

Unaudited Consolidated Financial Results for the quarter / nine months ended December 31, 2019

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended 31.12.2019 (unaudited)	Quarter ended 30.09.2019 (unaudited)	Quarter ended 31.12.2018 (unaudited)	Nine months ended 31.12.2019 (unaudited)	Nine months ended 31.12.2018 (unaudited)	Year ended 31.03.2019 (audited)
1.	Interest Earned (a)+(b)+(c)+(d)	728453	715036	576347	2139626	1626971	2226115
(a)	Interest / Discount on Advances / Bills	608232	594867	476322	1778483	1336194	1825668
(b)	Income on Investments	110641	107537	91855	325172	269789	367734
(c)	Interest on balances with Reserve Bank of India and other inter bank funds	2973	6200	2793	14051	7405	10203
(d)	Others	6607	6432	5377	21920	13583	22510
2.	Other Income	179002	172717	146885	518044	408773	564672
3.	Total Income (1+2)	907455	887753	723232	2657670	2035744	2790787
4.	Interest Expended	421032	424101	347538	1256871	965591	1341497
5.	Operating Expenses (i)+(ii)	210652	201309	163998	603589	468100	640530
(i)	Employees Cost	74043	71645	45205	210410	137227	185352
(ii)	Other Operating Expenses	136609	129664	118793	393179	330873	455178
6.	Total Expenditure (4+5) Excluding Provisions and Contingencies	631684	625410	511536	1860460	1433691	1982027
7.	Operating Profit before Provisions and Contingencies (3-6)	275771	262343	211696	797210	602053	808760
8.	Provisions (other than tax) and Contingencies	104345	73771	60668	221178	154696	310765
9.	Exceptional items	-	-	-	-	-	-
10.	Profit (+) / Loss (-) from Ordinary Activities before Tax (7-8-9)	171426	188572	151028	576032	447357	497995
11.	Tax Expense	40503	48477	52525	161764	153257	167947
12.	Net Profit (+) / Loss (-) from Ordinary Activities after Tax (10-11)	130923	140095	98503	414268	294100	330048
13.	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14.	Net Profit before share of Associate (12-13)	130923	140095	98503	414268	294100	330048
15.	Share in profit/(loss) of Associate	20	1	8	25	22	27
16.	Net Profit for the period (14+15)	130943	140096	98511	414293	294122	330075
17.	Paid up Equity Share Capital (Face Value: Rs.10/- each)	69307	69298	60208	69307	60208	60269
18.	Reserves excluding revaluation reserves						2575901
19.	Analytical Ratios						
(i)	Percentage of shares held by Government of India	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Capital Adequacy Ratio (%) - Basel III	13.92	14.70	14.19	13.92	14.19	14.16
(iii)	Earnings per share - (Basic and Diluted) (Rs.)						
(a)	Basic EPS before Extraordinary items (not annualized)	18.89	20.22	16.37	59.80	48.94	54.89
	Diluted EPS before Extraordinary items (not annualized)	18.82	20.14	16.26	59.54	48.56	54.45
(b)	Basic EPS after Extraordinary items (not annualized)	18.89	20.22	16.37	59.80	48.94	54.89
	Diluted EPS after Extraordinary items (not annualized)	18.82	20.14	16.26	59.54	48.56	54.45
(iv)	NPA Ratios						
(a)	Gross NPA	457843	437020	196815	457843	196815	394741
	Net NPA	217329	220257	102927	217329	102927	224828
(b)	Gross NPA (%)	2.18	2.19	1.13	2.18	1.13	2.10
	Net NPA (%)	1.05	1.12	0.59	1.05	0.59	1.21
(v)	Return on Assets (%) (annualized)	1.82	1.98	1.62	1.96	1.70	1.39

Notes:

- 1 The consolidated financial statements of the Group 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.
- 2 There has been no material change in the accounting policies adopted during the quarter / nine months ended December 31, 2019 as compared to those followed for the year ended March 31, 2019.
- 3 The working results for the quarter / nine months ended December 31, 2019 have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposure, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.
- 4 The above financial results for the quarter / nine months ended December 31, 2019 were subjected to a Limited Review by the Statutory Auditors of the Bank. An unqualified / unmodified report has been issued by them thereon. These financial results were reviewed by the Audit Committee and subsequently have been taken on record and approved by the Board of Directors at its meeting held on January 14, 2020.
- 5 RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, as amended, on Basel III Capital Regulations contain guidelines on certain Pillar 3 and leverage ratio disclosure requirements that are to be made along with the publication of financial results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link:
<http://www.indusind.com/content/home/important-links/regulatory-disclosures-section.html>
These disclosures have not been subjected to the Limited Review.
- 6 The Capital Adequacy Ratio of the Bank is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 7 On October 14, 2017, the Board of Directors of the Bank and the erstwhile Bharat Financial Inclusion Limited (e-BFIL), at their respective meetings, approved a Composite Scheme of Arrangement (Scheme) under Section 230-232 of the Companies Act 2013 and other applicable laws and regulations. The Scheme inter alia contemplated the merger of e-BFIL with the Bank, a preferential allotment of Share Warrants to the Promoters, a simultaneous transfer of the Business Correspondent Undertaking (BC Undertaking) contained in e-BFIL to a wholly owned subsidiary of the Bank, and liquidation of the e-BFIL without winding up. For the purposes of the Scheme, IndusInd Financial Inclusion Limited (IFIL), a wholly owned subsidiary of the Bank, was incorporated on August 8, 2018 after obtaining requisite RBI approval. The National Company Law Tribunal Mumbai (NCLT) sanctioned the Scheme on June 10, 2019 with the Appointed Date set at January 1, 2018. The Scheme became effective on July 4, 2019 and accounting effects have been given during the nine months ended December 31, 2019. The accounting effects, in so far as it relates to merger of e-BFIL with the Bank, have been given under Accounting Standard 14 – Accounting for Amalgamation. Accordingly, the financial results for the quarter / nine months ended December 31, 2019 are not comparable with the previous periods.
- 8 Pursuant to the Scheme sanctioned by the NCLT as stated in para 7 above, on July 6, 2019, the Bank allotted 8,96,17,781 shares of Rs.10 each fully paid, to the eligible equity shareholders of e-BFIL in the ratio of 639 shares of the Bank for every 1000 shares of e-BFIL. Consequent to the receipt of subscription amount at 25% of the price of Rs.1,709 per Share Warrant, on July 6, 2019, the Bank allotted 1,57,70,985 Share Warrants to the Promoters of the Bank. Each Share Warrant is convertible to one equity share of the Bank fully paid, upon exercise of the option by paying the remaining 75% within 18 months of allotment. On July 04, 2019 the BC Undertaking contained in the merged entity was transferred to IFIL as a going concern for which IFIL allotted 4,37,03,500 equity shares of Rs.10 each fully paid to the Bank, and the e-BFIL was liquidated without winding up. Subsequently, in accordance with the Scheme sanctioned by NCLT, on August 02, 2019 IFIL has been renamed as Bharat Financial Inclusion Limited (BFIL).
- 9 In accordance with a clarification issued by RBI on May 8, 2019 regarding Debt Asset Swap Transactions, a provision of Rs.54.30 crores was made during the quarter ended March 31, 2019, by debiting Reserves and Surplus - Balance in Profit and Loss Account which was to be reversed by debiting Profit and Loss Account over the next three quarters. Accordingly Rs.18.10 crores has been debited during the quarter ended December 31, 2019 and cumulatively an amount of Rs. 54.30 crores has been debited during the nine months ended December 31, 2019.
- 10 For the fraud detected during the quarter in respect of exposure towards two entities, Bank has made necessary provision in accordance with the RBI guidelines.
- 11 During the quarter / nine months ended December 31, 2019, the Bank allotted 87467 shares and 765575 shares respectively, pursuant to the exercise of stock options by certain employees.
- 12 Previous periods / year figures have been regrouped / reclassified, where necessary to conform to current period / year classification.

Mumbai
January 14, 2020

Romesh Sobti
Managing Director

Segment Reporting for the quarter / nine months ended December 31, 2019

Business Segments:

(Rs. in lakhs)

Sr. No.	Particulars	Consolidated					
		Quarter ended 31.12.2019 (unaudited)	Quarter ended 30.09.2019 (unaudited)	Quarter ended 31.12.2018 (unaudited)	Nine months ended 31.12.2019 (unaudited)	Nine months ended 31.12.2018 (unaudited)	Year ended 31.03.2019 (audited)
(a)	Segment Revenue :						
(i)	Treasury Operations	146054	141642	116313	428357	321756	441755
(ii)	Corporate / Wholesale Banking	258977	258189	236747	769288	664586	904490
(iii)	Retail Banking	502696	500877	381952	1479235	1089684	1505234
(iv)	Other Banking Business	1715	1720	1659	4730	4963	6969
	Total [Items (i) to (iv)]	909442	902428	736671	2681610	2080989	2858448
	Less : Inter-segment Revenue	1987	14675	13439	23940	45245	67661
	Total Income	907455	887753	723232	2657670	2035744	2790787
(b)	Segment Results :						
(i)	Treasury Operations	17403	12421	16408	53339	35210	48357
(ii)	Corporate / Wholesale Banking	89267	83001	74052	254431	210830	279064
(iii)	Retail Banking	176278	173435	126510	509332	370940	501961
(iv)	Other Banking Business	594	586	548	1615	1689	2263
	Total [Items (i) to (iv)]	283542	269443	217518	818717	618669	831645
	Add: Unallocated Revenue	-	-	-	-	-	-
	Less: Unallocated Expenses	7771	7100	5822	21507	16616	22885
	Operating Profit	275771	262343	211696	797210	602053	808760
	Less: Provisions & Contingencies	104345	73771	60668	221178	154696	310765
	Net Profit before tax	171426	188572	151028	576032	447357	497995
	Less: Taxes including Deferred Taxes	40503	48477	52525	161764	153257	167947
	Extraordinary Profit / Loss	-	-	-	-	-	-
	Net Profit before share of associate	130923	140095	98503	414268	294100	330048
	Add: Share of profit/loss of associate	20	1	8	25	22	27
	Net Profit	130943	140096	98511	414293	294122	330075
(c)	Other Information :						
	Segment Assets						
(i)	Treasury Operations	7308388	7445562	5838150	7308388	5838150	6988449
(ii)	Corporate / Wholesale Banking	9260461	8605445	8152625	9260461	8152625	8300771
(iii)	Retail Banking	13005035	12203294	10138237	13005035	10138237	11413074
(iv)	Other Banking Business	-	-	-	-	-	-
	Unallocated Assets	1220460	1239028	1491023	1220460	1491023	1079776
	Total Assets	30794344	29493329	25620035	30794344	25620035	27782070
	Segment Liabilities						
(i)	Treasury Operations	4791030	4564717	4550680	4791030	4550680	4795599
(ii)	Corporate / Wholesale Banking	8660848	8446863	7995574	8660848	7995574	8797608
(iii)	Retail Banking	13202851	12439674	9723287	13202851	9723287	10828981
(iv)	Other Banking Business	-	-	-	-	-	-
	Unallocated Liabilities	723992	688262	710337	723992	710337	691157
	Capital & Other Reserves	3415623	3353813	2640157	3415623	2640157	2668725
	Total Liabilities	30794344	29493329	25620035	30794344	25620035	27782070

Mumbai
January 14, 2020

Romesh Sobti
Managing Director