



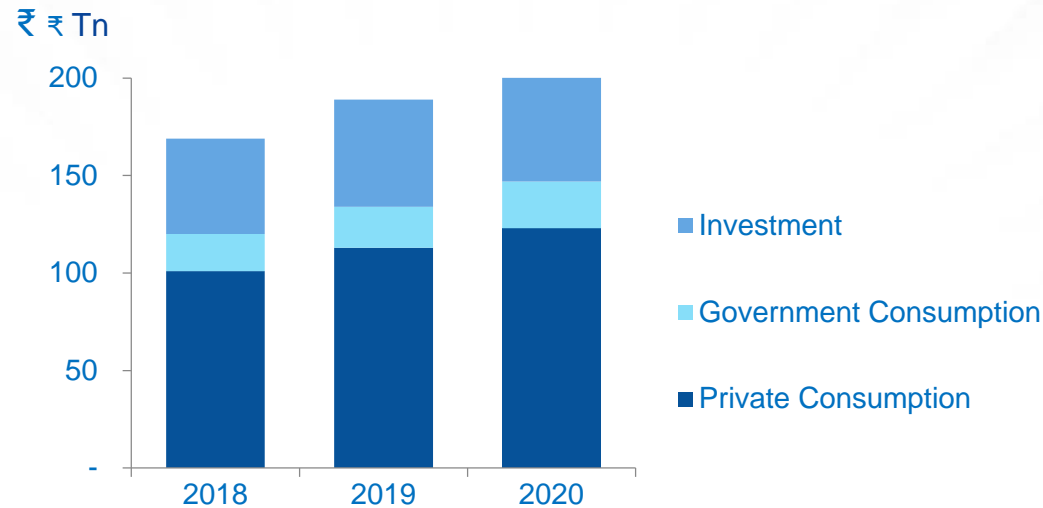
INVESTOR PRESENTATION

Contents

- ❖ **Well positioned across India's GDP spectrum**
- ❖ Meeting Diverse Customer 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

GOVERNMENT

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

INVESTMENT

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

*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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Product Offerings

Complete suite of products - Meeting diverse customer needs



RETAIL BANKING

LOAN PRODUCTS

- Auto Loan
- Personal Loans
- Home Loans / Mortgages
- Commercial Vehicles Finance
- Retail Business Banking
- Credit Cards
- Loans Against Gold
- 2-Wheeler Loans
- Construction Equipment Finance
- Consumer Durable Loans
- Agri and Tractor Loans
- Education Loans
- Self Help Group Loans
- Joint Liability Group Loans
- Kisan Gold Card
- Loans Against Securities

DEPOSIT PRODUCTS

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

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
- 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 Corporates
- Emerging Corporates
- Financial Institutions
- Government / PSUs
- Business Banking / SMEs
- Supply Chain (Suppliers & Dealers)
- Agriculture
- Commodities



TREASURY

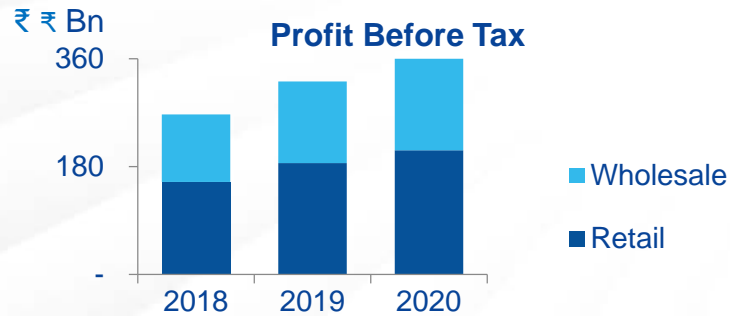
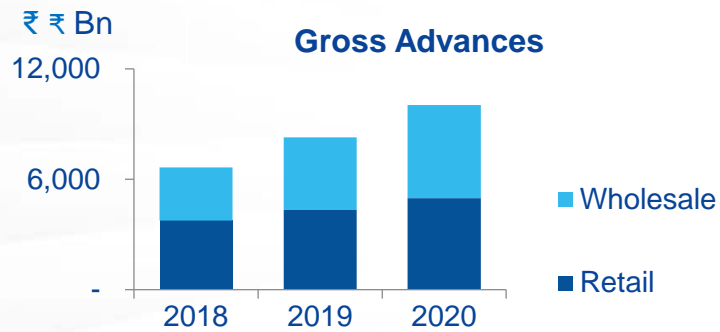
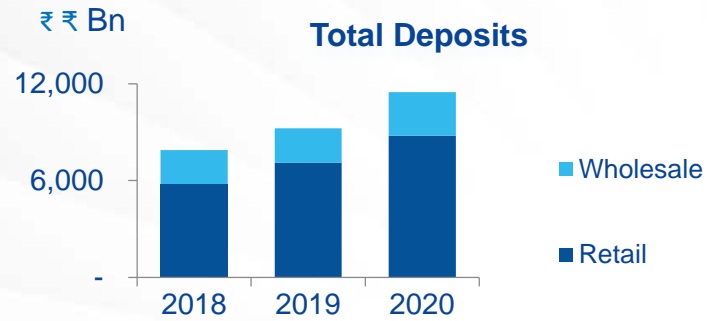
PRODUCTS/SEGMENTS

- Foreign Exchange
- Debt Securities
- Derivatives
- Equities

OTHER FUNCTIONS

- Asset Liability Management
- Statutory Reserve Management

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



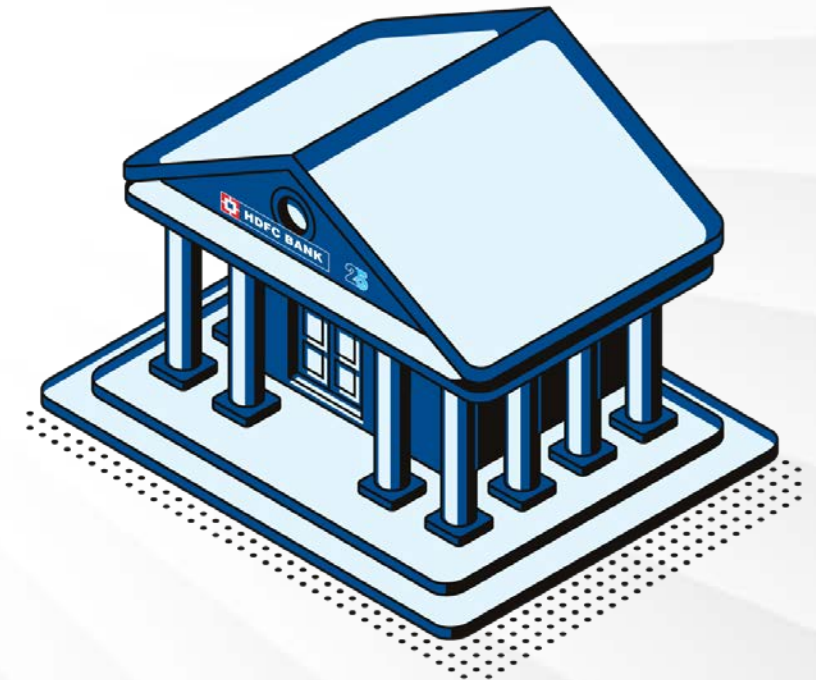
Indian GAAP figures. Fiscal Year ended 31st March; ₹ - Rupees

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

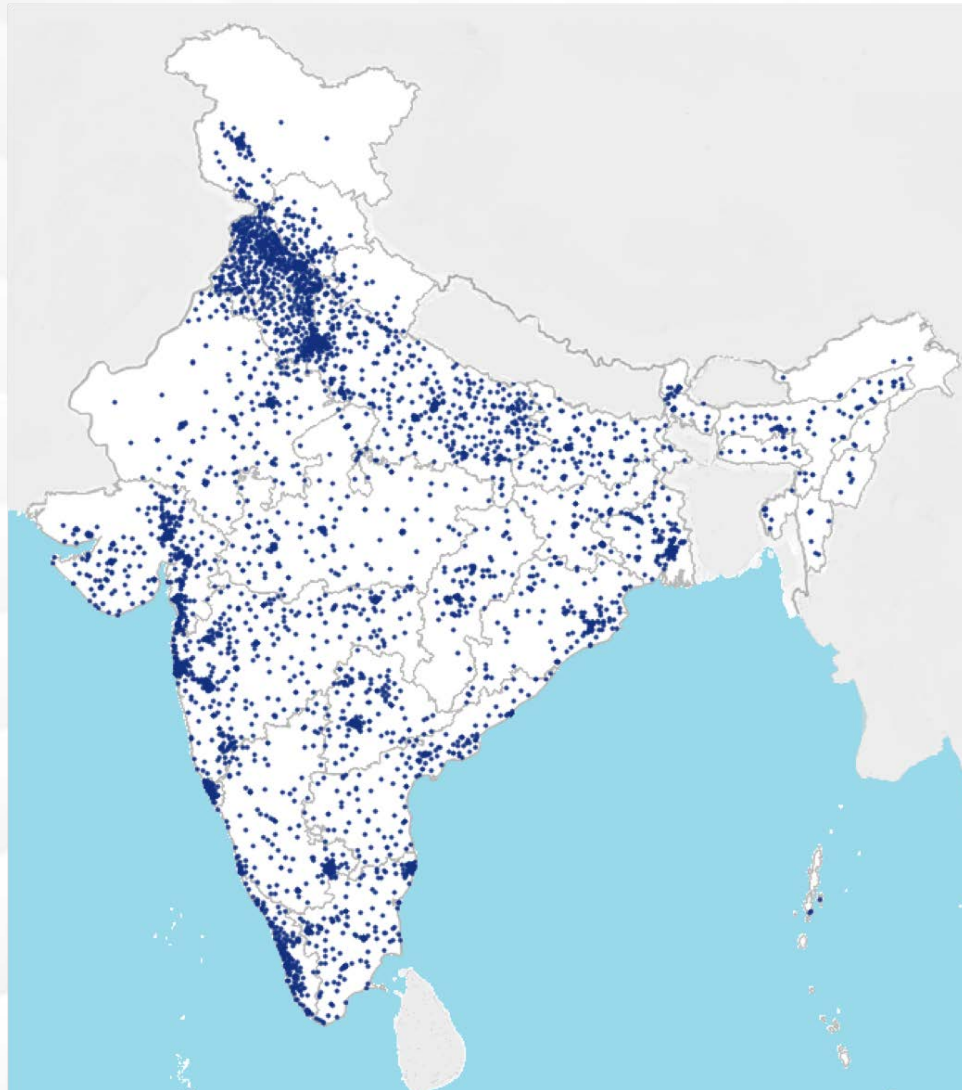
"Other Banking Operations Segment" (which includes Credit Cards, Third Party Product sales etc.) has been added to the Retail Segment

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Strong National Network



	Mar'17	Mar'18	Mar'19	Mar'20
Banking Outlets	4,715	4,787	5,103	5,416
Cities	2,657	2,691	2,748	2,803

 **28**
Metro %

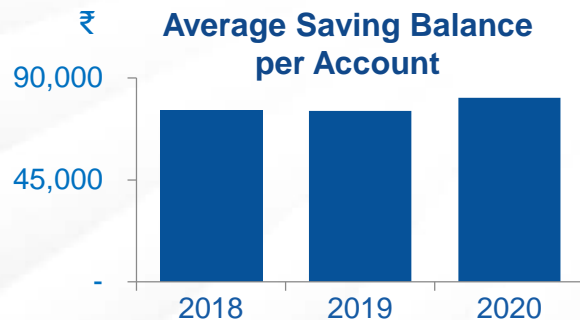
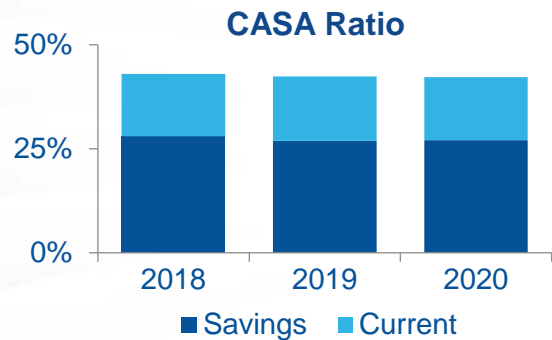
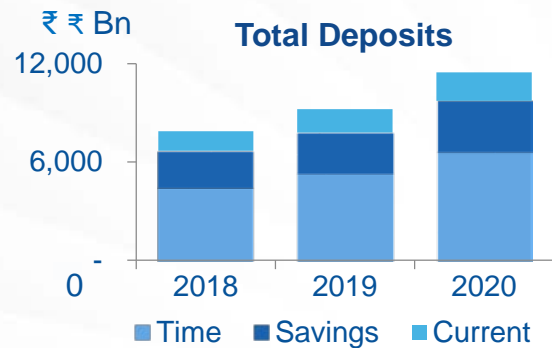
 **31%**
Semi Urban

 **20%**
Urban

 **21%**
Rural

- 52% of total banking outlets in Semi-urban and Rural locations
- In addition – 5,379 banking outlets managed by Common Service Centres (CSC)
- All branches linked online, real-time
- Customer base of over 56 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



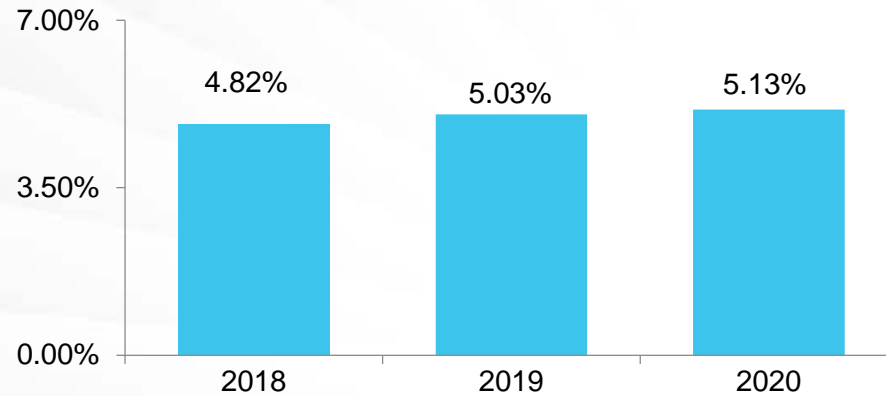
Quality growth rather than mere numbers



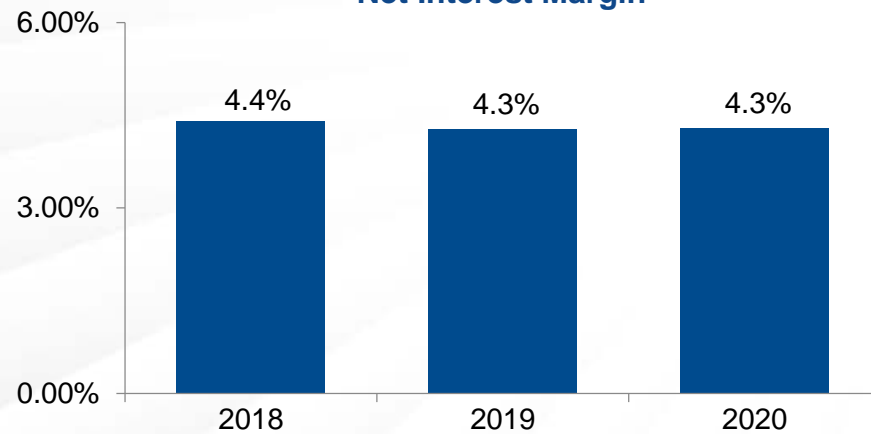
Indian GAAP figures. Fiscal year ended 31st March; ₹ - Rupees

Low Funding Costs – Healthy Margins

Cost of Deposits



Net Interest Margin



Amongst the lowest deposit costs in the industry



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



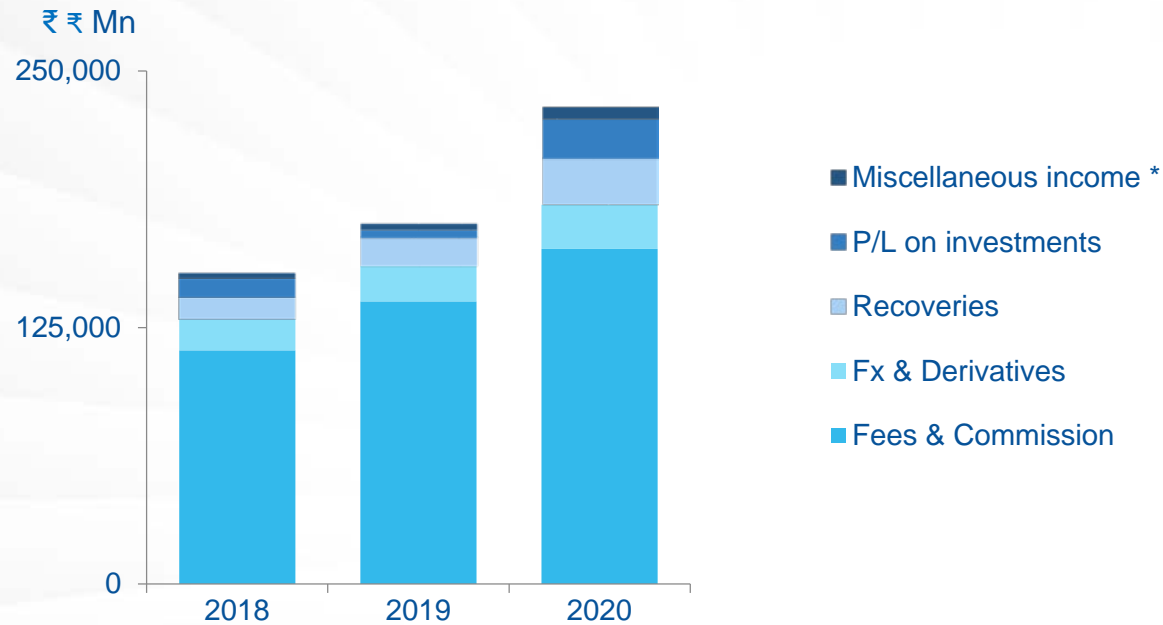
Healthy margins - relatively stable across interest rate & economic cycles



Net interest income 71% of net revenues in FY2020



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 29% of Net Revenues in FY 2020**

✦ **Composition of Other Income in FY 2020:**

- ✦ Fees and commission: 70%
- ✦ FX and Derivatives Revenues: 9%
- ✦ Recoveries from written-off accounts and miscellaneous income: 12%
- ✦ Profit / Loss on sale of Investments: 8%

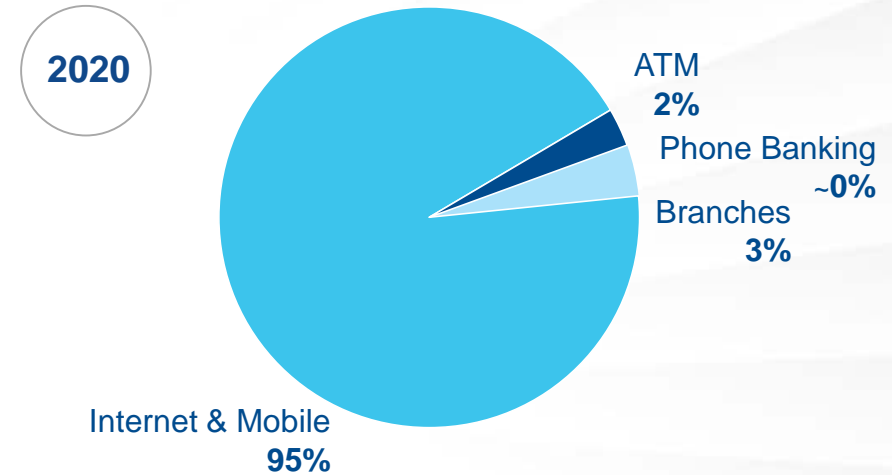
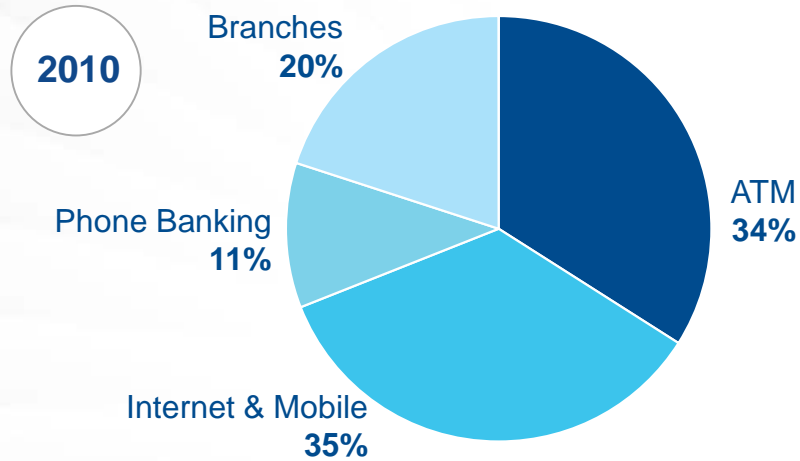
Indian GAAP figures ; FY – Fiscal Year ended 31st March.

*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

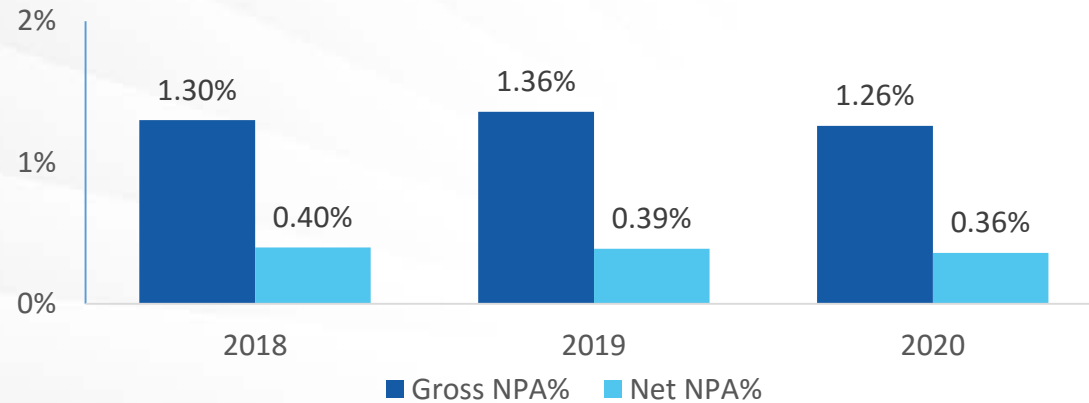
Innovative Technology Applications

Enable new Products / Channels including Apps

The charts above cover retail 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



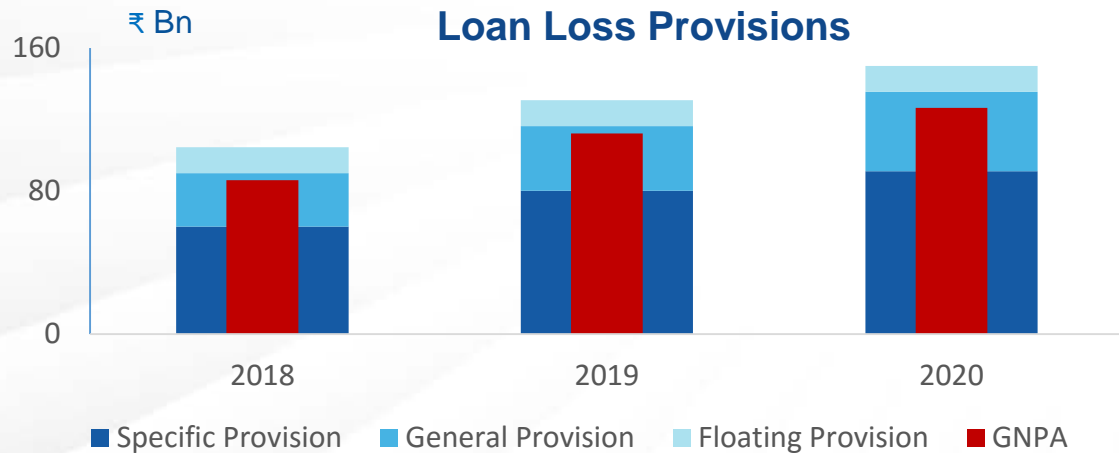
Strong credit culture, policies, processes



Specific provision cover at 72% of NPAs, total coverage ratio including specific, floating, contingent and general provisions were 142 %



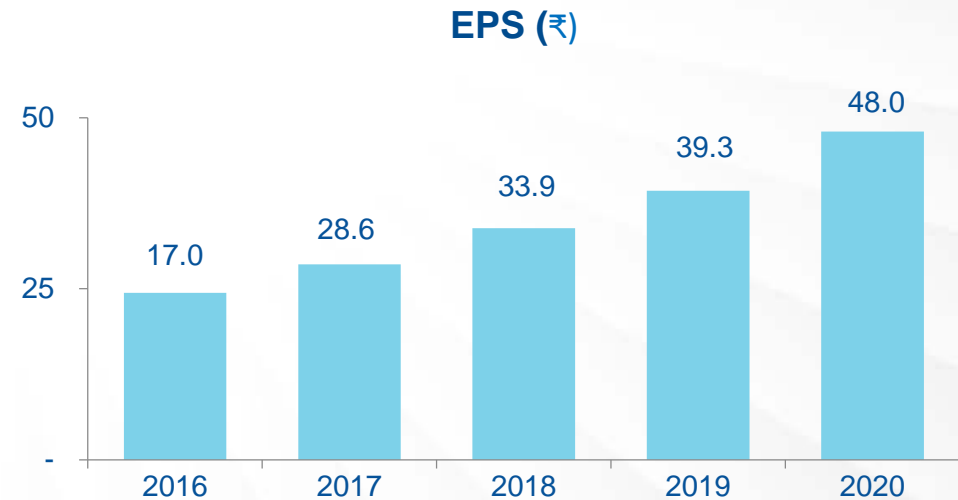
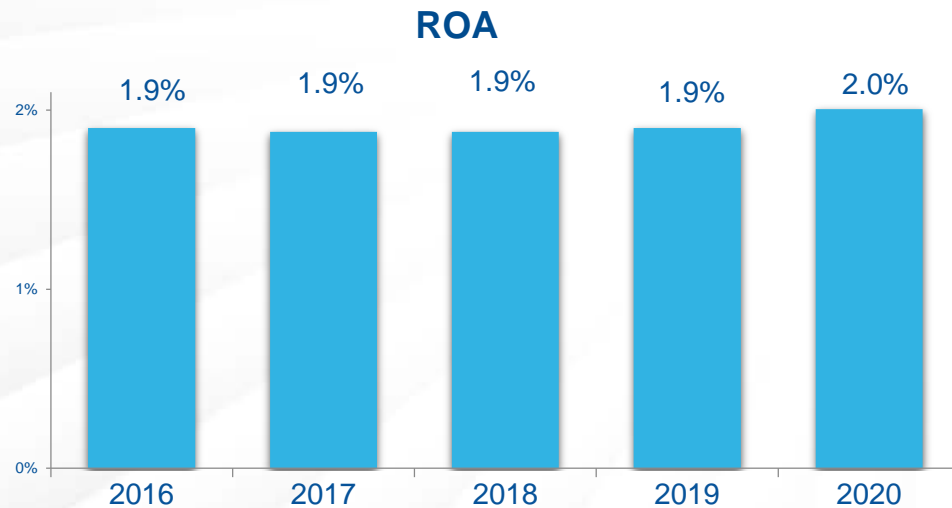
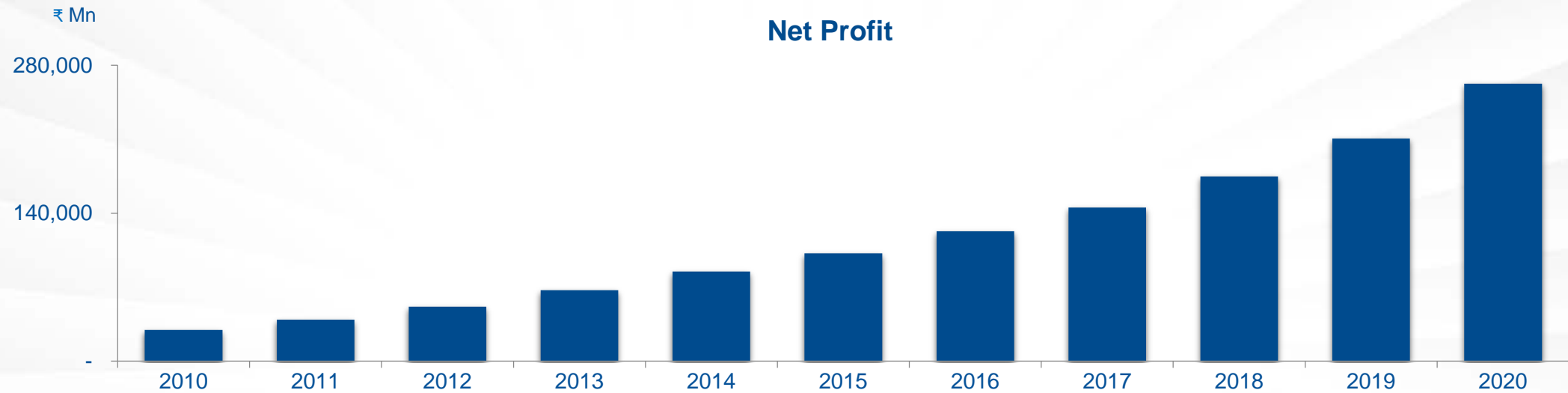
Loan Loss Provisions



Indian GAAP figures. Fiscal year ended 31st March.

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

Consistent Financial Performance



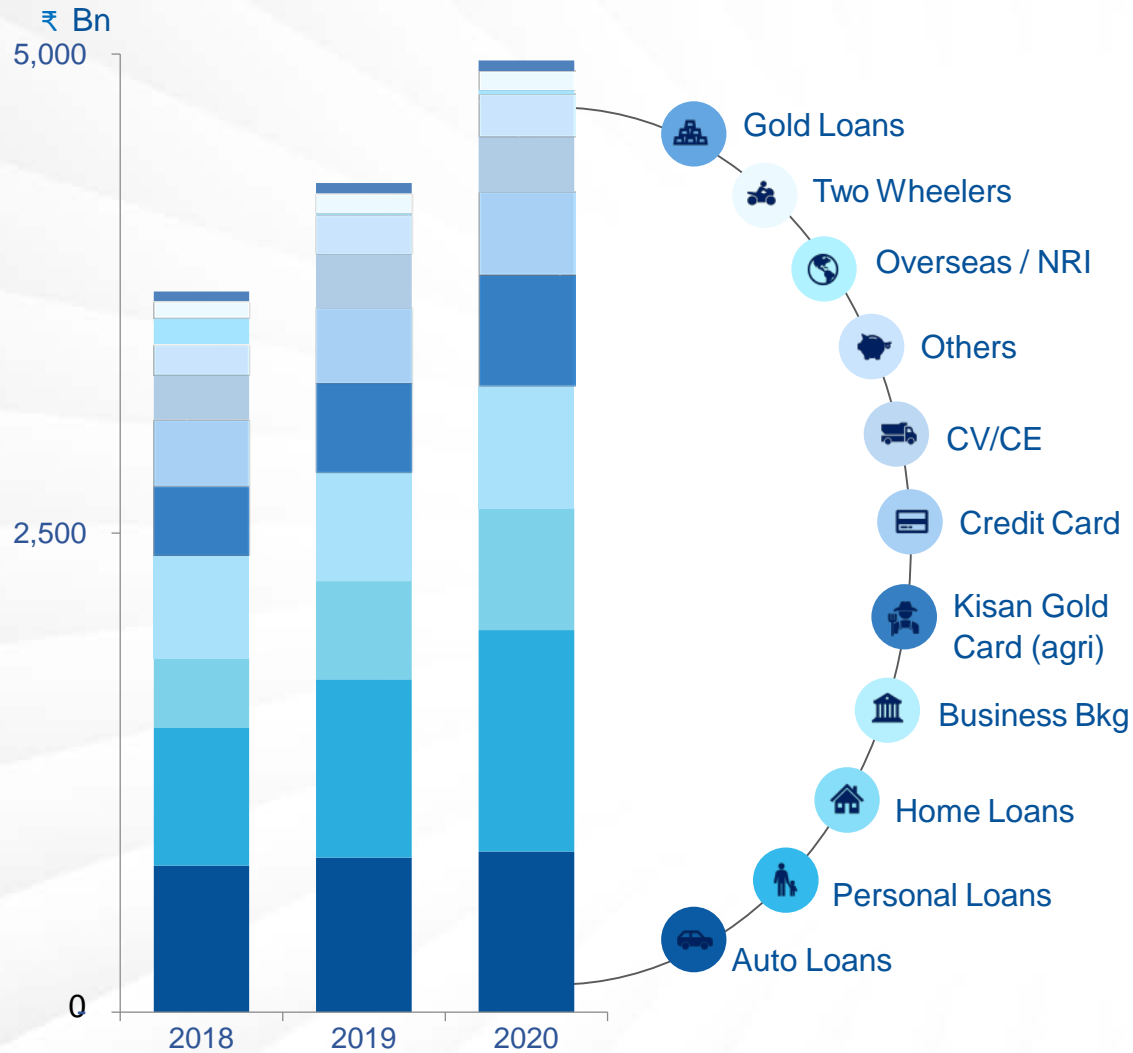
Indian GAAP figures. Fiscal year ended 31st March

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Retail Loans – Leadership & Profitable Growth



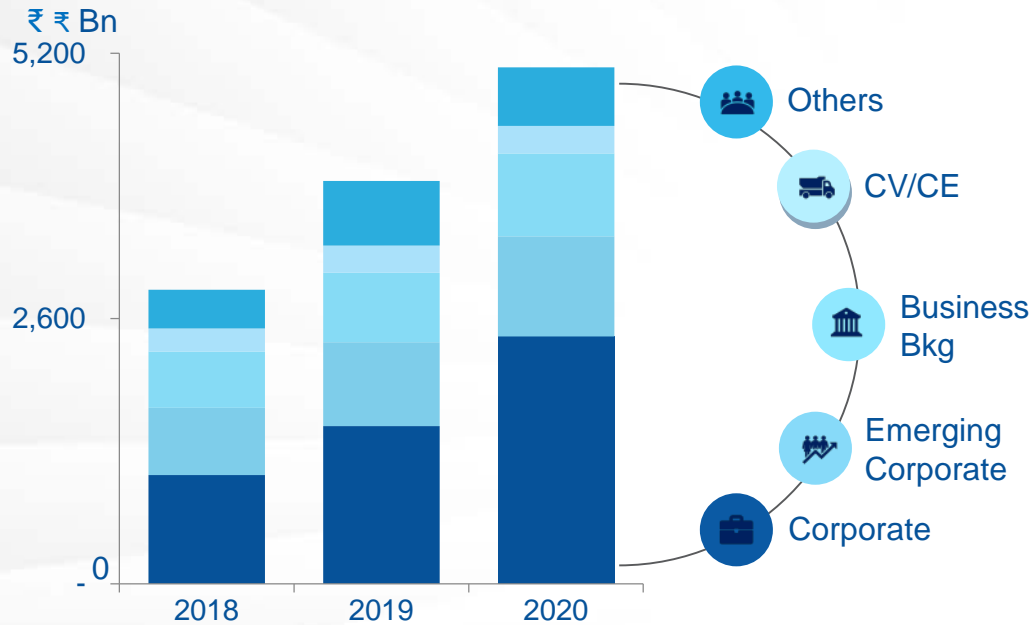
- Well diversified product mix
- Leading player – balancing volumes & market share with margins and risk
- Loan losses for most products stable and within product pricing parameters

Indian GAAP figures. Fiscal year ended 31st 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

Wholesale Advances



- 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



Dealers
Distributors
OEM Customers

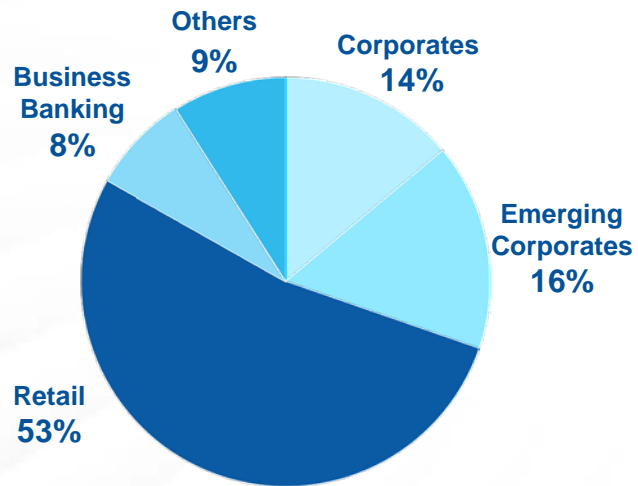
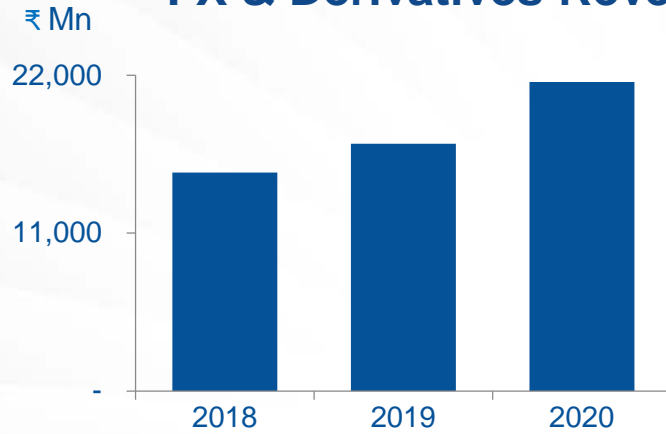
Leading provider of electronic banking services for supply chain management (SCM)

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

FX & Derivatives Revenues



Revenues – Largely customer driven, low reliance on trading revenue



Treasury advisory services



Plain vanilla FX offerings to retail and business banking segments



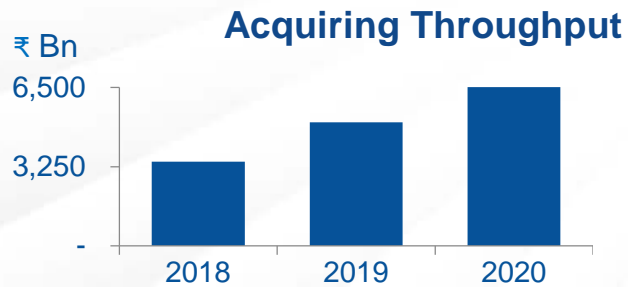
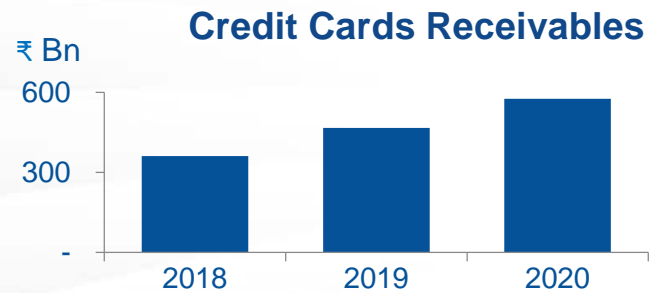
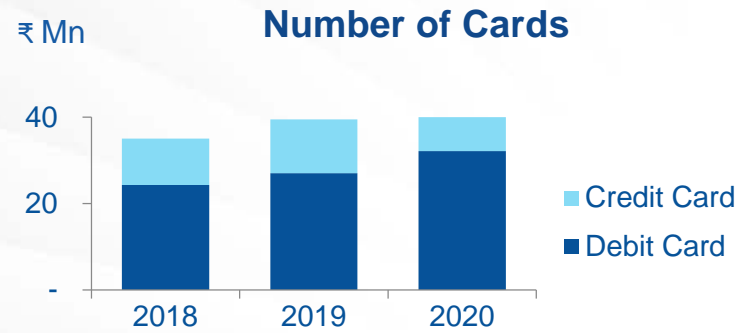
FX and derivatives product sales to corporate and institutional customers



Indian GAAP figures. Fiscal year ended 31st 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** – 14.5 mn



Over **80%** of new **credit cards** issued to existing customers



Merchant acquiring – over **8,70,000** POS terminals



Leading provider of **payment gateway** services



Indian GAAP figures. Fiscal year ended 31st March. ₹ Rupees | FY 2019 - Fiscal year ended 31st March 2019 | POS - Point of Sale

Branch Channel – New Customer Acquisitions

1 Merchant Thrust

- Own shopkeepers in the catchment.
- Special rates on loans, Mini SB A/c for small shops



4 Change in Relationship

- Sourcing liability a/cs for all asset disburseals
- Joint ownership with asset teams



2 Catchment Mining Program

- To be leading Bank in the Catchment
- Weekly program in small teams led by seniors to meet, engage new customers



5 ATM Assist Program

- Being launched across Bank in high transacting ATMs



3 Village Penetration Program

- Joint program with Agri/KGC -targeting new customers in Villages



6 Go to Sales



Semi-Urban & Rural Focus

Expanding Our Distribution Footprint



Villages



Households

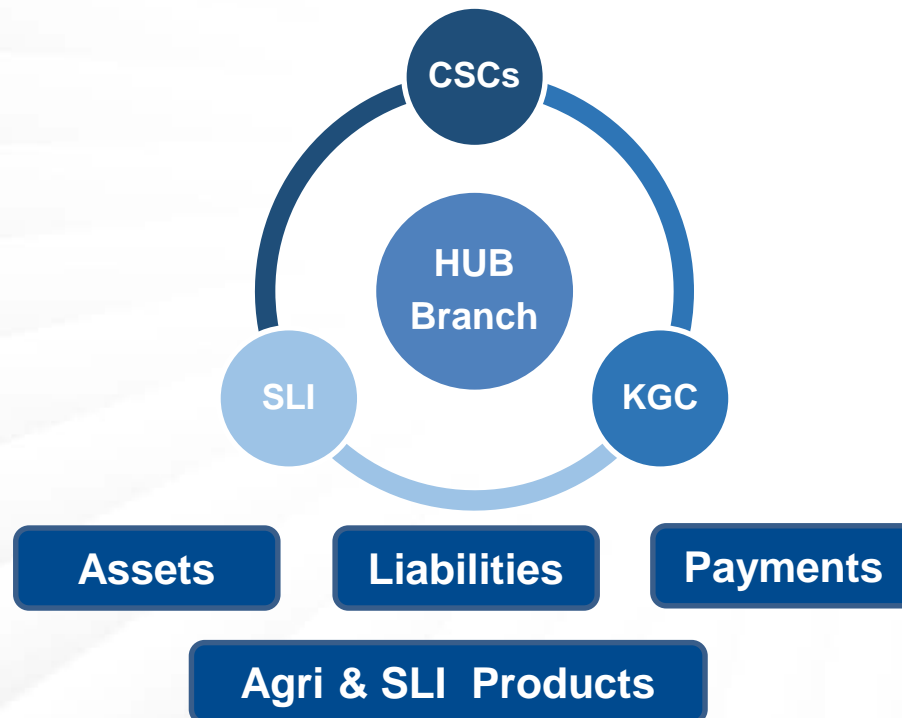


Merchants



Govt Bodies

Growth Potential

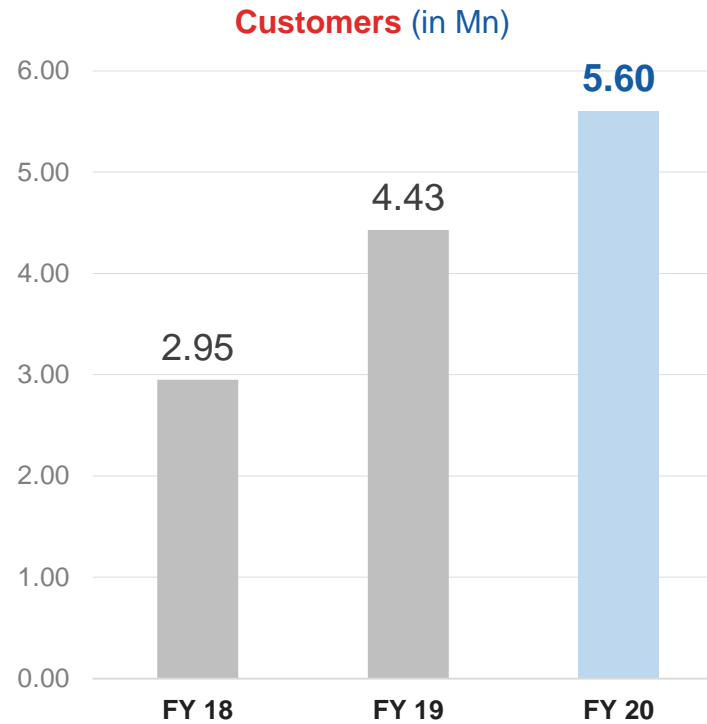
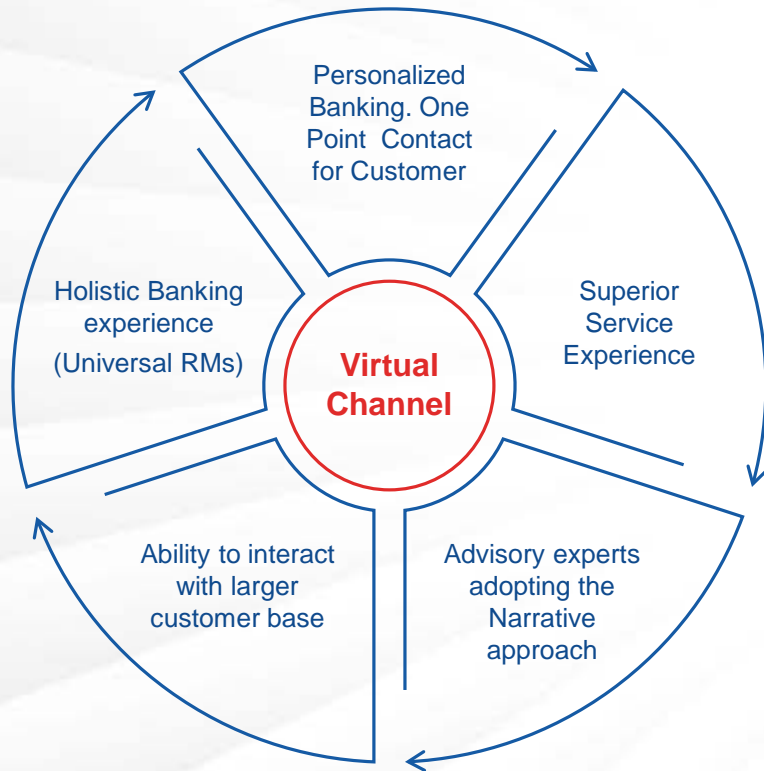


Strategy

- ∴ Per Capital Rural GDP upwards of \$ 2000
- ∴ Only bank in town to offer all products on asset side of balance sheet
- ∴ Proven track record
- ∴ Wider distribution with branch, CSC, feet on street of KGC / SLI teams (low cost)
- ∴ 100,000 existing Bank employees + 100,000 distribution footprint creating a bank within a bank
- ∴ Expect larger distribution of products
- ∴ Small shop strategy

VRM Strategy – Existing & Way Forward

EXISTING



- Metro Cities: 55%, Urban: 20%, Semi-Urban: 18%, Rural: 7%.
- Total VRM's – 3,626

WAY FORWARD

Mission

10 Million customers in FY21

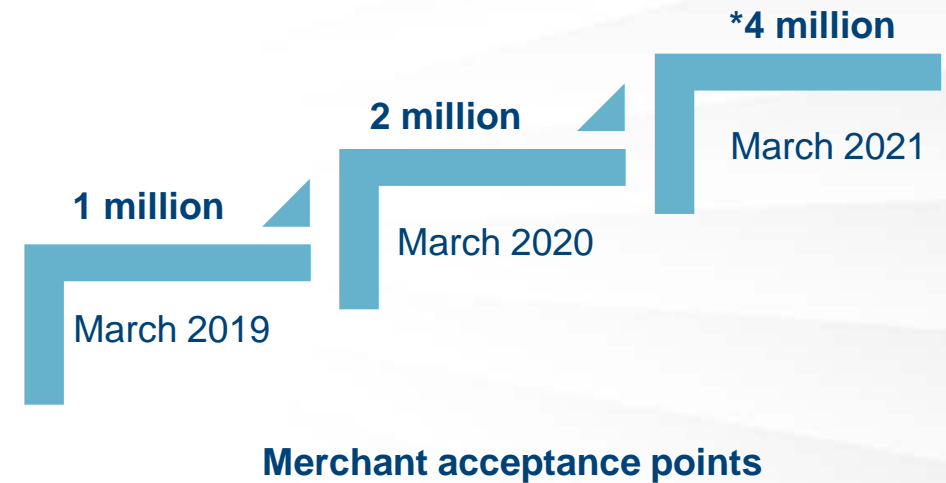
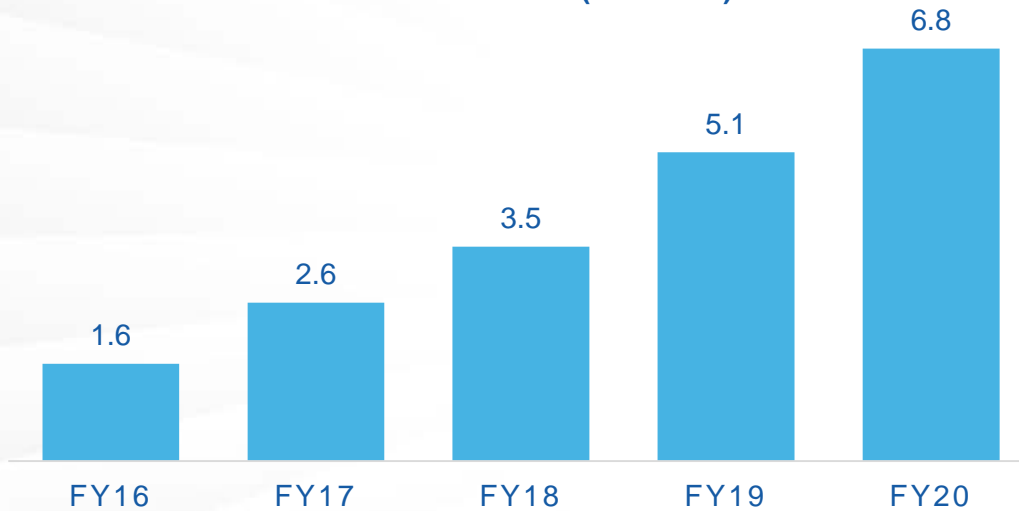
Making the channel intelligent, customer centric & responsive –through use of technology

Building RM efficiency

- Unified front end for RMs, integrated with core systems & with AI based Real time marketing offers
- Non connectable cases, addressed, through App based notification to customers allowing them to start the journey at their convenience
- 24X7 intelligent voice BOT providing response to next probable query
- Intensive use data mining for sentiment analysis, performance analytics & behavior analysis

Holistic Approach To Acquiring Merchant Banking Relationships

ACQUIRING VOLUME (LAC CR)



- ∴ 4X growth in 5 years
- ∴ Dominant market share > 42%
- ∴ 1.8 million Acceptance points deployed LTD.

* Estimated

Re-imagining Customer Experience – From Transactions To Journeys



SAVE

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

INVEST

- InvestTrack

SHOP / COMMERCE

- SmartBuy
- Bank OnChat



INSURE

- OneAssist-Mobile & Theft Insurance



PAY

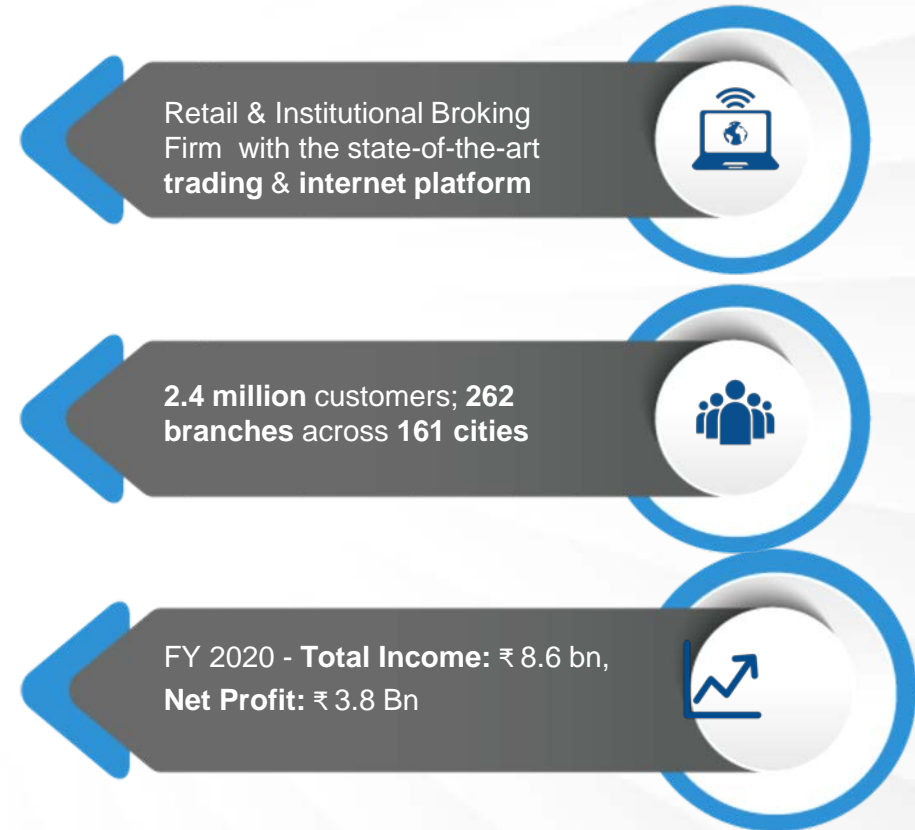
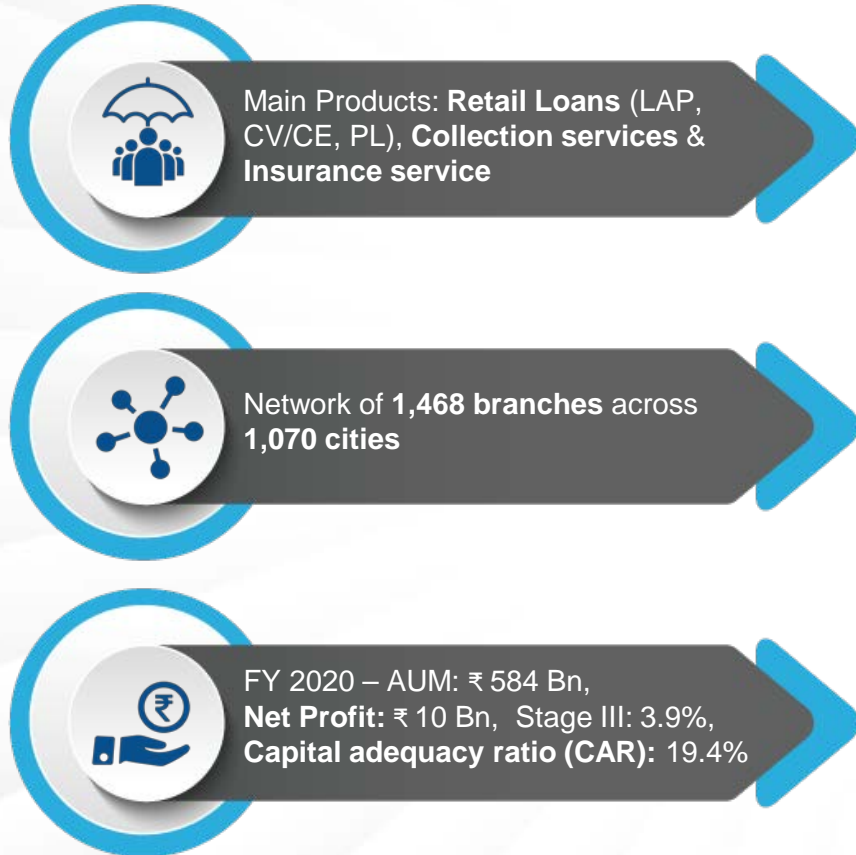
- PayZApp UPI
- SmartHub
- DigiPoS
- Samsung Pay
- Missed Call Commerce
- Virtual Credit Card
- Commercial Payment Solutions POS / Payment Gateway



BORROW

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

Subsidiary Companies



₹ Rupees | FY 2020 – Fiscal year ended March 31, 2020; LAP – Loans Against Property; CV/CE – Commercial Vehicle and Construction Equipment Loans; PL – Personal Loans

Parivartan - A Step Towards Progress



Empowering Communities –
Over **78 Million** Lives
Impacted Through Parivartan
Our CSR Initiative

Environmental, Social, Governance (ESG)

Environmental Social & Corporate Governance (ESG), an important pillar of business strategy. As a result, we have the second-highest weightage (9.34% as of March 2020) in NIFTY-100 Enhanced ESG, an index of the NSE that assigns ESG scores to companies. Our board governed ESG policy guides ESG practices at the Bank.

Environmental



Our board-governed **environmental policy** serves as a framework to understand & manage our environmental risks, impacts & opportunities.



We are committed to **Responsible Financing** and, as a rule of thumb, do not fund projects that have an adverse impact on environment, health and safety (EHS) levels.



We track our **Carbon Footprint + Greenhouse Gas (GHG)** emissions since FY 2010-2011.

Spent INR 535.3 crore in FY 2019-2020 for diverse interventions

Social



Our Holistic Rural Development Programme (HRDP) spans across 17 states & has reached over **4 lakh households** in over 1280 villages.



Our Sustainable Livelihood Initiative (SLI) created socio-economic boost to **1.3 crore women**



Our Teach The Teacher initiative reached over **19.6 lakh teachers** across 29 states/union territories



In FY 2018-19, the Bank collected over **4 lakh units of blood** in a single day which is nearly 42% higher than the previous year. **4.8 lakh people** from all walks of life participated in the programme.

Governance



Our **Corporate Governance Policy** ensures highest levels of ethics, integrity, corporate governance and regulatory compliance



Our **Board of Directors sets course and evaluates our performance of:** compliance, Risk Management & Internal Control, Information & Cyber Security, Customer Service, Social & Environmental Responsibility.



Our **Code of Conduct** ensures transparent dealings with internal & external stakeholders.

The five pillars of Parivartan



Environment

- 1,280+** Villages Impacted
- 4+ Lakhs** Households Benefitted
- 40,000+** Kitchen Gardens Developed
- 28,300+** Acres of Agri Land Treated
- 28,000+** Solar Lights Installed
- 11,200+** Biomass Stoves Provided
- 7,800+** Water Structures Constructed/Repaired
- 10+ Lakhs** Trees Planted



Promotion of Education

- 2.62+ Lakhs** Schools Impacted
- 19.60+ Lakhs** Teachers Trained
- 20.02+ Crores** Students (Direct + Indirect) Impacted
- 580+** Libraries Established



Healthcare & Hygiene

- 28,800+** Toilets Constructed
- 1.18+ Lakhs** People Benefitted Through Health Camps
- 18.58+ Lakhs** Units of Blood Donated
- 1,800+** Sanitation Drives Conducted



Financial Literacy & Inclusion

- 16.93+ Lakhs** Financial Literacy Camps Conducted
- 1.29+ Crores** Individuals Reached



Skill Training & Livelihood Enhancement

- 1.6+ Lakhs** Individuals Trained
- 7.8+ Lakhs** Women Entrepreneurs Created
- 7,500+** SHGs Formed/Trained

**Impact data up to March 2020*

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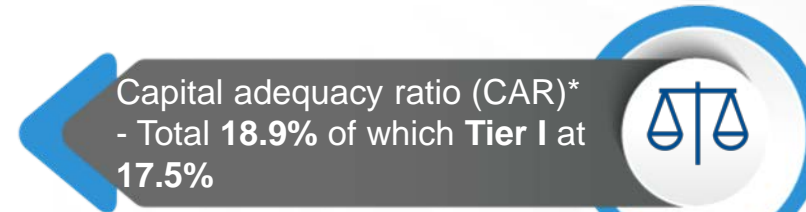
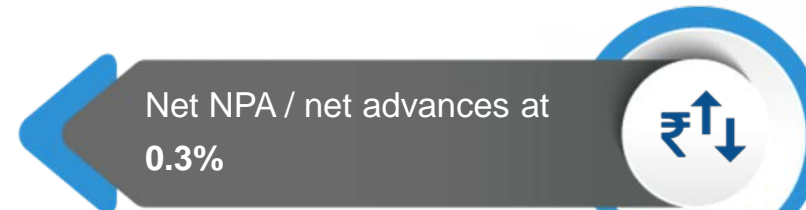
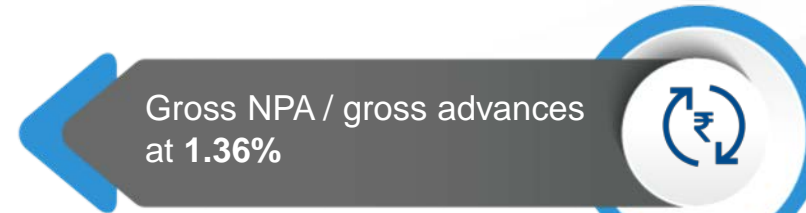
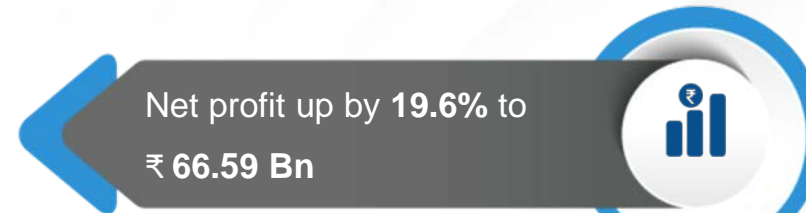
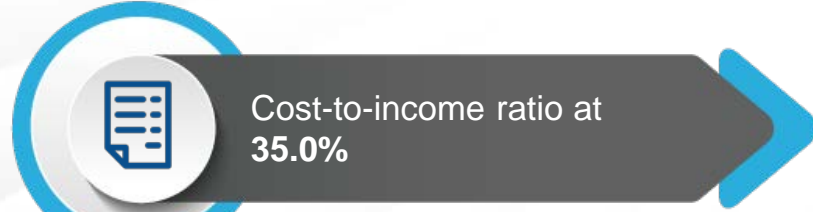
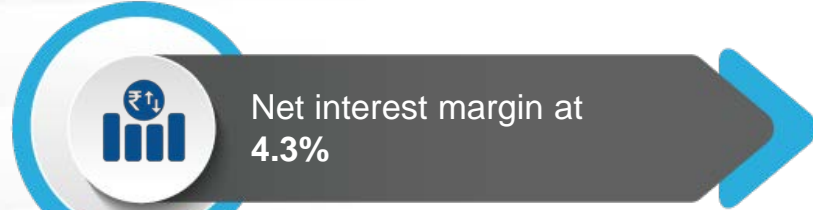
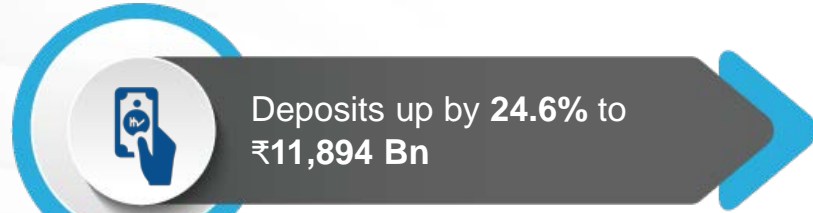
Key Financials

₹ In million

	Quarter Ended Jun 20	Quarter Ended Jun 19	Change	Year Ended Mar 20	Year Ended Mar 19	Change
Net Interest Income	156,654	132,943	17.8%	561,863	482,432	16.5%
Fees & Commissions	22,307	35,516	-37.2%	163,337	137,788	18.5%
FX & Derivatives	4,366	5,767	-24.3%	21,548	17,204	25.2%
Profit / (loss) on Investments	10,867	2,120	412.6%	19,344	3,868	400.1%
Recoveries	3,213	6,299	-49.0%	28,379	17,399	63.1%
Net Revenues	197,407	182,645	8.1%	794,471	658,691	20.6%
Operating Costs	69,114	71,172	-2.9%	306,976	261,194	17.5%
Provisions & Contingencies	38,915	26,137	48.9%	121,424	75,501	60.8%
Profit Before Tax	89,378	85,336	4.7%	366,072	321,996	13.7%
Tax	22,792	29,654	-23.1%	103,499	111,215	-6.9%
Profit After Tax	66,586	55,682	19.6%	262,573	210,781	24.6%

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

Financial Highlights - Quarter Ended June 2020



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 June, 2019

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



Value Proposition – Healthy Growth, Balanced Risk-Reward



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.

THANK YOU