



IDFC BANK

# H1FY17 FINANCIALS

OCTOBER 25, 2016

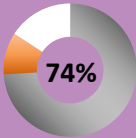
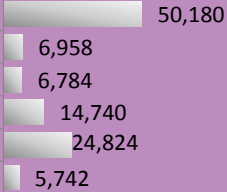
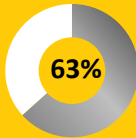
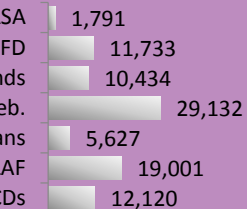
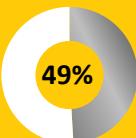


# INDEX

---

|                                |           |
|--------------------------------|-----------|
| <b>1. Key Highlights</b>       | <b>4</b>  |
| <b>2. Financial Highlights</b> | <b>9</b>  |
| <b>3. Business Highlights</b>  | <b>13</b> |
| <b>4. Shareholding</b>         | <b>19</b> |

# Key Highlights – H1 FY17

|  |   |  |  |
|--|---|--|--|
| <p><b>Outstanding Credit<sup>\$</sup></b></p> <p><b>₹ 67,862 Cr</b></p> <p>Net Adv.: ₹50,180 Cr<br/>Credit Inv : ₹ 6,958 Cr<br/>LC/BG: ₹ 10,724 Cr</p>    | <p><b>PAT</b></p> <p><b>₹ 653 Cr</b></p> <p>Q2 FY17: ₹ 388 Cr</p>   | <p><b>RoA / RoE</b></p> <p><b>1.4% / 9.3%</b></p>                        | <p><b>Network / Customers</b></p> <p>Branches : 71<br/>ATMs :32<br/>Micro ATMs : 727</p> <p>~ 1.25 Lac<br/>GV :~10 Lac</p> |
| <p><b>Asset Mix (₹ 109,228)</b></p> <p>Net Advances 50,180<br/>Credit Inv. 6,958<br/>Cash &amp; Bank 6,784<br/>Statutory Inv. 14,740<br/>Trading Inv. 24,824<br/>Other Assets 5,742</p>         | <p><b>Income</b></p> <p><b>₹ 1,617 Cr</b></p> <p>NII: ₹ 1,025 Cr<br/>Non Int: ₹ 592 Cr</p> <p>63%<br/>NII/Total</p>  | <p><b>NIM</b></p> <p><b>2.3%</b></p> <p>Loan: 3.0%</p>                   | <p><b>EPS# / Book Value</b></p> <p><b>1.9 / 42.1</b></p>   |
| <p><b>Funding Mix (₹ 89,837)</b></p> <p>CASA 1,791<br/>FD 11,733<br/>Infra Bonds 10,434<br/>Bonds &amp; Deb. 29,132<br/>FC Loans 5,627<br/>CBLO/Repo/LAF 19,001<br/>Others incl CDs 12,120</p>  | <p><b>Expenses</b></p> <p><b>₹ 600 Cr</b></p> <p>HR: ₹ 295 Cr<br/>Others: ₹ 305 Cr</p> <p>49%<br/>HR/Total</p>       | <p><b>C/I Ratio</b></p> <p><b>37.1%</b></p>                              | <p><b>Headcount</b></p> <p><b>3,145</b></p> <p>Jun 16 : 2,702</p>  |
| <p><b>CASA Ratio<sup>^</sup></b></p> <p><b>7.8%</b></p>  | <p><b>Asset Quality</b></p> <p>GNPL: 6.0%<br/>NNPL: 2.4%<br/>Net RSA: 2.6%</p>  | <p><b>Capital Adequacy</b></p> <p><b>19.2%</b></p> <p>Tier 1 : 18.7%</p> | <p><b>IDFC Bank vs. Bankex</b></p> <p>64%<br/>20%</p> <p>* ↑</p>   |

Outstanding Credit (FB+ NFB) grew 26% from ₹ 53,919 Cr as on Mar 31, 2016 to ₹ 67,862 Cr as on Sep 30, 2016  
Outstanding Funded Credit grew 17% from ₹ 48,813 Cr as on Mar 31, 2016 to ₹ 57,138 Cr as on Sep 30, 2016

<sup>^</sup> CASA Ratio = CASA / (CASA + FD+CD)  
<sup>\*</sup> 1<sup>st</sup> April to 30<sup>th</sup> Sep, 16  
<sup>#</sup> for the period (annualised EPS : ₹ 3.8)



# Snapshot – H1 FY17

**71**

*Branches*

**15**

*States*

**61**

*Districts*

**3188**

*Villages*

**MATMs – 727**  
**ATMs - 32**

**1,129,357**

*Customers\**

**57,138**

*O/S Funded Credit (₹Cr)*

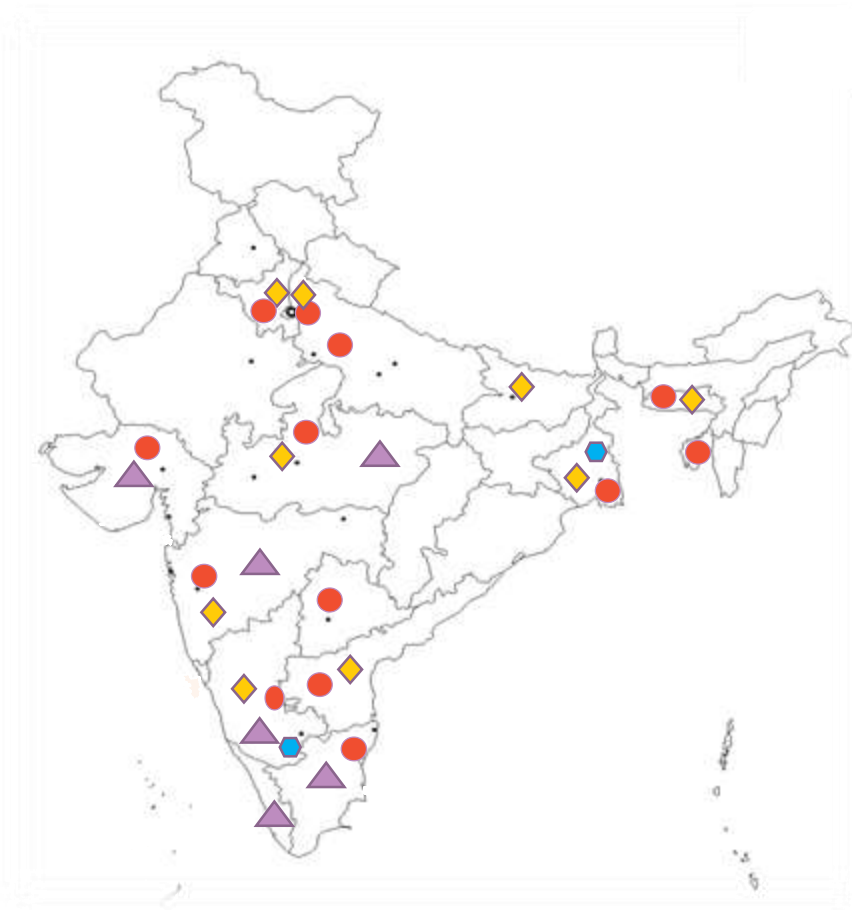
**22,911**

*Deposits (₹Cr)*

**3145**

*Employees*

# Bank Network : 1,154 points of presence pan India



~ 1,154 Points of Presence  
in 15 states, 61 districts

- Branches (71)
- ▲ GVFL network (322 branches)
- ◆ Micro ATMs (727)
- Empanelled business correspondents (~ 2 dedicated branches)
- ATMs (32)

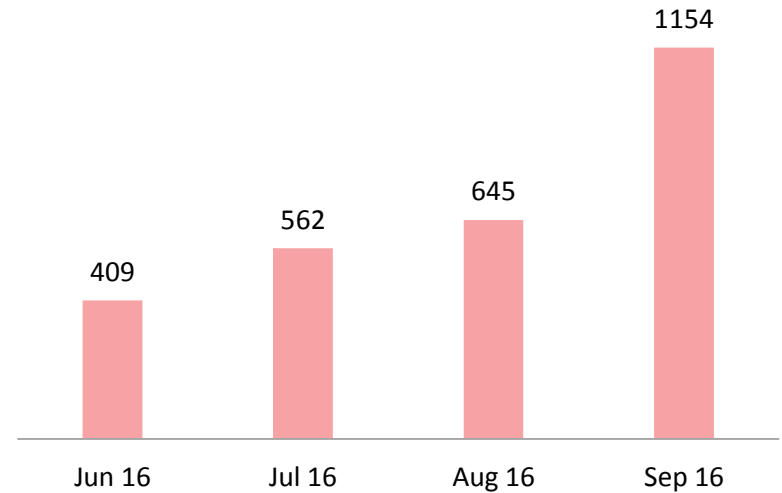
# Network

## 1154 Points of Presence

### Customer Points of Presence

|                    | Jun-16 | Jul-16 | Aug-16 | Sep-16 |
|--------------------|--------|--------|--------|--------|
| Total              | 409    | 562    | 645    | 1154   |
| Branches           | 65     | 66     | 68     | 71     |
| ATM(s)             | 14     | 15     | 21     | 32     |
| Micro ATMs         | 330    | 480    | 554    | 727    |
| Grama Vidiyal & BC | -      | 1      | 2      | 324    |

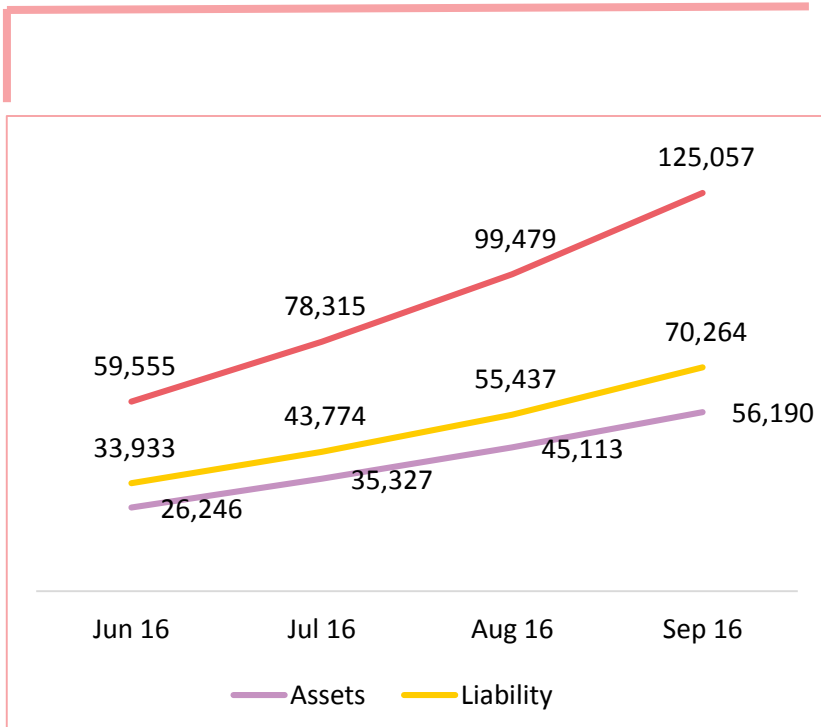
### Network Growth



# Customer Base

**125,000+ customers with ~56K asset & ~70K liability customers**

No. of Unique Customers



No. of Customers

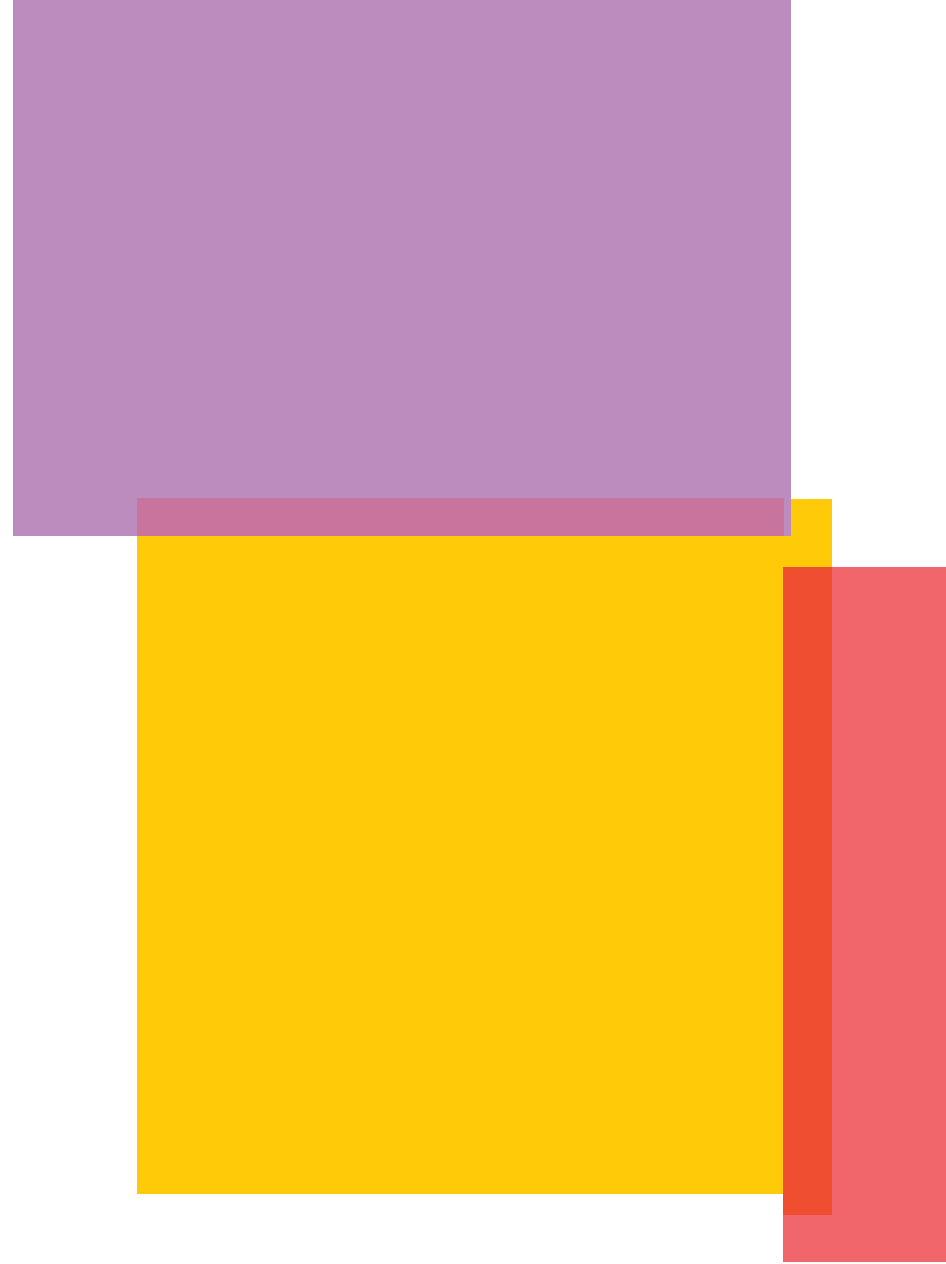
| Particulars         | Jun-16 | Jul-16 | Aug-16 | Sep-16   |
|---------------------|--------|--------|--------|----------|
| Unique Customers    | 59,555 | 78,315 | 99,479 | 125,057  |
| Asset Customers     | 26,246 | 35,327 | 45,113 | 56,190*  |
| Liability Customers | 33,933 | 43,774 | 55,437 | 70,264 * |

Customers acquired during the month of Sept ~ 25,580 out of which Bharat: ~ 18,410; Bharat Plus: ~ 7,100 & CWB: 70

\* Includes ~ 1400 common customers



# FINANCIAL HIGHLIGHTS



# Balance Sheet up by 31% YTD; Credit up 17%

| Particulars                      | Sep-16         | Jun-16         | Mar-16        | % Growth (QTD) | % Growth (YTD) |
|----------------------------------|----------------|----------------|---------------|----------------|----------------|
| Shareholders' Funds              | 14,291         | 13,903         | 13,633        | 3%             | 5%             |
| Deposits                         | 22,911         | 13,029         | 8,219         | 76%            | 179%           |
| <i>CASA</i>                      | 1,791          | 869            | 445           | 106%           | 303%           |
| <i>Fixed Deposits</i>            | 11,733         | 6,835          | 4,263         | 72%            | 175%           |
| <i>Certificate of Deposits</i>   | 9,387          | 5,325          | 3,511         | 76%            | 167%           |
| Borrowings                       | 66,926         | 70,667         | 57,160        | -5%            | 17%            |
| Other liabilities and provisions | 5,100          | 4,094          | 4,204         | 25%            | 21%            |
| <b>Total Liabilities</b>         | <b>109,228</b> | <b>101,694</b> | <b>83,216</b> | <b>7%</b>      | <b>31%</b>     |
| Cash and Bank Balances           | 6,784          | 1,894          | 984           | 258%           | 589%           |
| Net Retail and Corporate Assets  | 57,138         | 50,749         | 48,813        | 13%            | 17%            |
| <i>Net Advances</i>              | 50,180         | 45,914         | 45,699        | 9%             | 10%            |
| <i>Net Credit Investments</i>    | 6,958          | 4,835          | 3,114         | 44%            | 123%           |
| Statutory Investments            | 14,740         | 12,718         | 12,977        | 16%            | 14%            |
| <i>CRR</i>                       | 2,184          | 1,905          | 1,920         | 15%            | 14%            |
| <i>SLR</i>                       | 12,556         | 10,813         | 11,057        | 16%            | 14%            |
| Trading Investments              | 24,824         | 31,620         | 15,558        | -21%           | 60%            |
| Fixed and Other Assets           | 5,742          | 4,713          | 4,884         | 22%            | 18%            |
| <b>Total Assets</b>              | <b>109,228</b> | <b>101,694</b> | <b>83,216</b> | <b>7%</b>      | <b>31%</b>     |

Note: Figures for the previous periods have been reclassified for consistency with the current period.

All figures in ₹ Crores

# PAT up 46% QoQ, Non Interest Income doubled

| Particular                 | Q2 FY17 | Q1 FY17 | H1 FY17 | H2 FY16 | Q2 vs Q1 FY17 | H1 FY17 vs H2 FY16 |
|----------------------------|---------|---------|---------|---------|---------------|--------------------|
| Operating Income           | 905.7   | 711.7   | 1,617.4 | 1,158.7 | 27%           | 40%                |
| Net Interest Income        | 509.9   | 515.2   | 1,025.1 | 808.0   | -1%           | 27%                |
| Non Interest Income        | 395.8   | 196.5   | 592.3   | 350.7   | 101%          | 69%                |
| Fee and Commission         | 112.2   | 76.7    | 188.9   | 76.1    | 46%           | 148%               |
| Trading Gains              | 279.9   | 117.1   | 397.0   | 247.9   | 139%          | 60%                |
| Other Income               | 3.7     | 2.8     | 6.5     | 26.7    | 32%           | -76%               |
| Operating Expenses         | 323.4   | 276.8   | 600.2   | 510.0   | 17%           | 18%                |
| HR                         | 157.8   | 136.8   | 294.6   | 268.7   | 15%           | 10%                |
| Other Opex                 | 165.6   | 140.0   | 305.6   | 241.3   | 18%           | 27%                |
| Pre-Prov Op Profit (Ppop)  | 582.3   | 434.9   | 1,017.2 | 648.7   | 34%           | 57%                |
| Provisions & Contingencies | 22.3    | 23.6    | 45.9    | 24.2    | -5%           | 90%                |
| Profit Before Tax          | 560.0   | 411.3   | 971.2   | 624.6   | 36%           | 56%                |
| Tax                        | 172.2   | 146.5   | 318.7   | 217.3   | 18%           | 47%                |
| Profit After Tax           | 387.8   | 264.8   | 652.5   | 407.2   | 46%           | 60%                |

Note: Figures for the previous periods have been reclassified for consistency with the current period.

All figures in ₹ Crores

# Financials : Key Ratios

| Particular                | Q2 FY17      | Q1 FY17      | H1 FY17      | H2FY16       |
|---------------------------|--------------|--------------|--------------|--------------|
| Return on Assets          | 1.5%         | 1.1%         | 1.4%         | 1.0%         |
| Return on Equity          | 10.9%        | 7.7%         | 9.3%         | 6.0%         |
| EPS (₹)                   | 1.1          | 0.8          | 1.9          | 1.2          |
| Book Value per share (₹)  | 42.1         | 41.0         | 42.1         | 40.2         |
| NIMs                      | 2.2%         | 2.4%         | 2.3%         | 2.0%         |
| <i>Of which Loan NIMs</i> | <i>2.9%</i>  | <i>3.2%</i>  | <i>3.0%</i>  | <i>3.0%</i>  |
| Cost / Income             | 35.7%        | 38.9%        | 37.1%        | 44.0%        |
| HR Cost/ Income           | 17.4%        | 19.2%        | 18.2%        | 23.2%        |
| Capital Adequacy Ratio    | 19.2%        | 20.4%        | 19.2%        | 22.0%        |
| <i>Of which Tier I</i>    | <i>18.7%</i> | <i>19.9%</i> | <i>18.7%</i> | <i>21.5%</i> |
| Gross NPL (% of Loans)    | 6.0%         | 6.1%         | 6.0%         | 6.2%         |
| Net NPL (%)               | 2.4%         | 2.3%         | 2.4%         | 2.4%         |
| CASA/Total Deposits       | 7.8%         | 6.7%         | 7.8%         | 5.4%         |

# Bharat Plus Snapshot



## Branch Network

11 Branches

## Assets & AUM

- Total funded advances as at September end is ₹ 222 Cr
- Wealth AUM is ₹ 62 Cr

## Liabilities

- ~ 30,000 customers
- ~ 46,000 accounts

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

- Breakup of total funded advances:
  - Home loans - ₹ 147 Cr
  - Working Capital- Funded book of ₹ 32 Cr
  - Commercial Vehicle - ₹ 20 Cr
  - Loan against property - ₹ 16 Cr
  - Personal loan - ₹ 7 Cr
- Non funded advances as on 30 September is ₹ 19 Cr

- ₹ 1,148 Cr deposit book as on 30 September 2016 comprising of:
  - ₹ 172 Cr of Current & Savings Account Deposits
  - ₹ 975 Cr of Fixed Deposits

# Q2 Snapshot

## New products launched

- Commercial Vehicle Loans
- Personal Loans
- Mutual Funds, PMS & Structured Products

## New accounts opened

- Savings Account – 15,205
- Current Account – 1,015
- Term Deposits – 11,948

## Disbursements & Limits set up

- Home loans - ₹ 101 Cr
- Working Capital:
  - Funded book – ₹ 53 Cr limits set up
  - Non Funded book – ₹ 25 Cr limits set up
- Commercial Vehicle – ₹ 20 Cr
- Loan Against Property – ₹ 15 Cr
- Personal Loans – ₹ 7 Cr

# Customer Engagement Activities



EU Chamber of Commerce – Mumbai



National SME Summit – Delhi

Corporate Event & Family Day Out @ Reliance Industries



Venue: RIL, Mumbai  
Date: 21/05/2016

Corporate salary initiatives at Reliance Industries - Mumbai

Customer engagement activities have been conducted across corporate and residential catchments to gauge customer response of our propositions and for lead generation.

# Bharat – 93,000 + customer base being acquired and serviced through branches and Micro ATMs



## Customer Touchpoints

- 800 Customer Points
- 300+ GV locations

- 56 Branches across MP, Karnataka, AP, Tripura & Meghalaya
- 727 MATMs
- 17 ATMs



## Customer Network

- 93K unique customers
- 91K indirect customers
- 10L+ GV customers

- More than 93,000 customers acquired through Branches and MATMs
- Onlending – Term loans to MFIs indirectly reaching out to 91K + customers



## Assets & Liabilities

- ₹ 1,580 Cr of Advances (1,300Cr of GV)
- ₹ 238 Cr of deposit balances
- ₹ 149 Cr disbursed in Q2 FY17

- Branch Based advances are at ₹ 112 Cr whereas Onlending advances reached ₹ 165 Cr
- Deposit balances exceeded ₹ 238 Cr



# CWB Highlights - Continue to Launch Innovative Products & Solutions

---

- We successfully piloted AADHAR based payments towards salary payments and expense reimbursements for the employees of a leading Cars & Utility Vehicles client. This is an Industry first project.
- Geo tagging is our USP in winning the cash mandate deal from Electricity Utility Company. This feature helps the client to track cheque collections on a real time basis.
- IDFC Cheque Express(ICE) –This innovative solution coupled with Geo tagging helped us win major CMS mandates from Telecom and Infra industry players beating the competition from major private sector banks.
- IDFC Edge Debit Card-IDFC bank Edge Debit cards was launched for CWB customers this quarter. With enhanced features like Green Pin, Premium Visa Signature variant and other features, it caters to varied needs of our corporate customer.

# CWB Highlights



## Infrastructure

- Solar Power projects– Bank had actively lent to solar power projects a total of ₹ 2,765 Cr
- Telcos-We partnered with the leading telecom companies to issue BGs of above ₹ 1,500 Cr in the recently concluded spectrum auction amounting to 10% of total BGs issued by all banks.
- Strengthened our existing relationship by extending term loan, vendor financing to existing clients and by opening salary accounts.



## Non-Infra

- New client Breakthroughs: Established new relationship with clients from Retail & Dairy industries
- Emerged as the one of leading bankers for the retail business client with Working Capital financing and being the sole arranger of NCD
- Established a strong relationship with a client from Aviation industry by extending Import financing, forex remittances and lease financing



## Mid-Market & SME

- We won the CMS mandate for franchisee of an American fast-food chain with annual throughput of ₹ 700 Cr by uniquely managing cash disposal using White label ATM service providers.
- Successful cross selling with client utilising WC lines, cross border performance guarantees, FX Swaps etc



## FIG & Govt

### GBG

- IDFC acquired significant business in Govt banking by winning key deals:-
  - Second biggest acquirer of E –Tolling of a Govt. of India agency,
  - a collecting bank for a relief fund

### FIG-

- Increase in fee based business with insurance companies .

### Capital Markets:

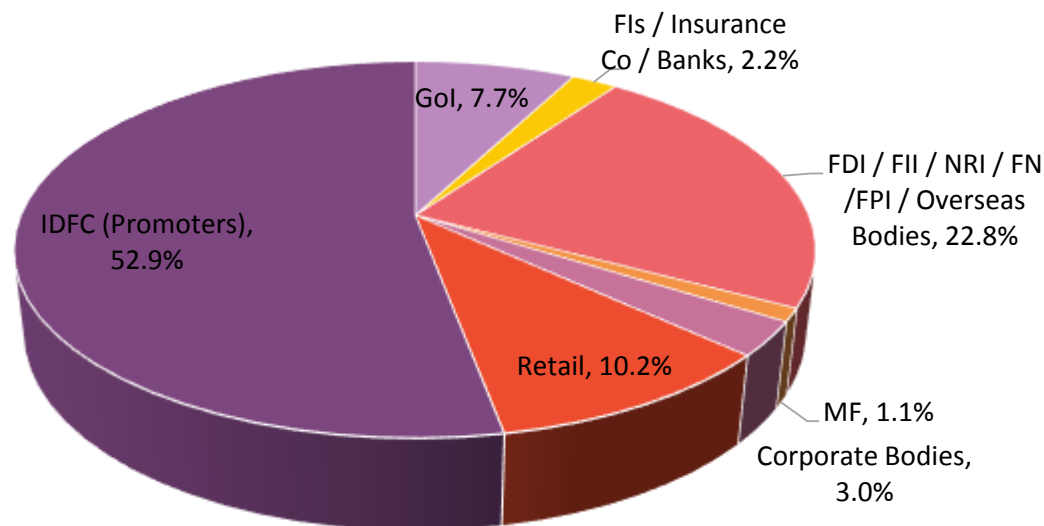
- IDFC's bank empanelment done with Commodity Exchanges client for Bank Guarantee and Fixed Deposit issuance on behalf of Equity/Commodity Brokers

# Shareholding

% of Top 10 shareholders

| Sr No | Name                            | Category      | Sep-16 |
|-------|---------------------------------|---------------|--------|
| 1     | IDFC (Promoters)                | Promoters     | 52.9%  |
| 2     | Gol                             | Gol           | 7.7%   |
| 3     | The Royal Bank Of Scotland      | FII           | 3.3%   |
| 4     | Sipadan Investments (Mauritius) | FII           | 3.4%   |
| 5     | Orbis Group                     | FII           | 2.3%   |
| 6     | Platinum Investment Management  | FII           | 1.5%   |
| 7     | Actis Hawk Limited              | FII           | 1.1%   |
| 8     | Vanguard                        | FII           | 1.0%   |
| 9     | HSBC Global Investment Funds    | FII           | 0.9%   |
| 10    | LIC                             | Insurance Co. | 0.9%   |

Shareholding as on 30th Sep, 2016





THANK YOU