

IDFC Bank FY17 Net Profit at Rs 1,020 crore

- FY 17 first full year of operations of IDFC Bank
- Full year net profit was up 25% over previous year (annualized)
- Balance sheet grew 35% y-o-y
- Customer base touched 1.4 million and customer acquisition crossed 60,000/month in March
- 8,613 Points-of-Presence covering 20 states, 150 districts, 19 major cities and 33,000 villages
- One-fourth of funded credit retailised; infrastructure concentration down to 54%
- Outstanding funded & non-funded credit grew 58%; funded outstanding credit was up 36%
- Deposits stood at Rs. 40,208 crore
- The Board has proposed a dividend of Rs 0.75 per equity share, subject to the approval of the shareholders at the AGM

Mumbai, April 25, 2017: The Board of Directors of IDFC Bank today approved the financial results for the quarter and year ended March 31, 2017. The accounts have been audited for the financial year ended March 31, 2017, by the statutory auditors of the Bank.

The financial year 2016-17 marks the first full year of operations of IDFC Bank.

The Bank recorded a net profit of Rs. 1,020 crore for the full year ended March 31, 2017, delivering a 25% growth in net profit vs. last year (annualized). The Balance Sheet grew y-o-y by 35%. IDFC Bank ended the year with an outstanding funded and non-funded credit growth of 58%, while its funded outstanding credit was up 36% at Rs. 66,567 crore, from Rs. 48,813 crore in the previous year.

After it transitioned into a bank, IDFC has successfully reduced the concentration risk it earlier carried as a mono-line financial entity focused on infrastructure. As on March 31, 2017, one-fourth of the IDFC Bank's funded credit was retailised. Also, the Bank's infrastructure concentration was down to 54%. The Bank's client-based fees contributed 12% to its operating income.

As on March 31, 2017, IDFC Bank's deposits stood at Rs. 40,208 crore, while CASA was at Rs. 2,094 crore. Operating income for the year was Rs. 3,030.4 crore; and Operating expenses were at Rs. 1,277 crore.

During the year, IDFC Bank rolled out a branch-light network with a specific focus on digital banking for all customer segments and geographies – from urban to rural and from small

businesses to large corporates. The Bank's network in FY17 expanded manifold over the previous year. As on March 31, 2017, IDFC Bank had 8,613 customer Points-of-Presence, includes 74 branches, 47 ATMs, 5,661 microATMs, 2,481 Aadhaar Pay enabled merchants points, and 350 Business Correspondent outlets.

The Bank introduced several digital products and services, including IDFC Aadhaar Pay, eFD, a fully loaded mobile app, Truly One-a combined savings and current account for business banking customers, tab account opening for businesses, Aadhaar-based paperless account opening and expanded functionalities on its microATMs to enable cashless payments at PDS outlets and Direct Benefit Transfers to citizens in remote villages. The Bank, through partnerships with fintech companies, introduced instant online personal and business loans. The Bank also launched first-of-its-kind products in the micro-savings and micro-loans space.

IDFC Bank strengthened its customer base and geographic spread with the acquisition of Grama Vidiyal during the year. It ended FY17 with 1.4 million customers after having on-boarded close to a million customers from IDFC Bharat Limited (the erstwhile Grama Vidiyal).

IDFC Bank met its overall PSL target of ~ Rs. 17,000 crore as on March 31, 2017.

Performance at a glance: Q4 FY17 v/s Q4 FY16

- Net profit for the quarter stood at Rs. 176 crore, rising 7% as compared to the corresponding quarter of the previous year
- Operating Income grew by 1%, to Rs. 558 crore; Net Interest Income (NII) was at Rs. 516 crore, up 28%; Non-Interest Income was Rs. 42.7 Cr
- Funded Credit (Net Advances + Credit Inv.) grew by 36% to Rs. 66,567 crore as of March 31, 2017, from Rs. 48,813 crore as of March 31, 2016
- Total Credit (Funded + Non Funded) grew by 58% to Rs. 85,172 crore as of March 31, 2017 from Rs. 53,919 crore as of March 31, 2016
- Deposits were Rs. 40,208 crore as of March 31, 2017 vs. Rs. 8,219 crore as of March 31, 2016

Shareholders' Funds and Capital Adequacy

Shareholders' funds of the Bank stood at Rs. 14,678 crore as on March 31 2017. Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 18.90% as at the end of the quarter. Tier 1 Capital adequacy ratio stood at 18.54%.

Asset Quality

The Gross NPL and Net NPL of the Bank as at the end of the Quarter were Rs. 1,542 crore and Rs. 576 crore respectively. Gross NPL as a percentage of Gross Advances was 3.0% and Net NPL as a percentage of Net Advances 1.1%.

Key Financials: Balance Sheet (Rs. Crore)

Particulars	Mar-16	Dec-16	Mar-17	% Growth (QoQ)	% Growth (YoY)
Shareholders' Funds	13,633	14,486	14,678	1%	8%
Deposits	8,219	27,001	40,208	49%	389%
Borrowings	57,160	68,445	50,262	-27%	-12%
Other liabilities and provisions	4,204	5,643	7,011	24%	67%
Total Liabilities	83,216	1,15,576	1,12,160	-3%	35%
Cash and Bank Balances	984	3,880	2,202	-43%	124%
Net Retail and Corporate Assets	48,813	56,641	66,567	18%	36%
Statutory Investments	12,977	17,389	19,264	11%	48%
Trading Investments	15,558	30,078	16,942	-44%	9%
Fixed and Other Assets	4,884	7,589	7,184	-5%	47%
Total Assets	83,216	1,15,576	1,12,160	-3%	35%

Income Statement (Rs. Crore)

Particular	Q4 FY16	Q3 FY17	Q4 FY17	FY 17	% Growth (QoQ) (Q4 FY17 vs Q3 FY17)	% Growth (YoY) (Q4 FY17 vs Q4 FY16)
Operating Income	554.5	855.0	558.4	3,030.4	-35%	1%
Net Interest Income	403.8	535.4	515.6	2,076.1	-4%	28%
Non Interest Income	150.7	319.5	42.7	954.3	-87%	-72%
Operating Expenses	294.7	379.0	298.1	1,277.0	-21%	1%
Pre-Prov Op Profit (Ppop)	259.9	476.0	260.3	1,753.5	-45%	0%
Provisions & Contingencies	11.9	231.8	4.8	282.5	-98%	-60%
Profit Before Tax	247.9	244.2	255.5	1,471.0	5%	3%
Tax	82.9	53.0	79.5	451.2	50%	-4%
Profit After Tax	165.1	191.2	176.0	1,019.7	-8%	7%

Key Ratios

Particular	Q4 FY16	Q3 FY17	Q4 FY17	FY 17
Return on Assets	0.8%	0.7%	0.6%	1.0%
Return on Equity	4.9%	5.3%	4.9%	7.2%
EPS (₹)	0.5	0.6	0.5	3.0
Book Value Per Share (₹)	40.2	42.7	43.2	43.2
NIMs	2.2%	2.1%	2.0%	2.1%
Cost / Income	53.1%	44.3%	53.4%	42.1%
Capital Adequacy Ratio	22.0%	18.4%	18.9%	18.9%
<i>Of which Tier I</i>	<i>21.5%</i>	<i>18.0%</i>	<i>18.5%</i>	<i>18.5%</i>
Gross NPL (% of Loans)	6.2%	7.0%	3.0%	3.0%
Net NPL (%)	2.4%	2.6%	1.1%	1.1%

Strengthening Human Capital

The Bank's employee base grew by 62%, as compared to the previous year reaching total team strength of 3,906 employees as of March 31, 2017.

Awards & Recognition

- IDFC Bank was recognized by the National Payments Excellence Awards 2016 in the small banks' category, for its excellent performance in the AePS segment
- It was named as the "Best Innovative Bank" at the Visakhapatnam Digi-dhan Mela
- IDFC Bank was recognized for meritorious service by the state governments of Telengana and Andhra Pradesh for its exemplary work in ensuring financial inclusion through digital and cashless transactions

About IDFC Bank:

[IDFC Bank](#) (BSE: 539437, NSE: IDFCBANK) is a subsidiary of IDFC Ltd (BSE: 532659, NSE: IDFC). Headquartered in Mumbai, IDFC Bank is a universal bank, offering financial solutions through its nationwide branches, internet and mobile. Envisioned as a new age bank, IDFC Bank seeks to set a new standard in customer experience, using technology and a service-oriented approach, to make banking simple and accessible, anytime and from anywhere. In keeping with IDFC's legacy of building the nation, IDFC Bank will focus on serving the rural underserved communities and the self-employed, while continuing to support the country's infrastructure sector. IDFC Bank provides customized financial solutions to corporates, individuals, small and micro-enterprises, entrepreneurs, financial institutions and the government. With best-in-class corporate governance, rigorous risk management, experienced management and a diversified team, IDFC Bank is uniquely positioned to meet the aspirations of its customers and stakeholders. www.idfcbank.com or [Twitter](#), [Facebook](#) and [LinkedIn](#)