



IDFC BANK

# Q1FY17 FINANCIALS

JULY 26, 2016



# INDEX

---

**1. Summary Highlights**

**4**

**2. Financial Highlights**

**5**

**3. Business Highlights**

**9**

**4. Shareholding**

**14**

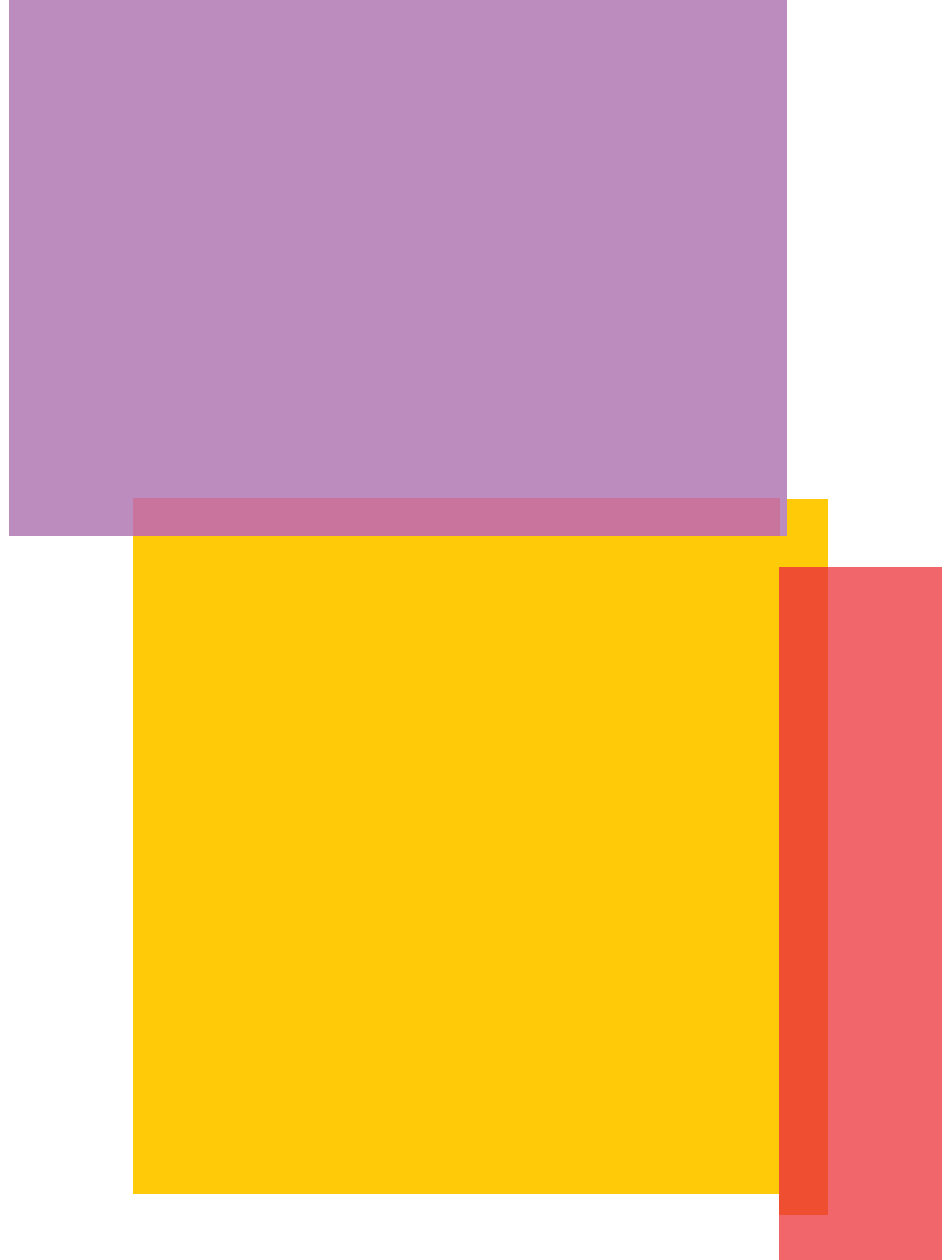
# Key Highlights – Q1 FY17

<p><b>Outstanding Credit<sup>§</sup></b></p> <p><b>₹ 57,470 Cr</b></p> <p>Net Adv.: ₹45,914 Cr NCDs: ₹ 4,496 Cr LC/BG: ₹ 7,060 Cr</p> <p>80%</p>	<p><b>PAT</b></p> <p><b>₹ 265 Cr</b></p> <p>Q4 FY16: ₹ 165 Cr</p> <p>60%</p>	<p><b>RoA / RoE</b></p> <p><b>1.1% / 7.7%</b></p>	<p><b>Network / Customers</b></p> <p>Branches : 65 ATMs : 14 Micro ATMs : 330</p> <p>~ 60,000</p>
<p><b>Asset Mix (₹ 101,694)</b></p> <p>CRR : 1,905 Cash &amp; Bank : 1,894 SLR : 10,813 Investments : 36,455 Net Advances : 45,914 Other Assets : 4,713</p>	<p><b>Income</b></p> <p><b>₹ 712 Cr</b></p> <p>(up 28%) NII: ₹ 515 Cr Non Int: ₹ 197 Cr</p> <p>72%</p> <p>NII/Total</p>	<p><b>NIM</b></p> <p><b>2.4%</b></p> <p>Loan: 3.2%</p>	<p><b>EPS# / Book Value</b></p> <p><b>0.8 / 41.0</b></p>
<p><b>Funding Mix (₹ 83,697)</b></p> <p>CASA : 869 FD : 6,835 Infra Bonds : 10,434 Bonds &amp; Deb. : 29,374 FC Loans : 7,107 CBLO/Repo/LAF : 23,321 Others : 5,757</p>	<p><b>Expenses</b></p> <p><b>₹ 277 Cr</b></p> <p>(down 6%) HR: ₹ 137 Cr Others: ₹ 140 Cr</p> <p>49%</p> <p>HR/Total</p>	<p><b>C/I Ratio</b></p> <p><b>39.0%</b></p>	<p><b>Headcount</b></p> <p><b>2,702</b></p> <p>Mar 16 : 2,405</p>
<p><b>CASA Ratio<sup>^</sup></b></p> <p><b>6.7%</b></p>	<p><b>Asset Quality</b></p> <p>GNPL: 6.1% NNPL: 2.3% Net RSA: 2.9%</p>	<p><b>Capital Adequacy</b></p> <p><b>20.39%</b></p> <p>Tier 1 : 19.91%</p>	<p><b>IDFC Bank vs. Bankex</b></p> <p>7% ↓ 11% ↑</p> <p>*</p>

§ Outstanding Funded Credit (Net Adv.+ NCDs) grew 4% from ₹ 48,474 Cr as on Mar 31, 2016 to ₹ 50,410 Cr as on Jun 30, 2016  
Outstanding Credit (FB+ NFB) grew 7% from ₹ 53,580 Cr as on Mar 31, 2016 to ₹ 57,470 Cr as on Jun 30, 2016

<sup>^</sup> CASA Ratio = CASA / (CASA + FD+CD)  
\* 1<sup>st</sup> April to 30<sup>th</sup> June, 16  
# for the period

# FINANCIAL HIGHLIGHTS



# Balance Sheet

Particulars	Jun-16	Mar-16	% Growth
Shareholders' Funds	13,903	13,633	2%
Borrowings	70,667	57,160	24%
Deposits	13,029	8,219	59%
<i>CASA</i>	869	445	95%
<i>Fixed Deposits</i>	6,835	4,263	60%
<i>Certificate of Deposits</i>	5,325	3,511	52%
Other liabilities and provisions	4,095	4,204	-3%
<b>Total Liabilities</b>	<b>1,01,694</b>	<b>83,216</b>	<b>22%</b>
Cash and Bank Balances	3,799	2,904	31%
Investments	47,268	29,729	59%
Advances	45,914	45,699	0%
<i>Gross Advances</i>	49,714	49,667	0%
<i>Less: Provisions</i>	3,801	3,968	-4%
Fixed and Other Assets	4,713	4,884	-4%
<b>Total Assets</b>	<b>1,01,694</b>	<b>83,216</b>	<b>22%</b>

Note: Prior period amounts have been reclassified for consistency with the current period.

All figures in ₹ Crores

# Income Statement

Particular	Q1 FY17	Q4 FY16	% Growth	RoA Tree *
Operating Income	711.7	554.5	28%	3.1%
Net Interest Income	515.2	411.5	25%	2.2%
Non Interest Income	196.5	143.0	37%	0.9%
Fee and Commission	76.7	54.8	40%	0.3%
Trading Gains	117.1	73.0	60%	0.5%
Other Income	2.8	15.2	-82%	0.0%
Operating Expenses	276.8	294.7	-6%	1.2%
HR	136.8	144.7	-5%	0.6%
Other Opex	140.0	150.0	-7%	0.6%
Pre-Prov Op Profit (Ppop)	434.9	259.8	67%	1.9%
Provisions & Contingencies	23.6	11.9	98%	0.1%
Profit Before Tax	411.3	247.9	66%	1.8%
Tax	146.5	82.9	77%	0.6%
Profit After Tax	264.8	165.0	60%	1.1%

\* % of Avg Total Assets

Note: Prior period amounts have been reclassified for consistency with the current period.

All figures in ₹ Crores

# Financials : Key Ratios

Particular	Q1 FY17	Q4 FY16
Return on Assets	1.1%	0.8%
Return on Equity	7.7%	4.9%
EPS (₹)	0.8	0.5
Book Value Per Share (₹)	41.0	40.2
NIMs	2.4%	2.1%
<i>Of which Loan NIMs</i>	3.2%	2.8%
Cost / Income	38.9%	53.1%
HR Cost/ Income	19.2%	26.1%
Capital Adequacy Ratio	20.4%	22.0%
<i>Of which Tier I</i>	19.9%	21.5%
Gross NPL (% of Loans)	6.1%	6.2%
Net NPL (%)	2.3%	2.4%
CASA/Total Deposits	6.7%	5.4%



# Retail (Bharat Plus) Snapshot



## Branch Network

11 Branches

- Presence across 5 cities in India
- Mumbai, Delhi, Bangalore, Chennai & Ahmedabad

## Assets

- 152 Home loan accounts
- 38 Business Banking accounts

- Total Asset book outstanding as on June end ₹ 66.7 Cr
- Home Loans - ₹ 57.4 Cr
- Working Capital- Funded book of ₹ 9.3 Cr

## Liabilities

- 13,216 customers
- 18,650 deposit accounts

- ₹ 517.6 Cr deposit book as on June end comprising of:
  - ₹ 117.9 Cr of Current & Savings Accounts
  - ₹ 399.8 Cr of Fixed Deposits

# Product Snapshot

## Liabilities

- 5,815 savings accounts opened during the quarter (incl 2,229 corporate salary accounts)
- 666 current accounts opened during the quarter
- ₹ 378 Cr worth of fixed deposits booked during the quarter.

## Retail Assets

- Home loans - ₹ 41.9 Cr disbursed during the quarter
- Loan against property launched in June 16.

## Business Banking

- Working Capital OD/TL
  - Funded book –₹ 5 Cr disbursed during the quarter
  - Non Funded book –₹ 6.96 Cr disbursed during the quarter.
- OD against FD
  - Funded book –₹ 3.9 Cr disbursed during the quarter.

# Retail (Bharat) – 45,500 + customer base being acquired and serviced through branches and Micro ATMs



## Customer Touch points

380 Customer Points

- 50 Branches across MP, Karnataka and AP
- 330 Micro ATMs
- 2 ATMs



## Customer Network

- 45K + direct customers
- 1.7Lacs indirect customers

- More than 45,000 customers acquired through Branches and Micro ATMs
- Onlending – Term loans to MFIs indirectly reaching out to 1.7L + customers
- IDFC - Market leader in AEPS Offus acquiring for June 2016



## Assets & Liabilities

- 363 Cr of Advances
- 17 Cr of deposit balances
- 287 Cr disbursed in Q1 FY17

- Branch Based advances are at ₹ 48 Cr whereas Onlending advances reached ₹ 315 Cr
- Deposit balances exceeded ₹ 17 Cr
- Social Security Pension project through IDFC Bank Micro ATMs was huge success and very well received by the AP government

# CWB Highlights

#663 Customers - #190 acquired during the quarter

## Fund Based

Gross Funded Credit Outstanding ₹ 53,716 Cr grew 2.6% from ₹ 52,330 Cr as on 31<sup>st</sup> March, 2016

- Gross disbursement during the quarter: ₹ 5,300 Cr
- Trade and other Short Term Loans Outstanding ₹ 1,340 Cr

## Fee Based

Non Funded Outstanding ₹ 7,055 Cr grew 38.2% from ₹ 5,106 Cr as on 31<sup>st</sup> March, 2016

- Gross issuances ₹ 4,900 during the quarter
- NFB/FB Ratio: 13.1%
- Major DCM deals in telecom industry and coffee shop chain
- Acted as Sole underwriter of INR Loans for infra and renewable energy company

## Liabilities

- CASA Outstanding at ₹ 745 Cr doubled from ₹ 367 Cr as on 31<sup>st</sup> March, 2016
- Fixed Deposits outstanding at ₹ 6,423 Cr grew 53.8% from ₹ 4,176 Cr
- Certificate of Deposits stood at ₹ 5,325 Cr
- Infra Bonds raised ₹ 500 Cr

## Others

- BXP\* platform: The Innovators 2016 Award by Global Finance magazine for product innovation in the transaction services
- Have garnered CMS Deals in health and retail industry
- Corporate Salary Accounts of an Oil & Gas major and a leading E-commerce major

\* Business Experience Platform

# Strategic Acquisition of GVMFL

- Rationale: Supports IDFC Bank's vision to become a mass retail bank in 5 years
  - ✓ Leverage loyal customer base of 1 million + customers
  - ✓ Cross-sell products
  - ✓ Increase profitability by providing access to lower cost of funds

---

- AUM of ₹ 1500 Cr, ~300 branches, present in 7 states with 1.1 million customers

---

- FY16 PAT of ₹ 42 Cr, net worth of ₹ 155 Cr, RoA ~3%+, RoE ~30% and PAR of 0.001%

---

- Executive management team with professionals having rich experience in banking and finance space

---

- Acquisition details: At ~2x price to book for a consideration not exceeding ₹ 320 Cr
  - ✓ In-principle approval of RBI in place
  - ✓ GVMFL will be a 100% owned BC of IDFC Bank; all employees of GVMFL will become employees of the BC; all assets and liabilities will eventually transition to IDFC Bank and post a certain cut-off date all incremental business originated by BC will be booked on IDFC Bank balance sheet
  - ✓ Funding arrangements to facilitate a smooth transition in place

---

- Promoter and key management incentivised to stay committed to the franchise and business

---

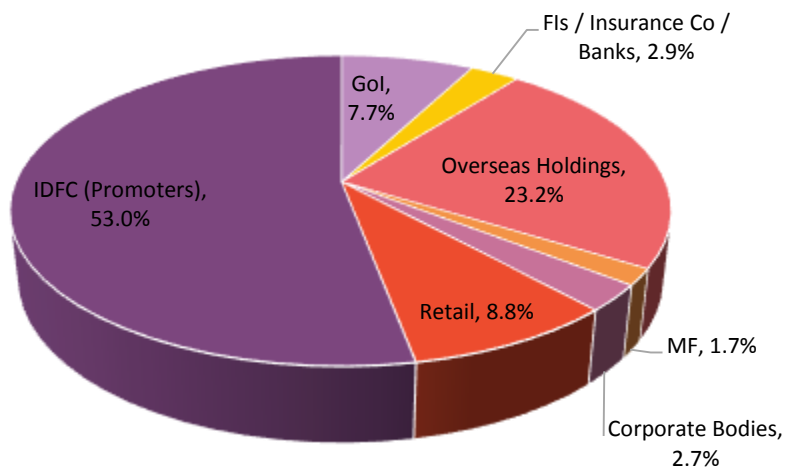
- MFI acquisition and transition to 100% owned BC of bank – this is the first such transaction in the Indian Banking Industry

---

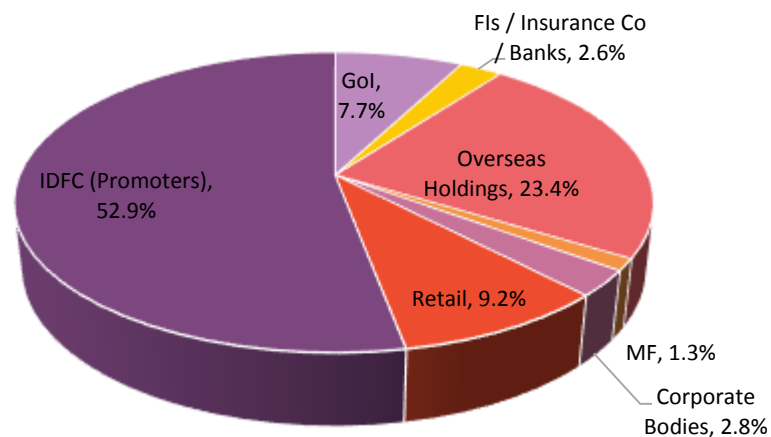
# Shareholding

% of Top 10 shareholders			
Sr No	Name	Category	Jun-16
1	IDFC (Promoters)	Promoters	52.9%
2	Gol	Gol	7.7%
3	Sipadan Investments (Mauritius)	FII	4.5%
4	The Royal Bank Of Scotland	FII	3.4%
5	HSBC Global Investment Funds	FII	1.9%
6	Platinum Investment Management	FII	1.5%
7	Orbis Sicav - Asia Ex-Japan Equity Fund	FII	1.2%
8	Actis Hawk Limited	FII	1.1%
9	LIC	Insurance Co.	0.9%
10	First State Investments	FII	0.8%

Shareholding as on 31st March, 2016



Shareholding as on 30th Jun, 2016





THANK YOU