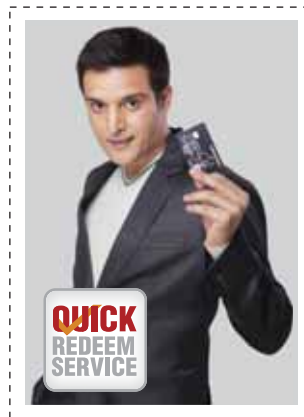


USING TECHNOLOGY DELIGHTING CUSTOMERS



Board of Directors (as on May 25, 2012)

Mr. R. Seshasayee, Chairman
 Dr. T. T. Ram Mohan
 Mr. Ajay Hinduja
 Mr. S. C. Tripathi
 Mr. Ashok Kini
 Mrs. Kanchan Chitale (Additional Director)
 Mr. Vijay Vaid (Additional Director)
 Mr. R. S. Sharma (Additional Director *)
 Mr. Romesh Sobti, Managing Director & CEO
 Mr. Y. M. Kale (Alternate Director to Mr. Ajay Hinduja)
 (* Appointed on April 19, 2012)

Company Secretary

Mr. Haresh K. Gajwani

Auditors

M/s B S R & Co.
 Lodha Excelus
 1st Floor, Apollo Mills Compound
 N. M. Joshi Marg
 Mahalakshmi, Mumbai 400 011

Solicitors

M/s Crawford Bayley & Co.
 Solicitors & Advocates
 State Bank Building
 NGN Vaidya Marg
 Mumbai – 400 023

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
 C-13, Pannalal Silk Mills Compound
 L.B.S. Marg, Bhandup (West)
 Mumbai – 400 078
 Tel : 022 25946980 / 25963838
 Fax : 022 25946969

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Registered Office

2401, Gen. Thimmayya Road
 (Cantonment)
 Pune - 411001

Corporate Office

8th Floor, Tower 1, One Indiabulls Centre
 841, Senapati Bapat Marg
 Elphinstone Road (W)
 Mumbai – 400 013

Secretarial & Investor Services

731, Solitaire Corporate Park
 167, Guru Hargovindji Marg
 Andheri (E), Mumbai 400 093

► Message from Managing Director



Dear Shareholders,

The Board of Directors and the Management Team are privileged to present your Bank's Annual Report for the Financial Year 2011-12.

Although full of challenges, the year 2012 witnessed success and an improved financial performance. We accepted these challenges and made the best use of our resources and abilities. During the year, the Bank expanded its network and significantly increased its customer base as well as profits in line with the adopted plan of achieving **'Scale with Profitability'**.

The Bank believes that 'Customer First' attitude is the key to success and delighting customers with our services has always been our focus. Continuing the initiative of **'Responsive Innovation'**, your Bank recently launched three unique propositions named as **'Cash-On-Mobile'**, **'Direct Connect'** and **'Quick Redeem Service'**. These new innovations reiterate the Bank's commitment towards providing best-of-class services by using technology to its advantage.

During the year 2011-12, your Bank received many satisfying awards and accolades. Your Bank was selected as 'Best Mid Sized Bank in India' by 'Business Today-KPMG Best Banks Survey 2011' as well as by 'Businessworld-PwC Best Banks Survey 2011'. For the second consecutive year, 'Most Improved Bank Performance of the Year Award' was bestowed upon IndusInd Bank by Bloomberg UTV in its 'Financial Leadership Awards' function held in April 2012.

IndusInd Bank has remained committed to adopting green banking practices. The Bank was honoured with The Panasonic Green Globe Foundation Award, NASSCOM IT User Award and CII Environmental Best Practice Award during the year for its Solar Powered ATMs initiative.

I place on record my sincere appreciation of the contribution of all our employees and also thank all stakeholders for supporting us. This has helped your Bank achieve a high level of performance, as reflected in this report.

Finally, I convey my personal gratitude for the confidence you have reposed in your Bank's Board of Directors and hope that you will continue to extend your wholehearted support to us in our quest for further accelerated progress.

I look forward to being in touch with you and sharing my perceptions in future also.

With best wishes to each one of you and your family members.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Romesh Sobti'.

Romesh Sobti
Managing Director & CEO



► Key Business Highlights

- Net worth moved to ₹ 4522.37 crores
- Net Profit up by 39% to ₹ 802.61 crores
- Net Interest Income up by 24% to ₹ 1,704.25 crores
- Core Fee Income up by 45% to ₹ 913.24 crores
- Capital Adequacy Ratio (Basel II) at 13.85%; Capital Adequacy Ratio - Tier I at 11.37%
- Return on Assets (RoA) at 1.57% as against 1.46%
- Net NPA at 0.27% as on March 31, 2012 as compared with 0.28% the previous year
- Provisioning Coverage Ratio against NPAs at 72.72% as against 72.61%
- Branch Network increased to 400 and 692 ATMs spread across 270 geographic locations of the country
- Earnings Per Share (Basic) increased to ₹ 17.20 from ₹ 13.16
- Dividend Declared of 22% as against 20% the previous year

► Ratings

- 'ICRAAA' for Lower Tier II subordinate debt program and 'ICRAAA-' for Upper Tier II bond program by ICRA
- 'CRISILA1+' for certificate of deposit program by CRISIL
- 'CARE AA' for Lower Tier II subordinate debt program by CARE
- 'Fitch AA-' for Long Term Debt Instruments and 'Fitch A1+' for Short Term Debt Instruments by Fitch Ratings

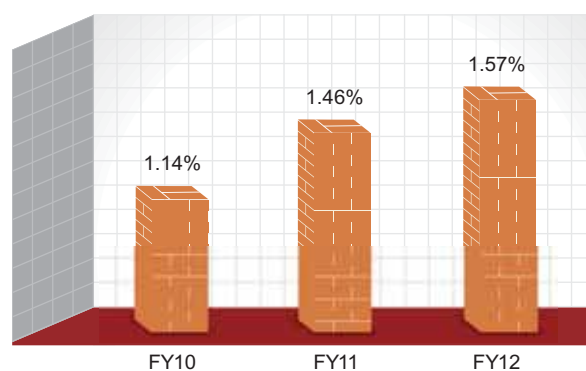
► Consistent delivery over the past 3 years...

Return on Equity (RoE)*



*on year end equity

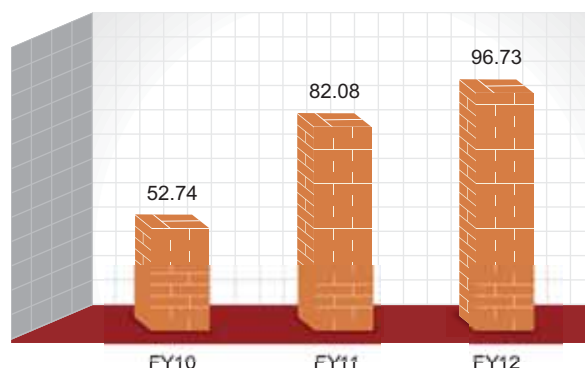
Return on Asset (RoA)



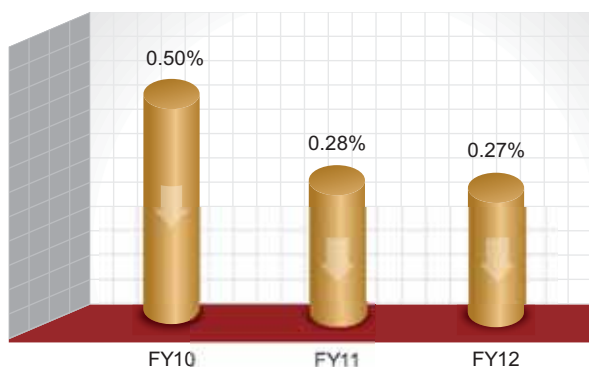
Earnings Per Share (₹ per share)



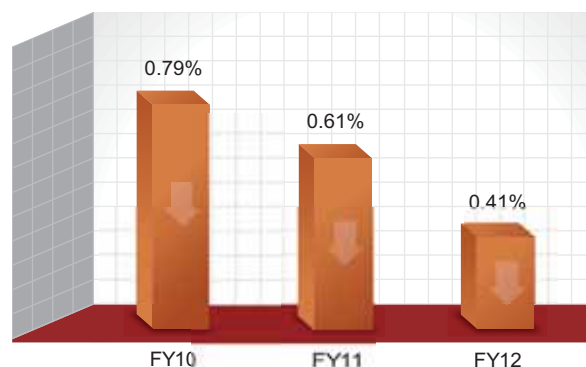
Book Value Per Share (₹ per share)



Net NPA



Cost of Credit



► Awards & Accolades

The Bank received various awards and accolades during the year:

“Best Bank Mid-Sized” by Businessworld-PwC Best Banks Survey 2011

“Best Mid-Sized Bank” by Business Today-KPMG Best Banks Survey 2011

CII Environment Best Practice Award 2012 for the “Most Innovative Environmental Project”

M.IT.R - 50 Marketing & IT Recognition Program amongst top 50 brands-organised by Paul Writer in association with IBM

Panasonic Green Globe Foundation Awards 2012 in the “Business Enterprise Services” (UNEP/TERI/KPMG)

“Most Improved Bank Performance of the Year” at Financial Leadership Awards 2012 presented by Bloomberg UTV

“Nasscom IT User Award 2012” for Environmental Sustainability by Frost & Sullivan

“Best Bank in New Generation Category” by the State Forum of Bankers’ Club, Kerala

“Star Brand 2011” ICMR Star Brands of India Survey



► The Core Executive Team



Ramesh Sobti
Managing Director & CEO



Paul Abraham
Chief Operating Officer



Suhail Chander
Head - Corporate & Commercial Banking



Sumant Kathpalia
Head - Consumer Banking



K. S. Sridhar
Chief Risk Officer



Arun Khurana
Head - Global Markets Group



S. V. Parthasarathy
Head - Consumer Finance



J. Moses Harding
Head - ALCO and Economic & Market Research



Ramesh Ganesan
Head - Transaction Banking



S. V. Zaregaonkar
Chief Financial Officer



Sanjeev Anand
Deputy Head - Corporate & Commercial Banking



Zubin Mody
Head - Human Resources



Sanjay Malik
Head - Investor Relations & Strategy

► Responsiveness - Initiatives to lead the change

In an attempt to differentiate and establish itself as a leading banking institution, IndusInd Bank firmly positioned itself on the theme of 'Responsive Innovation', which means the Bank is responsive to customer needs. Against this backdrop, your Bank launched three new services: Cash-on-Mobile, Direct Connect and Quick Redeem during the year. These new innovations are aimed at making banking easy and convenient for the customers, while reiterating your Bank's commitment towards providing superior client experience. This was communicated to the external audience through multi-media advertising campaigns comprising electronic channels, print, outdoors, radio, in-cinema and digital to create the multiplier effect.



The non-stop mega advertising blitz has not only enhanced the brand equity on various parameters like visibility quotient, image, recall, and overall communication; but also established it as a young, progressive and agile brand. The ads were directed by well known director Imtiaz Ali, and featured popular Bollywood actors like Neetu Kapoor and Jimmy Shergill. The selected cast and the subtle humour in the ads definitely helped the campaign break the clutter and resulted in some effective communication. In all, the campaign received some rave reviews from the media and was also appreciated on various online social networking sites.



Keeping in line with the theme of 'External Responsiveness', your Bank had introduced an initiative called iSolve or 'Internal Responsiveness' a year ago, with an aim to make every employee embrace the Six Behavioural Traits and become an active participant in the quest for solutions. The iSolve Six Behavioural Traits are:



- Get it right the first time
- Find ways to get things done
- Be approachable
- Take ownership
- Cut bureaucracy
- Effort is important but outcome is critical

This year, your Bank took this campaign to a new high. Apart from the regular interesting internal communication drive comprising e-direct mailers, webcast, posters, wall panels, standees, danglers, badges, and engaging games like golf and dart boards; your Bank put in place a robust 'Internal Social Networking System' which captured the voice of the employees and helped in driving awareness through interesting contests with plenty of freebies. At the end of the campaign, real-life examples (based on the six values) from among the employees were chosen and put on the Internal Social Networking System, inviting votes from the employees for the best examples.

We have with us six iSolve Ambassadors chosen from the democratically led poll; they were later recognised and awarded in the various bank gatherings and events. The campaign is an ongoing exercise and its purpose is to initiate a smooth flow of inter-department and intra-department interaction, which ultimately reflects on the responsiveness of the Organisation. To conclude, your Bank is working towards instilling responsiveness in everybody's DNA.

