

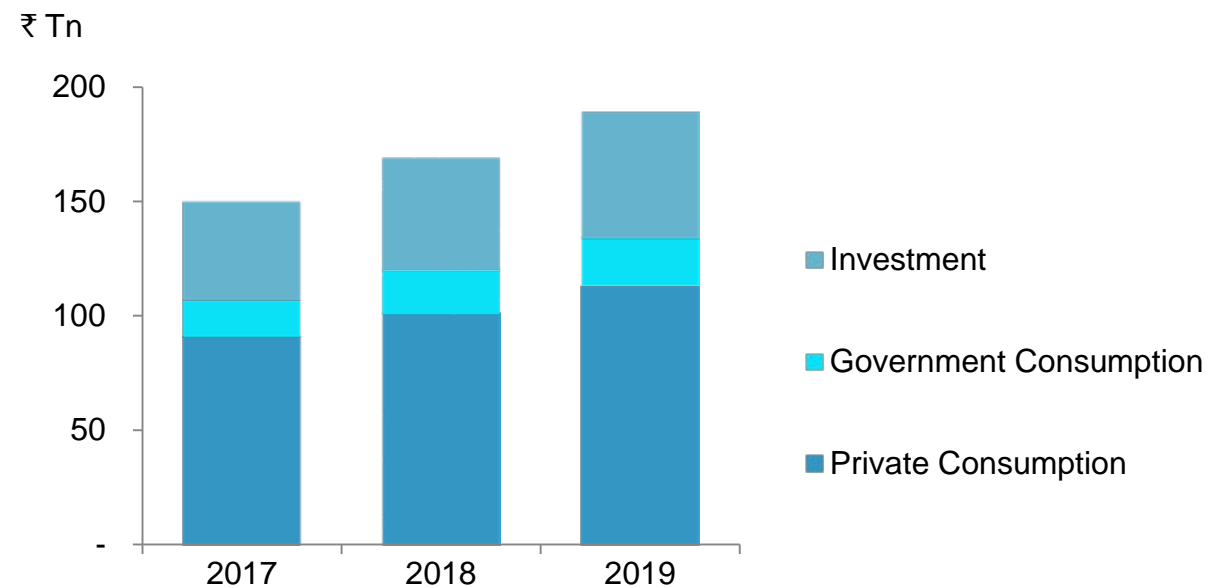


INVESTOR PRESENTATION

- ⌘ Well positioned across India's GDP spectrum
- ⌘ Meeting Diverse Customers' Needs
- ⌘ Unique Franchise in the Indian Banking Sector
- ⌘ Key Business Initiatives
- ⌘ Financial Highlights
- ⌘ Value Proposition



# Well positioned across GDP spectrum



## PRIVATE CONSUMPTION

- Well positioned in urban and rural markets
- Leading player across retail loan categories
- Focus on working capital finance and trade services

## INVESTMENT

- Tem Loans for brownfield and greenfield capex
- Loan syndication, debt capital markets
- Leading working capital banker to capital goods manufacturers
- Project financing - manufacturing, infrastructure

## GOVERNMENT

- Large tax collector for the Government of India
- Significant provider of cash management services for public sector and semi government undertakings
- e-enabling public services

\*Source CSO (GDP at Market Prices at current prices with new base year of 2011-12) | FY Fiscal year ended March 31 | ₹ Tn – Rupees Trillion

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# Wide Range of Products and Customer Segments



RETAIL BANKING

## LOAN PRODUCTS

- ⌘ Auto Loan
- ⌘ Personal Loans
- ⌘ Home Loans / Mortgages
- ⌘ Commercial Vehicles Finance
- ⌘ Retail Business Banking
- ⌘ Credit Cards
- ⌘ Loans against Gold
- ⌘ 2-Wheeler / Consumer Durable Loans
- ⌘ Construction Equipment Finance
- ⌘ Loans against Securities
- ⌘ Agri and Tractor loans
- ⌘ Education Loans

## DEPOSIT PRODUCTS

- ⌘ Savings Accounts
- ⌘ Current Accounts
- ⌘ Fixed / Recurring Deposits
- ⌘ Corporate Salary Accounts
- ⌘ Escrow Accounts

## LOAN PRODUCTS CONTD...

- ⌘ Self Help Group Loans
- ⌘ Joint Liability Group Loans
- ⌘ Kisan Gold Card

## OTHER PRODUCTS / SERVICES

- ⌘ Depository Accounts
- ⌘ Mutual Fund Sales
- ⌘ Private Banking
- ⌘ Insurance Sales (Life, General)
- ⌘ Non-resident Indian (NRI) Services
- ⌘ Bill Payment Services
- ⌘ Point of Sale (POS) Terminals
- ⌘ Debit Cards
- ⌘ Foreign Exchange Services
- ⌘ Broking (HDFC Securities Ltd)



WHOLESALE BANKING

## COMMERCIAL BANKING

- ⌘ Working Capital
- ⌘ Term Loans
- ⌘ Bill / Invoice discounting
- ⌘ Forex & Derivatives
- ⌘ Wholesale Deposits
- ⌘ Letters of Credit
- ⌘ Guarantees

## TRANSACTIONAL BANKING

- ⌘ Cash Management
- ⌘ Custodial Services
- ⌘ Clearing Bank Services
- ⌘ Correspondent Banking
- ⌘ Tax Collections
- ⌘ Banker to Public Issues

## INVESTMENT BANKING

- ⌘ Debt Capital Markets
- ⌘ Equity Capital Markets
- ⌘ Project Finance
- ⌘ M&A and Advisory

## KEY SEGMENTS

- ⌘ Large Corporate
- ⌘ Emerging Corporates
- ⌘ Financial Institutions
- ⌘ Government / PSUs
- ⌘ Business Banking / SME
- ⌘ Supply Chain (Suppliers and Dealers)
- ⌘ Agriculture
- ⌘ Commodities

## PRODUCTS / SEGMENTS

- ⌘ Foreign Exchange
- ⌘ Debt Securities
- ⌘ Derivatives
- ⌘ Equities

## OTHER FUNCTIONS

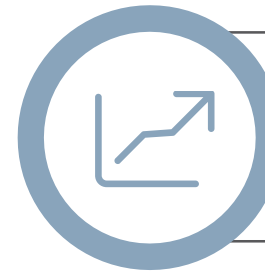
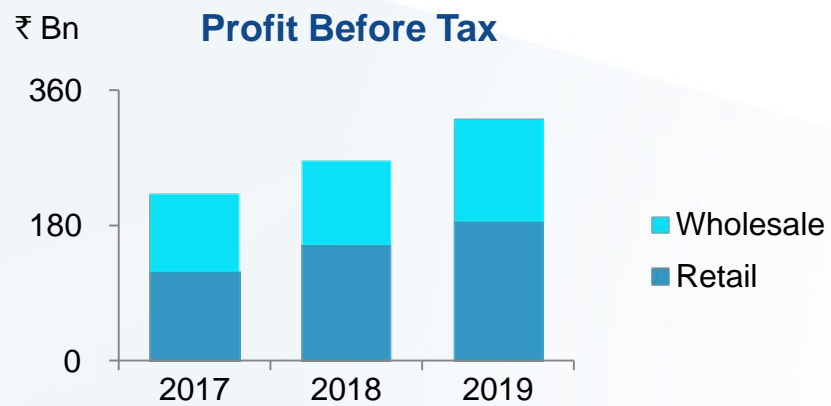
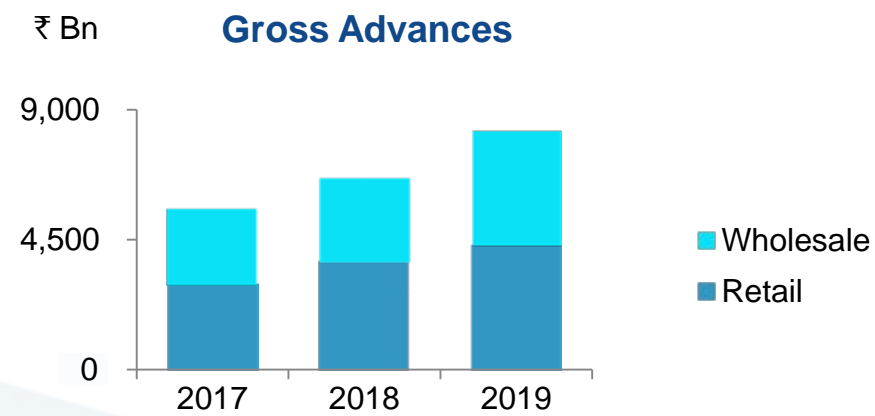
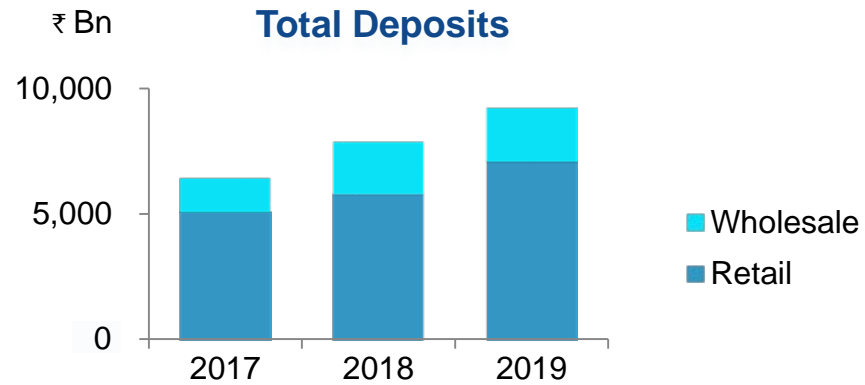
- ⌘ Asset Liability Management
- ⌘ Statutory Reserve Management



TREASURY

COMPLETE SUITE OF PRODUCTS TO MEET DIVERSE CUSTOMERS' NEEDS

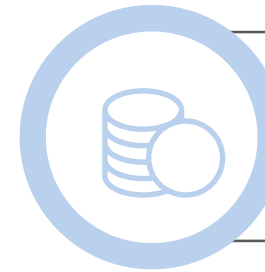
# Business Mix



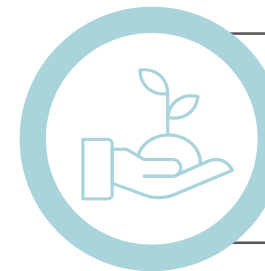
Over 90% of net revenues from customer segments



Well balanced loan mix between wholesale and retail segments



Large retail deposit franchise – a source of stable funding



Equally well positioned to grow both segments

Indian GAAP figures. Fiscal Year ended 31<sup>st</sup> March; ₹ – Rupees

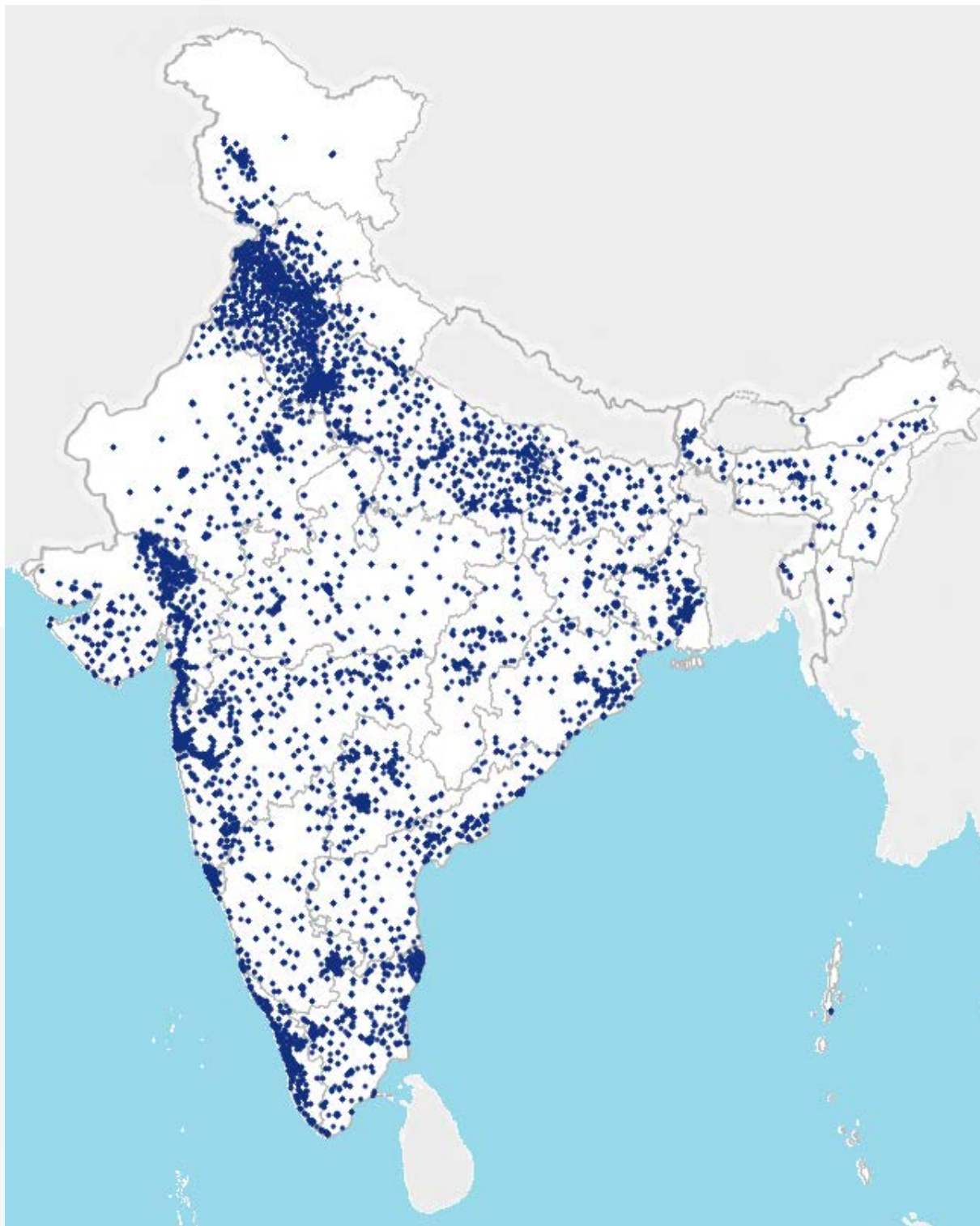
Gross advances and Profit Before Taxes classified as per RBI guidelines for segmental reporting (Basel II).

“Other Banking Operations Segment” (which includes Credit Cards, Third Party Product sales etc.) has been added to the Retail Segment



- ⌘ Well positioned across India's GDP spectrum
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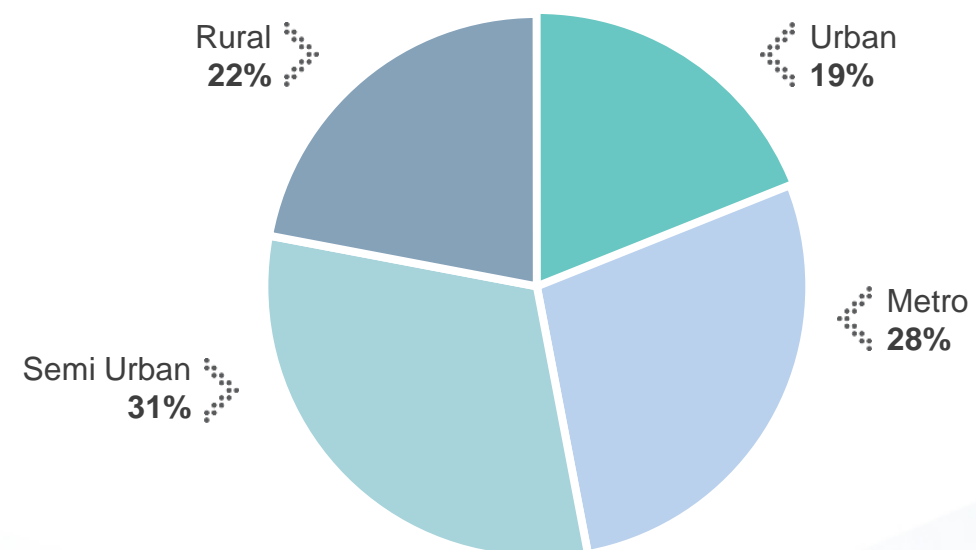
# Strong National Network



FY – Fiscal year ended March 31

	Mar'16	Mar'17	Mar'18	Mar'19
 Banking Outlets	4,520	4,715	4,787	5,103
 Cities	2,587	2,657	2,691	2,748

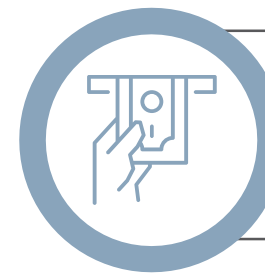
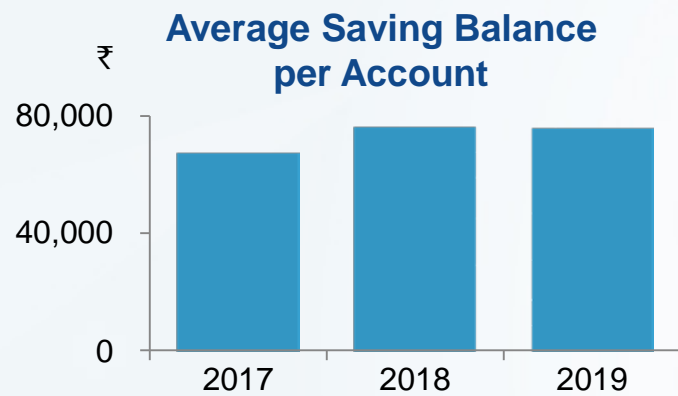
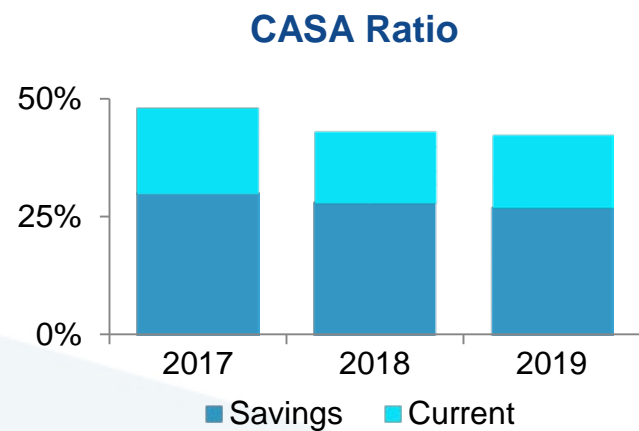
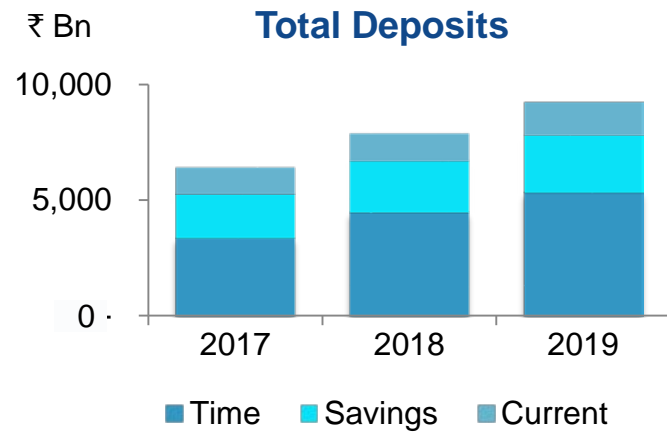
Branch classification (Mar'19)



- 53% of total banking outlets in Semi-urban and Rural locations
- All branches linked online, real-time
- Customer base of over 49 million



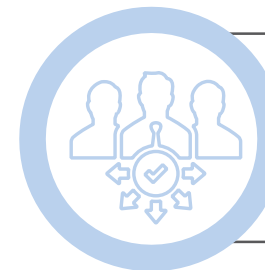
# High Quality Deposit Franchise



Healthy proportion of CASA (current & savings) deposits



Floats from multiple transactional banking franchises



Provides customer base for ongoing cross-sell through branches

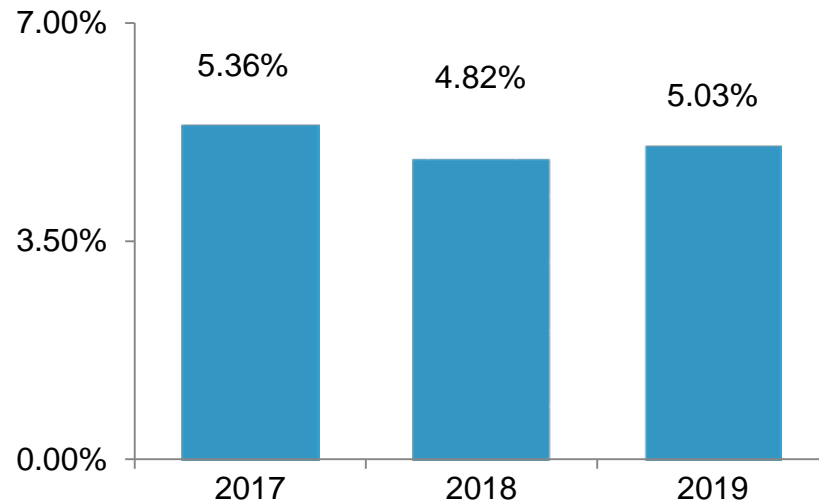


Quality growth rather than mere numbers

Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March; ₹ - Rupees

# Low Funding Costs – Healthy Margins

### Cost of Deposits

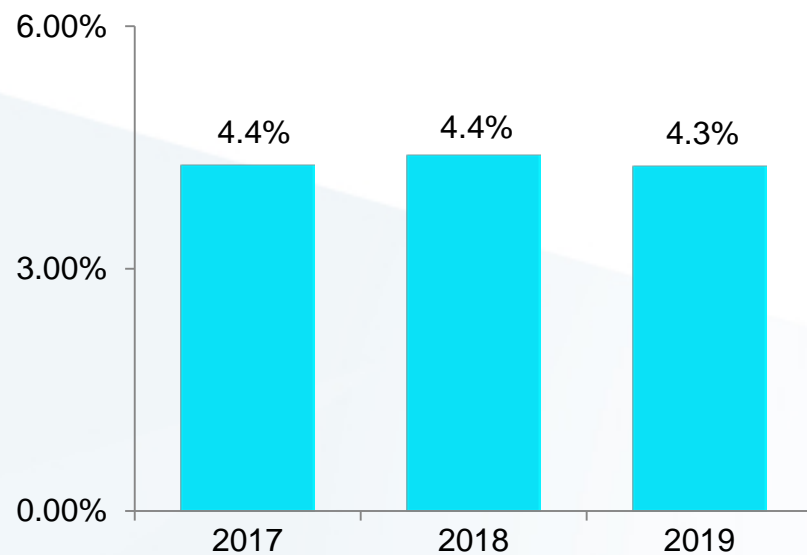


Amongst the lowest deposit costs in the industry

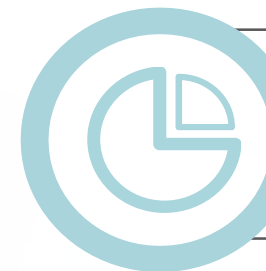


Asset yields based on higher proportion & product mix of retail loans

### Net Interest Margin



Healthy margins – relatively stable across interest rate and economic cycles

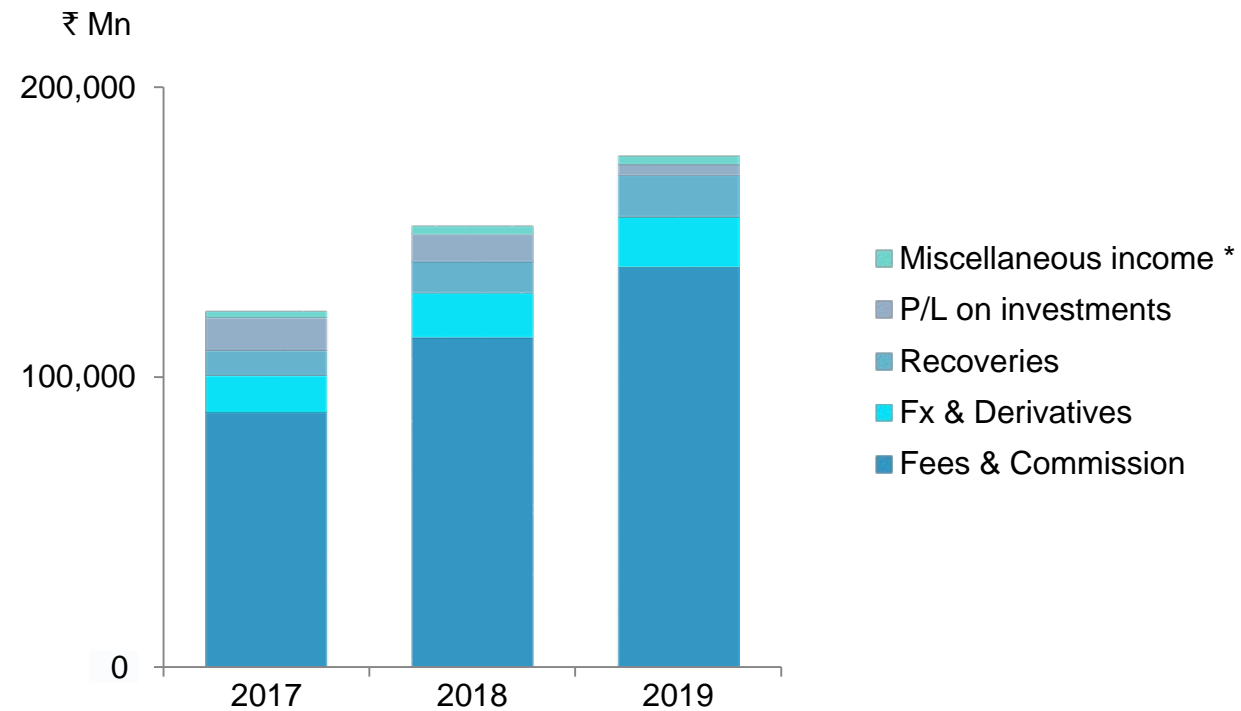


Net interest income 73% of net revenues in FY2019

Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March

LAF/MSF borrowings from RBI are grossed up as per revised guidelines from RBI and accordingly previous years' NIMs have been recomputed.

# High Quality Non-Funded Revenues



## Multiple sources of fees & commissions:

- ⋮ Banking charges (Retail & Wholesale)
- ⋮ Credit card fees
- ⋮ Retail asset fees
- ⋮ Third party product sales
- ⋮ Trade finance
- ⋮ Cash management
- ⋮ Depository charges
- ⋮ Custody

⋮ Other Income (non-fund revenues) at 27% of Net Revenues in FY 2019

⋮ Composition of Other Income in FY 2019:

- ⋮ Fees and commission: 78%
- ⋮ FX and Derivatives Revenues: 10%
- ⋮ Recoveries from written-off accounts and miscellaneous income: 10%
- ⋮ Profit / Loss on sale of Investments: 2%

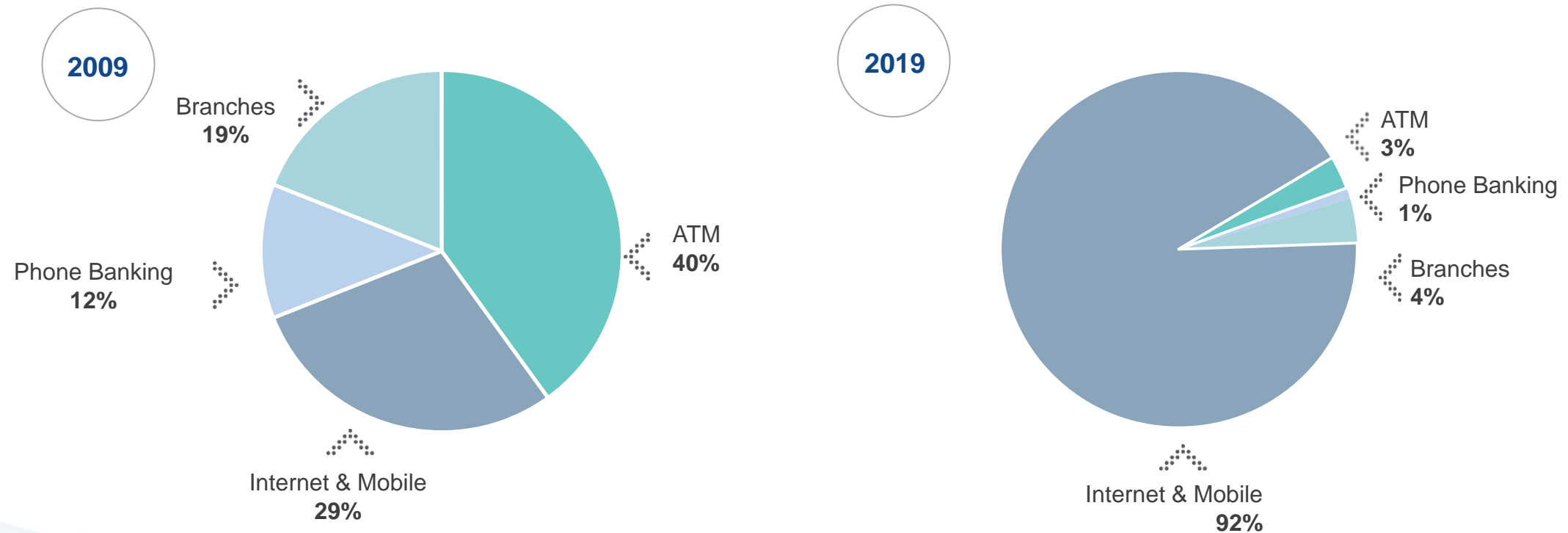
*Indian GAAP figures ; FY – Fiscal Year ended 31<sup>st</sup> March.*

*\*Miscellaneous income includes dividend from subsidiaries/associates. ₹ – Rupees*

# Leveraging Technology

Multiple Delivery Channels

Greater Choice and Convenience for Our Retail Customers



**% Customer Initiated Transactions by Channel**

Central / Regional Processing Units

Economies of Scale; Branch focus: Sales & Service

Electronic Straight Through Processing

Lower Transaction Costs & Error Rates

Data Warehousing, CRM, Analytics

Higher Sales & Credit Efficiencies, Cross-sell

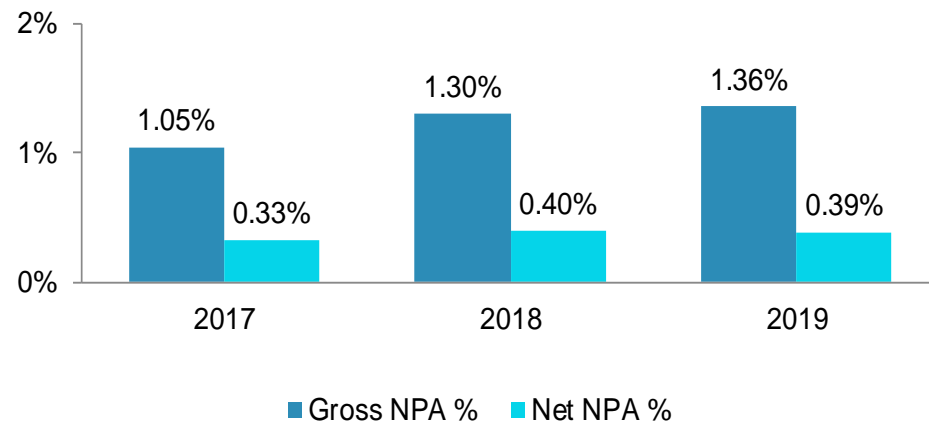
Innovative Technology Applications

Enable new Products / Channels including Apps

*The charts above cover only transactions initiated by our own customers at our channels and which could have been transacted at the Bank's branches. Transactions such as (a) SMS alerts sent to customers, (b) point of sale (POS) transactions, and (c) transactions by holders of other banks' cardholders have therefore been excluded. Apps include Micro/Lite App, Smart Phone App and Tablet App*

# Healthy Asset Quality

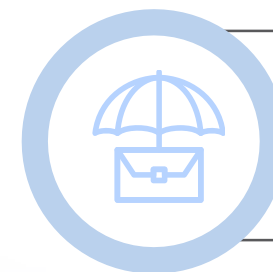
## NPA% to Advances



Amongst the best portfolio quality (wholesale & retail) in the industry

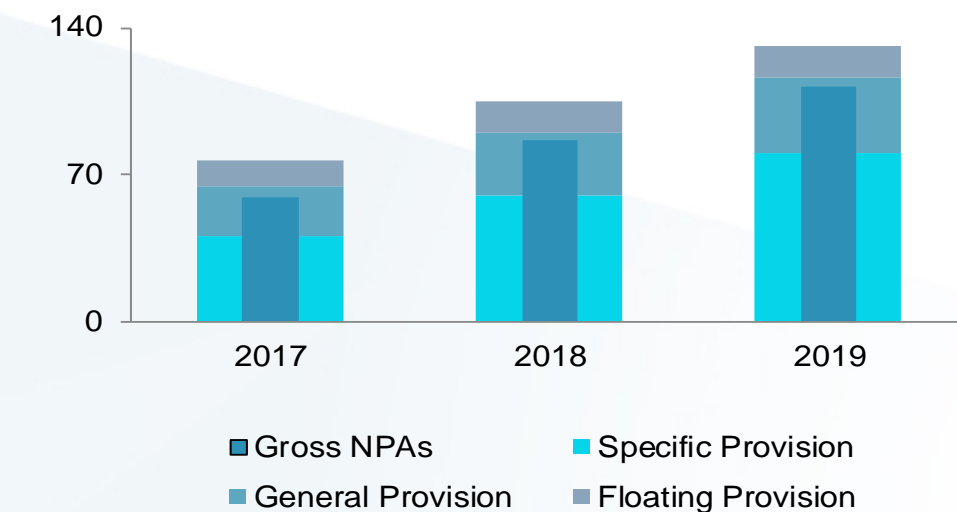


Strong credit culture, policies, processes



Specific provision cover at 71% of NPAs, total coverage ratio about 117%

## Loan Loss Provisions

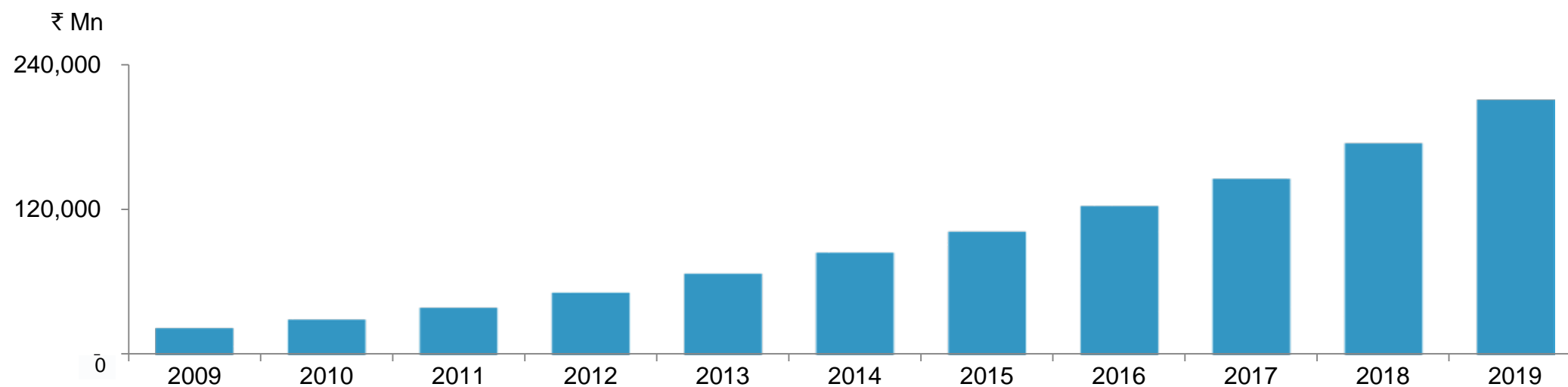


Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March.

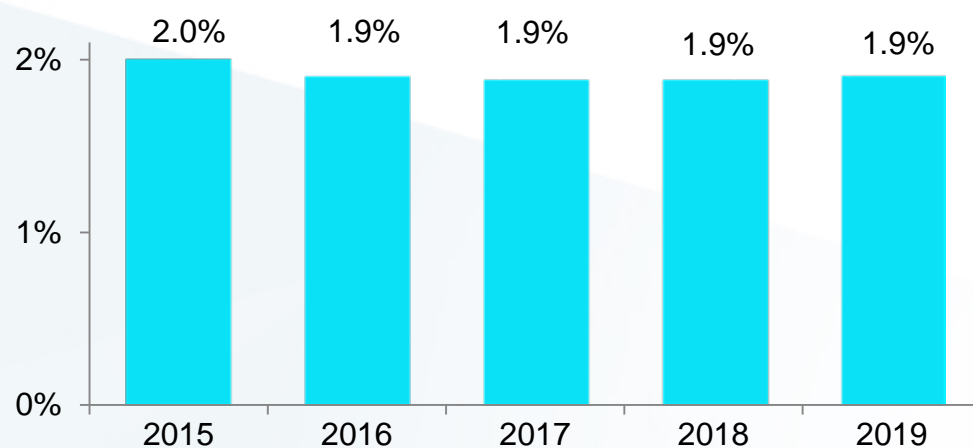
Net Non Performing Assets (NPA) = Gross NPA less specific loan loss provisions ₹ - Rupees

# Consistent Financial Performance

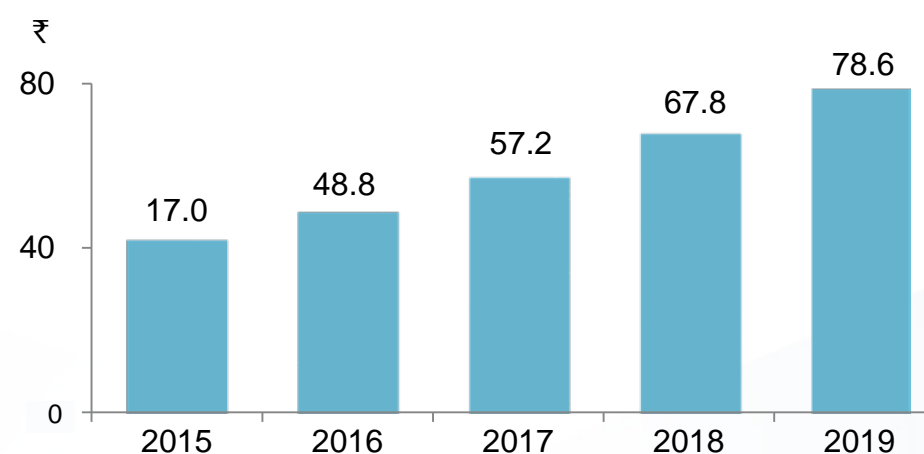
### Net Profit



### ROA



### EPS



Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March

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# Re-imagining customer experience – From transactions to journeys



## BORROW

- 10-Sec Personal Loan
- Digital Loan against Securities
- Zip Drive, Quick Money / Paisa
- Loan Assist, Vaahan Gyan
- Digital SME Bank
- Consumer Finance



## INVEST

- InvestTrack



## INSURE

- One Assist – Mobile & Theft Insurance



## SHOP / COMMERCE

- SmartBuy
- Bank OnChat



## SAVE

- Dream Deposits
- Smart Account Opening
- Online PPF / SSA

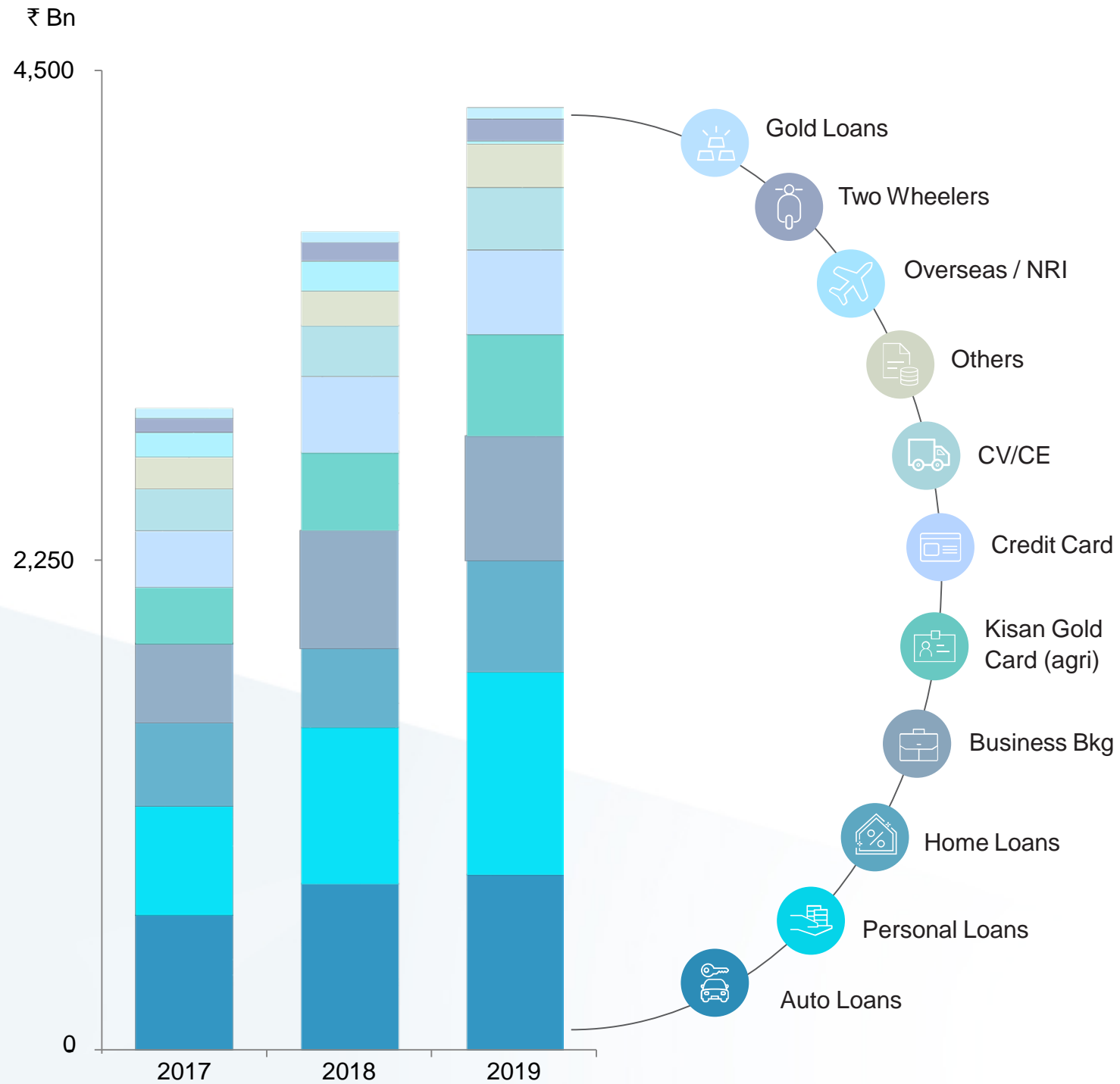
## PAY

- PayZApp UPI
- SmartHub
- DigiPoS
- Samsung Pay
- Missed Call Commerce
- Virtual Credit Card
- Commercial Payment Solutions
- POS / Payment Gateway





# Retail Loans – Leadership & Profitable Growth



Well diversified product mix

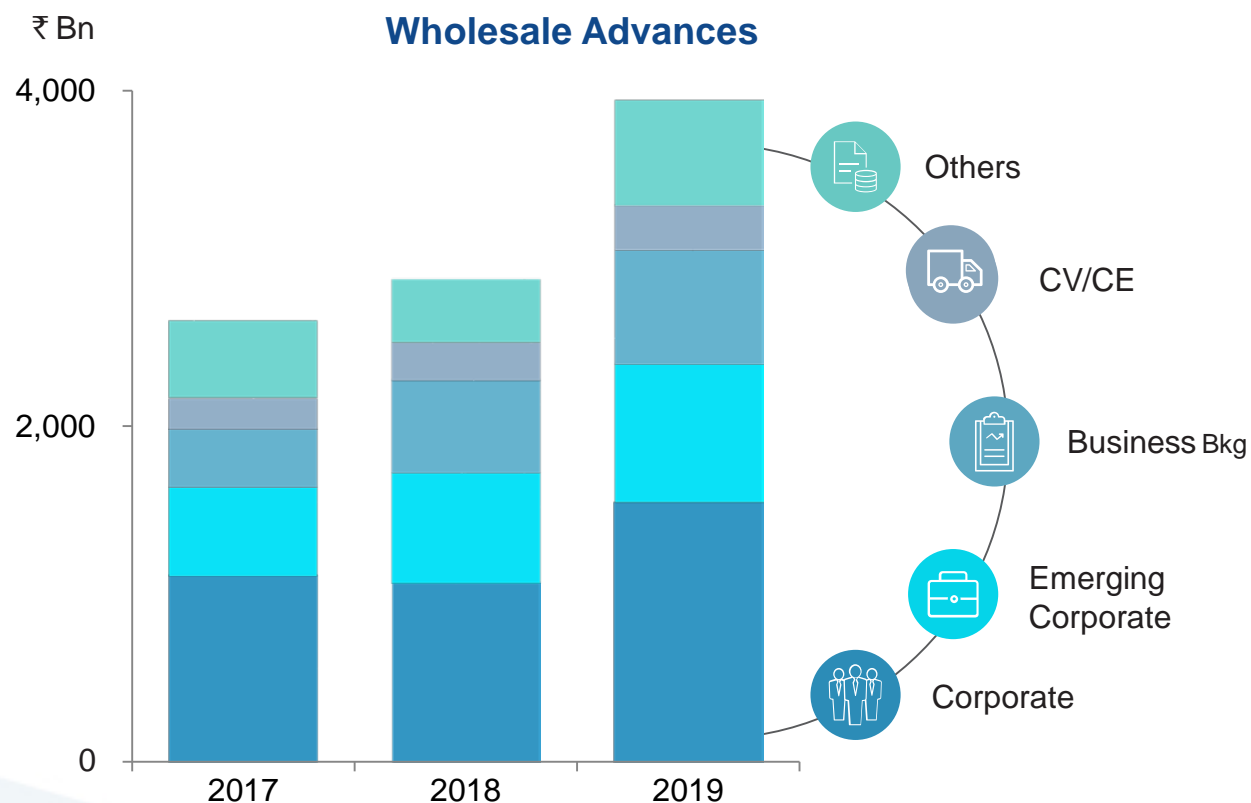
Leading player – balancing volumes & market share with margins and risk

Loan losses for most products stable and within product pricing parameters

Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March; Retail loans are classified as per RBI guidelines for segmental reporting (Basel II).

\*In arrangement with HDFC Ltd., CV/CE – small /medium ticket commercial vehicle and construction equipment loans, 'Others' include Tractor loans, Loan to SHGs / JLGs, Loans against Securities, etc. ₹ – Rupees

# Wholesale Banking – Accessing Multiple Segments



- Leveraging relationships with large / emerging corporates and SMEs for multiple products
- Balanced mix between working capital financing, term loans and trade services
- Market leaders in cash management solutions
- Well diversified loan portfolio
- Investment banking capability across multiple Industry segments and product verticals

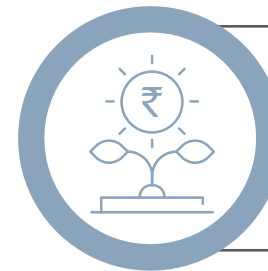
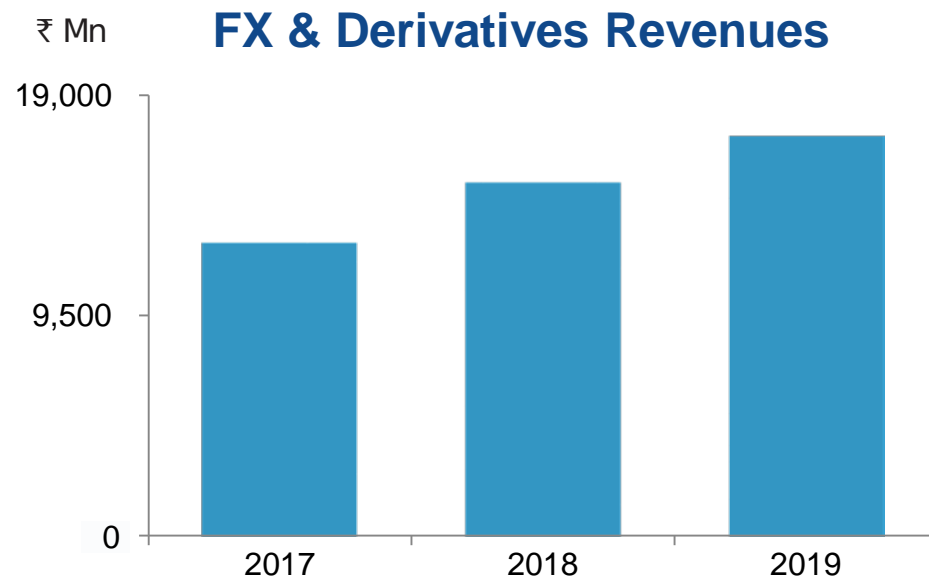


**Leading provider of electronic banking services for supply chain management (SCM)**

*Indian GAAP figures. Fiscal year ended 31st March; Total wholesale advances are as per the RBI guidelines for segmental reporting (Basel II). 'Others' includes Capital markets, commodity finance and other consumer loans over ₹ 50 million.*

*CV/CE – Large ticket commercial vehicle and construction equipment loans ₹ – Rupees*

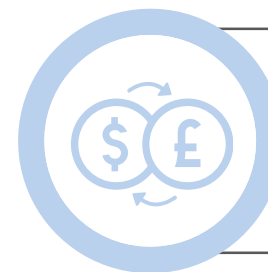
# Customer Focused Treasury Products



Revenues – Largely customer driven, low reliance on trading revenue



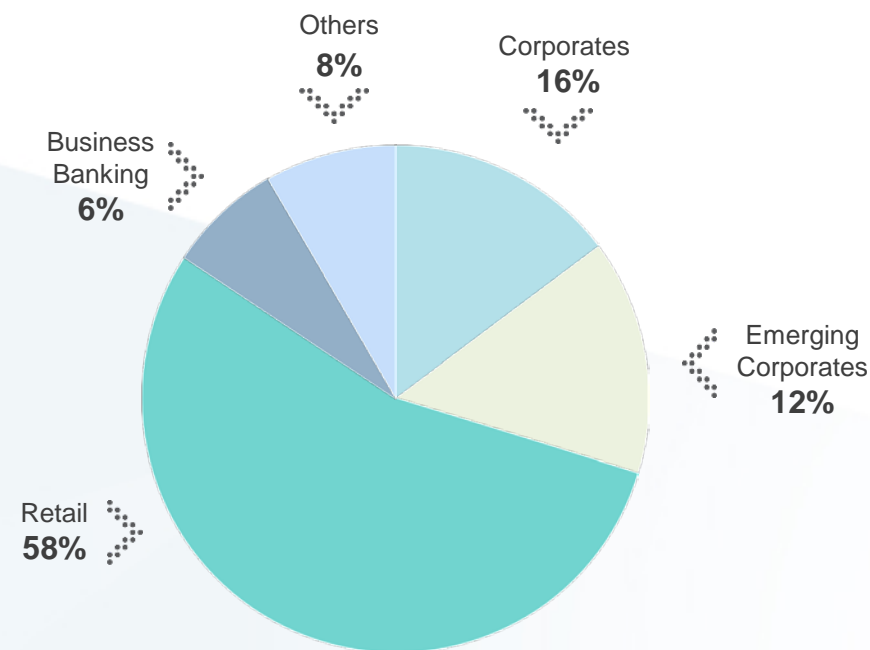
Treasury advisory services



Plain vanilla FX offerings to retail and business banking segments



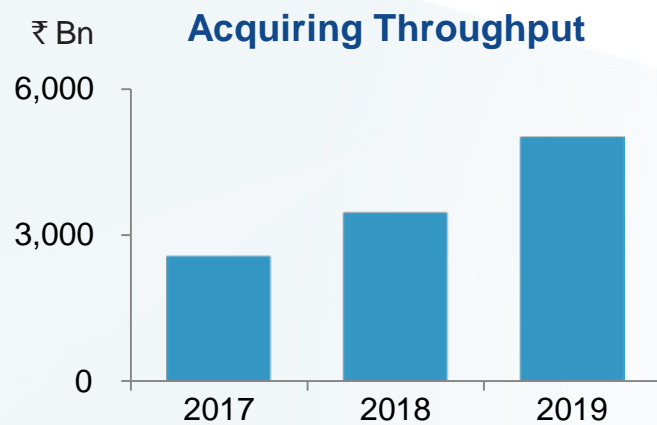
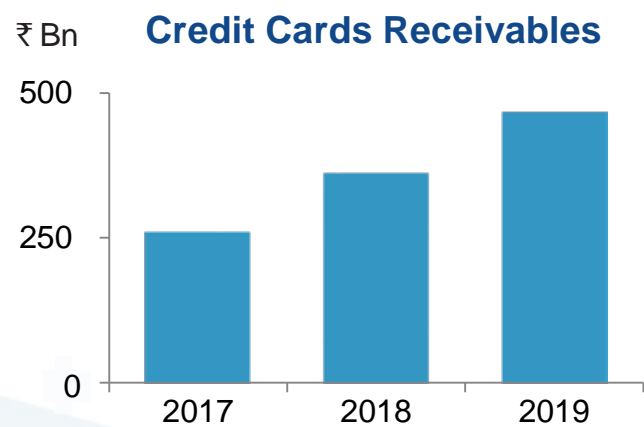
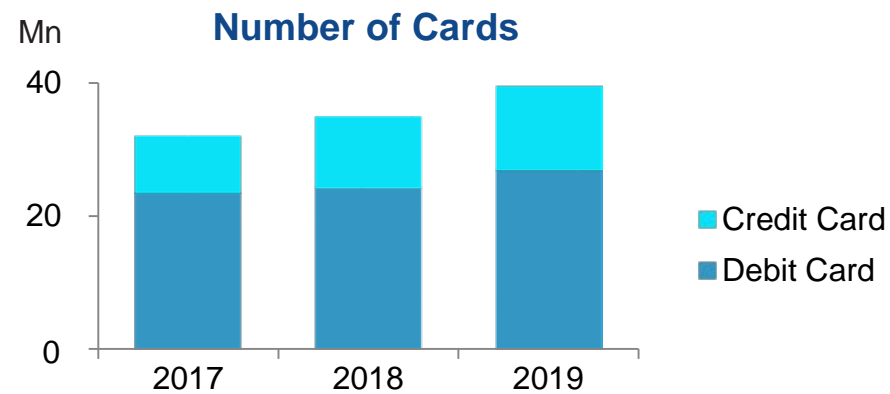
FX and derivatives product sales to corporate and institutional customers



Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March; ₹ – Rupees

Corp - Corporate banking, ECG – Emerging Corporate Group, BB - Business Banking | 'Others' includes Capital Markets and Commodity Finance groups

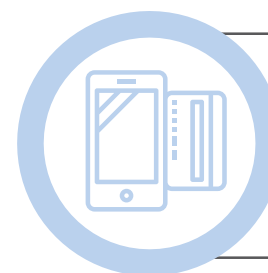
# Cards – Market Leadership



Market leader in credit cards – 12.5 mn



Over 80% of new credit cards issued to existing customers



Merchant acquiring – over 490,000 POS terminals











Leading provider of payment gateway services

Indian GAAP figures. Fiscal year ended 31<sup>st</sup> March. ₹ – Rupees | FY 2019 – Fiscal year ended 31<sup>st</sup> March 2019 | POS – Point of Sale

# Banking on Rural India

## Comprehensive Product Suite

-  **Agri Credit / Kisan Card / Cattle Loans**
-  **Tractor Loans**
-  **Retail Loans – Two Wheeler / LCV etc.**
-  **Small Working Capital Loans**
-  **Sustainable Livelihood Banking**
-  **Regular / Basic Savings Accounts**
-  **Term / Micro Recurring Deposits**
-  **Life & General Insurance Products**

## Innovative Solutions through Technology

-  **Milk to Money ATMs**
-  **Payment solutions for agri procurement**

## Banking Services for the rural eco-system

- ▤ Rural / micro branches offering customised loan and deposit products, whilst maintaining credit standards.
- ▤ Meeting priority lending mandates

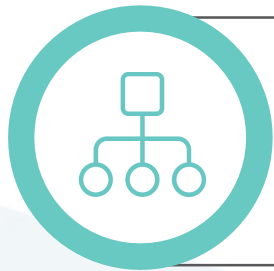


*Micro branches are primarily two member branches to expand and deepen the penetration in the rural market including in unbanked areas.*

# Subsidiary Companies



Main Products:  
**Retail Loans** (LAP, CV/CE, PL),  
Collection **services**  
and Insurance **services**



Network of **1,350 branches**  
across **981 cities**



FY 2019 – **Loan book:**  
₹547 Bn, **Net Profit:** ₹ 11.5 Bn  
**Gross NPA:** 1.8%, **Capital**  
**adequacy ratio (CAR):** 17.9%



State-of-the-art **trading** and  
**internet platform**



**2.1 million** customers; **278**  
**branches** across **165 cities**



FY 2019 - **Total Income:** ₹ 7.8bn,  
**Net Profit:** ₹ 3.3 Bn

₹ – Rupees | FY 2019 – Fiscal year ended March 31, 2019; LAP – Loans Against Property; CV/CE – Commercial Vehicle and Construction Equipment Loans; PL – Personal Loans

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# Key Financials

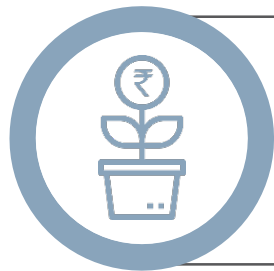
₹ In million

	Quarter Ended Sep 19	Quarter Ended Sep 18	Change	Year Ended Mar 19	Year Ended Mar 18	Change
Net Interest Income	135,150	117,634	14.9%	482,432	400,949	20.3%
Fees & Commissions	40,545	32,956	23.0%	138,055	113,939	21.2%
FX & Derivatives	5,517	4,198	31.4%	17,204	15,235	12.9%
Profit / (loss) on Investments	4,807	(328)	NM	3,868	9,247	-58.2%
Recoveries	5,019	3,330	50.7%	17,132	13,782	24.3%
<b>Net Revenues</b>	<b>191,038</b>	<b>157,790</b>	<b>21.1%</b>	<b>658,691</b>	<b>553,152</b>	<b>19.1%</b>
Operating Costs	74,057	62,990	17.6%	261,194	226,904	15.1%
Provisions & Contingencies	27,007	18,200	48.4%	75,501	59,275	27.4%
<b>Profit Before Tax</b>	<b>89,974</b>	<b>76,600</b>	<b>17.5%</b>	<b>321,996</b>	<b>266,973</b>	<b>20.6%</b>
Tax	26,524	26,543	-0.1%	111,215	92,105	20.7%
<b>Profit After Tax</b>	<b>63,450</b>	<b>50,057</b>	<b>26.8%</b>	<b>210,781</b>	<b>174,868</b>	<b>20.5%</b>

Indian GAAP figures (₹ Mn), ₹ – Rupees. | Recoveries includes miscellaneous income and dividend from subsidiaries/associates.



# Financial Highlights - Quarter ended September 2019



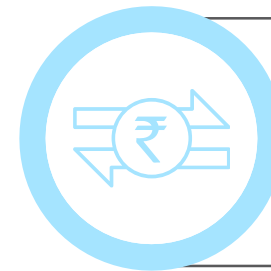
Gross advances increased by **19.5%** to **₹ 9,056 Bn**



Net profit up by **26.8%** to **₹63.45 Bn**



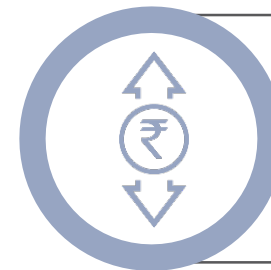
Deposits up by **22.6%** to **₹10,216 Bn**



Gross NPA / gross advances at **1.38%**



Core Net interest margin at **4.2%**



Net NPA / net advances at **0.4%**



Cost-to-income ratio at **38.8%**



Capital adequacy ratio (CAR)\* - Total **17.5%** of which **Tier I** at **16.2%**

*Indian GAAP figures (Bn = Billion); ₹ - Rupees; Net NPA = Gross NPA less specific loan loss provisions;*

*\*Capital adequacy ratio computed as per RBI's Basel III regulations.*

*Comparisons are with respect to corresponding figures for the quarter ended September, 2018*

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# Value Proposition – Healthy Growth, Balanced Risk-Reward

Growing economy / banking industry, Gaining market share

Nationwide urban & rural branch network and multiple channels

One stop shop for financial and payment needs

Healthy balance sheet and revenue growth

Leading player across multiple products / customer segments

Leveraging analytics, AI/ML digital platforms

Leveraging organic and inorganic growth opportunities

Strong risk management, focus on asset quality

Disciplined margin and capital management with a focus on RoA/RoE



**Proven ability to generate Shareholder Value**

Certain statements are included in this release which contain words or phrases, such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of these expressions, that are “forward-looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to pay dividends, the impact of changes in banking regulations and other regulatory changes on us in India and other jurisdictions, our ability to roll over our short-term funding sources and our exposure to market and operational risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated. In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions, instability or uncertainty in India and other countries which have an impact on our business activities or investments caused by any factor, including terrorist attack in India, the United States or elsewhere, anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, tensions between India and Pakistan related to the Kashmir region or between India and China, military armament or social unrest in any part of India, the monetary and interest rate policies of the government of India, natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in Indian and foreign laws and regulations, including tax, accounting and banking regulations, changes in competition and the pricing environment in India, and regional or general changes in asset valuations.