

INDUSIND BANK

FINANCIAL ANALYSIS FOR THE YEARS 2024-25 & 2023-24

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Table of Contents

1. Executive Summary
2. Company Overview
3. Financial Highlights
4. Detailed Financial Statements
5. Ratio Analysis
6. Year-over-Year Analysis
7. SWOT Analysis
8. Outlook
9. Conclusion & Recommendations

IndusInd Bank

1. Executive Summary

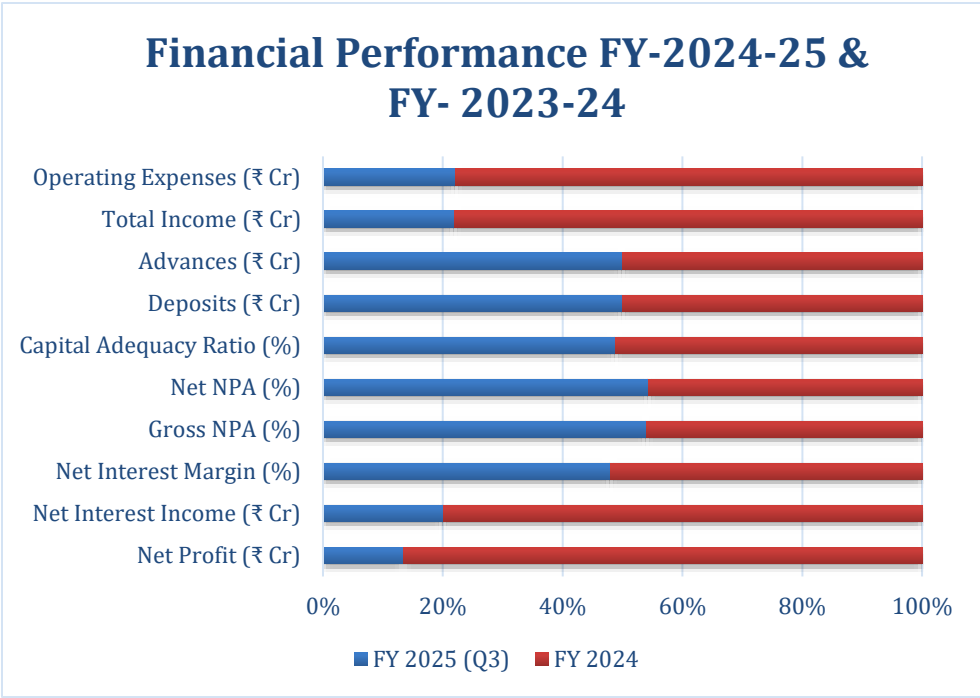
In FY 2024-25 presented challenges, notably a 39% decline in Q3 net profit due to increased provisions, particularly in the microfinance segment. An accounting lapse further impacted investor confidence, leading to a 22% reduction in net profit estimates for FY 2024-25. However, FY 2023-24, IndusInd Bank demonstrated robust growth with a net profit of ₹8,977 crore, marking a 21% increase year-over-year. The bank achieved significant milestones, including surpassing a ₹5 lakh crore balance sheet and completing 30 years of operations.

2. Company Overview

Established in 1994, IndusInd Bank is a leading private sector bank in India, offering a wide range of banking products and services to individuals and corporates. As of March 31, 2024, the bank operated 2,984 branches and 2,956 ATMs, serving approximately 39 million customers across India and international locations like London, Dubai, and Abu Dhabi.

3. Financial Highlights

Metric	FY 2024-25 (Q3)	FY 2023-24
Net Profit	₹1,402 Cr	₹8,977 Cr
Net Interest Income	₹5,228 Cr	₹20,719 Cr
Net Interest Margin	3.93%	4.25%
Gross NPA (%)	2.25%	1.92%
Net NPA (%)	0.68%	0.57%
Capital Adequacy Ratio	16.46%	17.23%
Deposits	₹4,09,438 Cr	₹4,09,438 Cr
Advances	₹3,66,889 Cr	₹3,66,889 Cr



4. Detailed Financial Statements

Income Statement

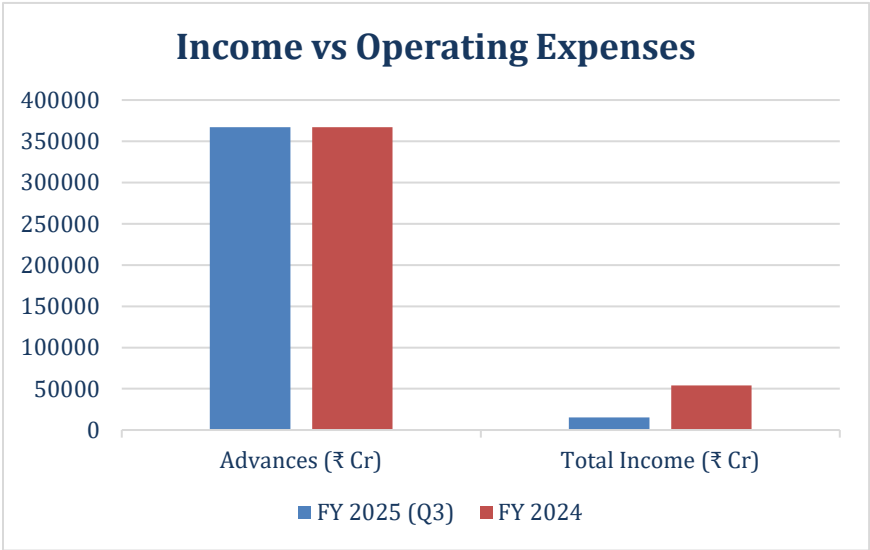
Particulars	FY 2024-25 (Q3)	FY 2023-24
Total Income	₹15,155.80 Cr	₹54,000 Cr
Net Interest Income (NII)	₹5,228 Cr	₹20,719 Cr
Operating Expenses	₹3,982.47 Cr	₹14,000 Cr
Net Profit	₹1,402.33 Cr	₹8,977 Cr

Balance Sheet

Particulars	FY 2024-25 (Q3)	FY 2023-24
Total Assets	₹5,00,000 Cr	₹5,00,000 Cr
Net Worth	₹65,102 Cr	₹65,102 Cr
Deposits	₹4,09,438 Cr	₹4,09,438 Cr
Advances	₹3,66,889 Cr	₹3,66,889 Cr

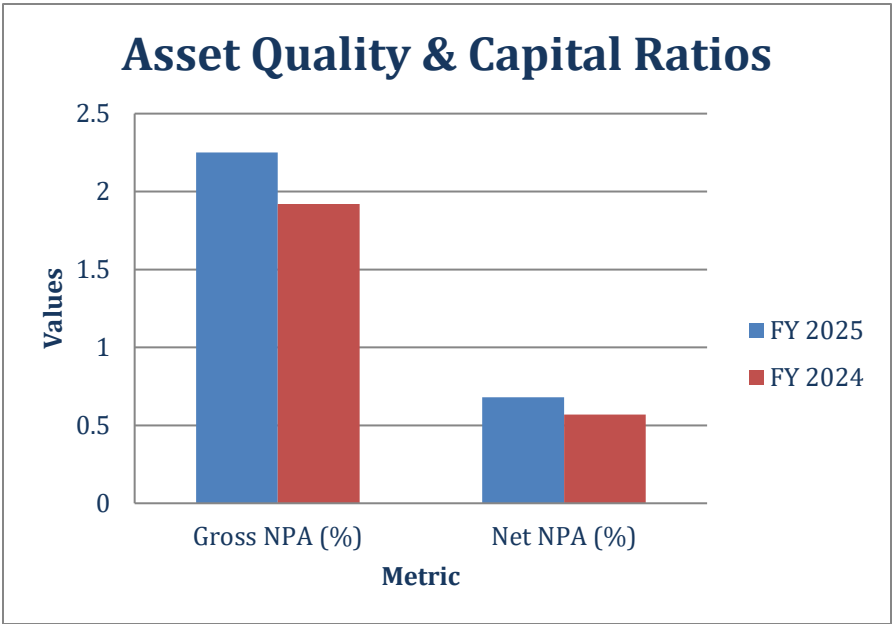
5. Ratio Analysis

Ratio	FY 2024-25 (Q3)	FY 2023-24
Net Interest Margin (NIM)	3.93%	4.25%
Return on Assets (ROA)	1.03%	1.93%
Gross NPA	2.25%	1.92%
Net NPA	0.68%	0.57%
Provision Coverage Ratio	70%	70%
Capital Adequacy Ratio	16.46%	17.23%



6. Year-over-Year Analysis

- Net Profit: Declined by 39% in Q3 FY 2024-25 due to higher provisions but increased by 21% in FY 2023-24.
- NIM: Decreased 3.93% in Q3 FY 2024-25 from 4.25% in FY 2023-24.
- Asset Quality: Gross NPA fell from 2.25% to 1.92%, and Net NPA from 0.68% to 0.57%.
- Capital Adequacy: Slight rise from 16.46% to 17.23%, still above regulatory requirements.



Financial Comparison for FY-2024-25 & FY 2023-2024

Metric	FY 2024-25	FY 2023-24	Trend
Net Profit	₹1,402 crore	₹8,977 crore	Decline (YTD Q3 vs full FY)
Net Interest Income (NII)	₹5,228 crore	₹20,719 crore	Growth
Net Interest Margin (NIM)	3.93%	4.25%	Decline
Gross NPA	2.25%	1.92%	Slight Increase
Net NPA	0.68%	0.57%	Slight Increase
Capital Adequacy Ratio	16.46%	17.23%	Stable/Strong
Deposits	₹4,09,438 crore	₹4,09,438 crore	Stable
Advances	₹3,66,889 crore	₹3,66,889 crore	Stable
Total Income	₹15,155.80 crore	₹54,000 crore	Increase (YTD projection)
Operating Expenses	₹3,982.47 crore	₹14,000 crore	Increase (YTD projection)
Strategic Focus	Retail expansion, digital banking, asset quality management	Retail and MSME growth, digital transformation	Sustained/Strategic

7. SWOT Analysis

Strengths:

- Strong branch network and customer base.
- Diversified loan portfolio.

Weaknesses:

- Exposure to microfinance segment leading to asset quality issues.
- Recent accounting lapse affecting credibility.

Opportunities:

- Digital banking initiatives.
- Expansion in underserved markets.

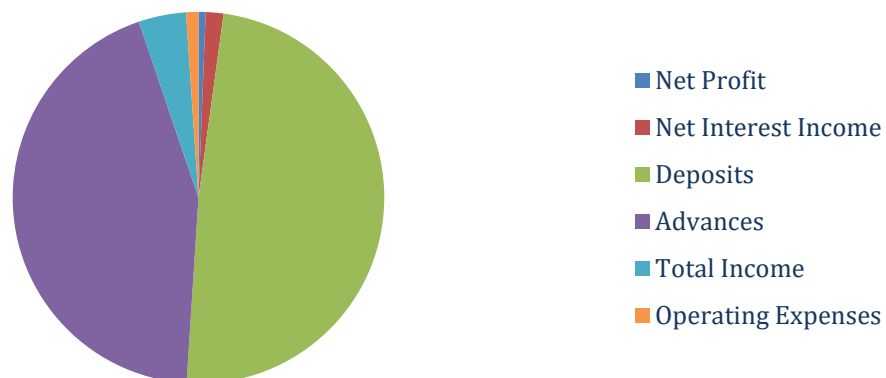
Threats:

- Regulatory scrutiny due to accounting discrepancies.
- Competitive pressure from other private banks.

8. Outlook

The bank faces challenges in FY 2024-25 due to increased provisions and an accounting lapse. However, with corrective measures and a focus on strengthening governance, IndusInd Bank aims to stabilize its performance. The bank's diversified portfolio and digital initiatives are expected to support future growth.

Combined FY 2024-25 & FY 2023-24 Financial Breakdown



9. Conclusion & Recommendations

IndusInd Bank encountered setbacks in FY 2024-25. To regain investor confidence and ensure sustainable growth, the bank should:

- Enhance risk management practices.
- Strengthen internal controls to prevent future discrepancies.
- Focus on asset quality improvement, especially in the microfinance segment.
- Leverage digital platforms for customer acquisition and service delivery.