Currency (CBDC) pilot, now has a base of 1.2 lakh registered users on the CBDC app.

The EasyCredit stack continued to see enhancements during the year with support for more facilities such as LCBD, buyer's credit in small business banking. The platform supports commercial cards, business cards and secured credit cards. The complete retail unsecured business is now fully transitioned to the EasyCredit stack, and the Bank processes more than one million personal loan and credit card applications through the stack every month across DIY, branch, asset sales, and partnership-driven models.

IndusInd Bank now has one of the most comprehensive digital stacks for new customer acquisition with end-to-end digital journeys for multiple products – savings accounts, term deposits, current accounts, personal loans, credit cards and small-ticket business loans. These are integrated with Video KYC and mar-tech stack capabilities to drive platform marketing and funnel management and conversions. The lending platforms are enabled with real-time decision algorithms that leverage advanced analytics and machine learning.





Consequently, the direct digital business model of the Bank scaled during the year, with the digitally acquired liabilities balance sheet growing by 41% y-o-y and digitally acquired assets surging by 139% y-o-y. The Bank acquired nearly 2 million clients digitally, during the year, disbursed over ₹1000 crore in personal loans to new-to-bank clients acquired digitally, and acquired more than 250,000 new credit cards relationships digitally.

The digital business model emphasizes efficiency, with customer acquisition costs for digitally acquired clients significantly lower than those for offline models. During the year, there was a 25-30% improvement in customer acquisition costs for digitally acquired clients. The digital marketing team focuses not only on performance marketing, content marketing and awareness marketing. As a result, the brand search volumes for IndusInd Bank across major keywords increased 2X during the year, leading to an increase in the organic mix across digital lines of businesses.

9.1 Launch of INDIE – a revolutionary way to Bank

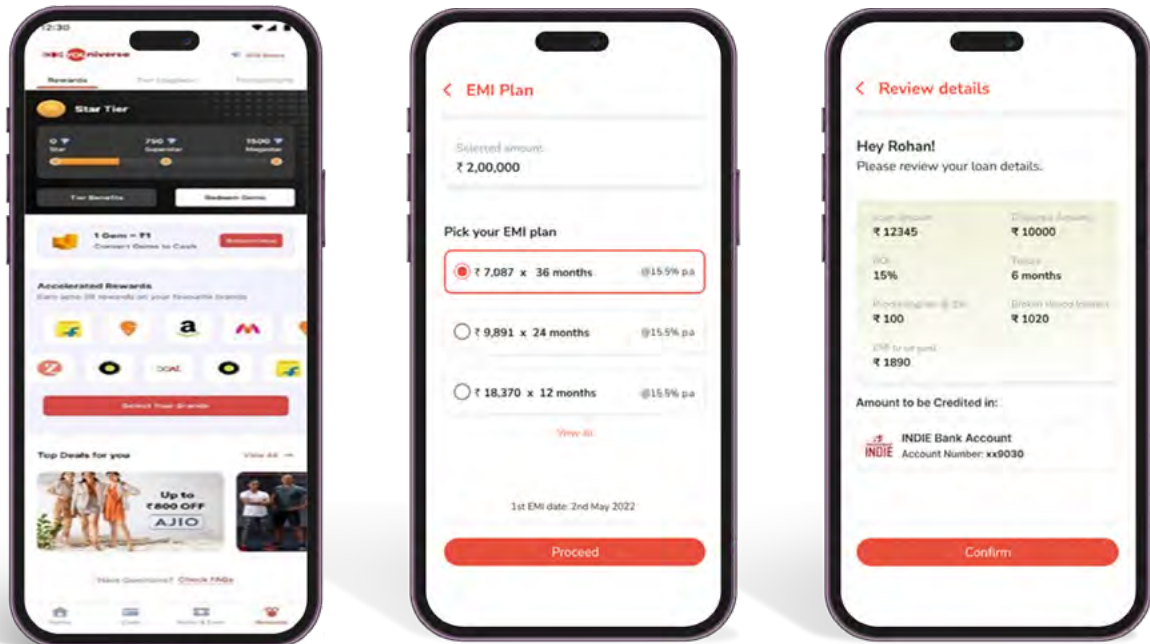
During the year, the Bank launched INDIE – a revolutionary new way to Bank!

Launched in October 2023, INDIE is possibly the most innovative and transformative product ever launched by any major bank in the country. INDIE aims to revolutionize personal finance with several industry firsts, shifting from a product-led to a customer-led operating model delivering the best of breed in all financial services, including payments, lending, wealth management, deposits, rewards/loyalty or family banking. Hyper personalization, trust, security as its core tenets. Differentiated features of INDIE include:

Advanced Payments Capability: INDIE offers best-in-class payment capabilities, enhanced with advanced analytics to learn from customer behavior. The app provides smart reminders for bill payments and other recurring payments, ensuring you never miss a due date.

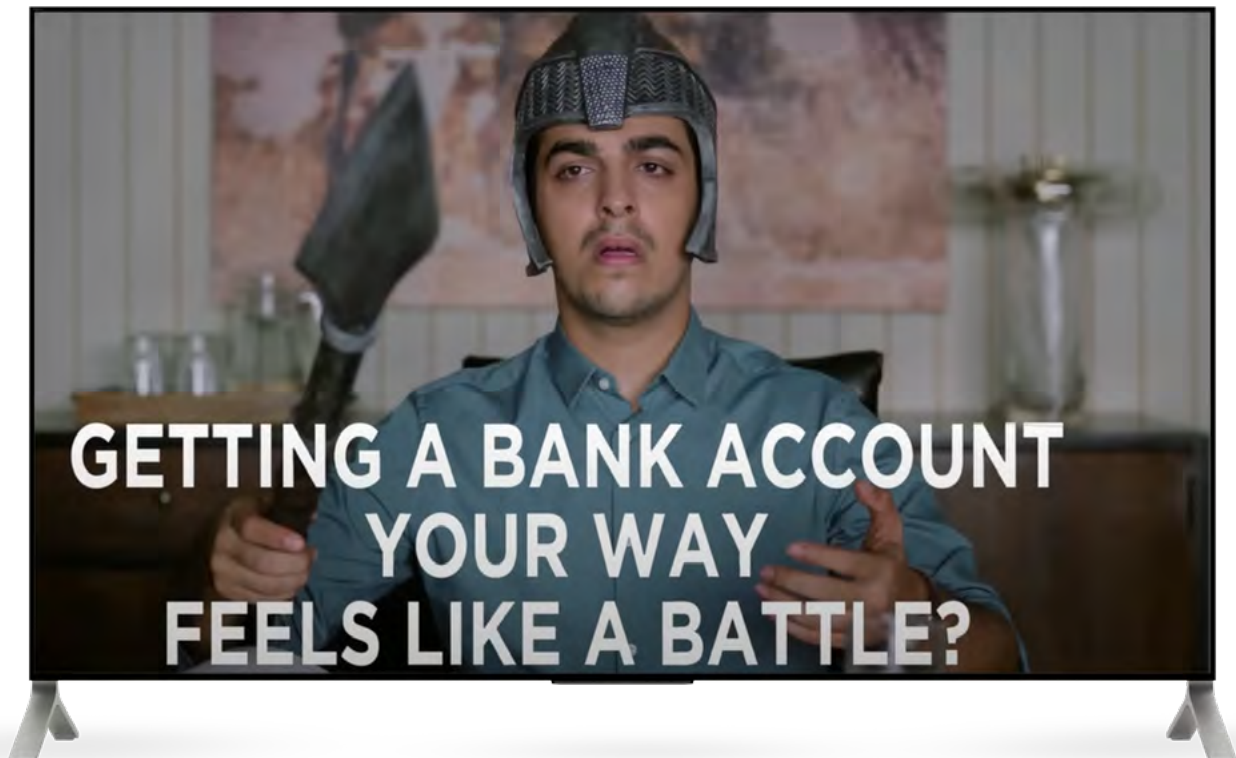


Flexible Line of Credit: INDIE offers a flexible line of credit – unlike traditional personal loans, customers get a line of credit on the app, and they can simply drawdown as needed, manage repayment according to their preference and adjust tenor for each drawdown.

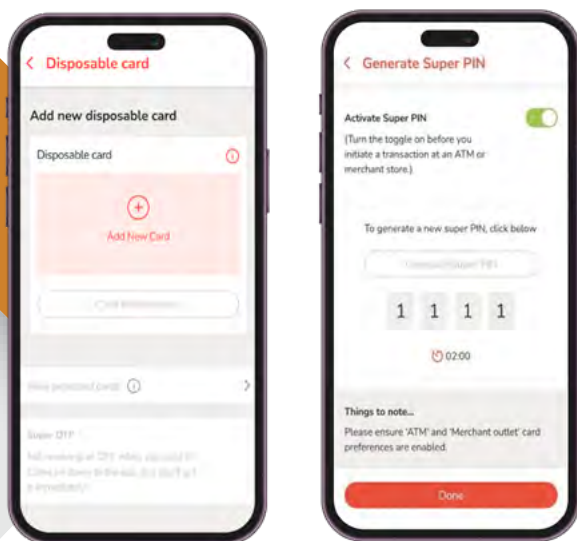


Customizable Loyalty Program: INDIE allows customers to choose their loyalty programs actively. Instead of a rigid loyalty program, CUSTOMERS can select brands where they desire 6X rewards and receive accelerated rewards for spending on these selections. Brand or category selections can be changed monthly. Rewards are clean, simple and simply redeemable as cash via the app (1 Reward Point = 1 Rupee).

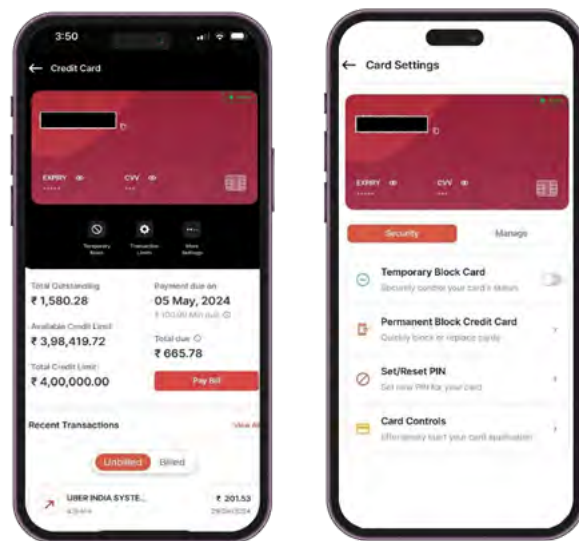
Brand Campaign for the launch of INDIE



- INDIE offers security like none other. With INDIE, you can get a numberless debit card so that your card details are never exposed when using your card at a POS. Instead of a Static PIN that most debit cards work with which is more fraud prone, INDIE offers the ability to users to use their debit cards via Dynamic PIN which is generated only in the app and valid only for a few minutes. Users can even single-use a single use virtual disposable card from the app so that they can use their card comfortably on lesser known websites / apps that they don't trust. The single-use plastic is a virtual plastic that is generated instantly on the app and self-destructs itself once the transaction is done.
- To enhance convenience in payments, INDIE also offers Super OTP for low network zones so that customers can generate an OTP from the app to do transactions whenever they are in low mobile network zones.



- On INDIE, you benefit from smart deposit products that blend the liquidity of a savings account, allowing transactions to automatically utilize funds from the term deposit when the savings balance is low. You can even set up auto-sweep right from the app and ensure you get high returns on excess funds by automatically sweeping them to a term deposit.
- Moreover, INDIE provides comprehensive management of your IndusInd Bank Credit Cards. You get a complete overview of your credit card details, allowing you to view recent, unbilled and billed transactions. You can have full control over your card transaction limits and the app enables you to temporarily or permanently block your credit card if needed. Setting or resetting the PIN is also streamlined for enhanced security and convenience.



Plus, an exciting line-up of products in wealth management, NRI banking, and family banking will soon be launched on the app. The app garnered five million installed base and one million new customers within 6 months of the launch and is already processing almost 10 million transactions every month. Bank is now in the process of migrating its existing customers on the platform.

9.2 EasyCredit: Accelerating Business Transformation

EasyCredit – the Bank's flagship digital lending stack that offers an end-to-end digital journey for all retail loan products – credit cards, personal loans, unsecured business loans and working capital loans for up to ₹2 crore exposure continued to drive the business transformation agenda forward. During the year, the platform was enhanced to offer new products such as buyer's credit, LCBD, commercial cards, business cards and secured credit cards. Through this platform, the Bank witnessed good uptake of the newly launched IndusInd Bank Rupay Credit Card.

9.3 Enhanced customer experience on existing platforms

a. IndusMobile

IndusMobile is the mobile banking application for all IndusInd retail customers, with a large base of 8.5 million registered customers. The application provides a convenient and secure way for customers to manage their banking activities on-the-go using their smartphones.



To bring ourselves to best market practices, we have implemented several new features to improve user experience. Some of the key enhancements include

- In-app ratings, allow customers to rate the Bank on the Play Store from within the app.
- One span & Lookout (Cybersecurity technologies) integrations for all DPSC and RBI guidelines and providing robust security features for mobile transactions.
- MoEngage (Customer engagement platform) was integrated to provide targeted experiences tailored to your preferences.
- UI revamp for the platform for a more intuitive and visually appealing navigation.
- Real-time account statement downloads to allow users to stay on top of their financial activities.
- OTP to NR Customers via email enabled NR customers to transact even when they are traveling abroad without cellular access.
- Rupay credit card integrations enabled the new growing product line users to access the platform
- Empowered contact center for Mobile – App-related service.

b. IndusNet

The Bank's net banking platform, more popularly known as IndusNet, continued to achieve significant milestones throughout the year. Around 0.25 million challans were booked as part of direct tax payments on CBDT portal & around 0.1 million challans were booked as part of GST payments on GST portal via IndusNet.

Throughout the year, significant product updates were made to meet NPCI requirements. These included the enablement of Simplified IMPS, allowing transactions based on just a mobile number and bank name, which streamlined the process significantly. Additionally, comprehensive eNACH Mandate Management features were implemented, including options to amend, cancel, revoke, suspend and perform custom cancellations of mandates. These enhancements have improved the flexibility and efficiency of managing recurring transactions.

With a key focus on client experience & engagement, important product enhancements were made during the year, which includes:

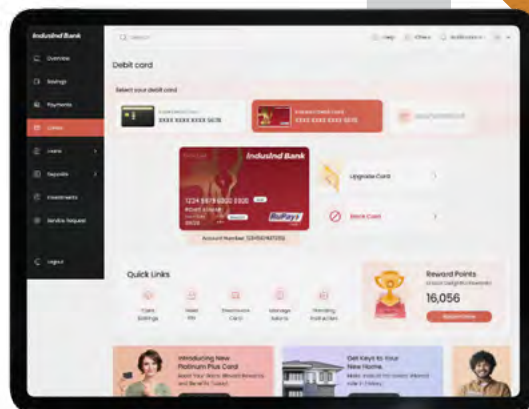
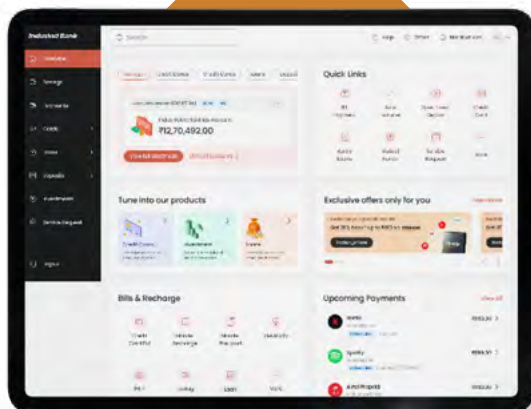
- Enhancement of daily default & maximum fund transaction limits for individual & non-individual clients.

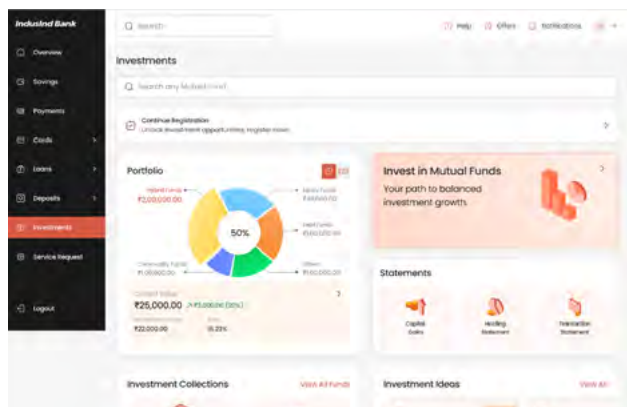
- Introduction of an Aadhaar-based registration process allowing clients to register their account, reset password & unblock user id on net banking platform.
- System performance improvement to improve the Net Promoter Score of clients.
- Introduction of a new alert mechanism providing upfront alerts to clients like password expiry.

The spirit of reinforcing the tax-payment ecosystem is set to be pursued further, with facilities for customs and alliances with multiple State Governments for State Taxes on the cards. FinTech partnerships have been given a special emphasis. Alliances with partners such as Cashfree, EaseBuz, JioPay, Xsilica, who have played a major role in strengthening Digital Payments being formed in addition to partnerships with the likes of Razorpay, BillDesk, Paytm, PayU.

With a vision to provide an improved & seamless experience of enjoying a plethora of advanced features to clients, the Bank is also in the process of revamping the existing net banking platform. The new platform is currently under development & has been targeted to go live in FY2025 with features including but not limited to:

- Revamped wealth management journeys.
- Customer 360 view across all loans, deposits, cards, and wealth products that the client has with the Bank.
- Revised access management to access all features & flexibility to define their access (view/transact) as per authentication modes & preferences.
- Revamped payment experience with smart alerts and reminders
- Enabling net banking onboarding & servicing for products such as vehicle loans and home loans, allowing them to view their details, download statements of accounts and pay their EMI overdue amounts.
- Revised credit card integration using advanced API stack for improved performance of credit card-related functionalities.





c. Central Bank Digital Currency – Retail and Merchant

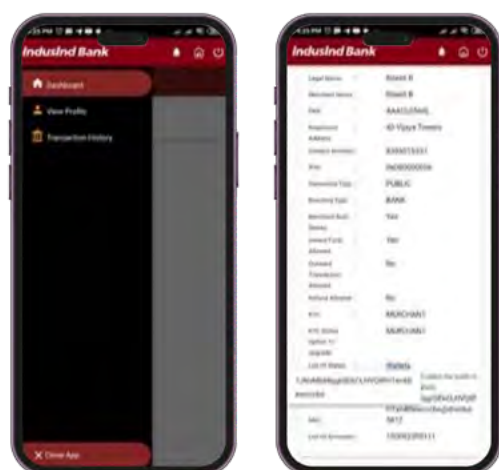
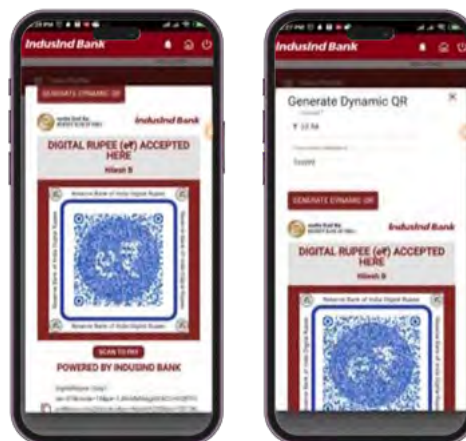
CBDC (also referred to as Digital Rupee or e₹) represents the latest form of sovereign currency introduced by the RBI, aiming to bolster India's financial services and digital payments infrastructure. Utilizing blockchain technology, the objective is to facilitate faster, more secure, and cost-efficient transactions.

IndusInd Bank was among the selected organizations involved in the RBI's Central Bank Digital Currency (CBDC) initiative, playing a crucial role in introducing and advancing the Digital Rupee initiative. IndusInd bank has a total user base of 1.2 lakh as of April 24 on CBDC. Additionally, IndusInd Bank has successfully concluded the execution of RBI's programmable CBDC disbursement to 50 farmers in Ratnagiri district of Maharashtra, which will cover 1000 farmers going ahead. Programmable CBDC that allows banks to have the option of programming the money by tying it to a specific end use, in this case, funds being disbursed to farmers in lieu of the generation of carbon credits

In the upcoming phase, we will focus on Safai Karmacharis, aiming to increase their income by leveraging revenues generated from plastic waste collection, recycling, and repurposing. The Bank also

plans to include features such as using UPI to load money to CBDC wallet, UPI QR Interoperability, UPI Intent Call, Pin-less journey.

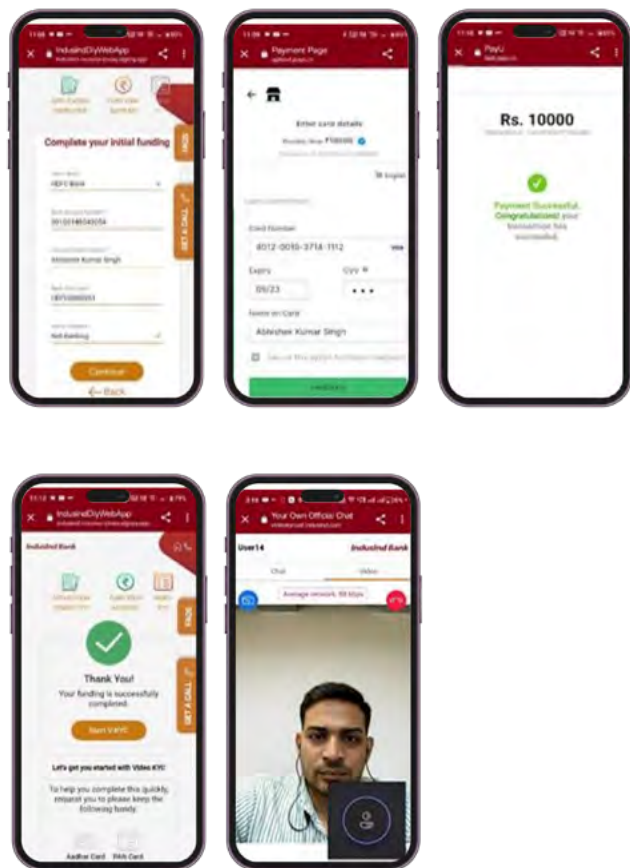
Indus Merchant Solutions also integrated the Digital Rupee (e₹) wallet for Merchants. Digital Rupee is a sovereign currency launched by the RBI, that serves as a legal tender for financial transactions within India. Merchants can use the IMS app to display the static and dynamic (e₹) QR to receive payments in the form of (e₹) tokens into their wallet.



Indus PayWear

d. Indus Merchant Solutions

IMS, the all-in-one digital mobile platform for merchants, released a critical feature which leverages the DIY current account opening journey via video-KYC and also allows merchants to open a current account within 15 minutes through the app.



The IMS app has been significantly fortified by integrating security solutions such as OneSpan and Lookout, enhancing protection against a wide array of mobile threats. These enhancements help safeguard users from device and network threats, including jailbreak attempts, trojanized versions of legitimate apps, zero-day threats, tampering, debugging, code injection, code modification and data theft.

IMS upgraded its mar-tech stack for enhanced customer experience by seamlessly redirecting merchants to specific in-app pages via interactive marketing campaigns, saving them time and energy in locating particular in-app features.

e. WhatsApp Banking and ChatBot

ChatBot and WhatsApp banking allow the Bank to increase its digital footprint and serve as additional channels for customer engagement. IndusInd Bank aims to leverage the vast user base of WhatsApp to deliver banking services to its deposit and loan customers. This offering enables the Bank to use WhatsApp and ChatBot, where the customer is engaged through AI driven conversational flow that covers queries and provides services such as balance inquiry, mini statement and transaction history.

During the last year, efforts have been made to enhance user experience and security features, including a revamp of the WhatsApp menu to include a next action button, which displays the next best 3 recommended action steps to users. The number of active users on WhatsApp surged by 107% in FY2024 compared to FY2023, whereas the growth rate for ChatBot stands at approximately 20%.

In the coming year, we plan to revamp the entire ChatBot experience to include features such as voice command, vernacular support, and user- feedback-based learning, along with integration into the Bank's customer-facing applications. We also plan to incorporate new features in Chabot, including service requests journeys such as ReKYC, Credit Card/Debit card block-unblock, update PAN, Aadhaar, Email, Address, Manage Nominee (CASA, Term deposits), request cheque book, guide pre qualified customers through the loan application process, schedule upcoming bill payments.

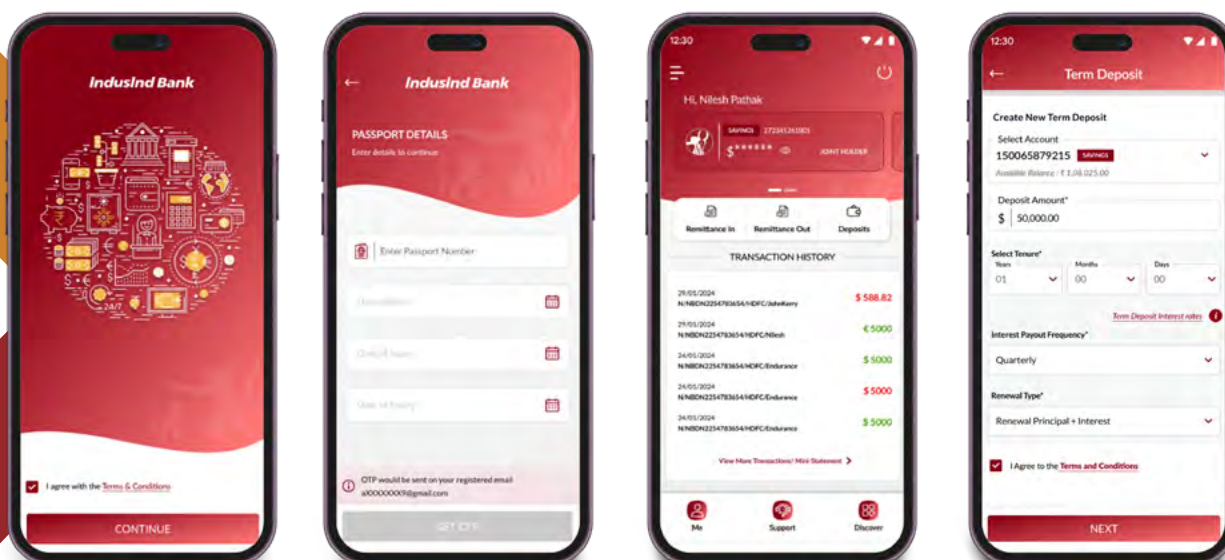
f. GIFT CITY App

Gujarat International Finance Tech City, India's first International Financial Services Centre (IFSC), is a visionary initiative by the Government of India to establish a global financial hub within the country. The IBUs established in the Gift City provide a conducive environment for conducting international financial transactions, offering various banking and financial services to both domestic and international clients.

IndusInd Bank is honored to be amongst the selected banks granted approval to operate within the Gift City IBU. As one of the 14 banks authorized to operate in this prestigious financial center, we are committed to delivering cutting-edge banking solutions and unparalleled service to our esteemed customers. To serve this commitment and enhance the banking experience of our international clientele, IndusInd Bank takes pride in introducing the Gift City International Banking Unit (IBU) Mobile Application, making the Bank one of the first banks to offer a dedicated mobile application for Gift City banking. The Gift City IBU mobile Application will provide a comprehensive range of banking services, including but not limited to the following:

- Inward and Outward Remittances: Facilitating swift and secure fund transfers across borders.
- Fixed Deposits: Offering attractive investment opportunities with competitive interest rates.
- Account Details Viewing: Enabling customers to conveniently access and manage their accounts.
- Transaction Details Download and Email: Providing seamless access to transaction histories for record-keeping and reconciliation.

The application is envisaged to be launched in FY2025.

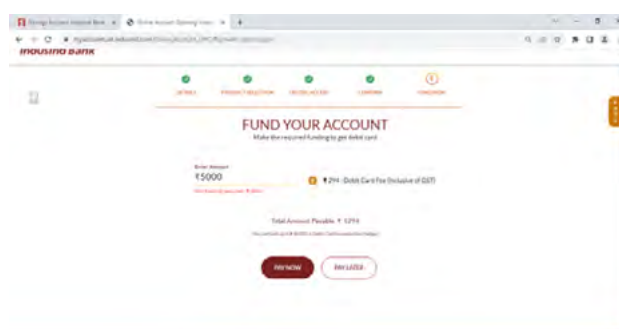
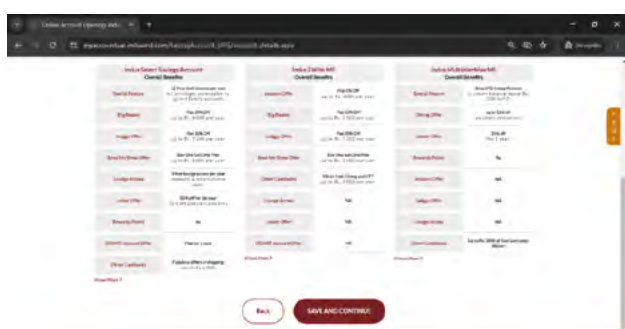
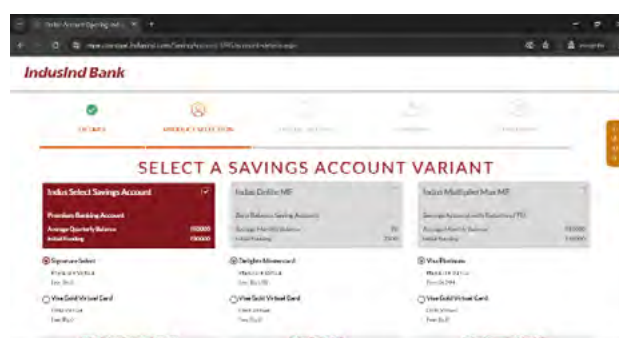


g. Savings Account and Fixed Deposits Online Platform

Savings Account & Fixed Deposits Online Platform is an important product for the Bank which has streamlined the process of customers opening their accounts digitally seamlessly. In the last year, the bank doubled the number of funded savings accounts and improved conversion by 3.75 times for savings account openings. Some of the major enhancements made to the platform are as follows:

- Ease of account opening for returning users: Easing the customers experience by allowing customer to start their journey from the last dropped stage rather than starting a new journey and filling all details again.

- Co-browsing solution implementation via GTM – Enable the telesales team to check customer steps on their screen, resolve customer queries and guide the customer during the account opening process.
- Making the journey more user-friendly by offering the option to choose between a virtual or physical debit card, showing a product feature comparison table, improving the UI/UX of the landing page, and improving the funding page.
- Enabling Savings Account Co-bundling along with Fixed Deposits to improve the cross-sell and retention for the Bank.



9.4 Digital Marketing

a. INDIE Marketing and Campaigns

During the year, the Bank adopted an Integrated Marketing Strategy. The INDIE campaign blended various marketing efforts, including TV, PR, digital marketing, Out-of-Home (OOH) advertising, and robust social media engagement. This included:

● Press Release & Media Interviews



● TV campaign during the ICC Men's Cricket World Cup 2023



● Strategic celebrity endorsements to enhance credibility and trust, notably featuring cricket commentator Jatin Sapru.



The campaign's effectiveness was evidenced by its extensive outreach. Notably, INDIE registered remarkable customer growth rates, with a customer base expanding to over 1.2 million within five months and monthly transaction volumes showcasing significant growth. This multifaceted approach highlighted the innovative aspects of INDIE but also positioned it as a transformative force in digital banking, making its launch a landmark event in the industry.



App store ratings:

The app's ratings, 4.6 on the App Store and 4.4 on the Play Store indicated high user satisfaction. These ratings reflected the app's quality, user-friendliness, and successful alignment of the campaign with customer expectations.

Brand visibility:

The campaign garnered 509 million Digital Impressions on Hotstar CTV, Social media and OTT platforms. The TV Campaign resulted in 200 million viewership (70 million households). 2,552 TV Spots were executed against 1,920 planned. With these numbers, INDIE successfully captivated a wide audience, enhancing brand visibility.

9.5 Digital Partnerships

The Bank aims to become a preferred partner for fintechs and ecosystem players by focusing on its tech-led approach and now has 240+ APIs hosted on its gateway, which such partners can integrate in a compliant and secured manner. Recognizing the potential of partnerships to revolutionize financial services, the Bank has increasingly sought to collaborate with external partners to enhance its offerings and reach out to a broader audience.

The Bank has partnered with various fintechs, including leading marketplaces for acquisition of credit cards and personal loans. The Bank targets to strengthen its book by leveraging the delivery and digital capabilities of such partners. The Bank aims to expand its customer base and product propositions for both assets and Liabilities through these partnerships.

9.6 Analytics-Driven Decisioning

Analytics has been at the forefront of customer acquisition, portfolio strategy, fraud and risk management for the Bank. We have deployed 30+ machine learning models to drive seamless and faster decisions across various retail lending portfolios. These models are at the core of all digital lending platforms of the Bank and enable real-time decision-making across retail lending portfolios – personal loans, credit cards, working capital exposures up to ₹5 crore, mortgages and personal vehicles. Not just acquisition, the models also support driving portfolio strategy as well as collections

Cutting-edge cloud infrastructure has been leveraged to support large data storage and compute capabilities, introducing efficiency and scalability.

The Bank is poised to leverage GenAI and other innovative solutions to unlock growth and enhance customer experience.

10. Global Markets Group

The Global Markets Group (GMG) comprises three main functions:

1. Asset Liability Management (ALM)
2. Trading (Rates, Equities, Foreign Exchange and Derivatives);
3. Client Sales, comprising the Financial Markets Sales and Solutions team, which provides hedging strategies to clients for their exposures across foreign exchange and interest rates, and the Credit Sales Team, which provides clients' access to Debt Capital Markets.

The Asset Liability Management Unit manages various regulatory requirements, including Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR), Liquidity Coverage Ratio (LCR), Intra-day

Liquidity (IDL), Net Stable Funding Ratio (NSFR), as prescribed by the Reserve Bank of India and other regulating bodies. In addition, the Desk manages the day-to-day liquidity requirements of the Bank through appropriate funding avenues involving both Rupee and Foreign Currency. The liquidity and resource mobilization strategy achieved significant efficiency in the Bank's sourcing of funds across tenors with an optimal mix of term deposits, market borrowings and refinance.

The Trading Desk transacts across asset classes such as interest rates, equities, foreign exchange and commodities. It strategizes and takes proprietary positions in government bonds, corporate debt, equities, interest rates (₹ and foreign currency), interest rate futures and currencies.

The Foreign Exchange and Derivatives Trading Desk focuses on currency and interest rate derivative products for proprietary positions and also acts as a liquidity provider – cum- market access in respect of client business. The desk is an active market-maker and executes various products across asset classes with established market counterparties and valued corporates.

The Equity Desk takes proprietary positions in both primary offerings as well as trades in listed securities.

The Credit Sales desk is responsible for providing solutions to Corporate & Institutional clients looking to tap the Debt Capital Market for raising short-term/long-term funds through various instruments such as Bonds/Non-Convertible Debentures (NCDs)/CPs, ZCBs, Tax-free bonds, NCD cum warrants and other Non-SLR instruments by acting as Arranger and/or investor for Primary NCD issuances. The team is also responsible for the placement of such securities across various institutional clients/investor segments such as mutual funds, insurance companies, pension and provident funds, banks, NBFCs, wealth managers, Foreign Portfolio Investors (FPIs), Corporates, Alternate Investment Funds (AIFs) and Family offices. The team undertakes products as permitted in the board-approved Funds & Investment Policy of the Bank.

The Financial Markets Sales and Solutions team provides hedging solutions to large corporations, financial institutions, mid-market corporations, and consumer clients on their foreign exchange and interest rate exposures. The Bank enters into these transactions based on strict suitability, appropriateness and credit criteria. Besides the above OTC products, the Bank is also a Trading-cum-clearing member of NSE and BSE, which enables the Bank to offer a web-based platform across client segments for hedging their currency exposures in the exchange-traded currency derivatives market.

During the year, GMG continued actively undertaking proprietary and client hedges across FX, Interest Rates, Derivatives, Credit markets, and Equity IPOs. The Bank has expanded its reach in offshore markets through the Global Markets Desk at its IBU in GIFT City. Further, widen the range of products to be offered by IBU as permitted under the new liberalized guidelines of IFSCA.

The Bank has well-laid-out Board-approved Funds & Investment and Risk Management Policies, Client Suitability and Appropriateness Policy, and appropriate systems support to monitor transactions and risk on a real-time basis. Given the dependency on System and Trading platforms, the Bank has conducted Business Continuity Plan drills regularly. The Bank has an Integrated Treasury application interfaced with the Risk Monitoring System that covers all Client and Trading products of the Global Markets business and provides a seamless transaction flow.

11. Transaction Banking Group

The Bank's Transaction Banking Group (TBG) provides customers with a comprehensive range of products and services across all business units, including cash management, trade services, trade finance, and global remittances. These services are delivered through various Digital Banking platforms offered by the Bank.

Under the Cash Management Services (CMS), the Bank offers customized and differentiated products to its Corporate and Consumer Banking customers to improve their Payables and Receivables Management efficiencies. The Bank develops these solutions in-house as well by partnering with technology partners, to enable seamless payments, collections and custom solutions. It continues its focus on key new-age CMS offerings such as NACH, BBPS, UPI, Escrow services, API-based e-Payments and e-Collections, providing large corporate clients the ability to manage their fund flows and liquidity efficiently. Customer segments such as NBFCs, Real Estate, Education and Renewable Energy have witnessed consistent growth on CMS solutions in the years gone by.

Further to the success seen in the QR-based smart address system (Digital Door Number) for a leading Municipal Corporation. It has made roads with various Panchayati Raj and Gram Panchayats with integrated payment solutions aided the Panchyati Raj departments with smooth disbursement and monitoring of funds, seamless integration with multiple satellite systems viz. attendance module, project monitoring and ease in managing budgets. The Bank continues to grow its presence in the Government segment by providing bespoke CMS solutions through multiple Digital platforms such as the Government Payment System, e-Tendering, GeM, PFMS and subsidy management, improving customer efficiency and increasing sustainable CASA flows for the Bank.

Subsequent to its Agency Bank authorization, the Bank has enabled its customers to pay their Income Taxes and GST through their IndusInd Bank accounts – online as well as via Bank's branches. This will be further extended to enable the collection of customs duty and excise duty payments. The Bank is also in the process of integrating with State treasuries for collection of the State's Tax and non-Tax receipts.

The Bank offers an all-inclusive range of customized Trade Services and Trade Finance products designed to meet the requirements of Large, Medium and MSME customers based in India and Gift City. Its Trade Product Suite includes Trade Services (A1, A2 transactions, Collections), Trade Finance (Factoring, LC Bill Discounting, Bill/ Invoice Discounting, Buyer's/Supplier's Credit, Pre/Post Shipment Export Finance) and other ancillary trade products such as (ODI, FDI, Project Office, Branch/Project/Liaison Office). Its competitive structured trade solutions, alignment to regulations and aided by dedicated sales team help it stand out as one of the top Trade Service and Trade Finance solutions providers in the industry

The Bank continues to be one of the significant players in India-linked Cross-Border Remittances, enjoying a significant market share facilitating LRS Outward Remittances from India and being a preferred India Correspondent for Overseas Banks, Exchange Houses, and Money Services Businesses / Money Transfer Operators.

Digital platforms are the foundation of all Transaction Banking products, and the Bank continues to augment its capabilities in this domain. Clients embraced the Bank's platforms for

initiating their payments & trade transactions and managing their collections digitally, with an increase in client adoption and transaction volumes across the portals, mobile apps and API platforms. The digital platforms offer rich functionality for clients to initiate individual and bulk payments, payroll processing, Tax, EPFO, ESIC payments, Bank Guarantee, LC issuance, Inward and Outward Remittances and Import and Export collections. The platform also provides a comprehensive view of IDPMS/EDPMS Dashboards and allows for regularization. The Bank is amongst the first cohort of banks to go live on digital trade initiatives such as Automated E-Stamping, Digital Document Execution and end-to-end Electronic Bank Guarantee Issuance.

The Bank is one of the founding members of IBDIC (Indian Banks Digital Infrastructure Company) a company formed by 18 Banks to promote digitization of trade transactions using digital Infrastructure.

The Bank is among the front runners in implementing the Central Bank Initiatives — Central Bank Digital Currency (CBDC) App, and the first bank to go live with Programmable CBDC for its customers. The Bank is a pioneer in implementing P-CBDC in collaboration with Circularity Innovation Hub (CIH), an alternate form of CBDC wherein the Bank can program the end use of funds, to disburse funds to farmers.

12. Pan Bank Liabilities Group

In line with the Bank's vision of fostering sustainable liability growth and encouraging the diversification & realization of its liability franchise, the Pan Bank Liabilities Group (PBLG) was founded in FY2021. With a strategic eye on the horizon, PBLG meticulously oversees the Bank's liability strategy, ensuring seamless alignment with overarching financial objectives. Championing Granularization and retailization, PBLG pioneered targeted initiatives and enabled ~55% of additional deposits during the year from granular sources, increasing the share of retail deposits in the Bank's total deposit base and bolstering deposit stability.

Serving as a trusted ally to business units, PBLG provides invaluable support in mobilizing sustainable deposits through collaborative partnerships and valuable insights. By harnessing internal and external market dynamics, PBLG supports business units in sharper decision-making in building a strong liability franchise for the Bank.

In addition to its core functions, the Pan Bank Liability Group (PBLG) catalyzes promoting inter-segment synergy within the Bank. Recognizing the symbiotic relationship between liabilities and assets, PBLG spearheads initiatives to bridge the gap, fostering a holistic approach to customer engagement. By facilitating collaboration and knowledge sharing between segments, PBLG effectively broadens the Bank's liabilities customer base from its existing assets customer pool. This proactive approach has not only enhanced the higher adoption of liability products among the assets customer base but also has helped in increasing customer loyalty. Through its commitment to foster synergy, PBLG reinforces Pan Bank's position as a dynamic and customer-centric institution poised for sustainable and granular growth.

13. Financial Restructuring and Reconstruction Group

The Financial Restructuring and Reconstruction Group (FRRG) oversees all operations related to the recovery of non-performing loans, restructuring of stressed assets and selling of NPA/stressed accounts for corporates. Additionally, the FRRG is entrusted with managing NCLT activities, including timely and centralized claim filing. To efficiently handle and monitor IBC-related activities, the FRRG has established a dedicated NCLT desk.

The Bank has also actively utilized the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (RDDB Act) to recover dues. Additionally, the Bank is actively utilizing other tools provided by the Reserve Bank of India such as Prudential Framework for Resolution of Stressed Assets / Transfer of Loan Exposure.

14. General Banking Operations

The central GBO team's prompt action on notices/requests has earned appreciation from various Law Enforcement Authorities (LEA) across the country.

The Bank has continually strengthened its policy framework regarding 'Know Your Customer' (KYC) norms in compliance with regulations. It has implemented a simplified KYC procedure, benefiting individuals from the Lower Income Group who can now open accounts with minimal documentation, aligning with RBI policy guidelines.

The Bank has introduced a state-of-the-art workflow and Imaging System for various banking processes, including account opening, term deposit bookings, trade finance transactions, and branch expenses processing to enhance operational efficiency. This system enables faster turnaround times and real-time movement of work from branches to the Central Operations Unit, eliminating the delays associated with physical forms sent through couriers. The implementation has resulted in improved branch efficiency and elevated client service standards.

With a focus on digitalization and e-KYC, the Bank has introduced Digital Account Opening through a mobile application. This seamless process allows for straight-through account opening and online verification of KYC, reducing turnaround time and providing customers with greater convenience, along with enhanced controls and compliance measures.

The Bank has embraced the use of electronic KYC documents by the third amendment to the Prevention of Money-laundering Rules, 2005. Additionally, to facilitate Customer Identification Process (CIP), the RBI has permitted a Video-based Customer Identification Process (V-CIP) as an alternate method for establishing customer identity during onboarding. As a result, the Bank has introduced a Video-Based Customer Identification Process, allowing customers to complete their KYC verification and account opening procedures remotely, without the need for paperwork.

Participating in the Clearing through the Cheque Truncation System (CTS), the Bank has 2,562 branches covered under the Grid Clearing, with CTS Centers in Mumbai, Chennai and New Delhi. It also engages in National Automated Clearing House (NACH) transactions, including Debit and Credit (ECS) transactions in Mumbai, as well as Aadhaar-based Payment System (ABPS) transactions through NPCI.

To ensure efficient claims settlement for deceased depositors, the Bank has established a comprehensive policy covering all types of

deposits and lockers. The policy simplifies the settlement process and the necessary forms are available on the Bank's website.

The Bank has formulated a Deposit Policy outlining the guiding principles and terms and conditions governing various banking products and depositors' rights. It has also developed a voluntary Fair Practice Code, setting standards for customer interactions across all branches.

The Bank promotes fair banking practices and provides information on customer service activities, the Bank has also introduced the Citizen's Charter. Additionally, it has implemented a Customer Compensation Policy, which compensates customers for any direct and actual loss resulting from service deficiencies, as mentioned in the policy.

The Bank has adopted an Unclaimed Deposit Policy based on RBI guidelines. This policy facilitates the classification of unclaimed deposits and establishes a Grievance Redressal Mechanism for prompt complaint resolution and record-keeping. Balances from unclaimed deposits and other accounts are periodically transferred to the Depositor Education and Awareness Fund (DEAF) following RBI directives. The Bank's website regularly uploads customer details related to unclaimed deposits.

The Bank has developed a Customer Rights Policy, which can be accessed on its website. Additionally, it has implemented a Customer Protection Policy based on RBI guidelines to provide a safe, reliable, transparent and superior service experience. This policy addresses customer complaints regarding unauthorized transactions conducted through electronic channels, defines criteria for determining customer liability in different circumstances and enhances customer awareness.

15. Corporate and Global Markets Operations

15.1 Corporate and Global Market Operations (CGMO)

Corporate and Global Market Operations (CGMO) provides a diverse range of products to both Corporate and Retail clients. These offerings comprise Trade Services, Supply Chain Finance, Cross-Border Remittances, Cash Management Services & payments, Global Markets (including foreign exchange and derivatives), Depository and Capital Markets services, and Bullion operations. Throughout the year, CGMO has diligently focused on enhancing operational efficiency, improving customer experience, proactive risk management, and nurturing personnel capabilities.

Amidst evolving market dynamics, CGMO has consistently strived to deliver seamless service and innovative solutions to meet client needs. By fostering a culture of continuous improvement, the department has successfully streamlined processes, leveraged automation initiatives, and reinforced strong internal controls. Additionally, CGMO remains committed to upholding regulatory compliance standards and ensuring the highest levels of integrity in all operations.

15.2 Customer experience

During the year, CGMO has spearheaded the adoption of cutting-edge digital agreement execution methods, leveraging e-stamping and e-signing technologies across 22 states and Union Territories. This initiative has revolutionized our clients' digital experience, significantly reducing onboarding turnaround time from days to hours, enhancing operational efficiency, and yielding cost savings for both our clients and the Bank. Furthermore, CGMO has made strides in implementing Robotic Process Automation (RPAs) and supporting 24/7 client services for Nodal account transactions, thus augmenting the business' capacity to cater to its client's needs.

Additionally, the Bank made a notable entry into the Capital Market space as a Sponsor Bank, managing three IPOs and garnering over ₹1,011 crore within a month. This was complemented by our seamless adaptation to the SEBI change in the settlement period from T+5 to T+3 days, demonstrating our commitment to maintaining exceptional service standards amidst regulatory changes.

15.3 People

The outstanding service delivery by CGMO teams earned them numerous accolades and appreciation from customers across all segments. We further strengthened the Bank's training initiatives, covering both technical and soft skills, resulting in significant progress in moving towards building a Centre of Excellence. Notably, our specialized training programs, such as Ownership and Accountability – The A factor training, have fostered a culture of responsibility and empowerment among our employees. Our staff engagement initiatives fostered a positive work environment at all levels and locations, leading to better engagement and connection. Employees are rewarded and recognized through the Insta Achiever program.

15.4 Capability enhancement

CGMO achieved significant progress in enhancing delivery capabilities through extensive system upgrades and automation initiatives, resulting in a superior customer experience and greater operational efficiency. Major initiatives included automating client onboarding for FX business, enabling receipt of ISO SWIFT formats, and enhancing the FX platform to facilitate STP with CCIL. Critical regulatory requirements across capital markets and trade were also met well within the established timelines.

15.5 Risk

CGMO remains committed to proactively identifying risks and implementing controls and mitigations through a robust Risk and Control Self-Assessment (RCSA) framework. This framework ensures that all key processes across CGMO are comprehensively covered, with Key Risk Indicators (KRIs) established to facilitate thorough risk management. Changes in regulations and market environments are continuously reviewed, leading to enhanced controls, particularly around FX payments and customer onboarding.

15.6 Awards:

CGMO was honored with prestigious awards acknowledging its exceptional operational excellence:

1. Top Five Performers in the Primary Market Segment (Debt – Banks) for FY2023:

The Bombay Stock Exchange (BSE) recognized the Bank as one of the Top Five Performers in the Primary Market Segment (Debt – Banks) for FY2023. This award highlights the significant contribution made by the Capital Market Operations team to BSE's milestones in the capital market.

2. Operational Excellence Award from Nostro Banks:

IndusInd Bank received the "Operational Excellence Award" from Nostro Banks, recognizing the outstanding transaction processing quality of the Trade and Remittance Operations team. The award acknowledges the team's high Straight Through Processing (STP) rate for all payment messages sent from IndusInd Bank to Nostro Banks.

16. Branch Network and Infrastructure

The Bank has established a comprehensive network with 2,984 banking outlets and 2,956 ATMs, ensuring a presence in all 28 States and six out of the eight Union Territories. To cater to offshore banking operations, the bank has an International Financial Services Unit (IFSC), or Banking Unit (IBU), located at the Gujarat International Finance Tec-City (GIFT City). Furthermore, representative offices are operational in key international locations such as London, Dubai and Abu Dhabi.

In addition to expanding its network across India, the Bank has introduced 13 PIONEER Branches / Lobbies in prominent locations. These branches are situated in Mumbai (Juhu, Pedder Road and Lower Parel), Pune (Ghole Road), Delhi (Defence Colony and Punjabi Bagh), Gurugram (Palm Springs), Chandigarh (Sector-9), Kolkata (AJC Bose Road), Chennai (R. K. Salai Road), Bangalore (Church Street), Jaipur (Malviya Marg) and Ahmedabad (Corporate Road).

The Bank operates six currency chests strategically located in Mumbai, Delhi, Chennai, Kolkata, Bengaluru and Chandigarh to facilitate efficient currency management.

17. Information Technology

The IT strategy and execution of the Bank continues to be guided by the board and executive management, underscored by the fundamental principles of:

- Innovation and embracing digital technologies
- Enhancing systems and processes for exceptional customer experience
- Robust risk mitigation strategies and cyber-resilient data protection



• **Sustainable and scalable growth**

IndusInd Bank (IBL) has continued to focus on strengthening its IT department through investments in cutting-edge technologies to elevate customer experience through safe, convenient and reliable platforms while enhancing its service and product delivery.

The Bank has transformed its data and analytics platform by modernizing it into a lake house architecture based on the latest cloud technologies. This would enable real-time data analytics powering hyper-personalization for customers, and with seamless data-driven intelligence for faster business decision-making and accurate regulatory reporting.

From INDIE, a fully digital offering for the discerning customer, to interoperable cardless cash withdrawals and Indus Paywear, an industry-first tap-and-pay solution, the Bank has been at the forefront of ensuring customer delight through innovative products and services, new product launches, and pioneering industry firsts.

Bank has also enhanced its API Developer portal as a full lifecycle of API management and sandbox solution, to leverage third-party partnership and to enable quick and efficient onboarding of partners. This portal uses an intuitive experience to help consistently create, manage, secure, socialize and monetize APIs, helping power digital transformation on premises and on cloud.

Continuing its focus on security and data privacy, the Bank's cybersecurity posture has been enhanced with specialized units and advanced technology stack. Algorithms continue to be refined through data analysis, allowing the Bank to identify and adjust per new attack vectors.

To enumerate some of the key initiatives during the year:

Innovations in delivering best-in-class products and enhanced customer experience

• **INDIE**

IndusInd Bank has launched an innovative digital bank, INDIE, simplifying money management for the digital-native customer. Introducing a paradigm shift in digital customer engagement and smart banking, INDIE is powered by an innovative cloud-native technology stack. This transformative initiative, backed by high availability architecture and innovations in digital engineering, offers customers ease of access with self-paced journeys. Customers can get started with an online account in just 3 minutes, withdraw funds immediately, sweep money out of deposits and access instant funds with INDIE's personalized Line of Credit with a few taps.

• **Digital Currency (CBDC e₹)**

IndusInd Bank has launched e₹ (digital Rupee) capability on its platform. Innovations around this facility would pave way for greater transactional choices for customers while mitigating credit and liquidity risks.

• **IndusInsure**

IndusInsure provides customers with an integrated digital mechanism to purchase insurance and ease of access to an assisted journey. IndusInsure assists the sales team in sourcing insurance customers, initiating onboarding with all their details, and helping to track the applications until insurance is issued. Customers have a choice of insurance partners from which they want to purchase services. This feature is embellished with a completely unassisted process in the immediate future.

• **Interoperable Cardless Cash Withdrawal**

IndusInd Bank has launched UPI ATM for customers. The UPI ATM is an Interoperable Cardless Cash Withdrawal (ICCW) service that allows IndusInd Bank's customers with UPI, to withdraw cash from any participating banks' ATMs (enabled for UPI-ATM). This convenience is provided without using their card making the transaction seamless and secure. A dynamic QR code is generated for each individual user.

• **Digital Loan Origination Platform**

A digital Loan origination platform for passenger vehicles was launched to provide an in-principle real-time sanction to and same-day disbursal using Business Rule Engines (BREs) and built-in risk-based pricing. The platform allows integration with government and regulatory agencies. Comprehensive API integrations ensure the capturing of vehicle price and geo-tagging for an end-to-end digitized journey.

• **Indus PayWear**

IndusInd Bank introduced 'Indus PayWear' as the country's first unique all-in-one tokenized wearable solution for debit and credit cards. The PayWear facilitates tap-and-pay transactions globally at any contactless Point-of-Sale (PoS) terminal, eliminating the need for physical cards or payment apps. Users can easily make purchases by enabling them to transact using tokenization on debit cards onto a chip-enabled wearable device.

Innovations for Superior Operating Efficiency & Sustainability

• **Transition to state-of-the-art energy-efficient data center**

With a focus on its core philosophy to integrate sustainability into all aspects of business, the Bank is committed to propagating the global 2030 Agenda for Sustainable Development. IndusInd Bank has embraced a new-age architecture and transitioned to a modern Data Centre (DC). The hyper-scaled DC ensures scalability and resource optimization enabling the Bank to meet its evolving technology needs. This state-of-the-art facility not only enhances safety measures for fire and security but also supports a sustainable future by reducing the carbon footprint. These initiatives align with the Data Centre Evaluation Framework (DEF) and adhere to the latest international guidelines from IEEE.

• **Finacle - Core Banking revamp**

The finacle core revamp was successfully completed during the year, and all the bank branches were migrated to the newer version. The upgrade helps simplify the Banks' offering through native application features, some of which were offered through customizations earlier. Additionally, the upgrade helped the Bank achieve higher throughput for GL and client transactions. The key to this upgrade is the implementation of a Digital Accelerator (DA), which has enabled the Bank to tackle the high growth in transaction volumes and significantly improve the transaction capability of our core systems.

• **Consolidation of the vehicle loan portfolio in Finacle**

The Bank consolidated its lending products in a single system – Finacle. The Bank has migrated its loan portfolio to strengthen the backbone of its assets business. Migration of assets data helped the Bank to build uniform data sources for all loan portfolios and better control for regulatory reporting. With a robust architecture and real-time sync capabilities, the endeavor brings centralized reporting, timely data reconciliation, and compliance with the latest regulatory norms. This project significantly improves

operational efficiency and helps the Bank meet regulatory requirements effectively.

Technology Awards

The Bank's initiatives in technology have been widely recognized at various industry events underscoring the pioneering industry initiatives translating to impactful deployments.

- **IBA Banking Technology Awards 2023**

IndusInd Bank achieved remarkable success at the 19th IBA Banking Technology Awards, securing awards in all the six categories for which the Bank was nominated. The Bank emerged as the winner in the categories of Best Technology Bank of the Year and Best Digital Sales Payments & Engagement. It was also the runner-up in Best IT Risk Management and in AI/ ML Adoption and received special prizes for the Best Technology Talent and the Best FinTech Collaboration categories.

- **Infosys Finacle Innovations Award 2023**

IndusInd Bank received recognition in three categories at the Infosys Finacle Innovation Awards 2023. The Bank was honored with a Platinum badge for its Digital Centre of Excellence in the Modern Technology-led Innovations category. The Bank also secured two Gold recognitions in the Maximizing Customer Engagement and in the Ecosystem-led Innovation categories through its Centralised Customer Experience Program and Open Banking and Omni-channel Experience programs, respectively.

- **CII / Tata Digital CIO Excellence Summit 2023**

IndusInd Bank won two awards at the CII/Tata Digital CIO Excellence Summit 2023. The Bank bagged the award for the leading CIO of the year and was recognized as the winner for excellence in Cloud Computing.

- **Finnoviti Awards 2023**

At the 11th edition of the Finnoviti Awards 2023, IndusInd Bank was bestowed recognition for its Open Banking with Omni-channel Experience. The Bank was commended for architecting the API management to reflect integration with cloud-native apps, Micro services-based Service integration flows, scalable gateways and event-driven architecture.

18. Human Resources

At IndusInd Bank, we believe that our employees are the cornerstone of our success. Our Human Resources strategy is centred around attracting, retaining and nurturing top talent to drive innovation and excellence. In the past year, we have implemented a range of initiatives to enhance employee engagement, professional development and overall well-being.

Our commitment to create an inclusive and supportive work environment, is reflected in our diverse workforce and our ongoing efforts to promote equality and opportunities for all.

Human Capital, has been the key focus area of the Bank. The Bank always tries to facilitate a performance-driven culture based on its guiding principles: respect towards employees & customers, customer delight, compliance and governance. By anchoring strategic priorities like succession planning, talent development, engagement & retention, digitization, employee welfare and wellness, the Human Resources function, continually drives a positive impact to support business performance and growth. The results are manifested in terms of higher business performance, enhanced employee productivity, improved diversity & inclusion quotient and stability in the strategic business leadership layers.

IndusInd Bank has been re-certified as a 'Great Place To Work' by the Great Place To Work® Institute, a global authority on high-trust and high-performance workplace cultures. The Bank not only qualified for the 'Great Place to Work' certification for a second year in a row, but the scores also moved up significantly by 500 bps. This certification serves as a testimony to the Bank's working environment and culture, which emphasizes credibility, respect, fairness, pride and camaraderie.

With a focus on continuous learning, we have expanded our training programs to equip our staff with the skills needed to thrive in an ever-evolving Banking landscape. Additionally, we have strengthened our employee wellness programs, emphasizing both physical and mental health. We believe that a happy and healthy workforce is crucial for delivering superior service to our customers and achieving our strategic objectives. As we look forward, we remain dedicated to fostering a culture of collaboration, innovation and excellence, ensuring that IndusInd Bank continues to be an 'Employer of Choice' in the Banking industry.

Key Highlights

1. Employee Headcount

IndusInd Bank remains committed to being an Equal-Opportunity Employer. The Bank pursued strategic resourcing through diverse sourcing channels to attract talent, remain competitive, and align with the market trends, while being cognizant of diversity & inclusion initiatives.

As of March 31, 2024, the Bank's employee headcount reached 45,637 with a net hiring of 7,458 employees in FY2024 to support new business initiatives, fulfil critical and specialized roles, and expand the branch network.

2. Diversified Hiring Channels

The Bank invests in various hiring channels to attract a diverse talent pool, including employee referrals, job portals, consultants, campus recruitment, and social media platforms like LinkedIn and Facebook. Social media engages and appeals to desired target audiences, showcasing the employer brand to attract domain experts and senior leaders. Employee referral programs serve as a brand endorsement. The Bank also employs the 'Hire-Train-Deploy' strategy through partnerships with industry and academia, for frontline sales hiring. Campus-to-Corporate programs are conducted to induct fresh talent and offer career paths across the corporate landscape.





3. Robust Succession Planning

The Bank places significant importance on robust Succession Planning exercise. The Bank continually aims to ensure business continuity, associated with leadership transitions by identifying and developing internal talent for future leadership positions. As a part of the exercise, the Bank has on-boarded several external and internal candidates for leadership positions and actively nurtures potential successors to build a strong leadership pipeline.

4. Focus on Learning and Development

The Bank fosters continuous learning to achieve business objectives by offering a mix of e-learning and virtual classroom learning initiatives. The Bank's learning process prioritizes capacity building with tailored learning roadmaps, gamified e-learning, leadership programs, domain-specific courses and mandatory certifications. The Bank follows a learning process that encompasses identifying learning needs, devising learning plans, conducting digital classroom sessions and providing periodic feedback to improve learning effectiveness.

In FY2024, the Bank conducted over 17.9 lakh virtual learning man hours, focusing on areas about managerial effectiveness, customer focus, banking products, risk management, operational processes, and orientation programs. The Bank is actively promoting learning and development initiatives through its Mobile learning app 'Indus Evolve' which contributes to learning conveniently and provides scalable and cost-effective learning solutions.

5. Performance Management

The Bank adheres to a robust performance management process, ensuring alignment with the Bank's strategic objectives through Key Result Areas (KRAs) and Specific, Measurable, Achievable, Relevant, Time-bound objectives (SMARTs). Compliance, Team development, and Retention goals are integrated into the employees' SMARTs, with goal weightages depending on the employees' roles. Ongoing performance feedback sessions are conducted throughout the financial year to address performance issues, mentor employees and enhance performance and productivity. Employee communication involves setting performance expectations, tangible performance objectives and performance measures, providing performance feedback, and reviewing results and outcomes. FY2023 performance appraisal was based on the tangible achievement of performance objectives, which were then aligned to the compensation actions.

6. Attracting, rewarding, and retaining talent

The Bank believes in the compensation philosophy of rewarding employees based on performance and adheres to a 'Pay-for-Performance' policy and role criticality. The Bank aims to be a competitive paymaster and offers market-linked and performance-based compensation and long-term incentives like Employee Stock Ownership Plans (ESOPs). The Bank implements retention plans and emphasizes job enhancement, accelerated career paths, work-life balance, job rotations, empowerment and autonomy as key tenets for employee retention. The Bank also ensures complete adherence to the regulatory guidelines on compensation.

7. Employee Connect & Engagement

The Bank is committed to enhancing employee engagement and welfare, to create a cohesive workplace where diverse perspectives drive synergy and innovation. The Bank prioritizes employee connection and engagement through various initiatives, including Quarterly webcasts by the MD and CEO that drive strategic direction, performance, compliance, governance, integrity and discipline. Programs like We Connect, Coffee Connect and Appreciation Day promote grievance resolution, recognition, appreciation and retention. International Women's Day celebrations, regional festivals, and sports events, build a strong employee community across locations. Long-term employees are recognized with service awards upon completion of service milestones. Employee Experience is continuously monitored through the Life Event Assistance Program (LEAP), at different stages of employee lifecycle to ensure satisfaction and growth. In FY2024, the Bank connected with over 1.10 lakh employees on notable occasions. The Bank continuously tracks employee experience through various processes like welcome calls, extended experience calls, service anniversary processes and exit processes, to gather real-time employee feedback and improve employee processes.

8. Employee Welfare and Digitization

The Bank remains committed to employee welfare and continues to support them through various curated benefits, such as paternity leave, education & career guidance programs for employees' children, and women-centric benefits & facilities. The Bank leverages the Employee Welfare Fund to provide financial assistance to the families of deceased employees. The Bank also continues to pursue digitization to create a best-in-class model to improve employee lifecycle processes, enhance efficiency, and drive productivity through technology adoption in a culture of

continuous innovation and improvement. The Bank has launched several digital initiatives, including digital on-boarding, internet-based processes, online staff account opening, a career platform, a new learning management system platform, and mobile app-based employee lifecycle processes. The Bank ensures compliance with all regulatory and statutory norms in its employee processes and promotes employee adherence to the Bank's Code of Conduct through education and awareness programs. Today, IndusInd Bank is acknowledged as a preferred employer brand in the industry. The Bank is committed to continually enhancing employee equity through its market-benchmarked employee policies and continues to be a 'Great Place To Work'.

Voice of Employee

“The Bank has a healthy work environment and employees get opportunities for career growth.”

“Excellent team work, supportive supervisors and positive work life balance”

19. Employees Stock Option Scheme

On September 25, 2020, the shareholders of the Bank approved the IndusInd Bank Employee Stock Option Scheme 2020 (ESOS 2020), which comprehensively replaced the erstwhile Employee Stock Option Scheme 2007 (ESOS 2007) approved by the shareholders earlier on September 18, 2007. ESOS 2020 enables the Board and the Compensation Committee to grant several stock options of the Bank that do not exceed 7% of the aggregate number of paid-up equity shares of the Bank, in line with the guidelines issued by the SEBI. The options vest at one time or at various points as stipulated in the Award Confirmation issued by the Compensation Committee, and there shall be a minimum period of one year between the grant of the option and the vesting of the option. The unvested options shall expire by such period as stipulated in the Award Confirmation or five years from the grant of options whichever is earlier, or any further or other period as the Compensation Committee may determine. The exercise price for each grant is decided by the Compensation Committee, which is normally based on the latest available closing price and shall not be lower than the face value of the shares. Upon vesting, the options have to be exercised within a maximum period of five years or as may be determined by the Compensation Committee from time to time. The stock options are equity-settled, with the employees receiving one equity share per stock option.

Under a Composite Scheme of Arrangement with the erstwhile Bharat Financial Inclusion Limited, the shareholders of the Bank approved the IBL Special Incentive ESOS for BFIL Merger 2018 (ESOS 2018) on December 11, 2018.

ESOS 2018 was established with a pool of 57,50,000 equity-settled options. Half of the options vest over three years from the grant date, while the remaining options begin to vest over a three-year period starting from the first anniversary of the grant date. Once vested, the options must be exercised within a maximum period of five years.

20. Risk Management

Management of risks inherent in the Banking business effectively and proactively is critical to sustainable growth. Banking is exposed to various risks, which must be measured precisely, monitored continuously and managed effectively. A robust Enterprise-wide Risk Management (ERM) framework enables precise measurement of respective risks and effective and

proactive management of various risks while supporting business growth. ERM framework helps to maintain earnings quality and stability while aligning risk appetites with business strategies.

The Bank has an integrated Risk Management Department, independent of business functions, covering Credit Risk, Market Risk, Assets-Liabilities Management (ALM), Operational Risk Management, and Business Continuity Management (BCM). The bank's Risk Management practices are aligned with best industry practices and are adaptable to a dynamic operating environment and market conditions.

Credit Risk Management

Credit Risk is managed both at the transaction and portfolio levels.

The key objective of Credit Risk management is to maintain credit quality within the defined risk appetite while achieving appropriate returns for risks assumed. Various measures adopted for the management of Credit Risk are mentioned hereunder:

- Credit risk policies are aligned with business strategies and defined risk appetites. They are maintained in alignment with changes in RBI guidelines and the economic environment.
- Credit Risk at the time of credit assessment is gauged using risk-rating models implemented for different business segments.
- Credit Portfolio Management Analysis monitors credit quality, portfolio composition, concentration risk, yield v/s risk and business growth.
- Credit quality is measured and monitored regularly using the portfolio's Weighted Average Credit Rating (WACR).
- Prudential internal exposure limits prescribed for assuming exposures on counterparties (linked to the internal rating of borrowers), industries, sectors and more.
- Monitoring of the credit quality of Vehicle Finance portfolios using Behavior Scorecards.
- Sector reviews are carried out to assess and evaluate potential risks and stress within such sectors, analyze the impact of stress on portfolio health, and take proactive actions to mitigate such risks.
- Management of exposures to counterparty banks and countries by setting exposure limits based on their risk profiles and monitoring such exposures regularly.
- Stress Testing of Credit Portfolios is carried out periodically to measure the shock-absorbing capacity under multiple stressed scenarios and assess the impact of potential credit losses on profitability and capital adequacy, thus enabling the initiation of appropriate risk mitigation measures.
- Implement an Early Warning Signals (EWS) system to track risks and alerts in borrowers' accounts as a post-disbursement monitoring mechanism.
- Independent of business and credit, the Corporate Banking Audit Domain within the Internal Audit Department tracks post-disbursement weaknesses developing in the account and initiates corrective measures in time.

The Bank has a system-based platform that supports the computation of Credit Risk Capital charges, allowing it to manage regulatory evolution and high-volume growth within optimal processing timeframes.

The Bank has maintained the asset quality of its portfolio. During the year, the Weighted Average Credit Rating (WACR) of the Credit



Portfolio improved. The Bank has always strived to maintain a balanced mix of Corporate and Retail loan books.

The Bank has been introducing a wider range of Retail products and their variants to have a larger share of the wallet and to meet customers' needs. Such products are governed by structured product programs specific to the business duly approved by designated committees, which detail the criteria for customer selection and underwriting standards. Further, key metrics of respective portfolios are monitored at regular intervals.

Market Risk Management

Market Risk is the possibility of loss to the Bank caused by changes in market variables, such as interest rates, exchange rates, equity prices, and risk-related factors, such as market volatility.

The Bank manages market risk in trading portfolios through a robust Market Risk Management Framework prescribed in its Market Risk Management Policy.

The Bank has implemented a state-of-the-art Market Risk Management System (SAS) complemented with the Treasury system "Calypso", which supports monitoring risk parameters and sensitivities, including computation of Market Risk capital charge. The Market Risk Management system supports advanced risk measurement functionalities for proactively managing risks. The system supports monitoring of Value-at-Risk (VaR) limits, including Back Testing, Risk Sensitivity limits such as PV01, Greeks (Delta, Gamma, Vega) for Forex, Investments, Equity and Derivatives portfolios, besides Stop-Loss limits, Exposure limits,

- Interest rate sensitivity is monitored through prudential limits for Rate-Sensitive Gaps, Earnings at Risk, Modified Duration of Equity, and other risk parameters.
- Interest Rate Risk on Trading Portfolios is monitored daily through Market Risk Measurement tools such as VaR, PV01, and other Risk Sensitivity. The market Risk Measurement parameters assume optimal risk to balance risk containment and profit generation from market movements.

The Asset-Liability Management Committee (ALCO) receives detailed analyses on various financial metrics, including liquidity position, interest rate risks, product mix, business growth compared to budgets, and interest rate outlooks. ALCO meets regularly to deliberate on these topics, assessing the liquidity position and interest rate risks while reviewing business strategies.

ALCO provides directional guidance to Business Units to effectively manage liquidity while pursuing business goals. The Bank assesses its structural liquidity position, Liquidity Coverage Ratio (LCR), and other liquidity measures on a daily basis to manage liquidity cost-effectively.

Stress Testing – Liquidity Risk

The Bank periodically carries out liquidity position stress tests to assess the impact of stressed liquidity scenarios on funding and liquidity position. Periodic Stress tests help the Bank be better equipped to meet stressed situations and have contingency funding plans in place.

The Bank routinely conducts stress tests to evaluate the potential impact of adverse shifts in various internal and external factors on the liquidity position under different stress scenarios, each assumed with varying degrees of severity. The results of these stress tests are presented to the Asset-Liability Management Committee (ALCO) for discussion. Based on these findings, ALCO provides guidance and direction for proactive management, ensuring that the Bank maintains a robust approach to managing potential risks.

Contingency Funding Plan

The Bank has implemented a Contingency Funding Plan (CFP) to respond swiftly to any anticipated or actual stressed market conditions. The Plan is reviewed periodically.

The Bank reviews its contingency plans considering evolving market conditions. The Contingency Funding Plan covers monitoring internal and external contingency triggers, categorized into Yellow, Amber, and Red. The CFP mentions the available sources of funds to supplement cash flow gaps in the event of stressed scenarios. The CFP prescribes the conditions-based contingency triggers for assessing liquidity position and invoking the contingency plan if deemed appropriate.

Roles and responsibilities of the Contingency Management Group constituted under the CFP have been defined to facilitate the effective execution of contingency plans in the event of invocation of a contingency plan. The Bank carries out CFP testing to assess the effectiveness of the plan.

Interest Rate Risk on Banking Book

Interest Rate Risk on Banking Book (IRRBB) largely arises on account of (i) Repricing Risk, (ii) Optionality, (iii) Basis Risk, and (iv) Yield Curve Risk.

From an economic value perspective, the Bank's policy is to minimize sensitivity to changes in interest rates on assets and liabilities. Interest Rate Risk is measured based on the re-pricing behavior of each item under asset, liability, and off-balance Sheet products. The Bank's Assets and Liabilities Management Policy

Deal-size limits, etc. Valuation of all portfolios is undertaken daily, and the risk sensitivities are also monitored daily.

Asset-Liability Management

The Bank's Asset-Liability Management (ALM) system covers all assets and liabilities and supports effective management of liquidity risk and interest rate risk.

- Liquidity Risk is managed through Liquidity Coverage Ratio (LCR), Structural Liquidity Gaps, Liquidity Simulation, Dynamic Liquidity monitoring, Net Stable Funding Ratio, Liquidity Ratios analysis, and behavioral Analysis of liabilities and assets using advanced measurement measures. Risk values, mismatches under various time buckets and liquidity ratios are monitored against regulatory and prudential limits prescribed under the Asset and Liability Management Policy.

has laid down tolerance limits based on the risk appetite and the impact on NII and the Economic Value of Equity (EVE) for a given change in Interest Rate.

The Bank has put in place the necessary framework to measure and monitor Interest Rate Risk in Banking Books using the Duration Gap Approach as well as the Traditional Gap Approach.

Operational Risk Management

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events.

The Operational Risk Management Policy documents the Bank's approach to managing operational risk and defines the roles and responsibilities of various stakeholders within the Bank.

The Bank has implemented several operational risk measurement and monitoring frameworks for managing Operational Risk. In addition to the above, the Operational Risk Management framework effectively manages operational risk through several internal committees, viz., the Operational Risk Management Committee (ORMC), the Fraud Risk Management Committee, and the BCM Steering Committee.

An Enterprise Governance Risk and Compliance (EGRC) system has been implemented to reinforce the Operational Risk Management Framework in the Bank. This system has the following key components:

- Incident Management Module enables reporting and managing incidents (i.e., operational risks and fraud incidents), Root Cause Analysis (RCA), internal escalations, action plans and resolutions, which helps appropriate actions towards mitigating such risks.
- Issue and Action Module enables tracking and monitoring issues emanating from Root Cause Analysis, Risk Assessment, and Actionable items related to various operational risk issues and products/processes approvals.
- Key Risk Indicator (KRI) Module enables reporting, monitoring, tracking, and trend analysis of Key Risk Indicators. It has been designed to generate periodic reports for respective units and provide the KRIs to function heads, department heads, and business heads for necessary actions towards mitigation of such identified risks.
- Risk and Control Self-Assessment (RCSA) module provides a single platform that identifies operational risks, records such risks, and assesses residual risk's effectiveness/adequacy of corresponding controls. RCSA modules shall progressively reinforce the assessment of operational risks and their mitigation. The system generates the status of operational risks, associated controls, and a Heat Map and Risk Index for concerned stakeholders (Operation Heads, Department Heads, Business Heads) to take appropriate action towards risk mitigation.

Operational Risk Stress Testing Framework:

To strengthen the existing Operational Risk Framework, make it more forward-looking and assess resilience under stressed scenarios, the Bank has created an Operational Risk Stress Testing Framework covering different operational risk scenarios. Stress tests are carried out to gauge the impact of stressed events on the Profitability and Capital Adequacy of the Bank.

As per the RBI guidelines, the Bank has been following the Basic Indicator Approach for the computation of capital charges for Operational Risk.

20.1. Systems Risk

The Bank prioritizes maintaining a secure technology infrastructure and protecting its underlying applications and information. The Bank employs the best Information Security capabilities available to ensure the confidentiality, integrity and availability of its data. It continuously seeks to improve its security posture and keep up with evolving threats. Proactively ensure that the Bank safeguards its customers' data.

The adoption of the ITIL framework and ISO/IEC27001 standards by the Bank are indicative of its focus on maintaining the best in industry standards of information security. These globally accepted and proven standards guide the implementation of best practices and tools for managing and monitoring technology functions. This has helped the Bank to identify & manage Technology-related risks and ensure compliance, business continuity, security and privacy by implementing a globally accepted framework.

The Bank's data centers, IT and support functions are certified to the ISO 27001:2013 standard, a globally recognized Information Security Management System (ISMS). The Bank's commitment to these standards assures its customers that it values their data privacy and takes appropriate measures to protect their sensitive information. These standards help the technology teams align themselves with the business needs, which helps map the processes correctly with clear roles and responsibilities.

The Bank has a board-approved Information Security Policy and Cyber Security Policy. The Bank has a board-approved Cyber Crisis Management Plan in place. These guide the Bank in mitigating the risks from cyber security incidents by providing complete coverage for response to various cybersecurity incidents effectively and efficiently. This establishes the Bank's cybersecurity resilience vision. The ISO 27001:2013 framework defines consistent approaches during various stages of detection, identification, containment, eradication and recovery from specific cyber security incidents. The Bank has a Board-approved Privacy Policy that guides It in protecting the privacy of its customers' confidential information.

The Cyber Security Department identifies risks and vulnerabilities across various applications and solutions implemented in the Bank, which helps secure critical information and enforcement activities related to information and cyber security. Various other departments, divisions and groups of the Bank assist in implementing information & cyber security practices.

IndusInd Bank has a robust and resilient IT network infrastructure comprising servers with a guaranteed 99.98% uptime. IndusInd Bank has a DR site and 1 Gbps1Gbps connectivity between the DC and DR Centre. This enables the Bank to handle a huge volume of transactions.

IndusInd Bank and its branches within India and across the globe are very highly dependent on Information and Communication Technology (ICT) to deliver various services to its customers, members, corporates, governments, etc.

The Bank's security services blend on-site and off-site resources to provide security services. The Bank has implemented industry-leading security solutions such as SIEM, Anti-phishing, Anti-malware, DDoS protection services, Web application firewalls and more. The Bank has also implemented NAC and Endpoint detection and response tools to reduce internal malware threats. The remote security team is responsible for monitoring alerts and responding to them 24/7. IndusInd Bank has an ISO 27001:2013 certified captive Security Operations Centre (SOC), which works annually to ensure it monitors all security incidents in the IndusInd Bank infrastructure and correlates events, identifies threats and supports incident response in real-time.

The Bank has partnered with external specialists to manage cybersecurity incidents. Their Incident Response Plan outlines various categories of incidents and the corresponding procedures to handle them. For severe cybersecurity incidents, the Bank has arrangements with retained external experts to provide vital expertise during the response. Additionally, the Bank has secured cyber security incident insurance.

The Bank employs various channels, including the Surveillance Unit, to monitor and mitigate insider threats and internal fraud. To bolster awareness of cyber frauds and promote safe online banking practices, the Bank leverages digital channels, e-learning platforms, classroom training and workshops. These educational efforts cover various topics, including identifying and avoiding phishing and vishing attempts, secure use of credit and debit cards, and protection from malware and malicious websites. This comprehensive awareness is designed to educate and enhance the cybersecurity knowledge of internal users, customers and partners.

Furthermore, the Bank has introduced a dedicated service to monitor Dark Web feeds through its Threat Intelligence Services, enhancing its ability to identify potential threats.

The Bank has a comprehensive and regularly updated Disaster Recovery Strategy to mitigate the risks of loss or damage caused by unexpected events such as ransomware attacks, natural disasters, or potential vulnerabilities. The Bank has implemented a Disaster Recovery (DR) Plan for their technology staff and the underlying technology stack, which has been tested against the DR plan. The strategy focuses on recovering critical information, restoring systems, and swiftly resuming operations. These measures are part of the Bank's broader Business Continuity Management (BCM) plan, which aims to ensure uninterrupted operations with minimal downtime.

The Bank has established a well-defined Vulnerability Management Plan to mitigate risks associated with applications and systems proactively. This plan aims to identify and address vulnerabilities before they can be exploited or cause any harm. The Bank employs various practices, such as testing, auditing and scanning, to detect and rectify potential issues, ensuring a secure environment for its operations.

The Bank is implementing threat-hunting capabilities that verify specific hypotheses related to emerging threat scenarios. The Bank deploys a variety of tools for fine-grained authentication and authorizations to restrict unauthorized users from accessing information. These measures help the Bank to prevent harm related to information theft, modification, or loss.

The Bank is using public cloud infrastructure for faster go-to-market and has maintained similar protection levels for application and infrastructure. The Bank religiously performs risk assessment of its cloud infrastructure and ensures that the identified risks are being fixed.

These various capabilities deployed by the Bank provide confidence to all stakeholders that the Bank is striving hard to provide a safe and secure banking experience, which drives trust in the Bank's digital properties.

20.2. Business Continuity Management

The Bank has a Business Continuity Policy, which documents the Bank's approach to Business Continuity Management (BCM) and provides a consistent, overarching structure to develop, implement, maintain and continually improve the Bank's Business Continuity Management. The Policy document frames guidelines for developing a resilient management framework to achieve

effective and functional business continuity and critical processes for the Bank. The Bank has implemented robust business continuity strategies and recovery plans to ensure the timely restoration of critical operations during significant disruption. Regular mock drills are conducted to guarantee preparedness and validate the recovery strategies' effectiveness. These drills engage recovery teams extensively, testing their readiness and the efficacy of the recovery protocols under simulated emergency scenarios.

With the implementation of the EGRC system, key components of BCP, such as Business Impact Analysis (BIA), BCP Recovery Plan, BCP Testing, and BCP Risk Assessment, are monitored through the system, which reinforces effective monitoring and management of Business Continuity.

21. Priority Sector Lending (PSL)

The Reserve Bank of India's comprehensive guidelines on 'Priority Sector Lending (PSL)- Targets and Classification' issued on September 4, 2020, and last updated on June 21, 2024 mandate banks to allocate 40% of their Adjusted Net Bank Credit (ANBC) to specific sectors, including agriculture, micro, small and medium enterprises (MSME), housing, education, social infrastructure, renewable energy, export credit and support for weaker sections of society.

Recognizing the wide array of sectors covered under PSL, the Bank has strategically oriented its various business units, such as Corporate, Commercial, Consumer, Inclusive, Agriculture and Rural Banking, to meet the specialized needs of clients within these priority segments. This strategic focus has enabled the Bank to build a significant footprint across nearly all PSL categories, ensuring that lending to the priority sector is thoroughly institutionalized. During FY2024, the Bank achieved a quarterly average of 39.56% PSL lending, nearly reaching the target of 40%. While the Bank succeeded in meeting sub-targets for micro-enterprises, it has marginal shortfalls in the overall target and sub-targets for agriculture, small and marginal farmers (SMF), weaker sections and agriculture credit to non-corporate farmers.

To achieve PSL sub-targets, the Bank has increased its focus on developing and promoting products designed for the agricultural sector, MSMEs, and weaker sections. By leveraging technology, the Bank has introduced innovative solutions to increase credit flow and enhance financial access. The Bank has significantly upgraded its digital channels to expedite the loan sanctioning and disbursement processes for MSME borrowers, allowing them to digitally access micro and small loans. The Bank is actively rolling out new platforms and products to reach potential borrowers and facilitate seamless loan disbursement more effectively. Committed to serving underprivileged women, the Bank continues to offer small, customized loans through its own channels and the networks of business correspondents. This



initiative ensures broader access to financial services, empowering women to achieve greater economic stability.

Through ongoing digital innovation and continuous process improvements, the Bank aims to provide low-cost, quick, on-demand, and hassle-free loans, particularly targeting rural and semi-urban areas where its presence in agricultural and MSME lending has been historically lower. The Bank remains committed to increasing awareness of its banking services among these underprivileged segments, ensuring they are fully included in its PSL efforts. To further bolster its MSME performance, the Bank has established specialized branches dedicated to catering to the needs of this client segment, ensuring that clients receive focused and expert services. By focusing on these strategic areas, the Bank aims to meet but exceed its PSL targets, ensuring that vital sectors of the economy receive the financial support they need to thrive.

22. Marketing and Communications

As one of India's leading financial institutions, IndusInd Bank has constantly endeavored to redefine the banking landscape with innovative and customer-centric initiatives, delivering a seamless and convenient customer experience. Throughout FY2024, the Bank's marketing and communication has strategically focused on all customer segments, elevating brand visibility, fostering meaningful customer engagement, and cultivating lasting loyalty among our diverse clientele.

Launch of INDIE Mobile App: A Revolutionary Way to Bank

Launched to blend traditional banking values with cutting-edge technology, INDIE is a revolutionary all-in-one money app poised to enhance customer experience significantly and set new benchmarks in the banking industry. To mark the app's launch,

the marketing campaign highlighted INDIE's exciting proposition, which includes high-yield savings accounts, investments, credit, UPI payments, a spend tracker, a numberless and single-use virtual debit card, and much more.

Amplifying INDIE's state-of-the-art features that redefine the banking experience called for a 360° campaign to reach out to different audience groups, starting with employees. Internal email marketing efforts were rolled out with a Bollywood twist and humor to build awareness, and subsequently drive installations among employees.

Brand film campaign, conveying how 'everyday banking shouldn't feel like a battle', depicted people's day-to-day struggles humorously with the use of ancient warriors. This was anchored by TV advertisements, which leveraged the cricket frenzy in India during the ICC Men's Cricket World Cup 2023, garnering viewership of over 200 million and reaching over 70 million households. The digital films as a part of this campaign were aired during the ICC Men's Cricket World Cup 2023, garnering impressions of over 245 million on Hotstar CTV, 64 million on Meta platforms, and 180 million on YouTube.

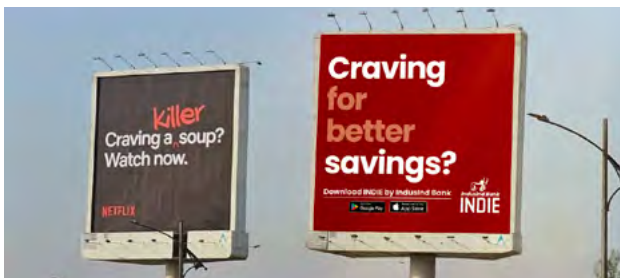
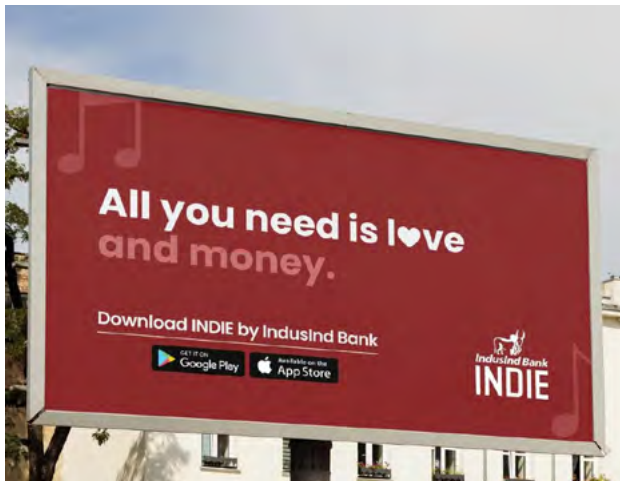
To highlight the app's distinctive features and engage with the target audience, INDIE collaborated with broadcaster and cricket commentator Jatin Sapru and used Aston Band advertisements during the World Cup, which were well received.

INDIE's OOH campaigns combined topicality and wit to intrigue the audience, targeting high-traffic areas like metros and airports. For example, users were urged to "leave the baggage of unnecessary financial apps" near the baggage collection belt.

On social media, a multifaceted approach was leveraged using topical content pieces, quizzes, and educational reels and blogs.



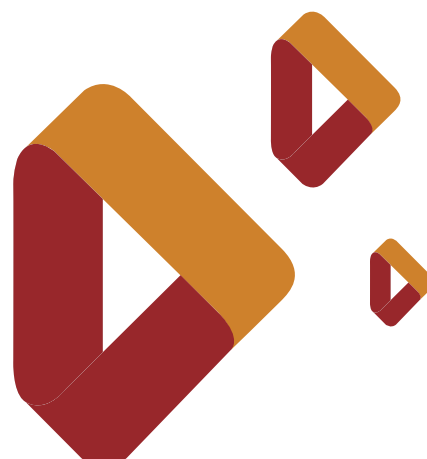
TVC for INDIE Launch



Association with ICC as a Global Partner

At IndusInd Bank, we see sports as a powerful catalyst for bringing people together. With the ICC World Cup being one of the world's most iconic sporting events, captivating millions of cricket fans globally, it was a natural choice for us to create a unique platform to engage with our customers, both domestically and internationally.

And so, in a first-of-its-kind initiative for the Bank, we announced our multi-year partnership with the International Cricket Council (ICC) on September 26, 2023, as a Global Partner for the ICC Men's Cricket World Cup 2023, ICC Men's U19 World Cup 2024 and ICC Men's T20 World Cup 2024. This collaboration provided IndusInd Bank customers, employees, and cricket enthusiasts with an opportunity to engage in many exciting activities and promotions.



Anthem Companion Program

Under the Anthem Companion program, IndusInd Bank's customers, employees and stakeholders were allowed to get their children to participate in the teams' walk out onto the field before the start of the match and pay respect to the national anthems, creating a memorable experience during the ICC Men's Cricket World Cup 2023. More than just a series of events, the program enriched the overall experience with exclusive on-field access, engaging brand activations and the chance to witness some of the best cricketing action. The Anthem Companion program witnessed participation from around 1440 kids throughout the tournament.



On-Ground Campaign

The On-Ground Campaign witnessed significant engagement. Over 6600 people participated in an on-ground activity, the 'Virtual Reality Cricket' Stall - with an estimated 100,000+ spectators at the stall, across all matches, at all 10 venues. Additionally, 96 individuals were upgraded to VIP hospitality seats, while influencer-generated content garnered close to 2 million views. The stadium branding strategy ensured enhanced visibility throughout matches, both on TV and in the stadium, along with a strategic focus on visibility at key airports and branch collaterals being deployed nationwide.



Print Ad

As the ICC Men's Cricket World Cup 2023 ended, the Bank placed a jacket ad in the Economic Times, having achieved a readership of 5,91,000.



Digital Campaign

During the ICC Men's Cricket World Cup 2023, a digital campaign was launched by the Bank with the #CheerForGreatness campaign. A war room comprising a dedicated team of 16 individuals actively managed real-time content and engagement on the brand's social media platforms. This facilitated remarkable outcomes, generating 1.5 billion impressions, 238 million video views, and a cumulative reach of 199 million, with 6.8 million engagements. Brand sentiment saw a remarkable increase from 44% to 80%, positioning IndusInd Bank as the brand with the highest Share of Voice (SOV) among Tier 1 sponsors of the ICC Men's Cricket World Cup 2023. Moreover, there was a substantial increase in IndusInd Bank's follower base across social media platforms. Instagram led with a growth rate of 205% compared to the average monthly growth of the last six months. Overall, brand communication reached out to 108 million users on social media, further solidifying IndusInd Bank's impactful presence in the digital space.

The Bank also launched the #WishForGreatness Diwali campaign, combining festive cheer with cricketing fervor. Partnering with ESPN Cricinfo, an exclusive show featuring cricket legends was crafted. Leveraging moment marketing, match moments were captured and amplified within seconds, engaging cricket fans and increasing brand sentiment.

Overall, digital brand communication reached 107 million users on social media cumulatively.

- Reached 45 million unique users on Instagram
- Reached 38 million unique users on Facebook
- Reached 18 million unique users on YT
- Reach 6 million unique users on X (Twitter)



Employee Engagement Campaign

Our employee-focused campaigns during ICC included engaging contests like Cricket Trivia, Predict & Win, and Spot & Share, garnering over 21,000 responses. Over 260 employees won match tickets and 4000+ received exclusive merchandise, making it a highly successful engagement campaign. Moreover, our Anthem Companion program saw over 100 employees children standing with cricket legends on the field, enhancing the excitement further. With over 100 emailers and comprehensive engagement metrics, the efforts underlined our commitment to employee satisfaction and participation.



Indus Solitaire: Exclusive Banking for Diamond Industry

Drawing references and inspiration from the brilliance of a solitaire diamond, IndusInd Bank's Indus Solitaire Program offers a blend of luxury and functionality with flagship branches, wealth management services and a dedicated relationship management team. The Bank implemented a multipronged launch approach to promote and amplify this unique proposition, including services such as family banking, free lockers with 24/7 access, Club Marriott membership, complimentary airport lounge,

and much more. Indus Solitaire Credit Card was introduced, along with the branding revamp of flagship branches and a media announcement.

Offering handpicked experiences, invaluable rewards, and a sleek design, the Indus Solitaire Credit Card boasts Taj Epicure Preferred Membership, EazyDiner Prime Membership, concierge services, and zero foreign currency mark-up, amongst a host of other benefits.



A press release was disseminated to leverage this offering, covering various news mediums, including financial, mainline, wire, electronic, and online news outlets. On-ground marketing and branding in flagship branches at key locations across Surat and Mumbai helped build resonance amongst the target audience.

An advertisement was also published in ICC (Indian Coastal Conference) Shipping Association Souvenir Magazine illustrating IndusInd Bank PIONEER's specialized banking solutions for maritime ventures, including port handling equipment, vessel finance, and foreign currency term loans.



WE'VE CREATED A
SOLITAIRE FOR YOU

**INDUS
SOLITAIRE**

IndusInd Bank

In celebration of the exquisite craftsmanship and unparalleled skill of those who find perfection amid countless gems, we are thrilled to share a momentous announcement that signifies a new era of our dedication to delivering the extraordinary.

Introducing Indus Solitaire – an exclusive banking program meticulously crafted for diamantaires, offering the epitome of banking privileges.



Premium Savings Account for your exclusive banking experience



Curated Debit Card privileges to match with your lifestyle



Metal Credit Card with finest experiences handpicked for you



Dedicated Relationship Manager to cater to your diverse financial needs



Dedicated Wealth Manager to drive your investment goals



24*7 Access to Lockers at select branches

For more details visit: www.indusind.com

Indus Grandé: Prime banking services

IndusInd Bank unveiled a premium offering, Indus Grandé, tailored for the mass affluent segment, anchored in convenience, modernity, and bespoke experiences. This comprehensive program offers a seamless banking experience, combining diverse services with attractive rewards. Branding materials were strategically placed across 1,170 branches and numerous ATMs to promote this initiative, featuring posters, standees, digital screens, and tent cards.

IndusInd Bank

THE SPECTACULAR LIFE BEGINS HERE

Introducing **Indus GRANDÉ** Prime Banking Services

Key features of Indus Grandé

- Dedicated Relationship Manager
- Up to 2.5%* Cashback on Debit Card
- Attractive Discount on Lockers
- 8 Free Add-on Accounts
- Complimentary Golf Sessions & Airport Lounge Access
- Pinnacle Credit Card at Special Discount

For more details, please contact our Customer Service Manager or visit www.indusind.com

*T&C apply.

Complementing the physical branding, a digital campaign was launched, garnering over 200,000 impressions across Meta, YouTube, and LinkedIn. Additionally, the social media outreach achieved a cumulative reach exceeding 81,000.

IndusInd Bank

DID YOU KNOW?

YOU CAN ENJOY **ZERO FOREX MARKUP** ON OVERSEAS SPENDS

with **Indus GRANDÉ** Prime Banking Services

WORLD DEBIT CARD

*T&C apply

Complimentary **Grandé World Debit Card** with up to **2.5%* Cashback**

In Mumbai and Chennai, internal branding and external train wraps were applied to four metro trains in each city, effectively communicating the product's distinctive features.



IndusInd Bank PIONEER: Best-In-Class Privilege Banking

PIONEER caters to HNIs and upwardly mobile affluent individuals through its full-stack banking and wealth management solutions. To mark the launch of a new PIONEER branch inaugurated in Ahmedabad, Gujarat, advertisements were published in The Times of India and The Economic Times newspapers to garner widespread visibility and reach the target consumers.



A high-impact Q&A advertorial by Mr. Samir Dewan, Head—of Affluent Banking & International Business, was placed in The Economic Times, Mumbai and Delhi editions. The objective was to highlight and showcase the uniqueness of the PIONEER program and how it caters to the diverse financial and banking needs of HNIs, C-suite corporate executives, business owners, NRIs, and SME businesses.

ADVERTORIAL



**Q&A with Mr. Samir Dewan,
Head - Affluent Banking &
International Business,
IndusInd Bank**

IndusInd Bank PIONEER Program: Redefining Premium Banking

bespoke banking program covering personal finance, lending, investment, wealth management, business loans and global banking along with an umbrella of various premium banking services and features like doorstep banking, priority processing, special lounge access, exquisite Credit Card solutions, trade and foreign exchange support, etc.

For an exclusive experience across channels, IndusInd Bank has PIONEER Lobbies which provide a luxurious lounge like environment wherein you can enjoy a cup of coffee while your banking requirements are taken care by a dedicated team of specialists.

Question: Can you tell us who constitutes the main clientele of the PIONEER Program?

Response: PIONEER Banking caters to high net-worth individuals, C-suite corporate executives, business owners, NRIs and SME businesses.

These discerning clients see banks not just as transactional entities but as partners in their financial

journey. Clients these days desire a banking experience that's meticulously tailored to their unique financial aspirations and needs. Recognizing this change in the outlook, we have taken more of a consultative role and emphasized the importance of building lasting relationships along with providing bespoke financial solutions.

Question: Not many banking entities cater to the needs of NRIs. They have to face a lot of hassles while making transactions or availing of banking services. How does the PIONEER program simplify this process? What makes the PIONEER program ideal for them?

Response: At IndusInd Bank, NRI segment is one of our key focus areas. We have a dedicated team available to assist our clients across all time zones through our 24/7 call center support and this makes banking as easy and convenient as possible for them. We also prioritize household banking to ensure that not only NRIs but also their families back home are

taken care of through the same program. We have introduced a range of services, such as no cross-border markup charges and no ATM withdrawal charges in India and abroad. Moreover, we have experienced RMIs who handhold the NRI clients to make the banking experience seamless. I believe this comprehensive approach sets us apart in serving the NRI community.

Question: That will be really helpful when converting transactions in foreign currencies to Indian Rupees and certainly reduce the risk of getting a bad conversion rate.

Response: Yes, definitely. Moreover, clients can hold overseas earnings in foreign exchange deposits without converting them to Indian Rupees. The program also lets our customers enjoy special lifetime offers on lockers in India and free of cost bank related document pick-up facilities from overseas locations.

Question: What about Indian customers? What special

offering do you have for them?

Response: Our seasoned team of bankers guide clients through each stage of their investment journey from wealth generation to enhancement and then to preservation. Our curated product suite, which includes Mutual Funds, PMS, AIF, Gold Bonds, etc., is all tailored after thorough risk profiling and in-depth portfolio reviews. Moreover, PIONEER clients can also enjoy a host of exclusive benefits like multiple lockers, Metal Debit Cards, golf course access, premium lounges at international airports, premium theatres, exclusive events, the list goes on.

Question: Where do you see this client segment heading in the next few years in terms of banking and financial service offerings?

Response: According to industry data, wealth is rising fast across the board, right from mass affluent segment through HNI. The number of HNI individuals in the country is likely to grow by over 100%

from 7.9 lakhs in 2022 to 16.5 lakhs estimated in 2027. Similarly, the population of ultra HNIs is expected to grow from 12,000 last year to exceed 19,000 in 2027. This is an investment opportunity of USD 400 Bn, with increasing allocation to financial assets and geographic spread to Tier 2 cities as well. Today, HNIs expect more than just financial returns; they value exclusivity, priority services, curated wealth management and agile financial support when it comes to cross-border transactions.

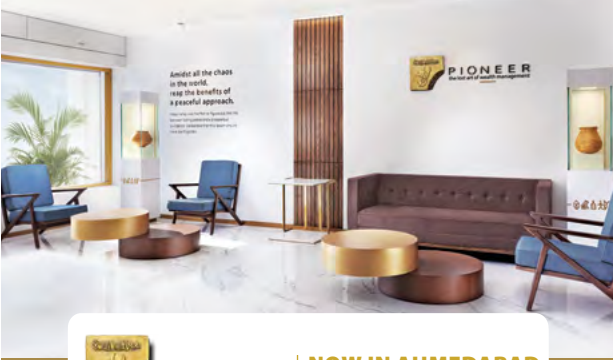
Recognizing these evolving needs, premier banks are embracing personalization and offering bespoke solutions catering to each affluent customer's unique needs. For banks in this league, it is not merely about catering to a requirement; it is about building loyalty in an increasingly competitive market.


For a glimpse of what such a premium banking experience looks like, all you have to do is visit www.indusind.com/pioneer to apply to the PIONEER program.

Another advertisement was published in a Sindhi regional community magazine in Dubai, highlighting the features and interest rates of PIONEER Savings Accounts.

IndusInd Bank

WALK IN TO A NEW WORLD OF BESPOKE BANKING





PIONEER
the lost art of wealth management

NOW IN AHMEDABAD
COMMERCE HOUSE - 6, PRAHLAD NAGAR

Built on the age-old principles of trust, transparency, simplicity and service, PIONEER is a customised banking programme, where experts backed by innovation and technology, work dedicatedly towards simplifying your banking and managing your wealth, while you enjoy a rewarding lifestyle with a host of privileges we offer. So come, reap the rewards of being a PIONEER!

Specially curated customer lounge

Team of experts with dedicated service & relationship managers

Best-in-class credit card loaded with rewards & privileges

Zero cross-currency markup


Complimentary & discounted lockers

PIONEER privileges for family group accounts

Free doorstep banking

AN ACTUAL PIONEER BRANCH IMAGE* LOOKS EVEN BETTER WHEN YOU WALK IN!
To know more, call at: +91 7620703222 / +91 979-4655 0079 between 9:30 am - 5:00 pm | Visit our IndusInd Bank PIONEER branch at Ground Floor, Commerce House - 6, Prahlad Nagar, Ahmedabad - 380 051 | Website: <https://bank.indusind.com/pioneer/home.html> | E-mail: pioneer@indusind.com

IndusInd Bank



PIONEER
the lost art of wealth management

PREMIUM BANKING SERVICES

Built on the age-old principles of trust, transparency, simplicity and service, PIONEER is a customised banking programme, where experts backed by innovation and technology, work dedicatedly towards simplifying your banking experience, while you enjoy a rewarding lifestyle with a host of privileges we offer.

Open the best-in-class **PIONEER Savings Account** and earn interest up to **6.75% p.a.*^**


Enjoy a host of benefits


- Freedom to choose your Account Number
- Complimentary Small & Medium Lockers in India for life*
- Concierge benefits like Movie tickets, Airport pick-up & drop, Zomato Gold & more
- Dedicated Service Relationship Manager
- Zero Cross-currency Markup
- PIONEER privileges for Family Group Accounts

For more information give a missed call or WhatsApp on our number +971-566-975-211 and our representative will get back to you. Please visit: www.indusind.com/pioneer

T&C apply. *on daily balance above ₹25 lacs up to ₹50 Cr. Interest up to 6.75 Cr. on tiered basis (incremental balance). ^Rates are subject to change at the sole discretion of the Bank. *Subject to availability. Disclaimer: IndusInd Bank has Representative Offices in Dubai and Abu Dhabi which are licensed and regulated by the Central Bank of UAE. All Banking products and services are offered by branches located in India.

An advertisement was also published in ICC (Indian Coastal Conference) Shipping Association Souvenir Magazine illustrating IndusInd Bank PIONEER's specialized banking solutions for maritime ventures, including port handling equipment, vessel finance, and foreign currency term loans.





PIONEER
the lost art of wealth management

IndusInd Bank

EMPOWER YOUR MARITIME VENTURES

with specialized banking solutions from
IndusInd Bank PIONEER

Experience financial solutions that sail beyond the ordinary. At IndusInd Bank, we've mastered the art of financing for Commercial Vehicles, Heavy Cranes, Material Handling Equipment, and much more. Our expertise extends to the waves, offering specialized services for Port Handling Equipment and Vessel Finance, along with Foreign Currency Term Loans.

OUR KEY OFFERINGS

Special Foreign Currency Accounts for Indian & Overseas Entities

- Zero Balance Account
- Swift Processing of Payments (24 hours)
- Effortless Foreign Inward and Outward Remittances
- Dedicated Relationship Manager

Bank Guarantees

Special Privileges for Sea Farers

Additional Services:

- Outward Remittances for Technical Management Payments
- Credit Card facilities for Directors
- Forex Card facilities
- Cross-currency Remittances for Vendor Payments

SFC Remittance

To know more call: 1860 267 7777 or visit us at <https://bank.indusind.com/pioneer/home.html> | Email: pioneer@indusind.com

IndusInd Bank

யூஸ்டு கார்டுக்காக வாய்ப்பும் வேண்டாம். அடிக்கடி குடியாத பணம் பாஸாக இருக்க வேண்டாம்.

Easy Loans, Exclusive Features

- 1. மல்டி-புரீமியம் கார்டு
- 2. 0% இன்டர்ஸ்ட் ரேட்
- 3. 100% ஃபுல் ஃபைனான்ஸ்
- 4. 100% ஃபுல் ஃபைனான்ஸ்

Consumer Finance Division: Vehicle and Affordable Home Loans

IndusInd Bank's Consumer Finance Division (CFD), renowned for its wide array of services in personal and commercial vehicle loans and affordable home loans, adopted a multifaceted approach towards its marketing initiatives. This encompassed flier distribution in key cities, strategic placement of standees and other branding elements in select branches and car dealerships,

இண்டஸ்இண்ட் பேங்கின் மூலம் யூஸ்டு கார் வாங்குவதற்கான லோனைப் பெற்று, உங்களது கனவு காளை ஒட்டிச் செல்லுங்கள்

மேலும் விவரங்களுக்கு கிண்டி கார் கால்டுபைஸ் 7862011234

IndusInd Bank

யூஸ்டு கார் வாங்க இண்டஸ்இண்ட் பேங்கின் வேண்டாம். சமூகமைய பெற்று, எமதானத்திற்கு வெளியே பற்றாத பற்றிக்க விடுங்கள்!

Easy Loans, Exclusive Features

- 1. மல்டி-புரீமியம் கார்டு
- 2. 0% இன்டர்ஸ்ட் ரேட்
- 3. 100% ஃபுல் ஃபைனான்ஸ்
- 4. 100% ஃபுல் ஃபைனான்ஸ்

television spots, branding on metros, integration with the ICC website, social media promotions and targeted digital advertising.

The Bank's compelling vehicle loan offerings were prominently showcased through L Band and TV advertisements on regional channels and livestream platforms, significantly increasing conversions.

யூஸ்டு கார் வாங்குவதற்கான நிதி தேவையால் கிளின் போல்ட் ஆகாதீர்கள்.

மேலும் விவரங்களுக்கு கிண்டி கார் கால்டுபைஸ் 7862011234

Furthermore, the Bank partnered with leading automobile companies to promote its vehicle loans. Unique features such as waived processing fees, attractive interest rates and extended repayment tenures were effectively communicated through website banners, social media promotions and email campaigns. This strategy aimed to make car ownership more accessible and convenient for customers, reinforcing the Bank's commitment towards providing exceptional value and service.

TATA

Go OMG!

With India's First Twin Cylinder CNG Car with no Compromise on Boot Space

IndusInd Bank's Exclusive Car Loan Offers for TATA (Only 0% EMI)

IndusInd Bank

Salient Features*

- 1. 0% EMI
- 2. Attractive Interest Rates
- 3. Longer Repayment Period

LIMITED OFFER!

Indus EasyDrive

Unleash the Extraordinary with the All New INVICTO

Experience 1.5L engine, 100km/hr, 100km/hr

Apply Now

IndusInd Bank

Salient Features*

- 1. Attractive Interest Rates
- 2. Quick Approval
- 3. Longer Repayment Period
- 4. 0% EMI
- 5. 100% Full Finance

A dynamic blend of Google Ads, social media advertisements, email communications, and website banners drive traffic to the Indus EasyWheels auction. The platform's users, active and inactive, were targeted, and the emphasis was on quality vehicles at unmatched prices.

The Indus EasyWheels Flash Auction was introduced, offering time-sensitive bidding opportunities on select vehicles. To maximize engagement and facilitate vehicle purchases, Google Ads, social media, WhatsApp, and SMS campaigns were deployed within the time-constrained auction framework.

In a strategic expansion, the Bank also launched a tractor auction service via the Indus EasyWheels website, optimizing Google Display Ads to reach and engage its target audience effectively.

The Bank introduced Indus Easydrive, a ground-breaking direct-to-customer loan application journey for two-wheeler and car loans, offering attractive interest rates, quick approvals, an intuitive online application process, flexible repayment options, and the convenience of applying from anywhere. These remarkable features were highlighted through targeted social media promotions and website banners.

Capitalizing on the momentum of the ICC Men's Cricket World Cup 2023, the Bank launched a thematic banner campaign titled 'Unlock the Road to Possibilities' on the ICC website, strategically targeting users visiting the site for online ticket booking, score updates, or match venue information.

During the ICC Men's Cricket World Cup 2023, as a global partner of the ICC, IndusInd Bank aimed to fortify its ties with dealership partners and OEMs while elevating employee engagement to new heights. The campaign ingeniously involved the children of dealership employees in the anthem, thereby deepening the bond between dealerships and the Bank, ultimately catalyzing an uptick in loan sales. Harnessing the power of its partnership, the Bank extended exclusive VIP ticket access to important stakeholders, forging stronger and more enduring relationships with construction OEMs. Employee morale and engagement were accentuated through the distribution of premium ICC merchandise and by bestowing recognition upon the top performers.

In a bid to amplify and improve the visibility of the consumer finance division's offerings, the Bank strategically utilized both the exterior and interior spaces of Chennai metro trains. The Bank used user-friendly inclusions such as missed call numbers and QR code scanning in the advertisements to streamline and simplify the loan application process and make it more accessible.

A comprehensive press release was disseminated to pertinent media outlets, spotlighting the loan mela for passenger vehicles, two-wheeler and construction equipment. This proactive approach significantly increased awareness and increased product visibility within local networks, facilitating a deeper penetration into target markets.

Launch of IndusInd Bank Avios Visa Infinite Credit Card

During the year, we launched 'IndusInd Bank Avios Visa Infinite Credit Card' in partnership with British Airways Executive Club and Qatar Airways Privilege Club. This card is designed to offer unparalleled rewards and benefits spanning travel, wellness and lifestyle. Elevating the card's appeal, it is crafted from sleek metal. It boasts many enticing features such as discounted foreign currency mark-up at selected preferred international destinations, complimentary meet-and-greet service at leading international airports, emergency international health insurance coverage, exclusive airport lounge access and much more.

To promote the card, leaflets were distributed, and standees were strategically placed in key branches nationwide. A comprehensive digital campaign was rolled out to announce the card's launch. This campaign encompassed email marketing initiatives to greet

new cardholders and a launch video spotlighting the myriad choices and benefits of the card, which was prominently featured and amplified across social media platforms. A press release was also issued to various media outlets across the country.



Launch of IndusInd Bank Tiger Credit Card

IndusInd Bank and Tiger Fintech, a Bajaj Capital Group company, launched the 'IndusInd Bank Tiger Credit Card', a co-branded Visa credit card. The card offers various lifestyle benefits, including a tier-based reward points structure, golf games and lessons, entertainment benefits, discounted foreign currency markup, airport lounge access, movie tickets, and a concierge facility.

A holistic digital outreach strategy supported the card's launch, including an email marketing campaign and a promotional video highlighting its unique features. This was supplemented by leaflet distribution, standee placement in branches, and press release dissemination.



Launch of IndusInd Bank Platinum RuPay Credit Card

IndusInd Bank Platinum RuPay Credit Card, developed in collaboration with the National Payments Corporation of India (NPCI), empowers customers to make effortless payments to merchants and initiate UPI payments through their credit cards. This card facilitates seamless online and offline transactions, with accelerated rewards on UPI transactions.

The launch was accompanied by a digital campaign, encompassing email marketing and a social media video to showcase the card's benefits. On-ground activations included leaflet distribution, ATM screen branding, and standee placements in branches across India. A press release further amplified the announcement.



Launch of IndusInd Bank Samman RuPay Credit Card

The UPI-enabled 'IndusInd Bank Samman RuPay Credit Card', in collaboration with the National Payments Corporation of India (NPCI), targets government sector employees and provides exclusive benefits to enhance their overall banking experience. The unique card combines the benefits of a traditional credit card with the advanced features of UPI, reflecting the Bank's commitment towards innovation and customer-centricity. With benefits such as cashbacks, complimentary movie tickets, no cash advance fees, and surcharge waivers, the card enhances the day-to-day banking experience for government employees.

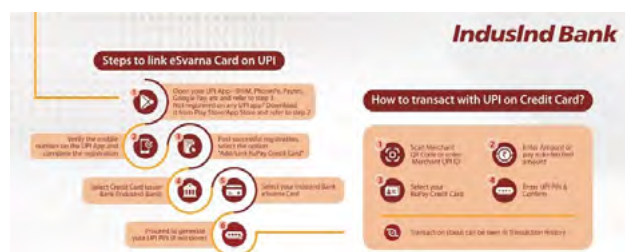
Marketing efforts included leaflet distribution, banner and standee placements in prominent locations, an email marketing campaign, a social media launch video, and a press release, which was shared with leading news publications nationwide.



Launch of 'eSvarna', Corporate Credit Card

The launch of IndusInd Bank eSvarna, India's first Corporate Credit Card on the RuPay network, positioned the Bank as a pioneer by integrating UPI functionality with a Corporate Credit Card. The card facilitates smooth transactions at merchant outlets and allows users the flexibility to make UPI payments by linking the card to UPI-enabled apps. Additional benefits include complimentary lounge access, fuel surcharge waivers, comprehensive travel insurance coverage, and an exclusive rewards program for corporate customers.

A grand launch event was held in the scenic foothills of Mussoorie to introduce the eSvarna Corporate Card. Additionally, a multi-card launch event in Mumbai celebrated the launch of the Platinum RuPay Credit Card, Samman Credit Card, and eSvarna Corporate Card. The launch was supported by a digital campaign, including email marketing and an engaging sustenance video highlighting the card's features, leaflet distribution, standee placements, and a press release dissemination.



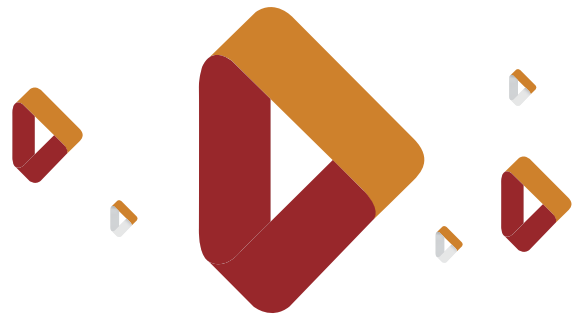
Launch of EazyDiner IndusInd Bank Platinum Credit Card:

EazyDiner IndusInd Bank Platinum Credit Card was launched in partnership with EazyDiner to redefine the dining experience for customers. With no joining fees and a range of benefits, this card offers additional discounts at select restaurants through the EazyDiner App, complimentary EazyDiner Prime membership for 3 months, and free renewal upon spending ₹30,000 every 90 days.

The launch was supported by a comprehensive digital campaign, including email marketing and social media videos to engage and educate customers. Physical marketing efforts included leaflet distribution, standee placements, and a press release to enhance customer resonance.

IndusInd Bank – your financial partner.
IndusInd Bank has successfully empowered millions of demanding customers by pursuing excellence, building long-term relationships, delivering innovative solutions and leveraging insights.

FOR MORE INFORMATION
 ☎ Call our 24-hour Phone Banking at 1860 267 7777/91 22 4220 7777
 🌐 Log on to www.indusind.com
 ✉ E-mail us at premium.care@indusind.com



Consumer awareness campaign on cyber security – 'Jaankaar Bano, Jaagruk Raho'

To raise awareness about cybersecurity, IndusInd Bank initiated the 'Jaankaar Bano, Jaagruk Raho' campaign, aiming to educate and empower customers with knowledge to protect themselves from financial fraud. Inspired by RBI's campaign, 'RBI Kehta Hai... Jaankar Baniye, Satark Rahiye!' The campaign utilized creative visuals to share essential tips and safe banking practices. The primary channels used were social media and internal employee-focused emails.

IndusInd Bank

Rise
above scams.
Stay ahead of the game!

**JAANKAAR
BANO
JAGRUK
RAHO**

In our increasingly connected world, the threat of cyber scams is more prevalent than ever. In our quest to create a safer digital environment, we have launched the initiative "Jaankaar Bano, Jagruk Raho." We will arm you with right information and knowledge to help you stay alert and protect yourself against the scammers.

Keep watching this space for informative tips and suggestions.

Connect with us: [f](#) [X](#) [in](#) [@](#)



Launch of Digital Rupee by IndusInd Bank

Launched in April 2023, IndusInd Bank's Digital Rupee App was at the forefront of the Reserve Bank of India's CBDC initiative, driving India's digital revolution. An internal employee engagement campaign was rolled out to ensure collective contribution to this digital transformation. The internal campaign featured daily mailers sent to all employees, each containing a clear call to action to drive app downloads and increase transactional usage. This targeted approach ensured widespread awareness and active participation among our team members, fostering a culture of digital innovation and adoption within the Bank.



Facilitating the collection of Income Tax and other Direct Taxes:

Authorized by the RBI and the Office of Controller General of Accounts, Ministry of Finance, Government of India and IndusInd Bank, facilitates the collection of Income Tax and other Direct Taxes on behalf of the Central Board of Direct Taxes (CBDT). Through user journey videos and proactive communication, we educated customers about the convenience of paying taxes via our banking channels, including the newly integrated e-filing portal (CBDT TIN 2.0). The Bank also rolled out reminders to customers and social media posts closer to due dates for timely tax compliance.



New Product Launches:

During FY2024, the Bank launched three new products catering to the growing segment of entrepreneurs and MSMEs. The Bank supported the team with strategically designed marketing and communication collaterals.

1. IndusWE, a holistic platform and community for Women Entrepreneurs, to help them learn, connect and grow.



- CGTMSE-backed loans: Providing zero collateral loans to MSEs, partnering with their ambition to scale up their business.

IndusInd Bank

NO COLLATERAL. NO STRESS.

Introducing
Zero Collateral Loans
backed by **CGTMSE**

Key Benefits for MSEs

- Quick Turnaround
- Zero Collateral
- Attractive Interest Rates
- Minimal Documentation

- Indus Solar rooftop loans to assist businesses in achieving their green business goals.

IndusInd Bank

Switch to Solar. Save on Energy Cost.

Avail Solar Rooftop Loans

Presenting
Indus SOLAR
Clean Energy. More Savings.

Key Features

- Long-term Loans
- Zero Collateral
- Quick Turnaround
- Attractive Interest Rates

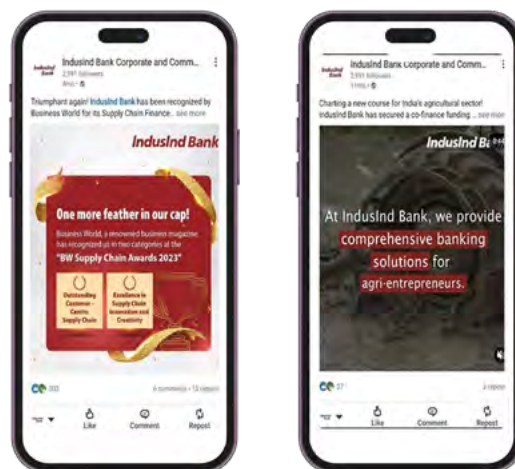
Corporate and Commercial Banking LinkedIn page:

To foster CXO-level discussions and establish our thought leadership in the corporate banking space, we launched the Bank's corporate and commercial banking LinkedIn page in May 2023.

Over the past year, we've seen an encouraging engagement rate of 11.47%, indicating that our content resonates with our audience. On average, our posts receive 1,569 reactions, over 25 comments, and 62 reposts, demonstrating the value that our audience finds in our content.

Additionally, our page has garnered around 75,000 organic impressions, showcasing our thought leadership initiatives' growing reach and impact on LinkedIn.

As we continue to nurture connections and share valuable insights, the showcase page remains dedicated to fostering engagement and reinforcing our position as a trusted partner in corporate banking.



Employee Engagement

Along with customer-centric initiatives, the Bank also focused on enriching the lives of its employees with employee-centric initiatives during the year, supported by marketing & communications.

Our dedication to employee engagement was evident during the ICC Men's Cricket World Cup 2023, as part of the Bank's association with ICC as a Global Partner for ICC Men's Cricket World Cup 2023 and future ICC events. IndusInd Bank's employees were allowed to get their children to participate in the team's walk out onto the field before the start of the match and pay respect to the national anthems, creating a memorable experience during the ICC Men's Cricket World Cup 2023. More than just a series of events, the program enriched the overall experience with exclusive on-field access, engaging brand activations and the chance to witness some of the best cricketing action.

Furthermore, to highlight some of the other employee-focused initiatives, the Bank conducted a successful collection drive by its employees for Goonj NGO and organized eye care camps across 13 locations, benefitting over 2,000 employees.

In addition to prioritizing employee well-being and community outreach, the Bank has continued to focus on initiatives to empower women and support their career growth. Programs such as 'Here for Her' demonstrate IndusInd Bank's commitment to creating a supportive environment for women employees. Additionally, IndusInd Bank has introduced the 'Positive Moves Career Guidance' program tailored to employees who are parents, offering support for their children's career journeys. The Bank has also conducted comprehensive surveys and organized celebratory events on special occasions, fostering a sense of inclusivity and camaraderie across the organization.

IndusInd Bank is proud to announce that, for the second consecutive year, the Bank has been certified by Great Place to Work (GPTW). The organizational scores have shown a remarkable improvement of 500 basis points, a reflection of numerous achievements and initiatives undertaken by the Bank, aimed at fostering a great workplace culture. Additionally, IndusInd Bank has been recognized as one of the Top Leadership Factories in India, highlighting the Bank's commitment to nurturing leaders and implementing best practices in leadership development.

With an aim to engage customers, the Bank executed BTL and zonal activities for customers throughout the year. The Bank celebrated special occasions like Women's Day, World Yoga Day, Environment Day with customers, while also creating significant



IndusInd ForSports

The Bank had organized the 'You Too Can Win' series, an internal campaign to inspire employees with the remarkable stories of athletes partnered with IndusInd Bank. Through mailers and athlete interviews, the campaign highlighted our collaborations with diverse sports organizations, emphasizing inclusivity and impact in the sports realm. Notable highlights featured narratives from five athletes representing the Bank's Para athlete program, which is associated with Inspire Institute of Sport and the IndusInd Blind Cricket Program.

FY2024 saw stellar performances from athletes supported by IndusInd Bank. The Bank actively promoted these athletes through social media posts and mailers, especially during significant tournaments such as the IBSA World Games, Hangzhou 2022 Asian Para Games, and events where the Indian Blind Cricket Team was felicitated at the UK High Commission. The social media campaign for the Hangzhou 2022- Asian Para Games generated over 1,55,541 impressions, with 600+ reposts and 2000+ likes and comments.



We often talk about the destination more than the journey, the achievements more than the efforts and the winners more than their winning story.



Every Monday, we will bring to you a fervent athlete, who will tell their stories of struggle, determination, hard work and passion that molded them to create the magic we all see today, to inspire you and find the winner in you too!

IndusInd Bank is proud to be associated with these champion athletes by providing them with the support they need in their journey towards victory.

We will see you next Monday. Till then, watch out for the light at the end of the tunnel. And remember, You Too Can Win!

For internal circulation only



Get Set Run

The Marketing and Communications team supported the IndusInd Bank ForSports team with Communications and Branding for 'Get Set Run' activities, a key employment engagement initiative of the ForSports team. The activities were promoted for various marathons across the country.



Box Cricket Tournament

Another key employee engagement activity by the IndusInd ForSports team is the IndusInd Bank Box Cricket League. This year, it was held in Mumbai and Kolkata, with around 800 employees participating. This year also saw the Women's Box Cricket League, which saw significant participation. These much-anticipated events were supported by theme-based communications.



IndusInd Bank



After a thunderous performance by over 300 players across 30 matches, over a span of 2 days, IndusIndians have displayed their might at the Men's IndusInd Box Cricket League, Kolkata and we have a winner!

It was a nail-biting competition and everyone gave their best. We would also like to congratulate:



Team Small Business Banking (Kolkata)
that took the Runner's up trophy

In case you missed the matches, you can rewatch on your phones by simply scanning the QR Codes below:



13th May, 2023
(Saturday)

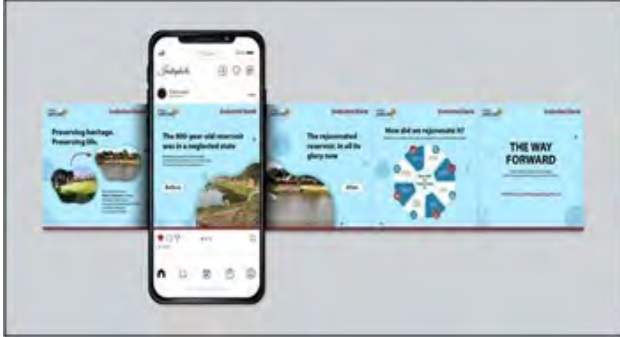


14th May, 2023
(Sunday)

For internal circulation only

CSR-Related Activities

We commemorated World Water Day with a campaign, the theme of which was 'Water for Peace'—Sustaining Life and Livelihoods. The objective was to raise awareness about India's water crisis and showcase IndusInd Bank's commitment to water stewardship, supported by internal mailers and informative social media posts.



Further, the Bank commemorated 'World Nature Conservation Day' with a video that encapsulated its CSR initiatives regarding water and soil conservation.

In September 2023, IndusInd Bank, in partnership with the National Skill Development Corporation (NSDC), launched the 'Skills on Wheels' initiative. The event was graced with the presence of Hon'ble Lok Sabha Speaker Shri Om Birla and Hon'ble Minister of Skill Development and Entrepreneurship, Shri Dharmendra Pradhan, who officiated the flag-off for the event. The Bank's commitment to promoting skill development and entrepreneurship across the country.



Sustainability and CSR:

The communication and branding for the sustainability team included a series of employee communications about ESG risks and best practices, designing the brochure that celebrated 10 years of excellence in CSR, a social awareness post on World Day Against Child Labor and releasing a report on Green Steel.

Recognition for ESG

Yet again, the Bank secured the title of 'Market Leader for ESG in India', according to Euromoney's 2023 rankings. For the second consecutive year, the Bank won the 'Best Bank for ESG – India' award at the Asiamoney Best Bank Awards 2023. To leverage media visibility around this achievement, the Bank placed a half-page ad in key publications such as Economic Times, Mint and Business Standard.



23. IndusInd for Sports

The non-banking sports vertical 'IndusInd ForSports,' aims to harness the incredible power of sports to motivate the Bank's internal and external populations.

The Bank has launched several activities across various platforms under the name 'IndusInd ForSports' to offer athletes support through the Bank's focused program. Recognizing the significance of physical well-being and its beneficial effects on people and the workplace, the Bank has also aggressively promoted health and fitness.

Programs

Para champions program

The 'Para Champions program' is designed to strategically enhance the Indian Paralympic movement. In order to support Indian Para athletes on their Paralympic journeys and beyond, the program provides comprehensive assistance, including sports science support, financial backing elite-level training and competition and connecting them with the best network of experts in India and abroad. The program emphasizes haring athlete success stories across public platforms to inspire and engage wider audiences.

The Bank supports 42 para-athletes competing in 10 different sports in association with the GoSports Foundation.

These extraordinary para-athletes have excelled since the program's inception, winning 1154 medals, including 611 Gold,

306 Silver, and 237 Bronze medals, until March 2024. These committed athletes demonstrated their amazing skills by winning 161 medals throughout FY2024, including 85 Gold, 43 Silver, and 33 Bronze medals, via their great achievements in numerous championships and competitions.

Athletes are currently undergoing Qualification tournaments for the Paris Olympics.

Cricket for the Blind program

The program, in partnership with CABI, the cricketing arm of Samarthanam Trust, aims to facilitate effective and meaningful inclusion, empowerment, and development through cricket, and this program 'Cricket for the Blind' enables improvement in infrastructure, skills, and nutrition access.

Sensitization workshops are conducted through the Cricket Association for the Blind in India to create awareness among players and the masses. The program also enhances livelihood and provides other socio-political opportunities.

Through the program, the Bank supports the Indian Blind Cricket Team and over 700 blind cricketers at the state and district levels.

In FY2024, IndusInd Bank Nagesh Trophy (equivalent to the Ranji Trophy) was conducted where 28 teams participated in 9 cities with Team Karnataka emerging as winner of the tournament.

Girl power program

Girl Power program approach is 360-degree holistic development, leading to the overall growth, sustainability, and empowerment of female athletes. The various components include coaching, sports science, sports medicine, sports psychology & tailor-made academic curriculum.

The Bank supports 31 female athletes who compete in judo through its partnership with the Inspire Institute of Sports (IIS).

These judokas have won 113 Medals since the inception of this program of which **48 were Gold, 28 Silver and 28 Bronze** till March 2024

IndusInd Athlete & Mentor Program

The IndusInd Athlete & Mentor program supports rural children from nomadic tribes and backward castes in the Satara district in Maharashtra. The program supports 30 Female Athletes and 20 PE Teachers to demonstrate their dedication to sports excellence and diversity. Three sports—wrestling, wrestling, and field hockey—are the program's emphasis, which is run in collaboration with the Mann Deshi Foundation. The program uses sports to enhance rural children's leadership, motor and life skills, and quality of life.

Since inception, the athletes have won a total of 547 Medals across state and district levels and a few international events.

IndusInd TT for Her Program

IndusInd TT for Her program aims to support 20 women players selected through stringent parameters in Table Tennis. This initiative aims to nurture young talent and create future champions who will make the nation proud in Table Tennis at the National and International levels.

The program seeks support in various components related to training, competition, equipment and nutrition to help the players reach their full potential.

IndusInd Inclusive Squash Program

IndusInd Inclusive Squash Program aims to work at the grassroots level and helps kids from different backgrounds. The academy is located in Kalote Mokashi Village in the state of Maharashtra.

The local tribes are economically and historically disadvantaged communities. The Bank supports 25 Tribal girls in the sport of Squash, where the support will be for nutrition, skills development and help to participate in various tournaments.

The Empowering the Champions – Wrestling

The Empowering the Champions – Wrestling, an initiative by the Physical Education Foundation of India (PEFI), is poised to revolutionize the approach to training and development for athletes participating from Haryana. The program supports 48 wrestlers with the primary objective of providing opportunities for athletes to pursue their sporting aspirations and proudly represent India. The athletes benefit from comprehensive assistance, including access to state-of-the-art sports science, cutting-edge technology, dietary and nutritional supplements, and personalized support.

The Empowering the Champions – Athletics

Empowering the champions – Athletics, an initiative by the Physical Education Foundation of India (PEFI), is poised to revolutionize the training and development approach for athletes from Kerala. The program supports 30 athletes with a primary objective for athletes to pursue their sporting aspirations and proudly represent India. The athlete benefits from comprehensive assistance, including access to state-of-the-art sports science, cutting-edge technology, dietary and nutritional supplements, and personalized support.

Wrestle for Glory

Launched in association with the Inspire Institute of Sport, the wrestling program supports 36 female athletes.

Employee Engagement

Get Set Run

'Get Set Run' is the Bank's flagship employee engagement initiative, launched in 2016. This initiative aims to promote a happy and healthy workforce by encouraging employees to participate in running activities. To date, over 10,000 employees have participated, and 42% have graduated to running competitive marathons.

Cheer For Greatness

As a Global Partner of the ICC Men's Cricket World Cup 2023, U19 Cricket World Cup 2024 and T20 Cricket World Cup 2024 IndusInd Bank designed and cascaded a series of employee engagement content and contests under the Cheer for Greatness campaign.

The goal was to foster camaraderie, boost morale and create an enjoyable atmosphere during the Cricket World Cup campaign.

You Too Can Win

A captivating storytelling campaign using shining examples of the Bank's supported athletes who embraced sports to bring positive change in their lives. The campaign drove the core philosophy to educate and inspire.

24. Corporate Social Responsibility

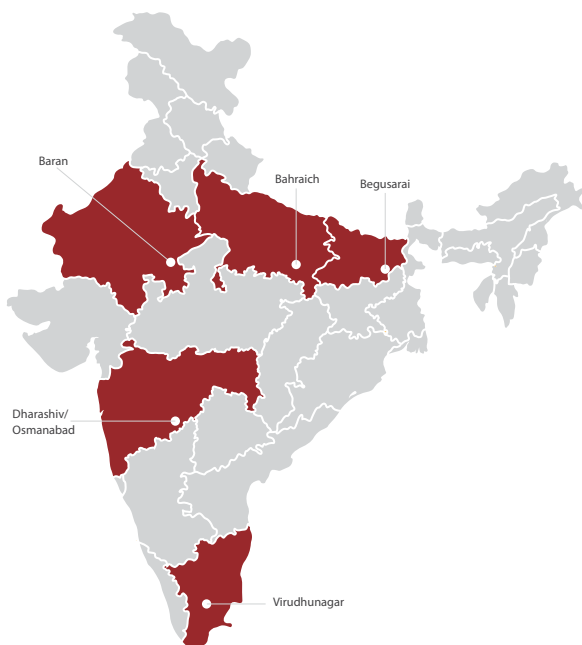
SATTVAM - Our Country. Our Commitment.

At IndusInd Bank, our commitment to social progress and environmental sustainability transcends traditional corporate responsibility. It is a pledge to catalyze profound change through transformative interventions driven by inclusivity, sustainability, and empowerment. Under the comprehensive framework of

SATTVAM, our programs span India, enriched by collaborations with grassroots NGOs and community groups. Our CSR strategy aligns with national development priorities and the United Nations' Sustainable Development Goals for 2030, aiming to elevate the Human Development Index and ensure a brighter, inclusive future for all.

In the fiscal year 2021-22, we introduced the flagship 'Holistic Rural Transformation Development Program', closely aligned with the Government of India's (GOI's) 'Transformation of Aspirational Districts' initiative. In FY2024, the program has positively impacted over 16 lakhs lives.

The Bank has also built its Strategic programs in key areas such as education, inclusive sports, and the sustainable environment with a focus on water stewardship. By integrating this flagship program with our existing strategic projects, the Bank has adopted a comprehensive approach towards holistic rural development and the empowerment of communities in the urban setup. This multifaceted approach enables the Bank to swiftly achieve important milestones in our nation-building efforts.



Holistic Rural Development Flagship Program

This program aims to increase income levels and improve the quality of life for the rural population in selected districts. Based on need assessments, the interventions enhance primary sources of livelihood, build resilience to climate change, and empower women. The GOI's welfare schemes are optimized to aid beneficiaries, substantiated by innovations and entrepreneurial approaches.

Our project focuses on agriculture, water, livelihood, health, and education, addressing key challenges faced by rural communities. Since inception, the Flagship Program has significantly impacted 20.70 lakh persons from 4.14 lakh households across 1,809 villages in 56 blocks, with specific achievements in rainwater storage, increased net sown area, reduced chemical fertilizers, and more.

In FY2024, the program's advocacy with Central and State Governments and District Authorities benefited marginalized communities. Collaborations with sectoral experts, including UN Agencies (UNICEF), IIT Madras, IIT Gandhinagar, Bhartiya Yuva Shakti Trust, Collective Good Foundation, and Industree Crafts Foundation, have brought synergies and knowledge footprints and will bring in estimated ₹100 crore of convergence.

Theory of Change

Direct Implementation using IndusInd Bank's Resources & Convergence

- 1 **Water** Economic growth through water security at the community & institutional level
- 2 **Agriculture** Economic growth through improving agriculture efficiency w.r.t. production, productivity, income & resilience
- 3 **Skilling** Economic growth through improved employability and entrepreneurship opportunities
- 4 **Financial Inclusion** Reduce vulnerability through linkages with social security schemes and financial services

Collaboration and Convergence of Govt. Programs

- 5 **Health Nutrition** Economic growth through healthy and productive individuals
- 6 **Education** Economic growth through improved access to quality fundamental and school education
- 7 **Basic Infra** Economic growth through better access to basic infrastructure support related to livelihood development



Innovation and Technology

Through our WASH innovation and solution program, in partnership with the Administrative Staff College of India (ASCI), we showcased 27 innovations across 5 districts. Five innovations were selected for piloting and further scaling up in our project districts, including groundwater mapping, water treatment, and innovative sanitation models.

Through the Atal Tinkering Lab program of NITI Atal Innovation Mission, 310 prototypes have been developed by the young children addressing the solution to local problem statements around agriculture, water, and livelihood.

Impact in 2023-24

512 lakh cub/m

Water potential capacity created

15,383 acres

Increase in net sown area

2,168.45 acres

Wasteland or fallow land brought under cultivation

1,479.75+ tones

of bio-inputs produced by 3275 farmers by reducing chemical fertilizers by 25%

44,000 tones

Reduction in carbon emission

8,015 acres

Area brought under intensive cropping practices & high value crops

₹103 thousand

Average increase in annual income of 9000 families through goat rearing, poultry and fisheries

₹250+ lakhs

Wealth created by 600 entrepreneurs

8,76,500 individuals

Who have been facilitated to get credit support from banks

₹2,857 lakhs

Credit mobilized from The Bank for productive purposes

₹7.36 crore

Total FPO turnover during the year

45,000 farmers

Benefitted by strengthening 45 FPOs strengthened

6,300 people

Who have been linked to bank by opening of a bank account

48,828 individuals

Facilitated health insurance through Ayushman Card

₹33,686 lakhs

Convergence from govt. programs & schemes

92,000 women

Benefitted by strengthening 9,293 women self-help groups

135 childrens

Awarded in state & national level competitions on STEM

27,000 students and

220+ teachers

from 72 schools reached through Atal Tinkering Labs (ATLs) STEM innovation program

~ 310 proto-types

demonstrating technological innovations by children

59,000+ individuals

Facilitated screening of anemia & child malnutrition

9,235 Harvesting Structures

created and rehabilitated

25-35% production cost

Reduced benefitting 91423 farmers with CRA practiced

4,919 Solar power

Group irrigation and drip irrigation installed

₹893 Lakhs worth

Agri products were linked to the market

Strategic Projects

Our Strategic Projects empower marginalized groups and vulnerable populations through initiatives in Sustainable Environment, Education, and Inclusive Sports. These projects focus on short to medium-term positive changes.

Sustainable Environment

We believe that a robust economy is intrinsically linked to a healthy ecology. Our climate-resilient interventions ensure environmental sustainability, optimal utilization of water resources, afforestation, and conservation of natural resources. Our efforts have impacted 2.40 lakh+ beneficiaries across 14 states.

Key areas of impact include:

- **Water Stewardship:** Installation of rainwater harvesting systems, revival of village ponds, and enhanced agri-productivity and income.
- **Renewable Energy:** Installation of solar systems in schools and community centres, promoting clean energy and reducing dependency on non-renewable sources.
- **Waste Management:** Promoting responsible waste disposal with over 70% of rural households segregating waste.
- **Afforestation and Biodiversity Conservation:** Supporting plantation drives and organic farming methods to promote biodiversity and ecological balance.

883

Villages

2.40 lakh+

Direct Beneficiaries

2689+

Ha Land Treated

1,340

Area brought under irrigation (Ha)

26.45 lakh+

Cub Mtr Water Potential Capacity created

1.20 lakh+

Saplings planted

4881

MTCO₂ emission saving potential over 25 years

Education

Our education projects provide holistic care, life skills, nutrition, and extracurricular activities to children. We aim to prepare them for employability and lift marginalized families out of poverty. In alignment with the NIPUN Bharat program, we reached over 2.15 lakh+ students through our education programs in FY2024.

Key initiatives include:

- **Remedial Education:** Enhanced pedagogical approaches and capacity building for teachers in government schools.
- **Skill Development:** Training in sectors like hospitality, retail, and IT, bridging the gap between skills and employment opportunities.
- **Scholarships:** Providing scholarships to over 200 students for world-class education.

215,883

Students

2,295

Schools

6,055

Teachers

966

Youth Skilled

651

Persons with Disabilities trained



Inclusive Sports

Our Inclusive Sports programs focus on inclusion across gender, differently-abled individuals, and the underprivileged, enhancing their talents and achieving sporting excellence. These programs benefitted over 1,000+ individuals in FY2024, with many winning national and international medals.

Key initiatives include:

- **Sports for Women** - Supporting women athletes, mostly hailing from less-privileged backgrounds, in the fields of Wrestling, Athletics, Judo, TT, Squash, other sports with state-of-the-art training facilities, coaching, sports science assistance and a comprehensive support system that addresses their skills, financial support, rehab support and academic needs.
- **Sports for PWDs** - Empowering Indian Para-athletes & Blind Cricketers on their sporting journeys, with support towards world-class training, financial support and connect with the best network of experts in India to help reach their potential.
- **Sports for Underprivileged** - Providing athletes from less-privileged backgrounds comprehensive assistance, including access to cutting-edge technology, stipends, competition costs, and personalized support.

1010

Sportspersons supported
(1:1 Male Female ratio)

160+

International Medals won

200+

National Medals won

500+

Women Athletes supported

700

Blind Cricketers supported
(Male-400 & Female-300)

42

Para Athletes supported

Other Areas

Other special interventions supported during FY2024 include Armed Forces Welfare to dependents of veterans and widows and Healthcare supporting a cancer patients program and a healthcare delivery program with the government's primary healthcare system.

98,000+

Beneficiaries

50,000+

Female Beneficiaries

Through these initiatives, IndusInd Bank remains dedicated to transforming lives and fostering sustainable development across India.

Recognitions and Awards

Our flagship project has received several recognitions and awards:

- CSR Journal Award for FY2024 under the category of Child Welfare for the Flagship Aspirational District Program.
- Participation in a CSR conclave organized by the Ministry of Public Sector Enterprise.
- The Manak Inspire Awards recognized 36 outstanding projects from our ATL program.
- The "Skill On Wheels" program in partnership with NSDC was launched, reaching remote rural youth in need of skill training.

Our Strategic Programs won at the 6th ICC awards for our Education Program (Road to School- Remedial Education in Odisha) and Sustainable Environment Program (River water harvesting in West Bengal).



25. Sustainability

Sustainable Banking

Strategy: In alignment with our overarching strategy, a centralized Sustainability Unit collaborates closely with diverse stakeholders to develop the ESG strategy for each department. This consolidates into the Bank's comprehensive ESG strategy. The Bank formulates its strategic objectives in three-year planning cycles, which are further broken down into annual and quarterly goals. Sustainability is integral to all the Bank's initiatives and is a crucial element of the Planning Cycles.

For the Planning Cycle 6, which spans from FY2024 to FY2026, ESG objectives have been incorporated into the targets of the Business Units (BUs), underscoring the Bank's dedication to advancing sustainability-linked initiatives in business and banking operations.

Governance Mechanism: The implementation of the Bank's ESG strategy is overseen by multiple internal stakeholders. At the highest level, the CSR and Sustainability Committee of the Board takes the lead, followed by the Sustainability Team, and designated Sustainability contacts within each Business Unit (BU).



The CSR & Sustainability Committee of Board

- Agrees, reviews and evaluates the sustainability strategy of the Bank
- Provides Industry perspective to the sustainability agenda
- Approves the sustainability strategy, goals and performance
- Reviews alignment of sustainability policies with the business units
- Reviews compliance and reporting

The Sustainable Banking Unit is focussed on embedding ESG in three specialized areas, viz. Business, Risk Underwriting and, Operations:

1. ESG in business:

- Highlights of ESG products:** The Bank seeks opportunities for expanding its ESG-linked business across the various Business Units (Retail & Corporate) through deal origination, structuring as well as new product launches. Highlights of ESG Products launched during the year:
 - IndusWE:** With significant committed capital and resources towards ESG, the Bank has launched a holistic offering for helping women entrepreneurs scale up their businesses. IndusWE is exclusively targeted at the Women Entrepreneur Community. A solution designed to empower women entrepreneurs, IndusWE, besides offering all Banking products like Loans, Fixed Deposits, Current & Savings Account and Transaction Banking services, also provides a wide range of non- financial services through partners.
 - This is a unique, first in industry offering based on three pillars:

- Learn:** Mentoring/Training/Online workshops for upskilling.
- Connect:** Facilitate industry connects, service providers such as legal, accounting, taxation and HR, organize peer group meets and share success stories, find Incubator support.
- Grow:** Bank Finance, Accelerator funding, Equity, NBFC loans, grants from GOI and other foundations and support on GOI Schemes for WE.

- Scalable model with committed capital outlay for the Bank as per business plan.
- Partnership-focused model brings financing and non-finance solutions together to enable WEs grow.
- During the year a IndusWE-Spotlight virtual awards event was conducted to recognize the top WE relationships in the Bank. In addition to engaging the sales teams and the large community of WE customers, the 2 best nominations from the Spotlight event were also awarded in a grand event at the Financial Express WE Awards.

By launching IndusWE, we aim to demonstrate our commitment to diversity & inclusion for a more equal & progressive society. The initiative aligns with our organizational values and strategic objectives, and it presents a significant opportunity to make a positive impact on the entrepreneurial ecosystem. We have been invited by Niti Aayog and Ministry of MSME for a country wide tie up on their platform <https://wep.gov.in/> as banker to the WEs registered there.

<https://www.indusind.com/in/en/business/induswe/about-induswe.html>



ii. **Sustainability/ Green/ Social Loans/Bonds:** To provide impetus to the Corporate Sector in supporting India's Net Zero goals and addressing the challenges arising due to Climate Change, the Bank introduced a range of partnership-based debt solutions, which will assist corporate clients in raising climate and socially impactful finance, including Green and transition finance instruments. The offering of ESG oriented debt solutions comprise of following products:

- **Green Bonds / Loans & Transition Bonds/Loans:** Proceeds are intended to be exclusively applied to finance or refinance the climate positive projects/ end-uses.
- **Social Bonds / Loans:** Proceeds are intended to be exclusively applied to finance projects that directly aim to address or mitigate a specific social issue(s) and/or seek to achieve positive social outcomes.
- **Sustainability Bonds / Loans:** Proceeds are intended to be applied to finance or refinance a combination of green and social end-uses as defined above.
- **Sustainability Linked Bonds / Loans:** Sustainability-linked finance is designed to incentivize issuers' achievement of environmental, social, or governance targets through pricing incentives; performance-based debt instruments are issued with clear links to Sustainability Performance Targets (SPTs) and associated Key Performance Indicators (KPIs). Unlike Green/Social finance – (1) the end-use is not restricted (proceeds can be utilized for general corporate purposes) and (2) issuers commit to future improvement in sustainability outcomes at the entire entity level (and not some specific project); achievement of such targets are incentivized by way of commercial benefits.

Deal Highlight: The Bank is bolstering NLC India's decarbonization efforts by supporting their 300 MW solar initiative with a ₹1,000 Crore facility, providing debt finance for constructing the ₹1,810 Crore greenfield solar project. This ground-breaking project aims to generate 7.5 lakh MWH of solar energy annually and offset an estimated 6.9 lakh tons of CO2 emissions.



**Partnering Your Journey....
Towards a Greener future**

Our ESG oriented debt solution comprise of:



Green Bond/Loan

Dedicated to financing climate-positive projects with environmental benefits.



Social Bond/Loan

Dedicated to financing projects that directly address social issues



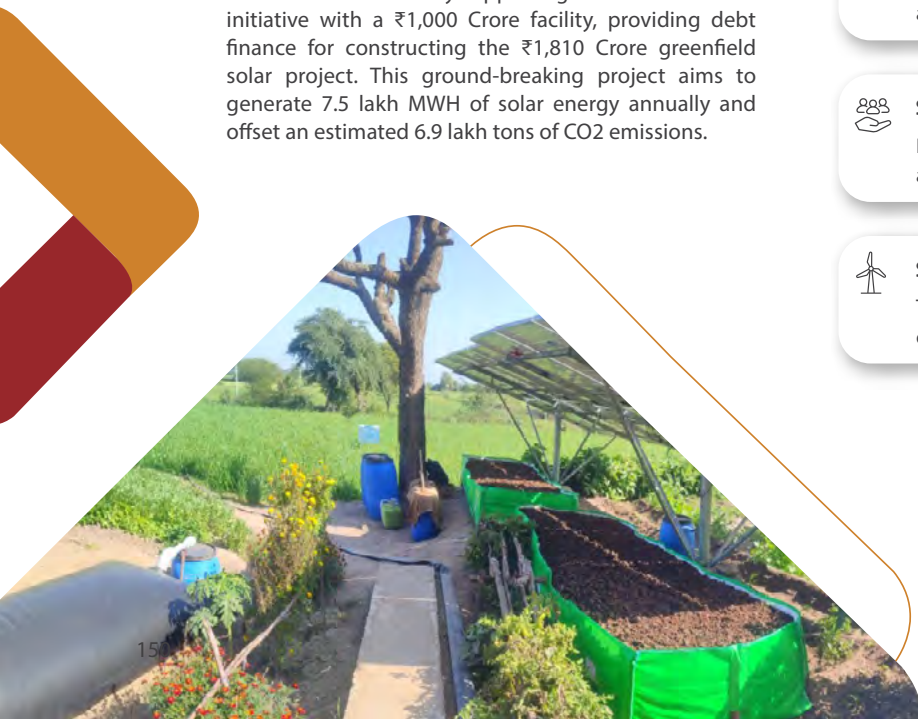
Sustainability Bond/Loan

Intended to be utilized for financing or re-financing a mix of green and social projects.



Sustainability-Linked Bond/Loan

To incentivize companies to meet target by offering flexibility in fund usage.



iii. Credit Guarantee Trust for Micro and Small Enterprises: At IndusInd Bank, we acknowledge the crucial role that Micro and Small Enterprises (MSEs) play in the economy, contributing to innovation, trade, and employment. Therefore, the Bank has introduced CGTMSE-backed Loans to empower their growth aspirations.

- Typically, small businesses face challenges in obtaining business loans due to the lack of collateral. CGTMSE acts as a guarantee, enabling MSEs to access credit without offering physical collateral up to ₹500 lakhs. As part of sustainable banking, CGTMSE boosts MSEs' lending by enhancing the credit guarantee portfolio for banks/FIs.

<https://www.indusind.com/in/en/business/loans/cgtmse-backed-loans.html>

iv. Indus Solar: The Bank has developed the Rooftop Solar Loan Finance program, catering to MSE clients.

- This initiative will promote sustainable energy practices and also envisions a future where small-scale businesses can harness the power of solar energy linked innovation to enhance their operations and contribute to a greener and more sustainable economy.
- This will help MSE clients get significant cost savings on energy bills, leading to higher profits, and also give an opportunity to demonstrate dedication to reducing environmental impact.

<https://www.indusind.com/in/en/business/loans/indus-solar-loan.html>

b. Sustainable finance portfolio:

The Bank has launched a range of sustainable finance initiatives and frameworks, leading to the successful completion of numerous financial deals. These efforts reflect the Bank's commitment to integrating sustainability into its core business. Ongoing discussions are focused on further advancing these initiatives, aiming to drive even greater impact.

The Bank's sustainable finance portfolio for FY2024, currently undergoing assurance, represents approximately 48% of the Bank's total advances. This marks a significant increase from the 33% reported in FY2018, highlighting the Bank's rapid progress in embedding sustainable practices into its financial activities. This growth underscores the Bank's strategic focus on sustainability and its role in fostering a more sustainable economy.

c. Partnership with Development Finance Institutions:

The Bank has actively pursued collaborations with funds, foundations, and Development Financial Institutions (DFIs) to provide support to entities and projects in sectors such as Healthcare, Agriculture, and Microfinance.

As of March 2024, the Bank has established risk-sharing partnerships totalling over USD 80 million with USAID and DFC. Throughout FY2024, the Bank continued to finance new loans under these partnerships with DFIs. Furthermore, as on 31st March 2024 the Bank has direct funding from various DFIs to expand support for microfinance, developing women entrepreneurship and financial inclusion, up to the tune of over USD 425 million.

2. ESG in Risk Underwriting:

The Bank understands its responsibility toward enabling positive environmental and social impact in its investment decisions.

Sustainability

A. Environment & Social Management System (ESMS):

The Bank has implemented a comprehensive and integrated ESMS system that mandates the evaluation of wholesale banking loan proposals above a certain credit threshold for environment, social and governance (ESG) risks including physical and transition risks associated with climate change. A comprehensive review of ESG risks is performed alongside credit risks before final credit approval. High-risk projects/entities are evaluated by business units and recommended to the ESMS Committee for approval. The sustainability unit provides recommendations for monitoring, reporting and mitigation of ESG risks associated with lending to high risk projects/entities. Total credit exposure approved under ESMS policy in FY2024 was over 70% of the total wholesale banking exposure

During FY2024, the Bank released an updated ESMS policy that identifies and assesses severe risk industries, focusing on greater due diligence and articulating actions to be taken, including client engagements and specific evaluation outcomes/actions required.

The key updates in the policy includes, reorganisation of the ESMS Committee which will now include the following members: The Head of Business Units, the Head of Sustainability, and the Chief Risk Officer/ Head of the Risk Management Department, replacing the previously included Head of Credit Risk. The Bank understands the growing importance of climate related risks to the Banking sector and therefore, a new chapter titled "Climate Risk Portfolio Monitoring & Reporting" has been added to the ESMS Policy. Lastly, there has been a change in the ESG risk rating methodology for the Cement, Fertilizers, and Steel sector to align with ESG risks inherent in these industries. All ESMS proposals undergo an annual review process that includes both an ESG risk assessment and a review of credit facilities.

<https://www.indusind.com/content/dam/indusind-corporate/generic/ESMS.pdf>

B. Enhancement assessment standards severe risk industries:

The Bank has developed industry-specific checklists in collaboration with a leading consulting firm to facilitate detailed assessments of ESG risks in six high-risk industries. These checklists have been shared with the relevant business units and knowledge-sharing sessions have been conducted to ensure better understanding and adoption of the aforementioned practices.

C. Climate Risk and Disclosure

The Bank, in line with RBI's approach, is dedicated to formulating policies that align with RBI's directives. Sustainability team is closely monitoring these developments and assess their implications for the Bank. Further, we are taking proactively engaging with external consultants for internal capacity building and preparing the Bank for upcoming regulatory changes.

RBI's Climate Risk Disclosure guidelines draw on TCFD framework in its approach around 4 thematic pillars of disclosure

	Governance Board oversight on climate org. roles & responsibilities control and process governance competency assessment	Enhanced Disclosures: Deep integration of Climate Impact into Board and C-suite decisions and governance oversight	
	Strategy Business Impact of Climate Integration with planning horizon understanding of key Impacts Financial Risks and Opportunities	Enhanced Disclosures: Integration of Climate Impact into financial planning and dynamically adapting the business model	FY2026
	Risk Management Board oversight on climate org. roles & responsibilities control and process governance competency assessment	Enhanced Disclosures: Deep integration of Climate Impact into Board and C-suite decisions and governance oversight	
	Metrics & Targets Climate risk adaption & mitigation targets and metrics Alignment with frameworks (e.g. SBTi) and external verification scope boundaries and disclosures	Enhanced Disclosures: Detailed Scope 1,2 and 3 GHG accounting incl. financed emissions, risks, opportunities & capital	FY2027

D. Taskforce on Nature-related Financial Disclosures

Successfully completed the United Nations supported Task Force on Nature-related Financial Disclosures (TNFD) Pilot Programme. IndusInd Bank is the only bank in India selected for this Pilot exercise which largely focussed on assessing the Bank's agricultural portfolio. This comprehensive assessment involved analyzing the environmental impact, resource dependency, and resilience of agricultural assets to biodiversity loss and ecosystem degradation.

By aligning with TNFD guidelines, the Bank has enhanced its understanding of how natural capital affects financial performance, enabling informed decision-making and fostering greater transparency with stakeholders. This proactive approach not only enhances the Bank's risk management practices but also positions it as a leader in promoting environmental stewardship and sustainable agricultural practices in the financial sector.

The outcome of the study can be accessed at:

<https://globalcanopy.org/wp-content/uploads/2024/01/IndusInd-TNFD-case-study.pdf>

3. ESG in Operations

The Bank aims to expand its ESG footprint in the Bank's operations through initiatives such as:

A. Greening the Bank

- Carbon Neutrality Target 2032: The Bank has publicly announced its board approved pursuit of carbon neutrality goal by 2032 and has developed a comprehensive strategy to achieve this target. As part of this strategy, specific interventions have been identified for implementation in the coming year. Additionally, the Bank has partnered with a domain expert technology vendor to implement an automated platform designed to measure Scope 1, 2, and 3 emissions, including financed emissions, along with other ESG metrics.

This advanced platform will continuously monitor emissions, significantly reducing the need for manual intervention, promoting scalability, and ensuring audit readiness. It will also support tracking progress against targets and facilitate informed decision-making.

- Green IT is definitive vision of the Bank with regular software updates; utilising new technologies and streamlining other IT operations including thin clients, virtual serves and timers for signages for enhancing energy efficiency

B. Awards and Ratings:

- IndusInd Bank was honoured with the prestigious 'Best Bank for ESG - India' award at the Asiamoney Best Bank Awards 2023, marking its second consecutive win.
- Euromoney: Ranked as a Market Leader-FY2023 for ESG in India for the second consecutive year



• **ESG Ratings:**

- **Carbon Disclosure Project (CDP):** For the fiscal year 2023, the Bank received a rating of B, maintaining its leadership status among the top five private sector banks in India.
- **S&P Global:** The Bank has achieved a score of 55 out of 100 for FY2023 securing the second position among the top five private sector banks in India.
- **LSEG ESG Score (formerly Refinitiv):** With an impressive score of 85 out of 100 for FY2022, the Bank holds the leading position among the top five private sector banks in India.
- **Morgan Stanley Capital International (MSCI):** The MSCI has upgraded the ESG rating of IndusInd Bank from 'BBB' to 'A' in the fiscal year 2024.

- **Assurances:** In addition to meeting the mandatory assurance requirements, the Bank obtained assurance on ESG initiatives and disclosures from reputable third-party firms for:

- Sustainable Finance portfolio
- Green Fixed Deposits
- Integrated Report
- GHG emissions

The assurances have been uploaded on the Bank's website.

- **Policies:** During the year, Bank reviewed and revised all its policies to align with the latest ESG trends and relevant regulations. The Bank has also enhanced transparency by making these policies available on its website:

<https://www.indusind.com/in/en/sustainability/policies.html>

• **Capacity-Building**

- **Training and Awareness:** The Sustainable Banking team disseminates information to all employees of the Bank via engaging infographics to communicate key ESG topics. The use of infographics enhances the accessibility and understanding of complex sustainability concepts, making it easier for employees to contribute towards the Bank's sustainable objectives.
- **Upskilling:** A global expert advisory firm, facilitated training programs on global sustainable development and climate transition at the intersection of sustainability and finance. It organized in-depth sessions on the same over two months, for the entire Sustainability Unit and relevant BUs.

• **Employee Volunteering**

FY2024 was the second year of IndusInd Bank's Employee Volunteering Programme. While continuing to build a culture of volunteering across the Bank, the program made significant strides, with the number of activities organized (46) increasing by 200% y-o-y, while the number of volunteers that participated (3,629) increasing by 300% and the number of volunteering hours contributed (8,956) increasing by 230%.

In order to draw the focus of employees on volunteering and to get more employees to volunteer their time and skills, in Q3, the Employee Volunteering Team organized the inaugural edition of the IndusInd Bank Volunteering Week from 9th to 17th December 2023. The Bank organized 11 activities (9 in-person across 6 cities, and 2 virtual), which saw a participation of 1,189 volunteers, who contributed 3,436 volunteering hours.

In addition, to increase the reach of the Employee Volunteering Program, the team introduced Virtual Volunteering activities. It gave employees an opportunity to volunteer their time and skills irrespective of their geographical location, and without diluting the essence and the Bank's definition of volunteering. In the last three quarters of the financial year, 411 volunteers participated in 12 virtual volunteering activities like creating learning aids and recording motivating stories with moral values for underprivileged children. The volunteers collectively contributed almost 1000 volunteering hours.

Another initiative launched in the second half of the financial year was Team Volunteering Activities – encouraging teams to leverage volunteering for team bonding. Seven activities (benefitting underprivileged children and children living in shelter homes) were organized for different teams, wherein 162 volunteers contributed 457 Volunteering hours. These activities received positive feedback from business leaders and volunteers.

26. Internal control systems and their adequacy

Operational controls

The Bank has sharpened internal controls and compliance through the following:

- Standard Operating Procedures have been defined for processes at branches to ensure consistency of delivery with the expanding branch network
- The Branch Monitoring Unit is entrusted with regular monitoring of branch operations
- The Process Adherence and Quality function has been operationalized to attain uniformity in processes followed by branches to minimize operational risk.
- Expenses Management Software has been deployed at all branches to facilitate cost control.

Internal Audit

The Bank has a robust, distinct and dedicated Internal Audit function performing an independent evaluation of the adequacy and effectiveness of internal controls, information security controls, risk management and governance systems and processes on an ongoing basis and providing a reasonable assurance that the policies, regulations and internal standards defined for management of the various risks in the Bank are operating effectively. The Internal Audit Group is manned by appropriately skilled, experienced and qualified personnel.

In congruence with the Reserve Bank of India's Guidelines on Risk-based Internal Audit (RBIA), the Bank has adopted a comprehensive Internal Audit Policy and the Internal Audit function undertakes a risk-based audit of the Bank's businesses.

An Audit Plan is drawn up based on a calculation of the total inherent risk of a Unit and the Control Risk Score. Accordingly, the audits are undertaken at a frequency synchronized to the risk profile of each unit in line with the guidelines relating to risk-based internal audit. The audit function also serves as an advisory by recommending improvements in processes and service quality, wherever deemed fit.

To strengthen the controls in the Bank and to achieve continuous real-time supervision and control, critical units of the Bank are subjected to independent concurrent audits by reputed audit firms.

The Head – Internal Audit functionally reports to the Audit Committee of the Board (ACB), ensuring his independence and for administrative purposes, reports to the Managing Director & CEO. The ACB reviews the efficacy of the Internal Audit Department, the effectiveness of controls laid down by the Bank and compliance with internal and regulatory guidelines, thus ensuring alignment with the global best practices on corporate governance.

Compliance

Compliance Risk is defined by the Basel Committee as ‘the risk of legal or regulatory sanctions, financial loss, or loss to the reputation that a bank may suffer as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice’. It includes the conduct of banking and financial business (including conflicts of interest), privacy and data protection, and in particular, provisions on the prevention of money laundering and combating financing of terrorism.

Compliance is an integral part of the culture at IndusInd Bank. The Bank accords the highest priority to compliance with laws, regulations and internal rules for all of its businesses and operations. It is the responsibility of every staff member to perform their functions within the framework of the statutory and regulatory regime.

The tone of the compliance culture within the Bank starts from the top. The Bank’s Board of Directors is responsible for overseeing the management of the Bank’s compliance risk. The Bank has formulated a Compliance Policy enumerating the Compliance Philosophy and establishing an independent compliance function in the Bank.

The strong compliance culture is ensured through detailed policies and guidelines, strong procedures, mechanism of regular reviews, monitoring and testing, regular messages from the top management on the importance of compliance and zero-tolerance towards non-compliance, and compliance awareness programmes.

The Compliance function plays a vital role in ensuring that the overall business of the Bank is conducted within the ambit of rules, regulations, laws and internal guidelines. The function assists the Board and Top Management in efficiently managing the compliance risk. The Compliance function works as a nodal link between the Bank and the regulatory authorities, namely RBI, SEBI, DFS, UIDAI, IBA, IRDAI, PFRDA, etc., and provides guidance to all verticals in the Bank on applicable regulatory framework, i.e., regulatory guidelines, statutes and advisories issued by these authorities.

The Bank has adopted three lines of defence: operations and business; internal governance, including Compliance Risk Management; and internal audit—to ensure a strong compliance culture at all levels.

Vigilance

The Vigilance Department has been functional in the Bank since October 2008 and its objective is to enhance the level of managerial and operational efficiency and effectiveness. The aim is to prevent, detect and curb opportunities for corruption, malpractice or misconduct on the part of the employees and take deterrent/preventive action to ensure highest standards of integrity, governance and ethical practices.

The Whistle Blower Policy was adopted by the Bank in 2009, to provide a channel to various stakeholders, viz., employees, customers, suppliers, shareholders, etc., to bring to the notice, any issue involving compromise/violation of ethical norms, legal or regulatory provisions, etc., without any fear of reprisal, retaliation, discrimination or harassment of any kind.

The Bank’s policy and processes in this regard are in complete sync with all statutory and regulatory guidelines on vigil mechanism to ensure a compliant, fraud-free and ethical work environment.

Customer Service



In FY2024, The Bank continued its focus on understanding the evolving needs of the customers, designing product & technology enabled propositions and building customer at the core philosophy within the organization, in line with its vision of being the ‘Most Convenient Bank’. The principles of Simple, Easy, Fast, and Transparent were leveraged in reimagining customer journeys, improving efficiency and client experience in interactions across touchpoints, to enable strong and lasting customer relationships.

The Bank has invested in setting up a dedicated Client Experience unit which continuously measures the Voice of Customers through transaction and engagement feedback, via digital mode. The Bank has adopted the Net Promoter Score (NPS) as a key metric to measure Customer Satisfaction and to drive improvement actions across its various customer channels and journeys. NPS program has been embedded across the bank and helps us to understand better what’s working well & what needs improvement and to prioritize our improvement efforts accordingly.

The Bank is making a steady progress in its commitment to deliver superior customer service experience as exhibited by increase in the Promoters trends, resulting in improved Net Promoter Score across journeys. The Voice of the customer along with the feedback from the relationship managers helps to assess customer satisfaction and enhance the existing client experience and service delivery standards for every channel.

To gauge and assure the service superiority of a very important touchpoint i.e. our branch network, bank conducts independent evaluations through external mystery audit firm. These outside assessments offer insights on branch hygiene, upkeep and service experience and guides the leadership towards focussed actions to improve experience.

The Bank has also laid diligent process of reviewing products & services before they are launched for the customers to ensure seamless experience post launch. Further, to support the product and service improvement journey, Customer feedback is also collected through Branch Level Customer Service Committee (BLCSC) meetings on a monthly basis.

Client Experience often reflects how the organization’s employees feel about their work. The Bank believes that there is a direct connection between Employee Experience and Customer Experience and that happy and supported employees are more likely to deliver enhanced customer experiences. Considering the employee as one of the critical stakeholders, the Bank has continuously placed renewed thrust on increasing employee support and engagement by following a three pronged approach:

- Continuous knowledge enrichment and skill enhancement through learning and development initiatives to enable faster and first time right service delivery
- Empowering its frontline employees to facilitate speedy resolution of customer issues at the first point of contact
- Recognizing Employees delivering exemplary service to the customers and duly appreciating them to elevate customer centric culture within the bank

Moreover, to ensure a positive client experience, it is imperative to have synergies across all teams in order to bridge gaps. With this objective, the Bank captures and measures Voice of Internal Customers (i.e. Employees). This not only allows employees to share their feedback but also gives an opportunity to drive improvement through benchmarks for internal departments. During the year, the overall voice of internal customer ratings showed a healthy improvement which is a testimony of the efforts being taken to build positive internal service culture

Providing an exceptional client experience is an on-going process and IndusInd Bank is committed to the continuous process of understanding its customers and evolving its Client experience strategy to meet the changing requirements of the clients.

Grievance Redressal Mechanism

The Bank follows the Board-approved 'Grievance Redressal Policy', which lays down a defined escalation process for all customer complaints received at branches and Corporate Offices, within the overall framework of RBI guidelines.

The Bank has also appointed an Internal Ombudsman and complaints which are rejected and/or partial relief is being provided to the Complainant, are referred to him for an independent review.

A Quarterly Report related to complaints received and redressed is placed before the Standing Committee on Customer Service (SCCS), Customer Service Committee of the Board (CSCB) and

Voice of Customer



I had recently visited the IndusInd Bank Jankipuram Branch for couple of queries for myself and my retired father in law's bank account. We both received excellent customer service by the Branch Manager and his staff. The experience was phenomenal. All the staff were solution-centric and guided us through the step-by-step process. They have won our hearts; we're extremely grateful for their support.



Voice of Internal Customer



“

Outstanding service received while opening a new savings account. The assistance provided was exceptional. I'm truly impressed with the quality of service and am confident in my decision to choose IndusInd Bank for my banking needs.

”

“

The IDC team always connects with us and understands the requirement to provide a resolution.

”



Board of Directors (BOD). Based on the recurrence of complaints in specific areas, causative factors are identified and remedial measures are initiated.

Customers can contact their respective Branch Manager, call the Bank's Contact Centre on the toll-free number, email the dedicated email IDs or access the Bank's website, www.indusind.com to lodge their grievances in a simplified way and get their complaints redressed without delay.

Details of the Nodal Officer/Regional Managers and Integrated Ombudsman Scheme, 2021 of the Reserve Bank of India are displayed at branches and hosted on the Bank's website.

Shareholder Satisfaction

At IndusInd Bank, we recognize the importance of regular and transparent communication with our shareholders. Shareholders shall continue to receive best-of-class services and be promptly informed of the developments in the Bank.

Contact details of shareholders such as e-mail IDs, mobile numbers and telephone numbers are obtained, to communicate to them about developments of the Bank. This direct communication is in addition to the regular dissemination of information through usual channels such as the stock exchanges, press, the Bank's website, RTA's website, etc.

The practice of sending SMS / e-mail messages to shareholders continues, informing about Board meetings for Quarterly / Annual Financial Results, and forwarding snapshots of the results.

The Bank has been at the forefront of 'Green Initiatives' and aspires to graduate to paperless disclosures and compliances continually.

With the implementation of the Companies Act, 2013, companies are permitted to send Annual Reports and other communications electronically to shareholders who have registered their email addresses with the Bank or made them available by the Depository.

Shareholders are requested to furnish their e-mail IDs at investor@indusind.com or by sending a request in writing to the Secretarial & Investor Services Office to help accelerate the migration to paperless communication.

The full text of the Annual Report is also made available in an easily navigable format on the website www.indusind.com under the link 'Investors/Reports and Presentation/Annual Reports'.

Shareholders are also informed about the process for claiming the dividend amounts lying unclaimed with the Bank.

As regards the transmission of securities, in the case of securities held in physical mode (in a single name, without nomination), SEBI vide Circular No. SEBI/HO/MIRSD/RTAMB/P/CIR/2022/65

dated, May 18, 2022 has prescribed a threshold limit of up to ₹5,00,000 (rupees five lakhs only) in case of securities held in physical mode, i.e., market value of securities per folio, as on the date of the application for transmission, for following simplified documentation.

SEBI has, however, empowered issuer companies to enhance the value of such securities at their discretion. The Bank already increased the threshold limit for shares held in physical mode up to ₹10 lakh at its Board Meeting held on October 13, 2014.

Considering the difficulties faced by legal heirs of deceased shareholder(s), in obtaining of Succession Certificate / Probate / Letters of Administration, the Board of Directors of the Bank has, for the convenience of shareholders, delegated the authority to the Share Transfer Committee for approving transmission of securities held in physical mode of market value of securities of up to ₹10,00,000 (Rupees Ten lakhs only) subject to compliance with the simplified documentation procedure prescribed by SEBI.

Shareholders are requested to note that pursuant to provisions of Section 124 of the Companies Act, 2013, the amounts of dividend remaining unpaid or unclaimed for a period of 7 years from the date of their transfer to the Bank's Unpaid Dividend Accounts are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, the Ministry of Corporate Affairs has made effective the provisions of Section 124(6) of the Companies Act 2013, which requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF Authority.

The Bank has sent intimation to shareholders on May 31, 2024, in respect of the shares on which dividend for FY2017 had remained unpaid or unclaimed for seven consecutive years or more, requesting them to claim such dividend on or before August 30, 2024, so as to avoid the corresponding shares from being transferred to the IEPF Authority.

Notice in this regard was also published in Financial Express (all editions) and Loksatta (Pune Region) on May 29, 2024.

The detailed procedure for claiming the shares / Dividend amounts which have been transferred to IEPF Authority is available on the website of the IEPF Authority at: <http://www.iepf.gov.in/IEPFA/refund.html>.

Shareholders are requested to contact Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of The Bank (contact details and office address given in the Notice) / Secretarial and Investor Services Department of the Bank, for claiming unclaimed dividends standing in their name.

The information pertaining to unpaid or unclaimed dividends, the details of such shareholders and the shares due for transfer to the IEPF Authority is also available on the Bank's website at www.indusind.com.

Directors' Report

Dear Shareholders,

The Board of Directors of IndusInd Bank Limited ("the Bank") have pleasure in presenting its report covering business and operations of the Bank, together with the Audited Financial Statements for the financial year ended March 31, 2024.

The financial performance for the financial year ended March 31, 2024 is summarized as under:

Particulars	(₹ in crores)	
	As on March 31, 2024	As on March 31, 2023
Deposits	3,84,792.92	3,36,438.14
Advances	3,43,298.27	2,89,923.68
Operating Profit (before Provisions and Contingencies)	15,740.27	14,346.48
Net Profit	8,949.78	7,389.72

The Bank demonstrated traction in operating performance metrics, like disbursements, resource mobilization through deposits, growth in operating profit, and better asset quality.

Our deposits grew by 14.37% while loan growth accelerated to 18.41% for the year. Balance sheet footage crossed ₹5 trillion mark as of March 31, 2024.

The Bank maintained healthy profitability amidst a challenging operating environment with improvement in operating profit before provisions and contingencies by 9.72% (i.e., ₹15,740.27 crores from ₹14,346.48 crores in previous year). Net Interest Margin of the Bank stood at 4.28%. Further, total Provisions and Contingencies decreased by 2.39% from ₹6,956.77 crores to ₹6,790.49 crores. Net Profit increased to ₹8,949.78 crores, as against ₹7,389.72 crores in the previous year.

Appropriations

The Directors recommend appropriation of Profit as under:

	(₹ in crores)
Operating Profit before Provisions and Contingencies	15,740.27
Less: Provisions and Contingencies inclusive of Income Tax	6,790.49
Net Profit	8,949.78
Profit Brought Forward	23,793.36
Amount available for Appropriation	32,743.14
Transfer to Statutory Reserve	2,237.45
Transfer to Capital Reserve	43.30
Dividend Paid	1,086.37
Transfer to investment fluctuation reserve account	200.00
Total Appropriations	3,567.12
Balance carried over to Balance Sheet	29,176.02

Dividend

The Basic Earning Per Share (EPS) of the Bank during the year showed an improvement to ₹115.19 compared to ₹95.32 in the previous year.

The Board of Directors, in their meeting held on April 25, 2024, have recommended dividend of ₹16.50 per equity share of ₹10 each (165% of Face Value) for the financial year ended March 31, 2024 (Dividend for FY 2022-23 was ₹14.00 per equity share of ₹10 each). This proposal is subject to the approval of the Shareholders at the ensuing 30th Annual General Meeting.

Dividend declared in the current year is in line with the Dividend Distribution Policy of the Bank. The Dividend Distribution Policy of the Bank can be accessed from Bank's website at:

<https://www.indusind.com/content/dam/indusind-corporate/investor-resource/PoliciesoftheBank/IndusInd-Bank-Limited-Dividend-Distribution-Policy.pdf>

Financial performance and state of the affairs of the Bank

The year under review was the first year of the 6th Triennial Planning Cycle of the Bank, (Planning Cycle 6) with the theme of "Growth, Granularity and Governance (3G in short)".

The focus of the Bank during the year under review was towards continuing deposit retailisation journey, driving granular loan growth with diversification of domains, scaling sub-scale businesses, accelerating digital 2.0 with planned launches & scale-up of existing initiatives, maintaining healthy & consistent profitability, upholding robust balance sheet & sustainability ratios, strengthening governance & compliance and imbibing

ESG into business. While Deposits grew by 14.37% year-on-year (with CASA improving by 8.02%), Advances grew by 18.41% over the previous year, and the Bank continued to maintain Liquidity Coverage Ratio above statutory requirements.

Total Income (net of interest expense) of the Bank for the year under review grew by 16.48% to ₹30,003.76 crores from ₹25,758.49 crores during the previous year. Net Interest Income increased by 17.19% to ₹20,615.91 crores from ₹17,592.12 crores during the previous year.

Given the economic activities that has almost “recouped” what it lost, “renewed”, and “re-energized”, what had stalled during the pandemic, the Non-Interest Income increased by 14.96% to ₹9,387.84 crores from ₹8,166.37 crores a year ago. Core Fee Income such as, commission, exchange, loan processing and account management fees, fees on Investment Banking and distribution of third-party products, and earnings from foreign exchange business increased by 13.15% to ₹8,696.54 crores from ₹7,685.33 crores during the previous year.

With long- term inflation, borrowing costs remained higher for longer period and lengthened the tightening cycle. While Yield on Advances rose to 12.42% as compared to 11.68% in the previous year, the Cost of Deposits increased to 6.34% from 5.32% a year ago.

The Bank expanded its branch network and has 2,984 branches / banking outlets, as against 2,606 branches / banking outlets at the beginning of the year. The extended network of the Bank included 2,956 ATMs, 3,620 branches of Bharat Financial Inclusion Ltd. (“BFIL”), and 367 outlets of IndusInd Marketing and Financial Services Private Limited, an associate entity.

During the year under review, there was consistent improvement across Return Ratios. The Net Non-Performing Assets of the Bank improved to 0.57% as on March 31, 2024 as compared to 0.59% a year ago.

During the year under review, business performance of the Bank improved due to which, Return on Assets for the year stood at 1.90% as against 1.81% in the previous year.

Some of the significant events during the year are listed below:

- The Bank has reported highest ever profit since inception. The Balance Sheet size also surpassed the ₹5 trillion mark as of March 31, 2024.
- The Bank has exercised call option and redeemed Additional Tier 1 Bonds of ₹1,489.90 crores on March 28, 2024.
- IndusInd Bank has been certified “Great Place to Work”.

Change in the Nature of Business

During the year under review, there has been no change in the nature of business of the Bank.

Performance of Subsidiary and Associate Company

During the year under review, Bharat Financial Inclusion Limited (“BFIL”), the wholly owned subsidiary of the Bank, earned revenue of ₹2,334.64 crores as against ₹1,735.53 crores earned during the previous year. The Net Profit for the year under review amounted to ₹27.21 crores as against ₹53.42 crores a year ago. As a Business

Correspondent undertaking, the strength of BFIL lies in its talent pool of trained and motivated employees that stood at 40,700 as on March 31, 2024.

IndusInd Marketing and Financial Services Private Limited (“IMFS”) is an Associate Company of the Bank as 30% of its share capital is held by the Bank. IMFS is engaged in the business of providing manpower services, and during the year under review, earned a revenue of ₹466.12 crores as against ₹475.55 crores earned in the previous year. The net profit earned by IMFS during the year under review amounted to ₹1.02 crores as against ₹1.21 crores earned in the previous year. IMFS had 12,842 employees on its rolls as on March 31, 2024.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the Bank has drawn up Consolidated Financial Statements including the Financial Statements of its Subsidiary Company and financial results of Associate Company, and such Consolidated Financial Statements are included in this Integrated Annual Report.

In accordance with the fourth proviso to Section 136(1) of the Companies Act, 2013, the Standalone Financial Statements and the Consolidated Financial Statements, including audited accounts of BFIL and IMFS and all other documents required to be attached thereto have been hosted on the website of the Bank at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

A statement containing the salient features of the financial position of the Subsidiary and Associate Company in Form AOC-1 is enclosed as ‘Annexure’ to the Financial Statements.

The Bank does not have any joint venture company and the subsidiary is not a material subsidiary in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 [“SEBI Listing Regulations”]).

Share Capital

During the year under review, authorized capital of the Bank was at ₹1,000.00 crores.

The issued, subscribed and paid-up share capital of the Bank as at March 31, 2024 is ₹778.32 crores comprising of 77,83,19,951 equity shares of face value of ₹10 each.

During the year under review, the Bank has allotted 24,24,753 equity shares of ₹10 each pursuant to exercise of options by option holders under its various Employee Stock Option Schemes (“ESOS”). The equity shares allotted under ESOS ranks pari-passu with the existing equity shares issued and allotted by the Bank. The share capital of the Bank increased by ₹2.42 crores and share premium by ₹242.24 crores on account of the said allotment.

Debentures

Being a Scheduled Commercial Bank, compliance with the SEBI Circular No.: SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 on fund-raising by issuance of Debt Securities by Large Entities is not applicable to the Bank.

In compliance with Regulation 53 of the SEBI Listing Regulations, the names of the Debenture Trustees with their contact details are given below:

Trustee

Name of Debenture Trustee	: Catalyst Trusteeship Limited (formerly GDA Trusteeship Ltd.)
Address	: GDA House, S. No.94/95, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411038, Maharashtra, India
Website	: www.catalysttrustee.com
E-mail	: dt@ctltrustee.com

Tier 1 Capital

During FY 2023-24, the Bank has not raised any non-equity Tier 1 capital. The Bank has redeemed unsecured, redeemable, subordinated Tier 1 Basel III compliant non-convertible taxable Bonds by exercising the call option of ₹1,489.90 crores on March 28, 2024.

Tier 2 Capital

During FY 2023-24, the Bank has not raised any Tier 2 capitals. As on March 31, 2024, the value of outstanding Tier 2 Capital instruments is ₹2,800.00 crores.

Deposits

The Bank is a banking company governed by the Banking Regulation Act, 1949, and as such, the provisions in the Companies Act, 2013 relating to acceptance of Public Deposits are not applicable.

Capital Adequacy

The Bank continues to be adequately capitalized. The Capital Adequacy Ratio of the Bank, calculated under the Basel III Capital Regulations mandated by Reserve Bank of India ("the RBI"), is set out below:

Particulars	As at March 31, 2024	As at March 31, 2023
i) Capital Adequacy Ratio (CRAR)	17.23%	17.86%
ii) CRAR- Common Equity Tier 1 Capital	15.82%	15.93%
iii) CRAR- Tier 1 Capital	15.82%	16.37%
iv) CRAR- Tier 2 Capital	1.41%	1.49%

Credit Ratings

Instruments	Rating	Rating Agency
Domestic Ratings		
Infrastructure Bond program/Tier 2 Bonds	AA+	CRISIL
Certificates of Deposit Program / Short Term FD Program	A1+	CRISIL
Certificates of Deposit Program	A1+	CARE
Senior Bonds program /Tier 2 Bonds	AA+	India Ratings and Research
International Ratings		
Senior Unsecured MTN Programme	Ba1	Moody's Investors Service

Bank's Directors

The Bank's Board comprised eleven Directors as on March 31, 2024, i.e., nine Non-Executive, Independent Directors, Mr. Sunil Mehta, Part-time Chairman, Dr. T. T. Ram Mohan, Mrs. Akila Krishnakumar, Mr. Rajiv Agarwal, Mrs. Bhavna Doshi, Mr. Jayant Deshmukh, Mr. Pradeep Udhas, Mr. L. V. Prabhakar, Mr. Rakesh Bhatia, and Mr. Sumant Kathpalia, Managing Director & CEO and Mr. Arun Khurana, Whole-time Director (Executive Director).

(a) Non-Executive, Independent Directors

All Independent Directors have confirmed that they meet the criteria of independence as prescribed under Section 149 (6) and (7) of the Companies Act, 2013, and Regulation 25 of the SEBI Listing Regulations. The following Directors continue to be identified as Independent Directors as on March 31, 2024:

1. Mr. Sunil Mehta
2. Dr. T. T. Ram Mohan

3. Mrs. Akila Krishnakumar
4. Mr. Rajiv Agarwal
5. Mrs. Bhavna Doshi
6. Mr. Jayant Deshmukh
7. Mr. Pradeep Udhas
8. Mr. L. V. Prabhakar
9. Mr. Rakesh Bhatia

Pursuant to Regulation 25(9) of SEBI Listing Regulations, the Bank's Board of Directors have also obtained a Certificate from M/s Alwyn Jay & Co., Practicing Company Secretaries, that the aforesaid Directors meet the 'Criteria of Independence' and are independent of the Management. The said Certificate is furnished at **Annexure I**, and forms an integral part of this Integrated Annual Report.

(b) Woman Director

In terms of the provisions of Section 149 of the Companies Act, 2013, read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 of the SEBI Listing Regulations, specified companies are required to have at least one Woman Director on their Board.

Mrs. Akila Krishnakumar (DIN: 06629992), who joined the Board on August 10, 2018, is a Non-Executive, Independent Woman Director of the Bank. Mrs. Akila Krishnakumar is Chairperson of the Compensation and Nomination & Remuneration Committee, Corporate Social Responsibility & Sustainability Committee, and I. T. Strategy Committee. She is also a Member of the Audit Committee of the Board, and Special Committee (for monitoring large value frauds).

Mrs. Bhavna Doshi (DIN: 00400508), who joined the Board on January 14, 2020, is a Non-Executive, Independent Woman Director of the Bank. Mrs. Bhavna Doshi is the Chairperson of the Audit Committee of the Board. She is also a Member of the Finance Committee, Stakeholders' Relationship Committee, Risk Management Committee, and Special Committee (for monitoring large value frauds).

Appointment / Re-appointment of Directors

Pursuant to the recommendation of the Compensation and Nomination & Remuneration Committee (C&NRC), the Board of Directors have appointed / re-appointed the following Directors:

- **Mr. Sunil Mehta (DIN:00065343):** The Reserve Bank of India had approved the appointment of Mr. Sunil Mehta as Part-time Chairman of the Bank, for a period of three years, with effect from January 31, 2023 up to January 30, 2026 (both days inclusive).

The Shareholders of the Bank had on April 6, 2023, approved the appointment of Mr. Sunil Mehta as Part-time Chairman of the Bank, with effect from January 31, 2023 up to January 30, 2026 (both days inclusive), by passing a Special Resolution through postal ballot.

- **Mr. Sumant Kathpalia (DIN: 01054434):** The Reserve Bank of India had approved the re-appointment of Mr. Sumant Kathpalia as Managing Director & CEO of the Bank with effect from March 24, 2023 up to March 23, 2025 (both days inclusive).

The Shareholders of the Bank had on June 6, 2023, approved the re-appointment of Mr. Sumant Kathpalia as Managing Director & CEO the Bank, with effect from March 24, 2023 up to March 23, 2025 (both days inclusive), by passing an Ordinary Resolution.

- **Mr. Arun Khurana (DIN: 00075189):** The Board of Directors had on June 28, 2023, approved the appointment of Mr. Arun Khurana, Deputy CEO of the Bank, as Additional Director, in the capacity of Whole-time Director (Executive Director) of the Bank, for a period of three years, and at a remuneration as may be approved by the RBI, and the Shareholders of the Bank.

RBI had vide letter dated November 16, 2023, approved the appointment of Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank for a period of three years, with effect from November 16, 2023.

The Shareholders of the Bank had on January 23, 2024, approved the appointment of Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank, with effect from November 16, 2023 up to November 15, 2026 (both days inclusive), by passing an Ordinary Resolution through Postal Ballot. Mr. Arun Khurana being a Non-Independent Director, is liable to retire by rotation.

- **Mr. Lingam Venkata Prabhakar (DIN: 08110715):** The Board of Directors had on March 30, 2024 approved the appointment of Mr. Lingam Venkata Prabhakar as Non-Executive, Independent Director of the Bank for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

The Shareholders of the Bank had, on June 12, 2024, approved the appointment of Mr. Lingam Venkata Prabhakar as Non-Executive, Independent Director, of the Bank by passing a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mr. Lingam Venkata Prabhakar is not liable to retire by rotation.

- **Mr. Rakesh Bhatia (DIN: 06547321):** The Board of Directors had on March 30, 2024, approved the appointment of Mr. Rakesh Bhatia as Non-Executive, Independent Director of the Bank for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

The Shareholders of the Bank had, on June 12, 2024, approved the appointment of Mr. Rakesh Bhatia as Non-Executive, Independent Director of the Bank by passing a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mr. Rakesh Bhatia is not liable to retire by rotation.

- **Mrs. Bhavna Doshi (DIN: 00400508):** The Board of Directors had on August 23, 2023, approved the re-appointment of Mrs. Bhavna Doshi as Non-Executive, Independent Director of the Bank, for a second term of four years, with effect from January 14, 2024 up to January 13, 2028 (both days inclusive).

The Shareholders of the Bank had, on October 3, 2023, approved the said re-appointment of Mrs. Bhavna Doshi as Non-Executive, Independent Director of the Bank, by passing a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mrs. Bhavna Doshi is not liable to retire by rotation.

Retirement by Rotation

Mr. Arun Khurana (DIN: 00075189): In compliance with Section 152 of the Companies Act, 2013, Mr. Arun Khurana, Whole-time Director (Executive Director) of the Bank is liable to retire by rotation at the 30th Annual General Meeting of the Bank and being eligible, offers himself for re-appointment.

A Resolution seeking approval of the Shareholders for Mr. Arun Khurana's re-appointment, forms part of the Notice convening the 30th Annual General Meeting. A brief Resume: of Mr. Arun Khurana is furnished in the Report on Corporate Governance for information of the Shareholders.

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of the Directors seeking appointment / re-appointment, as aforesaid are given in the Annexure to the Statement attached to the Notice convening the 30th Annual General Meeting, which forms part of the Integrated Annual Report.

Pursuant to the provisions of Section 164 of the Companies Act, 2013, none of the Directors have been disqualified from being appointed as 'Director' of the Bank.

Certificate of Non-Disqualification of Directors

In terms of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the Bank has obtained a Certificate from M/s Alwyn Jay & Co., Practicing Company Secretaries, confirming that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as Directors of the companies, either by the SEBI or the MCA or any other statutory/ regulatory authorities. The said Certificate is attached as **Annexure II** to this Integrated Annual Report.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR UNDER REVIEW:

The Independent Directors appointed/re-appointed during the year under review were subject to due-diligence by the Compensation and Nomination & Remuneration Committee, based on parameters of qualification, expertise, track record, integrity and such other parameters as stipulated under extant norms prescribed by the RBI.

Based on the recommendations of the Compensation and Nomination & Remuneration Committee, the Board of Directors, after conducting their own assessment, were of the opinion that the Independent Directors appointed / re-appointed during the year under review, possess the necessary integrity, expertise and experience, and that their appointment / re-appointment, is in the interest of the Bank.

Cessation of Directors during the year under review

- **Mr. Sanjay Asher (DIN: 00008221):** ceased to be Director of the Bank with effect from close of business hours on October 9, 2023, on completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Mr. Sanjay Asher during his tenure on the Board.

- **Mr. Shanker Annaswamy (DIN: 00449634):** ceased to be Director of the Bank with effect from close of business hours on January 11, 2024, on completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Mr. Shanker Annaswamy during his tenure on the Board.

Appointment / Cessation of Directors after the end of the year under review and upto the date of this Report

- **Mr. Sudip Basu (DIN: 09743986):** was appointed as Non-Executive, Non-Independent Director of the Bank by the Board of Directors with effect from May 30, 2024.

The Shareholders of the Bank had, on July 4, 2024, approved the appointment of Mr. Sudip Basu as Non-Executive, Non-Independent Director of the Bank for a period of four years, with effect from May 30, 2024 up to May 29, 2028 (both days inclusive) by passing an Ordinary Resolution through Postal Ballot. Mr. Sudip Basu being a Non-Independent Director, is liable to retire by rotation.

- **Dr. T. T. Ram Mohan (DIN: 00008651):** ceased to be Director of the Bank with effect from close of business hours on May 11, 2024, on completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Dr. T. T. Ram Mohan during his tenure on the Board.

Board and Committee Meetings

During the year under review, 21 meetings of the Board of Directors were held.

Details of composition of the Board and of all its Committees, Meetings held, and Attendance of the Directors at such Meetings, are provided in the Corporate Governance Report, which forms part of the Integrated Annual Report.

The intervening gap between the meetings of the Board and Committees, was within the period as prescribed under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Compensation and Nomination & Remuneration Committee of the Board had laid down the criteria for Performance Evaluation of the Board as a whole, Individual Directors including Independent Directors, Non-Independent Directors, the Chairman and the Committees of the Board, as well as the process for such evaluation.

The Bank has aligned its Board Evaluation Framework in line with the Guidance Note on Board Evaluation issued by the SEBI as per Circular dated January 5, 2017.

The Bank has engaged an external Independent Professional Agency for conducting the Performance Evaluation exercise.

The Board of Directors has carried out the annual evaluation of the performance of the Board as a whole, Individual Directors including Independent Directors, Non-Independent Directors, the Chairman and the Committees of the Board.

The performance of the Board as a whole, Individual Directors including Independent Directors, Non-Independent Director, the Chairman and the Committees of the Board have been evaluated / reviewed by the Compensation and Nomination & Remuneration Committee, by the Independent Directors and by the Board of Directors.

The Board has formulated a Policy on Performance Evaluation which details the various aspects that are to be considered for evaluating the performance of the Board, including but not limited to attendance, participation in the meetings, contribution towards strategies of the Board, etc.

The Policy on Performance Evaluation provides a guideline for the individual Directors to evaluate the Board, its Committees and individual directors.

The Policy on Performance Evaluation is available on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

The Statement indicating the manner in which the evaluation exercise was conducted is included in the Corporate Governance Report, which forms part of this Integrated Annual Report.

Policy for Selection and Appointment of Directors

The Board of Directors are at the helm of the Bank and an enlightened Board creates a culture of leadership and provides a long-term policy approach to improve the quality of governance.

The Policy for Selection and Appointment of Directors has been formulated and adopted by the Bank in terms of Section 178 of the Companies Act, 2013, the relevant provisions of the SEBI Listing Regulations, Section 10A of the Banking Regulation Act, 1949 and the Guidelines issued by the RBI, in this regard, from time to time.

The Policy for Selection and Appointment of Directors shall act as a guideline for the Compensation and Nomination & Remuneration Committee for determining the qualifications, positive attributes, independence of Directors and matters related thereto, to recommend appointment and removal of Directors on the Board of the Bank.

The Policy for Selection and Appointment of Directors has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

Familiarization Programs for Independent Directors

Various programs were undertaken for familiarizing the Independent Directors of the Bank, details of which are disclosed in the Corporate Governance Report, which forms part of the Integrated Annual Report.

Change in Key Managerial Personnel

During the FY 2023-24, Mr. Arun Khurana, Deputy CEO of the Bank was appointed as Whole-time Director [Executive Director] with effect from November 16, 2023, upon approval of the RBI.

System for Internal Financial Controls and its Adequacy

The Bank operates in a fully computerized environment with a Core Banking Solution system, supported by diverse application platforms for handling special businesses, such as Treasury, Trade Finance, Credit Cards, Retail Loans, etc.

The process of recording of transactions in each of the application platforms is subject to various forms of controls such as, in-built system checks, Maker – Checker authorizations, independent post-transaction reviews, etc.

The Financial Statements are prepared based on computer system outputs. The responsibility of preparation of Financial Statements is entrusted to a dedicated unit which is completely independent. This unit does not originate accounting entries except for limited matters such as, Share Capital, Taxes, Transfers to Reserves and few book closing entries.

The Bank has implemented adequate procedures and internal controls which provide reasonable assurance regarding reliability of financial reporting and preparation of Financial Statements,

and that such internal financial controls were adequate and were operating effectively during the year.

Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy and technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, is mentioned below.

Conservation of Energy:

Considering the nature of its activities as an entity in the Financial Services sector, the Bank has voluntarily taken steps towards conservation of energy, details of which are furnished in Principle 6 of the Business Responsibility and Sustainability Report which has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/sustainability/esg-ratings-and-reporting.html>

Technology Absorption:

The Bank has made optimum use of Information Technology in its operations. Details pertaining to Technology Absorption have been explained in the Management Discussion and Analysis Report which forms an integral part of the Integrated Annual Report.

Foreign Exchange Earnings and Outgo:

The provisions relating to 134 (3) (m) of the Companies Act, 2013, on particulars relating to Foreign Exchange Earnings and Outgo are not applicable to a banking company and as such, no disclosure is being made in this regard.

Risk Management

The Bank has an Enterprise-wide Risk Management (ERM) framework in place. The integrated Risk Management Department covers, Credit Risk, Market Risk, Assets-Liabilities Management (ALM) and Operational Risk across all verticals, independent of business functions.

Risk Management functions in the Bank have been aligned with best industry practices, supported by advanced risk measurement and analytical systems which enable proactive risk management and monitoring. Risk Management is continually enhanced in line with changes in operating environment and regulations.

The Bank has a comprehensive framework of Risk Management Policies which specify the risk appetite, risk measurement methodologies, and monitoring and control measures for the respective business segments. The policies have been designed keeping risk appetite as the central objective, and business strategies have been aligned to risk policies.

The Bank has set up a Board-level Committee, viz., 'Risk Management Committee' to examine risk policies and procedures developed by the Bank and monitor adherence to risk parameters and prudential limits set for different portfolios / products / segments.

Details of Risk Management Models and Frameworks implemented by the Bank are mentioned under 'Management Discussion and Analysis'.

Vigil Mechanism / Whistle Blower Policy

The Bank has in place the 'Whistle Blower Policy' since 2009. The Policy is in compliance with the RBI Guidelines, provisions of the Companies Act, 2013, and the SEBI Listing Regulations. The Vigil Mechanism at the Bank requires submission of Quarterly Reviews before the Audit Committee of the Board, and placing of Annual

Reviews before the Audit Committee and the Board of Directors. The Policy also incorporates suggestions of the Protected Disclosure Scheme for Private Sector and Foreign Banks, instituted by the RBI.

The Board of Directors of the Bank have constituted a Board-level Committee, viz., the Vigilance Committee, which conducts overview of cases of vigilance nature arising out of actions of the employees of the Bank. The Committee meets at least thrice a year.

The Bank's Whistle Blower Policy is in sync with all statutory and regulatory guidelines.

Further details about the Vigil Mechanism are furnished in the Report on Corporate Governance and the Whistle Blower Policy of the Bank has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html> > Policies & Codes >> Whistle Blower Policy

Reporting of Frauds by the Auditors

During the year under review, pursuant to Section 143(12) of the Act, neither the statutory auditors nor the secretarial auditor of the Bank have identified any instances of frauds committed in the Bank by its officers or its employees.

Statutory Auditors

M/s M S K A & Associates, Chartered Accountants (ICAI Firm Registration Number 105047W) and M/s M. P. Chitale & Co., Chartered Accountants (ICAI Firm Registration Number 101851W), were the Joint Central Statutory Auditors of the Bank for the financial year ended March 31, 2024.

The Joint Central Statutory Auditors have not made any qualification / reservation / adverse remarks or disclaimer in their report for FY 2023-24.

As per the RBI guidelines issued on April 27, 2021, a Statutory Auditor can conduct audit of Scheduled Commercial Bank for a maximum period of three years at a time. Statutory Auditor would not be eligible for re-appointment in the same Entity for six years (two tenures) after completion of full or part of one term of the audit tenure.

Members may note that the appointment of M/s. M. P. Chitale & Co., Chartered Accountants, was approved by the Members at the 27th Annual General Meeting of the Bank held on August 26, 2021, for a period of three consecutive years, i.e., until the conclusion of the 30th Annual General Meeting, subject to approval from the RBI on an annual basis.

Since M/s M. P. Chitale & Co. has completed their tenor of three years and their appointment is valid up to the conclusion of the 30th Annual General Meeting, the Bank hereby proposes to appoint M/s Chokshi & Chokshi LLP (ICAI Firm Registration Number 101872W/W100045) as one of the Joint Central Statutory Auditors of the Bank for period of three years, commencing from conclusion of 30th Annual General Meeting until the conclusion of 33rd Annual General Meeting, which would be held in FY 2027-28, subject to approval from the RBI on an annual basis.

Appointment of M/s M S K A & Associates, Chartered Accountants, (ICAI Firm Registration Number 105047W) was approved by the Members at the 28th Annual General Meeting of the Bank held on August 19, 2022, for a period of three consecutive years, i.e.,

until the conclusion of the 31st Annual General Meeting, subject to approval from the Reserve Bank of India on an annual basis.

M/s M S K A & Associates, Chartered Accountants, (ICAI Firm Registration Number 105047W) are proposed to be re-appointed as one of the Joint Central Statutory Auditors of the Bank for FY 2024-25, being their third year of appointment.

Independent Auditors' Report

M/s M S K A & Associates and M/s M. P. Chitale & Co., Joint Central Statutory Auditors of the Bank, have audited the accounts of the Bank for the year FY 2023-24 and their Report is enclosed and forms part of the Integrated Annual Report.

Pursuant to Section 143(3)(i) of the Companies Act, 2013, the Joint Central Statutory Auditors have also reported on the adequacy and operating effectiveness of internal financial controls system over financial reporting, which has been enclosed as 'Annexure A' to the Independent Auditors' Report.

Significant Audit observations, if any, and corrective actions taken by the Management are presented to the Audit Committee of the Board from time to time.

There are no qualifications, reservations or adverse remarks or disclaimers made in the Auditors' Report.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Bank had appointed M/s Alwyn Jay & Co., Company Secretaries in Practice, to undertake Secretarial Audit of the Bank for the FY 2023-24.

The Secretarial Audit Report submitted by M/s Alwyn Jay & Co. is furnished at **Annexure III**, and forms an integral part of this Integrated Annual Report. There were no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditor in their report.

Employees Stock Option Scheme

The Bank had instituted the Employee Stock Option Scheme (ESOS-2020) to enable its employees, including Whole-time Directors, to participate in the capital appreciation and future growth of the Bank.

Under the Scheme, Options can be granted, which upon exercise could give rise to the issuance of a number of shares up to 7% of the aggregate number of paid-up equity shares of the Bank from time to time. The eligibility and number of Options to be granted to an employee is determined on the basis of criteria laid down in the Scheme and is approved by the Compensation and Nomination & Remuneration Committee of the Board of Directors.

An aggregate of 5,45,36,022 Options, comprising approx. 7% of the Bank's paid-up Equity Capital, have been granted under the Scheme. Statutory disclosures as required under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are given at **Annexure IV**, and form an integral part of this Integrated Annual Report.

The Annual Certificate on compliance with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 issued by the Secretarial Auditor of the Bank shall be placed before the

Members at the ensuing Annual General Meeting of the Bank.

The Employees Stock Option Scheme is administered by the Compensation and Nomination & Remuneration Committee of the Board.

Statutory disclosures as mandated under Regulation 14 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, have been hosted on the website of the Bank at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

Proceedings under Insolvency and Bankruptcy Code

Details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review, along with their status as at the end of the financial year:

Pan No	Borrower	Date of Filing the case	Date of admission	Is the case filed under the RBI direction?	Resolution status (RP /Liquidation/ Delay / Yet to be Admitted)	Remarks
AAACG0108J	Gallium Industries Ltd.	30-06-2017	21-07-2017	No	Liquidation Order passed	The application for dissolution of Gallium Industries Ltd. was filed by liquidator before the Hon'ble NCLT and same has been admitted vide Order dated November 29, 2023, to dissolve the Company.
AAACC1921B	Cox & Kings Ltd (Borrower) Cox and Kings Global Services Pvt Ltd. (Corporate Guarantor)	29-06-2020	05-01-2023	No	Admitted	In the matter of Cox & Kings Limited (Borrower), an application u/s 7 of IBC has been filed against the Corporate Guarantor- Cox & Kings Global Services Ltd. which has been admitted on January 5, 2023, and the Bank has filed its claim. Since there was no asset liquidation, Order was passed and subsequently liquidator is in the process to file a dissolution application.
AAACW6349M	SITI NETWORKS LIMITED	30-04-2022	22-02-2023	No	Admitted	The Bank has filed Section 7 application against the borrower SITI Networks Ltd. and CIRP is going on. 3 resolution applicants have submitted resolution plan which is under scrutiny.
AACCH3475M	Hacienda Projects Pvt. Ltd.	05-05-2022	11-11-2022	No	Admitted	The Bank has filed section 7 application against the borrower Hacienda Projects Pvt. Ltd. and claimed full dues. Currently there is a Stay Order on CIRP.
AADCC5681P	Cloud 9 Projects Pvt. Ltd.	05-05-2022	-	No	Yet to be admitted	The Bank has filed Section 7 application against the Borrower, which is pending for admission. The next date of hearing is May 17, 2024.
AADCT5306Q	Fidere Facilities Management Pvt. Ltd	16-02-2023	05-10-2023	No	Admitted	The Bank has filed section 7 application against the borrower and claimed full dues. CIRP is going on.
AAICS6204K	Siddhi Agro Foods Pvt Ltd.	29-03-2023	03-04-2024	No	Admitted	Application under Section 7 of the IBC filed before NCLT, Bangalore. CIRP is going on.
AAECG1970A	GRAND AUTO UDHO P LTD.	29-04-2023	06-03-2024	No	Admitted	Application under Section 7 of the IBC filed before NCLT. CIRP is going on.

Compliance with Secretarial Standards

The Bank has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and has put in place systems which are adequate and are operating effectively.

Maintenance of Cost Records

Being a banking company, the Bank is not required to maintain cost records as per sub- section (1) of Section 148 of the Companies Act, 2013.

Pan No	Borrower	Date of Filing the case	Date of admission	Is the case filed under the RBI direction?	Resolution status (RP /Liquidation/ Delay / Yet to be Admitted)	Remarks
AACCF0799E	Feedback Energy Distribution Company Limited	26-06-2023	12-12-2023	No	Admitted	Application under Section 7 of the IBC has been filed before NCLT. CIRP is going on.
AAECV0177C	Vamsee Teja Modern Rice Mill Pvt Ltd	03-07-2023	-	No	Yet to be admitted	Application has been filed under section 7 of IBC and last date of hearing was on May 7, 2024.
AAACE6918J	McLeod Russel India Ltd	13-07-2023	-	No	Yet to be admitted	Application has been filed under section 7 of IBC and next date of hearing is on June 19, 2024.
AAFCN5811N	Nice Texcot Trading & Agency Private Limited (Borrower) Precision Realty Developers Private Limited (Corporate Guarantor)	23-08-2023	20-10-2023	No	Admitted	Section 7 application (IBC/NCLT) has been filed against the Precision Realty Developers Pvt. Ltd corporate guarantor & mortgager to Nice Texcot Trading Company Private Limited (Principal Borrower) for its liability. However, application filed by Phoenix ARC is being admitted and the Bank has filed its claim. CIRP is going on.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors make the following statement in terms of Section 134(3)(c) and 134 (5) of the Companies Act, 2013:

- that in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and that judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as at March 31, 2024, and of the profit of the Bank for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities;
- that the Annual Financial Statements have been prepared on a 'going concern' basis;
- that proper internal financial controls were in place and that the financial controls were adequate and operating effectively; and
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Annual Return

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return of the Bank as on March 31, 2024, in the prescribed Form MGT-7 is available on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

Particulars of Employees

The Bank had 45,637 employees on its rolls as on March 31, 2024.

105 employees employed throughout the year were in receipt of remuneration of ₹1.02 crores per annum or more, and 33 employees employed for the part of the FY 2023-24 were in receipt of remuneration of ₹8.50 lakh per month or more.

The information containing particulars of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, the above details are not being sent along with this Annual Report to the Members of the Bank in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining the details may please send an email to the Secretarial Team at investor@indusind.com.

None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the Equity Share Capital of the Bank.

Details pursuant to remuneration of Directors and Employees in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, are given at **Annexure V** which forms an integral part of this Integrated Annual Report.

Policy on Remuneration to Non-Executive Directors

The Bank has formulated and adopted a Policy on Remuneration to Non-Executive Directors of the Bank in accordance with the guidelines prescribed in the RBI Circular dated April 26, 2021, on compensation of Non-Executive Directors of private sector banks.

All Non-Executive, Independent Directors of the Bank were paid Fixed Remuneration and Sitting Fees for attending Board and Committee meetings during the year under review.

The annual remuneration payable to a single Non-Executive Director of the Bank did not exceed 50% of the total annual remuneration payable to all Non-Executive Directors.

No Stock Options were granted to the Non-Executive Directors.

The 'Policy on Remuneration to Non-Executive Directors' is hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Details of remuneration paid to the Non-Executive, Independent Directors, the Managing Director & CEO and Whole-time Director (Executive Director) of the Bank, are given under the Corporate Governance Report, which forms part of the Integrated Annual Report.

Particulars of Loans, Guarantees or Investments outstanding

Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given, securities provided or acquisition of securities by a banking company in the ordinary course of its business are exempted from the disclosure requirement under Section 134(3)(g) of the Companies Act, 2013.

Particulars of Contracts or Arrangements with Related Parties

All transactions entered with 'Related Parties' during the year under review were conducted on an 'arm's length basis' and in the 'ordinary course of business' of the Bank, and therefore does not attract the provisions of Section 188 of the Companies Act, 2013.

Further, there are no materially significant Related Party Transactions entered by the Bank during the year under review, with any of its Related Parties, viz., Promoters, Directors, Key Management Personnel, Subsidiary and other related entities including IMFS, an Associate Company, which may have potential conflict with the interest of the Bank at large.

In view of the above, the disclosure under Form AOC-2 is not applicable to the Bank.

The Policy on Related Party Transactions as approved by the Board of Directors has been hosted on the Bank's website at:

[>>Policies & Codes >> Related Party Transaction Policy](https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html)

Consolidated Financial Statements

In accordance with Section 129 (3) of the Act, Consolidated Financial Statements of IndusInd Bank Limited ('the Bank'), Bharat Financial Inclusion Limited (formerly known as IndusInd Financial Inclusion Limited) ("BFIL") ("the Subsidiary") and IndusInd Marketing and Financial Services Private Limited ("IMFS") ("the Associate") has been prepared and is included in the Integrated Annual Report.

In accordance with Section 136(1) of the Companies Act, 2013, the Integrated Annual Report of the Bank, containing therein its Standalone Financial Statements and the Consolidated Financial Statements and all other documents required to be attached thereto has also been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

Further, the Audited Annual Accounts of the Subsidiary of the Bank has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html>

In the preparation of the Consolidated Financial Statements, the Standalone Financial Statements of BFIL, the wholly-owned subsidiary for the year ended March 31, 2024, have been considered on a line by line basis by adding together like items of assets, liabilities, income and expenses, in accordance with AS 21.

In accordance with AS 23, the Standalone Financial Statements of IMFS, an associate in which the Bank has a 30% stake, has been considered in the Consolidated Financial Statements by adopting 'Equity Method'.

Indian Accounting Standards (Ind AS)

The RBI issued a circular in February 2016, requiring Scheduled Commercial Banks to implement Indian Accounting Standards (Ind AS) from April 1, 2018. Vide a press release dated April 5, 2018 the implementation was deferred by one year. The legislative amendments recommended by the Reserve Bank towards implementation of Ind AS are still under consideration of the Government of India. Accordingly, the RBI had, through a notification dated March 22, 2019, deferred the Ind AS implementation until further notice.

Pursuant to the RBI Circular dated February 11, 2016, the Bank formed a Steering Committee, comprising members from cross-functional areas, for the purpose of reviewing and monitoring the progress of implementation.

The Bank had set up a Working Group under the guidance of the Steering Committee and has conducted Gap Assessment and identified the differences between the current accounting framework and Ind AS, including the identification of the accounting policy options provided under Ind AS 101, First Time Adoption. The Bank had engaged the services of a professional firm with international experience in the field, to assist in the project of implementation of Ind AS.

The Bank has obtained licenses for IT systems to automate Expected Credit Losses and Effective Interest Rate calculations towards implementation of Ind AS and the project is currently under implementation.

The Bank continues to organize trainings for its teams across business and support functions. The Audit Committee of the Board of Directors has an oversight on the progress of the Ind AS implementation. Further, there may be regulatory guidelines and/or clarifications in some of the critical areas with respect to application of Ind AS, which the Bank will need to incorporate in its implementation project as and when those are issued.

In accordance with the RBI directions, the Bank has been submitting standalone pro forma Ind AS financial statements along with other computations to the RBI, from time to time.

Corporate Social Responsibility and Sustainability

Corporate Social Responsibility

IndusInd Bank's CSR interventions for the FY 2023-24 are strategically designed to address key societal challenges and align with sustainable development goals. The Bank has a robust Corporate Social Responsibility strategy and policy aimed at economic empowerment and sustainable development primarily empowering rural India towards social transformation.

Under the philosophy of Sattvam, the Bank implements its CSR activities encompassing the length and breadth of India, enabled by deep collaboration with NGOs and community based groups.

The Bank's CSR activities are categorized into two main portfolios: Flagship Programs and Strategic Projects, each with distinct goals and implementation strategies.

The **Flagship (Holistic Rural Development) program** focusses on long-term, impactful initiatives primarily targeting rural economic development of beneficiaries in the five aspirational districts of Dharashiv (erstwhile Osmanabad, Maharashtra), Bahraich (Uttar Pradesh), Begusarai (Bihar), Baran (Rajasthan) and Virudhunagar (Tamil Nadu) aligned with the Government's Aspirational District Program. The program aims to improve the income levels and standard of living in the selected NITI Aayog Aspirational Districts in multiple focus areas covering enhancing and creating livelihood in Agriculture, Water, allied & non-farm value chains, FPO (Farmer Producer Organizations), Skilling, collaborative efforts in Health, Education & Basic Infrastructure. Climate resilience and women's socio-economic development is at core of the Flagship Program. It seeks to achieve this goal by impacting economic empowerment of communities and improving efficiency in natural resource management. In FY 2023-24, the program successfully transformed the lives of 16 lakh+ beneficiaries across these districts.

In conjunction, the **Strategic projects** comprise of short-term to mid-term projects that empower and benefit marginalised groups, vulnerable populations and weaker sections of society. These projects focused on three overarching themes: Sustainable Environment, Inclusive Sports and Education & Employability and have impacted more than 5.55 lakh beneficiaries.

The thematic of Sustainable Environment includes various watershed management, rejuvenation of water bodies and urban afforestation and solar installation projects. The Bank is driven to support Water Stewardship, promoting management of water resources efficiently and climate resilient agricultural practices for water positivity. In FY 2023-24, the Bank through its interventions across the country was able to positively impact more than 2.4 lakh+ beneficiaries by restoring 2,689 hectares' area and creating storage capacity of 26,45,574 cubic meters. 1.16 crore litres of safe drinking water was also dispensed, ensuring better health and hygiene of beneficiaries.

As part of Inclusive Sports, programs such as 'IndusInd Cricket for the Blind' and 'Para Champions' for athletes with special abilities are helping the Bank support talent to perform at international arenas. Other programs have been designed for underprivileged children, and initiatives promoting women's participation in sports like wrestling, athletics, hockey and squash. These programs have impacted 1010 beneficiaries in FY 2023-24.

Various initiatives aim to improve foundational literacy and numeracy, provide remedial education, and support higher education through scholarships and fellowships in the Education portfolio. Programs like 'Road to School', 'Tayari School Ki' and 'Kids for Tigers' focus on school-level interventions, while partnerships with universities like Ashoka University, Plaksha University and Indian School of Development Management offer scholarships. The Bank has also designed and implemented programs for employability for the specially-abled with organizations such as Sarthak and Tamana among others. As a result, our interventions have boosted the education of 215,800+ students across 2200+ schools and trained more than 6000 teachers. The employability initiatives were able to mentor 650+ specially-abled youth into the workforce.

Under "Other Areas", the Bank supports select healthcare programs and also extends support to Armed Forces Veterans, Widows and their families.

The Bank also supports Bharat Sanjeevani program focused on Livelihood enhancement through livestock health management in collaboration with its subsidiary Bharat Financial Inclusion Limited (BFIL)

As per the requirements of Section 135 of the Companies Act, 2013 and CSR Rules 2014, the Bank has a Board-level CSR & Sustainability Committee to look after the CSR initiatives. The Bank's CSR governance structure includes a dedicated CSR Committee at the Board level, and a specialized CSR Department responsible for execution and monitoring. This multi-tiered approach ensures that the CSR activities are effectively managed and aligned with the Bank's strategic objectives. The Committee is headed by Mrs. Akila Krishnakumar as the Chairperson, Mr. Rajiv Agarwal, Mr. Jayant Deshmukh, Mr. Sumant Kathpalia and Mr. Arun Khurana as Members.

The composition of the CSR & Sustainability Committee is in accordance with Section 135 of the Companies Act, 2013.

The Bank also emphasizes transparency and accountability in its CSR operations. Regular monitoring, qualitative and quantitative assessments, and periodic reporting ensure that the initiatives are on track and deliver the intended impact.

The CSR Initiatives / Projects undertaken by the Bank are in accordance with Schedule VII of the Companies Act, 2013.

Companies, on the basis of criteria prescribed under Section 135 of the Act, are required to spend at least Two per cent of their Average Net Profits made during the three immediately preceding financial years, in pursuance of their Corporate Social Responsibility Policy. Accordingly, the Bank spent ₹132.72 crores against adjusted budget of ₹131.27 crores, towards various CSR activities specified in Schedule VII of the Companies Act, 2013.

The Report on CSR activities undertaken by the Bank during the year under review, is set out at **Annexure VI** and forms an integral part of this Integrated Annual Report.

The CSR Policy, is framed basis the activities permitted under Schedule VII of the Companies Act, 2013. Details of the CSR Policy and initiatives adopted by the Bank on CSR, are available on Bank's website at:

<https://www.indusind.com/in/en/csr-home/our-approach/csr-policy.html>

Sustainability

The Bank recognises that sustainable practices are vital for long-term success. Guided by the principle "Good Ecology is Good Economics," the Bank is committed to adopting business products, practices, processes, and operations that reflect this enduring belief.

The Bank embeds sustainability into every facet of its operations, supported by a robust governance structure. At the apex is the CSR and Sustainability Committee of the Board, followed by the Sustainability Council and the centralised Sustainability Unit. These bodies work in concert with various stakeholders to develop the Environmental, Social, and Governance (ESG) strategy for each department.

Strategic planning at IndusInd Bank occurs in three-year cycles, with the current cycle, Planning Cycle-6 (PC6), covering FY 2023-24 to FY 2025-26. One of the key pillars of this cycle is 'Imbibing ESG into Business.'

Our approach to sustainability emphasizes integrating ESG principles into our product offerings for both retail and corporate sectors. By identifying opportunities and developing innovative products, the Bank demonstrates its commitment to sustainability. As a responsible lender, IndusInd Bank incorporates ESG considerations into its wholesale banking Credit Appraisal process, offering various ESG-linked products and solutions to its clients.

The Bank's dedication to sustainability is unwavering, ensuring that its business operations contribute positively to the environment and society while delivering economic value.

Business Responsibility and Sustainability Report (BRSR)

As per the SEBI Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") shall form part of the Directors' Report.

In accordance with the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) for FY 2023-24 is included in this Integrated Annual Report. This report details the Bank's initiatives from an environmental, social, and governance (ESG) perspective, providing insights into various ESG activities adopted by the Bank. The BRSR reflects the Bank's performance against the principles of the 'National Guidelines on Responsible Business Conduct', enabling Members to understand our comprehensive ESG efforts.

In view of the above and in compliance with Regulation 34 (2) (f) of the SEBI Listing Regulations, the BRSR, has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/sustainability/esg-ratings-and-reporting.html>

Corporate Governance

The Bank believes that Corporate Governance is a reflection of its value system, encompassing its culture, its policies, and its relationships with the stakeholders. Responsible and ethical corporate conduct is integral to the way the Bank does its business.

The Bank also believes that consistent implementation of good corporate governance practices contributes towards developing and sustaining the best operating systems and processes.

Integrity, transparency and accountability are the basic tenets of Corporate Governance. The Bank acknowledges the need to uphold the integrity of every transaction it enters into, and believes that honesty in its internal conduct would be judged by its external behavior.

The Bank has adopted the industry best practices of Corporate Governance and aims to continue banking on the highest principles of governance and ethics. At IndusInd, Corporate Governance is more than just adherence to the statutory and regulatory requirements. It is equally about focusing on voluntary practices that underlie the highest levels of transparency.

The Governance framework is driven by the objective of enhancing long-term stakeholder value, without compromising on Ethical Standards and Corporate Social Responsibilities.

The Bank's guiding principles are also articulated through its Code of Business Conduct and various initiatives taken to maintain transparency by communicating with the Shareholders on developments in the Bank. The Bank has also set up various sub-Committees of the Board to bring in more efficacy and transparency in the workings.

The Bank continues to focus on better, complete and timely disclosures to the Stock Exchanges for dissemination to the Stakeholders. Detailed disclosures regarding corporate

governance are provided in the Corporate Governance Report, which forms part of the Integrated Annual Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report, as prescribed under Regulation 34(2)(e) of the SEBI Listing Regulations, forms part of the Integrated Annual Report.

Significant and Material Orders Passed by Regulators or Courts or Tribunal Impacting the 'Going Concern' Status and Operations of the Bank

During FY 2023-24, there were no significant and material Orders passed by the Regulators / Courts / Tribunal that would impact the 'going concern' status of the Bank and its future operations.

Material Events that have happened after the Balance Sheet date

No material changes and commitments affecting the financial position of the Bank have occurred between the end of the financial year of the Bank to which the Financial Statements relate and the date of this Integrated Annual Report.

Awards and Accolades

Q1

1. Asiamoney Best Bank Award 2023

IndusInd Bank was recognized as the 'Best Bank for ESG in India – FY 2022-23' by Asiamoney for FY 2022-23, for the second year in a row.

2. Captain Tractors

IndusInd Bank was recognized as the Number 1 Financier, for two consecutive financial years.

3. Wells Fargo Operational Excellence Award

IndusInd Bank's CGMO – Trade and Remittance team received a Wells Fargo Award for Operational Excellence.

4. JCB Annual Financiers Award 2022

IndusInd Bank ranked second at the JCB Annual Financiers Award 2022.

5. Finnoviti Awards 2023

IndusInd Bank was recognized for 'Open API Banking with Omni channel experience' at the Finnoviti Awards 2023.

6. Infosys Finacle Innovation awards 2023

IndusInd Bank was recognized for its commitment to establishing world-class technology architecture, aspiration to deliver outstanding technology-led solutions, and digital innovation charter.

- Gold Winner: Ecosystem Led Innovation - Open Banking & Omni-Channel
- Platinum Winner: Modern Technologies-led innovation - Digital Centre of Excellence
- Gold Winner: Maximizing Customer Engagement Centralized hub for communications

Q2

7. Pitch BFSI Marketing Summit & Awards 2023

IndusInd Bank was recognized for its marketing campaigns in the below categories:

- Most Effective Holiday, Seasonal & Festival Marketing Campaign for #BankOnHappiness
- Most Effective Launch/Relaunch Campaign for EazyDiner Credit Card
- Most Effective 360degree Marketing Campaign for Savings Account Ho Toh Asia Campaign
- Most Effective Use of OTT/Digital for Savings Account Ho To Aisa Campaign

Q3

8. Business World Supply Chain Awards 2023

IndusInd Bank was recognized and awarded by Business World in two significant categories at the "BW Supply Chain Awards 2023":

- Outstanding Customer-centric Supply Chain
- Excellence in Supply Chain Innovation and Creativity

9. Lentra CNBC-TV18 Digital Lending Summit

IndusInd Bank was recognized as a Digital Lending Achiever and bestowed with the Excellence in Digital Lending – Growth Bank award.

Q4

10. Euromoney 2023 Market Leaders Award

IndusInd Bank was recognized as a Market Leader in ESG in India by Euromoney.

11. IBA Banking Technology Awards 2024

IndusInd Bank was recognized at the IBA Banking Technology Awards 2024

- Best Digital Engagement – Winner
- Best Technology Bank – Winner
- Best IT Risk Management – Runner Up
- Best AI&ML Bank – Runner Up
- Best Technology Talent – Special Mention
- Best Fintech & DPI Adoption – Special Mention

12. India Gem & Jewellery Awards 2024

IndusInd Bank was awarded as 'Best Bank Financing The Industry' (Highest Growth of Limit Sanctioned with Minimum Base of ₹500 crore) at the India Gems & Jewellery Awards 2024 held by GJEPC (Gem & Jewellery Export Promotion Council).

Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Bank has complied with the extant provisions relating to the constitution of Internal Committees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosures relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is included in the Corporate Governance Report, which forms an integral part of the Integrated Annual Report.

Annexures

The following documents are annexed to the Directors' Report:

- (i) Certificate on Declaration of Independence of Directors from Company Secretary in Practice.
- (ii) Certificate from Secretarial Auditor on disqualification of directors pursuant to Regulation 34(3) of the SEBI Listing Regulations.
- (iii) Secretarial Audit Report of the Bank, for the financial year ended March 31, 2024.
- (iv) Statutory Disclosures regarding administration of ESOPs for the financial year ended March 31, 2024.
- (v) Disclosure on remuneration pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (vi) Annual Report on CSR activities undertaken by the Bank during the financial year ended March 31, 2024, in terms of Notification dated January 22, 2021, issued by the MCA.

Acknowledgements

The Directors are grateful to the Shareholders for the trust and confidence reposed by them in the Bank.

The Directors are also grateful to the RBI, the Ministry of Corporate Affairs, Securities and Exchange Board of India, Insurance Regulatory and Development Authority and the Stock Exchanges, for the guidance and support extended by them to the Bank.

The Board thanks its valued Customers for their patronage, and looks forward to the growing of this mutually supportive relationship in future.

The Board expresses its deep sense of appreciation to all employees for their excellent performance, strong work ethic, and untiring commitment, which qualities have contributed to the Bank's continued progress in a challenging environment.

For and on behalf of the Board of Directors

sd/-

Sunil Mehta
Chairman

DIN: 00065434

Place : Mumbai

Date : July 19, 2024

ANNEXURE I TO THE DIRECTORS' REPORT

Certificate On Declaration of Independence of Directors

[Pursuant to Regulation 25(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of

IndusInd Bank Limited

2401, Gen. Thimmayya Road,

Cantonment,

Pune – 411001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IndusInd Bank Limited having CIN L65191PN1994PLC076333 and having registered office at 2401, Gen. Thimmayya Road, Cantonment, Pune - 411001 (hereinafter referred to as 'the Bank'), produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 25(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and verifications as considered necessary and explanations furnished to us by the Bank & its officers and according to the declarations received from the Independent Directors under Section 149 (6) and (7) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby certify that the Independent Directors on the Board of the Bank as stated below for the Financial Year ended **March 31, 2024** fulfill the criteria of Independence as specified in Section 149 of the Companies Act, 2013 and Regulation 16 and 25 of the Listing Regulations.

Sr. No.	Name of Director	DIN	Date of appointment in the Bank
1.	Mr. Sunil Mehta	00065343	31/01/2023
2.	Mr. Shanker Annaswamy*	00449634	12/01/2016
3.	Dr. T. T. Ram Mohan^	00008651	12/05/2016
4.	Mrs. Akila Krishnakumar	06629992	10/08/2018
5.	Mr. Rajiv Surajbhan Agarwal	00336487	15/03/2019
6.	Mr. Sanjay Khatau Asher#	00008221	10/10/2019
7.	Mrs. Bhavna Gautam Doshi	00400508	14/01/2020
8.	Mr. Jayant Vasudeo Deshmukh	08697679	24/07/2021
9.	Mr. Pradeep Udhas	02207112	09/06/2022
10.	Mr. L. V. Prabhakar\$	08110715	30/03/2024
11.	Mr. Rakesh Bhatia\$	06547321	30/03/2024

* Ceased to be Director of the Bank w.e.f. 11/01/2024

^Ceased to be Director of the Bank w.e.f. 11/05/2024

Ceased to be Director of the Bank w.e.f. 09/10/2023

\$ appointed as Additional Directors of the Bank w.e.f. 30/03/2024

Ensuring the eligibility for the appointment / continuity of every Independent Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank. This Certificate is issued at the request of the Bank, for the internal use.

ALWYN JAY & Co.
Company Secretaries

Sd/-

[Alwyn D'Souza, FCS.5559]

[Partner]

[Certificate of Practice No.5137]

[UDIN: F005559F000782577]

Place : Mumbai

Date : July 19, 2024

Office Address:

Annex-103, Dimple Arcade,

Asha Nagar, Kandivali (East),

Mumbai 400101.

ANNEXURE II TO THE DIRECTORS' REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

IndusInd Bank Limited

2401, Gen Thimmayya Road,
Cantonment,
Pune – 411001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IndusInd Bank Limited** (hereinafter referred to as 'the Bank') having CIN : L65191PN1994PLC076333 and having registered office at 2401, Gen Thimmayya Road, Cantonment, Pune - 411001 MH IN, produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank as stated below for the Financial Year ended as on **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment as per MCA records
1.	Mr. Sunil Mehta	00065343	Director	31/01/2023
2.	Mr. Shanker Annaswamy*	00449634	Director	12/01/2016
3.	Dr. T. T. Ram Mohan^	00008651	Director	12/05/2016
4.	Mrs. Akila Krishnakumar	06629992	Director	10/08/2018
5.	Mr. Rajiv Surajbhan Agarwal	00336487	Director	15/03/2019
6.	Mr. Sanjay Khatau Asher#	00008221	Director	10/10/2019
7.	Mrs. Bhavna Gautam Doshi	00400508	Director	14/01/2020
8.	Mr. Jayant Vasudeo Deshmukh	08697679	Director	24/07/2021
9.	Mr. Pradeep Udhas	02207112	Director	09/06/2022
10.	Mr. Sumant Kathpalia	01054434	Managing Director & CEO	24/03/2020
11.	Mr. Arun Khurana@	00075189	Whole Time Director	16/11/2023
12.	Mr. L. V. Prabhakar\$	08110715	Director	30/03/2024
13.	Mr. Rakesh Bhatia\$	06547321	Director	30/03/2024

* Ceased to be Director of the Bank w.e.f. 11/01/2024

^Ceased to be Director of the Bank w.e.f. 11/05/2024

Ceased to be Director of the Bank w.e.f. 09/10/2023

@ appointed as Whole Time Director of the Bank w.e.f. 16/11/2023

\$ appointed as Additional Directors of the Bank w.e.f. 30/03/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

ALWYN JAY & Co.
Company Secretaries

Sd/-

[Alwyn D'Souza, FCS.5559]

[Partner]

[Certificate of Practice No.5137]

[UDIN: F005559F000782577]

Place : Mumbai

Date : July 19, 2024

Office Address:

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ANNEXURE III TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of

IndusInd Bank Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IndusInd Bank Ltd.** (CIN: L65191PN1994PLC076333) (hereinafter called "the Bank").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Bank's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Bank and the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial period ended on **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the Bank has followed proper Board processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Bank for the financial period ended on **March 31, 2024** in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time**:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (erstwhile The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (repealed w.e.f. August 13, 2021);

- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (erstwhile The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (repealed w.e.f. August 9, 2021);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Bank**;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable as the Bank has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review**;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Bank**;
- i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) Other specific business/industry related laws applicable to the Bank - The Bank has complied with the provisions of the Banking Regulation Act, 1949, Master Circulars, Notifications and Guidelines and other directions pertaining to commercial banking issued by Reserve Bank of India (RBI) from time to time. Further, the Bank has complied with other applicable general business laws, rules, regulations and guidelines.

We have also examined compliance with the applicable clauses of the following:-

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

During the period under review, the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above subject to the following observations:

1. BSE Limited had levied a fine of ₹11,800/- (including GST) on the Bank for marginal delay in uploading the voting results on BSE online portal due to technical reasons in pursuance of Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Bank had paid the fine of ₹11,800/- on December 4, 2023 and simultaneously the Bank had filed application for waiver of fine as per BSE Policy for exemption of fines levied as per the provisions of SEBI Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July, 11, 2023.
2. National Stock Exchange of India Limited had levied a fine of ₹11,800/- (including GST) on the Bank for Delay in intimation of Record Date for payment of interest on Infrastructure Bonds in pursuance of Regulation 60 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Bank had paid the fine of ₹11,800/- on February 1, 2024.

We further report that:

- (a) the Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- (b) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as prescribed under the applicable Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (d) The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors/members present.

We further report that, there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable

laws, rules, regulations and guidelines. As informed, the Bank has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events / actions have taken place, having a major bearing on the Bank's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. The Bank has allotted 24,24,753 Equity Shares of ₹10 each under the Bank's ESOP Schemes.
2. Approval of the Shareholders was obtained at the Annual General Meeting held on August 24, 2023 for raising funds through debt securities in any permitted mode on a private placement basis as may be decided for an aggregate amount not exceeding ₹20,000 Crores or its equivalent amount in such foreign currencies as may be necessary.
3. Approval of the Shareholders was obtained through Postal Ballot conducted through Remote E-voting on December 6, 2023 for the amendments to the Articles of Association of the Bank to align the existing Articles of Association with extant regulatory and statutory provisions of the Companies Act, 2013 and the rules made thereunder.

ALWYN JAY & Co.

Company Secretaries

Sd/-

[Alwyn D'Souza, FCS.5559]

[Partner]

[Certificate of Practice No.5137]

[UDIN: F005559F000782577]

Place : Mumbai

Date : July 19, 2024

Office Address:

Annex-103, Dimple Arcade,

Asha Nagar, Kandivali (East),

Mumbai 400101.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members of
IndusInd Bank Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **IndusInd Bank Ltd.** (hereinafter called 'the Bank') is the responsibility of the management of the Bank. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Bank. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Bank, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Bank and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

ALWYN JAY & Co.
Company Secretaries
Sd/-

[Alwyn D'Souza, FCS.5559]

[Partner]

[Certificate of Practice No.5137]

[UDIN: F005559F000782577]

Place : Mumbai
Date : July 19, 2024
Office Address:
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ANNEXURE IV TO THE DIRECTORS' REPORT

Statutory Disclosures Regarding ESOPs (Forming part of the Directors' Report for the year ended March 31, 2024)

Particulars	Total	ESOP 2020 Scheme									
	ESOP 2020 & 2018 (Upto March 31, 2024)	02-05-2023	05-05-2023	12-05-2023	06-09-2023	19-10-2023	29-11-2023	29-12-2023	13-02-2024	20-03-2024	
1 No. of options granted	5,45,36,022	5,52,500	19,500	50,661	1,12,500	38,700	2,51,195	58,587	41,000	33,500	
2 No. of options surrendered (cancelled)	71,06,665	50,500	0	0	0	0	0	0	0	0	
3 Pricing Formula	Options granted at market price, except some options granted on July 18, 2008, January 28, 2010, February 7, 2011, January 29, 2014 and January 12, 2016 are at discount to market price										
4 No. of options Vested	55,50,365	0	0	0	0	0	0	0	0	0	
5 No. of options Exercised	3,81,86,800	0	0	0	0	0	0	0	0	0	
6 No. of shares arising as a result of exercise of options	3,81,86,800	0	0	0	0	0	0	0	0	0	
7 Options Lapsed	15,37,382	0	0	0	0	0	0	0	0	0	
8 Variation in terms of ESOP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
9 Money realised by exercise of options (₹ In Lakhs)	24,466.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10 Total No. of Options in force	77,05,175	5,02,000	19,500	50,661	1,12,500	38,700	2,51,195	58,587	41,000	33,500	
11 Employee-wise details of options granted to:											
(a) Key Managerial Personnel, i.e., Managing Director & CEO, Chief Financial Officer and Company Secretary	Sr No	Name of KMP		Number of options granted			Exercise price (In ₹)				
	1	Mr. Sumant Kathpalia		50,661			1,187.45				
	2	Mr. Arun Khurana		58,587			1,610.55				
	3	Mr. Gobind Jain		52,200			1,477.55				
	4	Mr. Anand Kumar Das		15,433			1,477.55				
				Nil			Nil				
(b) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year. (Refer Table A)	Sr No	Name of KMP		Number of options granted			Exercise price (In ₹)				
	1	Mr. Sumant Kathpalia		1,09,248			1,187.45 and 1,610.55				

Particulars	Total	ESOP 2020 Scheme								
	ESOP 2020 & 2018 (Upto March 31, 2024)	02-05-2023	05-05-2023	12-05-2023	06-09-2023	19-10-2023	29-11-2023	29-12-2023	13-02-2024	20-03-2024
(c) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Bank at the time of grant.		No such options granted to any employee.								
Name				Options Granted				Options Granted		
1 Sumant Kathpalia				50,661				58,587		
Note to "Table A"										
33% of these Options will vest on				12-05-2024				29-12-2024		
33% of these Options will vest on				12-05-2025				29-12-2025		
34% of these Options will vest on				12-05-2026				29-12-2026		

ANNEXURE V TO THE DIRECTORS' REPORT

The details pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- **The ratio of the remuneration of each Director to the median remuneration of the employees of the Bank for the Financial Year 2023-24, is given below:**

Managing Director & CEO, Whole-time Director (Executive Director) and Non-Executive Part-time Chairman

Name	Ratio
Mr. Sumant Kathpalia, Managing Director & CEO	154.5x
Mr. Arun Khurana, Whole-time Director (Executive Director)	38.4x
Mr. Sunil Mehta, Non-Executive Part-time Chairman	6.18x

Notes:

1. The ratio pertains to the fixed remuneration of the Directors to the median fixed remuneration of the Bank's employees for FY 2023-24.
2. Mr. Arun Khurana was appointed as a Whole-time Director (Executive Director) with effect from November 16, 2023. The ratio of remuneration mentioned for Mr. Khurana is for the period November 16, 2023 to March 31, 2024.
3. The ratio of remuneration paid to Mr. Sunil Mehta is based on payment of fixed remuneration of ₹30,00,000 per annum and does not include Sitting Fees paid.

Details about Remuneration paid to the Managing Director & CEO and Whole-time Director (Executive Director) are given in the Report on Corporate Governance, under the heading 'Remuneration paid to Managing Director & CEO and Executive Director' which forms an integral part of the Integrated Annual Report.

Non-Executive Directors excluding Non-Executive Part-time Chairman

The ratio of remuneration (excluding Sitting Fees) paid to Non-Executive Directors excluding Non-Executive Part-time Chairman to the median remuneration of the employees of the Bank for the financial year 2023-24, is mentioned below:

Name of the Non-Executive Director	Ratio
Mr. Sanjay Asher*	2.16x
Mr. Shanker Annaswamy*	3.21x
Dr. T. T. Ram Mohan	4.12x
Mrs. Akila Krishnakumar	4.12x
Mr. Rajiv Agarwal	4.12x
Mrs. Bhavna Doshi	4.12x
Mr. Jayant Deshmukh	4.12x
Mr. Pradeep Udhas	4.12x
Mr. L. V. Prabhakar*	-
Mr. Rakesh Bhatia*	-

* Mr. Sanjay Asher's tenure as Director concluded as on close of business hours on October 9, 2023.

* Mr. Shanker Annaswamy's tenure as Director concluded as on close of business hours on January 11, 2024.

* Mr. L. V. Prabhakar and Mr. Rakesh Bhatia were appointed Directors on the Board of the Bank with effect from March 30, 2024, and hence were not eligible for remuneration for FY 2023-24.

In addition to the Sitting Fees paid for attending the meetings of the Board and of various Committees of the Board, all Non-Executive Directors (other than the Non-Executive Part-time Chairman) received remuneration in the form of Fixed Remuneration of ₹20,00,000 per annum, in line with RBI Guidelines and based on the approval of the Shareholders.

- **Percentage increase in remuneration of Chief Executive Officer, Whole-time Director (Executive Director), Chief Financial Officer and the Company Secretary during the Financial Year:**

Name	Percentage
Mr. Sumant Kathpalia, Managing Director & CEO	NA
Mr. Arun Khurana, Whole-time Director (Executive Director)*	NA
Mr. Gobind Jain, Chief Financial Officer	7.0%
Mr. Anand Kumar Das, Company Secretary	8.0%

* Mr. Arun Khurana was appointed as a Whole-time Director (Executive Director) with effect from November 16, 2023.

- **The percentage increase in the median remuneration of employees in the Financial Year:**

The median of fixed remuneration of the employees in the financial year increased by about 6.9%.

The calculation of percentage increase in median of fixed remuneration of employees covers only those employees who received increments in FY 2023-24 as a part of annual performance appraisal process for FY 2022-23.

- **The number of permanent employees on the rolls of the Bank:**

There were 45,637 employees on the rolls of the Bank as on March 31, 2024.

- **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

All employees in the Bank are under Managerial Cadre, categorized into Grade Bands of Top Management, Senior Management, Middle Management and Junior Management. Hence, this section is not applicable to the Bank.

- **Affirmation that the remuneration is as per the remuneration policy of the company:**

We affirm that the remuneration paid to the Directors, Key Managerial Personnel (KMP) and Employees is as per the Compensation Policy of the Bank.

Note: Remuneration of KMPs is as per Form 16 (on an annualised basis), excluding Stock Options exercised in the financial year.

ANNEXURE VI TO THE DIRECTORS' REPORT

1. Brief outline on CSR Policy of the company

IndusInd Bank is committed towards its belief that "Good Ecology is Good Economics" and will continue to generate value for all stakeholders, positioning itself as a top-tier bank devoted to sustainable economic growth. The bank is dedicated to ensuring consistent and responsible growth in its business, benefiting both its customers and the wider community, while also prioritizing the well-being of its employees and the natural environment. IndusInd Bank will actively support and develop sustainable corporate social responsibility (CSR) programs that empower and benefit marginalized and vulnerable sections of the society.

The Bank aims to be trusted, valued, and respected for its financial, environmental, and social performance, and recognizing the significance of relationship with stakeholders to conduct business & enhance CSR practices at the same time. It is dedicated to bringing about grassroots-level change in disadvantaged and vulnerable communities, improving livelihoods, and promoting self-sustainability. The bank also stresses on initiatives related to the Sustainable Environment, Education, Inclusive Sports, and the transformation of the lives of women and children. IndusInd Bank engages with a diverse range of stakeholders and ensures compliance, high levels of governance, and the monitoring & measurement of impact. Reputed Implementing Agencies have been onboarded for partnerships and alliances formed within the ecosystem to adopt best practices.

Flagship programme i.e. Holistic Rural Development in Aspirational districts is strengthened in last couple of years in alignment with our overall objective. The Bank continued with its key strategic focus areas i.e. Sustainable Environment, Education, and Inclusive Sports. The bank's stance on dual approach of implementing Flagship and Strategic programs simultaneously has helped to achieve significant milestones.

2. Composition of CSR Committee:

Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Akila Krishnakumar	Independent Director. Chairperson of the Committee.	3	3
2	Mr. Jayant Deshmukh	Independent Director. Member of the Committee w.e.f. 11.11.2023.		1
3	Mr. Rajiv Agarwal	Independent Director. Member of the Committee.		3
4	Mr. Sanjay Asher	Independent Director. Member of the Committee (ceased to be Director w.e.f. 09.10.2023).		0
5	Mr. Sumant Kathpalia, (Managing Director and CEO)	Managing Director & CEO. Member of the Committee.		2
6	Mr. Arun Khurana	Whole-time Director (Executive Director). Member of the Committee w.e.f. 30.11.2023.		1

3. Provide weblink where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition of CSR Committee: <https://www.indusind.com/in/en/csr-home/our-approach/meet-the-bank.html>

CSR Policy: <https://www.indusind.com/in/en/csr-home/our-approach/csr-policy.html>

CSR Projects: <https://www.indusind.com/in/en/csr-home/our-approach/annual-action-plan-FY2023-24.html>

4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, if applicable (attach the report)

As per CSR guidelines, the impact assessment is to be carried out for CSR projects with fund outlay of minimum ₹1 crore and which have completed not less than 1 year before undertaking the assessment. Accordingly, 4 projects qualified for Impact Assessment and independent agency was appointed for conducting the assessment. The same has been completed and reports have been made available on the website.

5. a) Average net profit of the company as per section 135(5) : ₹66,13,39,40,228
- b) Two percent of average net profit of the company as per section 135(5) : ₹132,26,78,805
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : NIL
- d) Amount required to be set off for the financial year, if any : ₹99,48,229
- e) Total CSR obligation for the financial year (b+c-d) : ₹131,27,30,576
6. a) Amount spent on CSR Projects
- (Both Ongoing Project and other than Ongoing Project) : ₹128,88,86,970
- b) Amount spent in Administrative Overheads : ₹3,48,63,469
- c) Amount spent on Impact Assessment, if applicable : ₹34,61,148
- d) Total amount spent for the financial year (a+b+c) : ₹132,72,11,587
- e) CSR Amount spent or unspent for the Financial Year:

Total amount spent for the financial year (in Rs)	Amount unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
132,72,11,587	--	--	--	--	--

f) Excess amount for set-off, if any

Sr. No.	Particular	Amount (in ₹)
1	2	3
i	Two percent of average net profit of the company as per sub-section (5) of section 135	131,27,30,576*
ii	Total amount spent for the Financial Year	132,72,11,587
iii	Excess amount spent for the Financial Year [(ii)-(i)]	1,44,81,012
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1,44,81,012

* Net CSR Budget for 2023-24 was ₹131,27,30,576 after setting off the excess amount of ₹99,48,229

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1	FY 2022-23	-	-	-	-	-	-	-
2	FY 2021-22	-	2,87,76,182	2,87,76,182	-	-	0.00	-
3	FY 2020-21	26,00,00,000	-	23,12,23,818	-	-	2,87,76,182	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

NO

Note: This section is not applicable. No creation of assets.

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub section (5) of section 135.

Not applicable.

Sd/-
Sumant Kathpalia
Managing Director & CEO
(DIN: 01054434)

Sd/-
Akila Krishnakumar
Chairperson CSR Committee
(DIN: 06629992)

Corporate Governance

(The Report on Corporate Governance forms part of the Directors' Report for the Financial Year ended March 31, 2024)

Bank's Philosophy on Corporate Governance

The Bank believes that Corporate Governance is a reflection of its value system, encompassing its culture, its policies, and its relationships with the stakeholders. Responsible and ethical corporate conduct is integral to the way the Bank does its business.

The Bank also believes that consistent implementation of good corporate governance practices contributes towards developing and sustaining the best operating systems and processes.

Integrity, transparency and accountability are the basic tenets of Corporate Governance. The Bank acknowledges the need to uphold the integrity of every transaction it enters into, and believes that honesty in its internal conduct would be judged by its external behavior.

The Bank is committed to operate on commercial principles ensuring, at the same time, the need to remain accountable, transparent and responsive to its stakeholders and regulators.

The Bank's Corporate Governance philosophy has been strengthened through various policies and codes, which are regularly reviewed and updated on a regular basis to keep aligned with the Regulations.

The Board of Directors ("the Board") of the Bank comprises of eminent professionals having wide industry experience, diversified skills, special knowledge and expertise. The Board plays a crucial role in overseeing how the Management serves the short-term and long-term interests of various stakeholders of the Bank to create lasting value for them.

This belief is reflected in the Bank's governance practices, through which it is committed to maintain an effective and independent Board.

Certificate on compliance with the conditions of Corporate Governance

In compliance to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), certificate from M/s Alwyn Jay & Co., Practicing Company Secretaries, confirming compliance with the mandatory conditions relating to Corporate Governance as stipulated in the SEBI Listing Regulations, forms part of this report and is enclosed as **Annexure I**.

Certification by the Managing Director & CEO and the Chief Financial Officer

In compliance with Regulation 17(8) of the SEBI Listing Regulations, certification by the Managing Director & CEO and the Chief Financial Officer of the Bank, on the Financial Statements and Internal Controls relating to financial reporting for the financial year ended March 31, 2024, has been obtained and placed before the Board at its meeting held on July 19, 2024.

Code of Ethics and Conduct for Directors and Senior Management

In compliance with Regulation 26(3) of the SEBI Listing Regulations and the Companies Act, 2013, the Bank has formulated a 'Code of Ethics and Conduct for Directors and Senior Management'. The Bank has received confirmations from all its Directors and Senior Management personnel regarding compliance with the said

Code for the financial year ended March 31, 2024. A declaration by the Managing Director & CEO to this effect is enclosed as **Annexure II** to this Report.

The Code of Ethics and Conduct for Directors and Senior Management of the Bank, has been hosted on the Bank's website www.indusind.com.

MISSION

"We will consistently add value to all our stakeholders by enhancing the sustainability of the organization and emerge as India's most convenient Bank with financial metrics amongst the best in the industry."

VISION

"IndusInd Bank will be:

- A relevant business and banking partner to its clients.
- Engaged with all our stakeholders and will deliver sustainable and compliant growth and returns.
- Customer-responsive, striving at all times to collaborate with clients in providing solutions for their banking needs.
- A forerunner in the marketplace in terms of productivity, technology, efficiency and profitability; and
- A change agent for financial inclusion in India.
- An equal opportunity and preferred employer."

QUALITY POLICY

"IndusInd Bank is committed to meet and strive to exceed customer requirements through timely, error-free and responsive service. We shall continually improve the effectiveness of our work process through training, customer feedback, innovation and digitization."

Board of Directors

The Board of the Bank is broad-based and consists of eminent persons from industry, having special knowledge or practical experience in respect of one or more of the following areas viz., Accountancy, Banking, Finance, Information Technology, Economics, Agriculture & Rural Economy and Co-operation, Business Development and Management, Human Resources, Risk Management, Business Management, Payments & Settlement Systems, Law and Small Scale Industry, as prescribed under the relevant provisions of the Companies Act, 2013 and the relevant rules made thereunder, the SEBI Listing Regulations, the Banking Regulation Act, 1949 read with Circular No. DBR. Appt.BC. No.39 /29.39.001/2016-17 dated November 24, 2016, issued by the Reserve Bank of India ("RBI").

The Board is entrusted with formulation of policies, implementation of regulatory guidelines, setting up of directions, reviewing strategies, evaluating performance of the Bank, and has been vested with requisite powers. The Board has constituted various Committees to exercise oversight over the business segments and other matters, as mandated under the extant norms and as authorized by the Board, from time to time.

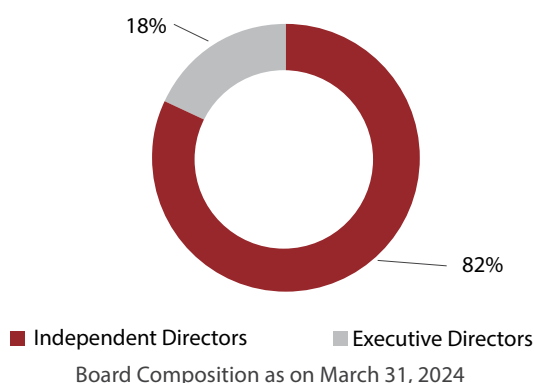
i. Board Composition

The composition of the Board is in compliance with the relevant provisions of the Companies Act, 2013, the relevant rules made thereunder, the SEBI Listing Regulations, the Banking Regulation Act, 1949 read with guidelines issued by the RBI and in terms of the Board Diversity Policy of the Bank.

The Bank's Board has an optimal combination with Independent Directors constituting 82% of its total strength including two Independent Women Directors. The Board is led by Non-Executive Independent Director and Part-time Chairman, who is not related to the Managing Director & CEO.

As on March 31, 2024, the Board comprised of eleven Directors, viz., Mr. Sunil Mehta, Non-Executive Independent Director and Part-time Chairman, Mr. Sumant Kathpalia, Managing Director & CEO, Mr. Arun Khurana, Whole-time Director (Executive Director) and eight Directors in the category of Non-Executive Independent, viz., Dr. T.T. Ram Mohan, Mrs. Akila Krishnakumar, Mr. Rajiv Agarwal, Mrs. Bhavna Doshi, Mr. Jayant Deshmukh, Mr. Pradeep Udhas, Mr. Lingam Venkata Prabhakar and Mr. Rakesh Bhatia. The Board has two Independent Women Directors.

The composition of the Board represents an optimal mix of professionalism, knowledge, and experience. All the Independent Directors of the Bank have confirmed that they meet the criteria prescribed for independence under the provision of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulation.



Appointment/Re-appointment of Directors during the year under review:

Mr. Sunil Mehta (DIN: 00065343):

The RBI had approved the appointment of Mr. Sunil Mehta as Part-time Chairman of the Bank, with effect from January 31, 2023 up to January 30, 2026 (both days inclusive). The said appointment was approved by the Shareholders of the Bank by passing of Special Resolution through Postal Ballot on April 6, 2023.

Mr. Sumant Kathpalia (DIN: 01054434):

The RBI had approved the re-appointment of Mr. Sumant Kathpalia as Managing Director & CEO of the Bank, with effect from March 24, 2023 up to March 23, 2025 (both days inclusive). The said re-appointment was approved by the Shareholders of the Bank by passing of Ordinary Resolution through Postal Ballot on June 6, 2023.

Mr. Arun Khurana (DIN: 00075189):

The Board of Directors had, at its meeting held on June 28, 2023, recommended the appointment of Mr. Arun Khurana, Deputy CEO of the Bank, as Additional Director, in the capacity of Whole-time Director (Executive Director) of the Bank, for a

period of three years, with effect from such date or such other period, and at such remuneration, as may be approved by the RBI, subject to approval of the Shareholders of the Bank.

The RBI had, vide its letter dated November 16, 2023, approved the appointment of Mr. Arun Khurana as the Whole-time Director (Executive Director) of the Bank for a period of three years, with effect from November 16, 2023.

The Shareholders of the Bank had, on January 23, 2024, approved the appointment of Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank, with effect from November 16, 2023 up to November 15, 2026 (both days inclusive), by passing of an Ordinary Resolution through Postal Ballot. Mr. Arun Khurana being a Non-Independent Director, is liable to retire by rotation.

Mrs. Bhavna Doshi (DIN: 00400508):

Mrs. Bhavna Doshi was appointed as a 'Non-Executive Independent Director' on the Board for a period of four years, with effect from January 14, 2020 up to January 13, 2024 (both days inclusive). Her tenure was accordingly concluded on January 13, 2024.

The Board had, at its meeting held on August 23, 2023, approved the re-appointment of Mrs. Bhavna Doshi as Non-Executive Independent Director of the Bank, for a second term of four years, with effect from January 14, 2024 up to January 13, 2028 (both days inclusive), subject to the approval of the Shareholders of the Bank.

The Shareholders of the Bank had, on October 3, 2023, approved the said re-appointment by passing of a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mrs. Bhavna Doshi is not liable to retire by rotation.

Mr. Lingam Venkata Prabhakar (DIN: 08110715):

The Board had, at its meeting held on March 30, 2024, approved the appointment of Mr. Lingam Venkata Prabhakar as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive), subject to the approval of the Shareholders of the Bank.

The Shareholders of the Bank had, on June 12, 2024, approved the said appointment by passing of a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mr. Lingam Venkata Prabhakar is not liable to retire by rotation.

Mr. Rakesh Bhatia (DIN: 06547321):

The Board had, at its meeting held on March 30, 2024, approved the appointment of Mr. Rakesh Bhatia as a Non-Executive, Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive), subject to the approval of the Shareholders of the Bank.

The Shareholders of the Bank had, on June 12, 2024, approved the said appointment by passing of a Special Resolution through Postal Ballot. In accordance with Section 149(13) of the Companies Act, 2013, Mr. Rakesh Bhatia is not liable to retire by rotation.

Cessation of Directors during the year under review:

Mr. Sanjay Asher (DIN: 00008221):

Mr. Sanjay Asher ceased to be the Non-Executive, Independent Director of the Bank with effect from close of business hours on October 9, 2023, upon completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Mr. Sanjay Asher during his tenure on the Board.

Mr. Shanker Annaswamy (DIN: 00449634):

Mr. Shanker Annaswamy ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on January 11, 2024, upon completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Mr. Shanker Annaswamy during his tenure on the Board.

During the period April 1, 2024 until the date of this Report:

Dr. T. T. Ram Mohan: (DIN: 00008651)

Dr. T. T. Ram Mohan ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on May 11, 2024, upon completion of his tenure.

The Board places on record its sincere appreciation for the contribution made by Dr. T. T. Ram Mohan during his tenure on the Board.

Mr. Sudip Basu (DIN: 09743986):

The Board had, at its meeting held on May 30, 2024, approved the appointment of Mr. Sudip Basu as Non-Executive, Non-Independent Director of the Bank, for a period of four years, with effect from May 30, 2024 up to May 29, 2028 (both days inclusive), subject to the approval of the Shareholders of the Bank.

The Shareholders of the Bank had, on July 4, 2024, approved the said appointment by passing of an Ordinary Resolution through Postal Ballot. Mr. Sudip Basu being a Non-Independent Director, is liable to retire by rotation.

Core skills / expertise / competence / practical experience / special knowledge identified by the Board required for Bank's business:

In line with the Section 10A(2) and other relevant provisions of the Banking Regulation Act, 1949 read with the relevant guidelines issued by the RBI, and in terms of Schedule V of SEBI Listing Regulations, the Board has identified the following core skills / expertise / competencies / practical experience / special knowledge for it to function effectively, in the context of Bank's businesses and sectors:

1. Accountancy;
2. Agriculture and Rural economy;
3. Banking;
4. Co-operation;
5. Economics;
6. Finance;
7. Law;
8. Small-Scale Industry;
9. Information Technology;
10. Payment & Settlement Systems;
11. Human Resources;
12. Risk Management;
13. Business Management; and
14. Any other matter of the special knowledge, and practical experience, which would in the opinion of the Reserve Bank of India, be useful to a bank.

Professional information including skills / expertise / competencies / practical experience / special knowledge in respect of each of the Directors during the FY 2023-24 is furnished below:

Name of Director*	DIN	Nature of Directorship	Skills / expertise / competencies / practical experience / special knowledge	Occupation/ Previous Employment
Mr. Sunil Mehta	00065343	Non-Executive, Independent, Part-time Chairman	Banking, Finance, Economics and Accountancy	Consulting and Advisory Services. Chairman & Managing Director , SPM Capital Advisors Pvt. Ltd. Former Chairman of Yes Bank and Punjab National Bank.
Mr. Shanker ¹ Annaswamy	00449634	Non-Executive, Independent	Information Technology, Human Resources, Risk Management and Business Management	Professional. Former Managing Director of IBM India Pvt. Ltd.
Dr. T. T. Ram Mohan ²	00008651	Non-Executive, Independent	Banking, Finance, Economics and Risk Management	Retired as Professor – Finance & Accounting, IIM, Ahmedabad.
Mrs. Akila Krishnakumar	06629992	Non-Executive, Independent	Information Technology and Payments and Settlement Systems, Human Resources and Business Management	Professional.
Mr. Rajiv Agarwal	00336487	Non-Executive, Independent	Small Scale Industry	Industrialist.
Mr. Sanjay Asher ³	00008221	Non-Executive, Independent	Law & Accountancy	Practicing Advocate, Senior Partner with M/s Crawford Bayley & Co.
Mrs. Bhavna Doshi ⁴	00400508	Non-Executive, Independent	Accountancy and Risk Management	Consulting and Advisory Services. Partner, Bhavna Doshi Associates LLP.
Mr. Jayant Deshmukh	08697679	Non-Executive, Independent	Agriculture & Rural Economy and Co-operation	Retired as Director of Agriculture, Government of Maharashtra.
Mr. Pradeep Udhas	02207112	Non-Executive, Independent	Finance, Information Technology and Business Management	Professional. Senior Advisor to KPMG India Chairman and CEO.

Name of Director*	DIN	Nature of Directorship	Skills / expertise / competencies / practical experience / special knowledge	Occupation/ Previous Employment
Mr. Lingam Venkata Prabhakar ⁵	08110715	Non-Executive, Independent	Banking, Accountancy, Finance, Agriculture and Rural Economy	Former Managing Director & CEO of Canara Bank and Former Executive Director of Punjab National Bank
Mr. Rakesh Bhatia ⁶	06547321	Non-Executive, Independent	Finance, Economics, Information Technology, Risk Management and Business Management	Former Managing Director & CEO of CSB Bank
Mr. Sumant Kathpalia	01054434	Managing Director & CEO	Banking & Accountancy, Risk Management and Business Management	Former – Head Consumer Banking
Mr. Arun Khurana ⁷	00075189	Whole-time Director (Executive Director)	Banking, Economics, Finance, Risk Management and Business Management	Deputy CEO of IndusInd Bank Ltd.
Mr. Sudip Basu ⁸	09743986	Non-Executive Non- Independent Director	Banking, Non-Banking Financial Corporation (NBFC), Business Management, Risk Management, Asset Backed Finance and Cash Flow Based Lending	President - Group Risk at Hinduja Group Ltd.

Notes:

*Details of change in Directorships during the year under review are mentioned under the head 'Board Composition', forming part of this Report.

¹Mr. Shanker Annaswamy ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours, on January 11, 2024, upon completion of his tenure.

²Dr. T. T. Ram Mohan ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on May 11, 2024, upon completion of his tenure.

³Mr. Sanjay Asher ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on October 9, 2023, upon completion of his tenure.

⁴ Mrs. Bhavna Doshi was re-appointed on the Board of the Bank as a Non-Executive Independent Director on the Board for a period of four years, with effect from January 14, 2024 up to January 13, 2028 (both days inclusive).

⁵ Mr. Lingam Venkata Prabhakar was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

⁶ Mr. Rakesh Bhatia was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

⁷ Mr. Arun Khurana was appointed on the Board of the Bank as Whole-Time Director (Executive Director) with effect from November 16, 2023.

⁸ Mr. Sudip Basu was appointed on the Board of the Bank as Non-Executive, Non-Independent Director Bank for a period of four years, with effect from May 30, 2024 up to May 29, 2028 (both days inclusive).

ii. Attendance of Directors at meetings of the Board and 29th Annual General Meeting ("AGM")

During the financial year ended March 31, 2024, twenty-one meetings of the Board were held on April 19, 2023, April 24, 2023, May 10, 2023, May 30, 2023, June 27, 2023, June 28, 2023, July 18, 2023, July 20, 2023, August 23, 2023, September 29, 2023, October 18, 2023, October 20, 2023, November 30, 2023, January 10, 2024, January 18, 2024, January 30, 2024, February 21, 2024, February 23, 2024, March 12, 2024, March 28, 2024 and March 30, 2024.

Details of attendance at the Board meetings and at the 29th AGM, other Directorships, and Memberships and Chairpersonships of Committees pertaining to each Director, as on March 31, 2024 are as follows:

Name of Director*	Attendance at Board meetings (No. of meetings attended ⁹)	Attendance at the 29 th AGM held on August 24, 2023 ⁹	Number of other Directorships		No. of Committees of other companies in which Member \$ %	No. of Committees of other companies in which Chairpersonships \$ %
			Indian Public Limited Companies	Other Companies / LLPs~		
Mr. Sunil Mehta	21/21	Yes	1	4	-	-
Mr. Shanker Annaswamy ¹	14/14	Yes	2	1	1	-
Dr. T. T. Ram Mohan ²	21/21	Yes	1	-	1	-
Mrs. Akila Krishnakumar	21/21	Yes	2	1	1	-
Mr. Rajiv Agarwal [^]	21/21	Yes	-	3	-	-
Mr. Sanjay Asher ³	7/10	Yes	9	13	5	4

Name of Director*	Attendance at Board meetings (No. of meetings attended#)	Attendance at the 29 th AGM held on August 24, 2023*	Number of other Directorships		No. of Committees of other companies in which Member \$ %	No. of Committees of other companies in which Chairpersonships \$ %
			Indian Public Limited Companies	Other Companies / LLPs~		
Mrs. Bhavna Doshi ⁴	19/21	Yes	6	4	2	3
Mr. Jayant Deshmukh	20/21	Yes	1	1	-	-
Mr. Pradeep Udhas	20/21	Yes	1	3	-	-
Mr. Sumant Kathpalia	20/21	Yes	1	-	-	-
Mr. Arun Khurana ⁵	9/9	-	-	-	-	-
Mr. LingamVenkata Prabhakar ⁶	0/0	-	1	-	1	-
Mr. Rakesh Bhatia ⁷	0/0	-	-	5	-	-

Notes:

*Details of Appointment / Retirement / Resignation of Directors during the year under review are mentioned under the head 'Board Composition'.

#Includes attendance through videoconference.

~Includes Directorships held in Foreign Companies, Private Limited Companies, Limited Liability Partnership (LLP) and Companies under Section 8 of the Companies Act, 2013 in India.

⁵Pursuant to Regulation 26 of the SEBI Listing Regulations, for the purpose of considering the limit of Committees in which Directors are Members / Chairpersons, all Public Limited Companies, whether listed or not, have been included. Private Limited Companies, Foreign Companies, and Companies incorporated under Section 8 of the Companies Act, 2013 ('Not for Profit') have been excluded.

⁶For the purpose of determination of the number of Committees of other companies, only Chairpersonships and Memberships of 'Audit Committee of Board' and the 'Stakeholders Relations Committee' have been considered.

[^] Mr. Rajiv Agarwal, member of the Stakeholders Relations Committee was available through video-conference to answer the queries of the Shareholders.

¹Mr. Shanker Annaswamy ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on January 11, 2024, upon completion of his tenure.

²Dr. T. T. Ram Mohan ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on May 11, 2024, upon completion of his tenure.

³Mr. Sanjay Asher ceased to be the Non-Executive Independent Director of the Bank with effect from close of business hours on October 9, 2023, upon completion of his tenure.

⁴Mrs. Bhavna Doshi was re-appointed on the Board of the Bank as a Non-Executive Independent Director in the Board for a period of four years, with effect from January 14, 2024 up to January 13, 2028 (both days inclusive).

⁵Mr. Arun Khurana was appointed on the Board of the Bank as Whole Time Director (Executive Director) with effect from November 16, 2023.

⁶Mr. Lingam Venkata Prabhakar was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

⁷Mr. Rakesh Bhatia was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

Disclosure of Inter-se relationship:

None of the Directors of the Bank are related to each other.

Other Listed Entities in which the Bank's Directors hold Directorships and the category of their Directorships as on March 31, 2024:

Name of Director	Other Listed Entities in which he / she is a Director	Category of Directorship
Mr. Sunil Mehta	-	-
Dr. T. T. Ram Mohan	-	-
Mrs. Akila Krishnakumar	Matrimony.com Ltd. Hitachi Energy India Ltd.	Non-Executive Independent Director
Mr. Rajiv Agarwal	-	-
Mrs. Bhavna Doshi	Sun Pharma Advanced Research Company Ltd. Everest Industries Ltd. KPIT Technologies Ltd. Nuvoco Vistas Corporation Ltd. Great Eastern Shipping Company Ltd.	Non-Executive Independent Director
Mr. Jayant Deshmukh	-	-
Mr. Pradeep Udhas	Hinduja Global Solutions Limited	Non-Executive Independent Director
Mr. Lingam Venkata Prabhakar	Capri Global Capital Limited	Non-Executive Independent Director
Mr. Rakesh Bhatia	-	-
Mr. Sumant Kathpalia	-	-
Mr. Arun Khurana	-	-

iii. Remuneration to Non-Executive Directors

During the year under review, all the Non-Executive Directors, including the Non-Executive, Independent, Part-time Chairman of the Bank, were paid remuneration, in the form of sitting fees and fixed pay, in terms of the Circular for Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board issued by the Reserve Bank of India (RBI) dated April 26, 2021. The fixed remuneration paid to the Non-Executive, Independent, Part-time Chairman of the Bank, is in terms of the approval granted by the RBI.

No Stock Options were granted to Non-Executive Directors.

The sitting fees paid to the Non-Executive Directors of the Bank for participation in the meetings of the Board and the Committees thereof, held during the financial year are as under:

Particulars	Sitting Fees (in ₹) till January 10, 2024	Sitting Fees (in ₹) w.e.f. January 11, 2024	Remarks
Board of Directors	1,00,000	1,00,000	For every meeting attended.
Audit Committee	60,000	75,000	For every meeting attended.
Risk Management Committee	60,000	75,000	For every meeting attended.
Committee of Directors	50,000	75,000	For every meeting attended.
Compensation & Nomination and Remuneration Committee	40,000	75,000	For every meeting attended.
Customer Service Committee	40,000	75,000	For every meeting attended.
Special Committee (for monitoring Large Value Frauds)	40,000	75,000	For every meeting attended.
I.T. Strategy Committee	40,000	75,000	For every meeting attended.
For all other Board Committees	20,000	75,000	For every meeting attended.

Details of fixed remuneration and sitting fees paid to the Non-Executive Directors of the Bank, during the FY 2023-24, are as under:

Name of Director	Fixed Remuneration Paid (in ₹)	Sitting Fees (in ₹)
Mr. Sunil Mehta	30,00,000	47,95,000
Mr. Shanker Annaswamy ¹	15,60,440	31,40,000
Dr. T. T. Ram Mohan ²	20,00,000	37,60,000
Mrs. Akila Krishnakumar	20,00,000	40,60,000
Mr. Rajiv Agarwal	20,00,000	35,55,000
Mr. Sanjay Asher ³	10,48,913	19,90,000
Mrs. Bhavna Doshi	20,00,000	41,65,000
Mr. Jayant Deshmukh	20,00,000	25,20,000
Mr. Pradeep Udhas	20,00,000	45,75,000
Mr. Lingam Venkata Prabhakar ⁴	-	-
Mr. Rakesh Bhatia ⁵	-	-

Notes:

¹ Mr. Shanker Annaswamy ceased to be the Non-Executive Independent Director with effect from close of business hours on January 11, 2024, upon completion of his tenure.

² Dr. T.T Ram Mohan ceased to be the Non-Executive Independent Director with effect from close of business hours on May 11, 2024, upon completion of his tenure.

³ Mr. Sanjay Asher ceased to be the Non-Executive Independent Director with effect from close of business hours on October 9, 2023, upon completion of his tenure.

⁴ Mr. Lingam Venkata Prabhakar was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

⁵ Mr. Rakesh Bhatia was appointed on the Board of the Bank as a Non-Executive Independent Director of the Bank, for a period of four years, with effect from March 30, 2024 up to March 29, 2028 (both days inclusive).

Notes:

- The amount of Fixed Remuneration and Sitting Fees mentioned above is inclusive of taxes.
- None of the Non-Executive Directors has any other pecuniary interest in the Bank.

iv. Remuneration paid to Managing Director & CEO and Executive Director

a) Mr. Sumant Kathpalia, Managing Director & CEO:

Appointment / Re-appointment of the Managing Director & CEO and the terms and conditions relating to his appointment/reappointment, including remuneration, is subject to the prior approval of the RBI and the Shareholders of the Bank.

Pursuant to the recommendation of the Compensation and Nomination and Remuneration Committee, the Board of the Bank had, at their meeting held on September 15, 2022, approved the re-appointment of Mr. Sumant Kathpalia as Managing Director & CEO of the Bank with effect from March 24, 2023, subject to approval of Reserve Bank of India and the Shareholders of the Bank.

Reserve Bank of India had, vide letter dated March 10, 2023, approved the re-appointment of Mr. Sumant Kathpalia as the Managing Director & CEO of the Bank for a further period of 2 years, with effect from March 24, 2023 up to March 23, 2025 (both days inclusive).

The Shareholders of the Bank had, on June 6, 2023, approved the re-appointment of Mr. Sumant Kathpalia as Managing Director & CEO of the Bank, with effect from March 24, 2023 up to March 23, 2025 (both days inclusive), by passing an Ordinary Resolution through Postal Ballot.

Details of the remuneration paid to Mr. Sumant Kathpalia as the Managing Director & CEO of the Bank, during the FY 2023-24 are as under:

Particulars of Remuneration	Amount (per annum)
Salary (per annum) :	₹1,66,71,636
Other Allowances :	₹5,43,41,388
Provident Fund :	₹20,00,596 (12% of Basic Salary)
Leave Fare Concession :	₹1,00,000
Statutory Bonus :	₹28,800
Medical Reimbursement :	₹15,000
Gratuity :	₹8,01,906 (15 days of Basic Salary)
Medicclaim :	₹10,700 (Medicclaim for self and family members insurance value)
Club Membership :	₹65,637
Insurance Cover (Physical Incapacitation) :	₹9,64,337
Total Fixed Pay (including perquisites) :	₹7,50,00,000

During FY 2023-24, Mr. Sumant Kathpalia exercised 1,98,000 Stock Options.

Note: During FY 2023-24, Mr. Sumant Kathpalia was paid the above-mentioned remuneration as approved by the RBI for the period April 1, 2023 – March 31, 2024.

The Bank had received approval of the RBI on December 27, 2023 for variable pay of ₹6,00,00,000 to Mr. Sumant Kathpalia for FY 2022-23. The Variable Pay comprised of 30% of Cash component and 70% of Non-Cash component (share-linked instruments). 50% of the Cash component has been paid upfront and another 50% of cash component has deferred payment portion with vesting period of three years. The entire non-cash component (share-linked instruments) has a vesting period of 3 years. The Bank is in the process of submitting its proposal to the RBI, for approval of the Variable Pay for FY 2023-24 and the Fixed remuneration to be paid to Mr. Kathpalia for FY 2024-25.

b) Remuneration paid to Executive Director

Appointment / Re-appointment of the Executive Director and the terms and conditions relating to his appointment/ re-appointment, including remuneration, is subject to the prior approval of the RBI and the Shareholders of the Bank.

Mr. Arun Khurana, Whole-time Director (Executive Director):

Pursuant to the recommendation of the Compensation and Nomination and Remuneration Committee, the Board of Directors of the Bank had, at their meeting held on June 28, 2023, approved the appointment of Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank. The RBI had, vide its letter dated November 16, 2023 approved the appointment of Mr. Arun Khurana as Whole-time Director

(Executive Director) of the Bank for a period of 3 years, with effect from November 16, 2023 up to November 15, 2026 (both days inclusive).

The Shareholders of the Bank had, on January 23, 2024 approved the appointment of Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank, with effect from November 16, 2023 up to November 15, 2026 (both days inclusive), by passing an Ordinary Resolution through Postal Ballot.

Details of the remuneration paid to Mr. Arun Khurana as Whole-time Director (Executive Director) of the Bank, during the FY 2023-24, are as under:

Particulars of Remuneration	Amount (per annum)
Salary (per annum) :	₹3,07,70,676
Other Allowances :	₹1,34,17,056
Provident Fund :	₹36,92,484 (12% of Basic Salary)
Leave Fare Concession :	₹1,00,000
Statutory Bonus :	₹28,800
Medical Reimbursement :	₹15,000
Gratuity :	₹14,79,360 (15 days of Basic Salary)
Medicclaim :	₹10,700 (Medicclaim for self and family members insurance value)
Club Membership :	₹14,160
Insurance Cover (Physical Incapacitation) :	₹4,71,764
Total Fixed Pay (including perquisites) :	₹5,00,00,000

During FY 2023-24, Mr. Arun Khurana exercised 2,38,020 Stock Options.

Note: During FY 2023-24, Mr. Arun Khurana was paid the above-mentioned remuneration as approved by the RBI for the period November 16, 2023 – March 31, 2024.

Directors' Shareholding

The details of equity shares of the Bank held by the Directors of the Bank, as on March 31, 2024, are as under:

Sr. No.	Name of the Director	Shareholding
(i)	Mr. Sunil Mehta	1,911 shares
(ii)	Dr. T. T. Ram Mohan	3,200 shares
(iii)	Mr. Sumant Kathpalia	35,991 shares
(iv)	Mr. Arun Khurana	1,94,290 shares
(v)	Mrs. Bhavna Doshi	391 shares

vi. Details of Directors retiring by rotation and those being appointed/ re-appointed at the 30th Annual General Meeting (AGM)

(a) Retirement by Rotation

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013, Mr. Arun Khurana (DIN: 00075189), Whole-time Director (Executive Director) of the Bank, will retire by rotation at the ensuing Annual General Meeting, and is eligible for re-appointment.

vii. Committees of the Board

The Board has constituted 12 Committees, details of which are as follows:

1. Audit Committee,
2. Committee of Directors,
3. Compensation and Nomination & Remuneration Committee,
4. Customer Service Committee,
5. Corporate Social Responsibility and Sustainability (CSR&S) Committee,
6. Finance Committee,
7. I.T. Strategy Committee,
8. Risk Management Committee,
9. Review Committee - Non-Cooperative Borrowers and Wilful Defaulters,
10. Stakeholders' Relations Committee,
11. Special Committee of the Board (for monitoring large value Frauds) and
12. Vigilance Committee

The Board functions through various committees, to take decisions and monitor the activities falling within their terms of reference.

Each of the said Committees has the requisite expertise to handle issues relevant to their fields. The said Committees devote considerable time and afford focused attention to various issues placed before them. The guidance provided by the said Committees have enhanced the overall quality of decision-making process of the Board.

The Board reviews the functioning of the said Committees, at-least on an annual basis. The meetings of the said Committees are convened by the respective Chairperson, who also apprises the Board on the key discussions taken at the meetings of the Committee.

Minutes of the meetings of the said Committees are placed for noting of the Board.

The constitution, terms of reference and the functioning of the existing Committees of the Board are as follows:

1. Audit Committee of the Board

Terms of reference:

(A) Powers:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside Legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary;
5. To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

(B) Role:

1. Oversight of the company's Financial Reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
2. Recommendation to the Board for appointment, remuneration and terms of appointment of Auditors;
3. Approval of payment to Statutory Auditors for any other services rendered by them;
4. Reviewing, with the Management, the annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in Accounting Policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by Management;
 - d) Significant adjustments made in the Financial Statements arising out of audit findings;
 - e) Compliance with Listing and other Legal requirements relating to Financial Statements;
 - f) Disclosure of any Related Party Transactions;
 - g) Modified opinion(s) in the draft audit report;
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the Management, the Statement of Uses / Application of Funds raised through an issue (Public Issue, Rights Issue, Preferential Issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer Document / Prospectus / Notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a Public or Rights Issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of Inter-Corporate Loans and Investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;
12. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
13. Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit Department, staffing and seniority of the Official heading the department, reporting structure coverage and frequency of Internal Audit;
14. Discussion with Internal Auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. Reviewing all matters as specified by RBI in the Circular on Calendar of Reviews as per RBI Circular dated November 2010 and notifications, if any, issued from time to time in this regard;
23. Reviewing Concurrent Audit System of the Bank (including appointment of Concurrent Auditor(s) and their tenure, Scope of Audit, Remuneration to external concurrent auditors);
24. Quarterly review containing important features brought out during concurrent audits, finding and an annual appraisal/report of the audit system;
25. To provide directions on any penal action to be initiated, in case of any violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct formulated under the said Code by any person;
26. To note and take on record the status reports, as submitted by the Compliance Officer at least once in a financial year;
27. Regularly review compliance functions in strict accordance with extant guidelines on the subject;
28. Review Report containing cases of attempted fraud involving ₹25 lakhs or more;
29. Yearly consolidated review of attempted fraud cases detected during the year as on March 31 every year within three months from the end of the relative year;
30. Review of quarterly audit notes on KYC / AML;
31. Review of wilful default cases;
32. In case of investment in shares, the surveillance and monitoring of investment by way of review of the total exposure of the Bank to capital market both fund based and non-fund based, in different forms and ensure that adequate risk management and internal control systems are in place;

33. To keep the Board informed about the overall exposure to capital market, the compliance with the Reserve Bank and Board guidelines, adequacy of risk management and internal control systems;
34. Quarterly review of Legal Audits of Title Documents in respect of Large Value Loan Accounts (Exposure of ₹5 crores and above);
35. Refer to the Internal Ombudsman in respect of cases mentioned under Clause 8(2)(a) of the Ombudsman Scheme pertaining to complaints related to frauds and misappropriation.

(C) Review of following information (Scope):

1. Management Discussion and Analysis of financial condition and results of operations;
2. Review the financial statements, in particular, the investments made by the unlisted subsidiary;
3. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management;
4. Management Letters / Letters of Internal Control weaknesses issued by the Statutory Auditors;
5. Internal Audit Reports relating to internal control weaknesses;
6. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
7. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015 ('LODR');
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of LODR.
8. To review and approve transactions including material related party transactions with related parties including omnibus transactions and any subsequent material modification(s) thereto
9. To review and approve related party transaction to which the subsidiary of the Bank is a party but the Bank is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceed ten per cent of the annual consolidated turnover, as per the last audited financial statements of the Bank.
10. Review of Bank's Compliance in respect to Reports (Risk Assessment Report, Inspection Report, Major Area of Non Compliance and Risk Mitigation Plan) issued by RBI under Risk Based Supervision.
11. Review of Internal Audit plan and status of achievement thereof
12. To conduct meeting of Credit Rating Agencies with the Committee at least once in a year, to discuss issues including related party transactions, internal financial control and other material disclosures made by the management, which have a bearing on rating of the listed NCDs

13. Review penalties imposed / penal action taken against bank under various laws and statutes and action taken for corrective measures:
14. To oversee the compliance of the Leakage Policy; (Upon merger of Inquiry Committee with ACB)
15. To deal with any leak of UPSI or suspected leak of UPSI, upon becoming aware of such leak; (Upon merger of Inquiry Committee with ACB)
16. To conduct inquiries as laid out in Leakage Policy in case of leaks or suspected leaks and inform the Board promptly of such leaks, inquiries and result of such inquiries; (Upon merger of Inquiry Committee with ACB)
17. To report the incident of actual or suspected leak of UPSI to SEBI; (Upon merger of Inquiry Committee with ACB)

Composition: As on March 31, 2024, the Audit Committee comprised of three members, viz., Mrs. Bhavna Doshi (Chairperson), Mrs. Akila Krishnakumar and Mr. Pradeep Udhas. The Company Secretary of the Bank acts as the secretary of ACB. All the three members of the Committee are Independent Directors.

Meetings: The Audit Committee met twenty five times during the FY 2023-24: On April 6, 2023, April 24, 2023, May 16, 2023, May 24, 2023, June 26, 2023, July 18, 2023, July 19, 2023, July 27, 2023, August 21, 2023, September 13, 2023, October 12, 2023, October 16, 2023, October 18, 2023, October 19, 2023, November 28, 2023, December 19, 2023, January 3, 2024, January 9, 2024, January 18, 2024, January 25, 2024, February 7, 2024, February 12, 2024, February 13, 2024, March 4, 2024 and March 27, 2024.

The Audit Committee of the Board is entrusted with the responsibility of supervising the Bank's internal controls and financial reporting process. The composition, quorum and terms of reference of the Committee are in accordance with Section 177 of the Companies Act, 2013, guidelines issued by the Reserve Bank of India and the provisions of Regulation 18 of the SEBI Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, etc.

The details of attendance of the members at the meetings of the Audit Committee of Board, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through video conference)	Remarks
Mrs. Bhavna Doshi	25/25	-
Mr. Shanker Annaswamy	18/18	Ceased as a member w.e.f. January 11, 2024, on completion of his tenure.
Mr. Pradeep Udhas	24/25	-
Mr. Sanjay Asher	9/10	Ceased as a member w.e.f. October 9, 2023 on completion of his tenure.
Mrs. Akila Krishnakumar	11/11	Inducted as a member w.e.f. November 11, 2023.

2. Committee of Directors

Terms of Reference:

1. Sanction of Credit proposals in line with the powers delegated by the Board;
2. Noting of control returns on advances sanctioned by Executive Credit Committee (ECC);
3. Power to change the constitution of the ECC as per the Board approved Delegation of Power.
4. Review and noting of Irregularities (Financial Overdues) in Accounts on quarterly basis;
5. Review exposure to Capital Market on a Monthly basis and Large Groups on an annual basis;
6. Exercising all or any powers, on behalf of the BOD, not specifically covered above, except as required per Legal/ Statutory / Regulatory directions.
7. Annual Review of Policy on Exposures to Holding Companies
8. Noting the position of Takeover Accounts (CCBG Segment) on a quarterly basis.
9. Noting observations by the RBI in the Risk Assessment Report (RAR) on any agenda items.
10. Review and noting of NPA to advances ratio for sanctions granted by Committee of Directors and by other authorities on a half yearly basis.
11. Half yearly compliance report on Sec 19(2) of the Banking Regulation Act, 1949 pertaining to Restrictions on holding shares of companies by the Bank.
12. To monitor the exposures (both credit and investments) of the Bank and to consider and approve one-time compromise settlement proposals, in respect of loan accounts which have been written off.
13. To approve treasury related investments and disinvestments as mentioned in the Domestic Investment Policy, Overseas Investment Policy and Market Risk Management Policy of the Bank, as amended from time to time.

Composition: As on March 31, 2024, the Committee of Directors comprised of four members, viz., Mr. Sunil Mehta (Chairman), Mr. Pradeep Udhas, Dr. T. T. Ram Mohan and Mr. Sumant Kathpalia. Three members of the Committee are Independent Directors.

Meetings: The Committee of Directors met twenty-three times during the FY 2023-24: On April 17, 2023,

May 19, 2023, June 6, 2023, June 21, 2023, June 28, 2023, July 26, 2023, August 11, 2023, September 6, 2023, September 12, 2023, September 18, 2023, September 27, 2023, October 13, 2023, November 8, 2023, November 28, 2023, December 11, 2023, December 22, 2023, December 28, 2023, January 29, 2024, February 15, 2024, February 28, 2024, March 7, 2024, March 22, 2024, and March 26, 2024.

The details of attendance of the members at the meetings of the Committee of Directors, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through video conference)	Remarks
Mr. Sunil Mehta	22/23	-
Dr. T. T. Ram Mohan	21/23	-
Mr. Sanjay Asher	9/11	Ceased to be a member w.e.f. October 9, 2023 on completion of his tenure.
Mr. Pradeep Udhas	9/10	Inducted as a member w.e.f. November 11, 2023.
Mr. Sumant Kathpalia	15/23	-

3. Compensation and Nomination & Remuneration Committee

The Board had approved the integration of 'Compensation Committee' and 'Nomination and Remuneration Committee' and re-named as 'Compensation and Nomination & Remuneration Committee' effective from October 1, 2021. The terms of reference were also integrated, as under.

Terms of reference:

The Committee's role is to approve the issuance of Stock Options to employees under the Employees Stock Option Scheme 2020 and IBL Special Incentive ESOS for BFIL Merger 2018.

For 'Nomination' matters:

- To examine the qualification, knowledge, skillsets and experience and identify persons who are qualified to be appointed / re-appointed as Director vis-à-vis the Bank's requirements and their effectiveness to the Board;
- To review the structure, size, composition, diversity of the Board and make necessary recommendations to the Board;
- Formulate and review the Policy on Board Diversity;
- To evaluate the succession planning process adopted by the Bank and suggest suitable course of action, if any, relating to vacancies that would be required to be filled at Board level on account of retirement / resignation / expiry of term of Directors, including Chairman;
- To formulate criteria and specify the manner for effective evaluation of performance of the Board, its Committees and individual Directors; to be carried out either by the Board, the Nomination & Remuneration Committee or by an external independent agency and review its implementation and compliance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- To determine whether to extend or continue the tenure of appointment of the Independent Directors, on the basis of the report of Performance Evaluation of Independent Directors;
- To conduct due diligence as to the credentials of any Director before his / her appointment, and making appropriate recommendations to the Board, in consonance with the Dr. Ganguly Committee recommendations and the requirements of RBI;
- To identify persons who may be appointed in Senior Management position of the Bank, in accordance with the criteria laid down along with all remuneration, in whatever form, payable to senior management and recommend their appointment and removal for the approval of the Board;
- To confirm that the Directors recommended to the Board for appointment in the category of 'Non-Executive Independent Director' fulfill the conditions specified under the Companies Act, 2013 and the Listing Regulations and that they are independent of the management;
- To determine the quantum of the "Directors and Officers Insurance" (D & O insurance) and risks for all Directors (including Independent Directors) and recommend to the Board of Directors for approval.

For 'Remuneration and HR' matters:

- To oversee the framing, review and implementation of the Compensation Policy of the Bank for Whole-time Directors / Chief Executive Officers / Key Managerial Personnel / Risk-Takers and Control Function Staff towards ensuring effective alignment between remuneration and risks;
- To determine, on behalf of the Board, the Bank's Policy on Remuneration packages for Executive Directors, including Pension, etc.;
- To review the talent management and succession policy and processes in the Bank for ensuring business continuity, especially at the levels of Managing Director & CEO, and Senior Management, and other key roles of the Bank;

4. Policy for Top-level Executives, one level below the Managing Director and Chief Executive Officer (Members of the Core Executive Team); and
5. To review the HR strategy, Performance Appraisal process, fundamental changes in the Organization Structure, Training and the overall HR function.

Composition: As on March 31, 2024, the Compensation and Nomination & Remuneration Committee comprised of three members, viz., Mrs. Akila Krishnakumar

(Chairperson), Mr. Rajiv Agarwal, and Mr. Sunil Mehta. All the members of Compensation and Nomination & Remuneration Committee are Independent Directors.

Meetings: The Compensation and Nomination & Remuneration Committee met twelve times during the FY 2023-2024: On May 2, 2023, June 16, 2023, June 27, 2023, July 19, 2023, September 6, 2023, October 19, 2023, November 3, 2023, November 29, 2023, January 9, 2024, February 13, 2024, March 20, 2024, and March 30, 2024.

The details of attendance of the members at the meetings of the Compensation and Nomination & Remuneration Committee, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through video conference)	Remarks
Mrs. Akila Krishnakumar	12/12	-
Mr. Shanker Annaswamy	2/2	Inducted as a member w.e.f. November 11, 2023 and ceased to be a member w.e.f. January 11, 2024 on completion of his tenure.
Mr. Sunil Mehta	12/12	-
Mr. Rajiv Agarwal	12/12	-
Mr. Sanjay Asher	4/5	Ceased to be a member w.e.f. October 9, 2023 on completion of his tenure.

4. Customer Service Committee

Terms of reference:

1. The Committee's function is to monitor the quality of customer service extended by the Bank, and to review the needs of customers.
2. Review complaints and quality of service provided by the Bank & its subsidiaries to ensure a robust grievance redressal mechanism.
3. Review the initiatives taken by the Bank to enhance customer experience.
4. To review customer complaints addressed to the members of the Board.
5. Update on Internal Ombudsman activities & analysis of cases referred;

Composition: As on March 31, 2024, the Customer Service Committee comprised of five members, viz., Mr. Rajiv Agarwal (Chairman), Mr. Jayant Deshmukh, Mr. Sunil Mehta, Mr. Sumant Kathpalia and Mr. Arun Khurana. Three members of Customer Service Committee are Independent Directors.

Meetings: The Customer Service Committee met thrice during the FY 2023-2024: On June 8, 2023, September 18, 2023 and February 20, 2024.

The details of attendance of the members at the meetings of the Customer Service Committee, held during the FY 2023-24, are as under:

Members	Number of meetings attended (includes attendance through video conference)	Remarks
Mr. Rajiv Agarwal	3/3	Appointed as a Chairman w.e.f. November 11, 2023.
Mrs. Akila Krishnakumar	2/2	Ceased to be a Chairperson and member w.e.f. November 11, 2023.
Dr. T. T. Ram Mohan	0/1	Ceased to be a Member w.e.f. September 8, 2023.
Mr. Sunil Mehta	1/1	Inducted as a Member w.e.f. November 11, 2023.
Mr. Jayant Deshmukh	3/3	-
Mr. Sumant Kathpalia	3/3	-
Mr. Arun Khurana	1/1	Inducted as a Member w.e.f. November 30, 2023.

5. Corporate Social Responsibility and Sustainability (CSR&S) Committee

Terms of reference:

1. Formulation and recommendation to the Board, the Corporate Social Responsibility strategy of the Bank, including the Corporate Social Responsibility Policy ('CSR Policy') which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 as amended from time to time ('the Act');
2. Monitoring the Implementation of the CSR Policy of the Bank from time to time;
3. Recommending the amount of expenditure to be incurred on the activities in accordance with Section 135(5) of the Act;
4. Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken;
5. Agree, Review and Evaluate sustainably strategy of the Bank;
6. Review and evaluate sustainability performance of the Bank;
7. Provide industry perspective to overall sustainability agenda of the Bank.

8. To oversee and monitor the Environmental Social Governance (ESG) framework, the Environmental policy, actionable and initiatives strategized and executed by the management
9. To oversee and monitor the Bank's ESG disclosures including the Sustainability Report highlighting the Bank's ESG performance.

Composition: As on March 31, 2024, the Corporate Social Responsibility and Sustainability Committee comprised of five members, viz., Mrs. Akila Krishnakumar (Chairperson), Mr. Rajiv Agarwal, Mr. Sumant Kathpalia, Mr. Jayant Deshmukh and Mr. Arun Khurana. Three members of the Corporate Social Responsibility and Sustainability Committee are Independent Directors.

Meetings: The Corporate Social Responsibility and Sustainability Committee met thrice during FY 2023-2024: On June 26, 2023, October 31, 2023 and March 14, 2024.

The composition of the Corporate Social Responsibility and Sustainability Committee is in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Bank's CSR Policy has been hosted on the Bank's website at:

<https://www.indusind.com/content/dam/indusind-corporate/generic/CSR-Policy.pdf>

The details of attendance of the members at the meetings of the Corporate Social Responsibility and Sustainability Committee, held during the FY 2023-24, are as under:

Members	Number of meetings attended (includes attendance through video conference)	Remarks
Mrs. Akila Krishnakumar	3/3	-
Mr. Rajiv Agarwal	3/3	-
Mr. Sanjay Asher	0/1	Ceased to be a member w.e.f. October 9, 2023 on completion of his tenure.
Mr. Sumant Kathpalia	2/3	-
Mr. Jayant Deshmukh	1/1	Inducted as a Member w.e.f. November 11, 2023.
Mr. Arun Khurana	1/1	Inducted as a Member w.e.f. November 30, 2023.

6. Finance Committee

Terms of reference:

1. The Committee's role is to decide on the appropriate mode of raising of capital;
2. to finalise, settle, approve or agree to terms and conditions including the pricing for the said capital-raising programme;
3. finalise, settle, approve, and authorise the executing of any document, deed, writing, undertaking, guarantee or other papers (including any modification thereof) in connection with the capital-raising programme and authorise the affixing of the Common Seal of the Bank, if necessary thereto in accordance with the provisions of Articles of Association of the Bank;

4. to appoint and to fix terms and conditions of merchant bankers, investment bankers, lead or other managers, advisors, solicitors, agents or such other persons or intermediaries as may be deemed necessary for the capital raising programme;
5. to do all such things and deal with all such matters and take all such steps as may be necessary to give effect to the resolution for raising of capital and to settle / resolve any question or difficulties that may arise with regard to the said programme.

Composition: As on March 31, 2024, the Finance Committee comprised of five members, viz., Mr. Sunil Mehta (Chairman), Mrs. Bhavna Doshi, Dr. T.T. Ram Mohan, Mr. Sumant Kathpalia and Mr. Arun Khurana. Three members of the Finance Committee are Independent Director.

Meetings: The Finance Committee met once during the FY 2023-24 on March 26, 2024.

The details of attendance of the members at the meetings of the Finance Committee, held during the FY 2023-24, are as under:

Members	Number of meetings attended (includes attendance through video conference)	Remarks
Mr. Rajiv Agarwal	0/0	Ceased to be a Chairman and member w.e.f. November 11, 2023.
Mr. Sunil Mehta	1/1	Inducted as a Chairman w.e.f. November 11, 2023.
Mrs. Bhavna Doshi	1/1	-
Mr. Pradeep Udhas	0/0	Ceased to be a member w.e.f. November 11, 2023.
Mr. Sumant Kathpalia	0/1	-
Dr. T.T. Ram Mohan	1/1	Inducted as a Member w.e.f. November 11, 2023.
Mr. Arun Khurana	1/1	Inducted as a Member w.e.f. November 30, 2023.

7. I.T. Strategy Committee

Terms of reference:

1. The Committee conducts Board-level overview of aligning Information Technology with the business strategy of the Bank, aimed at offering better service to customers, improved risk management, and superior performance;
2. Ensure that IT architecture, investment, organisational structure, resources and performance measurement parameters are geared to deliver business value and contribute to the Bank's growth;
3. Review the progress made by the Bank on the Digital Banking front;
4. Review the Business Continuity Plan (BCP)/Disaster Recovery (DR) Plan of the Bank and exercise oversight over efficacy of the BCP/DR process adopted by the Bank and recommend measures for its improvement;
5. Exercise oversight to ensure effective functioning of the IT Operations of the Bank;
6. Assessing and reviewing the strategy for addressing IT and cyber security risks.

Composition: As on March 31, 2024, the I.T. Strategy Committee comprised of four members, viz., Mrs. Akila Krishnakumar (Chairperson), Mr. Pradeep Udhas, Mr. Sumant Kathpalia and Mr. Sunil Mehta. Three members of the IT Strategy Committee are Independent Directors.

Meetings: The I.T. Strategy Committee met six times during the FY 2023-2024: On May 9, 2023, May 30, 2023, September 13, 2023, September 20, 2023, December 12, 2023 and March 7, 2024.

The details of attendance of the members at the meetings of the IT Strategy Committee, held during the FY 2023-24, are as under:

Members	Number of meetings attended (includes attendance through video conference)	Remarks
Mr. Shanker Annaswamy	5/5	Ceased to be a Chairman & a Member w.e.f. January 11, 2024, on completion of his tenure.
Mrs. Akila Krishnakumar	5/6	Appointed as a Chairperson w.e.f. February 29, 2024.
Mr. Pradeep Udhas	6/6	-
Mr. Sumant Kathpalia	6/6	-
Mr. Sunil Mehta	2/2	Inducted as a member w.e.f. November 11, 2023.

8. Risk Management Committee

Terms of reference :

1. Frame, implement and review the Enterprise-wide Risk Management Framework for the Bank including Risk Appetites and its quarterly monitoring;
2. Periodically review and annually update the Risk Management policies covering Credit Risk, Market Risk, Assets Liabilities Management, Operational Risk, BCP Policy and any other policy/product programmes pertaining to risk management department / Bank;
3. Formulate and annually review Internal Capital Adequacy Assessment Process (ICAAP);
4. Formulate and establish risk management practices that include measures around likelihood and impact and risk categories in alignment with Bank's policies;
5. Credit Portfolio Management Analysis, other reviews and Sector Reviews;
6. Review validation of Credit Risk models, Market Risk models, and the effectiveness of all systems used for calculating Market Risk;
7. Formulate and review of Risk practices in line with Basel II / III guidelines such as CRAR, RWA computation, Internal rating models, etc.;
8. Formulate and review frameworks for Strategic Risk, Reputation risk, etc.;

9. Formulate, monitor and review the implementation of Operational Risk Management Framework and validation of related models;
10. Formulate, monitor and review the implementation of ALM frameworks in Bank, namely, Structural Liquidity Statements, Liquidity Coverage Ratio - Interest Rate Risk in Banking Book, etc.;
11. Setting policies and guidelines for Liquidity Risk and Interest Rate Risk Management and ensuring that the processes are aligned with Bank's policies;
12. Review the validation of Stress Testing and Back Testing frameworks and carrying out stress testing and back testing;
13. Review of Digital payments fraud risk management by the transactions monitoring team. Semi-annual update to RMC including emerging risks and fraud from various digital payment channels, enhancement in the fraud prevention system, frauds incidents reported, loss to the bank, customer, amount insured and recovered, etc.;
14. Update on emerging cyber security risks and risk posture of the bank at half yearly interval;
15. Any other matters related to enhancements in risk management frameworks/policies in terms of RBI / Regulatory guidelines.
16. Review and Recommend risk management system/models/internal control system
17. To review the appointment, removal and terms of remuneration of the Chief Risk Officer
18. Meeting of Chief Risk Officer with the Committee in accordance with RBI Circular No.DBR.BP .BC. No.65/21.04.103/2016-17 dated April 27, 2017.

Composition : As on March 31, 2024, the Risk Management Committee comprised of Four members, viz., Dr. T. T. Ram Mohan (Chairman), Mrs. Bhavna Doshi, Mr. Sunil Mehta and Mr. Sumant Kathpalia. Three members of the Risk Management Committee are Independent Directors.

Meetings : The Risk Management Committee met five times during the FY 2023-2024: On June 19, 2023, September 22, 2023, December 27, 2023, March 27, 2024 and March 30, 2024.

The details of attendance of the members at the meetings of the Risk Management Committee, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through video conference)	Remarks
Dr. T. T. Ram Mohan	5/5	-
Mr. Shanker Annaswamy	3/3	Ceased to be a member w.e.f. January 11, 2024, on completion of his tenure.
Mrs. Bhavna Doshi	3/5	-
Mr. Sunil Mehta	4/5	-
Mr. Sumant Kathpalia	5/5	-

9. Review Committee - Non-Cooperative Borrowers and Wilful Defaulters

Terms of reference: The Committee's role is to review the decisions taken by the Identification Committee in respect of Non-Cooperative / Wilful Defaulters.

To review the information relating to the non-cooperative borrowers to be submitted to Central Repository of Information on Large Credits (CRILC)

Composition: As on March 31, 2024, the Review Committee - Non-Cooperative Borrowers and Wilful Defaulters comprised of four members, viz., Mr. Sumant Kathpalia (Chairman), Mr. Jayant Deshmukh, Mr. Pradeep Udhas and Mr. Rajiv Agarwal. Three members of the Review Committee - Non-Cooperative Borrowers and Wilful Defaulters are Independent Directors.

Meetings: Review Committee – Non Cooperative Borrowers and Wilful Defaulters met once during the FY 2023-2024: On February 29, 2024.

Members	Number of Meeting attended (includes attendance through video conference)	Remarks
Mr. Sumant Kathpalia	1/1	-
Mrs. Akila Krishnakumar	0/0	Ceased to be a Member w.e.f. November 11, 2023.
Mr. Jayant Deshmukh	1/1	-
Mr. Pradeep Udhas	1/1	-
Mr. Rajiv Agarwal	1/1	Inducted as a Member w.e.f. November 11, 2023.

10. Stakeholders' Relations Committee

Terms of Reference:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of Annual Report, non-receipt of declared Dividends, issue of new / duplicate Share Certificates, General Meetings etc.
2. Review for measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of Dividend Warrants / Annual Report / statutory Notices by shareholders of the company;

5. Specifically look into various aspects of interest of shareholders, debenture-holders and other security holders.
6. To review and recommend policies related to investors of securities of the Bank.

Composition : As on March 31, 2024, the Stakeholders' Relations Committee comprised four members, viz., Mr. Rajiv Agarwal (Chairman), Mrs. Bhavna Doshi, Mr. Sumant Kathpalia and Mr. Sunil Mehta. Three members of the Stakeholders' Relations' Committee are Independent Directors.

Meetings : The Stakeholders' Relations' Committee met four times during the FY 2023-2024: On July 21, 2023, December 22, 2023, February 28, 2024 and March 26, 2024.

The Composition and Terms of Reference of the Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the SEBI Listing Regulations.

The details of attendance of the members at the meetings of the Stakeholders' Relations' Committee, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through videoconference)	Remarks
Mr. Rajiv Agarwal	4/4	-
Mrs. Bhavna Doshi	3/4	-
Mr. Sumant Kathpalia	1/4	-
Mr. Sunil Mehta	3/3	Inducted as a Member w.e.f. November 11, 2023.

Mr. Anand Kumar Das, Company Secretary of the Bank, has been appointed as the Compliance Officer in terms of Regulation 6 of the SEBI Listing Regulations.

11. Special Committee of the Board (for monitoring large value Frauds)

Terms of Reference :

1. In accordance with the directives of Reserve Bank of India, a Special Committee has been set up for monitoring and follow-up of cases of frauds involving amounts of ₹1 crore and above.
2. Monitor the progress in all the large value frauds and implementation of the suggestions made by the Committee.
3. The Committee also reviews the accounts identified as 'Red-Flagged' (RFA) and review functioning of Fraud Monitoring Group.
4. Monitor progress of CBI/Recovery proceeding
5. Review the efficiency of remedial action taken to prevent reoccurrence of frauds, such as strengthening of internal control

Composition: As on March 31, 2024, the Special Committee (for monitoring of Large Value Frauds) comprised of five members, viz., Mr. Rajiv Agarwal (Chairman), Mrs. Bhavna Doshi, Mr. Sumant Kathpalia, Mr. Sunil Mehta and Mrs. Akila Krishnakumar. Four members of the Special Committee for monitoring of Large Value Frauds are Independent Directors.

Meetings : The Special Committee for monitoring of Large Value Frauds met four times during the FY 2023-2024: On June 19, 2023, August 30, 2023, November 30, 2023, and March 4, 2024.

The details of attendance of the members at the meetings of the Special Committee for monitoring of Large Value Frauds, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through videoconference)	Remarks
Mr. Sanjay Asher	2/2	Ceased to be the Chairman and Member w.e.f. October 9, 2023 on completion of his tenure.
Mr. Shanker Annaswamy	3/3	Appointed as a Chairman w.e.f. November 11, 2023 and ceased to be the Chairman and Member w.e.f. January 11, 2024 on completion of his tenure.
Mr. Rajiv Agarwal	4/4	Appointed as a Chairman w.e.f. February 29, 2024.
Mrs. Bhavna Doshi	3/4	-
Mr. Sumant Kathpalia	2/4	-
Mrs. Akila Krishnakumar	2/2	Inducted as a Member w.e.f. November 11, 2023.
Mr. Sunil Mehta	1/1	Inducted as a Member w.e.f. February 29, 2024.

12. Vigilance Committee

Terms of reference : The Committee conducts overview of cases of lapses of a vigilance nature on the part of employees of the Bank.

Composition : As on March 31, 2024, the Vigilance Committee comprised of four members, viz., Mr. Pradeep Udhas (Chairman), Mr. Rajiv Agarwal, Mr. Jayant Deshmukh and Mr. Sumant Kathpalia. Three members of the Vigilance Committee are Independent Directors.

Meetings : The Vigilance Committee met five times during the FY 2023-2024: On July 5, 2023, July 21, 2023, October 31, 2023, November 22, 2023, and February 21, 2024.

The details of attendance of the members at the meetings of the Vigilance Committee, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through videoconference)	Remarks
Mrs. Akila Krishnakumar	3/3	Ceased to be the Chairperson and member w.e.f. November 11, 2023.
Mr. Pradeep Udhas	2/2	Inducted as Chairman of the Committee w.e.f. November 11, 2023.
Mr. Sanjay Asher	0/2	Ceased to be a member w.e.f. October 9, 2023 on completion of his tenure.
Mr. Jayant Deshmukh	5/5	-
Mr. Sumant Kathpalia	5/5	-
Mr. Rajiv Agarwal	2/2	Inducted as a member w.e.f. November 11, 2023.

Separate meeting of Independent Directors

During the year under review, the Independent Directors of the Bank met four times, without the presence of Non-Independent Directors or the Management of the Bank on May 10, 2023, May 29, 2023, July 19, 2023 and October 18, 2023.

In terms of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of SEBI Listing Regulations, at least one meeting of Independent Directors is required to be held every year.

The Bank has obtained cover for all Independent Directors under the Directors and Officers Insurance Policy ('D and O Insurance') of requisite quantum and risks determined by the Board.

In the aforesaid meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman, taking into account the views of Non-Executive Directors and the Whole-time Director; and
- Assessed the quality, quantity and timeliness of flow of information between the Bank Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The details of attendance at the meetings of the Independent Directors, held during the FY 2023-24, are as under:

Members	Number of Meetings attended (includes attendance through videoconference)	Remarks
Mr. Sunil Mehta	4/4	
Mr. Shanker Annaswamy	4/4	Ceased to be a Non- Executive Independent Director of the Bank w.e.f. January 11, 2024 on completion of his tenure.
Dr. T. T. Ram Mohan	4/4	-
Mrs. Akila Krishnakumar	4/4	-
Mr. Rajiv Agarwal	4/4	-
Mr. Sanjay Asher	3/3	Ceased to be a Non- Executive Independent Director of the Bank w.e.f. October 9, 2023 on completion of his tenure.
Mrs. Bhavna Doshi	4/4	-
Mr. Jayant Deshmukh	3/4	-
Mr. Pradeep Udhas	3/4	

Note : Mr. Lingam Venkata Prabhakar and Mr. Rakesh Bhatia were appointed as Non- Executive Independent Directors on the Board of the Bank on March 30, 2024.

Terms and Conditions of appointment of Independent Directors

Non-Executive Independent Directors of the Bank, fulfil the conditions of independence as mandated under Section 149 (6) of the Companies Act, 2013 read with Schedule IV and Regulation 16(1)(b) of the SEBI Listing Regulations and the Board has established the veracity of their declaration relating to their independence and satisfied itself that they are independent of the management.

A formal letter of appointment has been issued to the Independent Directors of the Bank, at the time of their appointment/ re-appointment, in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The terms and conditions of appointment of Independent Directors has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>.

Senior management: Particulars of senior management including the changes therein since the close of the previous financial year:

S.No.	Name	Designation
1.	Mr. Sumant Kathpalia	Managing Director & CEO
2.	Mr. Arun Khurana	Executive Director & Deputy CEO
3.	Mr. Sanjeev Anand	Head - Corporate, Commercial, Rural & Inclusive Banking
4.	Mr. Zubin D Mody	Chief Human Resources Officer
5.	Mr. Rana Vikram Anand	Head - Pan Bank Liability Group, Customer Service & Synergy
6.	Mr. Gobind Jain	Chief Financial Officer
7.	Mr. Soumitra Sen	Head - Consumer Banking & Marketing
8.	Mr. Samir Dewan	Head - Affluent Banking & International Business
9.	Ms. Roopa Satish ¹	Head - Portfolio Management & CSR
10.	Mr. Anil M Rao	Chief Administrative Officer
11.	Mr. Anish Behl	Head – Wealth & Para Banking
12.	Mr. Siddharth Banerjee	Head – Investment Banking, Global Markets & Financial Institutions Group
13.	Mr. Shiv Kumar Bhasin	Chief Transformation Officer
14.	Mr. Jyoti Prasad Ratho	Head - Inspection & Audit
15.	Mr. Vivek Bajpeyi	Chief Risk Officer
16.	Mr. Niraj Piyush Shah	Head - Corporate & Institutional Banking, Gems & Jewellery
17.	Ms. Charu Sachdeva Mathur	Head- Digital Banking & Strategy (Existing Business)
18.	Mr. A G Sriram	Head – Consumer Finance
19.	Mr. Indrajit Yadav	Head - Investor Relations and Strategy
20.	Mr. Anand Kumar Das	Company Secretary
21.	Mr. Sachin Shamkant Patange	Chief Compliance Officer
22.	Mr. Ramesh Ganesan ²	Head - Technology and Corporate & Global Market Operations
23.	Mr. Bijayananda Pattanayak ³	Head - Gems & Jewellery

1. Ms. Roopa Satish ceased to be Head – Portfolio Management & CSR w.e.f June 27, 2024
2. Mr. Ramesh Ganesan ceased to be Head - Technology and Corporate & Global Market Operations w.e.f October 31, 2023.
3. Mr. Bijayananda Pattanayak ceased to be Head - Gems & Jewellery w.e.f December 31, 2023.

Annual Evaluation of Performance of the Board, Committees of the Board, Non-Executive Non-Independent, Part-time Chairman, and Individual Directors

The Bank has in place a Board Evaluation framework setting out the process, criteria, frequency, etc. for conduct of performance evaluation of the Board as a whole, of Committees of the Board of Directors including Independent Directors, of Non-Independent Directors, of the Managing Director & CEO, and of the Non-Executive Non-Independent, Part-time Chairman. The framework was recommended by the Nomination & Remuneration Committee of the Board, and was approved by the Board.

The process of performance evaluation adopted by the Bank is in line with the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SEBI had, vide their Circular dated January 5, 2017, issued the 'Guidance Note on Board Evaluation'. The Nomination & Remuneration Committee of the Board reviewed the criteria and process for Performance Evaluation of the Board and its Committees, with a view to align it with SEBI's Guidance Note and accordingly enhanced the set standards for Performance Evaluation, method of Assessment, etc.

The Board of Directors have, on the recommendation of the Compensation and Nomination & Remuneration Committee, approved the engagement of an external professional agency for conducting the Performance Evaluation exercise.

Annual Performance Evaluation exercise for FY 2023-24 had been carried out by engagement of an external professional agency, which is specialised in Board evaluation processes and provided the convenience of mutual evaluation, along with anonymity.

Under the Guidance of the professional agency that specialise in Board Evaluation:

- The Compensation and Nomination & Remuneration Committee evaluated the performance of the Board as a whole, that of the Committees of the Board, the Non-Executive Independent, Part-time Chairman of the Board and the individual Directors of the Bank.
- Performance of Independent Directors including fulfilment of Independence criteria as specified under SEBI Listing Regulations and their independence from the management and of the Chairman was evaluated by the entire Board, excluding the Director being evaluated.
- Performance of the entire Board was evaluated based on inputs from individual Directors on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information and functioning, and other attributes such as discharging of roles and functions, professional conduct, governance, etc.
- Performance of the Committees of the Board was evaluated after seeking inputs from the Directors, and evaluation was done on the basis of criteria such as composition of the Committee, roles and responsibilities, effectiveness of Committee meetings, etc.

- Performance of Chairman of the Board, was reviewed taking into account the views of the Executive Director and Non-Executive Directors and that of the Non-Independent Directors was reviewed by the Independent Directors in a separate meeting of Independent Directors, who had also reviewed the performance of the Board as a whole.

The Chairman of the Board provided feedback to the Directors on individual basis, taking into account the report of the external agency, and the significant highlights, learnings and action points with respect to the evaluation exercise, were discussed amongst the Board members.

In accordance with Section 178 of the Companies Act, 2013, the Board has formulated and adopted the Policy on Performance Evaluation of the Board and a Policy for Selection and Appointment of Directors which has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Familiarization Programme for Independent Directors

An appropriate Induction Programme for new Directors and ongoing familiarization with respect to the business / working of the Bank for all Directors is a major contributor for meaningful Board-level deliberations and sound business decisions.

In compliance with the requirement of the SEBI Listing Regulations, the Bank has formulated a Familiarization Programme for Independent Directors. The said Programme aims to provide to the Independent Directors an insight into the Bank's functioning, to help them understand its business in depth, roles and responsibilities of Independent Directors, and industry overview, so as to help them contribute significantly during the deliberations in the Board / Committee meetings and facilitate active participation in managing of the Bank.

As part of the agenda of Board / Committee Meetings, presentations are made to Independent Directors on an ongoing basis on various matters covering the Bank's business and operations, industry and regulatory updates, strategy, finance, the risk management framework, etc.

At the time of appointment of a Director, a formal Letter of Appointment is given to him / her, which explains the role, function, duties and responsibilities expected of him / her as a Director of the Bank. Inputs include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on an on-going process, including talks by external domain experts.

Details of the Familiarisation Programme for Independent Directors has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html> and then follow the mentioned path: Investor > Investor Relations > Corporate Governance > Familiarisation Programme for Independent Directors.

Policy for Selection and Appointment of Directors

The Board of Directors are at the helm of the Bank, and an enlightened Board creates a culture of leadership and provides a long-term policy approach to enhance the quality of governance.

The Policy for Selection and Appointment of Directors (the Policy) shall act as a guideline for determining the qualifications, positive attributes, independence of Directors, and matters relating to the appointment and removal of Directors.

The Policy has been formulated and adopted, in terms of the provisions of Section 178 of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 10A of the Banking Regulation Act, 1949 and the Guidelines issued by the RBI, in this regard, from time to time.

The Policy sets out the guiding principles for identifying persons who are qualified to become Directors, to determine the independence of Directors and the manner of selection and appointment/reappointment of Directors.

The Policy for Selection and Appointment of Directors has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Board Diversity Policy

The Bank has benefited from the guidance and strategic direction of eminent persons from diverse fields as Directors in its Board.

The 'Board Diversity Policy' was formulated in 2015 to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The primary objective of this Policy is to provide a framework for building a Board that would contribute to the achievement of the Bank's strategic and commercial objectives.

The Bank believes that a professional Board that possesses diverse skills, varied experience and expertise enhances the quality and speed of decision-making processes, which benefits all stakeholders.

RBI have, vide their Circular dated November 24, 2016, advised banks to broaden the fields of specialization of persons who could be considered for appointment as 'Director', viz., Information Technology, Payment & Settlement Systems, Human Resources, Risk Management, and Business Development and Management.

The Board Diversity Policy includes the said skill sets as part of the criteria for induction as a Director on the Board of the Bank.

Board Diversity Policy has been hosted on the Bank's website, at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Succession Planning Policy for the Board of Directors of the Bank

The Bank has formulated and adopted the succession planning policy for Board of Directors of the Bank.

The objective of the policy is to inter alia assess, identify and nominate suitable candidates to fill vacancies that may arise for positions of the non-executive chairperson, independent directors, MD&CEO, whole-time directors of the Bank, from time to time.

The Board considers the profile, skill set, experience, expertise, functional capabilities, and other relevant information and adherence to the fit and proper norms. The objective is to provide the Board with members who have diverse knowledge, practical experience and requisite skill set of skills to serve the business interests of the Bank and overall effectiveness of the Board.

Policy for Determining Material Subsidiary Companies

The Bank does not have a material subsidiary, however, has formulated and adopted the Policy for determining material subsidiary companies, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Policy for determining material subsidiaries has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Policy on Related Party Transactions

All transactions with related parties were in the ordinary course of business and on an arm's length pricing basis. Suitable disclosure as required under the Accounting Standards (AS 18) has been made in the Notes to the Financial Statements. The details of the transactions with related parties are placed before the Audit Committee from time to time.

In terms of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Bank has formulated the 'Policy on Related Party Transactions'.

The Policy is hosted on the website of the Bank at the link mentioned below:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>

Strictures and Penalties

Penalty or stricture imposed on the Bank by SEBI, Stock Exchanges or any other authority in the matters relating to Capital Market, during last three years:

During the FY 2023-24:

BSE Limited had levied a fine of ₹11,800/- (including GST) on the Bank for marginal delay in uploading the voting results on BSE online portal due to technical reasons in pursuance of Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Bank had paid the fine of ₹11,800/- on December 4, 2023 and simultaneously the Bank had filed application for waiver of fine as per BSE Policy for exemption of fines levied as per the provisions of SEBI Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.

National Stock Exchange of India Limited had levied a fine of ₹11,800/- (including GST) on the Bank for Delay in intimation of Record Date for payment of interest on Infrastructure Bonds in pursuance of Regulation 60 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Bank had paid the fine of ₹11,800/- on February 1, 2024.

During the FY 2022-23:

SEBI had levied monetary penalty of ₹10 Million in respect of loan sanctioned by the Bank through IBU-Gift City, an overseas entity.

During the FY 2021-22:

National Stock Exchange of India Limited and BSE Ltd., had levied monetary penalty of ₹10,000 each, for non-compliance with Regulation 29(2) of the SEBI Listing Regulations for delay in submitting prior intimation about the meeting of the Board where the proposal of Dividend was considered.

Vigil Mechanism / Whistle Blower Policy

The Bank is committed to high standards of ethics and integrity. The Bank has in place a Whistle Blower Policy to provide a formal mechanism to various stakeholders viz. employees, customers, suppliers, shareholders, etc., to report their concerns about unethical behavior, actual or suspected fraud, violation of the Bank's Code of Conduct etc. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism, and provides for direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is in sync with all statutory and regulatory guidelines and has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-code>.

Dividend Distribution Policy

Declaration of Dividend by Banking Companies is governed by the provisions of the Companies Act, 2013 and the Rules made

thereunder, provisions of the Banking Regulation Act, 1949, and the Guidelines issued by the RBI from time to time. The Bank has in place a Dividend Distribution Policy, which specifies eligibility criteria for declaration of dividend and quantum of Dividend payable, i.e., criteria for maximum permissible range of Dividend Payout Ratio.

The Dividend Distribution Policy is hosted on the Bank's website at:

<https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>.

The Board of Directors, in their meeting held on April 25, 2024, have recommended dividend of ₹16.50 per equity share of 10 each (165% of Face Value) for the financial year ended March 31, 2024 and the proposed dividend is in compliance with the Dividend Distribution Policy of the Bank. This proposal is subject to the approval of the shareholders at the ensuing 30th Annual General Meeting.

Details of previous three Annual General Meetings:

Details of previous three Annual General Meetings, are given below:

AGM	Day and Date	Time	Venue	Whether Special Resolution Passed
29 th	Thursday, August 24, 2023	11:00 a.m	Through Videoconference	Yes
28 th	Friday, August 19, 2022	11:30 a.m	Through Videoconference	Yes
27 th	Thursday, August 26, 2021	11:30 a.m.	Through Videoconference	Yes

Special Resolutions

Details of Special Resolutions passed at the previous three Annual General Meetings, are given below:

Annual General Meeting	Date	Resolutions
29 th Annual General Meeting	August 24, 2023	Resolution No.6: Issue of Long-Term Bonds/Debt Securities on Private Placement Basis.
28 th Annual General Meeting	August 19, 2022	Resolution No.5: To re-appoint Mrs. Akila Krishnakumar (DIN:06629992) as a Non-Executive Independent Director. Resolution No.6: To appoint Mr. Pradeep Udhas (DIN:02207112) as the Non-Executive Independent Director of the Bank. Resolution No.7: Issue of Long-Term Bonds/Debt Securities on Private Placement Basis.
27 th Annual General Meeting	August 26, 2021	Resolution No. 8: Augmentation of capital through further issue or placement of securities including American Depository Receipts, Global Depository Receipts, Qualified Institutional Placement, etc. Resolution No. 9: Increase in the authorized share capital and alteration of the capital clause of Memorandum of Association and Article of Association of the Bank. Resolution No. 10. Issue of Long Terms Bonds / Non-Convertible Debentures on Private Placement Basis

Postal Ballot

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force, and as amended, from time to time), General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021

dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 and other relevant circulars and notifications issued by the Ministry of Corporate Affairs, Government of India ("MCA Circulars"), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the approval of the Members of the Bank for

below mentioned resolutions were obtained through Postal Ballot Notices dated February 23, 2023 April 24, 2023, August 23, 2023, October 18, 2023, December 15, 2023, April 30, 2024 and May 30, 2024 via remote e-voting.

Particulars	Postal Ballot Notice Dated February 23, 2023	Postal Ballot Notice Dated April 24, 2023	Postal Ballot Notice Dated August 23, 2023	Postal Ballot Notice Dated October 18, 2023	Postal Ballot Notice Dated December 15, 2023	Postal Ballot Notice Dated April 30, 2024	Postal Ballot Notice Dated May 30, 2024
Resolution	Appointment of Mr. Sunil Mehta (DIN: 00065343) as Non-Executive Independent Director and Part-time Chairman of the Bank for a period of Three years, w.e.f. January 31, 2023 upto January 30, 2026 (both days inclusive).	Re-appointment of Mr. Sumant Kathpalia (DIN: 01054434) as Managing Director & Chief Executive Officer (MD&CEO) of the Bank	1. Re-appointment of Mr. Sanjay Asher (DIN: 00008221) as Non-Executive Independent Director of the Bank. 2. Re-appointment of Mrs. Bhavna Doshi (DIN: 00400508) as Non-Executive Independent Director of the Bank.	Amendments to Articles of Association of the Bank	Appointment of Mr. Arun Khurana (DIN: 00075189) as a Director and Whole time Director (Executive Director) of the Bank and payment of remuneration.	1. Appointment of Mr. Lingam Venkata Prabhaker (DIN: 08110715) as Non-Executive Independent Director of the Bank. 2. Appointment of Mr. Rakesh Bhatia (DIN: 06547321) as Non-Executive Independent Director of the Bank.	1. Appointment of Mr. Sudip Basu (DIN: 09743986) as the Non-Executive Non - Independent Director of the Bank 2. Revision in payment of fixed remuneration to Non-Executive Directors (NEDs) excluding the Non-Executive (Part-time) Chairman of the Bank
Remote e-voting	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)	National Securities Depository Limited (NSDL)
Scrutinizer	The Board of Directors of the Bank, at its Meeting held on February 23, 2023 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank, at its Meeting held on April 24, 2023 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank, at its Meeting held on August 23, 2023 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank, at its Meeting held on September 29, 2023 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank on December 15, 2023 via circulation had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank, at its Meeting held on April 30, 2024 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner	The Board of Directors of the Bank, at its Meeting held on May 30, 2024 had appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries or failing him Mr. Jay D'Souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner

Particulars	Postal Ballot Notice Dated February 23, 2023	Postal Ballot Notice Dated April 24, 2023	Postal Ballot Notice Dated August 23, 2023	Postal Ballot Notice Dated October 18, 2023	Postal Ballot Notice Dated December 15, 2023	Postal Ballot Notice Dated April 30, 2024	Postal Ballot Notice Dated May 30, 2024
Cut-off date	Friday, February 24, 2023	Friday, April 28, 2023	Friday, August 25, 2023	Friday, October 27, 2023	Friday, December 15, 2023	Friday, May 03, 2024	Friday, May 31, 2024
Dispatch Date of Notice	Friday, February 23, 2023	Wednesday, May 3, 2023	Thursday, August 31, 2023	Thursday, November 2, 2023	Wednesday, December 20, 2023	Wednesday, May 8, 2024	Monday, June 3, 2024
Remote e-voting period	Commenced on Wednesday, March 8, 2023 at 9.00 a.m. IST and ended on Thursday, April 6, 2023 at 5.00 p.m.	Commenced on Monday, May 8, 2023 at 9:00 A.M. IST and ended on Tuesday, June 6, 2023 at 5.00 P.M IST	Commenced on Monday, September 4, 2023 at 9:00 A.M. IST and ended on Thursday, October 3, 2023 at 5.00 P.M. IST	Commenced on Tuesday, November 7, 2023 at 9:00 A.M. IST and ended on Wednesday, December 6, 2023 at 5.00 P.M. IST	Commenced on Monday, December 25, 2023 at 9:00 A.M. IST and ended on Thursday, January 23, 2024 at 5.00 P.M. IST	Commenced on Tuesday, May 14, 2024 at 9:00 A.M. IST and ended on Wednesday June 12, 2024 at 5.00 P.M. IST	Commenced on Wednesday, June 5, 2024 at 9:00 A.M. IST and ended on Thursday July 4, 2024 at 5.00 P.M. IST

Accordingly, the Postal Ballots were conducted by the scrutinizer and a report was submitted to the Authorized Officer, Mr. Anand Kumar Das, Company Secretary of the Bank. The results of the voting conducted through Postal Ballots are as under:

- Details of voting pattern for Postal Ballot Notice dated February 23, 2023:** Appointment of Mr. Sunil Mehta (DIN: 00065343) as Non-Executive Independent Director and Part-time Chairman of the Bank:

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2060	48,03,60,899	99.994	87	27,249	0.006	Nil	Nil

- Details of voting pattern for Postal Ballot Notice dated April 24, 2023:** Re-appointment of Mr. Sumant Kathpalia (DIN: 01054434) as Managing Director & Chief Executive Officer (MD&CEO) of the Bank:

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2,111	48,53,42,001	92.70	234	3,82,34,628	7.30	Nil	Nil

- Details of voting pattern for Postal Ballot Notice dated August 23, 2023:** Re-appointment of Mr. Sanjay Asher (DIN: 00008221) as a Non- Executive Independent Director of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2202	33,00,47,937	73.24	518	12,06,02,840	26.76	NIL	NIL

- Details of voting pattern for Postal Ballot Notice dated August 23, 2023:** Re-appointment of Mrs. Bhavna Doshi (DIN: 00400508) as a Non- Executive Independent Director of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2293	38,35,68,712	85.11	418	6,70,81,987	14.89	NIL	NIL

- Details of voting pattern for Postal Ballot Notice dated October 18, 2023;** Amendments to Articles of Association of the Bank.

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2321	48,64,03,295	99.98	58	75,170	0.02	NIL	NIL

6. **Details of voting pattern for Postal Ballot Notice dated December 15, 2023:** Appointment of Mr. Arun Khurana (DIN: 00075189) as a Director and Whole-time Director (Executive Director) of the Bank and payment of remuneration.

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2256	453663260	99.90	72	446837	0.10	NIL	NIL

7. **Details of voting pattern for Postal Ballot Notice dated April 30, 2024:** Appointment of Mr. Lingam Ventaka Prabhakar (DIN: 08110715) as a Non- Executive Independent Director of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2841	50,80,40,964	99.954	104	2,44,264	0.048	NIL	NIL

8. **Details of voting pattern for Postal Ballot Notice dated April 30, 2024:** Appointment of Mr. Rakesh Bhatia (DIN: 06547321) as a Non- Executive Independent Director of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2,830	50,80,16,280	99.952	105	2,46,019	0.048	NIL	NIL

9. **Details of voting pattern for Postal Ballot Notice dated May 30, 2024:** Appointment of Mr. Sudip Basu (DIN: 09743986) as the Non-Executive Non - Independent Director of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2,946	50,56,71,843	99.70	157	15,00,431	0.30	NIL	NIL

10. **Details of voting pattern for Postal Ballot Notice dated May 30, 2024:** Revision in payment of fixed remuneration to Non-Executive Directors (NEDs) excluding the Non- Executive (Part-time) Chairman of the Bank

Votes in favour of Resolution			Votes against the Resolution			Invalid Votes	
Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them	% of total number of valid voted cast	Number of members voted	Number of votes cast by them
2,854	50,70,59,930	99.68	252	16,47,666	0.32	NIL	NIL

Material Disclosures

Related Party Transactions: During the year, there were no materially significant transactions with related parties that could have had any potential for conflict with the interests of the Bank at large.

Accounting Standards: In the preparation of Financial Statements for the year 2023-24, the treatment prescribed in the Accounting Standards issued by the Institute of Chartered Accountants of India from time to time has been followed by the Bank.

Disqualification of Directors: As on March 31, 2024, none of the Directors of the Bank were disqualified under the provisions of Section 164 (2) of the Companies Act, 2013.

Certificate dated July 19, 2024 issued by M/s Alwyn Jay & Co., Practicing Company Secretaries (COP No.: 5137) has been received confirming that none of the Directors of the Bank have been debarred or disqualified from being appointed or continuing as directors of the Bank by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority.

Copy of the Certificate is annexed to the Directors' Report.

Recommendation of the Committees of the Board not accepted by the Board in the financial year:

During the year under review, there were no instance of recommendations made by the Committees of Board, which was mandatory as per its terms of reference, which were not adopted by the Board.

Confirmation by Board on the Independence of Directors

The Board at its meeting held on July 19, 2024 reviewed the declarations relating to their independence as submitted by Mr. Sunil Mehta, Dr. T. T. Ram Mohan, Mrs. Akila Krishnakumar, Mr. Rajiv Agarwal, Mrs. Bhavna Doshi, Mr. Jayant Deshmukh, Mr. Pradeep Udhas, Mr. Lingam Venkata Prabhakar and Mr. Rakesh Bhatia concluded that the said Directors met the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board also confirm that the said Directors, based on their submissions are all Independent of the Management and that there exist no circumstances or situation or external influences that could impact or impair their ability to discharge their duties with objective and independent judgment.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has zero tolerance for sexual harassment at workplace and has adopted the policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Bank's Policy on 'Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' aims at providing protection to women employees at the workplace and prevent and redress complaints of sexual harassment and matters connected with or incidental thereto, with the objective of providing a safe working environment.

The Bank has complied with the provisions relating to the constitution of Internal Committees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013], to enquire into the complaints of sexual harassment and recommend appropriate action. The Bank has received 40 complaints of sexual harassment at workplace during the FY 2023-24. The status of the same is as under:

No. of cases received during the year	No. of cases closed during the year	No. of cases pending for investigation at the end of the year
40*	36	3**

* 1 complaint has been withdrawn.

** Pending 3 cases have been closed as on date.

Fees paid to Statutory Auditors:

The total fees paid by the Bank and its subsidiary, on a consolidated basis, for the services rendered by Statutory Auditors and the Firm's affiliate entities during the FY 2023-24 is as below:

Sr. No.	Particulars	Amount ¹
1	Audit Fees	3,55,00,000
2	Fees for certification and other attestation services ²	6,85,400
	Total	3,61,85,400

1. The above fees exclude taxes, clerkage fees and out of pocket expenses.
2. The services of statutory auditors have been obtained during the normal course of business for compliance with statutes and the guidelines of various regulators like SEBI, RBI etc. which specifically require the Statutory Auditor to undertake these activities and are not in the nature of management assurance.

Compliance with mandatory requirements under SEBI Listing Regulations:

The Bank has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under Regulations 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Bank.

During the year under review, the Bank has not identified any non-compliance with the requirements of Corporate Governance Report, given in sub-para (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance with Discretionary / Non-mandatory requirements under the SEBI Listing Regulations:

The status of compliance with the discretionary / non-mandatory requirements under the SEBI Listing Regulations is as under:

- The Chairman has been provided with an office at the Corporate Office of the Bank. The Chairman of the Board has not incurred any expenses towards attending meetings of the Board and Committees. As the Chairman is a Non-Executive Independent Director, he is entitled to receive Sitting Fees for attending the meetings of the Board and of the Committees of the Board and is also entitled for remuneration in the form of Fixed Remuneration as per the applicable laws.
- The Bank endeavors to remain in a regime of unqualified Financial Statements.
- The Chairman of the Board is a Non-Executive Independent Director and his position is separate from that of the Managing Director & CEO.
- The Internal Auditor of the Bank reports directly to the Audit Committee.
- The Bank hosted its Quarterly / Annual Financial Results on its website (www.indusind.com) which is accessible to the public at large. Besides this, the Financial Results are published in newspapers, apart from being reported on the websites of the Stock Exchanges. Therefore, the Bank does not find it expedient to send individual communications to the shareholders regarding significant events and financial performance every half-year.
- Besides the above, e-mail messages and SMS messages were sent during the year to shareholders whose e-mail IDs and cell phone numbers were available with the Bank, informing them about declaration of the Bank's Quarterly and Annual Financial Results. The Bank has continued the exercise of collecting the e-mail IDs of shareholders wherever not available, so as to communicate more regularly with them via e-mail.

Prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Bank had accordingly amended the undermentioned Codes to align with the standards prescribed under the Regulations:

- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in Securities of the Bank ('the Insider Trading Code'); and
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code').

The Bank has formulated the 'Policy on procedures for conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information (UPSI).'

In order to promote e-governance within the Bank, the Bank has implemented an Employee Self-Service Module (ESS Module), a fully automated web-based portal for enabling compliances prescribed under the Insider Trading Code of the Bank, read with the Regulations.

The ESS Module allows employees to submit online disclosures pertaining to transactions in securities of the Bank, viz., acquiring shares by exercise of Options / sale of Shares / creation of pledge / Invocation of Pledge on Bank's shares / Release of Pledge / Off-Market Transactions / Gift, etc.

The ESS Module facilitates reporting of transactions with nil paperwork and in quick time. It also enables employees to report the transactions in Bank's securities from any place, with the help of the Internet and can also be accessed using any Smartphone.

The Company Secretary or in his absence any senior officer authorised by the Board shall be the Compliance Officer under the said Regulation and is responsible for implementation and overseeing compliance with the provisions of the Insider Trading Code of the Bank.

The Fair Disclosure Code has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>.

Means of Communication

Means of Communication

Besides communicating to the Stock Exchanges where the Bank's shares are listed, the Financial Results of the Bank are also published on a quarterly basis in a leading financial publication and a regional newspaper at the location of the Bank's Registered Office.

Quarterly Press Meets/ Calls are organized, during which the Bank's results are announced to the media and Press Release is issued. Post the announcement of the quarter results, regular interviews are held with electronic channels for the Managing Director & CEO. Analysts' meet / conference calls are also held periodically. Post the financial results announcement, a transcript of the quarterly analyst call is hosted on Bank's website along with the presentation made to investors and analysts during the call.

Information relating to the Financial Results is also hosted under the "Investors" section on Bank's website (www.indusind.com). The said section is updated regularly.

Key highlights of the Bank's financial results are also published on the Bank's social media platforms.

Quarterly compliance reports on Corporate Governance as prescribed under Regulation 27 of the SEBI Listing Regulations and the Shareholding Pattern of the Bank as prescribed under Regulation 31 of the SEBI Listing Regulations are also filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.

In compliance with the SEBI Listing Regulations, the Board of Directors have approved a 'Policy for determining Materiality of Events / Information' for the purpose of making disclosure to the Stock Exchanges.

The Bank had also formulated an "Archival Policy" for hosting of Regulatory Information / Disclosures on the website of the Bank and 'Policy for Preservation of Documents and other Statutory Records'. The said Policies has been hosted on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policies-and-codes>.

All disclosures made to the Stock Exchanges are also available on the Bank's website under the heading 'Corporate Announcements'.

Subsidiary and Associate Company

Bharat Financial Inclusion Limited (BFIL) is a wholly-owned subsidiary of the Bank, is a Business Correspondent for financial inclusion activities, and is engaged in loan origination, post-loan origination services, deposit mobilisation and remittance services.

IndusInd Marketing and Financial Services Private Limited (IMFS) is an Associate Company of the Bank and is engaged in the business of providing manpower services.

Business Responsibility and Sustainability Report

As per SEBI Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") shall form part of the Directors' Report.

In accordance with the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) for FY24 is included in this Integrated Annual Report. This report details the Bank's initiatives from an environmental, social, and governance (ESG) perspective, providing insights into various ESG activities adopted by the Bank. The BRSR reflects the Bank's performance against the principles of the 'National Guidelines on Responsible Business Conduct,' enabling Members to understand our comprehensive ESG efforts.

In view of the above and in compliance with Regulation 34 (2) (f) of the SEBI Listing Regulations, the BRSR, has been hosted on the Bank's website at:

<https://www.indusind.com/in/en/sustainability/esg-ratings-and-reporting.html>.

Corporate Social Responsibility

The Bank has constituted a 'Corporate Social Responsibility & Sustainability' (CSR&S) Committee of the Board in compliance with the Companies Act, 2013 and the relevant rules made thereunder, as amended.

In the tenth year of CSR reporting, under the statute of the Companies Act, 2013, the Bank strengthened the execution of its Flagship Project of Holistic Rural Development in aspirational districts alongwith collaboration with various partners to maximise the impact on ground. Further, Bank continued it's focus on the key strategic areas of Sustainable Environment, Inclusive Sports, & Education, and support to Other areas of special interest.

Sustainability-driven Growth

"The Bank recognises that sustainable practices are vital for long-term success. Guided by the principle "Good Ecology is Good Economics," the Bank is committed to adopting business products, practices, processes, and operations that reflect this enduring belief."

General Information for Shareholders

Registration No.	: 076333
CIN	: L65191PN1994PLC076333
Financial Year	: April 1, 2023 - March 31, 2024
Board meeting held for approval of Audited Financial Accounts	: April 25, 2024
Sending of Integrated Annual Report 2023-24- electronically in accordance with Circulars issued by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI)	: On or before August 5, 2024
Weblink for accessing Integrated Annual Report 2023-24	: https://www.indusind.com/in/en/investors/investor-landing.html
Day, Date and Time of 30th Annual General Meeting	Tuesday, August 27, 2024 at 2.00 p.m. (IST)
Venue	: AGM will be held at Hotel Sheraton Grand, Raja Bahadur Mill Road, Pune - 411001, Maharashtra.
Cut-off date for e-voting	: Tuesday, August 20, 2024
Record Date for Dividend Payment	: Friday, June 28, 2024
Date of Dividend Payment	: On or before, Wednesday, September 25, 2024
Bank's Website	: www.indusind.com
Bank's Branches	: https://www.indusind.com/locate-us.html?q1=&q2=branches
Address for Correspondence	: Company Secretary IndusInd Bank Limited Building No. 7, Ground floor, Solitaire Corporate Park, 167, Guru Hargovindji Marg, Andheri (East), Mumbai – 400093. Tel: 022 - 6641 2487 Email: investor@indusind.com

Pursuant to the relevant provision of the Companies Act, 2013 and the relevant Rules made thereunder, the Bank has been sending its Annual Reports and other communications through electronic mode to those shareholders who have registered their email addresses with the Bank or as made available by the Depository.

The full text of these Reports is also available in an easily navigable format on the Bank's website at: <https://www.indusind.com/in/en/investors/investor-landing.html>.

Distribution of Shareholding as on March 31, 2024

Range – Shares	No. of Folios	Percentage of Folios	No. of Shares	Percentage of Shares
Upto 1,000	4,08,221	97.85	3,04,40,056	3.91
1,001 -5,000	6,660	1.60	1,35,27,531	1.74
5,001 -10,000	757	0.18	53,72,812	0.69
10,001 – 50,000	754	0.18	1,72,52,595	2.22
50,001 & above	788	0.19	71,17,26,957	91.44
TOTAL	4,17,180	100.00	77,83,19,951	100.00

Outstanding GDRs/ ADRs/ Warrants or any Convertible Debentures, conversion date and likely impact on Equity

The Bank has, in the course of international offering to overseas investors, issued Securities linked to Equity Shares, in the form of Global Depository Receipts (GDRs) in 2007 and 2008. Each GDR is equivalent to one Equity Share of the Bank, and the said GDRs have been listed on Luxembourg Stock Exchange. As at March 31, 2024, the Bank has GDRs (equivalent to 6,16,81,464 Equity Shares) outstanding, which constituted 7.92% of the Bank's total equity capital. In terms of the offering, the GDRs can be converted at the option of the GDR-holders. Such conversion is not likely to have any impact on the Equity Share Capital of the Bank.

Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

The Bank has put in place the Board approved Global Markets Group - Front Office Policy and Market Risk Management Policy, which prescribes comprehensive risk management techniques and risk control limits, such as, Value at Risk (VaR), Aggregate Gap Limit (AGL), Stop Loss Limit, Net Overnight Open Position limit (NOOP) to control and manage foreign exchange risk.

The Bank has not undertaken any Commodity Price Risk during the period.

The Bank hedges the currency risk in its Balance Sheet through derivatives, including forex Forwards and Swaps. The Bank manages the currency risk on exposures due to client servicing and proprietary trading in compliance with overall risk control framework and limits prescribed under Global Markets Group - Front Office Policy and Market Risk Management Policy, approved by the Board.

Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as Specified under Regulation 32(7A): Not Applicable.

Shareholding as on March 31, 2024

i. Distribution of shareholding

Category	No. of shares held	% of shareholding
A. Promoters' holding	11,75,16,010	15.10*
B. Non-Promoters' holding	66,08,03,941	84.90
(i) Institutional Investors		
a. Mutual Funds and UTI	12,11,88,202	15.57
b. Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions/ Non-government Institutions)	4,37,07,781	5.62
c. Alternate Investment Funds	63,71,059	0.82
d. Provident Funds/ Pension Funds	1,52,18,012	1.96
e. FIs/ Foreign Portfolio Investor	28,84,07,043	37.06
f. Sovereign Wealth Fund	26,72,168	0.34
Sub Total (B) (i)	47,75,64,265	61.37
(ii) Global Depository Receipts (B) (ii)	6,16,81,464	7.92
(iii) Others		
a. Central Government/ State Government	6083	0.00
b. Private Corporate Bodies	4,77,15,026	6.13
c. Indian Public **	5,71,98,362	7.36
d. NRIs/ OCBs/ Foreign Nationals/ Foreign Company/ Foreign Bank	1,17,70,203	1.51
e. Clearing Members	1,91,297	0.02
f. Trusts	11,25,897	0.14
g. Hindu Undivided Family	9,48,978	0.12
h. Investor Education Protection Fund***	17,44,997	0.22
i. NBFC registered with RBI	8,52,891	0.11
j. Trust (Employees)	1,853	0.00
h. Escrow Account – Transfer of shares	2,625	0.00
Sub Total (B) (iii)	12,15,58,212	15.61
Grand Total {A + B (i+ii+iii)}	77,83, 19, 951	100.00

* The Promoters' shareholding was 15.10% of the total paid-up capital of the Bank as on March 31, 2024. However, the promoters' shareholding was 14.95% on a fully diluted basis.

** 'Indian Public' includes 2,35,783 shares held by Resident Directors and Relative of Directors.

*** Shares transferred to Investor Education and Protection Fund Authority.

ii. Major Shareholders (with more than 1 percent shareholding) as on March 31, 2024

Sr. No.	Name of Shareholders	No. of shares held	% of shareholding
1	IndusInd International Holdings Ltd.*	8,95,37,464	11.50
2	The Bank of New York Mellon (Global Depository Receipts)	6,16,81,464	7.92
3	IndusInd Limited*	2,79,78,546	3.59
4	SBI Nifty 50 ETF	2,49,96,180	3.21
5	Route One Offshore Master Fund L.P.	1,96,77,265	2.53
6	HDFC Trustee Company Ltd. A/C HDFC TOP 100 FUND	1,94,24,159	2.50
7	Bridge India Fund	1,91,12,000	2.46
8	NPS Trust- A/C HDFC Pension Management Company Ltd Scheme E - TIER I	1,52,18,012	1.96
9	UTI – Nifty Exchange Traded Fund	1,49,47,445	1.92
10	Government Pension Fund Global	1,44,98,263	1.86
11	Life Insurance Corporation of India	1,43,20,200	1.84
12	DF International Partners	1,23,96,730	1.59

Sr. No.	Name of Shareholders	No. of shares held	% of shareholding
13	Dragsa India Equities III LP	1,13,11,511	1.45
14	DF International Partners II LLC	1,02,09,677	1.31
15	Societe Generale - ODI	96,91,425	1.25
16	Max Life Insurance Co Ltd A/C Participating Fund	90,14,092	1.16
17	Nippon Life India Trustee Ltd -A/C Nippon India ETF Nifty Bank Bees	87,38,452	1.12
18	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Elss Tax Saver Fund	87,13,491	1.12
19	Route One Fund I, L.P.	84,48,005	1.09
20	Kotak Equity Arbitrage Fund	84,30,871	1.08

* The Promoters' shareholding was 15.10% of the total paid-up capital of the Bank as on March 31, 2024. However, the promoters' shareholding was 14.95% (on a fully diluted basis).

iii. Total Foreign Shareholding as on March 31, 2024

Particulars	No. of shares held	% of shareholding
Total foreign shareholding	47,73,07,204	61.33
of which GDRs is	6,16,81,464	7.92

Details of investor complaints received/resolved by the Bank, from April 1, 2023 to March 31, 2024:

Complaints	Pending at the beginning	Received	Attended to	Pending
Non-Receipt of Share Certificate	-	-	-	0
Non-Receipt of Dividend Warrants	-	7	7	0
Non-Receipt of Annual Report	-	-	-	0
Non-Receipt of Rejected DRF	-	5	5	0
Non-Receipt of Exchanged Certificates	-	0	0	0
Others	-	-	-	0
Stock Exchanges	-	3	3	0
SEBI (through SCORES)	-	33	33	0
Others	-	1	1	0
Total	-	49	49	-

During the year, 49 complaints were received from investors/ shareholders and the same were resolved within the time stipulated by law. There were no complaints pending as on March 31, 2024.

The Bank has adopted internal standards for services provided by its Registrar and Transfer Agent (RTA) to the Shareholders of the Bank, effective from April 1, 2022, detailed as under:

Nature of Service	Time-line	
	Permitted as per the Regulations	Effective for the Bank from April 1, 2022
Registration/ Cancellation of Nomination	30 days	21 days
Credit of unpaid dividend directly through electronic means	30 days	21 days
Split/ Consolidation of share certificate(s)	15 days	15 days
Dematerialization of share(s)	21 days	21 days
Transmission of share(s)	21 days	21 days
Consolidation of folio(s)	15 days	15 days
Change/ Deletion/ Transposition of Name(s)	15 days	15 days
Release of unclaimed share(s)	30 days	21 days
Re-materialisation of share(s)	30 days	21 days
Issue of duplicate share certificate(s)	30 days	30 days

Listing details of the Bank's Equity Shares/ Bonds/ GDRs on Stock Exchanges

Name of the Stock Exchange	Address of the Stock Exchange	Stock Code No.
BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.	532187
National Stock Exchange of India Ltd.	5 th Floor, Exchange Plaza, Bandra-Kurla Complex, Plot No. C/1, G Block, Bandra (E), Mumbai - 400 051.	INDUSINDBK
Luxembourg Stock Exchange (Global Depository Receipts)	Société de la Bourse de Luxembourg Societe Anonyme, RC Luxembourg B 6222	111202

The Bank has paid Annual Listing Fees on its Securities for the FY 2023-24.

Notes:

- Equity shares of the Bank are listed on the National Stock Exchange of India Ltd. and BSE Ltd.
- Global Depository Receipts are listed on Luxembourg Stock Exchange.
- Bonds are listed on the National Stock Exchange of India.

List of all Credit Ratings obtained by the Bank:

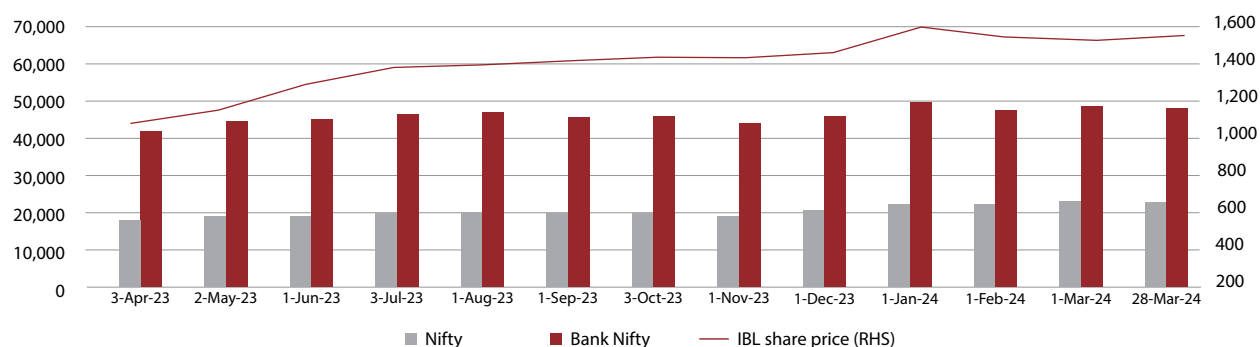
The details of credit ratings obtained by the Bank during the financial year is included in the Directors' Report, which forms an integral part of this Integrated Annual Report.

Market Price Data of the Bank's shares

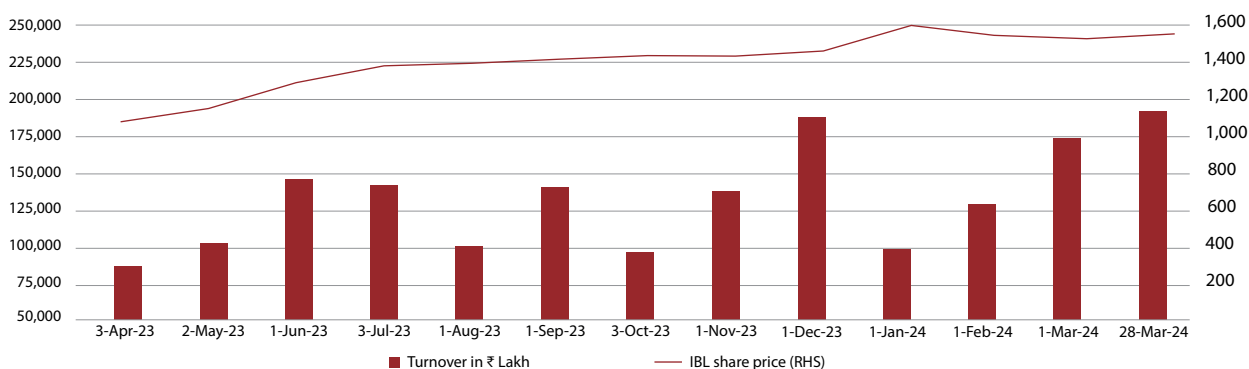
- National Stock Exchange of India Ltd.

Date	Price of Shares				Turnover	Nifty	Bank Nifty
	Open (₹)	High (₹)	Low (₹)	Close (₹)	in (₹) Lakhs		
3-Apr-23	1,073.00	1,081.15	1,064.00	1,078.75	16,469.82	17,398.05	40,813.05
2-May-23	1,158.95	1,161.85	1,150.00	1,150.90	23,125.06	18,147.65	43,352.10
1-Jun-23	1,280.00	1,298.00	1,251.50	1,290.15	41,772.76	18,487.75	43,790.20
3-Jul-23	1,379.95	1,387.00	1,367.60	1,380.35	39,812.03	19,322.55	45,158.10
1-Aug-23	1,420.75	1,423.20	1,389.35	1,394.60	22,090.52	19,733.55	45,592.50
1-Sep-23	1,382.00	1,423.60	1,376.20	1,416.55	39,280.48	19,435.30	44,436.10
3-Oct-23	1,432.00	1,438.40	1,420.00	1,435.40	20,659.46	19,528.75	44,399.05
1-Nov-23	1,443.90	1,445.60	1,427.15	1,432.60	38,178.80	18,989.15	42,700.95
1-Dec-23	1,479.00	1,493.00	1,458.15	1,461.05	59,809.70	20,267.90	44,814.20
1-Jan-24	1,598.95	1,611.40	1,591.80	1,598.85	21,485.95	21,741.9	48,234.30
1-Feb-24	1,537.75	1,547.55	1,523.55	1,541.15	34,478.59	21,697.45	46,188.65
1-Mar-24	1,480.00	1,528.75	1,477.85	1,526.65	53,537.64	22,338.75	47,286.90
28-Mar-24	1,534.75	1,564.50	1,533.60	1,553.00	61,493.71	22,326.90	47,124.60

Share Price comparison with Nifty and Bank Nifty



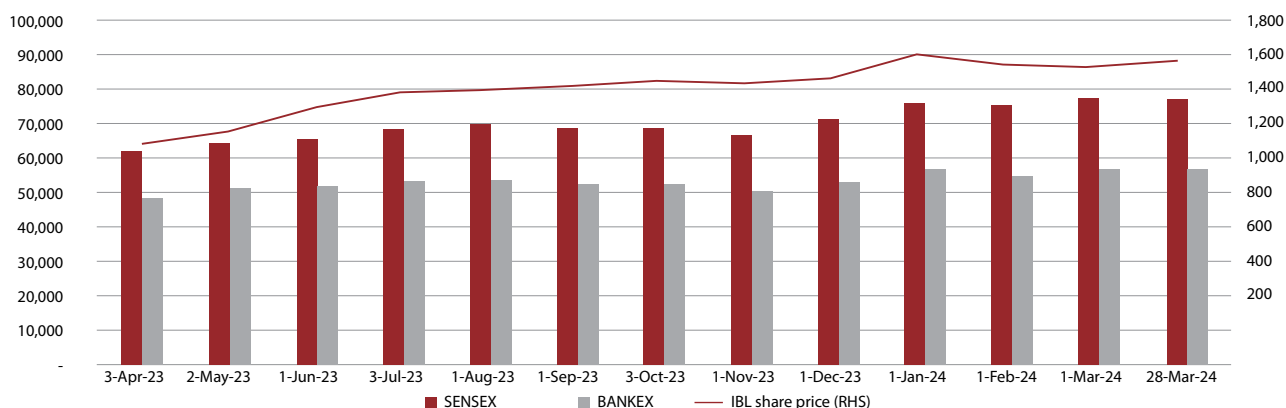
Share Price comparison with Turn Over (in ₹ Lakhs)



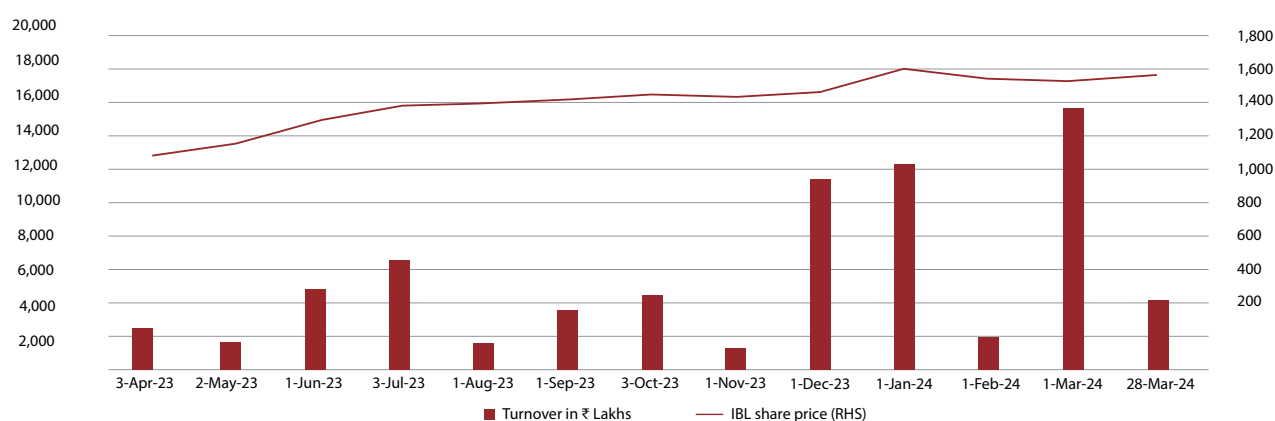
BSE Ltd.

Date	Price of Shares				Turnover in ₹ Lakhs	SENSEX	BANKEX
	Open (₹)	High (₹)	Low (₹)	Close (₹)			
03-Apr-23	1,068.2	1,081.00	1,063.90	1,079.15	655.64	59,106.44	46,278.90
02-May-23	1,155.9	1,161.55	1,149.65	1,151.15	419.25	61,354.71	49,043.90
01-Jun-23	1,282.05	1,298.00	1,265.00	1,291.25	1,211.66	62,428.54	49,605.20
03-Jul-23	1,375.30	1,386.30	1,367.45	1,379.65	1,651.46	65,205.05	50,894.90
01-Aug-23	1,410.05	1,423.55	1,389.00	1,393.95	430.13	66,459.31	51,331.30
01-Sep-23	1,380.00	1,424.05	1,376.45	1,417.30	919.73	65,387.16	49,912.20
03-Oct-23	1,412.40	1,438.50	1,412.40	1,435.65	1,198.77	65,512.1	50,007.80
01-Nov-23	1,447.00	1,447.00	1,427.20	1,431.80	277.57	63,591.33	48,258.10
01-Dec-23	1,478.15	1,493.15	1,458.50	1,461.15	2,933.53	67,481.19	50,733.60
01-Jan-24	1,594.05	1,611.00	1,592.30	1,600.30	3,155.32	72,271.94	54,351.00
01-Feb-24	1,543.85	1,547.00	1,524.00	1,541.40	569.43	71,645.3	52,245.90
01-Mar-24	1,475.45	1,528.45	1,475.45	1,526.15	3,945.79	73,745.35	53,755.30
28-Mar-24	1,531.25	1,564.3	1,531.25	1,555.70	1,083.42	73,651.35	53,515.20

Share Price comparison with SENSEX and BANKEX



Share Price comparison with Turn Over (in ₹ Lakhs)



Dematerialisation of shares and liquidity

The Bank's shares are tradable (in electronic form only) at the BSE Ltd. and the National Stock Exchange of India Ltd. As on March 31, 2024, 99.57% of the Bank's shares are in dematerialised form and the rest are in physical form.

Particulars	No. of Shares	Percentage (%)
In Dematerialised form	77,49,65,628	99.57
In Physical form	33,54,323	0.43
Total	77,83,19,951	100.00

In view of the numerous advantages offered by the Depository System, members holding shares of the Bank in physical form are requested to get the same dematerialized and converted to the electronic form.

Share Transfer System

In terms of Regulation 40(2) of the SEBI Listing Regulations, the Share Transfer Committee, comprising Bank's Top Executives, has been constituted to deal with matters relating to transfer, transmission and transposition of equity shares of the Bank and other related matters.

Pursuant to the Regulation 40 of the SEBI Listing Regulations, as amended, the transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI vide its circular

SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022, has made it mandatory for listed companies to issue shares only in demat form while processing investor service requests viz., issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition. RTAs are now required to issue a 'Letter of Confirmation' in lieu of the share certificate while processing any of the aforesaid investor service requests. Accordingly, members are advised to request for such services by submitting a duly filled and signed form ISR-4, the format of which is available on the Bank's website at <https://indusind.com/in/en/investors/investor-landing/corporate-announcement.html>.

In cases where the securities holder / claimant fails to submit the demat request to the depository participant within the period of 120 days from the date of issuance of the Letter of Confirmation from RTA / listed companies, the said securities shall be credited to 'Suspense Escrow Demat Account'. Securities which have been moved to 'Suspense Escrow Demat Account' may be claimed by the security holder / claimant by submitting a duly filled and signed Form ISR- 4.

In view of the above and to eliminate risks associated with physical shares and to avail various benefits of dematerialization which includes easy liquidity, Members are advised to dematerialize their shares held in physical form.

Suspense Escrow Demat Account:

SEBI, vide its letter No. SEBI/HO/MIRSD/POD-1/OW/P/2022/ 64923 dated December 30, 2022, had issued Guidelines with respect to procedural aspects of 'Suspense Escrow Demat Account' to be opened by listed entities pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/6 dated January 25, 2022, latest by January 31, 2023.

The Bank has opened the Suspense Escrow Demat Account within the stipulated timeline.

Online Dispute Resolution Mechanism:

In terms of the SEBI Master Circular for Online Dispute Resolution (Updated as on December 28, 2023), investors can register their complaint in case of disputes arising in the Indian Securities Market against the Bank / RTA, on <https://smartodr.in/login> by harnessing online conciliation and / or online arbitration. The aforesaid web-link has also been hosted on home page of the website at www.indusind.com for ease of reference.

Share Capital Audit

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Practising Company Secretary has examined the records relating to Share Transfer Deeds, Registers and other related documents on a yearly basis and has certified compliance with the provisions of the above Regulation. The Certificates are submitted to BSE and NSE where the Bank's Equity Shares are listed.

As required by SEBI, Share Capital Audit is conducted by a Practising Company Secretaries (Independent External Auditor) on a quarterly basis, for the purpose of reconciliation of the total admitted Equity Share Capital with the Depositories, viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and in the physical form with the total Issued/ Paid-up Equity Capital of the Bank. The Auditor's Certificate in this regard has been submitted to BSE Ltd. and the National Stock Exchange of India Ltd. on quarterly basis.

Consolidation of Folios

Shareholders holding shares in different Folios but in identical name(s) are requested to get their shareholdings consolidated into one folio by requesting the Bank/ Registrar for the same. The request must be sent along with Proof of Identity and Share Certificates.

Registrar & Share Transfer Agent Link Intime India Pvt. Ltd.

C-101, 247 Park

L.B.S. Marg, Vikhroli (West) Mumbai – 400083

Contact Person: Mr. Mahesh Masurkar

Tel.: 022 4918 6280/ 022 4918 6000 **Fax:** 022 4918 6060

Email: rnt.helpdesk@linkintime.co.in

Redressal of Investors' Grievances:

In order to service the investors in an efficient manner and to attend to their grievances, the Bank has constituted an 'Investor Services Cell' at its undermentioned Office at Mumbai. Members are requested to contact:

Mr. Bipin Bihari

Secretarial & Investor Services Cell

IndusInd Bank Ltd.

Building No.7, Ground floor, Solitaire Corporate Park 167, Guru Hargovindji Marg

Andheri (East), Mumbai - 400093

Tel: 022 6641 8384/ 2359, **Mobile:** +91 9911373717

Email: investor@indusind.com

For IEPF related matters:

Mr. Anand Kumar Das

Company Secretary, Nodal Officer

IndusInd Bank Ltd.

Tel: 022 66412487/ 66412361/ 66412359

Mobile: +91 8976792978

(available from Monday to Friday from 9:15 a.m. to 6:15 p.m. excluding holidays).

Email: investor@indusind.com

SEBI toll-free helpline service for investors:

Toll-Free Numbers: 1800 22 7575 or 1800 266 7575 (available on all days from 9:00 a.m. to 6:00 p.m.

excluding declared holidays).

SEBI investors' contact for feedback and assistance:

Tel No: 022-26449000,

Email: sebi@sebi.gov.in

Dividends:

The Board of Directors at its meeting held on April 25, 2024, recommended a Dividend of ₹16.50/-per equity share of ₹10/- each, fully paid, for the financial year ended March 31, 2024.

Modes of making payment of Dividend through electronic mode:

The SEBI Listing Regulations have directed that listed companies shall mandatorily make all payments to investors including dividend to shareholders, by using any RBI approved electronic mode of payment, viz., National Automated Clearing House (NACH), Direct Credit (in case Bank Account is with IndusInd Bank), RTGS, NEFT, etc.

In order to receive the Dividend without loss of time, all the eligible shareholders holding shares in Demat mode are requested to update with their respective Depository Participants, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, email ID and Mobile No(s). This will facilitate the remittance of the Dividend amount directly in the Bank Account of the Shareholder electronically.

In case the dividend paid through electronic mode is rejected by the corresponding bank for any reason whatsoever, the Bank will issue demand draft/pay order and print the bank account details available with RTA on the said dividend demand draft to avoid fraudulent encashment.

Updation in email IDs and mobile numbers enables the Bank to send communications relating to credit of dividend, unclaimed dividend, etc. in a prompt and efficient manner to the Shareholders.

Shareholders holding shares in physical form may communicate details relating to their Bank Account, 9 Digit MICR Code, 11 digit IFSC Code, Email ID and Mobile Numbers to the Registrar and Share Transfer Agents, viz., Link Intime India Pvt. Ltd., having address at C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083, by quoting the reference Folio number and attaching a photocopy of the Cheque leaf of their active Bank Account and a self attested copy of their PAN card.

Unclaimed Dividend:

As per the applicable provisions of the Companies Act, 2013, the Bank is statutorily required to transfer to the Investor Education & Protection Fund (IEPF), all Dividends remaining unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account. Once such amounts are transferred to IEPF, no claim of the shareholder shall lie against the Bank. However, shareholders are requested to refer to website of the IEPF Authority for the procedure required to be followed to claim the refund at <http://iepf.gov.in/IEPF/corporates.html> or to contact the Secretarial and Investor Services Cell of the Bank for assistance. Unclaimed Dividends up to the FY 2015-16 have already been transferred to the IEPF, after giving due notice to the shareholders whose names were appearing in the list of unclaimed recipients.

Details of unclaimed dividends for the FY 2016- 17 onwards, and the last date for claiming the dividend for respective years, as on March 31, 2024, are given in the table below. Members are requested to take note of such due dates and claim the unpaid dividends well in advance of the due date (i.e., before the expiry of the seven-year period).

Year	Type of Dividend	Date of declaration of Dividend	Due date for availing unclaimed Dividend	Dividend Amount unclaimed (₹)	Dividend Amount unclaimed as a % of total Dividend paid
2016-17	Final	July 26, 2017	August 30, 2024	1,68,89,211.01	0.47
2017-18	Final	July 26, 2018	August 30, 2025	1,40,24,496.59	0.31
2018-19	Final	August 16, 2019	September 19, 2026	1,31,25,731.29	0.25
2019-20	No Dividend was paid as per RBI directives.				
2020-21	Final	August 26, 2021	September 27, 2028	84,83,431.12	0.22
2021-22	Final	August 19, 2022	September 18, 2029	1,25,47,858.74	0.22
2022-23	Final	August 24, 2023	September 28, 2030	1,77,98,090.33	0.16

Transfer of Equity shares, to the Investor Education and Protection Fund (IEPF)

In terms of Section 124(6) of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, made effective by the Ministry of Corporate Affairs on September 7, 2016, members are requested to note that the shares in respect of which Dividend remaining Unpaid or Unclaimed for seven consecutive years or more are required to be transferred to the IEPF Authority.

In this connection, the Bank has sent Intimation Letters to members on May 31, 2024 in respect of the shares on which Dividend had remained Unpaid or Unclaimed for seven consecutive years or more since 2016-17, requesting them to claim such dividend so as to avoid the corresponding shares being transferred to the IEPF Authority, failing which the shareholders whose name appears in the list on August 30, 2024 their shares shall be transferred to the IEPF Authority within 30 days from 'Due Date', viz. September 29, 2024. An advertisement to this effect was published in Financial Express (all editions) in English language and in Loksatta newspaper, Pune edition in Marathi language on June 1, 2024.

The Bank has transferred the Unclaimed Dividends/ Equity Shares for the FYs 2008-2009, 2009-10, 2010-11, 2011-12, 2012-13, 2013- 14, 2014-15 and 2015-16 to the IEPF Authority.

Members are also requested to note that the dividend declared for the FYs 2017-18, 2018-2019, 2020-21 and 2021-2022 and 2022-2023 against the shares already transferred to the IEPF Authority, has been credited to IEPF authority.

Shareholders whose Dividend/ Shares have been transferred to the IEPF Authority, may claim the refund from the IEPF Authority by filing e-form IEPF - 5 online, and following the procedure detailed on the website at: <http://iepf.gov.in/IEPF/corporates.html>.

Members are requested to contact Link Intime India Private Limited (Contact Details and Office Address given elsewhere in this Report)/ Bank's Secretarial and Investor Services team for obtaining the Unclaimed Dividends standing in their names.

The information pertaining to Unpaid or Unclaimed Dividends, and the details of such Members and Shares due for transfer to the IEPF Authority are also available on the Bank's website: www.indusind.com failing which the shareholders whose name appears in the list on August 30, 2024 their shares shall be transferred to the IEPF Authority within 30 days from 'Due Date', viz. September 29, 2024.

Details of Shares lying in Unclaimed Suspense Account as on March 31, 2024, are as follows:

Particulars	Number of Shareholders/ Folios	Shares
Opening Balance as on April 1, 2023	84	34,997
Add: Transfer during the year 2023-24	0	0
Less: Claim received and shares transferred*	2	1,200
Less: Shares transferred to Investor Education Protection Fund	0	0
Closing Balance as on March 31, 2024**	82	34,997

* Number of shareholders who approached the Bank for the transfer of shares from the suspense account.

** The voting rights on the aforesaid shares shall remain frozen until the rightful owner claims the shares.

Updating details of shares held in physical mode:

SEBI vide its circular dated November 03, 2021 read with circulars dated December 14, 2021, November 17, 2023, May 7, 2024 and June 10, 2024 has mandated that holders of physical securities, whose folio(s) are not updated with any of the KYC details viz., PAN, nomination, contact details, mobile number, bank account details or specimen signature, shall be eligible for payment of dividend in respect of such folios only through electronic mode with effect from April 1, 2024. Please refer SEBI FAQs by accessing the link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf (FAQ no. 38 & 39). Accordingly, dividend payable to members holding shares in physical mode, whose KYC details are not updated shall be withheld by the Bank. Members are therefore advised to update their KYC details on priority, if not done already.

The relevant forms for updating details viz. Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on the website of the Bank at <https://www.indusind.com/in/en/investors/investor-landing/corporate-announcement.html> (Path: Investors > Investor Relations > Corporate Announcements > SEBI KYC Formats) and on the website of the RTA at <https://www.linkintime.co.in> (Path: Resources > Downloads> General> Formats for KYC).

For IndusInd Bank Limited**Sd/****Sumant Kathpalia****Managing Director & CEO****(DIN: 01054434)**

Place : Mumbai

Date : July 19, 2024

ANNEXURE I TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

IndusInd Bank Ltd.,

We have examined the compliance of conditions of Corporate Governance by **IndusInd Bank Ltd.** ("the **Bank**") for the financial year ended **March 31, 2024**, as prescribed in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**').

We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof adopted by the Bank for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Bank.

In our opinion, and to the best of our information and according to the explanations given to us and representations made by the management, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of the **SEBI Listing Regulations**.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

ALWYN JAY & Co.
Company Secretaries

Sd/-

[Alwyn D'Souza, FCS.5559]

[Partner]

[Certificate of Practice No.5137]

[UDIN : F005559F000782621]

Place : Mumbai

Date : July 19, 2024

Office Address:

Annex-103, Dimple Arcade,

Asha Nagar, Kandivali (East),

Mumbai 400101.

ANNEXURE II TO THE CORPORATE GOVERNANCE REPORT

DECLARATION ON COMPLIANCE WITH THE CODE OF ETHICS AND CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

In compliance with Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, I hereby confirm that all Directors and Senior Management of the Bank have affirmed compliance with the Bank's 'Code of Ethics and Conduct for Directors and Senior Management' for the year ended March 31, 2024.

Place : Mumbai

Date: July 19, 2024

For IndusInd Bank Ltd.

Sd/-

Sumant Kathpalia

Managing Director

(DIN: 01054434)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L65191PN1994PLC076333
2. Name of the Listed Entity : IndusInd Bank Limited
3. Year of incorporation : 1994
4. Registered office address : IndusInd Bank Limited, 2401 Gen. Thimmayya Road (Cantonment), Pune - 411001, India.
5. Corporate address : IndusInd Bank Limited, 8th floor, Tower 1, One World Center, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400013
6. E-mail : sustainability@indusind.com
7. Telephone : 022 30493999
8. Website : www.indusind.com
9. Financial year for which reporting is being done : FY2023-24
10. Name of the Stock Exchange(s) where shares are listed : National Stock Exchange of India Ltd. and BSE Ltd.
11. Paid-up Capital : ₹778.32 crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report : Mr Mayank Thukral
: sustainability@indusind.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) : Standalone basis
14. Name of assurance provider : M.P. Chitale & Co.
15. Type of assurance obtained : Reasonable (BRSR Core)

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial and Insurance Service	Banking activities by Central, Commercial and Saving banks	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Banking Activity by Commercial Banks	64191	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants (Branches/Banking outlets)	Number of offices	Total
National	2,984	61	3,045
International	0	3	3

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 (no. of States) & 6 (no. of Union Territory)
International (No. of Countries)	3* (no. of Countries)

*The Bank has representative offices in London, Dubai and Abu Dhabi.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

NA

c. A brief on types of customers:

IndusInd Bank is a universal Bank with a widespread banking footprint. As on March 31, 2024, the Bank has a customer base of approx. 39 million, with 2984 Branches/Banking Outlets and 2956 ATMs spread across geographical locations of the country and covering ~1,57,000 villages.

The Bank offers a wide array of products and services for individuals and corporates including microfinance, personal loans, personal and commercial vehicles loans, credit cards, SME loans. The Bank is also a preferred banking partner for various Government entities, PSUs and large corporates.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	45,637	36,546	80.08%	9,091	19.92%
2.	Other than Permanent (E)	4,062	2,806	69.08%	1,256	30.92%
3.	Total employees (D + E)	49,699	39,352	79.18%	10,347	20.82%
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	121	83	68.60%	38	31.40%
2.	Other than Permanent (E)	27	22	81.48%	5	18.52%
3.	Total differently abled employees (D + E)	148	105	70.95%	43	29.05%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18.18%
Key Management Personnel	4	0	0%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 24 (Turnover rate in current FY)			FY 23 (Turnover rate in previous FY)			FY 22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29%	8%	37%	40%	11%	51%	29%	8%	37%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Bharat Financial Inclusion Limited	Subsidiary	100%	No
2.	IndusInd Marketing and Financial Services Private Limited	Associate	30%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 30,011.69 crores

(iii) Net worth (in ₹): 61,445.10 crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 24 Current Financial Year			FY 23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.indusind.com/in/en/csr-home/our-approach/csr-policy.html	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders	Yes https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policiesandcodes	49	-	-	79	-	-
Employees and workers	Yes https://www.indusind.com/in/en/sustainability/policies.html	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 24 Current Financial Year			FY 23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policiesandcodes	42,330	2,555	-	28,657	1,067	-
Value Chain Partners	Yes https://www.indusind.com/in/en/investors/investor-landing/investor-resources.html#policiesandcodes	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change - Acute Physical	R	Extreme weather events arising because of climate change pose a physical risk of disruption to the Bank's operations, and the safety and wellbeing of its employees.	Revision of internal policy for loan disbursement. Having a well diversified portfolio across various industries and segments. Implementation of BCP. Enhancing the Bank's IT operations for employees and customers so as to be future oriented.	Negative Implications
2	Operational Health and Safety	R	Health and safety issues related to air quality, physical commute infrastructure, health issues due to diseases and their spread	Regular checks and audits to ensure indoor air quality and working of physical commute infrastructure Half yearly fire and safety training and regular mandatory learning modules for employees. https://www.indusind.com/content/dam/indusind-corporate/investor-resource/PoliciesoftheBank/WorkplaceHealthSafetyPolicy.pdf	Negative Implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Climate Change - Portfolio	O	Diversifying our portfolio from core banking to new sectors in corporate and retail banking, including renewable energy, social finance, education, livelihood etc	-	Positive Implications
4	Digitisation	O	Advances in technology and the digital landscape present significant opportunities to enhance customer experience, develop innovative product offerings, and improve operational efficiency. It also enables better data analytics, providing actionable insights for more informed decision-making. Additionally, a strong digital infrastructure offers a competitive advantage by enabling rapid adaptation to market changes and meeting evolving customer expectations.	-	Positive Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC (National Guidelines on Responsible Business Conduct) Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.indusind.com/in/en/sustainability/policies.html								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	ISO/ IEC 27001
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	Carbon Neutral by FY 2032	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	NOT APPLICABLE	-	-	-

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

IndusInd Bank continues to advance its Environmental, Social, and Governance (ESG) impact across its business and operations. The Bank remains committed to integrating sustainability into our business strategy, ensuring that our growth is both responsible and inclusive.

This year, the Bank has actively pursued opportunities to expand our ESG-linked business across various business units to foster sustainability and social equity. These include IndusWE, which supports women entrepreneurs; Indus Solar for promoting solar rooftop installations for our MSE clients; and green, social, and sustainability-linked loans for our corporate clients to assist them in their decarbonization journey.

Your Bank has developed a comprehensive strategy to achieve carbon neutrality by 2032, converging social impact and environmental responsibility in its business model. This reflects in our focus on sustainable investing and reducing carbon footprint, transcending traditional corporate responsibility.

Our dedication to fostering an inclusive environment, rooted in strong core values and a clear sense of purpose, remains unwavering.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). CSR and Sustainability Committee of the Board

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes
	The Corporate Social Responsibility and Sustainability Committee comprised of five members of the Board of Directors is responsible for decision making on sustainability related issues. As on March 31, 2024, below is the composition of committee:
	Mrs. Akila Krishnakumar (Chairperson)
	Mr. Rajiv Agarwal (Member)
	Mr. Jayant Deshmukh (Member)
	Mr. Sumant Kathpalia (Member)
	Mr. Arun Khurana (Member)
	Three members of the Corporate Social Responsibility and Sustainability Committee are independent directors.

10. Details of Review of NGRBCs (National Guidelines on Responsible Business Conduct) by the Company:

Subject for Review	Indicate whether review was undertaken by Director(D) / Committee of the Board(C)/ Any other Committee(O)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	C	C	C	C	C	C	C	C	C
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	C	C	C	C	C	C	C	C	C

Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No	No	No	No	No	No	No	No	Yes, BSI

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: NA

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	13	IT and Cyber Security; Central Bank Digital Currency; Artificial Intelligence and Machine Learning; Governance and Assurance; Lending to Agro MSMEs; Risk Management; KYC and AML; Effectiveness of Audit Committee; Interest Rate Risk in Banking Book (IRRBB) Risk Management; Familiarization Program covering Corporate Governance, Effectiveness & Role of Independent Directors, Strategic Role in VUCA World, Integrated Thinking and ESG, etc.	100%
Key Managerial Personnel	12	Honesty & Integrity, Branch Operations guidelines, Accepting / Giving gifts & entertainment, Conflict of interest, personal finances, personal transactions, Insider trading, KYC & Anti bribery, Information sec & confidentiality of information, Sexual harassment, Non-discrimination, seeking clarification.	100%
Employees other than BoD and KMPs	12		100%

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	7	RBI	1.20 lakh	During the FY 2023-24, Reserve Bank of India imposed monetary penalties aggregating ₹1.20 lakh for non-adherence to the regulatory guidelines pertaining to exchange of mutilated/soiled notes and coins during the incognito visits conducted by RBI officials at various Bank Branches.	Yes
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
RBI conducted Incognito visit at Kochi branch. In this regards a penalty of ₹10,000 was levied by RBI for non-adherence to the regulatory guidelines pertaining to exchange of mutilated/soiled notes and coins	Reserve Bank of India
RBI conducted Incognito visit at Siwan, Bihar branch. In this regards a penalty of ₹10,000 was levied by RBI deficiency in rendering exchange facilities to the customers and members.	
Consolidated penalty of ₹30,000 has been levied by RBI Bengaluru on our Three Karnataka Branches i.e. Hoskote, Hospet and Karwar Branches for non-adherence to the Exchange Facility for the Soiled and Mutilated notes to the public in accordance with the extant RBI instructions.	
Penalty of ₹10,000 has been imposed by RBI Kanpur on our Jhansi Branch towards penalty for not providing exchange of notes during incognito visit done by RBI official.	
RBI conducted Incognito visit at Sawai, Madhopur, Jaipur branch. In this regards a penalty of ₹10,000 was levied by RBI for Non-adjudication of mutilated notes during RBI officials Incognito visit	
RBI, Issue Department, Jaipur has debited RBI account of the Bank amounting to ₹10,000 for not adhering to the mutilated note exchange process which was noticed by RBI officials on their incognito visit to Dholpur Branch, Rajasthan.	
RBI, Issue Department, Trivandrum levied a penalty of ₹5000 for not adhering to the RBI Clean Note Policy which was noticed by RBI officials on their incognito visit to Kasargod Branch.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, IndusInd Bank does not encourage associates or any connected stakeholders to follow unethical means such as Bribery or kickbacks.

The Bank has a zero tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it cooperates, and to implement and enforce effective systems to counter bribery. Strong guidelines have been laid down to avoid malpractices and consequences of such actions are also well defined. Strong and stringent control measures are in place to stop such activities and associates are encouraged to bring to notice any such malpractice which might have been missed out. The Bank has also made no direct or indirect political contributions. The Bank's governance practices are laid out on the foundation of honesty and integrity, conducting business in compliance with all regulatory and legal obligations.

The principles of anti-corruption and bribery are captured in the codes of conduct the Bank:

- Code of conduct for Employees
- Code of Conduct for Directors and Senior Management
- Fair Practice Code

Web links of code of conduct:

<https://www.indusind.com/content/dam/indusind-corporate/investor-resource/PoliciesoftheBank/Code-of-Conduct-for-Employees.pdf>
<https://www.indusind.com/content/dam/indusind-corporate/investor-resource/PoliciesoftheBank/Code-of-Conduct-for-Directors-Senior-Management.pdf>
<https://www.indusind.com/content/dam/regulatoryDisclosure/customer-policy/Fair-Practice-Code.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 24 (Current Financial Year)	FY 23 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

Particulars	FY 24 (Current Financial Year)		FY 23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable
8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 24 (Current Financial Year)	FY 23 (Previous Financial Year)
Number of days of accounts payables	56.76	31.20

* Please refer to Audited Financials (Page 7 onwards): https://www.indusind.com/content/dam/indusind-corporate/investors/QuarterFinancialResults/FY2023-2024/Quarter4/Audited_Financial_Results_for_Q4_FY2023-24.pdf for further details

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 24 (Current Financial Year)	FY 23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in**	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.000004%	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

*Refer to the Bank's disclosure on Related Party transactions (AS-18) schedule forming part of the Audited financial statement section of the report

In accordance with RBI guidelines dated March 29, 2003, details pertaining to the related party transactions have not been provided where there is only one related party in the said categories.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:
Total number of awareness Topics / principles Percentage of value chain programmes held covered under the partners covered (by value Training of business done with such partners) under the awareness programmes

Nil

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.

Yes. Various declarations and disclosures are submitted by Members of the Board at the time of their appointment and thereafter, on an annual basis. Members of the Board are also required to inform the Bank forthwith, in case of any changes in directorships, etc., in the declarations / disclosures during the year. Based on the details provided by the Members of the Board, the Bank conducts various checks to ensure that there is no conflict of interest between the Bank and the Members of the Board.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY24 Current Financial Year	FY23 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	NOT APPLICABLE
Capex	-	-	NOT APPLICABLE

2. a. Does the entity have procedures in place for sustainable sourcing? **No**
b. If yes, what percentage of inputs were sourced sustainably? **NOT APPLICABLE**
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

NOT APPLICABLE

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

NOT APPLICABLE

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NOT APPLICABLE

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

NOT APPLICABLE

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 24 Current Financial Year	FY 23 Previous Financial Year
Paper Consumed	95%	NA

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: **NOT APPLICABLE**

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

NOT APPLICABLE

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	36,546	36,546	100%	36,546	100%	-	-	36,546	100%	-	-
Female	9,091	9,091	100%	9,091	100%	9,091	100%	-	-	-	-
Total	45,637	45,637	100%	45,637	100%	9,091	19.92%	36,546	80.08%	-	-
Other than Permanent employees											
Male	2,806	2,806	100%	2,806	100%	-	-	-	-	-	-
Female	1,256	1,256	100%	1,256	100%	1,256	100%	-	-	-	-
Total	4,062	4,062	100%	4,062	100%	1,256	30.92%	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.13%	0.13%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 24 Current Financial Year			FY 23 Current Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	-	Y	100%	-	Y
Gratuity	100%	-	Y	100%	-	Y
ESI	-	-	NOT APPLICABLE	-	-	NOT APPLICABLE
Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, <https://www.indusind.com/content/dam/indusind-corporate/investor-resource/PoliciesoftheBank/Code-of-Conduct-for-Employees.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	86.97%	-	-
Female	98.41%	75.60%	-	-
Total	99.46%	83.09%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Indicate product category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	No
Other than Permanent Workers	No
Permanent Employees	As per the internal HR Policy:
Other than Permanent Employees	<p>The Branch Heads/MCSOPS are responsible for the resolution of complaints/ grievances of the employees working in the concerned branches and offices.</p> <p>It is his/her foremost duty to see that the complaints of all the employees are resolved completely and ensure closure of all complaints received at the branches/offices within 15 days. If the Branch Head/ Deputy Branch Manager is unable to solve the problem at his/her level, he/she should refer the matter to his/her reporting manager immediately.</p> <p>Besides escalation to the supervisors, employees can also lodge complaints at the following common help-desks in relation to different grievances, as under:</p> <p>a. Help-Desk for all issues pertaining to HR functions: hrhelpdesk@indusind.com</p> <p>b. Help-Desk for all issues pertaining to joining formalities, documentations etc.: onboardingdesk@indusind.com</p> <p>c. Help-Desk for all issues pertaining to full and final settlement, relieving letters, experience certificate etc.: settlementdesk@indusind.com</p> <p>d. Help-Desk for all issues pertaining to Salaries, Allowances, Compensation, Benefits, etc.: salaryhelp@indusind.com</p> <p>In case, the complaint needs more time to be examined, the complainant shall be acknowledged by explaining the same. The officers at each level shall endeavor to resolve the issue to the complainant's satisfaction within a week. If the complaint is not resolved within 15 days of the lodging of the complaint or if the complainant is not satisfied with the response, he/she can approach the higher authorities given in the Employee Escalation Matrix.</p>

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Benefits	FY 24 Current Financial Year			FY 23 Current Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of Employees / Workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	45,637	-	-	38,179	-	-
Male	36,546	-	-	31,050	-	-
Female	9,091	-	-	7,129	-	-
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 24 Current Financial Year					FY 23 Previous Financial Year				
	Total (A)	On Health and safety measures		OnSkill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	36,546	8,917	24%	23,107	63%	31,050	5,288	17%	16,169	52%
Female	9,091	7,289	80%	9,089	99%	7,129	4,337	61%	6,722	94%
Total	45,637	16,206	36%	32,196	71%	38,179	9,625	25%	22,891	60%
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY 24 Current Financial Year			FY 23 Current Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	36,546	18,494	50.60%	31,050	14,727	47.43%
Female	9,091	3,737	41.11%	7,129	2,735	38.36%
Total	45,637	22,231	48.71%	38,179	17,462	45.74%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

Yes

IndusInd Bank prioritises employee health and safety and has laid out action plans for zonal managers along with a dedicated H&S department. There is documentation of health risks on a regular basis following a bottom up approach and at the strategic level a top down approach where in evaluation of progress in reducing/preventing health issues/risks is monitored through internal inspections, consultations by OHS specialists as well as independent external verification of health, safety and wellbeing such as OHSAS 18000. The Bank developed effective Health & Safety Management System which integrates safety in day-to-day operations and allows an organisation to consistently identify and control its safety risks, reduce the potential for accidents, help achieve compliance with safety legislations and continually improve its performance.

It has provided a systematic way to identify workplace hazards and risks and to setup a continual safety improvement programme to implement suitable controls to manage risks. The Bank is committed to providing its employees a safe and secure working environment. A Health and Safety Management System helps achieve compliance with safety legislations and the implementation of suitable controls to manage risks against identified workplace hazards. The Bank has a Fire Safety Manual, Security Manual, Facilities and Administration Manual and Workplace Health and Safety Policy in place. Regular drills and trainings in first aid, fire safety and personal safety are conducted together with periodic checks on the physical and mental health of employees. During FY 2023-2024: Fire safety training and evacuation drills were conducted at 42 high-rise buildings and 100% of the bank's branches across all zones. Further, 100% of employees including outsourced staff participated in these fire and evacuation drills /training programmes. Online e-learning modules covering emergency preparedness at ground level have been implemented for further raising the awareness threshold of the environment in this regard. The efficacy of the fire drills and practices carried out is evident from non-occurrence of any major fire incidents since 2014

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Given the nature of business, this is not directly applicable. However, in light of the pandemic, the Bank recognises the risks of infections that could take place in the office premises. To minimise these risks, the Bank took necessary precautions at the offices, which included sanitisation of all office premises, removal of biometric scanners, installation of thermal scanners, daily communication updates, restricted movements in common areas, closure of recreational facilities and avoidance of large gatherings. The Bank also adhered to all the government directives and issued travel and health advisories to its employees and advised all its employees to work from home as required or on a rotational basis to ensure employee safety and business continuity.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

NOT APPLICABLE

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Bank emphasises on the importance of maintaining a safe and healthy workplace for all employees and third-party employees who work on its premises. Therefore, the following measures have been taken by the Bank to ensure a safe and healthy work place:

- a. Fire and burglar alarm for fire detection with fire and smoke sensors. Fire extinguishers for fire fighting
- b. Auto fire suppressants in data/ server rooms in select offices.

- c. Earthing pits in all branches and lightening conductors in select branches.
- d. Display of important contact numbers at branches/ offices for contacting fire brigade, police station, ambulance etc.
- e. Public Address System at premises.
- f. Display of floor plans, exit paths etc.
- g. CCTV for detection /recording of all activities including sabotage etc.
- h. First aid box.
- i. Periodic maintenance of fire safety equipment and measures.
- j. Carrying out mock drills covering training, fire drills and physical verification of fire safety equipment, evacuation plans etc.
- k. Identification and training of fire marshals.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Working Conditions: Electrical Health Checkup/ Audit at Bank Branches: (Yearly): Comprehensive electrical health checks are conducted at Bank Branches annually. This activity is conducted for all category A to D branches; thereafter required repair & maintenance work is undertaken based on the ageing of the equipment and issues identified.

Electrical Health Checkup includes:

- 1. Comprehensive electrical health check-up to identify overloading/hotspots
- 2. Thermal Imaging of electrical panels by use of Infrared Camera
- 3. Earth pit test to check ground resistance
- 4. Lux level check to understand illumination level at the workplace.

Leadership Indicators

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) **Yes** (B) Workers (Y/N) **No**
- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Bank monitors and track the compliance of value chain partners locally and centrally. The Bank ensures that statutory dues are remitted to respective PF / ESI / Labour Welfare Fund (LWF) etc. authority by the contractors and proof of the same is produced on a periodic basis. Also, the same is also mentioned in our purchase orders that any amount payable as per law must be paid by vendors. We also have a disclaimer that is the dues are not paid, IndusInd Bank Limited has the right to hold the amount to the tune of the due.
- 3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

NIL cases reported, hence not applicable

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY24 (Current Financial Year)	FY23 (Previous Financial Year)	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/ No)**

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. **NOT APPLICABLE**

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.
Any individual or group of individuals or institution that adds value to the business chain of the Bank is identified as a core stakeholder
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and during such engagement
Investors and Shareholders	No	The Bank communicates with investors and shareholders through Email, SMS, newspaper advertisement, website, quarterly conference calls, face-to-face meetings, annual general meetings, investor grievance channels, investor/ analyst meets etc.	Frequent and need based	These are aimed at providing relevant information as well as understanding stakeholders' perspectives on the Bank's performance and strategy.
Customers	No	Online and postal communications, Customer satisfaction surveys, Customer feedbacks, Regular interaction with customers	Continuous	Ease of transacting across channels Innovative technology applications Data security
Employees	No	Town halls; operations review; video conferences; audio conference calls	Quarterly: Town halls Continuous: team meets, video conferences, audio conferences	Career management and growth prospects • Learning opportunities • Compensation structure • Building a safety culture and inculcating safe work practices among employees • Improving Diversity, Equity and Inclusion

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and during such engagement
Regulators	No	Regular meetings, Policy updates and ministry directives, Mandatory filings with key regulators	Continuous engagement as per requirement	To ensure 100% compliance with regulations and engage on new developments in the economy
Media, industry analysts	No	Presentations; surveys; conferences and seminars; press releases; press conferences; media interviews and quotes; sponsored events, Analyst days.	Continuous: Annual General Meeting, Quarterly reports and Annual report, Earnings conference call, Media interaction, Press releases	Communicate Banks performance and strategy; Manage IBL's brand and reputation; Understand areas for sustainable development
NGOs, local communities and other marginalized groups	Yes	As needed: Project meetings; reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; calls and meetings; conferences and seminars; surveys	Continuous: Quarterly Reports and Annual Report, IBL website	Understand community needs; Plan and implement CSR projects; Share and contribute to thought leadership; Work in partnership to serve underserved communities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Bank engages with a diverse group of stakeholders to identify key issues, evaluate its operations, products, and services, mitigate reputational risks, and positively influence both internal and external environments. These interactions occur through town halls, training sessions, social media platforms, stakeholder engagement activities, and materiality assessments. Feedback from these engagements is communicated to the Board and senior management, who consider it for strategic advice and action. The Board receives regular updates on stakeholder feedback concerning economic, environmental, and social matters through CSR and Sustainability Committee of the Board. This feedback informs the Board's decision-making processes.

To ensure robust governance of its ESG strategy, the Bank has established an effective governance structure involving various internal stakeholders. The CSR and Sustainability Committee of the Board plays a crucial role in overseeing the Bank's sustainability initiatives. This committee is responsible for reviewing and approving the sustainability strategy, ensuring its integration across different business units for consistency, and monitoring compliance and reporting. This oversight guarantees that the Bank meets its sustainability commitments and maintains transparency in its efforts.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, IndusInd Bank prioritises delivering long-term value to our stakeholders by embedding sustainability principles deeply in our business. The Bank has indeed deepened its impact on the society through responsible lending, mitigating climate change, and promoting social behavioural changes.

The Bank consistently endeavours to build good relationships with its stakeholders and focuses on initiatives with positive social impact, that help enhance the business. The Bank also supports community development by providing new livelihood opportunities,

while endeavouring to contribute towards the holistic development of the society.

In the Planning Cycle 6 (PC 6) strategy, in effect from FY2024 to FY2026, ESG is one of the critical pillars.

ESG targets are being included in the targets of Business Units to demonstrate the Bank's commitment towards promoting sustainability-linked initiatives in its business

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Bank actively engages with disadvantaged, vulnerable, and marginalized stakeholders through a range of Corporate Social Responsibility (CSR) programs. These initiatives are specifically designed to empower various stakeholders from varied communities by fostering financial independence and enhancing their leadership and economic skills. Additionally, the CSR initiatives address the needs of groups including women, farmers, students, and unemployed youth. These programs are strategically implemented following thorough community needs assessments, ensuring they effectively support both vulnerable/marginalized groups and the broader community.

Some of the noteworthy initiatives include; Multilayer farming by reviving Bundelkhand's Traditional water bodies, Empowering Rural Livelihoods through Multi-Layer Vegetable Farming, Brown to Green with Renewable Energy Integrated Village Development Program, Floriculture and Vegetable Cultivation in the Palghar district of Maharashtra amongst many others

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 24 Current Financial Year			FY 23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of Employees / workers covered (D)	% (D / C)
Employees						
Permanent	45,637	20,852	46%	38,179	10,012	26%
Other than permanent	-	-	-	-	-	-
Total Employees	45,637	20,852	46%	38,179	10,012	26%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 24 Current Financial Year					FY 23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	36,546	-	-	36,546	100%	31,050	-	-	31,050	100%
Female	9,091	-	-	9,091	100%	7,129	-	-	7,129	100%
Other than Permanent										
Male	2,806	-	-	2,806	100%	2,303	-	-	2,303	100%
Female	1,256	-	-	1,256	100%	1,100	-	-	1,100	100%
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages

- a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of
Board of Directors (BoD)	9	20,00,000	2	20,00,000
Key Managerial Personnel	4	3,81,32,038	0	0
Employees other than BoD and KMP	36,542	5,00,000	9,091	4,50,000

- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Gross wages paid to females as % of total wages*	16.15%	15.01%

*Calculated on the basis of gross wages of permanent employees as on March 31, 2024

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

As per the Bank's HR policy, All employees shall be treated equally in the human resources exercises relating to appointment, posting, training, promotion, transfer, employee benefits, etc. Each employee will be treated with equal opportunities on their merits without any discrimination based on marital status, belief, political opinion, culture, language, ethnicity, race, gender, religion, caste, age or disability. The Bank shall also evaluate and address special infrastructure needs of differently abled employees and will facilitate their seamless integration into the system.

The Branch Heads/MCSOPS are responsible for the resolution of complaints/ grievances of the employees working in the concerned branches and offices. It is his/ her foremost duty to see that the complaints of all the employees are resolved completely and ensure closure of all complaints received at the branches/ offices within 15 days. If the Branch Head / Deputy Branch Manager feels that it is not possible to solve the problem at his/her level, he/she should refer the matter to his/her reporting manager immediately.

Besides escalation to the supervisors, employees can also lodge complaints at the following common help-desks in relation to different grievances, as under:

- a. Help-Desk for all issues pertaining to HR functions: hrhelpdesk@indusind.com
- b. Help-Desk for all issues pertaining to joining formalities, documentations etc.: onboardingdesk@indusind.com
- c. Help-Desk for all issues pertaining to full and final settlement, relieving letters, experience certificate etc.: settlementdesk@indusind.com
- d. Help-Desk for all issues pertaining to Salaries, Allowances, Compensation, Benefits, etc.: salaryhelp@indusind.com

In case, the complaint needs more time to be examined, the complainant shall be acknowledged by explaining the same. The officers at each level shall endeavor to resolve the issue to the complainant's satisfaction within a week. If the complaint is not resolved within 15 days of the lodging of the complaint or if the complainant is not satisfied with the response, he/she can approach the higher authorities given in the Employee Escalation Matrix.

6. Number of Complaints on the following made by employees and workers:

	FY 24 Current Financial Year			FY 23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	40	4	Pending 4 cases were received in the month of March'2024.	21	5	All complaints filed during FY 2022 – 2023 including pending 5 cases have been closed.
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 24 Current Financial Year	FY 23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	40	21
Complaints on POSH as a % of female employees / workers	0.39%	0.26%
Complaints on POSH upheld	21*	12

* (as on March 31, 2024)

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
Nil
9. Do human rights requirements form part of your business agreements and contracts?
No

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0.14%
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	0.98%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No adverse comments/actions initiated by the statutory authorities since the compliance by the Bank was at par. Following are some of the measures towards ensuring compliance,

- The Branches/ Offices have been instructed to report the instances of inspection carried out by the Labour Officials to their reporting vertical and also to the HR Department in Corporate Office. The HR Department have been supporting the branches during the inspections so also facilitating closure of the Notices, if received any.
- An application namely CERMO is being used by branches for the on-line submission of the Labour Law related compliance.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
N.A. since no complaints
2. Details of the scope and coverage of any Human rights due-diligence conducted.
N.A. since no complaints
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes
4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NOT APPLICABLE

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format (units in GJ):

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	108	183
Total fuel consumption (B)	0	0
Energy consumption sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	108	183
From non-renewable sources		
Total electricity consumption (D)	2,42,633	2,74,989
Total fuel consumption (E)	33,675	31,760
Energy consumption sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	2,76,309	3,06,750
Total energy consumed (A+B+C+D+E+F)	2,76,417	3,06,933
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	921.02	1,191.3
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Intensity is per ₹ crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, M.P. Chitale & Co.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)*	5,27,905	4,58,720
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	17.58	17.8
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – (KL/FTE)	11.56	12.01

*Assumption for water consumption calculation: Water Consumption in Liters per head per day - 45l, Source: CGWA 2016

Intensity is per ₹ crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, M.P. Chitale & Co.

4. Provide the following details related to water discharged:

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)	-	-
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 24 Current Financial Year	FY 23 Previous Financial Year
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 24 Current Financial Year	FY 23 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	16,977	19,074
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	48,515	53,348
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MTCO ₂ e/₹ (crore)	2.18	2.81
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted		-	-
for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	MTCO ₂ e/FTE	1.44	1.90

Note:

- Scope 1 emissions include emissions from Bank-owned cars, Bank-owned diesel gensets, fugitive emissions from air conditioners and fire extinguishers.
- For the computation of emissions from Bank-owned cars and Bank-owned gensets, emission factors from the Intergovernmental Panel on Climate Change (IPCC) guidelines 2006 have been applied to quantities deemed for energy consumption in Principle 6, Essential Indicators: Question 1.
- Fugitive emissions for fire extinguishers are estimated using operational database and public factors on leakage from USEPA's guidance, with Global Warming Potential (GWP) values derived from the IPCC Sixth Assessment Report (AR 6).
- For refrigerant leaks in air conditioners (ACs), the Bank's vendors give the data of quantity of refrigerant refilled. Emissions have been calculated using quantity of refrigerant as provided by vendors, refrigerant leakage as considered from GWP derived factors from IPCC AR 6.
- Scope 2 emissions are reported using market-based approach with grid emission factor from Version 19 of the Central Electrical Authority's CO2 database.
- Scope 1 & 2 emission intensity has been computed based on Total Revenue which includes Interest Earned and Other Income, excluding Interest expended under the Audited Financial Statements of the Bank.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes, M.P. Chitale & Co.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	68.01	38.18
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	68.01	38.18
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations)	0.0022	0.0015
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – MT/FTE	0.0015	0.0015
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	68.01	-
Total	68.01	-

Intensity is per ₹ crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, M.P. Chitale & Co.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Bank is committed towards supporting and promoting efficient waste management measures to reduce the impact of waste (both of Bank's own operations as well as those of Bank's clients and partners) on the local environment, promoting re-use and recycling of waste and re-engineering production processes for supporting a circular economy.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

NA

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
Water withdrawal by source (in kilolitres)	-	-
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)	-	-
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 24 Current Financial Year	FY 23 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9,600	6,592
Total Scope 3 emissions per rupee of turnover		0.32	0.26
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	MTCO ₂ e/FTE	0.21	0.17

Intensity is per ₹ crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format: NIL

5. Does the entity have a business continuity and disaster management plan?

YES

The Bank is committed for ensuring continuity of its critical services/ products at a minimum acceptable level even during an event while safeguarding its employees' health and safety. BCP Manual is uploaded on Intranet of the Bank.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NIL

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 5
b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Banks Association	National
2	Micro Finance Institutions Network	National
3	Institutional Investor Advisory Services India Limited	National
4	Bombay Chamber of Commerce and Industry	State
5	Indo-German Chamber of Commerce	International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-
-	-	-	-	-	-

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Name: Restoration of water bodies Brief: The Lake Rejuvenation Project was conceived with the vision of ecologically restoring three lakes in Raipur—Sankra, Bandha, and Dongiya. The aim of the project was to revitalize these water bodies to ensure they serve as sustainable natural habitats, bolster water quality, augment storage capacity, preserve biodiversity, and provide reliable water sources for the local populace while mitigating urban encroachment and pollution. The lake rejuvenation project aimed to address several Sustainable Development Goals including 3, 6, 11, 14 and 15	Amendment from MCA vide CG-DL-E 22012021 – 224640, GSR 40 (E)	22nd January 2021	Yes	Yes	https://www.indusind.com/in/en/csr-home.html
Name: Institutions on Solar The "Institutions on Solar" initiative is an ambitious program led by CERE in collaboration with Avesta Solar, and supported by IndusInd Bank, designed to shift institutional energy reliance to solar power, fostering renewable energy adoption and supporting sustainability goals. This program is intricately linked to Sustainable Development Goals, particularly SDG 7, aiming for clean and affordable energy.	Amendment from MCA vide CG-DL-E 22012021 – 224640, GSR 40 (E)	22nd January 2021	Yes	Yes	https://www.indusind.com/in/en/csr-home.html
Name: Donate A Life The Cancer Care Support program began in FY 2018-19 with the goal of providing holistic cancer treatment to underprivileged children in India. It is a testament to the pursuit of Sustainable Development Goals 3 and 10, focusing on good health and well-being and reduced inequalities, by enabling access to essential healthcare.	Amendment from MCA vide CG-DL-E 22012021 – 224640, GSR 40 (E)	22nd January 2021	Yes	Yes	https://www.indusind.com/in/en/csr-home.html
Name: Early Language and Literacy The Early Language and Literacy (ELL) project was launched with an aim to bolster foundational learning in language across Haryana's government schools. This initiative sought to enhance Hindi language skills, thereby improving overall academic achievement in line with Sustainable Development Goals 4 and 8, resonating with the National Education Policy's emphasis on mother-tongue-based education.	Amendment from MCA vide CG-DL-E 22012021 – 224640, GSR 40 (E)	22nd January 2021	Yes	Yes	https://www.indusind.com/in/en/csr-home.html

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

NA

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 24 Current Financial Year	FY 23 Previous Financial Year
Directly sourced from MSMEs/ small producers	31%	28%
Directly from within India	100%	100%

*Please refer to Audited Financials (Page 7 onwards): https://www.indusind.com/content/dam/indusind-corporate/investors/QuarterFinancialResults/FY2023-2024/Quarter4/Audited_Financial_Results_for_Q4_FY2023-24.pdf for further details

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 24 Current Financial Year*	FY 23 Previous Financial Year
Rural	1.68%	1.68%
Semi-urban	7.87%	7.68%
Urban	17.11%	16.96%
Metropolitan	73.33%	73.68%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

*Calculated on the basis of gross wages of employees as on March 31, 2024

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No negative social impact identified	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Maharashtra	Osmanabad (Dharashiv)	14,83,36,971
2	Bihar	Begusarai	13,19,90,036
3	Tamil Nadu	Virudhunagar	10,87,94,186
4	Rajasthan	Baran	10,13,90,871
5	Uttar Pradesh	Bahraich	10,31,57,537
6	Jharkhand	Khunti	32,95,054
7	Madhya Pradesh	Chhatarpur	1,10,00,000
8	Odisha	Kandhamal, Kalahandi	1,78,11,561
9	Kerala	Idukki	14,16,684
10	Madhya Pradesh	Damoh	3,64,000
11	Andhra Pradesh	Kurnool, Alluri Sitharama Raju	27,89,227
12	Odisha	Rayagada	98,60,000
13	Uttarakhand	Udham Singh Nagar	23,00,803

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? **(Yes/No) NO**
 (b) From which marginalized /vulnerable groups do you procure? **NOT APPLICABLE**
 (c) What percentage of total procurement (by value) does it constitute? **NOT APPLICABLE**
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	-	-	-	-
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
-	-	-
-	-	-

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Flagship Program-Holistic Rural Development	16.86 lakhs+	Majority of the programs serve the vulnerable and marginalized group hence around 70% of the beneficiaries are from vulnerable and marginalized groups
2	Sustainable Environment	2.40 lakhs+	
3	Education (including Skilling)	2.15 lakhs+	
4	Inclusive Sports	1000+	
5	Others (Healthcare, Armed Forces)	0.98 lakhs+	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
 The bank adheres to its Board-approved "Grievance Redressal Policy," which outlines a structured escalation process for handling customer complaints across branches and the Corporate Office, in line with RBI guidelines. An Internal Ombudsman has been appointed to independently review complaints that are either rejected or result in partial relief for customers. A Quarterly Report on complaints received and resolved is presented to both the Standing Committee on Customer Service and the Customer Service Committee of the Board. By analyzing recurring complaints in specific areas, the bank identifies root causes and initiates corrective actions. Customers are encouraged to contact their Branch Manager, use the toll-free Contact Centre number, email dedicated addresses, or visit the bank's website (www.indusind.com) for streamlined grievance resolution. Details of Nodal Officers and Regional Managers are available on the bank's website and at branches. Information about the Reserve Bank of India's Integrated Ombudsman Scheme, 2021 is prominently displayed at branches and on the bank's website.
2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:
NOT APPLICABLE
3. Number of consumer complaints in respect of the following:

	FY 24 Current Financial Year		Remarks	FY 23 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	7,136	723	-	3,946	226	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	35,194	1832	-	24,711	841	-

4. Details of instances of product recalls on account of safety issues:
Not Applicable
5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy.
YES
<https://www.indusind.com/in/en/personal/privacy-policy.html#:~:text=The%20Bank%20strives%20to%20ensure,unauthorized%20alteration%2C%20disclosure%20or%20destruction.>
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. NA
7. Provide the following information relating to data breaches:
 - a. Number of instances of data breaches: There are no instances of data breaches reported in F.Y. 23-24
 - b. Percentage of data breaches involving personally identifiable information of customers: NOT APPLICABLE
 - c. Impact, if any, of the data breaches: NOT APPLICABLE

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
Information about all loan products and services offered by the Bank can be found on its official website. Additionally, the Bank leverages various social media and digital platforms to share details on its loans and deposits. Visit their website at <https://www.indusind.com> for more information.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
The Bank has established a Customer Rights Policy, accessible on its website, and has also implemented a Customer Protection Policy aligned with RBI guidelines. This policy aims to provide a safe, reliable, and transparent service experience. It addresses customer complaints related to unauthorized electronic transactions, sets criteria for determining customer liability in different scenarios, and promotes customer awareness. The Bank utilizes multiple channels, including a Surveillance Unit, to detect and prevent insider threats and internal fraud.
Through digital platforms, e-learning, classroom sessions, and workshops, the Bank disseminates information on cyber fraud prevention, safe internet and online banking practices, recognizing and avoiding phishing and vishing attempts, secure use of credit/debit cards, and protection against malware and malicious websites. This initiative is designed to educate and raise awareness among employees, customers, and partners.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
The Bank has a Business Continuity Policy (BCP) in place to ensure that critical processes can continue during a crisis. This policy includes identifying essential processes and developing recovery plans to ensure the timely resumption of critical operations and services. Regular mock tests are conducted to evaluate BCP preparedness. The implementation of the EGRC system facilitates monitoring and management of key BCP components such as Business Impact Analysis (BIA), BCP Recovery Plan, BCP Testing, and BCP Risk Assessment, thereby enhancing effective business continuity management.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)
Not Applicable
If yes, provide details in brief.
Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
No

M. P. Chitale & Co.

Chartered Accountants

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Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information in IndusInd Bank Limited's Business Responsibility and Sustainability Report (BRSR)

To,
The Board of Directors,
IndusInd Bank Limited,
8th Floor, Tower 1
One World Centre 841,
Senapati Bapat Marg
Prabhadevi (West)
Mumbai - 400013.

1. We have undertaken to perform a reasonable assurance engagement, for IndusInd Bank Limited ("the Bank") vide agreement dated June 01, 2024 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the criteria stated below. This Sustainability Information is as included in the BRSR of the Bank for the year ended March 31, 2024.

Identified Sustainability Information

2. The Identified Sustainability Information for the year ended March 31, 2024 is summarised in Annexure 1 to this Report.
3. Our reasonable assurance engagement was with respect to the year ended March 31, 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Criteria

4. The criteria used by the Bank to prepare the Identified Sustainability Information i.e. "BRSR core disclosures" is as detailed in Annexure 1 to this report, which is a subset of the BRSR, consisting of a set of essential indicators under Environmental, Social and Governance ("ESG") attributes, as specified by SEBI in the Annexure 1 of the No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 ("the Circular") on 'BRSR Core – Framework for assurance and ESG disclosures for value chain' ("the Circular").

Management's Responsibility

5. The Bank's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design,



M. P. Chitale & Co.
Chartered Accountants

implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

6. The Management and the Board of directors of the Bank are also responsible for overseeing the Bank's compliance with the requirements of the Listing Obligations and Disclosure Requirements (LODR) regulations and the SEBI Circular in relation to the BRSR Core.

Inherent limitations

7. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.
8. In Addition, Greenhouse Gas "GHG" quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

9. We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.
10. 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 issued by ICAI.

Our Responsibility

11. A Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.
12. We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.



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13. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

14. Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Essential Indicators (EIs) and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the EIs
- Made enquiries of Bank's management, including those responsible for managing the bank's BRSR
- Obtained an understanding and performed an evaluation of the design of the processes and controls for managing, recording and reporting on EIs.
- Determined the nature, timing and extent of further procedures based on the above understanding and the possibility of risks that EIs may be materially misstated.
- Checked the consolidation for various branches / offices under the reporting boundary established by the Bank.
- Performed substantive testing on a sample basis of EIs at the Corporate Office level in Mumbai to verify that data had been appropriately measured with underlying documents recorded, collated and reported.
- Assessed records and performed testing including recalculation of sample data to establish an assurance trail.
- Assessed the level of adherence to the SEBI Circular & internally defined criteria followed by the Bank's management in preparing the Identified Sustainability Information.
- Assessed the reporting on the Identified Sustainability Information for detecting, on a test check basis, any major anomalies between the information reported in BRSR on performance with respect to agreed indicators and relevant source data/information; and
- Obtained representations from Bank's Management wherever considered necessary.

15. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Exclusions

16. Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Bank other than the Identified Sustainability Information mentioned in the Annexure 1.
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period (April 01, 2023 to March 31, 2024)
- The statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim, or future intention provided by the Bank.



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- Testing the operating effectiveness of management systems and controls.
- Data and information on the economic and financial performance of the Bank.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the bank and testing or assessing any forward-looking assertions and/or data.

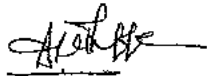
Opinion

17. Based on the procedures we have performed, the evidence and the information we have obtained, the Identified Sustainability Information for the year ended March 31, 2024 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

Restriction on use

18. This Reasonable Assurance Report has been prepared and addressed to the Board of Directors of the Bank at the request of the Bank solely, to comply with the Circular and should not be used by any other person or for any other purpose. Accordingly, we accept no liability to anyone, other than the Bank. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm Registration no. 101851W




Anagha Thatte
Partner
ICAI M. No. 105525
UDIN: 24105525BKFUCD3924
Place: Mumbai
Date: August 01, 2024

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Annexure I

Identified Sustainability Information

Sr. No.	Attribute	Parameter	Measurement	Cross – reference to the BRSR
1	Green-house gas (GHG) footprint	Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	GHG (CO ₂ e) Emission in Mn MT / KT / MT Direct emissions from organization's owned- or controlled sources	Principle 6, Question 7 of Essential Indicators
		Total Scope 2 emissions (Break-up of the GHG (CO ₂ e) into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	GHG (CO ₂ e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider	
		GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP	
			Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	
2	Water footprint	Total water consumption	Mn Lt or KL	Principle 6, Question 3 & 4 of Essential Indicators
		Water consumption intensity	Mn Lt or KL / Rupee adjusted for PPP Mn Lt or KL / Product or Service	
		Water Discharge by destination and levels of Treatment	Mn Lt or KL	
3	Energy footprint	Total energy consumed % of energy consumed from renewable sources	In Joules or multiples In % terms	Principle 6, Question 1 of Essential Indicators
		Energy intensity	Joules or multiples / Rupee adjusted for PPP	
			Joules or multiples / Product or Service	
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	Kg / MT	Principle 6, Question 9 of Essential Indicators
		E-waste (B)	Kg / MT	
		Bio-medical waste (C)	Kg / MT	
		Construction and demolition waste (D)	Kg / MT	
		Battery waste (E)	Kg / MT	
		Radioactive waste (F)	Kg / MT	
		Other Hazardous waste. Please specify, if any. (G)	Kg / MT	
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Kg / MT	
		Total waste generated ((A+B + C + D + E + F + G + H)	Kg / MT	



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Sr. No.	Attribute	Parameter	Measurement	Cross – reference to the BRSR
		Waste intensity	Kg or MT / Rupee adjusted for PPP	
			Kg or MT / Unit of Product or Service	
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Kg or MT	
		For each category of waste generated, total waste disposed by nature of disposal method	Intensity	
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the bank	In % terms	Principle 3, Question 1(c) & 1) of Essential Indicators
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the bank's construction sites)	Number of Permanent Disabilities	
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	
			No. of fatalities	
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	Principle 5, Question 3(b) & 7 of Essential Indicators
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported Complaints on POSH as a % of female employees / workers	
			Complaints on POSH upheld	
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – <i>Directly sourced from MSMEs/ small producers and from within India</i>	In % terms – As % of total purchases by value	Principle 8, Question 4 & 5 of Essential Indicators
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost	In % terms – As % of total wage cost	
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Principle 9, Question 7 of Essential Indicators
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	Principle 1, Question 8 of Essential Indicators
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases Number of trading houses where purchases are made from	Principle 1, Question 9 of Essential Indicators



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Sr. No.	Attribute	Parameter	Measurement	Cross – reference to the BRSR
			<ul style="list-style-type: none"> Purchases from top 10 trading houses as % of total purchases from trading houses Sales to dealers / distributors as % of total sales Number of dealers / distributors to whom sales are made Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 	
			Share of RPTs (as respective %age) in <ul style="list-style-type: none"> Purchases Sales Loans & advances Investments 	



Independent Auditors' Report

To the Members of IndusInd Bank Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **IndusInd Bank Limited** ('the Bank'), which comprise the Balance Sheet as at March 31, 2024, and the Profit and Loss Account, and Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by Section 29 of the Banking Regulation Act, 1949 as well as the Companies Act, 2013 (the 'Act') and circulars and guidelines issued by the Reserve Bank of India, in the manner so required for banking companies ('RBI Guidelines') and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 as amended to the extent applicable, of the state of affairs of the Bank as at March 31, 2024, and its profit, and its cash flows for the year ended on that date.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, are sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit Matters (Risk)	How Was the Key Audit Matter Addressed in the Audit
Identification, Classification, Provisioning and Write off of Advances	
Total Loans and Advances (Net of Provision) as at 31 March 2024 – ₹3,43,29,82,740 (Amount in 000')	
Provision for NPA as at 31 March 2024 – ₹4,72,44,841.04 (Amount in 000')	
(Refer Schedule 9, Schedule 17(6) and Schedule 18 (4.1), (14.5) to the standalone financial statements)	
<p>The Reserve Bank of India's ('RBI') guidelines on Income recognition and asset classification and provisioning pertaining to advances ('IRAC norms') prescribe the prudential guidelines for identification and classification of Non performing Assets (NPA) and the minimum provision required for such assets from time to time and other relevant circulars, notifications and directives issued by the RBI which were collectively considered by the Bank till March 31, 2024 to classify its advances into performing and non performing advances and make appropriate provisions thereon.</p> <p>The Bank, as per its governing framework, made the performing and NPA provisions based on Management's assessment of the degree of impairment of the advances subject to and guided by minimum provisioning levels prescribed under the relevant RBI guidelines. Additionally, the Bank makes provisions on exposures that are not classified as NPA including advances to certain sectors and identified advances or group advances. These are classified as contingency provisions.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of, evaluated and tested the design and operating effectiveness of key controls (including application controls) around identification of NPA based on the extant IRAC norms on a test check basis; • Verified loans on sample basis to form our own assessment as to whether impact of days past due have been recognised in a timely manner by the Bank as per RBI Guidelines; • Made inquiries of management regarding any effects considered on the NPA identification and / or provisioning, resulting from observations raised by the RBI during their annual inspection of the Bank's operations; • For the selected non-performing advances, we assessed Management's forecast and inputs of recoverable cash flows, impact of auditor's (of borrowers) comments on the financial statements, valuation of underlying security and collaterals, as obtained by the Bank for estimation of recoverable amounts on default and other sources of repayment; • Obtained the Board approved note for advances written off during the year and perused the write off policy duly approved by the Board. • Obtained understanding of Credit monitoring process including the governing framework and policy guidelines on "Loan Frauds & Red Flagged Accounts" • Held specific discussions with the Credit and Risk departments to ascertain how various Early Warning Signal (EWS) and potential defaults have been identified and assessed in identification of NPA; • Performed credit assessments of samples for both corporate and retail loans including larger exposures assessed by Bank showing signs of deterioration, or in areas of emerging risk (assessed against external market conditions). Reviewed the Bank's risk grading of the loan, and assessment of loan recoverability and the impact on the credit provision using the information on the Borrowers loan file, discussed the case with the concerned officials and senior management to verify the assessment and provisioning done by the Bank

Key audit Matters (Risk)	How Was the Key Audit Matter Addressed in the Audit
<p>Since; the Bank has significant credit risk exposure to a large number of borrowers across various sectors, products, industries and geographies and there is a high degree of complexity, uncertainty and judgment involved in recoverability of advances, nature of transactions and estimation of provisions thereon and identification of accounts to be written off and given its significance to the overall audit of Financial Statements we have ascertained the Identification, Classification, Provisioning and Write off of Advances is a Key Audit Matter.</p>	<p>Provisions for advances:</p> <ul style="list-style-type: none"> Understood the Bank's processes and perused the policies for determining provisions on advances in compliance with IRAC norms including provisioning for advances covered under Resolution Framework, stressed sectors, date of commencement of commercial operations (DCCO), etc. Verified provision for fraud accounts as at March 31, 2024 as per the RBI circular; Reperformed, on sample basis for both corporate and retail loans, the Days Past Due for loan accounts including their classification and provisioning, to determine the accuracy of the same (Collective for standard portfolio and case specific for non-performing portfolio); Perused the submissions to the Board of Directors for the NPA Provisioning made as at March 31, 2024; and Assessed the appropriateness, accuracy and adequacy of the related presentation and disclosures in accordance with the applicable accounting standards and requirements of RBI with respect to NPAs.
<p>Information Technology (IT) Systems and Controls</p> <p>The Bank has a complex IT architecture to support its day - to - day business operations. The volume of transactions processed and recorded is huge. Moreover, a transaction may be required to be recorded across multiple applications depending upon the process and each application has different rules and a different set of user access and authority matrix.</p> <p>All these applications are not fully customized to take care off all user's requirement. These applications are interlinked using different technologies so that data transfer happens in real time or at a particular time of the day; in batches or at a transaction level and in an automated manner or manually. The Core Banking Solution (CBS) itself has many interfaces. All these data streams directly affect the financial accounting and reporting process of the Bank.</p> <p>The Bank has a process for identifying the applications where the controls are embedded. The Bank's IT control framework includes automated, semi-automated and manual controls designed to address identified risks.</p> <p>IT controls are stated in Entity Level Controls (ELC), IT General Controls (ITGC) and IT Application Controls (ITAC). Further the Bank has identified critical softwares impacting the Financial accounting and its reporting from the exitance and completeness of Audit Trail (edit log).</p> <p>We have identified IT systems and controls Framework as a Key Audit Matter as the Bank's business is highly dependent on technology, high level of automation, significant number of systems being used, the IT environment is complex, and the design and operating effectiveness of IT controls have a direct impact on its financial reporting process. Review of these systems and controls allows us to provide assurance on the integrity and completeness of data processed through various IT applications which are used for financial accounting & reporting.</p>	<p>Our Audit procedures with respect to this matter included:</p> <p>IT audit specialists are an integral part of our engagement team. Our approach of testing IT General Controls (ITGC) and IT Application Controls (ITAC) is risk based and business centric.</p> <p>As part of our IT controls testing, we have tested ITGC as well as ITAC. The focus of testing of ITGCs was based on the various parameters such as Completeness, Validity, Identification / Authentication Authorization, Integrity and accountability. On the other hand, focus of testing automated controls from applications was whether the controls prevent or detect unauthorized transactions and support financial objectives including completeness, accuracy, authorization, and validity of transactions.</p> <p>We gathered an understanding of IT applications landscape implemented at the Bank during the year. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people, process and technology.</p> <p>In ITGC testing, on sample basis, we reviewed control areas such as User Management, Change Management, Systems Security, cyber security, interface testing, deployment of new applications, Incident Management, Physical & Environmental Security, Backup and Restoration, Business Continuity and Disaster Recovery, Service Level Agreement, end of day operations, various submission made to the regulators under risk based supervision.</p> <p>For ITAC, we carried out on sample basis, compliance tests of system functionality in order to assess the accuracy of system functionality. We also carried out procedures such as validations and limit checks on data entered into applications, approvals, process dependencies and restriction on time period in which transactions may be recorded.</p> <p>We verified audit trail (edit log) on test check basis for applications which are used for financial accounting and reporting. Further we reviewed the existence and efficacy of the audit trail done by the management.</p> <p>We tested the control environment using various techniques such as inquiry, walkthroughs in live environment, review of documentation / record / reports, observation and reperformance. We also tested few controls using negative testing technique.</p> <p>Verified compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant, changes made to the IT landscape during the audit period.</p>

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Bank's Management and Board of Directors are responsible for the other information. The other information comprises the Pillar 3 Disclosures under the New Capital Adequacy Framework (Basel III disclosures), which we obtained prior to the date of this auditors' report, and Director's Report including Annexures to Director's Report which is part of the Annual report (collectively called as 'Other Information') but does not include the standalone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Bank's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 as amended to the extent applicable, and RBI Guidelines. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, Banking Regulation Act, 1949 and RBI Guidelines for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the standalone financial statements.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 and are therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. The Balance Sheet and the Statement of Profit and Loss have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Act and relevant rules issued thereunder.
2. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
 - a. we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - b. the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
 - c. since the key operations of the Bank are automated with the key applications integrated to the core banking systems, the audit is carried out centrally as all the necessary records and data required for the purposes of our audit are available therein. However, during the course of our audit we have visited 75 branches to examine the records maintained at such branches for the purpose of our Audit.
3. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
 - c. The Standalone Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies Accounting Standard Rules, 2021 as amended, to the extent they are not inconsistent with the guidelines prescribed by RBI.
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, the Bank is a

banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act do not apply by virtue of Section 35B(2A) of the Banking Regulation Act, 1949.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Bank has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Schedule 12, 17(17) and 18(15.3) to the standalone financial statements;
 - (ii) The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Schedule 17(5), 17(17) and notes 18(3), 18(4.1) and 18 (15.3) to the standalone financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank during the financial year ended March 31, 2024- Refer Schedule 18 (15.5);
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 18 (15.15)(1) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other persons or entities, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 18 (15.15)(2) to the standalone financial statements, no funds have been received by the Bank from any persons or entities, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Bank shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

- (v) As stated in Schedule 18(15.12) to the standalone financial statements:
- (a) The final dividend proposed in the Previous year, declared and paid by the Bank during the year is in compliance with section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Bank have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The amount of dividend proposed is in compliance with section 123 of the Act, as applicable.
- (vi) Based on our examination, which included test checks, the Bank has used the accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the accounting softwares.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For M.P. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No.101851W

Anagha Thatte

Partner

Membership No. 105525

UDIN: 24105525BKFUBC2031

Place: Mumbai

Date: April 25, 2024

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Tushar Kurani

Partner

Membership No. 118580

UDIN: 24118580BKFLXT1817

Place: Mumbai

Date: April 25, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of IndusInd Bank Limited on the standalone financial statements (hereinafter referred to as 'financial statements') for the year ended March 31, 2024]

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of IndusInd Bank Limited ('the Bank') as of March 31, 2024 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'ICAI') (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('The Standards'), issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating

the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Bank's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorizations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note.

For M.P. Chitale & Co.

Chartered Accountants
ICAI Firm Registration No.101851W

Anagha Thatte

Partner
Membership No. 105525
UDIN: 24105525BKFUBC2031

Place: Mumbai
Date: April 25, 2024

For M S K A & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Tushar Kurani

Partner
Membership No. 118580
UDIN: 24118580BKFLXT1817

Place: Mumbai
Date: April 25, 2024

Standalone Balance Sheet

As at March 31, 2024

₹ in '000s

Particulars	Schedule	As at March 31, 2024	As at March 31, 2023
Capital and Liabilities			
Capital	1	778,32,00	775,89,52
Employee Stock Options Outstanding	18(Note 15.9.1)	103,51,51	44,32,29
Reserves and Surplus	2	61915,27,16	53801,45,04
Deposits	3	384792,91,67	336438,13,67
Borrowings	4	47611,41,13	49011,23,42
Other Liabilities and Provisions	5	19733,71,01	17733,01,46
Total		514935,14,48	457804,05,40
Assets			
Cash and Balances with Reserve Bank of India	6	18557,13,27	42961,26,62
Balances with Banks and Money at Call and Short Notice	7	18244,48,13	13549,87,53
Investments	8	106526,70,50	83116,20,36
Advances	9	343298,27,40	289923,68,27
Fixed Assets	10	2197,74,57	1992,61,92
Other Assets	11	26110,80,61	26260,40,70
Total		514935,14,48	457804,05,40
Contingent Liabilities	12	1638924,59,77	1264256,33,25
Bills for Collection		36152,26,54	33751,82,65
Significant Accounting Policies	17		
Notes to the Financial Statements	18		

The schedules referred to above form an integral part of the Balance Sheet.

The Balance Sheet has been prepared in conformity with Form A of the Third Schedule to the Banking Regulation Act, 1949.

As per our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Standalone Profit and Loss Account

for the year ended March 31, 2024

₹ in '000s

Particulars	Schedule	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Income			
Interest earned	13	45748,21,37	36367,91,28
Other income	14	9387,84,27	8166,37,06
Total		55136,05,64	44534,28,34
II. Expenditure			
Interest expended	15	25132,29,43	18775,79,67
Operating expenses	16	14263,49,12	11412,00,70
Provisions and contingencies	18(Note 14.5)	6790,49,07	6956,76,83
Total		46186,27,62	37144,57,20
III. Profit			
Net Profit for the year		8949,78,02	7389,71,14
Profit brought forward		23793,35,99	18923,15,06
Total		32743,14,01	26312,86,20
IV. Appropriations			
a) Transfer to statutory reserve		2237,44,51	1847,42,79
b) Transfer to capital reserve		43,29,63	10,18,89
c) Transfer to investment fluctuation reserve account		200,00,00	3,00,00
d) Dividend paid		1086,37,52	658,88,53
		3567,11,66	2519,50,21
Balance carried over to the Balance Sheet		29176,02,35	23793,35,99
Total		32743,14,01	26312,86,20
V. Earnings per equity share			
(Face value of ₹10/- per share)			
Basic (₹)	18(Note 16.5)	115.19	95.32
Diluted (₹)	18(Note 16.5)	114.98	95.20
Significant Accounting Policies	17		
Notes to the Financial Statements	18		

The schedules referred to above form an integral part of the Profit and Loss Account.

The Profit and Loss Account has been prepared in conformity with Form A of the Third Schedule to the Banking Regulation Act, 1949.

As per our report of even date.

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

For and on behalf of Board of Directors

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Standalone Cash Flow Statement

for the year ended March 31, 2024

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash Flow from Operating Activities		
Net Profit before taxation	11941,53,21	9859,64,60
Adjustments for :		
Depreciation on Fixed assets	424,68,49	373,44,39
Depreciation/Revauation loss on Investments	452,36,74	381,99,28
Employees Stock Option expenses	57,18,37	27,37,96
Loan Loss and Other Provisions	3249,29,32	4185,43,49
Amortisation of premium on HTM investments	390,92,13	402,15,11
Loss on sale of fixed assets	2,94,71	2,84,54
Operating Profit before Working Capital changes	16518,92,97	15232,89,37
Adjustments for :		
(Increase) in Advances	(56623,88,45)	(55057,58,30)
(Increase) in Investments	(24253,79,01)	(12929,57,03)
(Increase) / Decrease in Other Assets	330,29,63	(5785,14,16)
Increase in Deposits	48354,78,00	42756,78,79
Increase in Other Liabilities	2002,70,40	4461,10,06
Cash generated from Operations	(13670,96,46)	(11321,51,27)
Direct Taxes paid (net of refunds)	(3172,44,74)	(1116,10,71)
Net Cash (used in) Operating Activities	(16843,41,20)	(12437,61,98)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets (including WIP)	(650,05,93)	(527,17,35)
Proceeds from sale of Fixed Assets	17,30,08	6,95,18
Net Cash (used in) Investing Activities	(632,75,85)	(520,22,17)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares (net of issue expenses)	244,66,03	85,70,80
Dividends paid	(1086,37,52)	(658,88,53)
Redemption of Perpetual Debt instruments	(1489,90,00)	(1000,00,00)
Increase in Borrowings	90,07,71	2688,01,11
Net Cash (used in)/generated from Financing Activities	(2241,53,78)	1114,83,38

Standalone Cash Flow Statement

for the year ended March 31, 2024

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Effect of foreign currency translation reserve	8,18,07	79,65,60
Net Increase in Cash and Cash Equivalents	(19709,52,76)	(11763,35,17)
Cash and Cash Equivalents at the beginning of the year	56511,14,16	68274,49,33
Cash and Cash Equivalents at the end of the year	36801,61,40	56511,14,16

Notes:

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements.
- Figures in bracket indicate in bracket cash outflow.
- Cash and cash equivalents comprise of Cash in Hand and Balance with RBI (Schedule 6) and Balance and Money at Call and Short Notice (Schedule 7).

As per our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Standalone Schedules

Schedule - 1 Capital

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Capital		
1,00,00,00,000 (Previous year 1,00,00,00,000) equity shares of ₹10 each	1000,00,00	1000,00,00
Issued, Subscribed and Called Up Capital		
77,83,19,951 Previous year (77,58,95,198) equity shares of ₹10 each	778,32,00	775,89,52
Paid up Capital		
77,83,19,951 Previous year (77,58,95,198) equity shares of ₹10 each	778,32,00	775,89,52
Total	778,32,00	775,89,52

Schedule - 2 Reserves and Surplus

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Statutory Reserve		
Opening balance	9987,52,82	8140,10,03
Additions during the year	2237,44,51	1847,42,79
	12224,97,33	9987,52,82
II Share Premium Account		
Opening balance	18528,50,06	18444,02,46
Additions during the year	242,23,55	84,47,60
	18770,73,61	18528,50,06
III Revaluation Reserve		
Opening balance	301,66,08	307,63,35
Transfer to General Reserve	(5,97,27)	(5,97,27)
	295,68,81	301,66,08
IV Foreign Currency Translation Reserve		
Opening balance	114,80,79	35,15,19
Additions during the year	8,18,07	79,65,60
	122,98,86	114,80,79
V Revenue & Other Reserve		
(a) General Reserve		
Opening balance	26,24,65	20,27,38
Transfer from Revaluation Reserve	5,97,27	5,97,27
	32,21,92	26,24,65
(b) Capital Reserve		
Opening balance	644,03,66	633,84,77
Additions during the year	43,29,63	10,18,89
	687,33,29	644,03,66
(c) Investment Fluctuation Reserve		
Opening balance	354,68,08	351,68,08
Additions during the year	200,00,00	3,00,00
	554,68,08	354,68,08
(d) Amalgamation Reserve		
Opening balance	50,62,91	50,62,91
Additions on Amalgamation	-	-
	50,62,91	50,62,91
Total Revenue & Other Reserve	1324,86,20	1075,59,30
VI Balance in the Profit and Loss Account	29176,02,35	23793,35,99
Total	61915,27,16	53801,45,04

Standalone Schedules

Schedule - 3 Deposits

₹ in '000s		
Particulars	As at March 31, 2024	As at March 31, 2023
A I Demand Deposits		
i) From banks	1123,86,48	1773,95,32
ii) From others	46072,70,27	49143,96,16
II Savings Bank Deposits	98676,27,78	84128,39,32
III Term Deposits		
i) From banks	19972,10,01	20586,75,64
ii) From others	218947,97,13	180805,07,23
Total	384792,91,67	336438,13,67
B Deposits of Branches		
I In India	377798,89,92	328901,67,08
II Outside India	6994,01,75	7536,46,59
Total	384792,91,67	336438,13,67

Schedule - 4 Borrowings

₹ in '000s		
Particulars	As at March 31, 2024	As at March 31, 2023
I Borrowings in India		
i) Reserve Bank of India	-	-
ii) Other banks	300,36,35	-
iii) Other institutions and agencies	23500,04,00	27953,09,00
iv) Borrowing in form of bonds and debentures (excluding subordinated Debt)	1500,00,00	1500,00,00
v) Capital Instruments		
a) Unsecured non-convertible perpetual non-cumulative bonds (Subordinated additional tier 1 capital)	-	1489,90,00
b) Unsecured non-convertible redeemable debentures/bonds (Subordinated debt tier 2 bond)	2800,00,00	2800,00,00
II Borrowings outside India	19511,00,78	15268,24,42
Total	47611,41,13	49011,23,42
Secured borrowings, other than Market repo borrowings, including tri-party repo, and borrowings from RBI under Liquidity Adjustment Facility/ Marginal Standing Facility	-	-

Schedule - 5 Other Liabilities and Provisions

₹ in '000s		
Particulars	As at March 31, 2024	As at March 31, 2023
I Bills payable	1394,42,49	1144,56,52
II Inter-office adjustments (net)	-	-
III Interest accrued	1942,60,94	1830,29,44
IV Others	16396,67,58	14758,15,50
Total	19733,71,01	17733,01,46

Schedule - 6 Cash and Balances with Reserve Bank of India

₹ in '000s		
Particulars	As at March 31, 2024	As at March 31, 2023
I Cash in hand (including foreign currency notes)	1223,46,27	1225,74,24
II Balances with Reserve Bank of India		
i) In Current Account	16433,67,00	15785,52,38
ii) In Other Accounts	900,00,00	25950,00,00
Total	18557,13,27	42961,26,62

Standalone Schedules

Schedule - 7 Balances with Banks and Money at Call and Short Notice

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I In India		
i) Balances with Banks		
a) In Current Accounts	191,99,38	251,91,65
b) In Other Deposit Accounts	1376,18,25	-
ii) Money at Call and Short Notice		
a) with Banks	-	-
b) with other institution	4186,49,32	4204,55,70
Total	5754,66,95	4456,47,35
II Outside India		
i) In Current Accounts	2613,23,31	2684,14,18
ii) In Other Deposit Accounts	6473,65,47	3656,56,50
iii) Money at call and short notice	3402,92,40	2752,69,50
Total	12489,81,18	9093,40,18
Grand Total	18244,48,13	13549,87,53

Schedule - 8 Investments

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I In India		
Gross Value	107551,62,53	84180,81,80
Less : Aggregate of provision / depreciation	1205,82,39	1323,09,97
Net value of Investments in India	106345,80,14	82857,71,83
Comprising :		
i) Government securities*	96467,98,30	76511,68,06
ii) Other approved securities	-	-
iii) Shares	166,97,54	634,97,32
iv) Debentures and bonds	58,75,49	58,84,37
v) Subsidiaries and / or Joint Ventures	43,70,35	43,70,35
vi) Others - Certificate of Deposits, Commercial Papers, Security Receipts, Pass Through Certificates, Units of schemes of Mutual Funds, Venture Capital Funds and Others	9608,38,46	5608,51,73
II Outside India		
Gross Value	180,92,90	258,48,53
Less : Aggregate of provision / depreciation	2,54	-
Net value of Investments outside India	180,90,36	258,48,53
Comprising :		
i) Government securities	165,04,53	81,38,14
ii) Debentures and bonds	15,85,83	177,10,39
iii) Others	-	-
Total	106526,70,50	83116,20,36
III Investment in India		
i) Gross value of investments	107551,62,53	84180,81,80
ii) Aggregate of provision for depreciation	1205,82,39	1323,09,97
iii) Net investments (i-ii)	106345,80,14	82857,71,83
IV Investment outside India		
i) Gross value of investments	180,92,90	258,48,53
ii) Aggregate of provision for depreciation	2,54	-
iii) Net investments (i-ii)	180,90,36	258,48,53

*Includes Securities of ₹2,748.39 crores (previous year ₹1,431.11 crores) pledged with CCIL & NSE for margin requirements

Standalone Schedules

Schedule - 9 Advances

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
A i) Bills purchased and discounted	17068,83,52	11210,95,47
ii) Cash credits, overdrafts and loans repayable on demand	91894,94,19	74732,64,96
iii) Term loans	234334,49,69	203980,07,84
Total	343298,27,40	289923,68,27
B i) Secured by tangible assets	224503,38,88	191609,59,60
ii) Covered by Bank/ Government Guarantees (including advances against L/Cs issued by Banks)	6227,75,67	3594,83,81
iii) Unsecured	112567,12,85	94719,24,86
Total	343298,27,40	289923,68,27
C I Advances in India		
i) Priority Sector	103379,76,04	94398,28,55
ii) Public Sector	10391,42,74	10134,40,31
iii) Banks	4601,63,84	1279,08,19
iv) Others	220097,74,95	177049,30,16
Total Advances in India	338470,57,57	282861,07,21
II Advances outside India		
i) Due from banks	-	-
ii) Due from others	4827,69,83	7062,61,06
(a) Bills purchased and discounted	1589,39,80	1778,25,62
(b) Syndicated loans	990,67,42	1758,26,88
(c) Others	2247,62,61	3526,08,56
Total Advances outside India	4827,69,83	7062,61,06
Total	343298,27,40	289923,68,27

Schedule - 10 Fixed Assets

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Premises		
i) At cost as on 31st March of the preceding year	869,98,25	869,98,25
ii) Additions during the year	2,07,07	-
	872,05,32	869,98,25
iii) Less : Deductions during the year	-	-
Closing Balance	872,05,32	869,98,25
iv) Less : Depreciation to date	158,69,79	144,72,05
Total	713,35,53	725,26,20
II Other Fixed Assets (including furniture and fixtures)		
i) At cost as on 31st March of the preceding year	3403,84,89	3029,50,60
ii) Additions during the year	586,46,31	486,26,16
	3990,31,20	3515,76,76
iii) Less : Deductions during the year	153,96,66	111,91,87
Closing Balance	3836,34,54	3403,84,89
iv) Less : Depreciation to date	2548,90,59	2271,91,70
Total	1287,43,95	1131,93,19
III Capital Work in Progress (net of provision)	196,95,09	135,42,53
Grand Total	2197,74,57	1992,61,92

Standalone Schedules

Schedule - 11 Other Assets

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Interest accrued	3097,98,78	2394,99,41
II Tax paid in advance / tax deducted at source	745,30,37	96,59,92
III Stationery and stamps	71,62	71,58
IV Non-banking assets acquired in satisfaction of claims	-	63,96,57
V Others	22266,79,84	23704,13,22
Total	26110,80,61	26260,40,70

Schedule - 12 Contingent Liabilities

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Claims against the bank not acknowledged as debts	1498,63,96	638,24,48
II Liability for partly paid investments	-	-
III Liability on account of outstanding forward exchange contracts	675249,05,27	536483,05,13
IV Liability on account of outstanding other Derivative Contracts	882250,77,98	649147,93,12
V Guarantees given on behalf of constituents		
- In India	66328,55,97	60939,83,57
- Outside India	176,62,71	-
VI Acceptances, Endorsements and Other Obligations	13264,51,31	16471,09,96
VII Other Items for which the bank is contingently liable	156,42,57	576,16,99
Total	1638924,59,77	1264256,33,25

Schedule - 13 Interest Earned

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Interest/ discount on advances/ bills	38119,31,12	29944,51,82
II Income on investments	6202,19,22	4691,63,08
III Interest on balances with Reserve Bank of India and other inter-bank funds	1157,06,56	1442,29,29
IV Others	269,64,47	289,47,09
Total	45748,21,37	36367,91,28

Schedule - 14 Other Income

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Commission, exchange and brokerage	6634,39,73	5646,14,65
II Profit on sale of investments (net)	408,41,27	65,37,87
III Profit on revaluation of investments	97,07,81	(82,00,59)
IV Profit / (Loss) on sale of land, buildings and Other assets (net)	(2,94,71)	(2,84,54)
V Profit on exchange transactions / derivatives (net)	1484,47,21	1793,44,53
VI Income earned by way of dividends from subsidiaries in India	-	-
VII Miscellaneous income	766,42,96	746,25,14
Total	9387,84,27	8166,37,06

Standalone Schedules

Schedule - 15 Interest Expended

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Interest on deposits	21708,43,63	15679,17,80
II Interest on Reserve Bank of India / inter-bank borrowings	972,05,70	611,59,36
III Others	2451,80,10	2485,02,51
Total	25132,29,43	18775,79,67

Schedule - 16 Operating Expenses

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Payments to and provisions for employees	3895,28,03	3030,52,14
II Rent, taxes and lighting	636,15,66	549,30,74
III Printing and stationery	100,76,42	87,47,20
IV Advertisement and publicity	159,73,55	95,11,69
V Depreciation on bank's property	424,68,49	373,44,39
VI Director's fees, allowances and expenses	6,53,63	6,34,73
VII Auditor's fees and expenses	3,74,99	3,22,17
VIII Law charges	68,63,67	61,35,29
IX Postage, Telegrams, Telephones, etc.	183,64,57	155,34,97
X Repairs and maintenance	404,72,43	352,29,10
XI Insurance	484,03,05	432,63,61
XII Other expenditure	7895,54,63	6264,94,67
Total	14263,49,12	11412,00,70

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Schedule 17 Significant accounting policies

Background

IndusInd Bank Limited ('the Bank') was incorporated in 1994 under the Companies Act, 1956 and is licensed by the Reserve Bank of India (RBI) to operate as a commercial bank under the Banking Regulation Act, 1949. The Bank is publicly held and engaged in providing a wide range of banking products and financial services to corporate and retail clients besides undertaking treasury operations. The Bank operates in India including at the International Financial Service Centre in India (IFSC), at GIFT City, and does not have a branch in any foreign country.

1. Basis of preparation

1.1 The accompanying financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting except where otherwise stated and in accordance with statutory requirements prescribed under the Banking Regulation Act 1949, circulars and guidelines issued by RBI from time to time (RBI guidelines), accounting standards referred to in Section 133 of the Companies Act, 2013 (the Act) read together with the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Act in so far as they apply to the Bank and practices prevailing within the banking industry in India. Accounting policies have been consistent with the previous year except otherwise stated.

2. Use of Estimates

2.1 The preparation of the financial statements in conformity with generally accepted accounting principles in India requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities (including contingent liabilities) at the date of the financial statements, revenues and expenses during the reporting period. Management believes that the estimates and assumptions used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Transactions involving Foreign Exchange

3.1 Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

3.2 Monetary assets and liabilities of domestic and integral foreign operations (representative offices) denominated in foreign currency are translated at the Balance Sheet date at the closing rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resulting gains or losses are recognised in the Profit and Loss account.

3.3 Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and all non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

3.4 Both monetary and non-monetary assets and liabilities of non-integral foreign operations are translated at the Balance Sheet date at the closing rates of exchange notified by the FEDAI and the resulting gains or losses are accumulated in the foreign currency translation reserve until disposal of the net investment at which time they are recognised in Profit and Loss Account as gains or losses.

3.5 Income and expenditure of domestic and integral foreign operations denominated in a foreign currency is translated at the rates of exchange prevailing on the date of the transaction. Income and expenditure of non-integral foreign operations is translated at daily average closing rates.

3.6 Contingent liabilities at the Balance Sheet date on account of outstanding forward foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in a foreign currency are stated at the closing rates of exchange notified by the FEDAI.

4. Investments

Classification and valuation of the Bank's investments are carried out in accordance with RBI Circular. Significant accounting policies in accordance with relevant RBI guidelines are as follows:

4.1 Categorisation of Investments

The Bank classifies its investment at the time of purchase into one of the following three categories:

- (i) **Held to Maturity (HTM)** – Securities acquired with the intention to hold till maturity.
- (ii) **Held for Trading (HFT)** – In accordance with relevant RBI guidelines securities acquired with the intention to trade are classified under HFT category. HFT securities which remain unsold for a period of 90 days are transferred to AFS category.
- (iii) **Available for Sale (AFS)** – Securities which do not fall within the above two categories.

Subsequent shifting amongst the categories is done in accordance with relevant RBI guidelines.

4.2 Classification of Investments

For the purpose of disclosure in the Balance Sheet, investments are classified under six groups viz., (i) Government Securities, (ii) Other Approved Securities, (iii) Shares, (iv) Debentures and Bonds, (v) Investments in Subsidiaries and Joint Ventures, and (vi) Other Investments.

4.3 Acquisition cost

- (i) Broken period interest on debt instruments is treated as a revenue item.
- (ii) Brokerage, commission, etc. pertaining to investments, paid at the time of acquisition is charged to the Profit and Loss account.
- (iii) Cost of investments is computed based on the weighted average cost method.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

4.4 Valuation of Investments

- (i) **Held to Maturity** – Each security in this category is carried at its acquisition cost or amortised cost. In case securities are acquired at premium, premium on acquisition of the security is amortised over the balance period to maturity. The premium amortization is recognized in Profit and Loss Account under Interest earned – Income on investments (Item II of Schedule 13). The book value of the security is reduced to the extent of premium amortized. Other than temporary diminution is determined and provided for each investment individually.
- (ii) **Held for Trading** – Securities are valued scripwise and depreciation / appreciation is aggregated for each classification. The book value of the individual securities is not changed as a result of periodic valuations. Net appreciation in each classification is ignored, while net depreciation is provided for.
- (iii) **Available for Sale** – Securities are valued scrip-wise and depreciation / appreciation is aggregated for each classification. The book value of the individual securities is not changed as a result of periodic valuations. Net appreciation in each classification is ignored, except to the extent of depreciation previously provided for, while net depreciation is provided for.
- (iv) Market value of government securities including SDLs (excluding treasury bills) is determined on the basis of the prices / YTM published by Financial Benchmark India Private Limited (FBIL).
- (v) Treasury bills including US Treasury Bills, commercial papers and certificate of deposits are valued at carrying cost. Carrying cost is defined as acquisition cost adjusted for the discount accreted over the period till maturity at the rate prevailing at the time of acquisition.
- (vi) Pass Through Certificates (PTC) are valued by using Fixed Income Money Market and Derivatives Association (FIMMDA) credit spread as applicable for the NBFC category, based on the credit rating of the respective PTC over the Government of India curve published by FBIL.
- (vii) Fair value of other debt securities is determined basis traded price, Security Level valuation published by FIMMDA or based on the yield curve published by FBIL and relevant credit spreads corresponding to rating and residual maturity published by FIMMDA. Foreign Currency (FCY) bonds are valued basis the prices sourced from Bloomberg.
- (viii) Quoted equity shares held under AFS and HFT categories are valued at the closing price on a recognised stock exchange, in accordance with the relevant RBI guidelines. Unquoted equity shares are valued at their break-up value or at Re. 1 per company where the latest Balance Sheet is not available continuously for more than 18 months as on the date of valuation.
- (ix) Units of the schemes of mutual funds are valued at latest repurchase price / Net Asset Value (NAV) provided by the respective schemes of mutual funds.
- (x) Investments in equity shares held as long-term investments and classified under HTM category are valued at cost. Provision for other than temporary diminution in the value of such long-term investments is made.
- (xi) The depreciation on securities acquired by way of conversion of outstanding loans is provided in accordance with RBI guidelines.
- (xii) Investments in subsidiary and associate are classified under HTM category and valued at cost. Such investments are assessed for impairment and other than temporary diminution in value is provided for.
- (xiii) Security Receipts (SR) are valued at the lower of redemption value and NAV obtained from the Securitisation Company (SC) / Reconstruction Company (RC). As per RBI guideline, in respect of investments in SRs which are more than 10% of stressed assets sold by the Bank, the value is subject to a prudential floor considering the asset classification of the stressed assets, had such assets remained on the books of the Bank.
- (xiv) Purchase and sale transaction in securities are recorded under Settlement Date method of accounting, except in the case of the equity shares where Trade Date method of accounting is followed.
- (xv) Provision for non-performing investments is made in conformity with relevant RBI guidelines. Interest on non-performing investments is not recognized in the profit and loss account unless received.
- (xvi) Repurchase (Repo) and Reverse Repurchase (Reverse Repo) transactions with Banks or other institutions are accounted for as collateralised borrowing and lending (lending above 14 days tenor classified under advances) respectively. Repurchase (Repo) and Reverse Repurchase (Reverse Repo) with original maturity up to 14 days with RBI are accounted for as collateralised borrowing or Balance with RBI respectively. Balances held under Standing Deposit Facility (SDF) has been reported under Cash and Balances with RBI. Borrowing cost on repo transactions is accounted as interest expense and revenue on reverse repo transactions is accounted as interest income.
- (xvii) In respect of the short sale transactions in Central Government dated securities, the short position is covered by outright purchase of an equivalent amount of the same security within a maximum period of three months including the day of trade. The short position is reflected as the amount received on sale in a separate account and is classified under 'Investments'. The short position is categorized under the HFT portfolio and is accounted for accordingly.
- (xviii) Profit or loss in respect of sale of investments is included in the Schedule 14 under Profit on Sale of Investments (net). In respect of profit from sale of investments under HTM category, an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such profits) is appropriated from the Appropriations account to Capital Reserve account.
- (xix) In the event, provisions created on account of depreciation in the AFS or HFT categories are found to be in excess of the required amount in any year, the excess is credited to the Profit and Loss account and an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such excess provisions) is appropriated to an Investment Reserve Account (IRA).

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

The balance in IRA account is used to meet provision on account of depreciation in AFS and HFT categories by transferring an equivalent amount to the Profit and Loss Appropriation account as and when required.

- (xx) Out of net profits earned during the year, transfer is made to Investment Fluctuation Reserve, for an amount not less than the lower of the (a) net profit on sale of investments during the year or (b) net profit for the year less mandatory appropriations, till the balance in such Investment Fluctuation Reserve reaches a level of at least 2% of the aggregate HFT and AFS portfolio. Draw down, if any, from the Investment Fluctuation Reserve shall be in accordance with the applicable RBI guidelines.
- (xxi) Investments in unquoted units of Alternative Investment Funds (AIFs) are categorised under HTM category for an initial period of three years and valued at cost as per relevant RBI guidelines. Depreciation, if any on the units based on NAV is provided at the time of shifting the investment in the AFS category from HTM category and also on subsequent valuation based on the NAV received from the category I and II AIF. In case the audited financials are not available for a period beyond 18 months, the investments are valued at Re. 1 per AIF, as the case may be.
- (xxii) Infrastructure Investment Trusts (InvITs) are valued at book value till it is listed. Post listing and till receipt of Quarterly NAV report, quoted price is considered for valuation if traded else the Book Value is considered for valuation. Post receipt of quarterly NAV report, if InvIT is traded on exchange, then quoted price is considered for valuation else the NAV based on the registered valuer's quarterly statement is considered for valuation.

5. Foreign Exchange and Derivative Contracts

- 5.1 All trading forward exchange contracts outstanding at the Balance Sheet date are re-valued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities and the resulting gains or losses are recognised on present value basis in the Profit and Loss account. The contracts of longer tenor maturities / or currencies where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates quoted in the market or implied by the swap curves in respective currencies and the resulting gains or losses are recognised on present value basis in the Profit and Loss account.
- 5.2 Swap Cost arising on account of foreign currency swap contracts to convert foreign currency funded liabilities and assets into rupee liabilities and assets is amortised to the Profit and Loss account under the head 'Interest Expended-Others' over the life of swap contracts.

Derivative contracts are designated as hedging or trading and accounted for as follows:

- 5.3 The hedging contracts comprise of Forward Rate Agreements, Interest Rate Swaps, and Currency Swaps undertaken to hedge interest rate and currency risk on certain assets and liabilities. The net interest receivable or payable is accounted on an accrual basis over the life of the swaps. However, where the hedge is designated with an asset or liability that is carried at market value or lower of

cost and market value, then the hedging instrument is also marked to market with the resulting gain or loss recorded as an adjustment to the market value of designated assets or liabilities. Gains or losses on the termination of hedge swaps is accounted in accordance with relevant RBI guidelines.

- 5.4 The trading contracts comprise of trading in Forward Contracts, Interest Rate Swaps, Cross Currency Interest Rate Swaps, Forward Rate Agreements, Interest Rate Futures, Currency Futures, Currency Options, Swaption etc. The gain or loss arising on unwinding or termination of the contracts, is accounted for in the Profit and Loss account. Trading contracts outstanding as at the Balance Sheet date are re-valued at their fair value and resulting gains or losses are recognised in the Profit and Loss account.
- 5.5 Premium paid and received on currency options is accounted when due in the Profit and Loss Account.
- 5.6 Fair value of derivative is determined with reference to market quotes or by using valuation models. Where the fair value is calculated using valuation models, the methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to the present value. The valuation takes into consideration all relevant market factors (e.g. prices, interest rate, currency exchange rates, volatility, liquidity, etc.). Most market parameters are either directly observable or are implied from instrument prices. The model may perform numerical procedures in the pricing such as interpolation when input values do not directly correspond to the most actively traded market trade parameters.
- 5.7 Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on all derivative contracts with the same counter-parties are reversed through the profit and loss account.

6. Advances

- 6.1 Advances are classified into standard, sub-standard, doubtful and loss assets in accordance with RBI guidelines.
- 6.2 A general provision on standard assets is made in accordance with relevant RBI guidelines for the funded outstanding on global portfolio basis. In respect of stressed advances which are not yet classified as non-performing, contingent provisions are made prudentially. Provision made against standard assets is included in 'Other Liabilities and Provisions - Others'. The general provision also includes provision for stressed sector exposures and provision for incremental exposure of the banking system to a specified borrower beyond Normally Permitted Lending Limit (NPLL) in proportion to bank's funded exposure to specified borrower. Provision made on positive mark to market of derivative contracts also forms part of general provision. Further, provision requirement under various Restructure scheme of RBI along with provision for the cases where viable resolution plan has not been implemented within timeline prescribed by RBI, from the date of default, also forms part of general provision. Such, General provisions are included in Schedule 5 – 'Other liabilities & provisions - Others'.

Schedule forming part of the Standalone Financial Statements for the year ended March 31, 2024

- 6.3 Unhedged Foreign Currency Exposures (UFCE) of Clients are subject to incremental provisions basis assessment of estimated risk in line with relevant RBI guidelines. Provision made towards UFCE and consequent further capital held under Basel III Capital regulations are disclosed separately. The provision forms a part of provision on standard assets.
- 6.4 Specific provisions for non-performing advances and floating provisions are made in conformity with relevant RBI guidelines. In addition, the Bank considers accelerated provisioning based on past experience, and other related factors including underlying securities.
- 6.5 For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by RBI, which requires the diminution in the fair value of the assets to be computed as the fair value of loans before and after restructuring. The restructured accounts are classified in accordance with relevant RBI guidelines.
- 6.6 Advances are disclosed in the Balance Sheet, net of specific provisions and interest suspended for non-performing advances, and floating provisions.
- 6.7 Advances exclude derecognised securitised advances, inter-bank participation certificates issued and bills rediscounted.
- 6.8 NPA accounts are Written off in accordance with the Bank's NPA management and recovery policy. Amounts recovered during the year against bad debts written off in earlier years are recognised in the Profit and Loss account. Provision no longer considered necessary in the context of the current status of the borrower as a performing asset, are written back to the Profit and Loss account to the extent such provisions were charged to the Profit and Loss account earlier.
- 6.9 Further to the provisions held according to the asset classification status, provision is held in accordance with relevant RBI guidelines for individual country exposures (other than for home country exposure), where the net funded exposure of a country is one percent or more of the total assets. Provision held for country risk is included under 'Other Liabilities and Provisions'.
- 6.10 The Bank makes floating provision as per the Board approved policy, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, if required. The floating provision is netted-off from advances.
- 7. Securitisation transactions, direct assignments and other transfers**
- 7.1 The Bank transfers its loan receivables both through Direct Assignment route as well as transfer to Special Purpose Vehicles ('SPV').
- 7.2 The securitization transactions are without recourse to the Bank. The transferred loans and such securitized receivables are de-recognized as and when these are sold (true sale criteria being fully met) and the consideration has been received by the Bank. Gains or losses are recognized in accordance with relevant RBI guidelines.
- 7.3 In accordance with RBI guidelines on Securitisation of Standard Assets, any loss, profit or premium realised at the time of the sale is accounted in the Profit & Loss Account for the accounting period during which the sale is completed. However, in case of unrealised gains arising out of sale of underlying assets to the SPV, the profit is recognised in Profit and Loss Account only when such unrealised gains associated with such income is redeemed in cash.
- 7.4 In case of sale of non-performing assets through securitization route to Securitisation Company or Asset Reconstruction Company by way of assignment of debt against issuance of Security Receipts (SR), the recognition of sale and accounting of profit and loss thereon is done in accordance with applicable RBI guidelines. Generally, the sale is recognized at the lower of redemption value of SR and the Net Book Value (NBV) of the financial asset sold, and the surplus is recognized in the Profit and Loss Account on realisation; shortfall if any, is charged to the Profit and Loss account subject to regulatory forbearance, if any, allowed from time to time. Profit or loss realized on ultimate redemption of the SR is recognized in the Profit and Loss Account.
- 7.5 The Bank transfers advances through inter-bank participation with and without risk. In accordance with the relevant RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances and where the Bank is participating, the aggregate amount of the participation is classified under advances. In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is participating, the aggregate amount of participation is shown as due from banks under advances.
- 8. Property, Plant and Equipment**
- 8.1 Fixed assets are stated at cost (except in the case of premises which were re-valued based on values determined by approved valuers) less accumulated depreciation and impairment, if any. Cost includes incidental expenditure incurred on the assets before they are ready for intended use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets.
- 8.2 The existing revaluation reserve in respect of some of revalued asset is carried on reducing balance basis till the related properties are depreciated over their remaining useful lives. In case of revalued assets, depreciation is provided over the remaining useful life of the assets with reference to the gross carrying value.
- Depreciation, including amortisation of intangible assets, is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the Companies Act, 2013 are generally adhered to, except in respect of asset classes where, based on technical evaluation, a different estimate of useful life is considered suitable. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:
- Computers at 3 years;
 - Application software and perpetual software licences at 5 years;

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

- (c) Printers, Scanners, Routers, Switch at 5 years;
- (d) ATMs at 7 years;
- (e) Network cabling, Electrical Installations, Furniture and Fixtures, Other Office Machinery at 10 years;
- (f) Vehicles at 5 years;
- (g) Buildings at 60 years.

Fixed assets costing less than ₹5,000 individually are fully depreciated in the year of purchase.

The useful life of an asset class is periodically assessed taking into account various criteria such as changes in technology, changes in business environment, utility and efficacy of an asset class to meet with intended user needs, etc. Whenever there is a revision in the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

Non-banking assets:

Non-Banking Assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realisable value. Further, the Bank creates provision on non-banking assets as per specific RBI directions.

- 8.3 The carrying amount of fixed assets is reviewed at the Balance Sheet date to determine if there are any indications of impairment based on internal / external factors. In case of impaired assets, the impairment loss i.e. the amount by which the carrying amount of the asset exceeds its recoverable value is debited from revaluation reserve (to the extent available) and balance charged to the Profit and Loss account.

9. Revenue Recognition

- 9.1 Interest and discount income on performing assets is recognised on accrual basis. Interest and discount income on non-performing assets is recognised on realisation.
- 9.2 Interest on Government securities, debentures and other fixed income securities is recognised on a period proportion basis. Income on discounted instruments is recognised over the tenor of the instrument on a Constant Yield to Maturity method.
- 9.3 Dividend income is accounted on accrual basis when the right to receive dividend is established.
- 9.4 Commission Exchange and Brokerage are recognised on a transaction date and net of directly attributable expenses.
- 9.5 Fees are recognised on an accrual basis when binding obligation to recognise the fees has arisen as per agreement, except in cases where the Bank is uncertain of realisation.
- 9.6 Income from distribution of third party products is recognised on the basis of business booked.
- 9.7 The Bank in accordance with RBI circular FIDD.CO.Plan. BC.5/04.09.01/2020-21 dated September 04, 2020, trades in priority sector portfolio by selling or buying PSCL. There is no transfer of risks or loan assets in these transactions. The fee paid for purchase of the PSCL is treated as an 'Other Expenditure' and the fee received from the sale of PSCLs is treated as 'Other Income'.

- 9.8 Gain / loss on sell down of loans is recognised in line with the extant RBI guidelines.

10. Operating Leases

- 10.1 Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental obligations in respect of assets taken on operating lease are charged to the Profit and Loss account on a straight-line basis over the lease term.
- 10.2 Assets given under leases in respect of which all the risks and benefits of ownership are effectively retained by the Bank are classified as operating leases. Lease rentals received under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

11. Employee Benefits

- 11.1 The Gratuity scheme of the Bank is a defined benefit scheme and the expense for the year is recognized on the basis of actuarial valuation at the Balance Sheet date. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method which recognizes each period of service that gives rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Payment obligations under the Group Gratuity scheme are managed through purchase of appropriate policies from insurers.
- 11.2 Provident Fund contribution, under defined benefit plan is made to trusts separately established for the purpose, when an employee covered under the scheme renders the related service. The rate at which the annual interest is payable to the beneficiaries by the trusts is being administered by the government. The Bank has an obligation to make good the shortfall, if any, between the return from the investments of the trusts and the notified interest rates. Actuarial valuation of this Provident Fund interest shortfall is done as per the guidance note on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by the Institute of Actuaries of India, and such shortfall, if any, is provided for.

Provident Fund contribution, under defined contribution plan, is made to the scheme administered by Regional Provident Fund Commissioner (RPFC) and is debited to the Profit and Loss Account, when an employee renders the related service. The Bank has no further obligations.

In respect of employees who opted for contribution to the National Pension System (NPS) regulated by the Pension Fund Regulatory and Development Authority (PFRDA), the Bank contributes certain percentage of the basic salary, under a defined contribution plan, to identified pension fund management companies. The Bank has no liability other than its contribution, and recognises such contributions as an expense in the year in which it is incurred.

- 11.3 Provision for compensated absences is made on the basis of actuarial valuation as at the Balance Sheet date. The actuarial valuation is carried out using the Projected Unit Credit Method.
- 11.4 The Employee Stock Option Scheme (ESOS) of the Bank is in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Bank has followed

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intrinsic value method for share-linked instruments granted under ESOS till March 31, 2021. The Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after March 31, 2021 in accordance with relevant RBI guidelines. Under Intrinsic value method, options cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market price is the closing price on the stock exchange with highest trading volume of the underlying shares, immediately prior to the grant date. Under revised accounting policy, fair value of share-linked instruments on the date of grant are recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. The fair value of the stock-based compensation is measured on the date of grant using Black-Scholes option pricing model and is recognised as compensation expense over the vesting period.

12. Segment Reporting

The disclosure relating to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by RBI. The Bank has adopted Segment Reporting as under:

- (a) **Treasury** includes all investment portfolios, Profit / Loss on sale of Investments, Profit / Loss on foreign exchange transactions, equities, income from derivatives and money market operations. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources and depreciation (other than temporary)/ amortisation of premium on Held to Maturity category investments.
- (b) **Corporate / Wholesale Banking** includes lending to and deposits from corporate customers and identified earnings and expenses of the segment.
- (c) **Retail Banking** includes lending to and deposits from retail customers and identified earnings and expenses of the segment.
- (d) **Other Banking Operations** includes all other operations not covered under Treasury, Corporate / Wholesale Banking and Retail Banking.
- (e) **Unallocated** includes Capital and Reserves, Employee Stock Options (Grants) Outstanding and other unallocable assets, liabilities, income and expenses.

13. Debit and Credit Card reward points liability

The liability towards Credit Card reward points is computed based on an actuarial valuation and the liability towards Debit Card reward points is computed on the basis of management estimates considering past trends. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

14. Bullion

- 14.1 The Bank imports bullion including precious metal bars on a consignment basis for selling to its customers. The imports

are on a back-to-back basis and are priced to the customer based on the prevailing price quoted by the supplier and the local levies related to the consignment like customs duty, etc. The profit earned is included in commission income.

- 14.2 The Bank sells gold coins to its customers. The difference between the sale price to customers and purchase price is reflected under commission income.

15. Income-tax

- 15.1 Tax expenses comprise of current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

- 15.2 Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

- 15.3 Deferred tax assets are recognized, only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- 15.4 In case of unabsorbed depreciation and/or carry forward of losses under tax laws, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax asset can be realized against future taxable income.

- 15.5 Deferred tax assets unrecognized of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

16. Earnings per share

The Bank reports Basic and Diluted earnings per share in accordance with AS 20 – Earnings per Share. Earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at end of the year.

17. Provisions, contingent liabilities and contingent assets

- 17.1 A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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17.2 A disclosure of contingent liability is made when there is:

- (a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or
- (b) A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

17.3 When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

17.4 Contingent assets are not recognized or disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

18. Accounting of Dividend

In accordance with AS-4 'Contingencies and Events occurring after the Balance sheet date' as notified by the

Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Bank does not account for proposed dividend as a liability through appropriation from the profit and loss account. The same is recognised in the year of actual payout post approval of shareholders.

19. Share Issue Expenses

Share issue expenses are deducted from Share Premium Account in terms of Section 52 of the Companies Act, 2013.

20. Impairment of Assets

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their estimated recoverable amount.

21. Cash and Cash equivalents

Cash and cash equivalents comprises of Cash in Hand and Balances with RBI and Balances with Banks and Money at Call and Short Notice.

22. Corporate Social Responsibility

Expenditure towards corporate social responsibility obligations in accordance with provision of Companies Act, 2013, is recognised in the Profit and Loss Account.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Schedule 18 Notes forming part of the Financial Statements

1. Capital

1.1 Capital Issue

During the year, 24,24,753 equity shares of ₹10 each fully paid (Previous year 12,32,035 equity shares of ₹10 each fully paid) were allotted on various dates to the employees who exercised their stock options, and consequently, the share capital of the Bank increased by ₹2.42 crores (Previous year ₹1.23 crores) and share premium by ₹242.24 crores (Previous year ₹84.48 crores).

1.2 Capital Adequacy Ratio

The Bank computes Capital Adequacy Ratio as per Basel III Capital Regulations issued by RBI.

Under Basel III Capital Regulations, the Bank has to maintain a Minimum Total Capital of 11.50% including Capital Conversion Buffer at 2.50%, of the total risk weighted assets. Out of the Minimum Total Capital (excluding CCB of 2.50%), at least 5.50% of risk weighted assets, shall be from Common Equity Tier 1 capital and at least 7.00% from Tier 1 capital. The capital adequacy ratio of the Bank is set out below.

(₹ in crore)

Sr. No.	Particulars	March 31, 2024	March 31, 2023
i)	Common Equity Tier 1 capital (CET 1)	60,710.52	53,667.74
ii)	Additional Tier 1 capital	-	1,489.90
iii)	Tier 1 capital (i + ii)	60,710.52	55,157.64
iv)	Tier 2 capital	5,405.06	5,030.63
v)	Total capital (Tier 1+Tier 2)	66,115.58	60,188.27
vi)	Total Risk Weighted Assets (RWAs)	3,83,660.91	3,37,036.31
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	15.82%	15.93%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.82%	16.37%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.41%	1.49%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	17.23%	17.86%
xi)	Leverage Ratio	9.78%	9.97%
xii)	Percentage of the shareholding of Government of India	0.00%	0.00%
xiii)	Amount of capital raised during the year (including share premium)	244.66	85.71
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which	-	-
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	-	-
	b) Basel III compliant Perpetual Debt Instruments	-	-
xv)	Amount of Tier 2 capital raised during the year, of which	-	-
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	-	-
	b) Basel III compliant Debt Capital Instruments	-	-

During the current year and previous year, the Bank has not raised any non-equity Tier 1 capital and Tier 2 capital.

During the current year, the Bank has redeemed unsecured, redeemable, subordinated Tier 1 Basel III compliant non-convertible taxable Bonds by exercising the call option on March 28, 2024 of ₹1,489.90 crores.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2. Investments

2.1 Composition of Investment Portfolio

As at March 31, 2024

	Investments in India										Investments outside India				(₹ in crore)
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total Investments in India	Government securities (including local authorities)	Others	Total Investments outside India	Total Investment				
Held to Maturity															
Gross	80,220.77	-	0.94	-	43.70	-	80,265.41	-	-	-	80,265.41				
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-				
Net	80,220.77	-	0.94	-	43.70	-	80,265.41	-	-	-	80,265.41				
Available for Sale															
Gross	16,247.22	-	194.20	127.90	-	10,716.90	27,286.21	165.05	15.88	180.93	27,467.14				
Less: Provision for depreciation and NPI	-	-	(28.16)	(69.14)	-	(1,108.52)	(1,205.82)	-	(0.03)	(0.03)	(1,205.85)				
Net	16,247.22	-	166.04	58.76	-	9,608.38	26,080.38	165.05	15.85	180.90	26,261.29				
Held for Trading															
Gross	-	-	-	-	-	-	-	-	-	-	-				
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-				
Net	-	-	-	-	-	-	-	-	-	-	-				
Total Investments	96,467.98	-	195.14	127.90	43.70	10,716.90	1,07,551.63	165.05	15.88	180.93	1,07,732.55				
Less: Provision for depreciation and NPI	-	-	(28.16)	(69.14)	-	(1,108.52)	(1,205.82)	-	(0.03)	(0.03)	(1,205.85)				
Net	96,467.98	-	166.98	58.76	43.70	9,608.38	1,06,345.81	165.05	15.85	180.90	1,06,526.70				

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

As at March 31, 2023															(₹ in crore)

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2.2 Movement of Provisions for Depreciation on Investments and Investment Fluctuation Reserve (IFR)

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	1,323.10	1,070.73
b) Add: Provisions made during the year	569.74	499.11
c) Less: Write off / write back of excess provisions during the year	686.99	246.74
d) Closing balance	1,205.85	1,323.10
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	354.68	351.68
b) Add: Amount transferred during the year	200.00	3.00
c) Less: Drawdown	-	-
d) Closing balance	554.68	354.68
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	2.02%	2.00%

2.3 Details of Repo / Reverse Repo including Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) (in face value terms)

(₹ in crore)

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Balance as at the year end
Year ended March 31, 2024				
Securities sold under repo				
i) Government Securities	-	15,495.06	1,377.77	-
ii) Corporate Debt Securities	-	-	-	-
iii) Any Other Securities	-	-	-	-
Securities purchased under reverse repo				
i) Government Securities	-	19,854.09	3,749.81	4,370.94*
ii) Corporate Debt Securities	-	-	-	-
iii) Any Other Securities	-	-	-	-
Year ended March 31, 2023				
Securities sold under repo				
i) Government Securities	-	6,998.79	337.21	-
ii) Corporate Debt Securities	-	-	-	-
iii) Any Other Securities	-	-	-	-
Securities purchased under reverse repo				
i) Government Securities	-	49,700.00	16,036.27	4,204.56
ii) Corporate Debt Securities	-	-	-	-
iii) Any Other Securities	-	-	-	-

*In line with RBI guidelines, Reverse Repo amounting to ₹184.45 crores classified under Advances as same is having original maturity of more than 14 days.

Note:

- 1) The above disclosure does not include SDF transactions.
- 2) In respect of Repo and Reverse repo transactions, amount of funds borrowed or lent have been disclosed in the table above.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2.4 Issuer composition of Non-SLR investments as at March 31, 2024

(₹ in crore)

Sr No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Public Sector Undertakings	-	-	-	-	-
2	Financial Institutions	622.42	199.53	-	-	-
3	Banks	7,670.95	3,123.28			
4	Private corporates	316.29	156.41		68.46	
5	Subsidiaries / Joint Ventures	43.70	43.70	-	-	-
6	Others	2,611.21	154.13	-	-	15.00
7	Provision held towards depreciation	(1,205.85)				
Total		10,058.72	3,677.05		68.46	15.00

Issuer composition of Non-SLR investments as at March 31, 2023

(₹ in crore)

Sr No.	Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted' securities
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Public Sector Undertakings	96.71	-	-	-	-
2	Financial Institutions	580.55	-	-	-	-
3	Banks	3,479.87	147.85	-	-	
4	Private corporates	163.32	1.74	-	68.88	-
5	Subsidiaries / Joint Ventures	43.70	43.70	-	-	-
6	Others	3,563.48	2,740.08	-	-	15.00
7	Provision held towards depreciation	(1,323.10)				
Total		6,604.53	2,933.37	-	68.88	15.00

Notes:

- (1) Amounts reported under columns 4, 5, 6 and 7 are not mutually exclusive.
- (2) Column 7 excludes Investments in equity shares (including investment in subsidiary and associate entity), Investment in venture capital funds, Investments in Certificate of Deposit, Investment in Commercial Paper, and securities acquired by way of conversion of debt.

2.5 Non-performing Non-SLR investments

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Opening balance	76.15	124.96
Additions during the year	0.02	48.00
Reductions / Redemption during the year	-	96.81
Closing balance	76.17	76.15
Total provisions held	76.16	76.15

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2.6 Sale / transfer from HTM category

During the year ended March 31, 2024, and the year ended March 31, 2023, the value of sale and transfer of securities to/from HTM category, excluding one-time transfer of securities from HTM and sale to RBI on account of Open Market Operation (OMO)/Conversion/ switch auctions, has not exceeded 5% of the book value of investments held in HTM category at the beginning of the year. Hence, in accordance with RBI guidelines, specific disclosures on book value, market value, and provisions if any, relating to such sale and transfers are not applicable.

3. Derivatives

3.1 Interest Rate Swaps, Forward Rate Agreements and Cross Currency Swaps:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
(i) The Notional principal of swap agreements	8,10,152.12	6,09,213.96
(ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	5,588.16	5,429.55
(iii) Collateral required by the Bank upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps – With Banks	45.89%	53.65%
(v) The Fair value of the swap book	1,767.80	866.75

The credit exposure with clients, as compared to inter-bank counterparties, are generally secured by permitted collaterals. The credit exposure includes exposure arising out of swap contracts. However, generally, the collaterals provided by the clients are not specifically earmarked towards derivatives or swaps, and hence the amount of collateral required by the Bank upon entering into swaps is reported Nil.

The nature and terms of Interest Rate Swaps outstanding as on March 31, 2024, are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	1	68.24	LIBOR	Fixed Receivable vs Floating Payable
Hedging	4	735.01	SOFR	Fixed Receivable vs Floating Payable
Hedging	5	803.25	SOFR	Floating Receivable vs Fixed payable
Trading	15	24.87	EURIBOR	Fixed Receivable vs Floating Payable
Trading	1	89.88	EURIBOR	Floating Receivable vs Fixed payable
Trading	40	10,998.33	LIBOR	Fixed Receivable vs Floating Payable
Trading	64	10,538.21	LIBOR	Floating Receivable vs Fixed payable
Trading	13	3,130.40	LIBOR	Floating Receivable vs Floating Payable
Trading	5631	2,56,590.68	MIBOR	Fixed Receivable vs Floating Payable
Trading	5332	2,56,759.73	MIBOR	Floating Receivable vs Fixed payable
Trading	495	40,468.19	MIFOR	Fixed Receivable vs Floating Payable
Trading	345	27,243.25	MIFOR	Floating Receivable vs Fixed payable
Trading	315	76,360.35	SOFR	Fixed Receivable vs Floating Payable
Trading	310	81,149.30	SOFR	Floating Receivable vs Fixed payable
Trading	34	11,848.96	SOFR	Floating Receivable vs Floating Payable
Trading	4	2.12	SONIA	Fixed Receivable vs Floating Payable
Trading	1	75.00	T-Bill	Floating Receivable vs Fixed payable
Total	12,610	7,76,885.77		

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

The nature and terms of Interest Rate Swaps outstanding as on March 31, 2023, are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	5	1,439.38	LIBOR	Fixed Receivable vs Floating Payable
Hedging	5	1,439.38	LIBOR	Floating Receivable vs Fixed payable
Hedging	7	350.00	MIBOR	Fixed Receivable vs Floating Payable
Hedging	1	275.00	MIBOR	Floating Receivable vs Fixed payable
Trading	19	26.68	EURIBOR	Fixed Receivable vs Floating Payable
Trading	1	8.46	EURIBOR	Floating Receivable vs Fixed payable
Trading	105	21,613.31	LIBOR	Fixed Receivable vs Floating Payable
Trading	158	25,984.70	LIBOR	Floating Receivable vs Fixed payable
Trading	19	4,874.32	LIBOR	Floating Receivable vs Floating Payable
Trading	3,526	2,14,049.49	MIBOR	Fixed Receivable vs Floating Payable
Trading	3,421	2,15,695.03	MIBOR	Floating Receivable vs Fixed payable
Trading	373	29,688.50	MIFOR	Fixed Receivable vs Floating Payable
Trading	274	22,414.39	MIFOR	Floating Receivable vs Fixed payable
Trading	110	24,460.59	SOFR	Fixed Receivable vs Floating Payable
Trading	70	15,706.27	SOFR	Floating Receivable vs Fixed payable
Trading	8	1,515.12	SOFR	Floating Receivable vs Floating Payable
Trading	2	0.93	SONIA	Fixed Receivable vs Floating Payable
Trading	1	91.25	T-Bill	Floating Receivable vs Fixed payable
Total	8,105	5,79,632.80		

The nature and terms of Cross Currency Swaps outstanding as on March 31, 2024, are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	16	6,177.53	NA	Fixed Receivable vs Fixed Payable (Principal Only Swap)
Trading	1	51.48	ESTR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	3	149.95	EURIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	98.13	EURIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	3	249.05	EURIBOR vs SOFR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	18	2,425.80	LIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	12	1,942.00	LIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	1	21.01	LIBOR vs EURIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	2	64.67	MIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	786.93	MIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	87	2,809.94	NA	Fixed Receivable vs Fixed Payable (Cross Currency Swap)
Trading	4	495.75	NA	Fixed Receivable vs Fixed Payable (Principal Only Swap)
Trading	1	17.84	NA	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	3	58.41	NA	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	1	26.72	SOFR	Fixed Receivable vs Floating Payable (Coupon Only Swap)
Trading	35	4,787.57	SOFR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	57	9,272.25	SOFR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	11	1,493.32	SOFR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	23.53	SOFR vs EURIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	7	2,001.72	SOFR vs MIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Total	265	32,953.60		

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

The nature and terms of Cross Currency Swaps outstanding as on March 31, 2023, are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	1	19.72	LIBOR	Floating Receivable vs Floating Payable (Coupon Only Swap)
Trading	1	63.71	ESTR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	2	86.08	EURIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	42.45	EURIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	3	90.72	EURIBOR vs LIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	36.67	EURIBOR vs SOFR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	53.43	LIBOR	Fixed Receivable vs Floating Payable (Coupon Only Swap)
Trading	40	4,062.53	LIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	39	9,069.67	LIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	1	28.14	LIBOR vs EURIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	13	3,204.63	LIBOR vs MIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	4	55.33	MIBOR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	1	786.93	MIBOR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	10	1,475.34	MIFOR vs LIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	92	3,310.20	NA	Fixed Receivable vs Fixed Payable (Cross Currency Swap)
Trading	6	500.74	NA	Fixed Receivable vs Fixed Payable (Principal Only Swap)
Trading	7	610.16	SOFR	Fixed Receivable vs Floating Payable (Cross Currency Swap)
Trading	20	4,881.36	SOFR	Floating Receivable vs Fixed Payable (Cross Currency Swap)
Trading	1	32.46	SOFR vs EURIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Trading	2	616.28	SOFR vs MIBOR	Floating Receivable vs Floating Payable (Cross Currency Swap)
Total	246	29,026.55		

The nature and terms of Cap Floor outstanding as on March 31, 2024 are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	1	312.77	LIBOR	Fix Payable vs Float Receivable (Collar)
Total	1	312.77		

The nature and terms of Cap Floor outstanding as on March 31, 2023 are set out below:

(₹ in crore)

Nature	No.	Notional Principal	Benchmark	Terms
Hedging	1	554.64	LIBOR	Fix Payable vs Float Receivable (Collar)
Total	1	554.64		

Forward Rate Agreement (FRA) outstanding as on March 31, 2024, and March 31, 2023, was Nil.

3.2 Exchange Traded Interest Rate Derivatives

The Exchange Traded Interest Rate Derivatives undertaken during the year ended March 31, 2024, and March 31, 2023, was Nil.

3.3 Risk Exposure in Derivatives

Derivatives Policy approved by the Board of Directors defines the framework for carrying out derivatives business and lays down policies and processes to measure, monitor and report risk arising from derivative transactions. The policy provides for appropriate risk limits for different derivative products and action to be initiated in case of breaches. As part of the Derivatives Policy, the Bank has a Product Suitability and Customer Appropriateness Policy, which is used to classify customers on the basis of their need for various derivative products and their competence in understanding such products and the attendant risks involved.

The Bank undertakes derivative transactions for hedging customers' exposure, hedging the Bank's own exposure, as well as for trading purposes, wherever permitted by RBI. The customers use these derivative products to hedge their forex and interest rate exposures, in accordance with extant regulatory guidelines. The Bank has a policy on assessing the collateral required for undertaking derivative transactions with clients as well as counterparty Banks. The credit appraisal process determines the collateral requirements. The Bank retains the right to terminate transactions as a risk mitigation measure in certain circumstances.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

The use of derivatives for hedging purposes is governed by the board approved Derivative policy. Bank uses derivative contracts for hedging fixed rate, floating rate or foreign currency assets/liabilities to protect the variability in the fair value or the cash flow of the underlying Balance Sheet item. For hedge transactions, the Bank earmarks the underlying (asset or liability) at the inception of the hedge itself. The effectiveness is assessed at the time of inception of the hedge and periodically thereafter. Derivative transactions designated as “Hedges” are accounted on an accrual basis except the swap designated with an asset/liability that is carried at market value or lower of cost or market value. In that case, the swap is marked to market with the resulting gain or loss recorded as an adjustment to the market value of designated asset or liability. In case any transaction fails the effectiveness, the same is re-designated as a trading deal and appropriate accounting treatment is followed.

The premium or discount arising on inception of forward exchange contracts, not intended for trading purpose, is amortised over the life of the contract as interest income/expense.

Risk Management Department of the Bank is responsible for measuring, reporting and monitoring risk arising from derivatives transactions. It functions independent of Treasury Business Department and undertakes the following activities:

- Monitoring risk limits on derivatives portfolio against prescribed policies and limits on a daily basis;
- Daily review of product-wise profitability and activity reports for derivatives operations;
- Daily submission of MIS to the Top Management; and
- Review of collaterals that are generally kept as cash or cash equivalent for securing derivative transactions.

The Risk Management function applies many quantitative tools and methods such as Value at Risk, PV01, Greeks, stop-loss limits, counterparty limits and deal size limits.

Refer Note 17.5 for the accounting policy on derivatives.

The following table presents quantitative disclosures relating to Derivatives:

(₹ in crore)

Sr. No.	Particulars	March 31, 2024		March 31, 2023	
		Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
1	Derivatives (Notional Principal Amount) (Note 1 and 7)	7,74,720.27	7,82,779.56	6,04,298.15	5,81,332.84
	a) For hedging	6,177.53	1,919.26	19.72	3,433.40
	b) For trading	7,68,542.74	7,80,860.30	6,04,278.43	5,77,899.44
2	Marked to Market Positions (Note 2)				
	a) Asset (+)	6,686.25	5,228.06	6,181.68	4,510.79
	b) Liability (-)	(5,400.25)	(4,054.03)	(4,571.40)	(4,589.96)
3	Credit Exposure (Note 3)	25,279.94	12,557.80	20,514.97	9,894.69
4	Likely impact of one percentage change in interest rate (100*PV01) (Note 4, 6 and 8)				
	a) on hedging derivatives	17.25	0.16	28.11	0.61
	b) on trading derivatives	105.87	111.04	215.02	245.97
5	Maximum and Minimum of 100*PV01 observed during the year (Note 5, 6 and 8)				
	a) on hedging				
	Maximum	21.19	0.57	29.95	36.71
	Minimum	13.28	0.16	18.01	0.61
	b) on trading				
	Maximum	193.55	193.87	225.10	249.82
	Minimum	102.95	73.55	120.06	128.81

Note 1: Outstanding Notional principal amount of exchange traded currency future trades was ₹68.39 crores as at March 31, 2024 (Previous year was Nil).

Note 2: Marked to Market positions include interest accrued on the swaps.

Note 3: Credit exposure is computed based on the current exposure method.

Note 4: Absolute value of PV01 for Currency Derivatives and Interest Rate Derivatives outstanding as at the year end.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Note 5: Absolute value of PV01 for Currency Derivatives and Interest Rate Derivatives outstanding on month-ends during the year.

Note 6: PV01 for Currency Derivatives and Interest Rate Derivatives are presented in absolute terms. However, aggregate of net PV01 shall remain smaller as there are opposite positions among Currency Derivatives and Interest Rate Derivatives that will get netted off.

Note 7: Currency derivatives include forward exchange contracts, currency swaps, currency options and cross currency swaps; interest rate derivatives include interest rate swaps, forward rate agreements and interest rate caps and floors.

Note 8: PV01 is computed for cross currency swaps, interest rate swaps, Swaption, Forward rate agreement and interest rate cap and floor.

3.4 Credit Default Swaps

The Bank has not undertaken any transactions in Credit Default Swaps during the year ended March 31, 2024 (Previous year Nil).

4. Asset Quality

4.1 Classification of advances and provisions held

Classification of advances and provisions held as on March 31, 2024, are given below:

(₹ in crore)

Particulars	Standard	Non-Performing			Total Non-Performing	Total
	Total Standard	Sub-standard	Doubtful	Loss		
Gross Standard Advances and NPAs						
Opening Balance	2,88,208.72	2,080.62	2,573.70	1,171.95	5,826.27	2,94,034.99
Add: Additions during the year					6,033.05	
Less: Reductions during the year*					5,165.94	
Closing balance	3,41,329.37	2,445.52	2,655.75	1,592.11	6,693.38	3,48,022.75
*Reductions in Gross NPAs due to:						
i) Upgradation					853.17	
ii) Recoveries (excluding recoveries from upgraded accounts)**					1,842.17	
iii) Technical/ Prudential Write-offs					1,776.71	
iv) Write-offs other than those under (iii) above					693.89	
** includes sale to ARC/FI amounting to ₹918.78 crores						
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	2,067.11	836.77	2,032.60	1,171.95	4,041.31	6,108.42
Add: Fresh provisions made during the year					4,033.26	
Less: Excess provision reversed/ Write-off loans					3,420.09	
Closing balance of provisions held	2,124.87	900.12	2,162.25	1,592.11	4,654.48	6,779.35
Net NPAs*						
Opening Balance		1,173.86	541.10	-	1,714.96	
Add: Fresh additions during the year					1,999.79	
Less: Reductions during the year					1,745.85	
Closing Balance		1,475.40	493.50	-	1,968.90	
* Floating provisions have been netted off against substandard advances to compute net NPAs						
Floating Provisions						
Opening Balance						70.00
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						-
Closing balance of floating provisions						70.00

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Standard	Non-Performing			Total
	Total Standard	Sub-standard	Doubtful	Loss	Total Non-Performing
Technical write-offs and the recoveries made thereon					
Opening balance of Technical/ Prudential written-off accounts					1,834.22
Add: Technical/ Prudential write-offs during the year					1,776.71
Less: Recoveries/Reductions made from previously technical/ prudential written-off accounts during the year					133.51
Closing balance					3,477.42

Classification of advances and provisions held as on March 31, 2023, are given below:

(₹ in crore)

Particulars	Standard	Non-Performing				Total
	Total Standard	Sub-standard	Doubtful	Loss	Total Non-Performing	
Gross Standard Advances and NPAs						
Opening Balance	2,37,521.71	2,173.95	1,964.04	1,379.16	5,517.15	2,43,038.86
Add: Additions during the year					6,892.00	
Less: Reductions during the year*					6,582.89	
Closing balance	2,88,208.72	2,080.62	2,573.70	1,171.95	5,826.27	2,94,034.99
*Reductions in Gross NPAs due to:						
i) Upgradation					996.74	
ii) Recoveries (excluding recoveries from upgraded accounts)**					1,824.58	
iii) Technical/ Prudential Write-offs					937.07	
iv) Write-offs other than those under (iii) above					2,824.50	
**Recoveries include sale to ARC/FI amounting to ₹541.81 crore						
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	1,805.78	1,121.40	1,416.76	1,379.16	3,917.32	5,723.10
Add: Fresh provisions made during the year					4,802.61	
Less: Excess provision reversed/ Write-off loans					4,678.62	
Closing balance of provisions held	2,067.11	836.77	2,032.60	1,171.94	4,041.31	6,108.42
Net NPAs*						
Opening Balance		982.55	547.28	-	1,529.83	
Add: Fresh additions during the year					2,089.40	
Less: Reductions during the year					1,904.27	
Closing Balance		1,173.86	541.10	-	1,714.96	
* Floating provisions have been netted off against substandard advances to compute net NPAs						
Floating Provisions						
Opening Balance						70.00
Add: Additional provisions made during the year						-
Less: Amount drawn down during the year						-
Closing balance of floating provisions						70.00

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Standard		Non-Performing		Total
	Total Standard	Sub-standard	Doubtful	Loss	
Technical write-offs and the recoveries made thereon					
Opening balance of Technical/ Prudential written-off accounts					973.06
Add: Technical/ Prudential write-offs during the year					937.07
Less: Recoveries/Reductions made from previously technical/ prudential written-off accounts during the year					75.91
Closing balance					1,834.22

Ratios	March 31, 2024	March 31, 2023
Gross NPA to Gross Advances	1.92%	1.98%
Net NPA to Net Advances	0.57%	0.59%
Provision coverage ratio (Provision / Gross NPA)	70.58%	70.57%

Note: Standard advances provision includes provision created under various RBI guidelines like stress sector provision, provision for unhedged foreign currency exposure, provision under non permissible lending limit (NPPL), provision for delay in implementation of resolution plan and restructuring related provision.

4.2 Sector-wise advances and Gross NPAs

(₹ in crore)

Sr. No.	Sector	March 31, 2024			March 31, 2023		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	51,556.62	2,039.61	3.96%	43,499.92	1,650.85	3.80%
2	Advances to industries sector eligible as priority sector lending	14,365.79	305.02	2.12%	14,370.38	233.55	1.63%
	Of which (refer note below)						
a)	Chemicals & Chemical Products	772.81	24.99	3.23%	665.76	7.87	1.18%
b)	Basic Metal & Metal Product	1,640.96	11.68	0.71%	1,814.19	11.71	0.65%
c)	Gems & Jewellery	2,701.95	4.30	0.16%	3,009.26	8.01	0.27%
d)	Infrastructure	154.30	0.83	0.54%	103.22	0.76	0.74%
3	Services	38,151.41	774.71	2.03%	36,762.77	684.74	1.86%
	Of which (refer note below)						
a)	Transport Operator's	12,957.34	171.19	1.32%	16,524.98	284.05	1.72%
b)	NBFC	88.22	-	-	*	*	*
4	Personal loans	1,532.01	81.58	5.33%	1,497.83	71.51	4.77%
	Of which (refer note below):						
a)	Housing loan	1,390.85	80.52	5.79%	*	*	*
	Sub-total (A)	1,05,605.83	3,200.92	3.03%	96,130.90	2,640.65	2.75%

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Sr. No.	Sector	March 31, 2024			March 31, 2023		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
B	Non-Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	55,177.55	795.01	1.44%	47,372.66	735.64	1.55%
	Of which (refer note below):						
a)	Chemicals & Chemical Products	8,125.53	0.94	0.01%	5,823.01	1.91	0.03%
b)	Basic Metal & Metal Product	7,247.26	0.08	0.00%	6,319.53	1.30	0.02%
c)	Gems & Jewellery	5,092.01	25.68	0.50%	6,110.46	27.35	0.45%
d)	Infrastructure	9,528.35	132.26	1.39%	9,345.54	154.29	1.65%
3	Services	1,51,749.92	1,805.62	1.19%	1,23,856.31	1,695.72	1.37%
	Of which (refer note below)						
a)	Transport Operator's	51,427.14	272.54	0.53%	36,096.27	200.87	0.56%
b)	NBFC	20,578.75	-	-	*	*	*
4	Personal loans	35,489.44	891.83	2.51%	26,675.12	754.26	2.83%
	Of which (refer note below):						
a)	Vehicle Loans	5,265.01	402.97	7.65%	5,001.66	352.51	7.05%
b)	Credit Card	10,803.50	267.90	2.48%	8,493.13	205.61	2.42%
c)	Housing loan	2,793.09	66.47	2.38%	*	*	*
d)	Unsecured Personal Loans	8,158.60	97.64	1.20%	5,350.09	60.46	1.13%
e)	Advances against Fixed Deposit	7,279.87	1.29	0.02%	*	*	*
	Sub-total (B)	2,42,416.92	3,492.46	1.44%	1,97,904.09	3,185.62	1.61%
	Total (A+B)	3,48,022.75	6,693.38	1.92%	2,94,034.99	5,826.27	1.98%

Note: Segments contributing in excess of 10% of the Sector as at March 31, 2024 of the respective years are individually listed.

*Advances to NBFC's, Advances under Housing Loan and Loan against FD constituted less than 10% as on March 31, 2023.

4.3 Overseas Asset, NPAs and Revenue

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total Assets*	4,827.70	7,062.62
Total NPAs	170.15	-
Total Revenue	584.37	511.39

*Assets for this purpose means advances.

4.4 Particulars of resolution plan and restructuring

During the year ended March 31, 2024, the Bank has not implemented any Resolution Plan (Previous Year – ₹175.45 crores for 2 borrowers) in accordance with the RBI Circular dated June 7, 2019, on Prudential Revised Framework for Resolution of Stressed Assets ("Framework").

4.5 Divergence in Asset Classification and Provisioning for NPA

RBI vide circular no. DOR.ACC.REC.No.74/21.04.018/2022-23 dated October 11, 2022, has directed that banks shall make suitable disclosures in the financial statement for the year ended March 31, 2024, wherever (a) the additional provisioning requirement assessed by RBI exceeds 5 percent of the reported profit before provisions and contingencies for the reference period, or (b) the additional Gross NPA identified by RBI exceeds 5 percent of the reported incremental Gross NPA for the reference period, or both. Based on the criteria mentioned in the RBI circulars, no disclosure on divergence in asset classification and provisioning for NPA is required with respect to RBI Supervisory Programme for Assessment of Risk and Capital completed during the year pertaining to the previous year ended March 31, 2023.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

4.6 Details of loan transferred/acquired during the year ended March 31, 2024, under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021, are given below:

(i) Details of loans not in default acquired are given below:

Mode of Acquisition	Loan Assignment cum Novation	
	FY 2023-24	FY 2022-23
Aggregate amount of loans acquired (₹ in crore)	398.12	831.21
Weighted average residual maturity (in years)	5.04	3.05
Weighted average holding period by originator (in years)	0.58	1.37
Retention of beneficial economic interest by the originator	Nil	Nil
Tangible security coverage*	100%	100%
Rating wise distribution of loans acquired by value		
BBB+	-	9%
A2	-	3%
B+ S&P	-	12%
Unrated	100%	76%

* Of the total loans acquired ₹223.12 crores (Previous year ₹660.36 crores), was unsecured and the same has not been considered while calculating security coverage.

(ii) Details of loans not in default transferred are given below.

Mode of Transfer	Assignment	
	FY 2023-24	FY 2022-23
Aggregate amount of loans transfer (₹ in crore)	892.81	1,307.45
Weighted average residual maturity (in years)	10.28	6.57
Weighted average holding period by originator (in years)	1.66	1.67
Retention of beneficial economic interest by the originator	Nil	Nil
Tangible security coverage*	100%	100%
Rating wise distribution of loans Transferred by value:		
AA	-	25%
A-	4%	7%
BBB+	28%	3%
BBB-	6%	-
B+	17%	29%
Unrated	45%	36%

* Of the total loans transferred ₹303.28 crores (Previous year ₹743.80 crores), was unsecured and the same has not been considered while calculating security coverage.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

(iii) Details of Non-Performing Assets (NPAs) transferred

Particulars	FY 2023-24			FY 2022-23		
	To Asset Reconstruction Companies (ARCs)	To Permitted transferees	To other transferees	To Asset Reconstruction Companies (ARCs)	To Permitted transferees	To other transferees
Number of Accounts	27,683	-	-	15,327	3	-
Aggregate principal outstanding of loans transferred (₹ in crore)	1,344.38	-	-	780.99	104.71	-
Weighted average residual tenor of the loans transferred (in years)	2.34	-	-	2.22	7.10	-
Net book value of loans transferred (at the time of transfer) (₹ in crore)	990.15	-	-	471.99	-	-
Aggregate consideration (₹ in crore)	926.58	-	-	468.00	98.00	-
Additional consideration realized in respect of accounts transferred in earlier years (₹ in crore)*	253.08	-	-	20.82	-	-

* Represents surplus received during the current year in case of Security Receipts issued in earlier years

(iv) Bank has not acquired any Non-Performing Assets (NPAs) / Written off accounts during FY 2023-24 (Previous year – Nil).

(v) Details of Special Mentioned Accounts (SMA) transferred by the Bank are given below.

Particulars	FY 2023-24			FY 2022-23		
	To ARCs	To Permitted transferees	To Other transferees	To ARCs	To Permitted transferees	To Other transferees
No of accounts*	-	-	-	2	-	-
Aggregate principal outstanding of loans transferred (₹ in crore)	-	-	-	116.53	-	-
Weighted average residual tenor of the loans transferred (in years)	-	-	-	2.05	-	-
Net book value of loans transferred (at the time of transfer) (₹ in crore)	-	-	-	110.70	-	-
Aggregate consideration (₹ in crore)	-	-	-	99.05	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

*Represents count of all loan accounts.

(vi) Bank has not acquired any Special Mentioned Accounts (SMA) during the period 1st April 2023 to 31st March 2024. (Previous Year – Nil).

(vii) Details on recovery ratings assigned for Security Receipts:

(₹ in crore)

Recovery Rating	Anticipated recovery as per recovery rating	March 31, 2024	March 31, 2023
RR1*	100%-150%	807.45	1,287.34
RR2	75%-100%	1,195.48	887.34
RR3	50%-75%	84.19	-
RR4	25%-50%	71.85	257.66
RR5	0%-25%	103.38	12.00
Unrated	0%	-	-
Total		2,262.35	2,444.34

* Includes ₹404.14 crores (previous year ₹320.49 crores) of Security Receipts (SR) on which, pursuant to regulatory norms, the ARC shall obtain initial rating of Security Receipts(SR) from an approved credit rating agency within a period of 6 months from the date of acquisition.

Bank is holding a total SR Provision of ₹1,085.70 crores (previous year ₹972.89 crores).

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

4.7 Provision pertaining to fraud accounts

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Number of frauds reported	15,664	7,415
Amount involved in frauds	140.12	199.66
- Out of which amount written off	0.81	28.21
Provisions made during the year (excluding write off)	7.33	55.11
Amount of unamortized provision debited from "other reserves" as at the end of the year	-	-

The number of frauds reported to RBI for the year 2023-24 includes 2,329 frauds (Previous year 2,131 cases) amounting to ₹46.74 crores (Previous year ₹59.57 crores), committed by the employees of Bharat Financial Inclusion Limited, the wholly owned Business Correspondent subsidiary of the Bank, pertaining to the clients of the Bank. The provisions made during the year represent the amount charged to the Profit and Loss statement of the Bank and does not include any charge or provision recognized by the said Bharat Financial Inclusion Limited in their stand-alone financial statements.

4.8 Disclosure under Resolution Framework for COVID-19-related stress for FY 2023-24:

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the beginning of April 01, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year \$	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2023
(i) Personal Loans	212.35	25.87	5.21	34.43	152.05
(ii) Corporate persons	36.64	-	-	5.65	30.99
a) Of which MSMEs	-	-	-	-	-
(iii) Others	950.99	115.75	12.39	275.71	559.53
Total	1,199.98	141.62	17.60	315.79	742.57

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the beginning of October 01, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year \$	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2024
(i) Personal Loans	152.05	10.62	1.78	33.85	107.58
(ii) Corporate persons	30.99	-	-	5.13	25.86
a) Of which MSMEs	-	-	-	-	-
(iii) Others	559.53	40.40	5.28	121.99	397.14
Total	742.57	51.02	7.06	160.97	530.58

* Includes cases which have been written off during the period. \$ Amount paid by the borrower during the year is net of addition in the borrower account including additions due to interest capitalization. Exposure in above table represents Fund and Non-fund Based credit exposure.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Disclosure under Resolution Framework for COVID-19-related stress for FY 2022-23:

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the beginning of April 01, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year \$	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2022
(i) Personal Loans	483.52	101.50	11.92	5.68	376.34
(ii) Corporate persons	1,924.31	510.04	209.55	1,000.24	414.03
a) Of which MSMEs	-	-	-	-	-
(iii) Others	2,159.29	619.30	39.54	100.13	1,439.86
Total	4,567.12	1,230.84	261.01	1,106.05	2,230.23

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the beginning of October 01, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half- year \$	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2023
(i) Personal Loans	376.34	84.86	10.11	79.13	212.35
(ii) Corporate persons	414.03	243.39	-	134.00	36.64
a) Of which MSMEs	-	-	-	-	-
(iii) Others	1,439.86	233.24	31.34	255.62	950.99
Total	2,230.23	561.49	41.45	468.75	1,199.98

* Includes cases which have been written off during the period. \$ Amount paid by the borrower during the year is net of addition in the borrower account including additions due to interest capitalization. Exposure in above table represents Fund and Non-fund Based credit exposure.

- 4.9 RBI vide a circular dated January 1, 2019, permitted a one-time restructuring of existing loans to Micro Small and Medium Enterprises (s) without a downgrade in the asset classification, and this facility was extended vide circular dated February 11, 2020, circular dated August 6, 2020, and circular dated May 5, 2021, subject to certain conditions. Details of such loans to MSMEs that are restructured under the extant guidelines and classified as standard are as below:

(₹ in crore except number of accounts)

Year ended	Outstanding No. of accounts restructured	Amount Outstanding– Restructured facility	Amount Outstanding – Other facilities of the customer	Total
March 31, 2024	9,607	469.69	90.77	560.46
March 31, 2023	19,141	1,220.24	197.73	1,417.97

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

5. Asset Liability Management

5.1 Maturity Pattern of certain items of Assets and Liabilities

Assets and liabilities are classified in the maturity buckets based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.

As at March 31, 2024:

	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits ¹	1,828.96	11,612.22	14,255.10	11,709.87	14,856.17	15,119.87	29,509.91	78,421.01	91,160.37	30,845.60	85,473.83	3,84,792.91
Loans and Advances ^{1*}	615.74	10,599.93	9,249.78	12,260.77	17,118.36	22,998.91	32,459.47	54,335.29	1,21,861.21	35,320.85	26,477.96	3,43,298.27
Investments ¹	32,809.96	5,797.95	3,236.92	5,138.49	3,055.79	3,750.78	7,095.72	13,826.14	14,005.26	4,803.98	13,005.71	1,06,526.70
Borrowings ¹	91.85	23.17	463.42	720.00	983.96	1,705.57	3,617.01	6,896.74	25,969.28	2,785.89	4,354.52	47,611.41
Foreign currency assets ²	5,102.79	2,730.87	2,708.92	6,206.06	2,553.28	2,942.80	2,407.83	499.77	825.16	625.85	257.67	26,861.00
Foreign currency liabilities ²	2,005.13	445.25	398.23	367.58	665.79	2,099.13	5,434.05	4,872.03	17,456.35	11,689.67	6,673.20	52,106.41

* Includes BRDS net lending of ₹5,850 crore.

1. Includes foreign currency balances.

2. Excludes off-balance sheet assets and liabilities

As at March 31, 2023:

	Day 1	2 to 7 days	8 to 14 days	15 to 30 days	31 days to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits ¹	1,453.59	9,138.62	18,399.73	8,487.60	13,643.13	12,396.83	28,606.93	57,216.51	82,701.98	23,307.92	81,085.32	3,36,438.16
Loans and Advances ^{1*}	330.59	9,214.03	4,130.74	11,632.47	18,824.84	17,133.03	24,834.75	45,878.12	99,914.50	33,477.46	24,553.15	2,89,923.68
Investments ¹	23,815.41	3,222.13	2,732.69	2,237.95	4,145.60	2,402.70	6,180.12	9,200.68	13,149.07	5,385.18	10,644.67	83,116.20
Borrowings ¹	-	22.81	506.93	-	1,323.63	693.79	5,412.61	11,961.53	17,671.94	7,740.35	3,677.64	49,011.23
Foreign currency assets ²	5,723.87	3,186.34	2,640.00	2,059.53	2,789.64	3,632.58	1,816.56	574.59	1,818.60	743.63	443.92	25,429.26
Foreign currency liabilities ²	1,002.60	1,396.34	2,589.17	1,568.04	889.31	413.96	847.42	3,610.22	9,042.77	15,018.11	4,894.33	41,272.27

* Includes BRDS net lending of ₹2,750 crore.

1. Includes foreign currency balances.

2. Excludes off-balance sheet assets and liabilities

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

5.2 Liquidity Coverage Ratio (LCR)

The Bank has adopted the Basel III framework on liquidity standards, prescribed by the Reserve Bank of India (RBI) and has put in place requisite systems and processes to enable periodic automated computation and reporting of the Liquidity Coverage Ratio (LCR). The LCR is aimed at measuring and promoting the short-term resilience of the liquidity risk profile of banks by ensuring maintenance of sufficient High Quality Liquid Assets (HQLA) that can be easily and immediately converted into cash to meet the liquidity needs for a 30 calendar day liquidity stress scenario.

The LCR Ratio is calculated by dividing the Bank's stock of HQLA by its total net cash flows over a 30 calendar day stress period, measured on a daily basis for the following 30 days. The prime driver of LCR is determined by its HQLA and the proportion of retail and wholesale funding sources. The HQLA comprises of two parts, i.e. Level 1 HQLA constituents which are primarily cash, excess CRR, SLR securities in excess of the minimum SLR requirement and a portion of mandatory SLR as permitted by the RBI (under MSF and FALLCR) and Level 2 HQLA constituents which are investments in highly rated non-financial corporate bonds and listed equity investments considered with the prescribed regulatory haircuts. The average HQLA for the quarter ended March 31, 2024 was ₹94,773 crores, as against ₹89,289 crores for the quarter ended March 31, 2023. The Cash outflows are determined by multiplying the outstanding balances of the various types / categories of liabilities by the outflow run-off factor and the cash inflows are calculated by multiplying the outstanding balances of the various categories of contractual receivables by inflow run-offs at which they are expected to flow in. Expected derivative cash outflows and inflows are calculated for outstanding contracts in accordance with laid down valuation methodologies and regulatory guidelines. All significant outflows and inflows determined in accordance with the RBI guidelines and are included in the LCR computation as per the prescribed template. Other contractual funding and borrowings which are expected to run down in a 30-day time frame are included in the cash outflows. There are no intragroup exposures for the Bank.

The Bank has maintained LCR well above the minimum regulatory requirements during the FY 2023-24. The average LCR maintained by the Bank for the quarter ended March 31, 2024 was at 117.95% against 122.96% for the quarter ended March 31, 2023.

The Asset Liability Committee (ALCO) of the Bank is a decision-making unit responsible for implementing the liquidity and interest rate risk management strategies of the Bank in line with its risk management objectives and ensures adherence to the risk tolerance / limits set by the Board. Liquidity Risk Management of the Bank is centralized and is undertaken by the Asset Liability Management Function in the Global Markets Group in accordance with the Board approved policies.

The Bank's funding sources are diversified across various sources and tenors. The Bank monitors the concentration of funding from various counterparties and segments. The Bank adheres to the regulatory and internal limits on inter-bank liabilities and call money borrowings. Apart from LCR, the Risk Management Department measures and monitors the liquidity profile of the Bank with reference to the Board approved policy and regulatory limits and undertakes liquidity stress testing periodically.

Quantitative disclosure:

The following table gives the quantitative disclosures relating to LCR for the year ended March 31, 2024:

(₹ in crores)

	March 2024		December 2023		September 2023		June 2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)		94,772.82		91,898.45		86,240.58		94,765.50
Cash Outflows								
2 Retail deposits and deposits from small business customers, of which:	1,62,359.42	15,821.68	1,56,779.66	15,271.03	1,50,621.63	14,671.22	1,42,366.74	13,858.90
(i) Stable deposits	8,285.34	414.27	8,138.82	406.94	7,818.90	390.94	7,654.37*	383.70
(ii) Less stable deposits	1,54,074.08	15,407.41	1,48,640.84	14,864.08	1,42,802.74	14,280.27	1,34,712.37	13,476.20
3 Unsecured wholesale funding, of which:	1,38,939.36	78,064.37	1,36,344.03	72,388.67	1,29,944.13	70,690.03	1,26,265.24	66,384.39
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	1,38,939.36	78,064.37	1,36,344.03	72,388.67	1,29,944.13	70,690.03	1,26,265.24	66,384.39
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4 Secured wholesale funding		-		-		-		-
5 Additional requirements, of which								

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for the year ended March 31, 2024

	March 2024		December 2023		September 2023		June 2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
(i) Outflows related to derivative exposures and other collateral requirements	20,243.47	20,243.47	19,453.17	19,453.17	18,894.63	18,894.63	17,534.13	17,512.27
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	10,541.01	10,541.01	8,672.51	8,672.51	7,064.82	7,064.82	5,609.22	5,601.54
7 Other contingent funding obligations	2,04,121.17	8,611.95	2,07,590.98	8,780.55	2,00,533.18	8,467.63	1,94,395.00	8,206.00
8 Total Cash Outflows	1,33,282.47		1,24,565.92		1,19,788.53		1,11,563.11	
Cash Inflows								
9 Secured lending (e.g. reverse repos)	6,071.75	-	4,820.24	-	5,939.23	-	17,253.94	-
10 Inflows from fully performing exposures	64,072.02	52,935.84	59,614.55	49,302.38	54,840.69	46,001.53	49,684.89	39,794.27
11 Other cash inflows	-	-	-	-	-	-	-	-
12 Total Cash Inflows	52,935.84		49,302.38		46,001.53		39,794.27	
13 Total HQLA	94,772.82		91,898.45		86,240.58		94,765.50	
14 Total Net Cash Outflows	80,346.63		75,263.55		73,787.00		71,768.84	
15 Liquidity Coverage Ratio (%)	117.95%		122.10%		116.88%		132.04%	

The following table gives the quantitative disclosures relating to LCR for the year ended March 31, 2023:

(₹ in crores)

	March 2023		December 2022		September 2022		June 2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)		89,288.67		88,714.82		92,482.98		97,023.38
Cash Outflows								
2 Retail deposits and deposits from small business customers, of which:	1,37,672.25	13,397.31	1,30,894.39	12,724.18	1,21,719.75	11,816.87	1,16,292.93	11,278.72
(i) Stable deposits	7,398.38	369.92	7,305.32	365.27	7,102.08	355.10	7,011.47	350.57
(ii) Less stable deposits	1,30,273.87	13,027.39	1,23,589.07	12,358.91	1,14,617.67	11,461.77	1,09,281.46	10,928.15
3 Unsecured wholesale funding, of which:								
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	1,28,183.64	67,744.45	1,28,152.20	69,826.79	1,27,092.03	67,546.19	1,26,890.01	68,457.79
(iii) Unsecured debt								
4 Secured wholesale funding		-		-		-		-
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	16,257.64	16,257.64	18,339.12	18,339.12	14,947.37	14,947.37	17,165.99	17,165.99

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for the year ended March 31, 2024

	March 2023		December 2022		September 2022		June 2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
(ii) Outflows related to loss of funding on debt products								
(iii) Credit and liquidity facilities								
6 Other contractual funding obligations	5,667.67	5,667.67	6,356.46	6,356.46	5,655.03	5,655.03	7,005.69	7,005.69
7 Other contingent funding obligations	1,91,497.01	8,024.59	1,89,069.86	7,835.55	1,82,874.10	7,518.14	1,76,659.64	7,207.61
8 Total Cash Outflows		1,11,091.66		1,15,082.09		1,07,483.59		1,11,115.79
Cash Inflows								
9 Secured lending (e.g. reverse repos)	14,166.30	-	17,654.02	-	23,927.24	-	-	-
10 Inflows from fully performing exposures	46,608.95	38,476.62	47,823.99	39,526.49	40,636.31	33,325.93	39,885.29	32,881.05
11 Other cash inflows	-	-	-	-	-	-	-	-
12 Total Cash Inflows		38,476.62		39,526.49		33,325.93		32,881.05
13 Total HQLA		89,288.67		88,714.82		92,482.98		97,023.38
14 Total Net Cash Outflows		72,615.04		75,555.60		74,157.66		78,234.74
15 Liquidity Coverage Ratio (%)		122.96%		117.42%		124.71%		124.02%

6. Exposures

6.1 Exposure to Real Estate Sector:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
(a) Direct exposure		
(i) Residential Mortgages of which housing loans eligible for inclusion in priority sector advance ₹1,781.54 crores (Previous year ₹1,668.19 crores)]	13,520.27	11,197.61
(ii) Commercial Real Estate	28,167.42	29,841.22
(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures:		
- Residential	-	-
- Commercial Real Estate	-	-
(b) Indirect exposure		
Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	4,919.53	4,861.75
Total Exposure to Real Estate Sector	46,607.22	45,900.58

Direct exposure to Commercial Real Estate includes ₹52.50 crores (Previous Year ₹100.00 crores) in a Venture Capital Fund. In terms of RBI Guidelines, the invested amount forms part of Exposure to Capital Market also.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

6.2 Exposure to Capital Market:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt*	150.26	862.75
(ii) Advances against shares/bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	1,035.31	672.23
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds, i.e. where the primary security other than shares / convertible bonds/convertible debentures/ units of equity oriented mutual funds does not fully cover the advances	3,416.80	3,279.45
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	2,399.01	3,364.90
(vi) Loans sanctioned to corporates against the security of shares / bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii) Bridge loans to companies against expected equity flows/issues	-	-
(viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Venture Capital Funds (both registered and unregistered)	59.66	208.32
Total Exposure to Capital Market	7,061.05	8,387.65

*Excludes investment in equity shares on account of conversion of debt into equity as part of restructuring amounting to ₹85.88 crores as on 31st March, 2024 (previous year ₹86.14 crores) which are exempted from exposure to Capital Market.

6.3 Risk Category-wise exposure to country risk

(₹ in crore)

Risk category	March 31, 2024		March 31, 2023	
	Exposure (net)	Provision held	Exposure (net)	Provision held
Insignificant	13,645.96	-	12,359.87	-
Low	6,729.73	-	7,737.21	-
Moderately Low	1,271.75	-	113.26	-
Moderate	0.65	-	10.55	-
Moderately High	3.83	-	19.04	-
High	-	-	-	-
Very High	8.59	-	5.31	-
Total	21,660.51	-	20,245.24	-

Country Risk classification is in accordance with guidelines issued by Export Credit Guarantee Corporation of India Ltd. (ECGC)

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

6.4 Unsecured advances

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total unsecured advances of the Bank	1,12,567.13	94,719.24
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

6.5 Advances against book debts

Advances secured by tangible asset includes advances against book debts amounting to ₹61,116.94 crores (Previous year ₹47,206.00 crores).

The above information is based on the methodology adopted by the management and relied upon by the auditors.

6.6 Details of factoring exposure

The factoring exposure of the Bank as at March 31, 2024, is ₹4,829.27 crores (Previous year ₹4,110.32 crores).

6.7 Details of Intra-Group Exposure

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
(i) Total amount of intra-group exposures	342.29	618.53
(ii) Total amount of top 20 intra-group exposures	342.29	618.53
(iii) Percentage of intra-group exposures to total exposure of the bank on borrowers/customers	0.06%	0.11%
(iv) Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	-	-

6.8 Unhedged Foreign Currency Exposure (UFCE) of Clients

Currency induced credit risk refers to risk of inability of borrowers to service their debt obligations due to adverse movement in the exchange rates and corresponding changes in their book values of trade payables, loan payables, trade receivables, etc. Bank recognizes importance of adverse fluctuations of foreign exchange rates on profitability and financial position of borrowers who are exposed to currency risk.

In this regard, Bank had put in place Board approved policy & internal processes for monitoring and mitigation of currency induced credit risk of borrowers on account of un-hedged foreign currency exposures ("UFCE") which includes analysis in credit appraisal notes, risk assessment of borrowers having un-hedged foreign currency exposures based on likely loss / EBID ratio and incremental provisioning (over and above provision applicable for standard assets) made depending on the likely loss / EBID ratio as per regulatory guidelines.

The provision for standard assets as of March 31, 2024, included an amount of ₹62.43 crores (Previous year ₹62.00 crores) towards UFCE. Further, capital maintained under Basel III Capital Regulations, as of March 31, 2024, includes an amount of ₹123.07 crores (Previous year ₹138.36 crores) on account of UFCE, computed at the applicable risk weights.

6.9 Single Borrower limit and Group Borrower Limit

During the year ended March 31, 2024, and year ended March 31, 2023, the Bank's credit exposures to single borrowers and group borrowers were within the prudential limits prescribed by RBI.

7. Concentration of Deposits, Advances, Exposures and NPAs

7.1 Concentration of Deposits

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total Deposits of twenty largest depositors (excl. CDs)	66,961.29	52,287.94
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	17.40%	15.54%

7.2 Concentration of Advances

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total Advances to twenty largest borrowers	51,135.20	52,715.00
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	8.67%	9.88%

Advances have been computed as per the definition of Credit Exposure including derivatives as prescribed in Master Circular on Exposure Norms DBR. No. Dir.BC.12/13.03.00/2015-16 dated July 1, 2015.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

7.3 Concentration of Exposures

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total Exposure to twenty largest borrowers / customers	51,265.20	52,798.96
Percentage of Exposure of twenty largest borrowers / customers to Total Exposure of the Bank on borrowers / customers	8.50%	9.72%

Exposures have been computed as per the definition in Master Circular on Exposure Norms DBR. No. Dir. BC. 12/13.03.00/2015-16 dated July 1, 2015 and includes credit, derivatives and investment exposure.

7.4 Concentration of NPAs

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total Exposure to the top twenty NPA accounts	1,716.21	1,574.77
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs	25.64%	27.03%

Note: The Exposure herein is Funded Credit Exposure, net of unrealised interest.

8. During the year ended March 31, 2024, there was no sale of assets through securitization except sale of assets to ARC (Previous year Nil).
9. The Bank does not have any Off-Balance Sheet SPVs which is required to be consolidated as per accounting standards (Previous year Nil).

10. Transfers to Depositor Education and Awareness Fund (DEAF)

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Opening balance of amounts transferred to DEAF	126.17	90.96
Add: Amounts transferred during the year	32.90	36.06
Less: Amounts reimbursed by DEAF towards claims	(2.65)	(0.85)
Closing balance of amounts transferred to DEAF	156.42	126.17

Balances of the amount transferred to DEA Fund are included under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable'.

11. Disclosure relating to Complaints

a) Summary information on complaints received by the Bank from customers and from the Offices of Ombudsman:

No.	Particulars	March 31, 2024	March 31, 2023
Complaints received by the Bank from its customer			
(1)	Number of complaints pending at the beginning of the year	961	1,101
(2)	Number of complaints received during the year	35,436	24,392
(3)	Number of complaints disposed during the year	34,345	24,532
(3.1)	Of which, number of complaints rejected by the Bank	2,712	627
(4)	Number of complaints pending at the end of the year	2,052*	961*
Maintainable complaints received by the Bank from Offices of Banking Ombudsman (OBOs)			
(5)	Number of maintainable complaints received by the Bank from OBOs	4,289	3,049
(5.1)	Of 5, number of complaints resolved in favour of the Bank from OBOs*	1,818	1,541
(5.2)	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs.	2,471	1,508
(5.3)	Of 5, number of complaints resolved after passing of Awards by BOs against the Bank	-	-
(6)	Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

*503 open complaints with respect to Banking Ombudsman as on March 31, 2024 (Previous year 106 open complaints) are excluded. Complaints resolved within next working day are excluded from the above table.

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b) Details of top five grounds of complaints received by the Bank from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / (decrease) in the no. of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
March 31, 2024					
Internet/Mobile/Electronic Banking	80	9,753	305.70%	520	8
Account opening/difficulty in operation of accounts	292	9,186	54.80%	796	32
Credit Cards	24	6,585	158.64%	29	-
Loans and advances	478	6,332	(44.27%)	421	104
Recovery Agents/Direct Sales Agents	-	1,259	81.15%	10	-
Others	87	2,321	51.10%	276	7
Total	961	35,436	45.27%	2,052	151

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / (decrease) in the no. of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
March 31, 2023					
Loans and advances	384	11,361	73.69%	478	20
Account opening/difficulty in operation of accounts	427	5,934	(33.72)%	292	1
Credit Cards	7	2,546	(31.30)%	24	-
Internet/Mobile/Electronic Banking	100	2,404	13.24%	80	1
ATM/Debit Cards	50	611	(57.54)%	19	-
Others	133	1,536	(78.97)%	68	-
Total	1,101	24,392	(18.87)%	961	22

Note: Compiled by management and relied upon by auditors.

12. Penalties imposed by RBI

During the FY 2023-24, Reserve Bank of India imposed monetary penalties aggregating ₹1.20 lakh for non-adherence to the regulatory guidelines pertaining to exchange of mutilated/soiled notes and coins during the incognito visits conducted by RBI officials at various Bank Branches.

During the FY 2022-23, Reserve Bank of India vide their letter dated June 29, 2022 imposed a monetary penalty of ₹1.00 crore on the Bank under Sections 35, 35A, 46 and 47A of the Banking Regulation Act, 1949 in relation to transactions in accounts opened through OTP based e-KYC in non-face-to-face mode. In addition, Reserve Bank of India imposed a penalty of ₹10,000 on November 14, 2022 as one of the Bank's ATM had a "cash out" situation for more than 10 hours during August 2022. Also, there were two instances of penalty of ₹10,000 each and one instance of penalty of ₹20,000 levied by Reserve Bank of India on September 19, 2022, December 27, 2022 and on March 20, 2023 respectively, for non-adherence to the regulatory guidelines pertaining to exchange of mutilated/soiled notes and coins by branches.

13. Disclosure on Remuneration

Compensation and Nomination & Remuneration Committee

The Compensation and Nomination & Remuneration Committee (C&NRC) presently comprises three members, all of these members are Independent Directors including the Chairperson of the Committee. On aspects relating to remuneration, the mandate of the C & NRC is to establish, implement and maintain remuneration policies, procedures and practices that help to achieve effective alignment between remuneration and risks. The Compensation and Nomination & Remuneration Committee is mandated to oversee framing,

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for the year ended March 31, 2024

review and implementation and of the Compensation Policy of the Bank as per the RBI guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Risk Takers and Control function staff. The C & NRC is also required to ensure that the cost to income ratio of the Bank supports the remuneration expense of the Bank consistent with the objective of maintaining sound capital adequacy ratio. The Compensation and Nomination & Remuneration Committee also reviews compensation policies of the Bank with a view to attract, retain and motivate talent. The Compensation and Nomination & Remuneration Committee also looks after the administration and superintendence of Grant of Options under the Employee Stock Option Schemes.

Compensation Policy

From April 1, 2020 onwards, the Bank has implemented the RBI Guidelines on Compensation of Whole Time Directors /Chief Executive Officers/Material Risk Takers and Control Function Staff, issued vide circular dated November 4, 2019.

The Bank has formulated its Compensation Policy in alignment with the RBI guidelines, covering all components of compensation including Fixed pay, Perquisites, Performance bonus, Guaranteed bonus (joining / sign-on bonus), Share-linked instruments (Employee Stock Option Plan), Retirement benefits such as Provident Fund and Gratuity.

The key objectives of the policy are:

- (i) Benchmark employee compensation for various job positions and skills with that of the market.
- (ii) Maintain an optimal balance between Fixed and Variable pay
- (iii) Pay for 'Position, Performance and Person'.
- (iv) Be risk conscious and dissuade excessive risk taking (Focus on revenues and profits is balanced by emphasis on risk, operational health, compliance and governance).
- (v) Promote quality leadership development, integrity and ethics across the Bank
- (vi) Build employee ownership and long term association through Long term incentive plans (ESOPs, Deferred Bonus).
- (vii) Be compliant with all regulatory and statutory guidelines.

Some of the important features of the Compensation Policy are as follows:

- (i) Basis the RBI description of Material Risk Takers, the Bank defines Material Risk Takers (MRTs) as critical personnel belonging to the business line functions of Corporate & Commercial Banking, Global Markets, Gems and Jewellery, Consumer, Consumer Finance Division, etc. whose functioning and decisioning impacts the Bank materially on tangible performance aspects of Revenues, Costs, and Profits. The role of a Material Risk Taker is of strategic importance to the Bank and impacts the business performance of the Bank. The Material Risk Takers are identified in accordance with the qualitative and quantitative criteria specified by the RBI guidelines, such as nature of their role necessitating making risk related decisions, size of business portfolio, role criticality, criteria of remuneration cut-offs prescribed by the Bank or are amongst 0.3% of staff with highest remuneration in the Bank. The Risk controllers are defined as personnel critical to the functioning of the business support functions of Finance & Accounts, Risk, Credit, Operations, Human Resources, Inspection and Audit, Information Technology, Compliance, Investor Relations, Secretarial, Legal, Corporate Services, etc. These functions support the business line functions through back-office business processes and their functioning does not have a revenue impact through business generation. The role of a Risk controller is of strategic importance to the Bank and impacts the business processes of the Bank.

As a governance measure, the Bank applies similar Compensation Principles applicable to the WTDs / CEO / MRTs to the identified Risk Controllers of the Bank.

- (ii) In respect of WTDs / CEO / Material Risk Takers / Risk Controllers of the Bank, the Compensation policy provides for a reasonable annual increase in fixed pay in line with the market benchmarks. Their individual increments are linked to their annual performance rating. The quantum of overall annual increment for all eligible employees and increment percentages at various performance rating levels are decided on the basis of the financial performance of the Bank.
- (iii) The quantum of overall variable pay to be disbursed in a year for all eligible employees including the Material Risk Takers and Risk Controllers may vary from year to year on the basis of the financial performance of the Bank in the financial year. Deterioration in the financial performance of the Bank in a given Financial Year would lead to a contraction in the total variable compensation, which can even be reduced to zero.
- (iv) Employee compensation is linked to performance. Annual Performance Rating for an employee is arrived on the basis of tangible performance against pre-set Key Results Areas (KRAs) / Goals at the beginning of the financial year.
- (v) The individual Variable pay is linked to the annual performance rating, and based on variable pay grids that outline variable pay as a percentage of Fixed Pay i.e. Cost to Company at various rating levels for a grade band. Exceptional variable pay may be paid to select high performers on a case to case basis within the limits stipulated in the RBI guidelines.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

- (vi) As per the new RBI Compensation policy effective April 01, 2020, the overall compensation of WTDs/CEOs/Material Risk Takers / Risk Controllers comprises Fixed Pay and Variable Pay. The Variable Pay for FY23 paid to the Material Risk Taker and Risk Controllers was a mix of cash and share linked instruments. The Bank followed the Variable pay composition and Deferral guidelines as per the RBI policy.
- (vii) The Bank has made applicable the malus / claw-back arrangements with the concerned employees in case of deferred variable pay. The criteria would be negative financial performance of the Bank and/or relevant line of business in any year, assessed divergence in the Bank's provisioning of Non-Performing Assets (NPAs), material failure of risk management controls, breach of internal rules or regulations, integrity / staff accountability issues, etc. As applicable, malus arrangement would adjust deferred remuneration before vesting and claw-back arrangement would adjust deferred remuneration after vesting.
- (viii) The Compensation Policy does not provide for guaranteed bonus or sign on bonus in cash. However, in case of select critical hires, joining / sign on bonus can be granted in form of pre-hiring ESOPs (a one-time grant made at the time of joining).
- (ix) The Compensation Policy does not provide for severance pay other than the accrued benefits of Gratuity, Provident Fund, Leave encashment wherever applicable, for any employee of the Bank. Retirement benefits in the form of Provident Fund and Gratuity are as per the Bank's HR policies which are in line with the statutory norms.
- (x) All Perquisites for WTDs / CEO / Material Risk Takers / Risk Controllers are laid down in the HR Policies of the Bank.
- (xi) For WTDs /CEO/ Material Risk Takers / Risk Controllers, share linked instruments such as ESOPs form a part of the Variable pay and are a part of the total compensation. For other employees, ESOPs do not form a part of the Variable Pay. ESOPs are very selectively granted to attract and retain talent. ESOP grant criteria include grade of the employee, criticality of the position in terms of business continuity and growth, market value of the position/ perceived future value creation, performance and behavioural track record of the employee.

Other Disclosures

	Year ended March 31, 2024	Year ended March 31, 2023
Number of meetings held by NRC during the financial year and remuneration paid to its members	During the year, 12 meetings of the Compensation and Nomination & Remuneration Committee (C&NRC) were held. The members were paid aggregate sitting fees of ₹19,50,000 for the above-mentioned meetings.	During the year, 17 meetings of the Compensation and Nomination & Remuneration Committee were held. The members were paid aggregate sitting fees of ₹27,20,000 for the above-mentioned meetings.
Number of employees having received a variable remuneration award during the financial year	12 employees belonging to the category of WTD / CEO / Material Risk Takers/ Risk Controllers had received a variable remuneration award in FY 24. 12 employees got the Variable Pay grant for FY 23 in FY 24 and 1 employee got the Variable Pay grant for FY 22 in FY 24	15 employees belonging to the category of WTD / CEO / Material Risk Takers/ Risk Controllers had received a variable remuneration award in FY 23. 14 employees got the Variable Pay grant for FY 22 in FY 23 and 1 employee got the Variable Pay grant for FY 21 in FY 23
Number and total amount of 'sign on' awards made during the financial year	-	-
Details of guaranteed bonus, if any, paid as sign on bonus	-	-
Details of severance pay in addition to the accrued benefits	-	-
Total amount of outstanding deferred remuneration split into cash, shares and share linked instruments and other forms	Total amount of outstanding deferred remuneration for FY 22/FY 23 announced in FY 24: ₹28.90 crs (Cash: ₹6.85 crs, Fair Value of ESOPs : 22.05 crs)	Total amount of outstanding deferred remuneration for FY 21/FY 22 announced in FY 23: ₹30.29 crs (Cash: ₹10.1 crs, Fair Value of ESOPs : 20.19 crs)
Total amount of deferred remuneration paid out in the financial year	There was a cash deferred remuneration paid during the Financial year 2023 – 24 of ₹3.95 crs. The fair value of Options granted in FY 21/FY22/FY23 and vested during FY 24 was ₹13.28 crs	There was a cash deferred remuneration paid during the Financial year 2022 – 23 of ₹2.22 crs. The fair value of Options granted in FY 21/FY22 and vested during FY 23 was ₹10.05 crs

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

	Year ended March 31, 2024	Year ended March 31, 2023
Breakdown of amount of remuneration awards for the financial year	Breakup of remuneration awards for the 15 employees defined as WTD / CEO /Material Risk Takers/ Risk Controllers (a) Fixed pay for FY 24 - ₹51.74 crores (b) Variable pay for FY 22/23: ₹35.99 crs (i) Cash component – ₹13.94 crs (ii) Fair value of ESOPs – ₹22.05 crs (c) Deferred variable remuneration – (i) Cash and Fair value of ESOPs: ₹28.90 crores - Deferred Cash Bonus: ₹6.85 crs - Fair value of ESOPs: ₹22.05 crs (d) Non-deferred variable remuneration – (i) Cash component - ₹7.09 crores	Breakup of remuneration awards for the 16 employees defined as WTD / CEO /Material Risk Takers/ Risk Controllers (a) Fixed pay for FY 23 - ₹61.25 crores (b) Variable pay for FY 21/22: ₹40.39 crs (i) Cash component – ₹20.20 crs (ii) Fair value of ESOPs – ₹20.20 crs (c) Deferred variable remuneration – (i) Cash and Fair value of ESOPs: ₹30.29 crores - Deferred Cash Bonus: ₹10.10 crs - Fair value of ESOPs: ₹20.19 crs (d) Non-deferred variable remuneration – (i) Cash component - ₹10.10 crores
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and implicit adjustments.	-	-
Total amount of reductions during the FY due to ex – post explicit adjustments	-	-
Total amount of reductions during the FY due to ex – post implicit adjustments	-	-
Number of MRTs identified	4 MRTs and 2 WTDs	6 MRTs and 1 WTD
Number of cases where malus has been exercised	-	-
Number of cases where clawback has been exercised	-	-
Number of cases where both malus and clawback have been exercised	-	-
The mean pay for the Bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTD s from the mean pay	₹0.09 crores and 88.60 times (WTD 1) & 59.10 times (WTD 2)	₹0.08 crores and 91.14 times

Deferred variable remuneration includes the deferred cash value and fair value of ESOPs granted during the financial year 2023-24 pertaining to the financial years FY 22 / FY 21. Fair value of Options has been computed using Black-Scholes options pricing model.

Remuneration paid to Non-Executive Directors

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
i) Sitting fees paid to the Non-Executive Directors	3.26	3.39
ii) Remuneration paid to the Non-Executive Directors	1.76	1.86
Total	5.02	5.25

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

14. Other Disclosures

14.1 Business ratios

Ratios	March 31, 2024	March 31, 2023
i) Interest income as a percentage to working funds	9.80%	8.88%
ii) Non-interest income as a percentage to working funds	2.01%	1.99%
iii) Cost of Deposits	6.35%	5.32%
iv) Net Interest Margin	4.81%	4.76%
v) Operating profit as a percentage to working funds	3.37%	3.50%
vi) Return on assets	1.92%	1.80%
vii) Business (deposits plus advances) per employee (₹ in crore)	16.98	16.95
viii) Profit per employee (₹ in crore)	0.21	0.21

Notes:

- (1) Working funds are reckoned as the daily average of total assets
- (2) Cost of deposit is computed by dividing the interest expense with the daily average deposit.
- (3) Net Interest margin is computed by dividing the Net Interest Income with the daily Average Earning Assets. Net Interest Income is computed by reducing the Interest Expense from Interest Income.
- (4) Return on Assets is computed with reference to average working funds.
- (5) Business per employee (deposits plus gross advances) is computed after excluding inter-bank deposits.
- (6) Operating profit is net profit for the year before provisions and contingencies.
- (7) Average Number of Employees has been considered for computation of business per employee and profit per employee.

14.2 Bancassurance business

Commission, Exchange and Brokerage in Schedule 14 include the following fees earned on Bancassurance business:

(₹ in crore)

Particulars	Year ended March 2024	Year ended March 2023
For selling life insurance policies	823.84	307.12
For selling non-life insurance policies	164.39	79.13
Total	988.23	386.25

14.3 Marketing and Distribution Business

Fees / remuneration received in respect of marketing and distribution function (excluding bancassurance business) is disclosed as under:

(₹ in crore)

Particulars	Year ended March 2024	Year ended March 2023
Mutual Funds, Sovereign Gold Bonds, Alternative Products, Third Party Portfolio Management Services	49.49	63.79
Housing Loan Marketing	0.24	5.50
Equity Broking	3.95	6.68
Others (LAS & Ref Fee Overseas Partners)	0.45	0.65
Marketing	256.10	332.98
Total	310.23	409.60

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

14.4 Priority Sector Lending Certificates (PSLC)

(₹ in crore)

Particulars	Year ended March 2024		Year ended March 2023	
	PSLC Sold	PSLC Purchased	PSLC Sold	PSLC Purchased
1) PSLC Agriculture	-	11,680.00	-	12,500.00
2) PSLC Small Farmers / Marginal Farmers	14,150.00	220.00	14,345.00	4,138.00
3) PSLC Micro Enterprises	550.00	1,000.00	1,509.00	2,350.00
4) PSLC General	-	5,000.00	-	5,000.00

14.5 Provisions and Contingencies charged to the Profit and Loss account for the year consist of:

(₹ in crore)

Provision debited to Profit and Loss Account	March 31, 2024	March 31, 2023
i) Provisions for depreciation on Investment (including NPI and write off)	549.45	299.99
ii) Provision towards NPA (including bad debts write off)	3,083.77	3,885.56
iii) Provision made towards Income tax	2,991.75	2,469.93
iv) Other Provisions and Contingencies	165.52	301.29
Total Provisions	6,790.49	6,956.77

14.6 Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The Reserve Bank of India (RBI) issued a circular in February 2016, requiring Scheduled Commercial Banks to implement Indian Accounting Standards (Ind AS) from April 1, 2018. Vide a press release dated 05 April 2018 the implementation was deferred by one year. The legislative amendments recommended by the Reserve Bank towards implementation of Ind AS are still under consideration of the Government of India. Accordingly, RBI had, through a notification dated March 22, 2019, deferred the Ind AS implementation until further notice.

Pursuant to the RBI Circular dated February 11, 2016, the Bank had formed a Steering Committee, comprising members from cross-functional areas, for the purpose of reviewing and monitoring the progress of implementation. The Bank had set up a Working Group under the guidance of the Steering Committee and has conducted Gap Assessment and identified the differences between the current accounting framework and Ind AS, including the identification of the accounting policy options provided under Ind AS 101, First Time Adoption.

The Audit Committee of the Board of Directors has an oversight on the progress of the Ind AS implementation. In accordance with RBI directions, the Bank has been submitting half yearly standalone pro forma Ind- AS financial statements along with other computations to the RBI, from time to time.

14.7 Payment of DICGC Insurance Premium

(₹ in crore)

Particulars	Year ended March 2024	Year ended March 2023
i) Payment of DICGC Insurance Premium	457.21	409.57
ii) Arrears in payment of DICGC premium	-	-

15. Miscellaneous

15.1 Amount of Provisions for taxation during the year

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Current tax	2,588.48	2,332.02
Deferred tax (Refer Note 16.6)	403.27	137.91
Total	2,991.75	2,469.93

15.2 Fixed Assets

15.2.1 Cost of premises includes ₹4.09 crores (Previous year ₹4.09 crores) in respect of properties for which execution of documents and registration formalities are in progress. Of these properties, the Bank has not obtained full possession of one property having written down value of ₹1.29 crores (Previous year ₹1.33 crores) and has filed a suit for the same.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

15.2.2 Intangible Assets

The movement in fixed assets capitalized as computer software is given below:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
At cost at the beginning of the year	893.65	735.44
Addition during the year	182.29	158.32
Deduction during the year	0.96	0.11
Accumulated depreciation as at the end of the year	744.06	624.77
Closing balance as at the end of the year	330.92	268.88
Depreciation charge for the year	119.64	89.58

15.3 Contingent Liabilities

The Bank's pending litigations include claims against the Bank by clients and counterparties and proceedings pending with tax authorities. The Bank has reviewed its pending litigations and proceedings and has adequately made, provisions wherever required and disclosed as contingent liabilities wherever applicable. Claims against the Bank not acknowledged as debts comprise of tax demands of ₹322.23 crores (Previous year ₹199.05 crores) in respect of which the Bank is in appeal, and legal cases sub judice of ₹1,176.41 crores (Previous year ₹439.19 crores). The Bank carries a provision of ₹12.32 crores (Previous year ₹11.92 crores) against legal cases sub judice. The amount of contingent liabilities is based on management's estimate, and it is not probable that any liability is expected to arise out of the same.

15.4 The Bank has a process to assess periodically all long-term contracts (including derivative contracts), for material foreseeable losses. As at March 31, 2024, as well as March 31, 2023, the Bank has reviewed and made adequate provision as required under any law or an accounting standard for material foreseeable losses on such long term contracts (including derivative contracts).

15.5 During the year as well as the previous year ended March 31, 2023, the Bank has transferred requisite amounts to the Investor Education and Protection Fund, without any delay.

15.6 Corporate Social Responsibility (CSR)

In accordance with the provisions of the Companies Act, 2013, during the year, the Bank was required to spend on CSR activities an amount of ₹131.27 crores (Previous year ₹107.52 crores).

The amount incurred towards CSR activities during the year and recognised in the statement of profit and loss amounted to ₹132.72 crores (Previous year ₹108.51 crores), comprising the following:

(₹ in crore)

	Year ended March 31, 2024			Year ended March 31, 2023		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any asset	-	-	-	-	-	-
For purpose other than above	132.72	-	132.72	108.51	-	108.51
Total	132.72	-	132.72	108.51	-	108.51

Details of Unspent amount pertaining to FY 2020-21 has been provided below

(₹ in crore)

In case of S. 135(5) unspent amount					
Spent during	Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
FY 2021-22	26.00	26.00	26.00	23.12	2.87
FY 2022-23	2.87	-	2.87	2.87	-
FY 2023-24	-	-	-	-	-

15.7 Drawdown from Reserves

During the year ended March 31, 2024, and year ended March 31, 2023, the Bank did not draw down from the reserves.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

15.8 Movement in depreciation of Fixed Assets

(₹ in crore)

Depreciation	March 31, 2024	March 31, 2023
Premises		
At the beginning of the year	144.72	131.28
Charge for the year	13.98	13.44
Deduction during the year	-	-
Depreciation to date	158.70	144.72
Other Fixed Assets		
At the beginning of the year	2,271.92	2,014.04
Charge for the year	410.71	360.00
Deduction during the year	133.72	102.12
Depreciation to date	2,548.91	2,271.92

15.9 Employee Stock Option Scheme

15.9. 1 On September 25, 2020, the shareholders of the Bank approved the IndusInd Bank Employee Stock Option Scheme 2020 (ESOS 2020), which comprehensively replaced the erstwhile Employee Stock Option Scheme 2007 (ESOS 2007) that was approved by the shareholders earlier on September 18, 2007. ESOS 2020 enables the Board and the Compensation Committee to grant such number of stock options of the Bank not exceeding 7% of the aggregate number of paid up equity shares of the Bank, in line with the guidelines issued by the SEBI. The options vest at one time or at various points of time as stipulated in the Award Confirmation issued by the Compensation Committee, and there shall be a minimum period of one year between the grant of option and vesting of the option. The unvested options shall expire by such period as stipulated in the Award Confirmation or five years from the grant of options whichever is earlier, or such further or other period as the Compensation Committee may determine. The exercise price for each grant is decided by the Compensation Committee, which is normally based on the latest available closing price and shall not be lower than the face value of the shares. Upon vesting, the options have to be exercised within a maximum period of five years or such period as may be determined by the Compensation Committee from time to time. The stock options are equity settled where the employees will receive one equity share per stock option.

Pursuant to a Composite Scheme of Arrangement with the erstwhile Bharat Financial Inclusion Limited, the shareholders of the Bank approved the IBL Special Incentive ESOS for BFIL Merger 2018 (ESOS 2018) on December 11, 2018. ESOS 2018 was approved with a pool of 57,50,000 options which are equity settled. 50% of the options vest over a period of three years from the grant date and the remaining options vest over a period of three years from the first anniversary of the grant date. Upon vesting, the options have to be exercised within a maximum period of five years.

ESOS 2020 and ESOS 2018 are, hereinafter, collectively referred to as ESOS.

As at March 31, 2024, the Compensation Committee of the Bank has granted a total of 5,45,36,022 options that includes 4,92,48,216 options granted under ESOS 2020 and 52,87,806 options granted under ESOS 2018, as set out below:

ESOS 2020:

Sr. No	Date of grant	Year ended March 31, 2024		Year ended March 31, 2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
1	18-Jul-08	1,21,65,000	48-50.6	1,21,65,000	48.00-50.60
2	17-Dec-08	34,56,000	38.95	34,56,000	38.95
3	05-May-09	8,15,500	44.00	8,15,500	44.00
4	31-Aug-09	3,18,500	100.05	3,18,500	100.05
5	28-Jan-10	7,47,000	48-140.15	7,47,000	48.00-140.15
6	28-Jun-10	13,57,450	196.50	13,57,450	196.50
7	14-Sep-10	73,500	236.20	73,500	236.20
8	26-Oct-10	1,43,500	274.80	1,43,500	274.80
9	17-Jan-11	25,00,000	228.70	25,00,000	228.70
10	07-Feb-11	20,49,000	95.45-220.45	20,49,000	95.45-220.45
11	24-Jun-11	21,54,750	253.60	21,54,750	253.60

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Sr. No	Date of grant	Year ended March 31, 2024		Year ended March 31, 2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
12	16-Aug-11	89,500	254.90	89,500	254.90
13	30-Sep-11	2,61,000	262.25	2,61,000	262.25
14	21-Dec-11	9,20,000	231.95	9,20,000	231.95
15	29-Feb-12	1,95,000	304.05	1,95,000	304.05
16	19-Apr-12	1,40,500	345.60	1,40,500	345.60
17	25-May-12	1,34,500	304.55	1,34,500	304.55
18	10-Jul-12	2,67,000	343.25	2,67,000	343.25
19	29-Aug-12	1,14,000	319.05	1,14,000	319.05
20	10-Oct-12	23,500	365.75	23,500	365.75
21	09-Jan-13	30,000	433.75	30,000	433.75
22	18-Apr-13	12,500	419.60	12,500	419.60
23	20-Jun-13	1,75,000	478.45	1,75,000	478.45
24	18-Jul-13	18,35,000	453.90	18,35,000	453.90
25	23-Sep-13	75,000	411.50	75,000	411.50
26	29-Oct-13	22,000	412.25	22,000	412.25
27	29-Jan-14	7,67,500	300.00-389.85	7,67,500	300.00-389.85
28	25-Mar-14	1,76,500	490.30	1,76,500	490.30
29	15-May-14	65,500	537.05	65,500	537.05
30	02-Jun-14	32,69,500	533.95	32,69,500	533.95
31	09-Jul-14	33,000	551.10	33,000	551.10
32	13-Oct-14	74,500	623.25	74,500	623.25
33	17-Jan-15	47,500	831.85	47,500	831.85
34	23-Feb-15	48,000	876.80	48,000	876.80
35	30-Mar-15	11,000	880.75	11,000	880.75
36	22-May-15	52,600	848.20	52,600	848.20
37	24-Jul-15	16,30,000	949.80	16,30,000	949.80
38	21-Sep-15	1,93,000	918.65	1,93,000	918.65
39	04-Nov-15	93,500	911.85	93,500	911.85
40	12-Jan-16	10,33,500	886.75-936.75	10,33,500	886.75-936.75
41	12-May-16	13,500	1,053.75	13,500	1,053.75
42	11-Jul-16	25,000	1,126.70	25,000	1,126.70
43	23-Aug-16	2,76,000	1,186.75	2,76,000	1,186.75
44	10-Oct-16	18,51,000	1,220.85	18,51,000	1,220.85
45	16-Nov-16	33,500	1,093.10	33,500	1,093.10
46	27-Jan-17	21,500	1,265.40	21,500	1,265.40
47	24-Mar-17	49,000	1,383.90	49,000	1,383.90
48	19-Apr-17	16,000	1,431.75	16,000	1,431.75
49	09-May-17	69,000	1,424.85	69,000	1,424.85
50	19-Jun-17	38,500	1,498.90	38,500	1,498.90
51	11-Jul-17	35,000	1,560.35	35,000	1,560.35
52	12-Oct-17	69,000	1,717.25	69,000	1,717.25
53	11-Jan-18	43,000	1,734.10	43,000	1,734.10

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Sr. No	Date of grant	Year ended March 31, 2024		Year ended March 31, 2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
54	27-Mar-18	15,23,000	1,759.75	15,23,000	1,759.75
55	08-May-18	64,000	1,889.80	64,000	1,889.80
56	28-Sep-18	1,09,000	1,682.00	1,09,000	1,682.00
57	20-Mar-19	85,000	1,725.20	85,000	1,725.20
58	22-May-19	10,44,500	1,447.75	10,44,500	1,447.75
59	10-Oct-19	1,00,536	1,308.65	1,00,536	1,308.65
60	14-Jan-20	3,40,000	1,539.65	3,40,000	1,539.65
61	24-Apr-20	44,000	409.95	44,000	409.95
62	19-May-20	5,18,000	376.75	5,18,000	376.75
63	07-Aug-20	6,80,000	494.90	6,80,000	494.90
64	14-Aug-20	10,07,000	518.75	10,07,000	518.75
65	30-Dec-20	1,02,500	912.90	1,02,500	912.90
66	12-May-21	90,000	948.85	90,000	948.85
67	15-Sep-21	5,14,291	1,036.60	5,14,291	1,036.60
68	18-Oct-21	1,76,500	1,210.00	1,76,500	1,210.00
69	07-Jan-22	70,000	921.70	70,000	921.70
70	21-Feb-22	35,500	955.35	35,500	955.35
71	24-Mar-22	23,500	931.35	23,500	931.35
72	06-May-22	10,000	936.80	10,000	936.80
73	21-Jun-22	1,20,500	784.05	1,20,500	784.05
74	09-Jul-22	48,720	784.05	48,720	784.05
75	09-Sep-22	24,500	1,108.30	24,500	1,108.30
76	23-Sep-22	1,50,000	1,216.55	1,50,000	1,216.55
77	28-Oct-22	3,25,726	1,142.50	3,25,726	1,142.50
78	14-Dec-22	34,000	1,234.95	34,000	1,234.95
79	17-Jan-23	7,39,000	1,239.25	7,39,000	1,239.25
80	02-May-23	5,52,500	1,152.80	-	-
81	05-May-23	19,500	1,134.60	-	-
82	12-May-23	50,661	1,187.45	-	-
83	06-Sep-23	1,12,500	1,423.75	-	-
84	19-Oct-23	38,700	1,420.35	-	-
85	29-Nov-23	2,51,195	1,477.55	-	-
86	29-Dec-23	58,587	1,610.55	-	-
87	13-Feb-24	41,000	1,447.15	-	-
88	20-Mar-24	33,500	1,434.10	-	-

Schedule forming part of the Standalone Financial Statements

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ESOS 2018:

Sr. No	Date of grant	2023-24		2022-23	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
1.	04-Jul-19	30,01,266	668.00-1,864.00	30,01,266	688.00 – 1,864.00
2.	12-Jul-19	22,86,540	1,541.25	22,86,540	1,541.25

15.9.2 Recognition of expense

RBI, vide its clarification dated August 30, 2021, on Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments granted to such personnel on the date of grant should be recognised as an expense for all the instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after March 31, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes option pricing model and is recognized as compensation expense over the vesting period. The compensation so recognised in respect of which exercise of options is outstanding, is shown as Employee Stock Options Outstanding on the face of the Balance Sheet.

The fair market price is the latest closing price prior to the date of the meeting of the Compensation Committee in which stock options are granted, available on the stock exchange on which the shares of the Bank are listed. Since shares are listed on more than one stock exchange, the exchange where the Bank's shares have been traded highest on the said date is considered for this purpose.

15.9.3 Stock option activity

Stock option activity under ESOS 2020 is set out below

	2023-24		2022-23	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	78,46,546	1,177.55	86,01,033	1,102.76
Granted during the year	11,58,143	1,301.42	14,52,446	1,157.78
Forfeited / surrendered during the year	5,41,441	1,340.86	7,70,196	1,125.60
Exercised during the year	23,73,170	1,003.46	12,28,902	682.22
Expired during the year	4,32,551	1,699.29	2,07,835	1,065.71
Outstanding at the end of the year	56,57,527	1,220.41	78,46,546	1,177.55
Options exercisable at the end of the year	35,37,266	1,217.61	54,41,194	1,264.43

The weighted average market price of options exercised during the year is ₹1,453.49 (Previous year ₹1,075.74).

Stock option activity under ESOS 2018 is set out below.

	2023-24		2022-23	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	31,59,450	1,519.00	39,34,331	1,517.36
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	2,33,297	1,531.09	7,66,236	1,518.77
Exercised during the year	51,583	1,264.32	3,133	703.55
Expired during the year	8,26,922	1,495.32	5,512	982.53
Outstanding at the end of the year	20,47,648	1,533.24	31,59,450	1,518.76
Options exercisable at the end of the year	20,47,648	1,533.24	29,07,950	1,517.02

The weighted average market price of options exercised during the year is ₹1,435.35 (Previous year ₹1,131.32).

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Following table summarizes the information about stock options outstanding as at March 31, 2024:

ESOS 2020:

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
22-May-15	848.20	-	-	848.20	1,700	0.14
24-Jul-15	949.80	-	-	949.80	1,57,280	0.31
21-Sep-15	918.65	-	-	918.65	-	-
04-Nov-15	911.85	-	-	911.85	5,380	0.60
12-Jan-16	886.75	-	-	886.75	3,40,000	0.79
12-May-16	1,053.75	510	0.12	1,053.75	2,720	1.12
11-Jul-16	1,126.70	1,530	0.28	1,126.70	3,015	0.79
23-Aug-16	1,186.75	85,000	0.40	1,186.75	1,62,500	0.92
10-Oct-16	1,220.85	2,82,860	0.53	1,220.85	14,76,248	0.92
16-Nov-16	1,093.10	-	-	1,093.10	4,440	1.28
27-Jan-17	1,265.40	2,550	0.83	1,265.40	12,550	1.30
24-Mar-17	1,383.90	15,300	0.98	1,383.90	44,330	1.34
19-Apr-17	1,431.75	12,010	0.42	1,431.75	12,010	1.42
09-May-17	1,424.85	53,000	0.45	1,424.85	53,000	1.45
19-Jun-17	1,498.90	31,600	0.62	1,498.90	32,750	1.58
11-Jul-17	1,560.35	15,000	0.62	1,560.35	15,000	1.62
12-Oct-17	1,717.25	30,150	1.04	1,717.25	45,000	1.55
11-Jan-18	1,734.10	16,080	1.29	1,734.10	35,000	1.80
27-Mar-18	1,759.75	6,25,445	1.50	1,759.75	10,45,070	1.90
08-May-18	1,889.80	40,500	1.11	1,889.80	40,500	2.12
28-Sep-18	1,682.00	21,000	1.51	1,682.00	66,000	2.51
20-Mar-19	1,725.20	40,000	1.98	1,725.20	40,000	2.98
22-May-19	1,447.75	6,71,050	2.13	1,447.75	8,06,900	2.92
10-Oct-19	1,308.65	79,326	2.56	1,308.65	84,202	3.54
14-Jan-20	1,539.65	2,000	2.80	1,539.65	20,000	3.80
24-Apr-20	409.95	1,700	4.07	409.95	8,350	2.95
19-May-20	376.75	22,100	4.14	376.75	83,300	5.14
07-Aug-20	494.90	2,04,205	3.61	494.90	3,79,525	4.65
14-Aug-20	518.75	5,17,350	3.47	518.75	7,22,750	4.56
30-Dec-20	912.90	23,780	3.90	912.90	36,850	4.84
12-May-21	948.85	29,040	4.19	948.85	43,000	5.13
15-Sep-21	1,036.60	3,03,597	4.46	1,036.60	4,34,871	5.46
18-Oct-21	1,210.00	1,22,500	4.56	1,210.00	1,22,500	5.60
07-Jan-22	921.70	28,780	5.09	921.70	52,360	5.84
21-Feb-22	955.35	19,955	5.27	955.35	35,500	5.91
24-Mar-22	931.35	20,200	5.16	931.35	23,500	5.99
06-May-22	936.80	-	-	936.80	10,000	6.11
21-Jun-22	784.05	1,03,250	5.41	784.05	1,20,500	6.24
09-Jul-22	784.05	48,720	5.29	784.05	48,720	6.29
09-Sep-22	1,108.30	21,000	5.46	1,108.30	21,000	6.46
23-Sep-22	1,216.55	1,50,000	5.49	1,216.55	1,50,000	6.48

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
28-Oct-22	1,142.50	2,73,791	5.51	1,142.50	3,17,725	6.59
14-Dec-22	1,234.95	31,000	5.72	1,234.95	34,000	6.72
17-Jan-23	1,239.25	6,04,005	5.85	1,239.25	6,96,500	6.81
02-May-23	1,152.80	5,02,000	6.10	-	-	-
05-May-23	1,134.60	19,500	6.11	-	-	-
12-May-23	1,187.45	50,661	6.13	-	-	-
06-Sep-23	1,423.75	1,12,500	6.45	-	-	-
19-Oct-23	1,420.35	38,700	6.57	-	-	-
29-Nov-23	1,477.55	2,51,195	6.58	-	-	-
29-Dec-23	1,610.55	58,587	6.76	-	-	-
13-Feb-24	1,447.15	41,000	6.89	-	-	-
20-Mar-24	1,434.10	33,500	6.98	-	-	-

ESOS 2018:

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
04-Jul-19	828.00-1,651.00	8,15,068	0.85	668.00-1,864.00	16,97,464	1.32
12-Jul-19	1,541.25	12,32,580	2.79	1,541.25	14,61,986	3.78

15.9.4 Fair value methodology

The fair value of options granted during the year has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Particulars	2023-24	2022-23
Average dividend yield	0.6- 0.99 %	0.69-1.00%
Expected volatility	45.52- 52.95 %	52.52-53.30%
Risk free interest rates	6.85- 7.30 %	6.94-7.24%
Expected life of options (in years)	4.52	4.52

Expected volatility is a measure of the amount by which the equity share price is expected to fluctuate during a period. The measure of volatility used in Black – Scholes option pricing model is the annualized standard deviation of the continuously compounded rates of return on the share over a period of time. Expected volatility has been computed by considering the historical data on daily volatility in the closing equity share price on the National Stock Exchange of India Limited (NSE), over a prior period equivalent to the expected life of the options, till the date of the grant.

The Bank has changed valuation of stock-based compensation to fair value using Black-Scholes model from intrinsic value starting April 1, 2021. ESOP's granted from April 1, 2021 are valued at fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. ESOP's been granted before April 1, 2021 are still valued at intrinsic value and if these options were valued at fair value then as a result, 'Employees cost' for the year ended March 31, 2024 would have been higher by ₹10.48 crores with a consequent reduction in profit after tax by ₹7.85 crores.

Schedule forming part of the Standalone Financial Statements

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On a pro forma basis, the basic and diluted earnings per share would have been as follows:

Particulars	March 31, 2024	March 31, 2023
Pro forma basis		
Basic earnings per share ₹	115.09	95.23
Diluted earnings per share ₹	114.88	95.11

The weighted average fair value of options granted during the year 2023-24 is ₹611.48 (Previous year ₹570.89).

15.10 Movement in provisions

Movement in provision for credit card and debit card reward points

(₹ in crore)

Particulars	2023-24	2022-23
Opening provision for Reward Points	69.68	70.86
Provision for Reward Points made during the year	13.56	43.83
Utilisation / write back of provision for Reward Points	(10.26)	(45.01)
Closing provision for Reward Points	72.98	69.68

15.11 Non-banking Assets acquired in Satisfaction of Claims

The following table presents details of non-banking assets(land) acquired under bilateral Debt Asset Swap scheme and the provision made therefor in accordance with RBI directions.

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Amount of land held under 'Non-Banking assets acquired in satisfaction of claim'	-	-
Provision held at the beginning of the year	-	-
Provision made during the year	-	-
Provision Reversed during the year	-	-
Provision held at the end of the year	-	-

15.12 Proposed Dividend

The Board of Directors, in their meeting held on April 25, 2024, have proposed a final dividend of ₹16.50 per equity share amounting to ₹1,284.23 crores. The proposal is subject to the approval of shareholders at the ensuing 29th Annual General Meeting and accordingly, this proposed dividend amounting to ₹1,284.23 crores are not recognized as a liability on March 31, 2024 and the same has not been considered as an appropriation from the Profit and Loss Account for the year ended March 31, 2024.

Dividend for the year ended March 31, 2023, paid during the year pursuant to the approval of the shareholders at the 28th Annual General Meeting, at the rate of ₹14 per equity share amounting to ₹1,086.38 crores has been considered as an appropriation from the Profit and Loss Account during the year.

15.13 Letters of Comfort

The Bank has not issued any letters of comfort during the year ended March 31, 2024 (Previous year Nil).

15.14 The Micro, Small and Medium Enterprises Development Act, 2006 that came into force from October 2, 2006, provides for certain disclosures in respect of Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or interest payments due to delays in such payments.

15.15 During the financial year ended March 31, 2024, other than the transactions undertaken in the normal course of banking business and in accordance with extant regulatory guidelines and Bank's internal policies, as applicable:

- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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- No funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

15.16 Disclosure of Material Items

Details of expenditure in excess of 1% of total income and classified under "Other Expenditure" has been provided below. Further, details of Other assets in excess of 1% of total assets and classified under "Other Assets- Others" has been provided below.

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Other Expenditure in excess of 1% of total income.		
Fees Paid For Business Partner	2,355.93	1,738.04
Service Provider Fees*	691.32	686.36
Business Origination Cost#	-	463.02
"Other Assets – Others" in excess of 1% of total Asset.		
RIDF Deposit	5,484.19	7,057.34
MTM Receivable on Derivative Contracts	6,885.61	7,271.00
"Other Liabilities – Others" in excess of 1% of total Asset.		
MTM Payable on Derivatives Contracts#	-	5,532.44

*Service provider fees mentioned in the above table pertain to Fees paid by Consumer Finance Division.

#Business Origination Cost and MTM Payable on Derivatives Contracts are below 1% of total income and total asset respectively in FY 23-24 hence not disclosed.

15.17 Portfolio-level information on the use of funds raised from green deposits

The Bank has not raised any green deposit during the period 1st April 2023 to 31st March 2024.

16. Disclosures – Accounting Standards

16.1 Employee Benefits (AS-15)

Gratuity:

Gratuity is a defined benefit plan. The Bank has obtained qualifying insurance policies from insurance companies approved by the IRDA. The following table presents a summary of the components of net expenses recognized in the Profit and Loss account, and the funded status and amounts recognized in the Balance Sheet, on the basis of actuarial valuation.

(₹ in crore)

No. Particulars	March 31, 2024	March 31, 2023
Changes in the present value of the obligation		
1. Opening balance of Present Value of Obligation	194.38	168.81
2. Interest Cost	13.21	10.54
3. Current Service Cost	21.08	21.27
4. Benefits Paid	(31.97)	(39.50)
5. Actuarial loss / (gain) on Obligation	20.04	29.28
6. Acquisition/Business Combination/Divestiture	-	3.98
7. Closing balance of Present Value of Obligation	216.74	194.38

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for the year ended March 31, 2024

No. Particulars	March 31, 2024	March 31, 2023
Reconciliation of opening and closing balance of the fair value of the Plan Assets		
1. Opening balance of Fair value of Plan Assets	186.15	176.78
2. Adjustment to Opening Balance	(0.35)	0.51
3. Expected Return on Plan assets	14.52	12.46
4. Expenses	-	-
5. Contributions	38.73	41.77
6. Benefits Paid	(31.97)	(39.50)
7. Actuarial gain / (loss) on Plan Assets	(0.06)	(5.87)
8. Closing balance of Fair Value of Plan Assets	207.02	186.15
Profit and Loss – Expenses		
1. Current Service Cost	21.08	21.27
2. Interest Cost	13.21	10.54
3. Expected Return on Plan assets	(14.52)	(12.46)
4. Expenses	-	-
5. Net Actuarial loss recognised in the year	20.10	35.15
6. Expenses recognised in the Profit and Loss account	39.87	54.51
Funded status	100% insurance managed funds	100% insurance managed funds
Actuarial Assumptions		
1. Discount Rate	7.20 – 7.22%	7.39 – 7.44%
2. Expected Rate of Return on Plan Assets	6.76 – 8.00%	6.69 – 8.00%
3. Expected Rate of Salary Increase	5.00%	5.00%
4. Employee Attrition Rate		
- Past Service 0 to 5 years	35.00%	35.00%
- Past Service above 5 years	0.50%	0.50%

Estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Experience Adjustment

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined Benefit Obligations	216.74	194.38	168.81	159.54	139.41
Plan Assets	207.02	186.15	177.30	160.72	147.05
Surplus / (Deficit)	(9.72)	(8.25)	7.97	1.18	7.64
Experience Adjustments on Plan Liabilities	15.90	38.02	7.29	1.79	6.84
Experience Adjustments on Plan Assets	(0.06)	(5.87)	(3.18)	1.27	(2.86)

Contributions expected to be paid to the plan during the annual period beginning after the Balance Sheet date is ₹40 crores (Previous year ₹48 crores).

Schedule forming part of the Standalone Financial Statements

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Compensated Absence

Provision for compensated absences is made on the basis of actuarial valuation as at the Balance Sheet date. The actuarial valuation is carried out using the Projected Unit Credit Method. The details are as follows:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total actuarial liability	104.36	96.52
Total expense included in Schedule 16(l)	7.84	1.22
Assumptions		
Discount Rate	7.20 – 7.22%	7.39% - 7.44%
Salary escalation rate	5.00%	5.00%

Provident Fund

Contributions towards Provident Fund are made to trusts separately established for the purpose and the scheme administered by Regional Provident Fund Commissioner (RPFC), as applicable. In accordance with the guidance note on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by the Institute of Actuaries of India, interest shortfall is provided for based on actuarial valuation. The details of the fund and plan assets position are as follow:

(₹ in crore)

Assets/ Liabilities	March 31, 2024	March 31, 2023
Present value of Interest Rate guarantee on Provident Fund	10.29	9.79
Present value of Total Obligation	383.90	334.38
Fair value of Plan Assets	395.90	339.03
Net asset / (liability) recognized in the Balance Sheet	12.00	4.65
Assumptions		
Normal Retirement age	60 years	60 years
Expected guaranteed interest on PF in future	8.25%	8.15%
Discount rate	7.19% - 7.22%	7.41 - 7.44%
Expected average remaining working lives of employees (years)	7.09 – 8.52	7.98 – 8.60
Benefit on normal retirement	Accumulated account balance with interest rate equal to or more than EPFO Rate	Accumulated account balance with interest rate equal to or more than EPFO Rate
Benefit on early retirement/ withdrawal/ resignation	Same as normal retirement benefit	Same as normal retirement benefit
Benefit on death in service	Same as normal retirement benefit	Same as normal retirement benefit

The Bank has recognised in the profit and loss ₹190.14 crores for the year ended March 31, 2024 (Previous year ₹157.24 crores) towards contribution to the provident fund.

National Pension Scheme (NPS)

During the year, the Bank contributed ₹5.54 crores (Previous year ₹4.37 crores) to the NPS for employees who have opted for the scheme

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

16.2 Segment Reporting (AS 17)

The Bank operates in four business segments, viz. Treasury, Corporate / Wholesale Banking, Retail Banking and Other Banking Operations. There are no significant residual operations carried by the Bank.

(₹ in crore)

Business Segment	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operation		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024*	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue	7,513.10	6,179.01	13,203.96	12,379.44	37,541.05	28,222.29	69.47	74.00	58,327.58	46,854.74
Inter Segment Revenue									(3,191.52)	(2,320.46)
Total Income									55,136.06	44,534.28
Result	191.72	766.88	4,441.97	4,554.16	11,507.87	9,371.90	23.39	26.98	16,164.95	14,719.92
Unallocated Expenses									(424.68)	(373.44)
Operating Profit									15,740.27	14,346.48
Provisions and Contingencies (Other than tax)									(3,798.74)	(4,486.83)
Tax Expenses									(2,991.75)	(2,469.93)
Extraordinary profit/ loss									-	-
Net Profit									8,949.78	7,389.72
Other Information:										
Segment Assets	1,22,398.39	96,656.39	1,29,891.70	1,27,529.55	2,42,918.69	2,14,817.42	-	-	4,95,208.78	4,39,003.36
Digital Banking*					7,733.16	6,336.48				
Other Retail Banking*					2,35,185.53	2,08,480.94				
Unallocated Assets									19,726.37	18,800.69
Total Assets									5,14,935.15	4,57,804.05
Segment Liabilities	47,741.52	49,491.30	1,17,855.16	1,15,167.14	2,70,144.68	2,23,765.78	-	-	4,35,741.36	3,88,424.22
Digital Banking*					31,568.36	24,946.69				
Other Retail Banking*					2,38,576.32	1,98,819.09				
Unallocated Liabilities									79,193.78	69,379.83
Total Liabilities									5,14,935.15	4,57,804.05

Note:

- Fixed Assets, tax paid in advance and tax deducted at source (net of provisions), stationery and stamps, non-banking assets acquired in satisfaction of claims, and others which cannot be allocated to any segments, have been classified as unallocated assets; Depreciation on Fixed Assets has been classified as unallocated expenses. The unallocated liabilities include share capital, employee stock option outstanding, reserves and surplus, dividend and others.
- The above information is extracted from the Management Information System of the Bank and relied on by the auditors.

* RBI's Master Direction on Financial Statements – Presentation and Disclosures, requires to sub-divide 'Retail Banking' into (a) Digital Banking and (b) Other Retail Banking segment.

Schedule forming part of the Standalone Financial Statements

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Geographic Segments:

The business operations of the Bank are largely concentrated in India. Activities outside India are restricted to resource mobilization in the international markets and lending to a few overseas entities through the IFSC Banking Unit at the GIFT City, Gujarat. Since the Bank does not have material earnings emanating from foreign operations, the Bank is considered to operate only in domestic segment.

16.3 Related party transactions (AS-18)

The following is the information on transactions with related parties during the year ended March 31, 2024:

a) Name of Related Party with whom Bank has transactions during the year

Key Management Personnel (KMP)

Mr. Sumant Kathpalia - Managing Director & CEO; Mr. Arun Khurana - Executive Director & Deputy CEO

Relatives of KMP

Mrs. Ira Kathpalia, Mr. Karan Kathpalia, Mr. Arvind Kathpalia, Mr. Ranjeet Kathpalia, Dr. Krishan Kumar Khurana, Mrs. Padma Khurana, Mrs. Nisha Khurana, Mr. Karan Khurana, Mr. Krish Khurana, Dr. Rohit Khurana, Ms. Tanu Mehtani

Associates

IndusInd Marketing and Financial Services Private Limited

Subsidiaries

Bharat Financial Inclusion Limited

b) Transactions during the year

(₹ in crore)

Particulars	Parent (as per ownership control)*	Subsidiaries*	Associates/ Joint Venture*	Key Management Personnel	Relatives of Key Management Personnel	Total
Borrowings	-	-	-	-	-	-
Deposits	-	-	-	68.81	14.34	83.15
	-	-	-	(90.79)	(20.62)	(111.41)
Placement of deposits	-	-	-	-	-	-
Advances	-	-	-	0.01	-	0.01
	-	-	-	(2.67)	-	(2.67)
Investment	-	-	-	-	-	-
Non-funded commitments	-	-	-	-	-	-
Leasing/HP arrangements availed	-	-	-	-	-	-
Leasing/HP arrangements provided	-	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-
Interest paid	-	-	-	4.35	5.83	10.18
Interest received	-	-	-	0.15	-	0.15
Rendering of services	-	-	-	0.00	0.00	0.00
Receiving of services	-	-	-	11.73	-	11.73
Management contracts	-	-	-	-	-	-

*In accordance with RBI guidelines dated March 29, 2003, details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories. Figures in parenthesis represent maximum balance outstanding during the year.

Mr. Arun Khurana was appointed as a Whole Time Director of the Bank effective 16th November 2023. The transactions reported above are from the date of appointment.

The following represents the significant transactions between the Bank and such related parties including relatives of above mentioned KMP during the year ended March 31, 2023:

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

a) Name of Related Party with whom Bank has transactions during the year

Key Management Personnel (KMP)

Mr. Sumant Kathpalia - Managing Director & CEO

Relatives of KMP

Mrs. Ira Kathpalia, Mr. Karan Kathpalia

Associates

IndusInd Marketing and Financial Services Private Limited

Subsidiaries

Bharat Financial Inclusion Limited

b) Transactions during the year

(₹ in crore)

Particulars	Parent (as per ownership control)*	Subsidiaries*	Associates/ Joint Venture*	Key Management Personnel*	Relatives of Key Management Personnel*	Total
Borrowings	-	-	-	-	-	-
Deposits	-	-	-	-	10.37	10.37
					(13.21)	(13.21)
Placement of deposits	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Non-funded commitments	-	-	-	-	-	-
Leasing/HP arrangements availed	-	-	-	-	-	-
Leasing/HP arrangements provided	-	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-
Interest paid	-	-	-	-	1.33	1.33
Interest received	-	-	-	-	-	-
Rendering of services	-	-	-	-	-	-
Receiving of services	-	-	-	-	-	-
Management contracts	-	-	-	-	-	-

*In accordance with RBI guidelines dated March 29, 2003, details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories. Figures in parenthesis represent maximum balance outstanding during the year.

16.4 Operating Leases (AS 19)

The Bank has taken a number of premises on operating lease for branches, offices, ATMs and residential premises for staff. The Bank has not given any assets on operating lease. The details of maturity profile of future operating lease payments are given below:

(₹ in crore)

	March 31, 2024	March 31, 2023
Future lease rentals payable as at the end of the year:		
- Not later than one year	446.51	421.32
- Later than one year but not later than five years	1,280.94	1,229.57
- Later than five years	452.80	417.18
Total of minimum lease payments recognized in the Profit and Loss Account for the year	525.13	461.05
Total of future minimum sub-lease payments expected to be received under non-cancellable sub-lease	-	-
Sub-lease payments recognized in the Profit and Loss account for the year	-	-

The Bank has not sub-let any of the properties taken on lease. There are no provisions relating to contingent rent. The terms of renewal and escalation clauses are those normally prevalent in similar agreements. There are no undue restrictions or onerous clauses in the agreements.

Schedule forming part of the Standalone Financial Statements

for the year ended March 31, 2024

16.5 Earnings per share (AS 20)

The dilutive impact is mainly due to stock options granted to employees by Bank. Details pertaining to earnings per share as per AS 20 are as under:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net Profit after tax (₹ in crore)	8,949.78	7,389.72
Basic weighted average number of equity shares	77,69,68,948	77,52,48,354
Diluted weighted average number of equity shares	77,83,85,308	77,62,55,183
Nominal value of Equity Shares (₹)	10	10
Basic Earnings per Share (₹)	115.19	95.32
Diluted Earnings per Share (₹)	114.98	95.20

The difference between basic and diluted weighted average number of equity shares outstanding in the above mentioned disclosure is primarily on account of effect of potential equity shares for outstanding ESOPs.

16.6 Deferred Tax (AS 22)

The major components of deferred tax assets / liabilities are as under:

(₹ in crore)

	March 31, 2024		March 31, 2023	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Timing difference on account of				
Difference between depreciation as per the books of account and depreciation under the Income Tax Act, 1961	18.55	6.39	11.24	-
Difference between Provisions for doubtful debts and advances and amount allowable under Section 36(1)(viia) of the Income Tax Act, 1961	1,327.65	396.00	1,318.16	-
Difference between income as per the books of account and income offered under the Income Tax Act, 1961	44.63	488.90	-	398.53
Others	819.77	-	791.71	-
Sub-total	2,210.60	891.29	2,121.11	398.53
Net Deferred Tax Asset (included in Sch. 11 – Others)	1,319.31		1,722.58	

Previous year's figures have been regrouped / reclassified wherever necessary.

As per our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Independent Auditors' Report

To the Members of IndusInd Bank Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IndusInd Bank Limited** (hereinafter referred to as 'the Bank') and its Subsidiary (the Bank and its Subsidiary together referred to as 'the Group'), and its Associate, comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by Section 29 of the Banking Regulation Act, 1949, as well as the Companies Act, 2013 (the 'Act') and circulars and guidelines issued by the Reserve Bank of India, in the manner so required for banking companies ('RBI Guidelines') and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 as amended to the extent applicable, of the consolidated state of affairs of the Group and its Associate as at March 31, 2024, and

its consolidated profit, and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit Matters (Risk)	How Was the Key Audit Matter Addressed in the Audit
Identification, Classification, Provisioning and Write off of Advances	
Total Loans and Advances (Net of Provision) as at 31 March 2024 – ₹3,43,29,82,740 (Amount in 000')	
Provision for NPA as at 31 March 2024 – ₹4,72,44,841.04 (Amount in 000')	
(Refer Schedule 9 and Schedule 17(7) to the consolidated financial statements)	
<p>The Reserve Bank of India's ('RBI') guidelines on Income recognition and asset classification and provisioning pertaining to advances ('IRAC norms') prescribe the prudential guidelines for identification and classification of Non performing Assets (NPA) and the minimum provision required for such assets from time to time and other relevant circulars, notifications and directives issued by the RBI which were collectively considered by the Bank till March 31, 2024 to classify its advances into performing and non performing advances and make appropriate provisions thereon.</p> <p>The Bank, as per its governing framework, made the performing and NPA provisions based on Management's assessment of the degree of impairment of the advances subject to and guided by minimum provisioning levels prescribed under the relevant RBI guidelines. Additionally, the Bank makes provisions on exposures that are not classified as NPA including advances to certain sectors and identified advances or group advances. These are classified as contingency provisions.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an Understanding of, evaluated and tested the design and operating effectiveness of key controls (including application controls) around identification of NPA based on the extant IRAC norms on a test check basis; • Verified loans on sample basis to form our own assessment as to whether impact of days past due have been recognised in a timely manner by the Bank as per RBI Guidelines; • Made inquiries of management regarding any effects considered on the NPA identification and / or provisioning, resulting from observations raised by the RBI during their annual inspection of the bank's operations; • For the selected non-performing advances, we assessed Management's forecast and inputs of recoverable cash flows, impact of auditor's (of borrowers) comments on the financial statements, valuation of underlying security and collaterals, as obtained by the Bank for estimation of recoverable amounts on default and other sources of repayment; • Obtained the Board approved note for advances written off during the year and perused the write off policy duly approved by the Board. • Obtained understanding of Credit monitoring process including the governing framework and policy guidelines on Loan Frauds & Red Flagged Accounts • Held specific discussions with the Credit and Risk departments to ascertain how various Early Warning Signal (EWS) and potential defaults have been identified and assessed in identification of NPA;

Key audit Matters (Risk)	How Was the Key Audit Matter Addressed in the Audit
<p>Since; the Bank has significant credit risk exposure to a large number of borrowers across various sectors, products, industries and geographies and there is a high degree of complexity, uncertainty and judgment involved in recoverability of advances, nature of transactions and estimation of provisions thereon and identification of accounts to be written off and given its significance to the overall audit of Financial Statements, we have ascertained the Identification, Classification, Provisioning and Write off of Advances is a Key Audit Matter.</p>	<ul style="list-style-type: none"> Performed credit assessments of samples for both corporate and retail loans including larger exposures assessed by Bank showing signs of deterioration, or in areas of emerging risk (assessed against external market conditions). Reviewed the Bank's risk grading of the loan, and assessment of loan recoverability and the impact on the credit provision using the information on the Borrowers loan file, discussed the case with the concerned officials and senior management to verify the assessment and provisioning done by the Bank <p>Provisions for advances:</p> <ul style="list-style-type: none"> Understood the Bank's processes and perused the policies for determining provisions on advances in compliance with IRAC norms including provisioning for advances covered under Resolution Framework, stressed sectors, date of commencement of commercial operations (DCCO), etc. Verified provision for fraud accounts as at March 31, 2024 as per the RBI circular; Reperformed, on sample basis for both corporate and retail loans, the Days Past Due for loan accounts including their classification and provisioning, to determine the accuracy of the same (Collective for standard portfolio and case specific for non-performing portfolio); Perused the submissions to the Board of Directors for the NPA Provisioning made as at March 31, 2024; and Assessed the appropriateness, accuracy and adequacy of the related presentation and disclosures in accordance with the applicable accounting standards and requirements of RBI with respect to NPAs.
<p>Information Technology (IT) Systems and Controls</p> <p>The Bank has a complex IT architecture to support its day - to - day business operations. The volume of transactions processed and recorded is huge. Moreover, a transaction may be required to be recorded across multiple applications depending upon the process and each application has different rules and a different set of user access and authority matrix.</p> <p>All these applications are not fully customized to take care off all user's requirement. These applications are interlinked using different technologies so that data transfer happens in real time or at a particular time of the day; in batches or at a transaction level and in an automated manner or manually. The Core Banking Solution (CBS) itself has many interfaces. All these data streams directly affect the financial accounting and reporting process of the Bank.</p> <p>The Bank has a process for identifying the applications where the controls are embedded. The Bank's IT control framework includes automated, semi-automated and manual controls designed to address identified risks.</p> <p>IT controls are stated in Entity Level Controls (ELC), IT General Controls (ITGC) and IT Application Controls (ITAC). Further the Bank has identified critical softwares impacting the financial accounting and its reporting from the existence and completeness of audit trail (edit log).</p> <p>We have identified IT systems and controls Framework as a Key Audit Matter as the Bank's business is highly dependent on technology, high level of automation, significant number of systems being used, the IT environment is complex, and the design and operating effectiveness of IT controls have a direct impact on its financial reporting process. Review of these systems and controls allows us to provide assurance on the integrity and completeness of data processed through various IT applications which are used for financial accounting & reporting</p>	<p>Our Audit procedures with respect to this matter included:</p> <p>IT audit specialists are an integral part of our engagement team. Our approach of testing IT General Controls (ITGC) and IT Application Controls (ITAC) is risk based and business centric.</p> <p>As part of our IT controls testing, we have tested ITGC as well as ITAC. The focus of testing of ITGCs was based on the various parameters such as Completeness, Validity, Identification / Authentication Authorization, Integrity and accountability. On the other hand, focus of testing automated controls from applications was whether the controls prevent or detect unauthorized transactions and support financial objectives including completeness, accuracy, authorization, and validity of transactions.</p> <p>We gathered an understanding of IT applications landscape implemented at the Bank during the year. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people, process and technology.</p> <p>In ITGC testing, on sample basis, we reviewed control areas such as User Management, Change Management, Systems Security, cyber security, interface testing, deployment of new applications, Incident Management, Physical & Environmental Security, Backup and Restoration, Business Continuity and Disaster Recovery, Service Level Agreement, end of day operations, various submission made to the regulators under risk based supervision.</p> <p>For ITAC, we carried out on sample basis, compliance tests of system functionality in order to assess the accuracy of system functionality. We also carried out procedures such as validations and limit checks on data entered into applications, approvals, process dependencies and restriction on time period in which transactions may be recorded.</p> <p>We verified audit trail (edit log) on test check basis for applications which are used for financial accounting and reporting. Further we reviewed the existence and efficacy of audit trail done by the management. We have also referred the component auditor report on audit trail.</p> <p>We tested the control environment using various techniques such as inquiry, walkthroughs in live environment, review of documentation / record / reports, observation and reperformance. We also tested few controls using negative testing technique.</p> <p>Verified compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant, changes made to the IT landscape during the audit period.</p>

Information other than the consolidated financial statements and Auditors' Report thereon

The Bank's Management and Board of Directors is responsible for the other information. The other information comprises the Pillar 3 Disclosures under the New Capital Adequacy Framework (Basel III disclosures), which we obtained prior to the date of this auditors' report, and Director's Report including Annexures to Director's Report which is part of the Annual report (collectively called as 'Other Information') but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Bank's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Companies Accounting Standard Rules 2021, as amended to the extent applicable, and RBI Guidelines. The respective Board of Directors of the companies included in the Group and of its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, Banking Regulations Act, 1949 and the RBI Guidelines for safeguarding the assets of the Group and its Associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation and presentation of the consolidated financial statements by the Directors of the Bank, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its Associate are responsible for assessing the ability of the Group and of its Associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management

either intends to liquidate the Group and its Associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Associate are also responsible for overseeing the financial reporting process of the Group and of its Associate.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Bank, its Subsidiary company and Associate company, which are companies incorporated in India, have adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management in the consolidated financial statements.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Bank and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- We did not audit the financial statements of one Subsidiary whose financial statements reflect Group's share of total assets of ₹92,80,742 thousand (before consolidation adjustments) as at March 31, 2024, Group's share of total revenues of ₹2,33,46,403 thousand and Group's share of net cash outflows of ₹27,05,245 thousand for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax of ₹3,066 thousand for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one Associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated

financial statements, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary and Associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiary and Associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements audited by other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the Subsidiary and Associate, as noted in the Other Matters Section above we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act read with Companies Accounting Standard Rules, 2021, as amended, to the extent they are not inconsistent with accounting policies prescribed by RBI;
- On the basis of the written representations received from the directors of the Bank as on March 31, 2024 taken on record by the Board of Directors of the Bank and the reports of the statutory auditors of its Subsidiary company and Associate company, incorporated in India, none of the directors of the Group and its Associate company, incorporated in India, are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank, its Subsidiary company and its Associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in the "Annexure A";

- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended; in our opinion and to the best of our information and according to the explanations given to us by the Bank and the reports of the statutory auditors of its Subsidiary company and Associate company, incorporated in India, the remuneration paid / provided to its directors during the year by the Subsidiary company and Associate company incorporated in India is in accordance with the provisions of Section 197 of the Act. Further, the Bank is a banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act do not apply to the Bank by virtue of Section 35B (2A) of the Banking Regulation Act, 1949.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014; as amended, in our opinion and to the best of our information and according to the explanations given to us and based on our audit and on the consideration of report of the other auditors on separate financial statements of the Subsidiary company and Associate company as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associate - Refer Schedule 12 and Schedule 18(3) to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Schedule 18(4) to the consolidated financial statements in respect of such items as it relates to the Group and its Associate;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank, its Subsidiary company and Associate company incorporated in India during the financial year ended March 31, 2024;
 - iv. (a) Based on our audit report on separate financial statements of the Bank and consideration of reports of other auditors on separate financial statements of its Subsidiary company and Associate company respectively, incorporated in India, whose financial statements have been audited under the Act, the management of the Bank and the respective management of the aforesaid Subsidiary and Associate, have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts of the consolidated financial statements under Schedule 18 (10.4(1)), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group and its Associate, to or in any other persons or entity, ('Intermediaries'), with the understanding,

whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group and its Associate ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) Based on our audit report on separate financial statements of the Bank and consideration of report of the other auditors on separate financial statements of its Subsidiary company and Associate company respectively, incorporated in India, whose financial statements have been audited under the Act, the management of the Bank and the respective management of the aforesaid Subsidiary and Associate, have represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts of the consolidated financial statements under Schedule 18 (10.4(2)), no funds have been received by the Group, its Associate, from any persons or entities, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group and its Associate, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of report of the other auditors on separate financial statements of the Subsidiary company and Associate company respectively, incorporated in India, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v. On the basis of our verification and on consideration of the reports of the statutory auditors of Subsidiary company and Associate company that are Indian companies under the Act, we report that:
 - a. The final dividend proposed in the previous year, declared and paid by the Bank during the year is in compliance with section 123 of the Act, as applicable.
 - b. The Board of Directors of the Bank have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The amount of dividend proposed is in compliance with Section 123 of the Act, as applicable.

Further, based on the audit report of the Subsidiary company and Associate company, incorporated in India, those entities have neither declared nor paid any dividend during the year.

- vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiary and associate which are incorporated in India whose financial statements have been audited under the Act, the Bank, subsidiary and associate have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the accounting softwares.

Further, during the course of our audit, we and respective auditors of the above referred subsidiary and associate did not come across any instance of audit trail feature being tampered with.

For M.P. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No.101851W

Anagha Thatte

Partner

Membership No. 105525

UDIN: 24105525BKFUBD4306

Place: Mumbai

Date: April 25, 2024

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Tushar Kurani

Partner

Membership No. 118580

UDIN: 24118580BKFLXU4021

Place: Mumbai

Date: April 25, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditors' Report of even date to the members of IndusInd Bank Limited on the consolidated financial statements for the year ended March 31, 2024]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Bank as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of IndusInd Bank Limited (hereinafter referred to as "Bank"), its subsidiary company (the Bank and its subsidiary together referred to as "the Group") and its associate company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Bank, its subsidiary company and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI") (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective companies' policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Bank, its subsidiary company and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("the Standards"), issued by the ICAI and deemed to be, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Bank, its subsidiary company and its associate company.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Bank's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial control with reference to consolidated financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Bank, its subsidiary company and its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to the Bank's subsidiary company and associate company which are companies incorporated in India, is based on the corresponding reports of the other auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For M.P. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No.101851W

Anagha Thatte

Partner

Membership No. 105525

UDIN: 24105525BKFU4306

Place: Mumbai

Date: April 25, 2024

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Tushar Kurani

Partner

Membership No. 118580

UDIN: 24118580BKFLXU4021

Place: Mumbai

Date: April 25, 2024

Consolidated Balance Sheet

As at March 31, 2024

₹ in '000s

Particulars	Schedule	As at March 31, 2024	As at March 31, 2023
Capital and Liabilities			
Capital	1	778,32,00	775,89,52
Employee Stock Options Outstanding	18(Note 8.2)	103,51,51	44,32,29
Reserves and Surplus	2	62325,72,83	54184,39,53
Deposits	3	384585,66,71	336120,19,13
Borrowings	4	47611,41,13	49011,23,42
Other Liabilities and Provisions	5	19689,32,93	17700,59,41
Total		515093,97,11	457836,63,30
Assets			
Cash and Balances with Reserve Bank of India	6	18560,51,53	42974,82,71
Balances with Banks and Money at Call and Short Notice	7	18346,88,80	13801,93,44
Investments	8	106486,49,23	83075,68,42
Advances	9	343298,27,40	289923,68,27
Fixed Assets	10	2324,02,17	2078,92,79
Other Assets	11	26077,77,98	25981,57,67
Total		515093,97,11	457836,63,30
Contingent Liabilities	12	1638930,84,68	1264262,58,16
Bills for Collection		36152,26,54	33751,82,65
Significant Accounting Policies	17		
Notes to the Financial Statements	18		

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date.

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

For and on behalf of Board of Directors

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Consolidated Profit and Loss Account

For the period ended March 31, 2024

₹ in '000s

Particulars	Schedule	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Income			
Interest earned	13	45748,21,37	36367,92,05
Other income	14	9395,77,02	8172,77,05
Total		55143,98,39	44540,69,10
II. Expenditure			
Interest expended	15	25132,29,43	18775,79,67
Operating expenses	16	14147,63,33	11345,86,70
Provisions and contingencies		6887,07,09	6975,89,31
Total		46166,99,85	37097,55,68
III. Profit			
Net Profit for the year		8976,98,54	7443,13,42
Add : Share in profit / (loss) of Associate		30,66	36,36
Profit brought forward		24176,30,13	19252,30,56
Total		33153,59,33	26695,80,34
IV. Appropriations			
a) Transfer to statutory reserve		2237,44,51	1847,42,79
b) Transfer to capital reserve		43,29,63	10,18,89
c) Transfer to investment fluctuation reserve account		200,00,00	3,00,00
d) Dividend paid		1086,37,52	658,88,53
		3567,11,66	2519,50,21
Balance carried over to the Balance Sheet		29586,47,67	24176,30,13
Total		33153,59,33	26695,80,34
V. Earnings per equity share			
(Face value of ₹10/- per share)			
Basic (₹)	18(Note 9.5)	115.54	96.01
Diluted (₹)	18(Note 9.5)	115.33	95.89
Significant Accounting Policies			
Notes to the Financial Statements			

The schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

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Arun Khurana

Executive Director & Deputy CEO

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Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Consolidated Cash Flow Statement

For the year ended March 31, 2024

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash Flow from Operating Activities		
Net Profit before taxation	11979,19,75	9932,19,36
Adjustments for :		
Depreciation on Fixed assets	463,03,97	407,20,62
Depreciation/Revauation loss on Investments	452,36,74	381,99,28
Employees Stock Option expenses	59,19,22	28,25,27
Loan Loss and Other Provisions	3335,41,32	4185,43,49
Amortisation of premium on HTM investments	390,92,13	402,15,11
Loss on sale of fixed assets	3,13,82	2,77,86
Share in current period profit of Associate	30,66	36,36
Operating Profit before Working Capital changes	16683,57,61	15340,37,35
Adjustments for :		
(Increase) in Advances	(56710,00,45)	(55057,58,30)
(Increase) in Investments	(24254,09,68)	(12929,93,39)
(Increase) / Decrease in Other Assets	72,67,33	(5802,45,02)
Increase in Deposits	48465,47,58	42770,72,18
Increase in Other Liabilities	1988,73,52	4432,29,53
Net Cash (used in) Operations	(13753,64,09)	(11246,57,65)
Direct Taxes paid (net of refunds)	(3171,08,85)	(1195,69,85)
Net Cash (used in) Operating Activities	(16924,72,94)	(12442,27,50)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets (including WIP)	(730,00,89)	(571,09,45)
Proceeds from sale of Fixed Assets	18,73,72	10,93,34
Net Cash (used in) Investing Activities	(711,27,17)	(560,16,11)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares (net of issue expenses)	244,66,03	85,70,80
Dividends paid	(1086,37,52)	(658,88,53)
Redemption of Perpetual Debt instruments	(1489,90,00)	(1000,00,00)
Increase in Borrowings	90,07,71	2688,01,11
Net Cash (used in)/generated from Financing Activities	(2241,53,78)	1114,83,38

Consolidated Cash Flow Statement

For the year ended March 31, 2024

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Effect of foreign currency translation reserve	8,18,07	79,65,60
Net Increase in Cash and Cash Equivalents	(19,86,93,582)	(11,80,79,463)
Cash and Cash Equivalents at the beginning of the year	56776,76,15	68584,70,78
Cash and Cash Equivalents at the end of the year	36907,40,33	56776,76,15

Notes:

- The above Consolidated Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements.
- Figures in bracket indicate cash outflow.
- Cash and cash equivalents comprise of Cash in Hand and Balance with RBI (Schedule 6) and Balance with Banks and Money at Call and Short Notice (Schedule 7).

As per our report of even date.

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

For and on behalf of Board of Directors

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Consolidated Schedules

Schedule - 1 Capital

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Capital		
1,00,00,00,000 (Previous year 1,00,00,00,000) equity shares of ₹10 each	1000,00,00	1000,00,00
Issued, Subscribed and Called Up Capital		
77,83,19,951 Previous year (77,58,95,198) equity shares of ₹10 each	778,32,00	775,89,52
Paid up Capital		
77,83,19,951 Previous year (77,58,95,198) equity shares of ₹10 each	778,32,00	775,89,52
Total	778,32,00	775,89,52

Schedule - 2 Reserves and Surplus

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Statutory Reserve		
Opening balance	9987,52,82	8140,10,03
Additions during the year	2237,44,51	1847,42,79
	12224,97,33	9987,52,82
II Share Premium Account		
Opening balance	18528,50,06	18444,02,46
Additions during the year	242,23,55	84,47,60
	18770,73,61	18528,50,06
III Revaluation Reserve		
Opening balance	301,66,08	307,63,35
Transfer to General Reserve	(5,97,27)	(5,97,27)
	295,68,81	301,66,08
IV Foreign Currency Translation Reserve		
Opening balance	114,80,79	35,15,19
Additions during the year	8,18,07	79,65,60
	122,98,86	11480,79
V Revenue & Other Reserve		
(a) General Reserve		
Opening balance	26,24,65	20,27,38
Transfer from Revaluation Reserve	5,97,27	5,97,27
	32,21,92	26,24,65
(b) Capital Reserve		
Opening balance	644,03,66	633,84,77
Additions during the year	43,29,63	10,18,89
	687,33,29	644,03,66
(c) Capital Reserve on Consolidation		
Opening balance	35	35
Additions during the year	-	-
	35	35
(d) Investment Fluctuation Reserve		
Opening balance	354,68,08	351,68,08
Additions during the year	200,00,00	3,00,00
	554,68,08	354,68,08
(e) Amalgamation Reserve		
Opening balance	50,62,91	50,62,91
Additions on Amalgamation	-	-
	50,62,91	50,62,91
Total Revenue & Other Reserve	1324,86,55	1075,59,65
VI Balance in the Profit and Loss Account	29586,47,67	24176,30,13
Total	62325,72,83	54184,39,53

Consolidated Schedules

Schedule - 3 Deposits

Particulars	₹ in '000s	
	As at March 31, 2024	As at March 31, 2023
A I Demand Deposits		
i) From banks	1123,86,48	1773,95,32
ii) From others	45865,45,31	48826,01,62
II Savings Bank Deposits	98676,27,78	84128,39,32
III Term Deposits		
i) From banks	19972,10,01	20586,75,64
ii) From others	218947,97,13	180805,07,23
Total	384585,66,71	336120,19,13
B Deposits of Branches		
I In India	377591,64,96	328583,72,54
II Outside India	6994,01,75	7,53,64,659
Total	384585,66,71	336120,19,13

Schedule - 4 Borrowings

Particulars	₹ in '000s	
	As at March 31, 2024	As at March 31, 2023
I Borrowings in India		
i) Reserve Bank of India	-	-
ii) Other banks	300,36,35	-
iii) Other institutions and agencies	23500,04,00	27953,09,00
iv) Borrowing in form of bonds and debentures (excluding subordinated Debt)	1500,00,00	1500,00,00
v) Capital Instruments		
a) Unsecured non-convertible perpetual non-cumulative bonds (Subordinated additional tier 1 capital)	-	1489,90,00
b) Unsecured non-convertible redeemable debentures/bonds (Subordinated debt tier 2 bond)	2800,00,00	2800,00,00
II Borrowings outside India	19511,00,78	15268,24,42
Total	47611,41,13	49011,23,42
Secured borrowings, other than Market repo borrowings, including tri-party repo, and borrowings from RBI under Liquidity Adjustment Facility/ Marginal Standing Facility	-	-

Schedule - 5 Other Liabilities and Provisions

Particulars	₹ in '000s	
	As at March 31, 2024	As at March 31, 2023
I Bills payable	1394,42,49	1144,56,52
II Inter-office adjustments (net)	-	-
III Interest accrued	1942,60,94	1830,29,44
IV Others	16352,29,50	14725,73,45
Total	19689,32,93	17700,59,41

Schedule - 6 Cash and Balances with Reserve Bank of India

Particulars	₹ in '000s	
	As at March 31, 2024	As at March 31, 2023
I Cash in hand (including foreign currency notes)	1226,84,53	1239,30,33
II Balances with Reserve Bank of India		
i) In Current Account	16433,67,00	15785,52,38
ii) In Other Accounts	900,00,00	25950,00,00
Total	18560,51,53	42974,82,71

Consolidated Schedules

Schedule - 7 Balances with Banks and Money at Call and Short Notice

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I In India		
i) Balances with Banks		
a) In Current Accounts	294,40,05	503,97,56
b) In Other Deposit Accounts	1376,18,25	-
ii) Money at Call and Short Notice		
a) with Banks	-	-
b) with other institution	4186,49,32	4204,55,70
Total	5857,07,62	4708,53,26
II Outside India		
i) In Current Accounts	2613,23,31	2684,14,18
ii) In Other Deposit Accounts	6473,65,47	3656,56,50
iii) Money at call and short notice	3402,92,40	2752,69,50
Total	12489,81,18	9093,40,18
Grand Total	18346,88,80	13801,93,44

Schedule - 8 Investments

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I In India		
Gross Value	107511,41,26	84140,29,86
Less : Aggregate of provision / depreciation	1205,82,39	1323,09,97
Net value of Investments in India	106305,58,87	82817,19,89
Comprising :		
i) Government securities*	96467,98,30	76511,68,06
ii) Other approved securities	-	-
iii) Shares	166,97,24	634,97,02
iv) Debentures and bonds	58,75,49	58,84,37
v) Subsidiaries and / or Joint Ventures	-	-
vi) Others - Certificate of Deposits, Commercial Papers, Security Receipts, Pass Through Certificates, Units of schemes of Mutual Funds, Venture Capital Funds and Others	9608,38,46	5608,51,73
vii) Associate (1)	3,49,38	3,18,71
II Outside India		
Gross Value	180,92,90	258,48,53
Less : Aggregate of provision / depreciation	2,54	-
Net value of Investments outside India	180,90,36	258,48,53
Comprising :		
i) Government securities	165,04,53	81,38,14
ii) Debentures and bonds	15,85,83	177,10,38
iii) Others	-	-
Total	106486,49,23	83075,68,42

Consolidated Schedules

Particulars	As at March 31, 2024	As at March 31, 2023
III Investment in India		
i) Gross value of investments	107511,41,26	84140,29,86
ii) Aggregate of provision for depreciation	1205,82,39	1323,09,97
iii) Net investments (i-ii)	106305,58,87	82817,19,89
IV Investment outside India		
i) Gross value of investments	180,92,90	258,48,53
ii) Aggregate of provision for depreciation	2,54	-
iii) Net investments (i-ii)	180,90,36	258,48,53
(1) Investment in Associate		
Investment at Cost	30	30
Add : Capital Reserve on the date of Acquisition	35	35
Equity Investment in Associate	65	65
Add : Post-acquisition profit / (loss) of Associate (Equity method)	3,48,73	3,18,06
Less : Share of Unrealised Profit in Associate	-	-
Total	3,49,38	3,18,71

*Includes Securities of ₹2,748.39 crores (previous year ₹1,431.11 crores) pledged with CCIL & NSE for margin requirements

Schedule - 9 Advances

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
A		
i) Bills purchased and discounted	17068,83,52	11210,95,47
ii) Cash credits, overdrafts and loans repayable on demand	91894,94,19	74732,64,96
iii) Term loans	234334,49,69	203980,07,84
Total	343298,27,40	289923,68,27
B		
i) Secured by tangible assets	224503,38,88	191609,59,60
ii) Covered by Bank/ Government Guarantees (including advances against L/Cs issued by Banks)	6227,75,67	3594,83,81
iii) Unsecured	112567,12,85	94719,24,86
Total	343298,27,40	289923,68,27
C I Advances in India		
i) Priority Sector	103379,76,04	94398,28,55
ii) Public Sector	10391,42,74	10134,40,31
iii) Banks	4601,63,84	1279,08,19
iv) Others	220097,74,95	177049,30,16
Total Advances in India	338470,57,57	282861,07,21
II Advances outside India		
i) Due from banks	-	-
ii) Due from others	4827,69,83	7062,61,06
(a) Bills purchased and discounted	1589,39,80	1778,25,62
(b) Syndicated loans	990,67,42	1758,26,88
(c) Others	2247,62,61	3526,08,56
Total Advances outside India	4827,69,83	7062,61,06
Total	343298,27,40	289923,68,27

Consolidated Schedules

Schedule - 10 Fixed Assets

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Premises		
i) At cost as on 31 st March of the preceding year	869,98,25	869,98,25
ii) Additions during the year	2,07,07	-
	872,05,32	869,98,25
iii) Less : Deductions during the year	-	-
Closing Balance	872,05,32	869,98,25
iv) Less : Depreciation to date	158,69,79	144,72,05
Total	713,35,53	725,26,20
II Other Fixed Assets (including furniture and fixtures)		
i) At cost as on 31 st March of the preceding year	3652,74,62	3242,44,52
ii) Additions during the year	666,40,38	529,68,40
	4319,15,00	3772,12,92
iii) Less : Deductions during the year	167,39,51	119,38,30
Closing Balance	4151,75,49	3652,74,62
iv) Less : Depreciation to date	2738,04,22	2434,50,56
Total	1413,71,27	1218,24,06
III Capital Work in Progress (net of provision)	196,95,37	135,42,53
Grand Total	2324,02,17	2078,92,79

Schedule - 11 Other Assets

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Interest accrued	3097,98,78	2394,99,41
II Tax paid in advance / tax deducted at source	843,75,67	239,54,96
III Stationery and stamps	71,62	71,58
IV Non-banking assets acquired in satisfaction of claims	-	63,96,57
V Others	22135,31,91	23282,35,15
Total	26077,77,98	25981,57,67

Schedule - 12 Contingent Liabilities

₹ in '000s

Particulars	As at March 31, 2024	As at March 31, 2023
I Claims against the bank not acknowledged as debts	1498,63,96	638,24,48
II Liability for partly paid investments	-	-
III Liability on account of outstanding forward exchange contracts	675249,05,27	536483,05,13
IV Liability on account of outstanding other Derivative Contracts	882250,77,98	649147,93,12
V Guarantees given on behalf of constituents		
- In India	66328,55,97	60939,83,57
- Outside India	176,62,71	-
VI Acceptances, Endorsements and Other Obligations	13264,51,31	16471,09,96
VII Other Items for which the bank is contingently liable	162,67,48	582,41,90
Total	1638930,84,68	1264262,58,16

Consolidated Schedules

Schedule - 13 Interest Earned

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Interest/ discount on advances/ bills	38119,31,12	29944,51,82
II Income on investments	6202,19,22	4691,63,08
III Interest on balances with Reserve Bank of India and other inter-bank funds	1157,06,56	1442,29,29
IV Others	269,64,47	289,47,86
Total	45748,21,37	36367,92,05

Schedule - 14 Other Income

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Commission, exchange and brokerage	6634,39,73	5646,14,65
II Profit on sale of investments (net)	408,41,27	65,37,87
III Profit on revaluation of investments	97,07,81	(82,00,59)
IV Profit / (Loss) on sale of land, buildings and Other assets (net)	(3,13,82)	(2,77,86)
V Profit on exchange transactions / derivatives (net)	1484,47,21	1793,44,53
VI Income earned by way of dividends from subsidiaries in India	-	-
VII Miscellaneous income	774,54,82	752,58,45
Total	9395,77,02	8172,77,05

Schedule - 15 Interest Expended

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Interest on deposits	21708,43,63	15679,17,80
II Interest on Reserve Bank of India / inter-bank borrowings	972,05,70	611,59,36
III Others	2451,80,10	2485,02,51
Total	25132,29,43	18775,79,67

Schedule - 16 Operating Expenses

₹ in '000s

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I Payments to and provisions for employees	5373,92,88	4178,65,67
II Rent, taxes and lighting	744,03,99	634,58,02
III Printing and stationery	120,27,50	104,94,94
IV Advertisement and publicity	159,73,55	95,11,69
V Depreciation on bank's property	463,03,97	407,20,62
VI Director's fees, allowances and expenses	6,64,03	6,47,13
VII Auditor's fees and expenses	4,20,62	3,53,36
VIII Law charges	69,77,11	62,40,66
IX Postage, Telegrams, Telephones, etc.	220,95,59	172,69,24
X Repairs and maintenance	465,58,11	401,01,09
XI Insurance	562,89,17	496,42,59
XII Other expenditure	5956,56,81	4782,81,69
Total	14147,63,33	11345,86,70

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Schedule 17 Significant accounting policies

Background

IndusInd Bank Limited ('the Bank') was incorporated in 1994 under the Companies Act, 1956 and is licensed by the Reserve Bank of India (RBI) to operate as a commercial bank under the Banking Regulation Act, 1949. The Bank is publicly held and engaged in providing a wide range of banking products and financial services to corporate and retail clients besides undertaking treasury operations. The Bank operates in India including at the International Financial Service Centre in India (IFSC), at GIFT City, and does not have a branch in any foreign country.

1. Principles of Consolidation

- 1.1 The consolidated financial statements comprise the financial statements of IndusInd Bank Limited (the Bank), Bharat Financial Inclusion Limited (BFIL), a wholly owned subsidiary, and IndusInd Marketing and Financial Services Private Limited (IMFS), an Associate of the Bank (the 'Group').
- 1.2 The Bank consolidates its subsidiary in which it holds 100% control on a line by line basis by adding together like items of assets, liabilities, income and expenses in accordance with Accounting Standard 21 'Consolidated Financial Statement' specified under section 133 and relevant provision of the Companies Act 2013 (as amended). Intragroup balances and intragroup transactions if any, are eliminated in full.
- 1.3 The investment in Associate is consolidated using equity method in accordance with Accounting Standard 23 "Accounting for Investment in Associate in Consolidated Financial Statement specified under section 133 and relevant provision of the companies Act 2013 (as amended). The difference between the cost of investment in the Associate and its share of net assets at the time of acquisition of shares in the Associate, is identified in the consolidated financial statements as goodwill or capital reserve, as the case may be.
- 1.4 The consolidated financial statements present the accounts of the Bank with its Subsidiary as under:

Name of the Subsidiary	Country of Origin	% Shareholding of Group as at March 31, 2024	% Shareholding of Group as at March 31, 2023
Bharat Financial Inclusion Limited (formerly known as IndusInd Financial Inclusion Limited)	India	100%	100%

As per AS-23, the Consolidated Financial Statements incorporate the audited financial statements of the following associate:

Name of the Associate	Country of Origin	% Shareholding of Group as at March 31, 2024	% Shareholding of Group as at March 31, 2023
IndusInd Marketing & Financial Services Private Limited	India	30%	30%

2. Basis of preparation

- 2.1 The accompanying consolidated financial statements have been prepared and presented under the historical cost convention except where otherwise stated. and in accordance with statutory requirements prescribed under the Banking Regulation Act 1949, circulars and guidelines issued by RBI from time to time (RBI guidelines), accounting standards referred to in Section 133 of the Companies Act, 2013 (the Act) read together with the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Act in so far as they apply to the Bank and practices prevailing within the banking industry in India. Accounting policies have been consistent with the previous year except otherwise stated.

3. Use of Estimates

- 3.1 The preparation of the consolidated financial statements in conformity with generally accepted accounting principles in India requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities (including contingent liabilities) at the date of the financial statements, revenues and expenses during the reporting period. Management believes that the estimates and assumptions used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4. Transactions involving Foreign Exchange

- 4.1 Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- 4.2 Monetary assets and liabilities of domestic and integral foreign operations (representative offices) denominated in foreign currency are translated at the Balance Sheet date at the closing rates of exchange notified by the Foreign Exchange Dealers' Association of India ('FEDAI') and the resulting gains or losses are recognised in the Profit and Loss account.
- 4.3 Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and all non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

IndusInd Bank Limited:

- 4.4 Both monetary and non-monetary assets and liabilities of non-integral foreign operations are translated at the Balance Sheet date at the closing rates of exchange notified by the 'FEDAI' and the resulting gains or losses are accumulated in the foreign currency translation reserve until disposal of the net investment at which time they are recognised in Profit and Loss Account as gains or losses.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

- 4.5 Income and expenditure of domestic and integral foreign operations denominated in a foreign currency is translated at the rates of exchange prevailing on the date of the transaction. Income and expenditure of non-integral foreign operations is translated at daily average closing rates.
- 4.6 Contingent liabilities at the Balance Sheet date on account of outstanding forward foreign exchange contracts, guarantees, acceptances, endorsements and other obligations denominated in a foreign currency are stated at the closing rates of exchange notified by the FEDAI.

Bharat Financial Inclusion Ltd:

- 4.7 Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise.

5. Investments

IndusInd Bank Limited:

Classification and valuation of the Bank's investments are carried out in accordance with RBI Circular. Significant accounting policies in accordance with relevant RBI guidelines are as follows:

5.1 Categorisation of Investments

The Bank classifies its investment at the time of purchase into one of the following three categories:

- (i) **Held to Maturity (HTM)** – Securities acquired with the intention to hold till maturity.
- (ii) **Held for Trading (HFT)** – In accordance with relevant RBI guidelines, securities acquired with the intention to trade are classified under HFT category. HFT securities which remain unsold for a period of 90 days are transferred to AFS category.
- (iii) **Available for Sale (AFS)** – Securities which do not fall within the above two categories.

Subsequent shifting amongst the categories is done in accordance with relevant RBI guidelines.

5.2 Classification of Investments

For the purpose of disclosure in the Balance Sheet, investments are classified under six groups viz., (i) Government Securities, (ii) Other Approved Securities, (iii) Shares, (iv) Debentures and Bonds, (v) Investments in Subsidiaries and Joint Ventures, and (vi) Other Investments.

5.3 Acquisition cost

- (i) Broken period interest on debt instruments is treated as a revenue item.
- (ii) Brokerage, commission, etc. pertaining to investments, paid at the time of acquisition is charged to the Profit and Loss account.
- (iii) Cost of investments is computed based on the weighted average cost method.

5.4 Valuation of Investments

- (i) **Held to Maturity** – Each security in this category is carried at its acquisition cost or amortised cost. In case securities are acquired at premium, premium on acquisition of the security is amortised over the balance period to maturity. The premium amortization is recognized in Profit and Loss Account under Interest earned – Income on investments (Item II of Schedule 13). The book value of the security is reduced to the extent of premium amortized. Other than temporary diminution is determined and provided for each investment individually.
- (ii) **Held for Trading** – Securities are valued scripwise and depreciation / appreciation is aggregated for each classification. The book value of the individual securities is not changed as a result of periodic valuations. Net appreciation in each classification is ignored, while net depreciation is provided for.
- (iii) **Available for Sale** – Securities are valued scrip-wise and depreciation / appreciation is aggregated for each classification. The book value of the individual securities is not changed as a result of periodic valuations. Net appreciation in each classification is ignored, except to the extent of depreciation previously provided for, while net depreciation is provided for.
- (iv) Market value of government securities including SDLs (excluding treasury bills) is determined on the basis of the prices / YTM published by Financial Benchmark India Private Limited (FBIL).
- (v) Treasury bills including US treasury bills, commercial papers and certificate of deposits are valued at carrying cost. Carrying cost is defined as acquisition cost adjusted for the discount accreted over the period till maturity at the rate prevailing at the time of acquisition.
- (vi) Pass Through Certificates (PTC) are valued by using FIMMDA credit spread as applicable for the NBFC category, based on the credit rating of the respective PTC over the Government of India curve published by FBIL.
- (vii) Fair value of other debt securities is determined basis traded price Security Level valuation published by FIMMDA or based on the yield curve published by FBIL and relevant credit spreads corresponding to rating and residual maturity published by Fixed Income Money Market and Derivatives Association (FIMMDA). Foreign Currency (FCY) bonds are valued basis the prices sourced from Bloomberg.
- (viii) Quoted equity shares held under AFS and HFT categories are valued at the closing price on a recognised stock exchange, in accordance with the relevant RBI guidelines. Unquoted equity shares are valued at their break-up value or at Re. 1 per company where the latest Balance Sheet is not available continuously for more than 18 months as on the date of valuation.
- (ix) Units of the schemes of mutual funds are valued at latest repurchase price / Net Asset Value (NAV) provided by the respective schemes of mutual funds.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

- (x) Investments in equity shares held as long-term investments and classified under HTM category are valued at cost. Provision for other than temporary diminution in the value of such long-term investments is made.
- (xi) The depreciation on securities acquired by way of conversion of outstanding loans is provided in accordance with RBI guidelines.
- (xii) Investments in subsidiary and associate are classified under HTM category and valued at cost. Such investments are assessed for impairment and other than temporary diminution in value is provided for.
- (xiii) Security Receipts (SR) are valued at the lower of redemption value and NAV obtained from the Securitisation Company (SC) / Reconstruction Company (RC). As per RBI guideline, in respect of investments in SRs which are more than 10% of stressed assets sold by the Bank, the value is subject to a prudential floor considering the asset classification of the stressed assets, had such assets remained on the books of the Bank.
- (xiv) Purchase and sale transaction in securities are recorded under Settlement Date method of accounting, except in the case of the equity shares where Trade Date method of accounting is followed.
- (xv) Provision for non-performing investments is made in conformity with relevant RBI guidelines. Interest on non-performing investments is not recognized in the profit and loss account unless received.
- (xvi) Repurchase (Repo) and Reverse Repurchase (Reverse Repo) transactions with Banks or other institutions are accounted for as collateralised borrowing and lending (lending above 14 days tenor classified under advances) respectively. Repurchase (Repo) and Reverse Repurchase (Reverse Repo) with original maturity up to 14 days with RBI are accounted for as collateralised borrowing or Balance with RBI respectively. Balances held under Standing Deposit Facility (SDF) has been reported under Cash and Balances with RBI. Borrowing cost on repo transactions is accounted as interest expense and revenue on reverse repo transactions is accounted as interest income.
- (xvii) In respect of the short sale transactions in Central Government dated securities, the short position is covered by outright purchase of an equivalent amount of the same security within a maximum period of three months including the day of trade. The short position is reflected as the amount received on sale in a separate account and is classified under 'Investments'. The short position is categorized under the HFT portfolio and is accounted for accordingly.
- (xviii) Profit or loss in respect of sale of investments is included in the Schedule 14 under Profit on Sale of Investments (net). In respect of profit from sale of investments under HTM category, an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such profits) is appropriated from the Appropriations account to Capital Reserve account.

- (xix) In the event, provisions created on account of depreciation in the AFS or HFT categories are found to be in excess of the required amount in any year, the excess is credited to the Profit and Loss account and an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such excess provisions) is appropriated to an Investment Reserve Account (IRA).

The balance in IRA account is used to meet provision on account of depreciation in AFS and HFT categories by transferring an equivalent amount to the Profit and Loss Appropriation account as and when required.

- (xx) Out of net profits earned during the year, transfer is made to Investment Fluctuation Reserve, for an amount not less than the lower of the (a) net profit on sale of investments during the year or (b) net profit for the year less mandatory appropriations, till the balance in such Investment Fluctuation Reserve reaches a level of at least 2% of the aggregate HFT and AFS portfolio. Draw down, if any, from the Investment Fluctuation Reserve shall be in accordance with the applicable RBI guidelines.
- (xxi) Investments in unquoted units of Alternative Investment Funds (AIFs) are categorised under HTM category for an initial period of three years and valued at cost as per relevant RBI guidelines. Depreciation, if any on the units based on NAV is provided at the time of shifting the investment in the AFS category from HTM category and also on subsequent valuation based on the NAV received from the category I and II AIF. In case the audited financials are not available for a period beyond 18 months, the investments are valued at Re. 1 per AIF, as the case may be.
- (xxii) Infrastructure Investment Trusts (InvITs) are valued at book value till it is listed. Post listing and till receipt of Quarterly NAV report, quoted price is considered for valuation if traded else the Book Value is considered for valuation. Post receipt of quarterly NAV report, if InvIT is traded on exchange, then quoted price is considered for valuation else the NAV based on the registered valuer's quarterly statement is considered for valuation.

6. Foreign Exchange and Derivative Contracts

IndusInd Bank Limited:

- 6.1 All trading forward exchange contracts outstanding at the Balance Sheet date are re-valued based on the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of interim maturities and the resulting gains or losses are recognised on present value basis in the Profit and Loss account. The contracts of longer tenor maturities / or currencies where exchange rates are not notified by FEDAI are revalued based on the forward exchange rates quoted in the market or implied by the swap curves in respective currencies and the resulting gains or losses are recognised on present value basis in the Profit and Loss account.
- 6.2 Swap Cost arising on account of foreign currency swap contracts to convert foreign currency funded liabilities and assets into rupee liabilities and assets is amortised to the Profit and Loss account under the head 'Interest Expended-Others' over the life of swap contracts.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Derivative contracts are designated as hedging or trading and accounted for as follows:

- 6.3 The hedging contracts comprise of Forward Rate Agreements, Interest Rate Swaps, and Currency Swaps undertaken to hedge interest rate and currency risk on certain assets and liabilities. The net interest receivable or payable is accounted on an accrual basis over the life of the swaps. However, where the hedge is designated with an asset or liability that is carried at market value or lower of cost and market value, then the hedging instrument is also marked to market with the resulting gain or loss recorded as an adjustment to the market value of designated assets or liabilities. Gains or losses on the termination of hedge swaps is accounted in accordance with relevant RBI guidelines.
- 6.4 The trading contracts comprise of trading in Forward Contracts, Interest Rate Swaps, Cross Currency Interest Rate Swaps, Forward Rate Agreements, Interest Rate Futures, Currency Futures, Currency options, Swaption etc. The gain or loss arising on unwinding or termination of the contracts, is accounted for in the Profit and Loss account. Trading contracts outstanding as at the Balance Sheet date are re-valued at their fair value and resulting gains or losses are recognised in the Profit and Loss account.
- 6.5 Premium paid and received on currency options is accounted when due in the Profit and Loss Account.
- 6.6 Fair value of derivative is determined with reference to market quotes or by using valuation models. Where the fair value is calculated using valuation models, the methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to the present value. The valuation takes into consideration all relevant market factors (e.g. prices, interest rate, currency exchange rates, volatility, liquidity, etc.). Most market parameters are either directly observable or are implied from instrument prices. The model may perform numerical procedures in the pricing such as interpolation when input values do not directly correspond to the most actively traded market trade parameters.
- 6.7 Pursuant to RBI guidelines, any receivables under derivative contracts which remain overdue for more than 90 days and mark-to-market gains on all derivative contracts with the same counter-parties are reversed through the profit and loss account.

7. Advances

IndusInd Bank Limited:

- 7.1 Advances are classified into standard, sub-standard, doubtful and loss assets in accordance with RBI guidelines.
- 7.2 A general provision on standard assets is made in accordance with RBI guidelines for the funded outstanding on global portfolio basis. In respect of stressed advances which are not yet classified as non-performing, contingent provisions are made prudentially. Provision made against standard assets is included in 'Other Liabilities and Provisions - Others'. The general provision also includes provision for stressed sector exposures and provision for incremental exposure of the

banking system to a specified borrower beyond Normally Permitted Lending Limit (NPLL) in proportion to bank's funded exposure to specified borrower. Provision made on positive mark to market of derivative contracts also forms part of general provision. Further, provision requirement under various Restructure scheme of RBI along with provision for the cases where viable resolution plan has not been implemented within timeline prescribed by RBI, from the date of default, also forms part of general provision. Such, General provisions are included in Schedule 5 – 'Other liabilities & provisions - Others'.

- 7.3 Unhedged Foreign Currency Exposures (UFCE) of Clients are subject to incremental provisions basis assessment of estimated risk in line with relevant RBI guidelines. Provision made towards UFCE and consequent further capital held under Basel III Capital regulations are disclosed separately. The provision forms a part of provision on standard assets.
- 7.4 Specific provisions for non-performing advances and floating provisions are made in conformity with relevant RBI guidelines. In addition, the Bank considers accelerated provisioning based on past experience, and other related factors including underlying securities.
- 7.5 For restructured/rescheduled assets, provision is made in accordance with the guidelines issued by RBI, which requires the diminution in the fair value of the assets to be computed as the fair value of loans before and after restructuring. The restructured accounts are classified in accordance with relevant RBI guidelines.
- 7.6 Advances are disclosed in the Balance Sheet, net of specific provisions and interest suspended for non performing advances, and floating provisions.
- 7.7 Advances exclude derecognised securitised advances, inter-bank participation certificates issued and bills rediscounted.
- 7.8 NPA accounts are Written off in accordance with the Bank's NPA management and recovery policy. Amounts recovered during the year against bad debts written off in earlier years are recognised in the Profit and Loss account. Provision no longer considered necessary in the context of the current status of the borrower as a performing asset, are written back to the Profit and Loss account to the extent such provisions were charged to the Profit and Loss account earlier.
- 7.9 Further to the provisions held according to the asset classification status, provision is held in accordance with relevant RBI guidelines for individual country exposures (other than for home country exposure), where the net funded exposure of a country is one percent or more of the total assets. Provision held for country risk is included under 'Other Liabilities and Provisions'.
- 7.10 The Bank makes floating provision as per the Board approved policy, which is in addition to the specific and general provisions made by the Bank. The floating provision is utilised, with the approval of Board and RBI, if required. The floating provision is netted-off from advances.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

8. Securitisation transactions, direct assignments and other transfers

IndusInd Bank Limited:

- 8.1 The Bank transfers its loan receivables both through Direct Assignment route as well as transfer to Special Purpose Vehicles ('SPV').
- 8.2 The securitization transactions are without recourse to the Bank. The transferred loans and such securitized receivables are de-recognized as and when these are sold (true sale criteria being fully met) and the consideration has been received by the Bank. Gains or losses are recognized in accordance with relevant RBI guidelines.
- 8.3 In accordance with RBI guidelines on Securitisation of Standard Assets, any loss, profit or premium realised at the time of the sale is accounted in the Profit & Loss Account for the accounting period during which the sale is completed. However, in case of unrealised gains arising out of sale of underlying assets to the SPV, the profit is recognised in Profit and Loss Account only when such unrealised gains associated with such income is redeemed in cash.
- 8.4 In case of sale of non-performing assets through securitization route to Securitisation Company or Asset Reconstruction Company by way of assignment of debt against issuance of Security Receipts (SR), the recognition of sale and accounting of profit and loss thereon is done in accordance with applicable RBI guidelines. Generally, the sale is recognized at the lower of redemption value of SR and the Net Book Value (NBV) of the financial asset sold, and the surplus is recognized in the Profit and Loss Account on realisation; shortfall if any, is charged to the Profit and Loss account subject to regulatory forbearance, if any, allowed from time to time. Profit or loss realized on ultimate redemption of the SR is recognized in the Profit and Loss Account.
- 8.5 The Bank transfers advances through inter-bank participation with and without risk. In accordance with the RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances and where the Bank is participating, the aggregate amount of the participation is classified under advances. In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is participating, the aggregate amount of participation is shown as due from banks under advances.

9. Property, Plant and Equipment

- 9.1 Fixed assets are stated at cost (except in the case of premises which were re-valued based on values determined by approved valuers) less accumulated depreciation and impairment, if any. Cost includes incidental expenditure incurred on the assets before they are ready for intended use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets.
- 9.2 The existing revaluation reserve in respect of some of revalued asset is carried on reducing balance basis till the related properties are depreciated over their remaining useful lives. In case of revalued assets, depreciation is provided over the remaining useful life of the assets with reference to the gross carrying value.

Depreciation, including amortisation of intangible assets, is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the Companies Act, 2013 are generally adhered to, except in respect of asset classes where, based on technical evaluation, a different estimate of useful life is considered suitable. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:

- (a) Computers at 3 years
- (b) Application software and perpetual software licences at 5 years
- (c) Printers, Scanners, Routers, Switch at 5 years
- (d) ATMs at 7 years
- (e) Network cabling, Electrical Installations, Furniture and Fixtures, Other Office Machinery at 10 years.
- (f) Vehicles at 5 years
- (g) Buildings at 60 years.

Fixed assets costing less than ₹ 5,000 individually are fully depreciated in the year of purchase.

The useful life of an asset class is periodically assessed taking into account various criteria such as changes in technology, changes in business environment, utility and efficacy of an asset class to meet with intended user needs, etc. Whenever there is a revision in the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

- 9.3 The carrying amount of fixed assets is reviewed at the Balance Sheet date to determine if there are any indications of impairment based on internal / external factors. In case of impaired assets, the impairment loss i.e. the amount by which the carrying amount of the asset exceeds its recoverable value is debited from revaluation reserve (to the extent available) and balance charged to the Profit and Loss account.

IndusInd Bank Limited:

Non-banking assets:

Non-Banking Assets (NBAs) acquired in satisfaction of claims are carried at lower of net book value and net realisable value. Further, the Bank creates provision on non-banking assets as per specific RBI directions.

10. Revenue Recognition

IndusInd Bank Limited:

- 10.1 Interest and discount income on performing assets is recognised on accrual basis. Interest and discount income on non-performing assets is recognised on realisation.
- 10.2 Interest on Government securities, debentures and other fixed income securities is recognised on a period proportion basis. Income on discounted instruments is recognised over the tenor of the instrument on a Constant Yield to Maturity method.
- 10.3 Dividend income is accounted on accrual basis when the right to receive dividend is established.
- 10.4 Commission, Exchange and Brokerage are recognised on a transaction date and net of directly attributable expenses.

Schedule forming part of the Consolidated Financial Statements for the year ended March 31, 2024

10.5 Fees are recognised on an accrual basis when binding obligation to recognise the fees has arisen as per agreement, except in cases where the Bank is uncertain of realisation.

10.6 Income from distribution of third party products is recognised on the basis of business booked.

10.7 The Bank in accordance with RBI circular FIDD.CO.Plan. BC.5/04.09.01/2020-21 dated September 04, 2020, trades in priority sector portfolio by selling or buying PSLC. There is no transfer of risks or loan assets in these transactions. The fee paid for purchase of the PSLC is treated as an 'Other Expenditure' and the fee received from the sale of PSLCs is treated as 'Other Income'.

10.8 Gain / loss on sell down of loans is recognised in line with the extant RBI guidelines.

Bharat Financial Inclusion Ltd (BFIL):

10.9 Services fees from IndusInd Bank Limited in the capacity of business correspondents are recognised on accrual basis by BFIL. All Other Income is recognised on an accrual basis.

11. Operating Leases

11.1 Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental obligations in respect of assets taken on operating lease are charged to the Profit and Loss account on a straight-line basis over the lease term.

11.2 Assets given under leases in respect of which all the risks and benefits of ownership are effectively retained by the Bank are classified as operating leases. Lease rentals received under operating leases are recognized in the Profit and Loss account on a straight-line basis over the lease term.

12. Employee Benefits

IndusInd Bank Limited:

12.1 The Gratuity scheme of the Bank is a defined benefit scheme and the expense for the year is recognized on the basis of actuarial valuation at the Balance Sheet date. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method which recognizes each period of service that gives rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Payment obligations under the Group Gratuity scheme are managed through purchase of appropriate policies from insurers.

12.2 Provident Fund contribution, under defined benefit plan is made to trusts separately established for the purpose, when an employee covered under the scheme renders the related service. The rate at which the annual interest is payable to the beneficiaries by the trusts is being administered by the government. The Bank has an obligation to make good the shortfall, if any, between the return from the investments of the trusts and the notified interest rates. Actuarial valuation of this Provident Fund interest shortfall is done as per the guidance note on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by the Institute of Actuaries of India, and such shortfall, if any, is provided for.

Provident Fund contribution, under defined contribution plan, is made to the scheme administered by Regional Provident Fund Commissioner (RPFC) and is debited to the Profit and Loss Account, when an employee renders the related service. The Bank has no further obligations.

In respect of employees who opted for contribution to the National Pension System (NPS) regulated by the Pension Fund Regulatory and Development Authority (PFRDA), the Bank contributes certain percentage of the basic salary, under a defined contribution plan, to identified pension fund management companies. The Bank has no liability other than its contribution, and recognises such contributions as an expense in the year in which it is incurred.

12.3 Provision for compensated absences is made on the basis of actuarial valuation as at the Balance Sheet date. The actuarial valuation is carried out using the Projected Unit Credit Method.

12.4 The Employee Stock Option Scheme (ESOS) of the Bank is in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Bank has followed intrinsic value method for share-linked instruments granted under ESOS till March 31, 2021. The Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after March 31, 2021 in accordance with relevant RBI guidelines. Under Intrinsic value method, options cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market price is the closing price on the stock exchange with highest trading volume of the underlying shares, immediately prior to the grant date. Under revised accounting policy, fair value of share-linked instruments on the date of grant are recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. The fair value of the stock-based compensation is measured on the date of grant using Black-Scholes option pricing model and is recognised as compensation expense over the vesting period.

Bharat Financial Inclusion Ltd (BFIL):

12.5 Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

12.6 Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

12.7 The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

- 12.8 Accumulated leaves, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- 12.9 The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

13. Segment Reporting

IndusInd Bank Limited:

The disclosure relating to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by RBI. The Bank has adopted Segment Reporting as under:

- (a) Treasury includes all investment portfolios, Profit / Loss on sale of Investments, Profit / Loss on foreign exchange transactions, equities, income from derivatives and money market operations. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources and depreciation (other than temporary) / amortisation of premium on Held to Maturity category investments.
- (b) Corporate / Wholesale Banking includes lending to and deposits from corporate customers and identified earnings and expenses of the segment.
- (c) Retail Banking includes lending to and deposits from retail customers and identified earnings and expenses of the segment. It also includes income, expenses, assets and liabilities of BFIL.
- (d) Other Banking Operations includes all other operations not covered under Treasury, Corporate / Wholesale Banking and Retail Banking.
- (e) Unallocated includes Capital and Reserves, Employee Stock Options (Grants) Outstanding and other unallocable assets, liabilities, income and expenses.

14. Debit and Credit Card reward points liability

IndusInd Bank Limited:

The liability towards Credit Card reward points is computed based on an actuarial valuation and the liability towards Debit Card reward points is computed on the basis of management estimates considering past trends. Actuarial valuation is determined based on certain assumptions regarding mortality rate, discount rate, cancellation rate and redemption rate.

15. Bullion

IndusInd Bank Limited:

- 15.1 The Bank imports bullion including precious metal bars on a consignment basis for selling to its customers. The imports are on a back-to-back basis and are priced to the customer based on the prevailing price quoted by the supplier and the local levies related to the consignment like customs duty, etc. The profit earned is included in commission income.
- 15.2 The Bank sells gold coins to its customers. The difference between the sale price to customers and purchase price is reflected under commission income.

16. Income-tax

- 16.1 Tax expenses comprise of current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- 16.2 Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.
- 16.3 Deferred tax assets are recognized, only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- 16.4 In case of unabsorbed depreciation and/or carry forward of losses under tax laws, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax asset can be realized against future taxable income.
- 16.5 Deferred tax assets unrecognized of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

17. Earnings per share

The Bank reports Basic and Diluted earnings per share in accordance with AS 20 – Earnings per Share. Earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at end of the year.

18. Provisions, contingent liabilities and contingent assets

- 18.1 A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made.

Schedule forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

18.2 A disclosure of contingent liability is made when there is:

- (a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Group; or
- (b) A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

18.3 When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

18.4 Contingent assets are not recognized or disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

19. Accounting of Dividend

In accordance with AS-4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Bank does not account for proposed dividend as a liability through appropriation from the profit and loss account. The same is recognised in the year of actual payout post approval of shareholders.

20. Share Issue Expenses

Share issue expenses are deducted from Share Premium Account in terms of Section 52 of the Companies Act, 2013.

21. Impairment of Assets

The Bank assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their estimated recoverable amount.

22. Cash and Cash equivalents

Cash and cash equivalents comprises of Cash in Hand and Balances with RBI and Balances with Banks and Money at Call and Short Notice.

23. Corporate Social Responsibility

Expenditure towards corporate social responsibility obligations in accordance with provision of Companies Act, 2013, is recognised in the Profit and Loss Account.

24. Grants

Bharat Financial Inclusion Ltd:

24.1 Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Such grants are either be shown separately under 'other income' or deducted in reporting the related expense. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Schedule 18 Notes forming part of the Financial Statements

1. Capital

Capital Issue

During the year, 24,24,753 equity shares of ₹10 each fully paid (Previous year 12,32,035 equity shares of ₹10 each fully paid) were allotted on various dates to the employees who exercised their stock options, and consequently, the share capital of the Bank increased by ₹2.42 crores (Previous year ₹1.23 crores) and share premium by ₹242.24 crores (Previous year ₹84.48 crores).

2. Fixed Assets

- 2.1** Cost of premises includes ₹4.09 crores (Previous year ₹4.09 crores) in respect of properties for which execution of documents and registration formalities are in progress. Of these properties, the Bank has not obtained full possession of one property having written down value of ₹1.29 crores (Previous year ₹1.33 crores) and has filed a suit for the same..

2.2 Intangible Assets

The movement in fixed assets capitalized as computer software is given below:

	(₹ in crore)	
Particulars	March 31, 2024	March 31, 2023
At cost at the beginning of the year	932.02	775.87
Addition during the year	183.47	158.96
Deduction during the year	0.96	2.80
Accumulated depreciation as at the end of the year	780.94	660.46
Closing balance as at the end of the year	333.58	271.57
Depreciation charge for the year	120.82	91.71

2.3 Movement in depreciation of Fixed Assets

	(₹ in crore)	
Depreciation	2023-24	2022-23
Premises		
At the beginning of the year	144.72	131.28
Charge for the year	13.98	13.44
Deduction during the year	-	-
Depreciation to date	158.70	144.72
Other Fixed Assets		
At the beginning of the year	2,434.52	2,146.94
Charge for the year	449.06	393.76
Deduction during the year	145.52	106.18
Depreciation to date	2,738.06	2,434.52

3. Contingent Liabilities

The Group's pending litigations include claims against the Group by clients and counterparties and proceedings pending with tax authorities. The Group has reviewed its pending litigations and proceedings and has adequately made, provisions wherever required and disclosed as contingent liabilities wherever applicable. Claims against the Group not acknowledged as debts comprise of tax demands of ₹322.23 crores (Previous year ₹199.05 crore) in respect of which the Bank is in appeal, and legal cases sub judice of ₹1,176.41 crores (Previous year ₹439.19 crore). The Bank carries a provision of ₹12.32 crores (Previous year ₹11.92 crore) against legal cases sub judice. The amount of contingent liabilities is based on management's estimate, and it is not probable that any liability is expected to arise out of the same.

The Subsidiary has received demand order dated June 15, 2018 of ₹9.37 crore from Employees provident fund organization, Telangana. The Company filed Writ Petition before Hon'ble High court at Hyderabad against the said order and received interim stay against pre-deposit of ₹3.12 crore. The Company paid the same and have made provision in the books.

Contingent Liabilities not provided for on account of Provident Fund was ₹6.25 crore (Net of provision of ₹3.12 crore) (Previous year – ₹6.25 crore, net of provision of ₹3.12 crore).

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Further, The Supreme Court of India in its judgement in the case of THE REGIONAL PROVIDENT FUND COMMISSIONER (II) WEST BENGAL v/s VIVEKANANDA VIDYAMANDIR AND OTHERS on February 28, 2019 has clarified that any emolument paid universally, necessarily and ordinarily to all employees across the board is to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution. The Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. The Company would record any further effect in its financial statements, in the period in which it receives additional clarity on the said subject, if necessary. The Company has revised the salary structure since April-19 in line with the requirement of Supreme court judgement and accordingly considered the same for calculation of provident fund contribution.

4. The Group has a process to assess periodically all long term contracts (including derivative contracts), for material foreseeable losses. At the year end, the Group has reviewed and adequate provision as required under any law or an accounting standard for material foreseeable losses on such long term contracts (including derivative contracts), has been made.

5. Corporate Social Responsibility (CSR)

In accordance with the provisions of the Companies Act, 2013, during the year, the Group was required to spend on CSR activities an amount of ₹135.16 crore (Previous year ₹110.96 crore).

The amount incurred towards CSR activities during the year and recognised in the statement of profit and loss amounted to ₹136.22 crore (Previous year ₹109.98 crore), comprising the following:

(₹ in crore)

	Year ended March 31, 2024			Year ended March 31, 2023		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than above	136.22	-	136.22	108.51	1.47	109.98
Total	136.22	-	136.22	108.51	1.47	109.98

Details of Unspent amount pertaining to FY 2020-2021 and FY 2021-22 has been provided below

(₹ in crore)

In case of S. 135(5) unspent amount					
Spent during	Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
FY 2021-22	26.51	26.51	26.51	23.12	3.39
FY 2022-23	3.39	1.69	5.08	3.99	1.09
FY 2023-24	1.09	1.96	3.05	2.82	0.23

6. Drawdown from Reserves

During the year ended March 31, 2023 and year ended March 31, 2022, the Group did not draw down from the reserves.

7. There is no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group (Previous year Nil).

8. Employee Stock Option Scheme

- 8.1 On September 25, 2020, the shareholders of the Bank approved the IndusInd Bank Employee Stock Option Scheme 2020 (ESOS 2020), which comprehensively replaced the erstwhile Employee Stock Option Scheme 2007 (ESOS 2007) that was approved by the shareholders earlier on September 18, 2007. ESOS 2020 enables the Board and the Compensation Committee to grant such number of stock options of the Bank not exceeding 7% of the aggregate number of paid up equity shares of the Bank, in line with the guidelines issued by the SEBI. The options vest at one time or at various points of time as stipulated in the Award Confirmation issued by the Compensation Committee, and there shall be a minimum period of one year between the grant of option and vesting of the option. The unvested options shall expire by such period as stipulated in the Award Confirmation or five years from the grant of options whichever is earlier, or such further or other period as the Compensation Committee may determine. The exercise price for each grant is decided by the Compensation Committee, which is normally based on the latest available closing price and shall not be lower than the face value of the shares. Upon vesting, the options have to be exercised within a maximum period of five years or such period as may be determined by the Compensation Committee from time to time. The stock options are equity settled where the employees will receive one equity share per stock option.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Pursuant to a Composite Scheme of Arrangement with the erstwhile Bharat Financial Inclusion Limited, the shareholders of the Bank approved the IBL Special Incentive ESOS for BFIL Merger 2018 (ESOS 2018) on December 11, 2018. ESOS 2018 was approved with a pool of 57,50,000 options which are equity settled. 50% of the options vest over a period of three years from the grant date and the remaining options vest over a period of three years from the first anniversary of the grant date. Upon vesting, the options have to be exercised within a maximum period of five years.

ESOS 2020 and ESOS 2018 are, hereinafter, collectively referred to as ESOS.

As at March 31, 2024, the Compensation Committee of the Bank has granted a total of 5,45,36,022 options that includes 4,92,48,216 options granted under ESOS 2020 and 52,87,806 options granted under ESOS 2018, as set out below:

ESOS 2020:

Sr. No	Date of grant	2023-2024		2022-2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
1	18-Jul-08	1,21,65,000	48.00-50.60	1,21,65,000	48.00-50.60
2	17-Dec-08	34,56,000	38.95	34,56,000	38.95
3	05-May-09	8,15,500	44.00	8,15,500	44.00
4	31-Aug-09	3,18,500	100.05	3,18,500	100.05
5	28-Jan-10	7,47,000	48-140.15	7,47,000	48.00-140.15
6	28-Jun-10	13,57,450	196.50	13,57,450	196.50
7	14-Sep-10	73,500	236.20	73,500	236.20
8	26-Oct-10	1,43,500	274.80	1,43,500	274.80
9	17-Jan-11	25,00,000	228.70	25,00,000	228.70
10	07-Feb-11	20,49,000	95.45-220.45	20,49,000	95.45-220.45
11	24-Jun-11	21,54,750	253.60	21,54,750	253.60
12	16-Aug-11	89,500	254.90	89,500	254.90
13	30-Sep-11	2,61,000	262.25	2,61,000	262.25
14	21-Dec-11	9,20,000	231.95	9,20,000	231.95
15	29-Feb-12	1,95,000	304.05	1,95,000	304.05
16	19-Apr-12	1,40,500	345.60	1,40,500	345.60
17	25-May-12	1,34,500	304.55	1,34,500	304.55
18	10-Jul-12	2,67,000	343.25	2,67,000	343.25
19	29-Aug-12	1,14,000	319.05	1,14,000	319.05
20	10-Oct-12	23,500	365.75	23,500	365.75
21	09-Jan-13	30,000	433.75	30,000	433.75
22	18-Apr-13	12,500	419.60	12,500	419.60
23	20-Jun-13	1,75,000	478.45	1,75,000	478.45
24	18-Jul-13	18,35,000	453.90	18,35,000	453.90
25	23-Sep-13	75,000	411.50	75,000	411.50
26	29-Oct-13	22,000	412.25	22,000	412.25
27	29-Jan-14	7,67,500	300.00-389.85	7,67,500	300.00-389.85
28	25-Mar-14	1,76,500	490.30	1,76,500	490.30
29	15-May-14	65,500	537.05	65,500	537.05
30	02-Jun-14	32,69,500	533.95	32,69,500	533.95
31	09-Jul-14	33,000	551.10	33,000	551.10
32	13-Oct-14	74,500	623.25	74,500	623.25
33	17-Jan-15	47,500	831.85	47,500	831.85
34	23-Feb-15	48,000	876.80	48,000	876.80
35	30-Mar-15	11,000	880.75	11,000	880.75
36	22-May-15	52,600	848.20	52,600	848.20

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Sr. No	Date of grant	2023-2024		2022-2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
37	24-Jul-15	16,30,000	949.80	16,30,000	949.80
38	21-Sep-15	1,93,000	918.65	1,93,000	918.65
39	04-Nov-15	93,500	911.85	93,500	911.85
40	12-Jan-16	10,33,500	886.75–936.75	10,33,500	886.75–936.75
41	12-May-16	13,500	1,053.75	13,500	1,053.75
42	11-Jul-16	25,000	1,126.70	25,000	1,126.70
43	23-Aug-16	2,76,000	1,186.75	2,76,000	1,186.75
44	10-Oct-16	18,51,000	1,220.85	18,51,000	1,220.85
45	16-Nov-16	33,500	1,093.10	33,500	1,093.10
46	27-Jan-17	21,500	1,265.40	21,500	1,265.40
47	24-Mar-17	49,000	1,383.90	49,000	1,383.90
48	19-Apr-17	16,000	1,431.75	16,000	1,431.75
49	09-May-17	69,000	1,424.85	69,000	1,424.85
50	19-Jun-17	38,500	1,498.90	38,500	1,498.90
51	11-Jul-17	35,000	1,560.35	35,000	1,560.35
52	12-Oct-17	69,000	1,717.25	69,000	1,717.25
53	11-Jan-18	43,000	1,734.10	43,000	1,734.10
54	27-Mar-18	15,23,000	1,759.75	15,23,000	1,759.75
55	08-May-18	64,000	1,889.80	64,000	1,889.80
56	28-Sep-18	1,09,000	1,682.00	1,09,000	1,682.00
57	20-Mar-19	85,000	1,725.20	85,000	1,725.20
58	22-May-19	10,44,500	1,447.75	10,44,500	1,447.75
59	10-Oct-19	1,00,536	1,308.65	1,00,536	1,308.65
60	14-Jan-20	3,40,000	1,539.65	3,40,000	1,539.65
61	24-Apr-20	44,000	409.95	44,000	409.95
62	19-May-20	5,18,000	376.75	5,18,000	376.75
63	07-Aug-20	6,80,000	494.90	6,80,000	494.90
64	14-Aug-20	10,07,000	518.75	10,07,000	518.75
65	30-Dec-20	1,02,500	912.90	1,02,500	912.90
66	12-May-21	90,000	948.85	90,000	948.85
67	15-Sep-21	5,14,291	1,036.60	5,14,291	1,036.60
68	18-Oct-21	1,76,500	1,210.00	1,76,500	1,210.00
69	07-Jan-22	70,000	921.70	70,000	921.70
70	21-Feb-22	35,500	955.35	35,500	955.35
71	24-Mar-22	23,500	931.35	23,500	931.35
72	06-May-22	10,000	936.80	10,000	936.80
73	21-Jun-22	1,20,500	784.05	1,20,500	784.05
74	09-Jul-22	48,720	784.05	48,720	784.05
75	09-Sep-22	24,500	1,108.30	24,500	1,108.30
76	23-Sep-22	1,50,000	1,216.55	1,50,000	1,216.55
77	28-Oct-22	3,25,726	1,142.50	3,25,726	1,142.50
78	14-Dec-22	34,000	1,234.95	34,000	1,234.95
79	17-Jan-23	7,39,000	1,239.25	7,39,000	1,239.25
80	02-May-23	5,52,500	1,152.80	-	-

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Sr. No	Date of grant	2023-2024		2022-2023	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
81	05-May-23	19,500	1,134.60	-	-
82	12-May-23	50,661	1,187.45	-	-
83	06-Sep-23	1,12,500	1,423.75	-	-
84	19-Oct-23	38,700	1,420.35	-	-
85	29-Nov-23	2,51,195	1,477.55	-	-
86	29-Dec-23	58,587	1,610.55	-	-
87	13-Feb-24	41,000	1,447.15	-	-
88	20-Mar-24	33,500	1,434.10	-	-

ESOS 2018:

Sr. No	Date of grant	2023-24		2022-23	
		No of options	Range of exercise price (₹)	No of options	Range of exercise price (₹)
1.	04-Jul-19	30,01,266	668.00-1,864.00	30,01,266.00	688.00 – 1,864.00
2.	12-Jul-19	22,86,540	1,541.25	22,86,540.00	1,541.25

8.2 Recognition of expense

RBI, vide its clarification dated August 30, 2021, on Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments granted to such personnel on the date of grant should be recognised as an expense for all the instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted after March 31, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes option pricing model and is recognized as compensation expense over the vesting period. The compensation so recognised in respect of which exercise of options is outstanding, is shown as Employee Stock Options Outstanding on the face of the Balance Sheet.

The fair market price is the latest closing price prior to the date of the meeting of the Compensation Committee in which stock options are granted, available on the stock exchange on which the shares of the Bank are listed. Since shares are listed on more than one stock exchange, the exchange where the Bank's shares have been traded highest on the said date is considered for this purpose.

8.3 Stock option activity

Stock option activity under ESOS 2020 is set out below.

	2023-24		2022-23	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	78,46,546	1,177.55	86,01,033	1,102.76
Granted during the year	11,58,143	1,301.42	14,52,446	1,157.78
Forfeited / surrendered during the year	5,41,441	1,340.86	7,70,196	1,125.60
Exercised during the year	23,73,170	1,003.46	12,28,902	682.22
Expired during the year	4,32,551	1,699.29	2,07,835	1,065.71
Outstanding at the end of the year	56,57,527	1,220.41	78,46,546	1,177.55
Options exercisable at the end of the year	35,37,266	1,217.61	54,41,194	1,264.43

The weighted average market price of options exercised during the year is ₹1,453.49 (Previous year ₹1,075.74).

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Stock option activity under ESOS 2018 is set out below

	2023-24		2022-23	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	31,59,450	1,519.00	39,34,331	1,517.36
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	2,33,297	1,531.09	7,66,236	1,518.77
Exercised during the year	51,583	1,264.32	3,133	703.55
Expired during the year	8,26,922	1,495.32	5,512	982.53
Outstanding at the end of the year	20,47,648	1,533.24	31,59,450	1,518.76
Options exercisable at the end of the year	20,47,648	1,533.24	29,07,950	1,517.02

The weighted average market price of options exercised during the year is ₹1,435.35 (Previous year ₹1,131.32).

Following table summarizes the information about stock options outstanding as at March 31, 2024:

ESOS 2020:

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
22-May-15	848.20	-	-	848.20	1,700	0.14
24-Jul-15	949.80	-	-	949.80	1,57,280	0.31
21-Sep-15	918.65	-	-	918.65	-	-
04-Nov-15	911.85	-	-	911.85	5,380	0.60
12-Jan-16	886.75	-	-	886.75	3,40,000	0.79
12-May-16	1,053.75	510	0.12	1,053.75	2,720	1.12
11-Jul-16	1,126.70	1,530	0.28	1,126.70	3,015	0.79
23-Aug-16	1,186.75	85,000	0.40	1,186.75	1,62,500	0.92
10-Oct-16	1,220.85	2,82,860	0.53	1,220.85	14,76,248	0.92
16-Nov-16	1,093.10	-	-	1,093.10	4,440	1.28
27-Jan-17	1,265.40	2,550	0.83	1,265.40	12,550	1.30
24-Mar-17	1,383.90	15,300	0.98	1,383.90	44,330	1.34
19-Apr-17	1,431.75	12,010	0.42	1,431.75	12,010	1.42
09-May-17	1,424.85	53,000	0.45	1,424.85	53,000	1.45
19-Jun-17	1,498.90	31,600	0.62	1,498.90	32,750	1.58
11-Jul-17	1,560.35	15,000	0.62	1,560.35	15,000	1.62
12-Oct-17	1,717.25	30,150	1.04	1,717.25	45,000	1.55
11-Jan-18	1,734.10	16,080	1.29	1,734.10	35,000	1.80
27-Mar-18	1,759.75	6,25,445	1.50	1,759.75	10,45,070	1.90
08-May-18	1,889.80	40,500	1.11	1,889.80	40,500	2.12
28-Sep-18	1,682.00	21,000	1.51	1,682.00	66,000	2.51
20-Mar-19	1,725.20	40,000	1.98	1,725.20	40,000	2.98
22-May-19	1,447.75	6,71,050	2.13	1,447.75	8,06,900	2.92
10-Oct-19	1,308.65	79,326	2.56	1,308.65	84,202	3.54
14-Jan-20	1,539.65	2,000	2.80	1,539.65	20,000	3.80
24-Apr-20	409.95	1,700	4.07	409.95	8,350	2.95
19-May-20	376.75	22,100	4.14	376.75	83,300	5.14
07-Aug-20	494.90	2,04,205	3.61	494.90	3,79,525	4.65
14-Aug-20	518.75	5,17,350	3.47	518.75	7,22,750	4.56

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
30-Dec-20	912.90	23,780	3.90	912.90	36,850	4.84
12-May-21	948.85	29,040	4.19	948.85	43,000	5.13
15-Sep-21	1,036.60	3,03,597	4.46	1,036.60	4,34,871	5.46
18-Oct-21	1,210.00	1,22,500	4.56	1,210.00	1,22,500	5.60
07-Jan-22	921.70	28,780	5.09	921.70	52,360	5.84
21-Feb-22	955.35	19,955	5.27	955.35	35,500	5.91
24-Mar-22	931.35	20,200	5.16	931.35	23,500	5.99
06-May-22	936.80	-	-	936.80	10,000	6.11
21-Jun-22	784.05	1,03,250	5.41	784.05	1,20,500	6.24
09-Jul-22	784.05	48,720	5.29	784.05	48,720	6.29
09-Sep-22	1,108.30	21,000	5.46	1,108.30	21,000	6.46
23-Sep-22	1,216.55	1,50,000	5.49	1,216.55	1,50,000	6.48
28-Oct-22	1,142.50	2,73,791	5.51	1,142.50	3,17,725	6.59
14-Dec-22	1,234.95	31,000	5.72	1,234.95	34,000	6.72
17-Jan-23	1,239.25	6,04,005	5.85	1,239.25	6,96,500	6.81
02-May-23	1,152.80	5,02,000	6.10	-	-	-
05-May-23	1,134.60	19,500	6.11	-	-	-
12-May-23	1,187.45	50,661	6.13	-	-	-
06-Sep-23	1,423.75	1,12,500	6.45	-	-	-
19-Oct-23	1,420.35	38,700	6.57	-	-	-
29-Nov-23	1,477.55	2,51,195	6.58	-	-	-
29-Dec-23	1,610.55	58,587	6.76	-	-	-
13-Feb-24	1,447.15	41,000	6.89	-	-	-
20-Mar-24	1,434.10	33,500	6.98	-	-	-

ESOS 2018:

Date of grant	2023-24			2022-23		
	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)	Exercise Price	Number of shares arising out of options	Weighted average life of options (in years)
04-Jul-19	828.00-1,651.00	8,15,068	0.85	668.00-1,864.00	16,97,464	2.21
12-Jul-19	1,541.25	1,23,25,80	2.79	1,541.25	14,61,986	4.71

8.4 Fair value methodology

The fair value of options granted during the year has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Particulars	2023-24	2022-23
Average dividend yield	0.6- 0.99 %	0.69-1.00%
Expected volatility	45.52- 52.95 %	52.52-53.30%
Risk free interest rates	6.85- 7.30 %	6.94-7.24%
Expected life of options (in years)	4.52	4.52

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Expected volatility is a measure of the amount by which the equity share price is expected to fluctuate during a period. The measure of volatility used in Black – Scholes option pricing model is the annualized standard deviation of the continuously compounded rates of return on the share over a period of time. Expected volatility has been computed by considering the historical data on daily volatility in the closing equity share price on the National Stock Exchange of India Limited (NSE), over a prior period equivalent to the expected life of the options, till the date of the grant.

The Bank has changed valuation of stock-based compensation to fair value using Black-Scholes model from intrinsic value starting April 1, 2021. ESOP's granted from April 1, 2021 are valued at fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. ESOP's granted before April 1, 2021 are still valued at intrinsic value and if these options were valued at fair value then as a result, 'Employees cost' for the year ended March 31, 2024 would have been increased by ₹12.49 crores with a consequent reduction in profit after tax by ₹9.34 crores.

On a *pro forma* basis, the basic and diluted earnings per share would have been as follows:

Particulars	March 31, 2024	March 31, 2023
Pro forma basis		
Basic earnings per share ₹	115.44	95.93
Diluted earnings per share ₹	115.23	95.80

The weighted average fair value of options granted during the year 2023-24 is ₹611.48 (Previous year ₹570.80).

9. Disclosures – Accounting Standards

9.1 Employee Benefits (AS-15)

Gratuity:

Gratuity is a defined benefit plan. The Group has obtained qualifying insurance policies from insurance companies approved by the IRDA. The following table presents a summary of the components of net expenses recognized in the Profit and Loss account, and the funded status and amounts recognized in the Balance Sheet, on the basis of actuarial valuation.

(₹ in crore)

No. Particulars	March 31, 2024	March 31, 2023
Changes in the present value of the obligation		
1. Opening balance of Present Value of Obligation	288.87	255.10
2. Interest Cost	20.15	16.32
3. Current Service Cost	35.01	33.41
4. Benefits Paid	(40.80)	(50.49)
5. Actuarial loss / (gain) on Obligation	18.03	30.56
6. Acquisition/Business Combination/Divestiture	-	3.98
7. Closing balance of Present Value of Obligation	321.26	288.87
Reconciliation of opening and closing balance of the fair value of the Plan Assets		
1. Opening balance of Fair value of Plan Assets	252.34	236.90
2. Adjustment to Opening Balance	(0.35)	0.51
3. Expected Return on Plan assets	19.38	16.49
4. Expenses	-	-
5. Contributions	39.61	54.71
6. Benefits Paid	(40.80)	(50.49)
7. Actuarial gain / (loss) on Plan Assets	(2.40)	(5.78)
8. Closing balance of Fair Value of Plan Assets	267.78	252.34
Profit and Loss – Expenses		
1. Current Service Cost	35.01	33.41
2. Interest Cost	20.15	16.32
3. Expected Return on Plan assets	(19.38)	(16.49)

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

No. Particulars	March 31, 2024	March 31, 2023
4. Expenses	-	-
5. Net Actuarial loss recognised in the year	20.43	36.34
6. Expenses recognised in the Profit and Loss account	56.21	69.59
Funded status	100% insurance managed funds	100% insurance managed funds
Actuarial Assumptions		
IndusInd Bank Ltd:		
1. Discount Rate	7.20 – 7.22%	7.39 – 7.44%
2. Expected Rate of Return on Plan Assets	6.76 – 8.00%	6.69 – 8.00%
3. Expected Rate of Salary Increase	5.00%	5.00%
4. Employee Attrition Rate		
- Past Service 0 to 5 years	35.00%	35.00%
- Past Service above 5 years	0.50%	0.50%
Bharat Financial Inclusion Ltd:		
1. Discount Rate	7.14%	7.35%
2. Expected Rate of Return on Plan Assets	7.14%	7.35%
3. Expected Rate of Salary Increase	12.5% for the first two years and 7.5% thereafter	12.5% for the first two years and 7.5% thereafter
4. Employee Attrition Rate	35%	15%

Estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Experience Adjustment

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined Benefit Obligations	321.26	288.87	255.09	231.11	195.04
Plan Assets	267.78	252.34	236.91	219.96	184.88
Surplus / (Deficit)	(53.48)	(36.55)	(18.18)	(11.15)	(10.16)
Experience Adjustments on Plan Liabilities	18.28	39.39	14.70	6.60	9.31
Experience Adjustments on Plan Assets	(2.40)	(5.78)	(2.96)	1.02	(2.69)

Contributions expected to be paid to the plan during the annual period beginning after the Balance Sheet date is ₹62.86 crore (Previous year ₹63.08 crore).

Compensated Absence

Provision for compensated absences is made on the basis of actuarial valuation as at the Balance Sheet date. The actuarial valuation is carried out using the Projected Unit Credit Method. The details of the fund and plan assets position are as follows:

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Total actuarial liability	128.46	116.46
Total expense included in Schedule 16(I)	32.97	17.96
Assumptions:		
IndusInd Bank Ltd:		
Discount Rate	7.20 – 7.22%	7.39% - 7.44%
Salary escalation rate	5.00%	5.00%

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Bharat Financial Inclusion Ltd:		
Discount Rate	7.14%	7.35%
Salary escalation rate	12.50% for the first two years and 7.50% there after	12.50% for the first two years and 7.50% there after

Provident Fund

Contribution towards Provident Fund are made to trusts separately established for the purpose and the scheme administered by Regional Provident Fund Commissioner (RPFC), as applicable. In accordance with the guidance note on Valuation of Interest Rate Guarantees on Exempt Provident Funds under AS 15 (Revised) issued by the Institute of Actuaries of India, interest shortfall is provided for based on actuarial valuation. The details of the fund and plan assets position are as follows:

(₹ in crore)

Assets/ Liabilities	March 31, 2024	March 31, 2023
Present value of Interest Rate guarantee on Provident Fund	10.29	9.79
Present value of Total Obligation	383.90	334.38
Fair value of Plan Assets	395.90	339.03
Net asset / (liability) recognized in the Balance Sheet	12.00	4.65
Assumptions		
Normal Retirement age	60 years	60 years
Expected guaranteed interest on PF in future	8.25%	8.15%
Discount rate	7.19% - 7.22%	7.41 - 7.44%
Expected average remaining working lives of employees (years)	7.09 – 8.52	7.98 – 8.60
Benefit on normal retirement	Accumulated account balance with interest rate equal to or more than EPFO Rate	Accumulated account balance with interest rate equal to or more than EPFO Rate
Benefit on early retirement/withdrawal/resignation	Same as normal retirement benefit	Same as normal retirement benefit
Benefit on death in service	Same as normal retirement benefit	Same as normal retirement benefit

The Bank has recognised in the profit and loss account (for employees who are not covered under the above mentioned trust) ₹257.56 crores for the year ended March 31, 2024 (Previous year ₹213.41 crores) towards contribution to the provident fund.

National Pension Scheme (NPS)

During the year, the Bank contributed ₹5.66 crore (Previous year ₹4.37 crore) to the NPS for employees who have opted for the scheme.

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

9.2 Segment Reporting (AS 17)
The Group operates in four business segments, viz. Treasury, Corporate /Wholesale Banking, Retail Banking and Other Banking Operations. There are no significant residual operations carried by the Group.

Business Segments

Business Segment	Treasury		Corporate/Wholesale Banking		Retail Banking		Other Banking Operation		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue	7,513.10	6,179.01	13,203.96	12,379.44	37,548.97	28,228.70	69.47	74.00	58,335.50	46,861.15
Inter Segment Revenue									(3,191.52)	(2,320.46)
Total Income									55,143.99	44,540.69
Result	191.72	766.88	4,441.97	4,554.16	14,539.86	9,444.44	23.39	26.98	19,196.94	14,792.46
Unallocated Expenses									(3,332.88)	(373.44)
Operating Profit									15,864.06	14,419.02
Provisions and Contingencies										
(Other than tax)									(3,884.86)	(4,486.83)
Tax Expenses									(3,002.21)	(2,489.06)
Extraordinary profit/ loss									-	-
Net Profit before share of profit in Associate									8,976.99	7,443.13
Add: Share of Profit in Associate									0.31	0.36
Net Profit									8,977.30	7,443.49
Other Information:										
Segment Assets	1,22,358.18	96,615.87	1,29,891.70	1,27,529.55	2,43,117.72	2,14,890.52	-	-	4,95,367.60	4,39,035.94
Digital Banking*					7,733.15	6,336.48				
Other Retail Banking*					2,35,384.57	2,08,554.03				
Unallocated Assets									19,726.37	18,800.69
Total Assets									5,15,093.97	4,57,836.63
Segment Liabilities	47,741.52	49,491.30	117,855.16	1,15,167.14	2,69,893.05	2,23,415.42	-	-	4,35,489.73	3,88,073.86
Digital Banking*					31,568.36	24,946.69				
Other Retail Banking*					238,324.69	1,98,468.72				
Unallocated Liabilities									79,604.24	69,762.77
Total Liabilities									5,15,093.97	4,57,836.63

Schedule forming part of the Consolidated Financial Statements

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Note:

Fixed Assets, tax paid in advance and tax deducted at source (net of provisions), stationery and stamps, non-banking assets acquired in satisfaction of claims, and others which cannot be allocated to any segments, have been classified as unallocated assets; Depreciation on Fixed Assets has been classified as unallocated expenses. The unallocated liabilities include share capital, employee stock option outstanding, reserves and surplus, dividend and others. The above information is provided as per MIS for internal reporting purpose and relied upon by the auditors.

*RBI's Master Direction on Financial Statements – Presentation and Disclosures, requires to sub-divide 'Retail banking' into (a) Digital Banking and (b) Other Retail Banking segment.

Geographic Segments:

The business operations of the Group are largely concentrated in India. Activities outside India are restricted to resource mobilization in the international markets and lending to a few overseas entities through the IFSC Banking Unit at the GIFT City Gujarat. Since the Group does not have material earnings emanating from foreign operations, the Group is considered to operate only in domestic segment.

9.3 Related party transactions (AS-18)

The following represents the significant transactions between the Bank and such related parties including relatives of above mentioned KMP during the year ended March 31, 2024:

a) Name of Related Party with whom Bank has transactions during the year

Key Management Personnel (KMP)

Mr. Sumant Kathpalia - Managing Director & CEO; Mr. Arun Khurana - Executive Director & Deputy CEO

Relatives of KMP

Mrs. Ira Kathpalia, Mr. Karan Kathpalia, Mr. Arvind Kathpalia, Mr. Ranjeet Kathpalia, Dr. Krishan Kumar Khurana, Mrs. Padma Khurana, Mrs. Nisha Khurana, Mr. Karan Khurana, Mr. Krish Khurana, Dr. Rohit Khurana, Ms. Tanu Mehtani

Associates

IndusInd Marketing and Financial Services Private Limited

b) Transactions during the year

(₹ in crore)

Particulars	Parent (as per ownership control)*	Associates/Joint Venture*	Key Management Personnel*	Relatives of Key Management Personnel	Total
Borrowings	-	-	-	-	-
Deposits	-	-	68.81	14.34	83.14
	-	-	(90.79)	(20.62)	(111.41)
Placement of deposits	-	-	-	-	-
Advances	-	-	0.01	-	0.01
	-	-	(2.67)	-	(2.67)
Investment	-	-	-	-	-
Non-funded commitments	-	-	-	-	-
Leasing/HP arrangements availed	-	-	-	-	-
Leasing/HP arrangements provided	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-
Interest paid	-	-	4.35	5.83	10.18
Interest received	-	-	0.15	-	0.15
Rendering of services	-	-	0.00	0.00	0.01
Receiving of services	-	-	11.73	-	11.73
Management contracts	-	-	-	-	-

*In accordance with RBI guidelines dated March 29, 2003, details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories. Figures in parenthesis represent maximum balance outstanding during the year.

Mr. Arun khurana was appointed as a Whole Time Director of the Bank effective November 16, 2023. The transactions reported above are from the date of appointment

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

The following is the information on transactions with related parties during the year ended March 31, 2023:

a) Name of Related Party with whom Bank has transactions during the year

Key Management Personnel (KMP)

Mr. Sumant Kathpalia, Managing Director & CEO

Relatives of KMP

Mrs. Ira Kathpalia, Mr. Karan Kathpalia

Associates

IndusInd Marketing and Financial Services Private Limited

Subsidiaries

Bharat Financial Inclusion Limited

b) Transactions during the year

(₹ in crores)

Particulars	Parent (as per ownership control)*	Associates/ Joint Venture*	Key Management Personnel*	Relatives of Key Management Personnel	Total
Borrowings	-	-	-	-	-
Deposits	-	-	-	10.37	10.37
				(13.21)	(13.21)
Placement of deposits	-	-	-	-	-
Advances	-	-	-	-	-
Investment	-	-	-	-	-
Non-funded commitments	-	-	-	-	-
Leasing/HP arrangements availed	-	-	-	-	-
Leasing/HP arrangements provided	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-
Interest paid	-	-	-	1.33	1.33
Interest received	-	-	-	-	-
Rendering of services	-	-	-	-	-
Receiving of services	-	-	-	-	-
Management contracts	-	-	-	-	-

*In accordance with RBI guidelines dated March 29, 2003, details pertaining to the related party transactions have not been provided where there is only one related party in each of the above categories.

Figures in parenthesis represent maximum balance outstanding during the year.

9.4 Operating Leases (AS 19)

The Group has taken a number of premises on operating lease for branches, offices, ATMs and residential premises for staff. The Group has not given any assets on operating lease. The details of maturity profile of future operating lease payments are given below:

(₹ in crore)

	March 31, 2024	March 31, 2023
Future lease rentals payable as at the end of the year:		
- Not later than one year	453.81	421.32
- Later than one year but not later than five years	1,311.28	1,229.57
- Later than five years	452.80	417.18
Total of minimum lease payments recognized in the Profit and Loss Account for the year	596.21	519.34
Total of future minimum sub-lease payments expected to be received under non-cancellable sub-lease	-	-
Sub-lease payments recognized in the Profit and Loss account for the year	-	-

The Group has not sub-let any of the properties taken on lease. There are no provisions relating to contingent rent.

The terms of renewal and escalation clauses are those normally prevalent in similar agreements. There are no undue restrictions or onerous clauses in the agreements.

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for the year ended March 31, 2024

9.5 Earnings per share (AS 20)

The dilutive impact is mainly due to stock options granted to employees by Group. Details pertaining to earnings per share as per AS 20 are as under:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net Profit after tax (₹ in crore)	8,977.30	7,443.49
Basic weighted average number of equity shares	77,69,68,948	77,52,48,354
Diluted weighted average number of equity shares	77,83,85,308	77,62,55,183
Nominal value of Equity Shares (₹)	10	10
Basic Earnings per Share (₹)	115.54	96.01
Diluted Earnings per Share (₹)	115.33	95.89

The difference between weighted average number of equity shares outstanding between basic and diluted earnings per share in the above mentioned disclosure is on account of effect of potential equity shares for outstanding ESOPs.

9.6 Deferred Tax (AS 22)

The major components of deferred tax assets / liabilities are as under:

(₹ in crore)

	March 31, 2024		March 31, 2023	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Timing difference on account of				
Difference between depreciation as per the books of account and depreciation under the Income Tax Act, 1961	18.82	6.39	11.24	0.85
Difference between Provisions for doubtful debts and advances and amount allowable under Section 36(1)(viia) of the Income Tax Act, 1961	1,327.65	396.00	1,318.16	-
Difference between income as per the books of account and income offered under the Income Tax Act, 1961	44.63	488.90	-	398.53
Others	869.65	-	810.03	-
Sub-total	2,260.74	891.29	2,139.43	399.38
Net closing balance carried to the Balance Sheet (included in Sch. 11 – Others)	1,369.45		1,740.05	

Provision for taxation during the year

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Current tax	2,631.62	2,362.00
Incremental deferred tax asset net of deferred tax liability	370.59	127.06
Total	3,002.21	2,489.06

10. Additional Disclosures

10.1 Provisions and Contingencies charged to the Profit and Loss account for the year consist of:

(₹ in crore)

Provision debited to Profit and Loss Account	March 31, 2024	March 31, 2023
i) Provisions for depreciation (including NPI and write off)	549.45	299.99
ii) Provision towards NPA (including bad debts write off)	3,083.77	3,885.56
iii) Provision made towards Income tax	3,002.21	2,489.06
iv) Other Provisions and Contingencies	251.64	301.29
Total	6,887.07	6,975.90

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

10.2 Proposed Dividend

The Board of Directors, in their meeting held on April 25, 2024, have proposed a final dividend of ₹16.50 per equity share amounting to ₹1,284.23 crores. The proposal is subject to the approval of shareholders at the ensuing 29th Annual General Meeting and accordingly, this proposed dividend amounting to ₹1,284.23 crores are not recognized as a liability on March 31, 2024 and the same has not been considered as an appropriation from the Profit and Loss Account for the year ended March 31, 2024.

Dividend for the year ended March 31, 2023, paid during the year pursuant to the approval of the shareholders at the 28th Annual General Meeting, at the rate of ₹14 per equity share amounting to ₹1,086.38 crores have been considered as an appropriation from the Profit and Loss Account during the year.

10.3 Disclosure of Material Items

Details of expenditure in excess of 1% of total income and classified under "Other Expenditure" has been provided below. Further, details of Other assets and other liabilities in excess of 1% of total assets classified under "Other Assets- Others" or "Other Liabilities- Others" have been provided below.

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
Other Expenditure in excess of 1% of total income.		
Service Provider Fees*	691.32	686.36
Business Origination Cost#	-	463.02
"Other Assets – Others" in excess of 1% of total Asset.		
RIDF Deposit	5,484.19	7,057.34
MTM Receivable on Derivative Contracts	6,885.61	7,271.00
"Other Liabilities – Others" in excess of 1% of total Asset.		
MTM Payable on Derivatives Contracts#	-	5,532.44

* Service provider fees mentioned in the above table pertain to Fees paid by Consumer Finance Division.

#Business Origination Cost and MTM Payable on Derivatives Contracts are below 1% of total income and total asset respectively in FY 23-24 hence not disclosed.

10.4 During the financial year ended March 31, 2023, other than the transactions undertaken in the normal course of group business and in accordance with extant regulatory guidelines and Group's internal policies, as applicable:

- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

11. Additional information pursuant to Schedule III of the Companies Act, 2013

Additional information to consolidated accounts at March 31, 2024 (Pursuant to Schedule III of the Companies Act, 2013)

(₹ in crore)

Name of the Entity	Net Assets*				Share in Profit or Loss			
	2023-24		2022-23		2023-24		2022-23	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Profit	Amount	As a % of Consolidated Net Profit	Amount
Parent:								
IndusInd Bank Limited	99.35%	62,797.11	99.30%	54,621.67	99.69%	8,949.78	99.28%	7,389.71
Subsidiary:								
Bharat Financial Inclusion Limited	0.71%	450.67	0.77%	423.47	0.30%	27.21	0.71%	53.43

Schedule forming part of the Consolidated Financial Statements

for the year ended March 31, 2024

Name of the Entity	Net Assets*				Share in Profit or Loss			
	2023-24		2022-23		2023-24		2022-23	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Profit	Amount	As a % of Consolidated Net Profit	Amount
Associate:								
IndusInd Marketing and Financial Services Pvt Ltd					0.00%	0.31	0.01%	0.36
Inter-company and Other adjustments	(0.06%)	(40.21)	(0.07%)	(40.53)			-	-
Total	100.00%	63,207.56	100.00%	55,004.61	100.00%	8,977.30	100.00%	7,443.50

* Net assets are total assets minus total liabilities (excluding share capital and reserves)

12. The information in relation to dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Group, which has been relied upon by the auditors.

(₹ in crore)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2024	As at March 31, 2023
a) Principal amount due to suppliers under MSMED Act, 2006	0.39	1.32
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	-	-

The above disclosure is made where Group has received the invoices and is pending for payment as on March 31, 2024. Above disclosure are related to other payable which are in nature of service related to vendors and suppliers.

13. Additional statutory information disclosed in the separate financial statements of the Bank and Subsidiary having no material bearing on the true and fair view of the consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statement.

As per our report of even date.

For and on behalf of Board of Directors

For MSKA & Associates

Chartered Accountants

Firm Registration No: 105047W

per Tushar Kurani

Partner

Membership No: 118580

Sunil Mehta

Chairman

DIN: 00065343

Sumant Kathpalia

Managing Director & CEO

DIN: 01054434

For M.P. Chitale & Co.

Chartered Accountants

Firm Registration No: 101851W

Arun Khurana

Executive Director & Deputy CEO

DIN: 00075189

Bhavna Doshi

Director

DIN: 00400508

per Anagha Thatte

Partner

Membership No: 105525

Gobind Jain

Chief Financial Officer

Anand Das

Company Secretary

Place: Mumbai

Date: April 25, 2024

Statement pursuant to Section 129 of the Companies Act, 2013

Form AOC-1: (Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Bharat Financial Inclusion Ltd. (BFIL)
(Amount in crores)		
1	The date since when subsidiary was acquired	July 4, 2019
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period of the subsidiary is the same as that of the holding company i.e. April 1, 2023 to March 31, 2024
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable as this is a domestic subsidiary
4	Share Capital	43.70
5	Reserves & surplus	406.97
6	Total Assets	928.07
7	Total Liabilities	928.07
8	Investments	Nil
9	Turnover (Total Income)	2,334.64
10	Profit before taxation	37.67
11	Provision for taxation	10.46
12	Profit after taxation	27.21
13	Dividend	Nil
14	% of Shareholding	100

Notes:

1. Name of the Subsidiaries which are yet to commence operation : Nil
2. Name of the Subsidiaries which have been liquidated or sold during the year : Nil

Statement pursuant to Section 129 of the Companies Act, 2013

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate Companies / Joint Ventures	IndusInd Marketing and Financial Services Pvt. Ltd. (IMFS)
1	Latest Audited Balance Sheet	March 31, 2024
2	Date on which the Associate was associated or acquired	June 11, 2004
3	Shares of Associate Company held by the Company at the year-end:	
	No. of Shares	3,000
	Amount of Investment in Associate (₹)	30,000
	Extend of Holding	30%
4	Description of how there is significant influence	Extent of equity holding in the Associate Company exceeds 20%
5	Reason why the Associate is not consolidated	Not Applicable
6	Net worth attributable to the Bank's shareholding (₹ in crores)	3.49
7	Profit / (Loss) for the year:	
	i. Considered in Consolidated Financial Statement (₹ in crores)	0.31
	ii. Not considered in Consolidated Financial Statement	Not Applicable

Notes:

- Name of Associate or Joint Ventures which are yet to commence operations : Nil
- Name of the Associate or Joint Ventures which have been liquidated or sold during the year : Nil

For and on behalf of Board of Directors

Sunil Mehta
Chairman
DIN: 00065343

Arun Khurana
Executive Director & Deputy CEO
DIN: 00075189

Gobind Jain
Chief Financial Officer

Sumant Kathpalia
Managing Director & CEO
DIN: 01054434

Bhavna Doshi
Director
DIN: 00400508

Anand Das
Company Secretary

Place: Mumbai
Date: April 25, 2024

Disclosures under Basel III Capital Regulations – March 31, 2024

In line with the RBI Master Circulars: (a) RBI/2023-24/31 DOR.CAP.REC.15/21.06.201/2023-24 on “**Master Circular – Basel III Capital Regulations**” issued on May 12, 2023 (b) DBOD.BP.BC.No.120/21.04.098/2013-14 dated June 9, 2014 on “**Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Monitoring Tools and LCR Disclosure Standards**” and (c) DBR.BP.BC.No.106/21.04.098/2017-18 dated May 17, 2018 on “**Standards – Net Stable Funding Ratio (NSFR) – Final Guidelines**”, the Bank has made comprehensive Disclosures under: **(i) Pillar III including Leverage Ratio; (ii) Liquidity Coverage Ratio (LCR) and (iii) Net Stable Funding Ratio (NSFR) as per Basel III Standards**. These Disclosures can be accessed on the homepage of the Bank’s website under “**Regulatory Disclosures Section**” by clicking the links below:

<https://www.indusind.com/content/dam/regulatoryDisclosure/regulatoryDisclosure/FY-2023-2024/DISCLOSURES-UNDER-BASEL-III-CAPITAL-REGULATIONS-Mar-2024.pdf>

[https://www.indusind.com/content/dam/regulatoryDisclosure/regulatoryDisclosure/FY-2023-2024/Basel_Disclosure-Liquidity_Coverage_Ratio_\(LCR\)_Qtr-Mar-31-2024.pdf](https://www.indusind.com/content/dam/regulatoryDisclosure/regulatoryDisclosure/FY-2023-2024/Basel_Disclosure-Liquidity_Coverage_Ratio_(LCR)_Qtr-Mar-31-2024.pdf)

[https://www.indusind.com/content/dam/regulatoryDisclosure/regulatoryDisclosure/FY-2023-2024/Basel_Disclosure-Net_Stable_Funding_Ratio_\(NSFR\)_as_on_Mar-31-2024.pdf](https://www.indusind.com/content/dam/regulatoryDisclosure/regulatoryDisclosure/FY-2023-2024/Basel_Disclosure-Net_Stable_Funding_Ratio_(NSFR)_as_on_Mar-31-2024.pdf)

US DOLLAR DENOMINATED

Standalone Balance Sheet as at March 31, 2024

(Millions of US\$)

1 USD = 83.405	As at March 31, 2024	As at March 31, 2023
Capital and Liabilities		
Capital	93.32	93.03
Employee Stock Options Outstanding	12.41	5.31
Reserves and Surplus	7,423.45	6,450.63
Deposits	46,135.47	40,337.89
Borrowings	5,708.46	5,876.29
Other Liabilities and Provisions	2,366.01	2,126.13
TOTAL	61,739.12	54,889.28
Assets		
Cash and Balances with Reserve Bank of India	2,224.94	5,150.92
Balances with Banks and Money at Call and Short Notice	2,187.46	1,624.59
Investments	12,772.22	9,965.37
Advances	41,160.39	34,760.95
Fixed Assets	263.50	238.91
Other Assets	3,130.60	3,148.54
TOTAL	61,739.12	54,889.28
Contingent Liabilities	1,96,501.96	1,51,580.40
Bills for Collection	4,334.54	4,046.74

Standalone Profit and Loss Account for the year ended March 31, 2024

(Millions of US\$)

1 USD = 83.405	Year ended March 31, 2024	Year ended March 31, 2023
I. Income		
Interest earned	5,485.07	4,360.40
Other income	1,125.57	979.12
TOTAL	6,610.64	5,339.52
II. Expenditure		
Interest expended	3,013.28	2,251.16
Operating expenses	1,710.15	1,368.26
Provisions and contingencies	814.16	834.09
TOTAL	5,537.59	4,453.52
III. Profit	1,073.05	886.00
Profit brought forward	2,852.75	2,268.83
AMOUNT AVAILABLE FOR APPROPRIATION	3,925.80	3,154.83
IV. Appropriations		
a) Transfer to statutory reserve	268.26	221.50
b) Transfer to capital reserve	5.19	1.22
c) Transfer to investment fluctuation reserve account	23.98	0.36
d) Dividend paid	130.25	79.00
	427.69	302.08
Balance carried over to the Balance Sheet	3,498.11	2,852.75
TOTAL	3,925.80	3,154.83

Bank's Branches

Details of branches are accessible on the Bank's website at:

Link: <https://www.indusind.com/in/en/personal/locate-us.html>

NOTICE**INDUSIND BANK LIMITED****CIN:** L65191PN1994PLC076333**Registered Office:** 2401, Gen. Thimmayya Road (Cantonment), Pune - 411 001**Tel:** (020) 6901 9000**Secretarial & Investor Services Cell:** 701, Solitaire Corporate Park, Building No. 7, Ground Floor,
167, Guru Hargovindji Marg, Andheri (East), Mumbai – 400 093.**Tel:** (022) 6641 2487 / 2359**E-mail:** investor@indusind.com, **Website:** www.indusind.com

NOTICE is hereby given that the 30th (Thirtieth) Annual General Meeting ('AGM') of the Members of IndusInd Bank Limited (the 'Bank') will be held on Tuesday, August 27, 2024 at 2:00 p.m., at Hotel Sheraton Grand, Raja Bahadur Mill Road, Pune – 411 001, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Bank for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend at the rate of ₹16.50 per Equity Share of ₹10 each of the Bank, fully paid, for the Financial Year ended March 31, 2024.
3. To re-appoint Mr. Arun Khurana (DIN:00075189) as a director who retires by rotation and being eligible has offered himself for re-appointment.
4. To appoint M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W / W100045), as one of the Joint Statutory Auditors of the Bank

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other relevant provisions, if any, of the Companies Act, 2013, as amended from time to time ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014 and other relevant rules made thereunder, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the applicable provisions of the Banking Regulation Act, 1949 and the rules, regulations, circulars, directions and guidelines issued by the Reserve Bank of India ('RBI') (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), and in terms of the approval granted by the RBI, M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration Number 101872W / W100045), who have confirmed their eligibility to be appointed as one of the Joint Statutory Auditors of the Bank, in terms of the relevant provisions of Section 141 of the Act, the said Rules and the aforementioned norms, be and is hereby appointed as one of the Joint Statutory Auditor of the Bank, for a period of 3 (Three) years, and to hold office as such from the conclusion of the Thirtieth Annual General Meeting of the Bank until the conclusion of the Thirty-Third Annual General Meeting of the

Bank, subject to the approval of the RBI to be obtained by the Bank, on an annual basis;

RESOLVED FURTHER THAT pursuant to the relevant provisions of Section 142 and other applicable provisions of the Act, the said Rules and the aforementioned norms, M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration Number 101872W / W100045), be appointed as the Joint Statutory Auditor of the Bank on such terms and conditions and at a remuneration of ₹3,10,00,000 per annum (Rupees Three crores ten lakhs only) for FY 2024-25 to be allocated by the Bank between M/s. M S K A & Associates, Chartered Accountants (Firm Registration Number 105047W) and M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration Number 101872W / W100045), as may be mutually agreed upon between the Bank and the said Joint Statutory Auditors, depending upon their respective scope of work, and reimbursement of out of pocket expenses, outlays and taxes as applicable, that may be incurred by them, in connection with the conduct of statutory audit of the Bank and all its branches, issuing the Report on the Financial Statements of the Bank including on internal financial controls, issuing such other certification as may be required by the RBI and issuing such other reports/ certifications as may be required under the relevant provisions of the Act, the said Rules and the aforementioned norms, as amended, from time to time;

RESOLVED FURTHER THAT in addition to the agreed fees if the scope of audit work is increased, the remuneration will be increased as per the complexity and audit hours involved and such additional remuneration will be subject to the limit of ₹50,00,000 (Rupees Fifty lakhs only) and taxes as may be applicable and reimbursement of out-of-pocket expenses in connection with the audit of the Bank which will be subject to the approval of the Audit Committee;

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors, including the Audit Committee of the Board or any other person(s) authorised by the Board or the Audit Committee in this regard, be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to implementation of the Resolution including but not limited to determination of roles, responsibilities and scope of work of the respective Joint Statutory Auditor(s), negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard.

SPECIAL BUSINESS:

5. Issue of Long-Term Bonds / Debt Securities on Private Placement Basis:

To consider, and if thought fit, to pass the following Resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to the relevant provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time ('the Act') and the relevant rules made thereunder, the relevant regulations of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), the relevant provisions of the Banking Regulation Act, 1949, the relevant provisions of the Foreign Exchange Management Act, 1999, and the Rules, Directions, Regulations, Notifications, Clarifications, Guidelines and Circulars issued by the Reserve Bank of India ("RBI") in this regard, from time to time; and any other applicable laws, in each case, (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force), the Memorandum of Association and Articles of Association of the Bank and the listing agreements entered into by the Bank with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (BSE and NSE shall be collectively referred to as the "Stock Exchanges"), and subject to receipt of such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory or Regulatory authority(ies), and further subject to such terms and conditions or modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed upon by the Board of Directors of the Bank ("the Board", which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the consent of the Members of the Bank be and is hereby granted to the Board, to borrow / raise funds denominated in Indian (₹) or any other permitted Foreign Currency, by issuance of Debentures, Non-Convertible Debentures, Medium Term Notes, Infrastructure Bonds, Green Bonds, Tier 2 Capital Bonds, Perpetual Debt Instruments, AT 1 Bonds or such other debt securities by whatever name called, in domestic and/or overseas market as may be permitted under the aforesaid norms, from time to time, ("Debt Securities") on Private Placement basis and / or for making offers and / or invitations thereof, and / or issue / issuances thereof, on Private Placement basis, in one or more tranches and / or series and / or under one or more shelf disclosure documents and / or one or more Letters of Offer, and on such terms and conditions for each series / tranches, including the price, coupon, premium, discount, tenor etc. as may be deemed fit and appropriate by the Board, as per the structure and within the overall limits as may be permitted by the RBI, from time to time, for an aggregate amount not exceeding ₹20,000 crores (₹ Twenty Thousand Crores only) or its equivalent amount in such foreign currencies as may be necessary, in domestic and / or overseas markets within the overall borrowing limits of the Bank;

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized, on behalf of the Bank, to finalize all the terms and conditions and the structure of the proposed Debt Securities, to execute all such deeds, documents, agreements, instruments and writings and accept any alterations or modification(s) as it may deem fit and proper and to take such steps and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or appropriate for such purpose, including without limitation to:

- a) obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Bank;
- b) determine the nature of the issuance, terms and conditions for issuance of Debt Securities including the number of Debt Securities that may be offered and proportion thereof, issue price and discounts as permitted under applicable law, rate of interest, timing for issuance of such Debt Securities and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue (within the limit approved by the members), as it may deem expedient;
- c) negotiate, modify, sign, execute, register, deliver and make any applications (including those to be filed with the Regulatory Authorities, if any), filings, deeds, certificates, declarations, consents, communications, affidavits, agreements, documents and writings, as may be necessary or required for the aforesaid purpose including to sign and / or dispatch all forms, filings, documents and notices to be signed, submitted and / or dispatched by it under or in connection with the documents to which it is a party as well as to negotiate, agree to and execute any modification, variation or amendments to the aforementioned documents;
- d) enter into arrangements with bankers and advisors and all such agencies as may be required in connection with the issuance of the Debt Securities and to remunerate all such agencies by way of commission, brokerage, fees, expenses relating thereto or the like;
- e) seek listing of such Debt Securities in one or more Stock Exchanges and issuing any offer document;
- f) decide the utilization of the issue proceeds at its discretion, subject however, to applicable laws;
- g) settle all questions, difficulties or doubts, that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion deem fit; and
- h) further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Debt Securities from time to time and matters connected therewith;

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Bank to delegate all or any of its powers, including the powers conferred by this Resolution, to any Director(s) or Chief Financial Officer or the Company Secretary of the Bank, to execute all such agreements,

documents, instruments and writings as may be deemed necessary or desirable for such purpose, file requisite forms or applications with the concerned Statutory/ Regulatory Authorities, with the power to settle all questions, difficulties or doubts that may arise, in this regard, and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or appropriate to give effect to the said Resolutions."

RESOLVED FURTHER THAT this Resolution shall be in force for a period of twelve months from the date of its passing by the Members of the Bank or until the next Annual General Meeting, whichever is earlier."

6. Augmentation of capital through further issue or placement of securities including American Depositary Receipts, Global Depositary Receipts, Qualified Institutional Placement, etc.

To consider, and if thought fit, to pass the following Resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to: (a) Sections 23, 41, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules and regulations issued thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Issue of Global Depositary Receipts), Rules, 2014 (the "Act"); (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other rules, regulations, notifications, clarifications, guidelines and circulars issued by the Securities and Exchange Board of India ("SEBI") in this regard, from time to time; (c) the Banking Regulation Act, 1949, the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder and other rules, directions, regulations, notifications, clarifications, guidelines and circulars issued by the Reserve Bank of India ("RBI") in this regard, from time to time; (d) the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993; (e) the Depositary Receipts Scheme, 2014 read with the SEBI Framework for Issue of Depositary Receipts; (f) the extant Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India; and (g) any other applicable laws, in each case, including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force, and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Bank and subject to receipt of such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned statutory or regulatory authority(ies), and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors ("Board", which term shall be deemed to include any Committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the consent of the Members of the Bank be and is hereby granted to the Board to, if it deems fit in the interest of

the Bank, create, issue, offer and / or allot, in one or more tranches, in the course of one or more private offerings by way of Qualified Institutional Placement, or any other mode or combinations of these in the domestic or one or more international markets, equity shares and / or equity shares through Depositary Receipts and / or convertible bonds and / or securities convertible into equity shares at the option of the Bank and/or the holder(s) of such securities, foreign currency convertible bonds, American Depositary Receipts (ADRs) / Global Depositary Receipts (GDRs) representing equity shares or convertible securities and / or securities with or without detachable / non-detachable warrants with a right exercisable by the warrant-holder to subscribe for the equity shares and / or warrants with an option exercisable by the warrant-holder to subscribe for equity shares, and / or any instrument or securities representing either equity shares and / or convertible securities linked to equity shares, with or without voting rights (all of which are hereinafter collectively referred to as "Securities") subscribed in Indian / Foreign Currency(ies) to investors (whether resident and / or non-resident and / or strategic investors and / or anchor investor and /or institutions or banks and / or incorporated bodies and / or trustees or otherwise, and whether or not such investors are Members of the Bank) / Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Mutual Funds / Pension Funds / Venture Capital Funds / Financial Institutions / Banks and other persons or entities, whether or not such persons are Members of the Bank, to all or any of them jointly or severally, through prospectus and / or placement document(s) or offer letter(s) or circular(s) on private placement basis, for an aggregate amount not exceeding ₹10,000 crores or its equivalent amount in such foreign currencies as may be necessary, at such time or times, at such price or prices (whether at prevailing market prices, at permissible discount or at premium to market price or prices in terms of applicable regulations), at such interest or additional interest, and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption / prepayment, number of equity shares, to be allotted on conversion / redemption / extinguishments of debt(s), exercise of rights attached to the warrants and / or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in accordance with the applicable laws for the time being in force and the directives / guidelines issued by the appropriate authority(ies) and in consultation with the Merchant Banker(s) and / or Lead Manager(s) and / or Underwriter(s) and / or Advisor(s) such other person(s), but without requiring any further approval or consent from the Members of the Bank;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of the securities may have all or any terms or combinations of terms in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium on redemption at the option of the Bank and / or holders of any Securities, including terms for issue of additional equity shares or variations of the price or period of conversion of Securities into Equity shares or issue of Equity shares during the period of the Securities or terms

pertaining to voting rights or option(s) for early redemption of the securities;

RESOLVED FURTHER THAT without prejudice to the generality of the above, if any issue of Securities is made by way of a Qualified Institutional Placement in terms of Chapter VI of the ICDR:

- (a) the allotment of securities or any combination of such securities as may be decided by the Board shall only be to Qualified Institutional Buyers within the meaning of the ICDR; and
- (b) the Relevant Date for the determination of the floor price of the Securities shall be in accordance with the ICDR;

RESOLVED FURTHER THAT the Bank and / or any agencies or bodies authorised by the Board may issue Depository Receipts or Certificates representing the underlying Equity shares in the capital of the Bank or such other securities in form with such features and attributes as may be required and are prevalent in the Indian and / or International Capital Markets for the instruments of this nature and to provide for the tradability and free transferability thereof as per market practices and regulations (including listing on one or more stock exchanges(s) in or outside India);

RESOLVED FURTHER THAT the Board be and is hereby authorised to create, issue, offer and allot such number of Equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offer, all such Equity shares ranking in all respects *pari passu* inter se and with the then existing Equity shares of the Bank in all respects, save and except that such Equity shares or securities or instruments representing the same may be without voting rights, if permitted by law, shall carry the right to receive applicable dividend from the date of allotment, as may be decided by the Board, declared for the financial year in which the allotment of shares shall become effective;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby severally authorised, on behalf of the Bank, to finalize all the terms and conditions and the structure of the proposed securities, execute all such deeds, documents, instruments and writings and accept any alterations or modification(s) as it may deem fit and proper and take such steps and to do all such acts, deeds, matters and things it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation:

- (a) obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Bank;
- (b) determine the nature of the issuance, terms and conditions for issuance of securities including the number of securities that may be offered in domestic and international markets and proportion thereof, issue price and discounts as permitted under applicable law, premium amount on issue / conversion of the securities,

if any, rate of interest, timing for issuance of such securities and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue (within the limit approved by the Members), as it may deem expedient;

- (c) negotiate, modify, sign, execute, register, deliver and make any applications (including those to be filed with the regulatory authorities, if any), filings, deeds, certificates, declarations, consents, communications, affidavits, agreements, documents and writings, including without limitation the private placement offer letter, information memorandum, draft prospectus, prospectus, the draft offer document, abridged prospectus, offer letter, offer document, offer circular or placement document, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking / indemnity, ("Transaction Documents") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents ("Ancillary Documents") as may be necessary or required for the aforesaid purpose including to sign and / or dispatch all forms, filings, documents and notices to be signed, submitted and / or dispatched by it under or in connection with the documents to which it is a party as well as to negotiate, agree to and execute any modification, variation or amendments to the Transaction Documents and the Ancillary Documents;
- (d) to enter into arrangements for managing, underwriting, marketing, listing, trading, acting as depository, custodian, registrar, paying and conversion agent, trustee and executing agreements and arrangements with any lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s) and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees, expenses relating thereto or the like;
- (e) seek the listing of such Securities in one or more Indian / International stock exchanges and issuing any offer document(s);
- (f) decide the utilization of the issue proceeds at its discretion, subject however, to applicable laws;
- (g) settle all questions, difficulties or doubts, that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion deem fit; and
- (h) further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Securities from time to time and matters connected therewith;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee or any Director(s) or Officer(s) of the Bank in such manner as it may deem fit in its absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the issue and allotment of Securities and settle any questions or difficulties that may arise in connection with these Resolutions;

RESOLVED FURTHER THAT this Resolution shall be in effect for a period of twelve months from the date of passing by the Members or until the next Annual General Meeting, whichever is earlier."

By Order of the Board of Directors

IndusInd Bank Limited

Sd/-

Anand Kumar Das

Company Secretary

Membership No. F6950

Place: Mumbai

Date: July 19, 2024

Registered Office: 2401 Gen. Thimmayya Road
(Cantonment), Pune - 411 001

CIN: L65191PN1994PLC076333

Tel: (020) 6901 9000

Secretarial & Investor Services Cell:

701, Solitaire Corporate Park, 167, Guru Hargovindji
Marg, Andheri (East), Mumbai – 400 093.

Tel: (022) 6641 2487 / 2359

Email: investor@indusind.com

Website: www.indusind.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, AND SUCH A PROXY NEED NOT BE A MEMBER OF THE BANK.

A person can act as Proxy on behalf of Members not exceeding Fifty and holding in the aggregate not more than ten per cent (10%) of the total Share Capital of the Bank carrying voting rights.

The Proxy Form, in order to be valid and effective, should be lodged with the Bank at its Registered Office not later than 48 hours before the commencement of the meeting (**i.e. on or before Sunday, August 25, 2024 at 2.00 p.m.**).

Corporate Members intending to send their Authorised Representatives to attend the meeting are requested to send a Certified True Copy of the Board Resolution / Authority, authorising the Representative to attend the meeting.

2. Members / Proxies / Authorised Representatives should bring the Attendance Slip duly filled in for attending the AGM and hand it over at the Registration Counter at the venue. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the Attendance Slip for attending the meeting.

3. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Bank provided that not less than 3 days' notice in writing of the intention so to inspect is given to the Bank.

4. In line with the relevant provisions of applicable circulars, the Notice of this AGM is being published on the Bank's website at www.indusind.com. The Notice can also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility), i.e., www.evoting.nsdl.com.

5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in respect of the Resolutions stated at Item Numbers 3 to 6 is annexed hereto.

6. In accordance with the relevant Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, the Integrated Annual Report including the Notice of the 30th AGM of the Bank indicating, inter alia, the process and manner of e-voting is being sent only by Email, to all the Members whose Email IDs are registered with the Bank / Link Intime India Private Limited, Registrar & Share Transfer Agent ('RTA') of the Bank / Depository Participant(s) for communication purposes.

The Integrated Annual Report along with this Notice and other documents are being sent, through electronic mode in pursuance to the Applicable Circulars to all the Members whose names appear in the Register of Members as on **Friday, July 26, 2024**. The members will be entitled to a physical copy of the Integrated annual report, free of cost, upon sending a request to the Bank or to RTA. Members may note that the notice of 30th AGM and the Integrated annual report are also available on the Bank's website at www.indusind.com, and on the website of stock exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

7. All documents referred to in the accompanying Notice, Explanatory Statement, and terms and conditions of appointment of Directors are available in physical or electronic form and are open for Inspection at the Registered Office / Corporate Office and Secretarial & Investor Services Office of the Bank on all working days except Saturdays, Sundays and Bank holidays between 11.00 a.m. and 1.00 p.m. upto the date of the AGM.

8. Members who wish to inspect the documents are requested to send an email to investor@indusind.com mentioning their Name, Folio No. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN Card attached in the email.

9. Members seeking information with regard to the accounts or any matter to be placed at the AGM are requested to send their queries in advance mentioning their Name, Demat Account Number / Folio Number, E-mail Id, Mobile Number to investor@indusind.com **on or before Friday, August 16, 2024** and their questions will be replied to by the Bank suitably.

Members who would like to express their views / ask questions during the meeting are requested to register themselves as a Speaker and may send their request mentioning their Name, Demat Account Number / Folio Number, E-mail Id and Mobile Number to investor@indusind.com from **Tuesday, August 13, 2024 to Tuesday, August 20, 2024** with email subject as '**Speaker Shareholder Registration for 30th AGM – August 27, 2024**'. The Bank reserves the right to restrict the number of Speakers depending on the availability of time for the AGM. Please note that only those Members who have registered themselves as 'speaker' will be allowed to express their views / ask questions during the AGM.

10. The Register of Directors and Key Managerial Personnel and their Shareholdings, other Statutory Registers prescribed under the Companies Act, 2013 will be available at the AGM for inspection at the Registered Office / and Secretarial & Investor Services Office of the Bank on all working days except Saturdays, Sundays and Bank holidays between 11.00 a.m. and 1.00 p.m. from the date of circulation of this Notice up to the date of the AGM, i.e. Tuesday, August 27, 2024.

11. The Certificate from Secretarial Auditor of the Bank certifying that the ESOP Scheme of the Bank is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available for inspection at the Registered Office / Corporate Office and Secretarial & Investor Services Office of the Bank on all working days except Saturdays, Sundays and Bank holidays between 11.00 a.m. and 1.00 p.m. on the date of the AGM, i.e. Tuesday, August 27, 2024.

Members seeking to inspect such documents can send an email to investor@indusind.com.

12. Dividend Related Information:

a. Dividend as recommended by the Board of Directors, if approved at the AGM, shall be paid on or before **Wednesday, September 25, 2024** to the eligible Members.

b. The Members may kindly note that the Bank has fixed the Record Date of **Friday, June 28, 2024** for the purpose of Dividend, and all the members whose name appears in the Register of Members as at the Record Date would be entitled to Dividend for the Financial Year 2023-24, if approved at the 30th AGM.

- c. Members holding shares in dematerialized form are requested to intimate any change in their Address or Bank Account details (including 9 digit MICR No., 11 digit IFSC Code No. and Core Banking Account No.) to their respective Depository Participants with whom they are maintaining their Demat Accounts.
- d. Members holding shares in physical form are requested to send immediately to the R&T Agent / Bank a communication duly signed by all the holder(s) intimating about the change of address, along with the self- attested copy of their PAN Card(s), unsigned copy of the Cancelled Cheque leaf of an active Bank Account as maintained, and copies of the supporting documents evidencing the change in address. Communication details of R&T agent are as under:

Link Intime India Pvt. Ltd.,
 C-101, 247 Park,
 L.B.S. Marg, Vikhroli West, Mumbai – 400083. Tel. No.: 022 49186280, 49186000
 Fax No.: 022 49186060
- e. In case the dividend paid through electronic mode is rejected by the corresponding bank for any reason whatsoever, the Bank will issue a demand draft/pay order and print the bank account details available with RTA on the said dividend demand draft//pay order to avoid fraudulent encashment.
- f. Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Bank after April 1, 2020 shall be taxable in the hands of the Members and the Bank shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to Members, subject to approval of dividend by the Members in this AGM. The TDS rate would vary depending on the residential status of the Member and the documents submitted by them and accepted by the Bank. In order to enable the Bank to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

I. For Resident Members –

Tax will be deducted at source ("TDS") under Section 194 of the Act @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act and a valid PAN is updated with the Depository Participant. However, in case of resident individual shareholders, TDS would not apply if the aggregate of total dividend distributed paid to them by the Company during a financial year does not exceed ₹5,000/-.

Tax will not be deducted at source in cases where a member provides Form 15G (applicable to an individual who is less than 60 years) / Form 15H (applicable to an individual who is 60 years and above), along with the copy of PAN Card, provided that the eligibility conditions are satisfied. Blank Form 15G and 15H can be downloaded from the link given at the end of this communication. Please note that all fields mentioned in the Form are mandatory and the Bank may reject the forms submitted, if they do not fulfil the requirement of the law.

NIL / lower tax shall be deducted on the dividend payable to following resident members on submission of self-declaration (as per format attached) as listed below along with the self-attested copy of PAN card:

- i. **Insurance companies:** Declaration that the provisions of Section 194 of the Act are not applicable to them along with self-attested copy of

registration certificate and PAN card;

- ii. **Mutual Funds:** Declaration by Mutual Fund member eligible for exemption under section 10(23D) of the Act along with self-attested copy of registration documents and PAN card;
- iii. **Alternative Investment Fund (AIF) established in India:** Declaration that the member is eligible for exemption under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations, along with copy of self-attested registration documents and PAN card;
- iv. **New Pension System Trust:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
- v. **Other Members** (including those mentioned in Circular No. 18/2017 issued by CBDT) – Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card;
- vi. Members who have provided a valid certificate issued under section 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.

Note: The certificate should be valid for the financial year 2024-25 and should cover the dividend income from the Company.

II. For non-resident Members (including Foreign Portfolio Investors) –

Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to the member. For this purpose, i.e. to avail the Double Tax Avoidance Agreement (DTAA) benefits, the non-resident member will have to provide the following:

- i. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities;
- ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the member is resident for the financial year 2024 and financial year 2025 (covering the period from April 1, 2024 to March 31, 2025);
- iii. Electronically generated Form 10F in case of non-resident as per the provisions of the Act read along with Rules;
- iv. Self- declaration (refer format attached) by the non-resident member of meeting DTAA eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the Act);
- v. In case of Foreign Portfolio Investors, self-attested copy of SEBI registration certificate;

- vi. In case of member being tax resident of Singapore or any other country outside India, along with the above (as may be applicable), please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Limitation of Relief under applicable DTAA with India.

Taxes will be deducted @ 10% under section 196D in case of member being Alternative Investment Fund - Category III located in International Financial Services Centre. For this purpose, please furnish Self-declaration (refer format attached) along with adequate documentary evidence substantiating the nature of the entity.

No taxes will be deducted in case of member being Sovereign Wealth funds and Pension funds notified by Central Government u/s 10(23FE) of the Act. For this purpose, please furnish:

- a. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities;
- b. Copy of the notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India.
- c. Self-Declaration (refer format attached) that the conditions specified in section 10(23FE) have been complied with along with necessary documents.

Taxes will be deducted @ 10% under section 196D in case of member being an offshore banking unit established as Category – I FPI. For this purpose, please furnish:

- a. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities;
- b. Self-declaration (refer format attached) along with adequate documentary evidence (e.g. registration certificate) substantiating the nature of the entity.

No taxes will be deducted in case of member being Subsidiary of Abu Dhabi Investment Authority (ADIA) as prescribed under section 10(23FE) of the Act. For this purpose, please furnish Self-Declaration (refer format attached) substantiating the conditions specified in section 10(23FE) have been complied with along with necessary documents.

In case of members who have obtained a valid certificate issued under section 197 of the Act for lower / nil rate of deduction, a copy of the said certificate issued by the income tax authorities.

The self-declarations referred to above points can be downloaded from the link given at the end of this communication.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Bank, of the documents submitted by non-resident members and meeting requirement of the Act read with applicable DTAA. It must be ensured that self-declaration should be addressed to IndusInd Bank and should be in the same format. In the absence of the same, the Bank will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on dividends. Form 10F in digital format is mandatory for non-resident members having PAN in India or who are required to obtain PAN in India. Form 10F in any other format will not be considered for treaty benefit.

Further, where the member being resident individual eligible for obtaining Aadhaar Number have not intimated/

linked the Aadhar Number allotted with its PAN (as on the date of payment of such dividend). In such a case, the allotted PAN would be treated as inoperative for the provisions of deduction of TDS on the dividend declared by the Bank, as may applicable under the Act or relevant law/rules in force and taxes will be withheld accordingly.

As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar, except person exempted as per Notification No. 37/2017. In case of failure to comply to this, the PAN allotted shall be deemed to be inoperative and tax shall be deducted at higher rates as prescribed under the IT Act.

• **Section 206AB of the Act**

Rate of TDS @10% under section 194 of the Act is subject to provisions of section 206AB of Act which provides for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at the highest of the following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated 21st June 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

Note: In case you are a non-resident member (even if individual, company, firm, trust or any other type of entity), request you to provide a NO PE declaration which allows the Company to take a well-evaluated position on non-applicability of the said section 206AB of the Act.

To summarise, dividend will be paid after deducting the tax at source as under:

- i. NIL for resident individual members receiving dividend upto ₹5,000/- or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN card is submitted.
- ii. 10% for other resident members in case copy of valid PAN card is provided/available.
- iii. 20% for resident members if copy of PAN card is not provided / not available/ inoperative PAN.
- iv. Tax will be assessed on the basis of documents submitted by the non-resident members.
- v. 20% plus applicable surcharge and cess for non-resident members in case the relevant documents are not submitted.
- vi. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under section 197 of the Act.
- vii. 10% plus applicable surcharge and cess for non-resident members who are Alternative Investment Fund - Category III located in International Financial Services Centre or offshore banking unit established as Category – I FPI, having a valid PAN, based on the documents submitted.
- viii. Nil for members covered under section 10(23FE) of the IT Act and having a valid PAN, based on the documents submitted.

Aforesaid rates will be subject to applicability of section 206AB of the Act.

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Bank in the manner prescribed by the Rules.

After receipt of any of the above declarations, if the Company basis its independent assessment, finds any information that is contrary to the declarations received by it, the Company reserves right to rely on the results of its independent assessment and make a deduction of taxes at a higher rate as per applicable provisions of the Act.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Bank for such taxes deducted.

Members holding shares under multiple accounts under different residential status / category and single PAN, may note that, higher of the tax rate as applicable to different residential status/ category will be considered for their entire shareholding under different accounts.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Bank and also, provide the Bank with all information / documents and co-operation in any tax proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

- **Updation of PAN, email address and other details:**

Members holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email addresses, mobile numbers and other details with their relevant depositories through their depository participants. Members holding shares in physical mode are requested to furnish details to the Bank's registrar and share transfer agent Link Intime India Pvt. Ltd. The Bank is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

- **Update of Bank account details:**

Members are requested to ensure that their bank account details in their respective demat accounts/physical folios are updated, to enable the Bank to make timely credit of dividend in their bank accounts. We seek your cooperation in this regard.

Members holding shares in physical folios are requested to take note that SEBI vide circular dated November 17, 2023 has done away with the provision regarding freezing of folios not having PAN, KYC and nomination details to mitigate unintended challenges on account of freezing of folio. **Further, SEBI, vide its circular dated November 3, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that with effect from April 1, 2024, dividend to Members (holding securities in physical form), shall be paid only through electronic mode.** Such payment shall be made only after

furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature to Registrar and transfer Agent.

While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

13. To support the Bank's 'Green Initiative', Members who have not registered their e-mail addresses may please register the same, along with their contact numbers, with the Bank by sending details to investor@indusind.com or with LinkIntime India Pvt. Ltd. at rnt.helpdesk@linkintime.co.in to enable the Bank to communicate to them the information about various developments in the Bank.
14. Pursuant to Section 124 of the Companies Act, 2013, dividend for the Financial Year ended March 31, 2017 which remains unpaid or unclaimed for a period of seven years, shall become due for transfer on the due date, to the Investor Education and Protection Fund of the Central Government.
15. Intimation Letters were sent on May 31, 2024 to Members who have not claimed their dividends for FY 2016-17 for seven consecutive years. An Advertisement was also published in Financial Express (all editions) and Loksatta (Pune region) on June 1, 2024 requesting the Members to claim the dividends from the Bank on or before August 30, 2024, failing which, their shares would be transferred to the IEPF Authority within 30 days from the due date.
16. The Bank has already transferred all shares in respect of which dividend had not been paid or claimed for seven consecutive years or more along with unpaid or unclaimed dividend declared for the financial year ended March 31, 2016 and earlier periods to the Investor Education and Protection Fund. Members who have so far not claimed their dividends for the FY 2015-16 may claim their Dividend / Shares from the IEPF Authority, by submitting an application in e-form IEPF 5. The detailed procedure for claiming the Shares / Dividend amount which have been transferred to IEPF is available at: <http://iepf.gov.in/IEPF/corporates.html>
17. The information pertaining to Unpaid or Unclaimed Dividends and the details of such Members and the Shares due for transfer to the IEPF Authority are also available on the Bank's website at www.indusind.com.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Private Limited, Registrar & Share Transfer Agent of the Bank, or to the Secretarial and Investor Services Cell of the Bank.

Further, SEBI vide its circulars dated November 3, 2021 read with circulars dated December 14, 2021, November 17, 2023, May 7, 2024 and June 10, 2024 has mandated that holders of physical securities, whose folio(s) are not updated with any of the KYC details viz., PAN, nomination, contact details, mobile

number, bank account details or specimen signature, shall be eligible for payment of dividend in respect of such folios only through electronic mode with effect from April 1, 2024. Please refer SEBI FAQs by accessing the link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf (FAQ no. 38 & 39). Accordingly, dividend payable to members holding shares in physical mode, whose KYC details are not updated shall be withheld by the Bank. Members are therefore advised to update their KYC details on priority, if not done already.

19. Procedure for registering the e-mail addresses and obtaining the Integrated Annual Report and AGM Notice and e-Voting instructions by the Members whose email addresses are not registered with the Depositories (in case of Members holding shares in Demat form) or with the Registrar & Share Transfer Agent of the Bank, (in case of Members holding shares in physical form).

Members holding shares in physical form are also requested to notify any change in their e-mail ID or bank mandates or address to the Bank's Registrar and Share Transfer Agent by quoting their Folio Number, while those holding shares in electronic form, are requested to notify the change to their Depository Participants.

You may visit https://linkintime.co.in/emailreg/email_register.html to update your details.

Process for those Members whose E-mail ID is not registered with the Depositories for procuring User Id and Password and registration of E-mail Ids for e-Voting for the Resolutions set out in this Notice:

- a. In case shares are held in physical form, please provide Folio No., Name of Member, scanned copy of the Share Certificate (front and back), PAN (self- attested scanned copy of PAN Card), Aadhaar (self-attested scanned copy of Aadhaar Card) by email to rnt.helpdesk@linkintime.co.in.
 - b. In case shares are held in Demat mode, please provide DPID-Client ID (16-digit DPID + Client ID or 16-digit Beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN Card (self-attested scanned copy of PAN Card), AADHAAR Card (self-attested scanned copy of Aadhaar Card) to rnt.helpdesk@linkintime.co.in.
 - c. Alternatively, Members may send an e-mail request to evoting@nsdl.com for obtaining User ID and Password by proving the details mentioned in Point A or B above, as the case may be.
20. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Bank to consolidate their holdings in one folio.
 21. Pursuant to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form.

In view of the above and to eliminate risks associated with physical shares and to avail various benefits of dematerialization which includes easy liquidity, Members are advised to dematerialize their shares held in physical form.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open

a Demat account or the Members may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdsindia.com/investors/open-demat.html> for further understanding of the dematerialization procedure.

22. Members can avail of the Nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Bank. Blank forms will be provided on request.
 23. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Bank is providing the facility of remote e-Voting to the Members to cast their votes electronically on the Resolutions mentioned in the accompanying Notice. For this purpose, the Bank has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means as the authorised agency. The facility of casting votes by Members using remote e-Voting system as well as e-voting at the AGM shall be provided by NSDL.
- In addition to this, the facility for voting through Electronic Voting System shall also be made available at the AGM, to enable the Members to cast their votes electronically, who have not casted their vote prior to the AGM by remote voting.
24. Voting Rights of the Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Bank as on the cut-off date, and they may cast their votes electronically.
 25. Members who have registered their e-mail IDs with the Bank / their respective Depository Participants, are being forwarded Login ID and Password for Remote e-Voting via e-mail along with the Notice of this AGM.
 26. The Board of Directors of the Bank has appointed Mr. Alwyn D'souza, holding Membership No. FCS 5559 and COP No. 5137 of Alwyn Jay & Co., Company Secretaries, or alternatively, Mr. Jay D'souza holding Membership No. FCS 3058 and COP No. 6915 of Alwyn Jay & Co., Company Secretaries, as 'Scrutinizer', for conducting the Remote e-Voting process, including Electronic Voting at the AGM, in a fair and transparent manner.
 27. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow conducting of voting using electronic system for all those members who are participating in the AGM and who have not cast their votes by availing the remote e-Voting facility.
 28. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast at the meeting and through remote e-Voting in the presence of at least two witnesses not in the employment of the Bank and shall submit, within two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or any other Director or any other person authorized in writing by the Board, who shall countersign the same.
 29. Members who have cast their votes by Remote e-Voting prior to the meeting may attend the meeting but shall not be entitled to cast their votes again.

30. The results shall be declared on the above resolutions within two working days of the conclusion of the Annual General Meeting of the Bank and shall be deemed to be passed on the date of the Annual General Meeting. The Results, along with the Scrutinizer's Report, shall be placed on the website of the Bank at www.indusind.com and on the website of NSDL at www.evoting.nsdl.com and shall be communicated to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where the shares of the Bank are listed. The Results shall also be displayed on the Notice Board at the Registered Office, Corporate Office and at the Secretarial & Investor Services Cell of the Bank.

31. Webcast facility: The Bank is pleased to provide the facility of one-way live webcast of proceedings of Annual General Meeting for its Members.

Members can view the proceeding of AGM by logging on the website of NSDL at <https://www.evoting.nsdl.com> by following the steps mentioned under "Access to NSDL e-voting system".

The Route Map of the Venue of the Meeting is provided at the end of the Notice. **The prominent landmark for the Venue is 'Opposite Pune Railway Station'.**

32. The instructions for Members for Remote e-voting & electronic voting at the AGM are as under:

The remote e-voting period begins on Thursday, August 22, 2024 at 9:00 a.m. and ends on Monday, August 26, 2024 at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, August 20, 2024, may cast their vote electronically. The voting right of Members shall be in proportion to their share in the Paid-Up Equity Share Capital of the Bank as on the cut-off date, being Tuesday, August 20, 2024.

A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

Any person holding shares in physical form and non-individual members, who acquires shares of the Bank and becomes member of the Bank after the AGM notice is sent through e-mail and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000.

In case of Individual Members holding securities in demat mode who acquires shares of the Bank and becomes a Member of the Bank after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

How do I vote electronically using NSDL e-Voting system?

The process to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual members holding securities in demat mode

In terms of SEBI Master Circular dated July 11, 2023 on e-voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Login method for Individual members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of members	Login Method
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting for members other than Individual members holding securities in demat mode and members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for members other than Individual members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those members whose email ids are not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to alwyn.co@gmail.com with a copy marked to evoting@nsdl.com. Institutional members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mahatre – Senior Manager at evoting@nsdl.com

Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@indusind.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@indusind.com. If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual members holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI Master Circular dated July 11, 2023, on Master circular for compliance with the provisions of SEBI Listing Regulations, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ORDINARY BUSINESS

ITEM NO. 3:

To re-appoint Mr. Arun Khurana (DIN:00075189) as a director who retires by rotation and being eligible has offered himself for re-appointment

Section 152 (6) of the Companies Act, 2013 ('the Act') provides that unless the Articles of Association of a public company provides for retirement of all Directors at every Annual General Meeting (AGM), not less than two-thirds of the total number of Directors of a public company shall be liable to retire by rotation, and that one-third of such Directors shall retire from office at every Annual General Meeting of the public company.

Section 149 (13) of the Act provides that provisions pertaining to retirement of Directors by rotation shall not be applicable to Independent Directors.

The Board of the Bank comprises 11 (eleven) Directors of which, 8 (eight) are Independent Directors, 2 (two) are Whole-time Directors and one is a Non-Executive, Non-Independent Director.

In terms of Section 152 (6) of the Act, Mr. Arun Khurana is liable to retire by rotation at the AGM, and being eligible, has offered himself for re-appointment.

The Board of Directors of the Bank ("Board") at its meeting held on June 28, 2023, based on the recommendation of the Compensation and Nomination & Remuneration Committee ("the Committee") and pursuant to Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules notified thereunder ("Companies Act") and Articles of Association of the Bank, had approved the appointment of Mr. Arun Khurana (DIN: 00075189) as an Additional Director in the category of Whole-time Director (Executive Director) of the Bank liable to retire by rotation subject to approval of the Reserve Bank of India ("RBI") and the members of the Bank.

The RBI, vide its letter dated November 16, 2023, granted its approval for the appointment of Mr. Arun Khurana as the Whole-time Director (Executive Director), for a period of three (3) years commencing from November 16, 2023 upto November 15, 2026 (both days inclusive).

Brief profile of Mr. Arun Khurana, including his remuneration details, Directorships and Committee positions held by him in other companies are provided separately in the Notice, as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India.

The Board recommends passing of the ordinary resolution relating to the re-appointment of Mr. Arun Khurana, set out at Item No. 3 of the Notice, for the approval of the Members.

Mr. Arun Khurana is not related to any other Director or Key Managerial Personnel of the Bank.

None of the Directors other than Mr. Arun Khurana or the Key Managerial Personnel of the Bank or their relatives are deemed to be interested, financially or otherwise, in the said Resolution.

ITEM NO. 4:

To appoint M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W / W100045), as one of the Joint Statutory Auditors of the Bank

In terms of Section 30 (1A) of the Banking Regulation Act, 1949, it is necessary for every banking company to obtain prior approval of the Reserve Bank of India (RBI), before appointing any of the Joint Statutory Auditor(s).

In terms of Guidelines for Appointment of Statutory Central Auditors (SCAs) / Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines") dated April 27, 2021, issued by the RBI, Statutory Auditors of a Bank can be appointed for a term of 3 years each.

As per the said RBI Guidelines, considering the Bank's asset size, the Audit Committee of Board and the Board of Directors (the Board) of the Bank, had considered and approved the appointment of the following Chartered Accountant Firms as the Joint Statutory Auditors of the Bank viz. M/s M S K A & Associates, Chartered Accountants (Firm Registration Number 105047W) (for a period of one year to hold office from the conclusion of 30th Annual General Meeting (AGM) until the conclusion of 31st AGM), and M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration Number 101872W/W100045), (for a period of three (3) years, to hold office from the conclusion of 30th AGM until the conclusion of the 33rd AGM of the Bank), subject to approval of the RBI to be obtained by the Bank, on an annual basis from the conclusion of 31st AGM.

The Board of Directors had, in their meeting held on March 12, 2024, approved the appointment of M/s. Chokshi & Chokshi LLP, Chartered Accountants, (Firm Registration No. 101872W/W100045) as the other Joint Statutory Auditor of the Bank, for a period of three years, from the conclusion of the 30th AGM of the Bank up to the conclusion of the 33rd AGM of the Bank on the terms and conditions including remuneration, subject to the approval of the RBI to be obtained by the Bank, on an annual basis from the conclusion of the 31st AGM of the Bank. RBI had issued its approval in this regard vide letter dated May 6, 2024, which also included approval for the appointment of M/s. M S K A & Associates, Chartered Accountants as the joint Statutory Auditors of the Bank for the third year of appointment i.e. FY 2023-24.

M/s. Chokshi & Chokshi LLP, Chartered Accountants, (Firm Registration No. 101872W/W100045) have confirmed that their appointment, if made, would be within the limits specified under the provisions of Section 141 of the Act and that they are not disqualified from being appointed as the Joint Statutory Auditor of the Bank, in terms of the relevant provisions of the Act and the Companies (Audit and Auditors) Rules, 2014, as amended.

It is proposed to approve remuneration of ₹3,10,00,000 per annum (Rupees Three crores ten lakhs only) for FY 2024-25 payable to M/s. M S K A & Associates, Chartered Accountants and M/s. Chokshi & Chokshi, Chartered Accountants, LLP. The aforesaid proposed remuneration shall be allocated by the Bank between M/s. M S K A & Associates, Chartered Accountants and M/s. Chokshi & Chokshi

LLP, Chartered Accountants, as may be mutually agreed between the Bank and the said respective auditors, depending upon their respective scope of work, in addition to out of pocket expenses, outlays and taxes as applicable.

In addition to the agreed fees if the scope of audit work is increased, the remuneration will be increased as per the complexity and audit hours involved and such additional remuneration will be subject to the limit of ₹50,00,000 (Rupees Fifty lakhs only) and taxes as may be applicable and reimbursement of out-of-pocket expenses in connection with audit of the Bank which will be subject to approval of Audit Committee.

Information pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

A. Terms and condition relating to the appointment including fees, as approved by the RBI:

M/s. Chokshi & Chokshi LLP, Chartered Accountants is proposed to be appointed as the other Joint Statutory Auditor of the Bank, in place of M/s. M.P. Chitale & Co., Chartered Accountants, for a period of three years, from the conclusion of the 30th AGM of the Bank up to the conclusion of the 33rd AGM of the Bank on the terms and conditions, including remuneration as set out in Item No.4 of the Notice, for approval by the Members.

B. Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

There is no material change in the fee payable to such auditor than paid to the outgoing auditor. Increase in the fee payable for the financial year 2024-25 is in line with the inflation witnessed in the economy.

C. Basis of recommendation for said appointment including details in relation to and credentials of the Joint Statutory Auditor, proposed to be appointed/ Brief Profile:

M/s. Chokshi & Chokshi LLP, Chartered Accountants, established in 1976 is a Chartered Accountancy Firm registered with The Institute of Chartered Accountants of India (Firm Registration No.101872W/W100045). The Firm has its Head office at Mumbai and Branches at Ahmedabad, Bengaluru, Delhi and Pune. It provides an integrated range of services in Audit, Advisory, Direct & Indirect Taxation, Technology and Forensics. The firm has varied experiences across sectors and conducts statutory audit that inter alia includes at banks, mutual funds, insurance and corporates.

The Board recommends the passing of the Ordinary Resolution relating to M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W / W100045), as one of the Joint Statutory Auditors of the Bank set out at Item No. 4 of the Notice, for the approval of the Members.

None of the Directors or the Key Managerial Personnel of the Bank or their relatives are deemed to be interested, financially or otherwise, in the said Resolution.

SPECIAL BUSINESS

ITEM NO. 5:

Issue of Long-Term Bonds / Debt Securities on Private Placement Basis:

Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 mandates that a company can make Private Placement of securities subject to the condition that the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Members, by means of a Special Resolution, for each of the offers or invitations. In case of Offers or Invitations for Non-Convertible Debentures, it is sufficient if the company passes Special Resolution only once in a year for all the Offers or Invitations for such debentures to be made on a Private Placement basis during the year.

The Bank may raise additional funds to meet the needs of its growing business requirements, including long-term capital for pursuing its growth plans by way of borrowing / raising funds denominated in Indian ₹ or any other permitted Foreign Currency, by issuance of Debentures, Non-Convertible Debentures, Medium Term Notes, Infrastructure Bonds, Green Bonds, Tier 2 Capital Bonds, Perpetual Debt Instruments, AT 1 Bonds or such other debt securities by whatever name called and as may be permitted under the aforesaid norms, from time to time, ("Debt Securities") The Bank may also maintain the CRAR by issuing Basel III-compliant Additional Tier I / Tier II debt instruments or any other instruments of a similar nature.

In the last AGM of the Bank held on August 24, 2023, approval of the Members had been obtained for issuance of Bonds / Non-Convertible Debentures (NCDs), i.e., Long-Term Bonds including Infrastructure Bonds and Subordinated Non-Convertible Debentures eligible to be included in the Additional Tier I and Tier II Capital of the Bank, up to ₹20,000 crores (₹ twenty thousand crores only) on Private Placement basis, which is valid for a period of one year from the date of passing the resolution i.e. August 23, 2024 or the date of this Annual General Meeting i.e. Tuesday, August 27, 2024, whichever is earlier.

Considering the guidelines issued by Reserve Bank of India on issue of Long-Term Bonds / Basel III - compliant Additional Tier I and Tier II Bonds, and the fact that these Bonds will also assist the Bank in reducing Asset-Liability mismatches, the Board of Directors in their meeting held on July 19, 2024 approved seeking consent of the Members for borrowing of monies / raising of funds in Indian / Foreign Currency by way of issue of Securities including but not limited to Long-Term Bonds including Infrastructure Bonds / NCDs / Medium Term Notes (forming part of Tier I / Tier II Capital in accordance with Basel III Capital Regulations) or any other instrument of a similar nature up to ₹20,000 crores (₹ Twenty Thousand crores only) in one or more tranches in domestic and / or overseas market in Indian or foreign currency, whether Secured or Unsecured as permitted by the Reserve Bank of India, to the eligible investors on Private Placement basis, on such terms and conditions as may be decided by the Board of Directors or any Committee of the Board or such other person(s) as may be authorised by the Board, from time to time. This would form part of the overall borrowing limit, as approved by the Members of the Bank, from time to time, pursuant to Section 180 (1) (c) of the Companies Act, 2013.

The above-mentioned Bonds / NCDs would be issued by the Bank in accordance with the applicable statutory guidelines for cash, either at par or at premium or at a discount to the Face Value, depending upon the prevailing market conditions and on such terms and conditions including the Interest, Tenor, Coupon, Repayment, Security, etc. or otherwise, as it may deem expedient, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board shall in its absolute discretion deem fit, without being required to seek any further consent or approval from Members and intent that they shall be deemed to have given their approval thereto expressly by the authority of the resolution.

The capital funds, if any, raised will augment the long term funds of the Bank and improve the regulatory capital adequacy where applicable and such funds will be deployed for furtherance of the business of the Bank.

Approval of the Members is requested by way of a Special Resolution for issuance of Long-Term Bonds, including Infrastructure Bonds / Subordinated Non-Convertible Debentures (NCDs) / Bonds eligible to be included in the Additional Tier I and Tier II Capital of the Bank in the Domestic / Overseas market, on Private Placement basis, in one or more tranches under one or more Shelf Disclosure Documents and one or more Letters of Offer, and on such terms and conditions for each series / tranches including the Price, Coupon, Premium, Discount, Tenor, Interest, Repayment, Security etc., as deemed fit by the Board for an amount not exceeding ₹20,000 crores (₹ Twenty Thousand crores only).

The Board recommends passing of the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

None of the Directors or the Key Managerial Personnel of the Bank or their relatives are interested, financially or otherwise, in the said Resolution.

ITEM NO. 6:

Augmentation of capital through further issue or placement of securities including American Depositary Receipts, Global Depositary Receipts, Qualified Institutional Placement, etc.:

The Bank made an Initial Public Offering in 1998. Capital augmentation has since then been done through private placement (two GDRs, four QIPs and three Preferential Allotments), and through inorganic route in the form of three mergers.

Section 42 of the Companies Act, 2013 defines the power of companies to make private placement of securities. In terms of Section 42 (2) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, shareholders can, by way of a Special Resolution, authorize the Board of Directors to make offer of Equity instruments including convertible debt securities on a private placement basis, in one or more tranches in a year. Accordingly, it is recommended for approval of the members for granting powers to the Board to raise funds through Equity instruments or convertible debt securities in any permitted mode such as ADR, GDR or QIP, on a private placement basis, in one or more tranches, until one year from the date of this AGM, for an aggregate amount not exceeding ₹10,000 crores, by passing the resolution as a Special Resolution in this AGM, that forms part of this Notice. The capital funds, if any, raised will augment the long term funds of the Bank and improve the regulatory capital adequacy and such funds will be deployed for furtherance of the business of the Bank.

Members may note that this special resolution is to enable the Bank to create, offer, issue and allot (including with provisions for reservation on firm and / or on competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of Equity Shares, and/or Equity Shares through depository receipts, and / or securities convertible into Equity Shares at the option of the Bank and / or the holders of such securities, and / or securities linked to Equity Shares, and / or any other instrument or securities representing Equity Shares and / or convertible securities linked to Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination thereof, by way of a private placement, including by way of a Qualified Institutions Placement ("QIP") in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations"). Accordingly, the Board has at its meeting held on July 19, 2024, subject to approval of the members, approved the issuance of Securities at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at its sole and absolute discretion, taking into consideration market conditions and other relevant factors and wherever necessary in consultation with book running lead manager(s) and / or other advisor(s) appointed in relation to the proposed issue, in accordance with applicable laws. The Bank intends to issue Securities for an aggregate amount not exceeding ₹10,000 crores (Rupees Ten Thousand Crores only).

The pricing for the Securities, shall be in accordance with the relevant provisions of the Act, the SEBI ICDR Regulations and any other applicable laws.

The 'Relevant Date' for the purpose of the Offering shall be decided in accordance with the applicable provisions of the SEBI ICDR Regulations.

The Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Bank and the Equity Shares that may be issued and allotted by the Bank shall rank pari-passu inter se and with the then existing Equity Shares of the Bank, in all respects, including dividend and shall be subject to the Memorandum of Association and Articles of Association of the Bank.

Pursuant to Section 62(1)(c) of the Act, further equity shares may be issued to persons other than the existing members of the Bank, as specified in Section 62(1)(a) of the Act provided that the members of the Bank approve the issue of such equity shares, by means of a special resolution.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Act, only after receipt of prior approval of its members by way of a special resolution. Consent of the members would therefore be necessary pursuant to the provisions of Sections 42 and 62(1)(c) of the Act, read with applicable provisions of the SEBI ICDR Regulations and the SEBI Listing Regulations, for issuance of Securities.

The approval of the members is being sought to enable the Board or the Committee duly authorised by the Board, in this regard, to decide on issuance of Securities, to the extent and in the manner stated in the special resolution, as set out in item no. 6 of this notice, without the need for any fresh approval from the members of the Bank, in this regard.

The Special Resolution as set out in item no. 6 of this notice, is an enabling resolution and therefore the proposal seeks to confer upon the Board or the Committee duly authorised by the Board, in this regard, the sole and absolute discretion to determine the terms of the said issue of Securities, including the exact price, proportion and timing of such issue, based on an analysis of the specific requirements. The detailed terms and conditions of such issue will be determined by the Board or the Committee duly authorised by the Board, in this regard, considering the prevailing market conditions, practices and in accordance with applicable laws.

The Board recommends passing of the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

None of the Directors or the Key Managerial Personnel of the Bank or their relatives are interested, financially or otherwise, in the said Resolution.

By Order of the Board of Directors

IndusInd Bank Limited

Sd/-

Anand Kumar Das

Company Secretary

Membership No. F6950

Place: Mumbai

Date: July 19, 2024

Registered Office: 2401 Gen. Thimmayya Road
(Cantonment), Pune - 411 001

CIN: L65191PN1994PLC076333

Tel: (020) 6901 9000

Secretarial & Investor Services Cell:

701, Solitaire Corporate Park, 167, Guru Hargovindji
Marg, Andheri (East), Mumbai – 400 093.

Tel: (022) 6641 2487 / 2359

Email: investor@indusind.com

Website: www.indusind.com

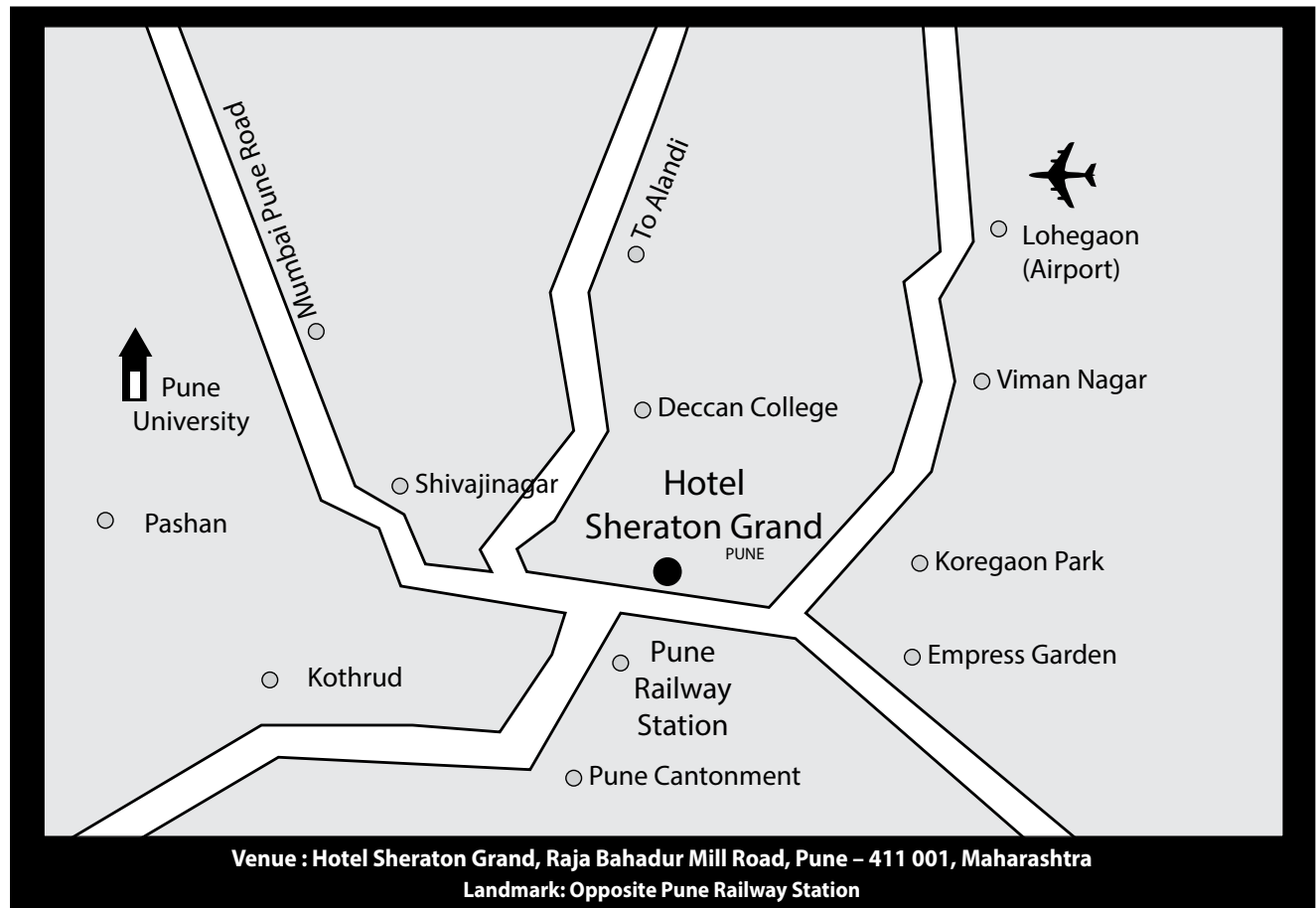
DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE THIRTIETH ANNUAL GENERAL MEETING

[Pursuant to the Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Mr. Arun Khurana, Whole-time Director (Executive Director)

DIN	00075189
Date of Birth	December 30, 1968
Age	55 years
Date of first appointment on the Board of the Bank	November 16, 2023
Qualifications	B. Com Honors, Chartered Accountant
Brief Resume including experience	<p>Mr. Arun Khurana joined the Bank in November 2011 and is Deputy CEO of the Bank since April 1, 2020 and is also the overall head of Global Markets Group (GMG), Transaction Banking Group (TBG), Investment Banking, Financial Institutions & Public Sector, Financial Restructuring & Reconstruction Group (FRRG), Centralised Fraud Monitoring Unit (CFMU), Pan Bank Liabilities Group (PBLG), etc.</p> <p>Appointed as a Whole-time Director (Executive Director) of the Bank for a period 3 years from November 16, 2023 upto November 15, 2026 (both days included).</p> <p>Mr. Arun Khurana is qualified as a Chartered Accountant and has over 29 years of banking experience. He began his banking career with Hong Kong and Shanghai Banking Corporation (HSBC) followed by ABN AMRO Bank which was subsequently acquired by the Royal Bank of Scotland. With RBS India, he was Managing Director & Head of Global Markets, wherein he built a successful franchise across Trading, Sales, DCM and Equity. Thereafter, he went on to become the Managing Director and Head of Corporate Solutions Asia Pacific with RBS, Singapore.</p> <p>Mr. Khurana has also worked and held senior positions across geographies in London, Dubai and Singapore giving him broad international exposure across various markets. He has worked extensively with clients ranging from Global Development Institutions, Global banks, Insurers, Hedge funds, Financial institutions, Multinational Corporations, Public sector companies, local corporates and has demonstrated value generating, capital preserving business strategies; influences strategic decisions and is a positive communicator.</p> <p>He believes to sustain value, leverage best practices of risk and governance to contain credit, operational and regulatory risk in rapidly altering market situations, enhance client acquisition by adapting digital strategy across financial products. Through significant experience of leading businesses to capture market niches and deliver clients first, Mr. Khurana has earned a reputation for creating and leading a high performance culture, inspiring people's loyalty and energizing teams into building profitable and sustainable businesses.</p>
Nature of his Expertise in specific functional areas	Banking, Economics, Finance, Risk Management and Business Management as required under Section 10A of the Banking Regulation Act, 1949.
List of Directorships / Memberships/ Chairmanships of Committees of other Boards	
1. Directorships in other entities:	None
2. Chairmanships of the Committees of other Boards:	None
3. Membership of Committees of other Boards	None
Resignation from the Listed Entities from the past three years.	None
Number of Equity Shares held in the Bank as on July 19, 2024	45,290 shares of ₹10 each
Number of Board Meetings attended from November 16, 2023 till July 19, 2024	14/15
Relationship between Directors inter-se, Managers and Other Key Managerial Personnel of the Bank	None
Justification for re-appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The Board of Directors of the Bank ("Board") is of the opinion that Mr. Arun Khurana is a person of integrity and considering his qualifications, extensive knowledge and rich experience in the matters of Banking, Economics, Finance, Risk Management and Business Management, the re-appointment of Mr. Arun Khurana is in the interest of the Bank.
Terms and conditions of re-appointment	The terms and conditions of re-appointment have been stated in the Ordinary Resolution as set out in this Notice.
Remuneration paid per annum	₹5,00,00,000 per annum
Remuneration last drawn	₹5,00,00,000 per annum

Location Map - Venue of the 30th Annual General Meeting is given below:



PROXY FORM**Form No. MGT-11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L65191PN1994PLC076333

Name of the Company: IndusInd Bank Limited

Registered Office: 2401 Gen. Thimmayya Road (Cantonment), Pune - 411 001. Tel: (020) 6901 9000

Secretarial & Investor Services: 701, Solitaire Corporate Park, Building No. 7, Ground Floor, 167, Guru Hargovindji Marg, Andheri (East), Mumbai – 400 093. Tel: (022) 6641 2487 / 2359

E-mail ID: investor@indusind.com; Website: www.indusind.com

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No./Client ID	:	
DP ID	:	

Name of the Member(s)	:	
Registered Address	:	
E-mail ID	:	
Folio No./Client ID	:	
DP ID	:	

I / We being the member(s), of _____ shares of the above named company, hereby appoint:

1. Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____ or failing him / her
2. Name : _____
 Address : _____
 E-mail ID : _____ or failing him / her
 Signature : _____
2. Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirtieth Annual General Meeting of the Bank, to be held on Tuesday, August 27, 2024, at 2.00 p.m., at Hotel Sheraton Grand, Raja Bahadur Mill Road, Pune – 411 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	
1.	To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Bank for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.
2	To declare Dividend at the rate of ₹16.50 per Equity Share of ₹10 each of the Bank, fully paid, for the Financial Year ended March 31, 2024.
3	To re-appoint Mr. Arun Khurana (DIN:00075189) as a director who retires by rotation and being eligible has offered himself for re-appointment.
4	To appoint M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W / W100045), as one of the Joint Statutory Auditors of the Bank
Special Business	
5	Special Resolution: Issue of Long-Term Bonds / Debt Securities on Private Placement Basis.
6	Special Resolution: Augmentation of capital through further issue or placement of securities including American Depository Receipts, Global Depository Receipts, Qualified Institutional Placement, etc.

Signed this _____ day of _____ 2024

Signature of Shareholder_____

Signature of Proxy holder(s)_____

Affix
Revenue
Stamp of ₹1

Note: This Form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Bank, not less than 48 hours before the commencement of the Meeting. (i.e., on or before Sunday, August 25, 2024 at 2.00 p.m.)

INDUSIND BANK LIMITED

CIN: L65191PN1994PLC076333

Name of the Company: IndusInd Bank Limited**Registered Office:** 2401 Gen. Thimmayya Road (Cantonment), Pune - 411 001. Tel: (020) 6901 9000**Secretarial & Investor Services:** 701, Solitaire Corporate Park, Building No. 7, Ground Floor, 167, Guru Hargovindji Marg, Andheri (East), Mumbai – 400 093. Tel: (022) 6641 2487 / 2359**ATTENDANCE SLIP**

Sr. No. :

Regd. Folio / DP ID & Client ID :

Name and Address of the Member :

Name of the Joint Holder(s) :

No. of Shares held :

I hereby record my presence at the **THIRTIETH ANNUAL GENERAL MEETING** of the Bank being held on Tuesday, August 27, 2024, at 2.00 p.m., at Hotel Sheraton Grand, Raja Bahadur Mill Road, Pune – 411 001.

Member's / Proxy's Signature

Notes:

- Members wishing to attend the meeting must bring the Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
- Members attending the meeting may please bring their copy of the Integrated Annual Report for reference at the meeting.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN
129607		

Notes:

- Please read the complete instructions on Remote e-voting given under the Notes to the Notice of the Annual General Meeting.
- The Voting period starts at 9.00 a.m. on Thursday, August 22, 2024 and ends at 5.00 p.m. on Monday, August 26, 2024. The Voting Module will be disabled by NSDL for voting thereafter.



Ernst & Young Associates LLP
5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E), Mumbai - 400063, India

Tel: +91 22 6192 0000
Fax: +91 22 6192 3000
ey.com

Independent practitioner's assurance report

To,
The Management and Board of Directors
IndusInd Bank Limited,
PNA House, 4th Floor,
Plot No. 57, Street No. 17, MIDC, Andheri (E)

Scope

We have been engaged by IndusInd Bank Limited to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on IndusInd Bank Limited's Integrated Annual Report (the "Subject Matter") contained in IndusInd Bank Limited's (the "Company's") Integrated Annual Report **as of 31st March 2024 for the period from 01st April 2023 to 31st March 2024** (the "Report").

Criteria applied by IndusInd Bank Limited

In preparing the Integrated Annual Report, IndusInd Bank Limited applied the **Global Reporting Initiative** (Criteria). Such Criteria were specifically designed for **Integrated Annual Report**; As a result, the subject matter information may not be suitable for another purpose.

IndusInd Bank Limited's responsibilities

IndusInd Bank Limited's management is responsible for selecting the Criteria, and for presenting the Integrated Annual Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with IndusInd Bank Limited on **15th May 2024**. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services*





engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Integrated Annual Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with selected personnel at the Corporate offices to understand their processes for collecting, collating, and reporting Sustainability Indicators (ref Annexure 1) in accordance with the Global Reporting Initiative.
- Obtained an understanding and evaluated the design of the key systems, processes, and controls involved in managing, recording, and reporting the Identified Sustainability Indicators, including those at the portfolio companies covered in this assurance.
- Undertook analytical procedures to corroborate the reasonableness of the data, which included consultations with the sustainability teams of the portfolio companies.
- Performed data reliability and accuracy checks on a sample basis, with respect to the disclosures required by the Global Reporting Initiative

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to Integrated Annual Report as of **31st July 2024** for the period from 01st April 2023 to 31st March 2024, in order for it to be in accordance with the Criteria.

Ernst & Young Associates LLP

Chaitanya Kalia

31/07/2024

Mumbai, India





Annexure 1:

GRI Indicator	Description
GRI 2: General Disclosures 2021	
2-7	Employees
GRI 302: Energy 2016	
302-1	Energy consumption within the organization
GRI 303: Water and Effluents 2018	
303-5	Water consumption
GRI 305: Emissions 2016	
305-3	Other indirect (Scope 3) GHG emissions <ul style="list-style-type: none"> ▪ Category 1: Purchased Goods and Services ▪ Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2 ▪ Category 6: Business Travel ▪ Category 7: Employee Commuting
GRI 401: Employment 2016	
401-1	New employee hires and employee turnover
GRI 403: Occupational Health and Safety 2018	
403-5	Worker training on occupational health and safety
GRI 404: Training and Education 2016	
404-1	Average hours of training per year per employee
GRI 405: Diversity and Equal Opportunity 2016	
405-1	Diversity of governance bodies and employees



IndusInd Bank

Registered Office

2401 General Thimmayya Road
Cantonment, Pune - 411 001 Tel.: +91 20 6901 9000

Corporate Office

8th Floor, Tower 1, One World Centre
841, S. B. Marg, Prabhadevi (W) Mumbai - 400 013
Tel.: +91 22 2423 1999 / 3049 3999
Fax: +91 22 2423 1998 / 3049 3998

Visit us at: www.indusind.com or email us at:
investor@indusind.com

CIN: L65191PN1994PLC076333