

IndusInd Bank Q3 Net Profit at Rs.88.04 cr, up by 95 %

Net Interest Income doubles; NPA level drops to 0.67% & Coverage ratio jumps to 50% from 35%

Mumbai, January 15, 2010: The Board of Directors of **IndusInd Bank Ltd.**, today approved and adopted its Unaudited Financial Results for the third quarter ended December 31, 2009.

Performance Highlights at a Glance:

	Q3 FY09	Q3 FY10	YoY growth (%)	9 mth FY09	9 mth FY10	YoY growth (%)
Net Profit (Rs. crores)	45.06	88.04	↑ 95	97.82	252.35	↑ 158
Operating Profit (Rs. crores)	104.00	173.78	↑ 67	216.96	503.41	↑ 132
NII (Rs. crores)	116.58	237.70	↑ 104	314.76	613.62	↑ 95
Total Non Interest Income (Rs. crores)	133.07	116.02	↓ 13	286.93	421.12	↑ 47
EPS (Rs.) (not annualised)	1.27	2.15	↑ 69	2.84	6.61	↑ 133
Core Fee Income (Rs. crores)	79.17	111.29	↑ 41	224.70	321.92	↑ 43

Key Ratios:

Particulars (in %)	Q3 FY09	Q3 FY10
Net Interest Margin	1.81	2.94
Return on Equity	12.62	16.36
Return on Assets	0.70	1.08
Capital Adequacy Ratio (CAR)	12.40	13.84
Net NPA	1.30	0.67
Coverage Ratio	29	50

Performance highlights for the Quarter ended December 31, 2009 are:

- Net Profit for the quarter was Rs. 88.04 crores as against Rs. 45.06 crores in the corresponding quarter of the previous year, showing a growth of 95%
- Net Interest Income (NII) was Rs. 237.70 crores as compared to Rs. 116.58 crores in the corresponding quarter of the previous year, registering a robust growth of 104%
- Operating Profit for the quarter was Rs. 173.78 crores as against Rs. 104 crores in the corresponding quarter of the previous year, showing a growth of 67%. The increase in Operating Profit is attributable to higher total income and lower total expense YoY
- Net Interest Margin (NIM) for the current quarter was 2.94% as against 1.81% in the corresponding quarter of the previous year
- Capital Adequacy Ratio as on December 31, 2009 was 13.84% as against 12.40 % at the end of December 31, 2008
- Core Fee Income grew by 41%
- CASA (Current Accounts- Savings Accounts) Ratio improved from 18.39% to 22.54%

Performance highlights for the 9-month period ended Dec 31, 2009 is:

- Net Profit for the 9-month period ended December 31, 2009 was Rs. 252.35 crores as against Rs. 97.82 crores in the corresponding period of the previous year, up 158%
- Net Interest Income (NII) was Rs. 613.62 crores as compared to Rs. 314.76 crores in the corresponding period of the previous year, up 95%
- Operating Profit for the 9-month period ended December 31, 2009 was Rs. 503.41 crores as against Rs. 216.96 crores in the corresponding period of the previous year, up 132 %. The surge in profitability in nine months of the current year is attributable to significant growth in Net Interest income (NII), improvement in non-interest income and control on operating expense

- As on December 31, 2009 the total Advances were at Rs. 19091 crores and total Deposits were at Rs. 24755 crores, showing a YOY growth of 33% and 20% respectively
- Gross NPA in current Q3 stands at 1.34% as compared to 1.82% for the corresponding period of the previous year. Net NPA as at December 31, 2009 stands at 0.67% as compared to 1.30% for the corresponding period of the previous year

Commenting on the performance, **Mr. Romesh Sobti, MD & CEO, IndusInd Bank** said, "The Bank continues to maintain a steady uptrend in its health and profitability parameters. The highlight of the quarter is the 33% growth in the loan book which has fuelled doubling of our Net Interest Income, as well as a significant improvement in our coverage ratio and a further drop in our NPAs to 0.67%."

About IndusInd Bank

IndusInd Bank Ltd. is one of the new generation private-sector banks in India, which commenced its operations in 1994. The Bank caters to the need of both Consumer & Corporate Clients and has a robust technology platform supporting multi – channel delivery capabilities. The Bank enjoys a patronage of 2 million customers and has a network of 200 branches and 424 ATMs spread over 161 geographical locations in 28 states and union territories across the country. The Bank also has a Representative Office in Dubai and London. The Bank's total business (deposits plus advances) as on December 31, 2009 crossed Rs. 43,000 crores.

The Bank is driven by state-of-the-art technology since its inception. It has multi-lateral tie-ups with other banks providing access to more than 21000 ATMs for its customers. It enjoys clearing bank status for both major stock exchanges - BSE and NSE - and three major commodity exchanges in the country – MCX, NCDEX, and NMCE. It also offers DP facilities for stock and commodity segments. The Bank has been bestowed with the mandate of being a Settlement Banker for tea auctions at Kolkata, Siliguri, Coonoor and Guwahati.

During the quarter, in a pioneering initiative in 'Green Banking' the Bank became the first bank in Maharashtra to open a solar-power ATM. Subjects like sustainable development, social responsibility and climate change are fast becoming part of the corporate vocabulary and IndusInd is at the forefront of this change in the Indian banking sector.



The Bank has been awarded the highest P1+ rating for its Fixed Deposits and Certificates of Deposit by CRISIL. Recently, CRISIL has reaffirmed its P1+ rating of IndusInd Bank's fixed deposits and certificates of deposit program. The rating continues to reflect the Bank's established presence in the Commercial Vehicle (CV) financing business and the significant improvement in its asset quality. The rating also features in the Bank's modest resource and earnings profile, and average capitalisation levels.

Visit us at www.indusind.com

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Unaudited Financial Results for the nine months ended December 31, 2009

Sr. No.		(Rs. in crores)				
		Quarter ended 31-12-2009 (Unaudited)	Quarter ended 31-12-2008 (Unaudited)	Period ended 31-12-2009 (Unaudited)	Period ended 31-12-2008 (Unaudited)	Year ended 31-03-2009 (Audited)
1.	Interest Earned	702.92	627.48	1,986.78	1,695.67	2,309.47
	(a)+(b)+(c)+(d)					
(a)	Interest/discout on advances/bills	539.15	498.61	1,555.18	1,314.47	1,793.31
(b)	Income on Investments	144.29	121.34	402.00	356.13	483.24
(c)	Interest on balances with Reserve Bank of India and other inter banks funds	3.14	5.62	9.33	10.76	15.77
(d)	Others	16.34	1.91	20.27	14.31	17.15
2.	Other Income	116.02	133.07	421.12	286.93	456.25
3.	TOTAL INCOME (1+2)	818.94	760.55	2,407.90	1,982.60	2,765.72
4.	Interest Expended	465.22	510.90	1,373.16	1,380.91	1,850.44
5.	Operating Expenses (i)+(ii)	179.94	145.65	531.33	384.73	547.03
(i)	Employees Cost	72.99	53.56	212.63	135.58	187.14
(ii)	Other Operating Expenses	106.95	92.09	318.70	249.15	359.89
6.	TOTAL EXPENDITURE EXCLUDING PROVISIONS AND CONTINGENCIES (4+5)	645.16	656.55	1,904.49	1,765.64	2,397.47
7.	OPERATING PROFIT BEFORE PROVISION AND CONTINGENCIES (3-6)	173.78	104.00	503.41	216.96	368.25
8.	Provisions (other than tax) and Contingencies	44.51	29.89	117.70	61.96	140.76
9.	Exceptional items	-	-	-	-	-
10.	Profit(+) / Loss(-) from ordinary Activities before Tax (7-8-9)	129.27	74.11	385.71	155.00	227.49
11.	Tax Expense	41.23	29.05	133.36	57.18	79.15
12.	Net Profit(+) / Loss(-) from ordinary Activities after Tax (10-11)	88.04	45.06	252.35	97.82	148.34
13.	Extraordinary items (net of tax expense)	-	-	-	-	-
14.	Net Profit / Loss for the period (12-13)	88.04	45.06	252.35	97.82	148.34
15.	Paid up Equity Share Capital (Face value: Rs.10/- each.)	410.14	355.19	410.14	355.19	355.19
16.	Reserves excluding Revaluation Reserves	-	-	-	-	1072.42
17.	Analytical Ratios					
(i)	Percentage of Shares held by Government of India	NIL	NIL	NIL	NIL	NIL
(ii)	Capital Adequacy Ratio (%)	13.84	12.40	13.84	12.40	12.55
(iii)	Earnings Per Share (EPS) (Rs.)					
a)	Basic EPS before and after Extraordinary items. (not annualized)	2.15	1.27	6.61	2.84	4.28
b)	Diluted EPS before and after Extraordinary items. (not annualized)	2.15	1.27	6.60	2.84	4.27
(iv)	NPA Ratios					
a)	Gross NPA	257.59	263.59	257.59	263.59	255.02
	Net NPA	128.73	187.44	128.73	187.44	179.13
b)	Gross NPA (%)	1.34	1.82	1.34	1.82	1.61
	Net NPA (%)	0.67	1.30	0.67	1.30	1.14
c)	Return on Assets (%) (annualized)	1.08	0.70	1.13	0.52	0.58
18.	Public Shareholding					
	- No of Shares	318946656	264000016	318946656	264000016	264000016
	- Percentage of Shareholding	77.80	74.37	77.80	74.37	74.37
19.	Promoters and Promoter Group Shareholding					
a)	Pledged / Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	-Percentage of Shares (as a % of total share capital)	-	-	-	-	-
b)	Non-encumbered					
	- Number of Shares	90999984	90999984	90999984	90999984	90999984
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	-Percentage of Shares (as a % of total share capital)	22.20	25.63	22.20	25.63	25.63

- The Bank has followed the same accounting policies in preparation of the quarterly financial statements as those followed in the annual financial statements for the year ended March 31, 2009.
- The working results for the nine months ended December 31, 2009 have been arrived at after considering provision for standard assets, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.
- The above financial results for the nine months ended December 31, 2009 which were subjected to "Limited Review" by the Statutory Auditors of the Bank, 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 15, 2010.
- The Bank issued 5,48,97,140 equity shares of Rs. 10/- at a price of Rs. 87.50 per share, aggregating to Rs. 480.35 crores on August 17, 2009 through Qualified Institutional Placement (QIP) route.
- The Bank adopted Basel II framework as of March 31, 2009. Accordingly the Capital Adequacy Ratio(CAR) for December 31,2009 and March 31,2009 is as per Basel II framework and that for December 31,2008 is as per Basel I framework.
- There were no unresolved investor complaints at the beginning of the quarter. Further, during the quarter ended December 31, 2009, the Bank received 129 investor complaints. All the complaints have been suitably disposed of.
- Previous period figures have been regrouped and reclassified, where necessary to make them comparable with the current period figures.

Mumbai
January 15, 2010

Romesh Sobti
Managing Director

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Segment Reporting for the nine months ended December 31, 2009

BUSINESS SEGMENTS:

(Rs in crores)

Particulars	Quarter ended 31.12.2009 (Unaudited)	Quarter ended 31.12.2008 (Unaudited)	Period ended 31.12.2009 (Unaudited)	Period ended 31.12.2008 (Unaudited)	Year ended 31.03.2009 (Audited)
(a) Segment Revenue					
i) Treasury Operations	181.45	199.44	588.33	470.14	689.38
ii) Corporate / Wholesale Banking	341.53	337.80	885.26	856.71	1122.41
iii) Retail Banking	411.94	413.59	1245.61	1127.81	1498.22
iv) Other banking Business	5.72	8.18	16.76	24.79	22.47
Total	940.64	959.01	2735.96	2479.45	3332.48
Less : Inter-segment Revenue	(121.70)	(198.46)	(328.06)	(496.85)	(566.76)
Total Income	818.94	760.55	2407.90	1982.60	2765.72
(b) Segment Results					
i) Treasury Operations	4.57	36.64	78.33	18.96	72.48
ii) Corporate / Wholesale Banking	57.81	19.63	147.43	54.93	90.97
iii) Retail Banking	120.76	57.86	306.68	172.17	245.29
iv) Other banking business	1.63	1.13	4.22	3.79	3.69
Total	184.77	115.26	536.66	249.85	412.43
Unallocated Revenue	0.00	0.00	0.00	0.00	0.00
Unallocated expenses	10.99	11.26	33.25	32.89	44.18
Operating Profit	173.78	104.00	503.41	216.96	368.25
Less: Provisions & Contingencies	44.51	29.89	117.70	61.96	140.76
Net Profit before tax	129.27	74.11	385.71	155.00	227.49
Taxes including deferred Taxes	41.23	29.05	133.36	57.18	79.15
Extraordinary Profit / loss	0.00	0.00	0.00	0.00	0.00
Net Profit	88.04	45.06	252.35	97.82	148.34
c) OTHER INFORMATION:					
Segment Assets					
i) Treasury Operations	11593.03	8081.07	11593.03	8081.07	9260.66
ii) Corporate / Wholesale Banking	8461.12	4057.90	8461.12	4057.90	6726.08
iii) Retail Banking	12198.03	10325.50	12198.03	10325.50	10682.94
iv) Other banking business	0.00	2456.09	0.00	2456.09	0.00
Unallocated assets	938.12	1164.52	938.12	1164.52	945.00
Total assets	33190.30	26085.08	33190.30	26085.08	27614.68
Segment liabilities					
i) Treasury Operations	3495.63	7873.79	3495.63	7873.79	1877.35
ii) Corporate / Wholesale Banking	13065.60	3599.76	13065.60	3599.76	11522.05
iii) Retail Banking	12288.17	9160.81	12288.17	9160.81	11064.63
iv) Other banking business	0.00	2803.21	0.00	2803.21	0.00
Unallocated liabilities	1955.69	983.09	1955.69	983.09	1486.26
Capital & Other Reserves	2385.21	1664.42	2385.21	1664.42	1664.39
Total liabilities	33190.30	26085.08	33190.30	26085.08	27614.68