

October 25, 2017

The Manager - Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
NSE Scrip Code: IDFCBANK

The Manager - Listing Department  
BSE Limited  
1<sup>st</sup> Floor, P.J. Towers, Dalal Street,  
Mumbai - 400 001  
BSE Scrip Code: 539437

**IDFC Bank Limited - Presentation on Q2 FY18 - (quarter and half year ended September 30, 2017)**

Dear Sirs,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the presentation on the financials for the quarter and half year ended September 30, 2017.

This is for your information and records.

Thanking you,

Yours faithfully,  
For IDFC Bank Limited



**Mahendra N. Shah**  
**Company Secretary & Chief Compliance Officer**



Encl: as mentioned above

# IDFC BANK



# H1FY18 FINANCIALS

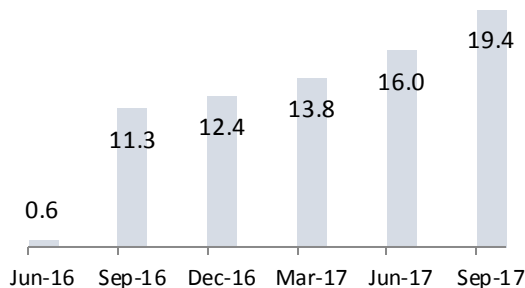
OCTOBER 25, 2017



# Key Highlights: Q2 FY18 (1 of 2)

## No. of Customers

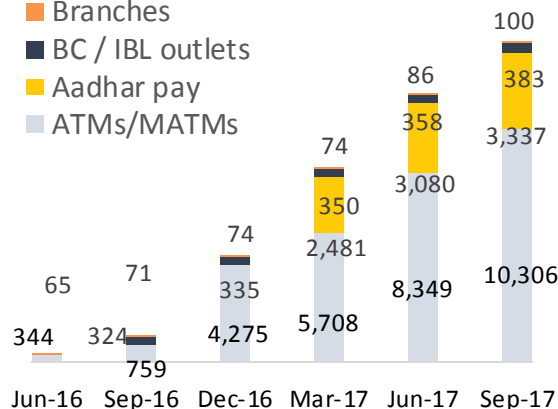
(Total: 19.4 lacs | IBL customers: 11.1 lacs)  
(In lacs)



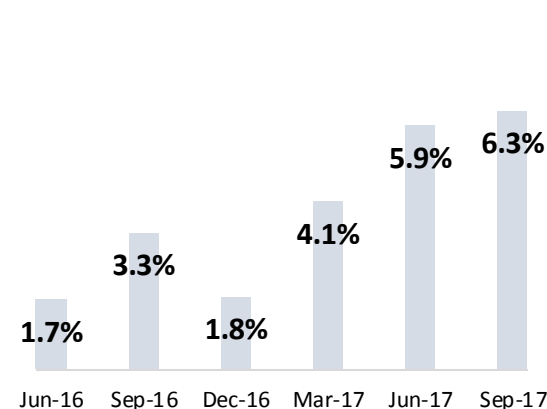
**Customers acquired in Q2 FY18: 337K (B+: 74K; BB: 164K; IBL: 100K)**

## Network (14,126)

Branches  
BC / IBL outlets  
Aadhar pay  
ATMs/MATMs



## CASA/Gross Advances

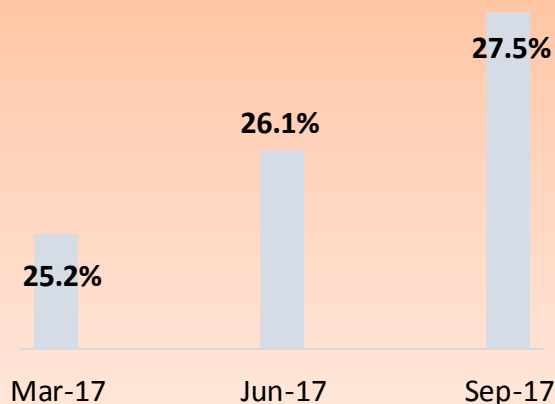


**Franchise Fee<sup>1</sup>  
/Total Non Interest Income**

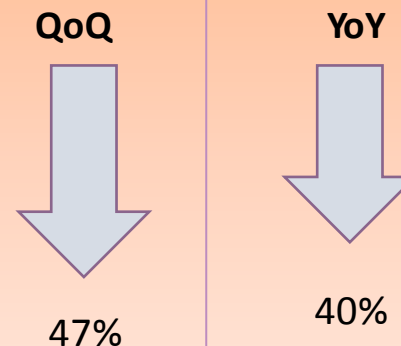
**41.9%<sup>1</sup>**  
(₹ 106.5 Cr)

**Franchise Fee  
/Total Operating Income**  
**14.5%<sup>1</sup>**

**Retailisation of Funded Book:  
₹ 18,064 Cr**

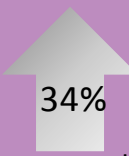
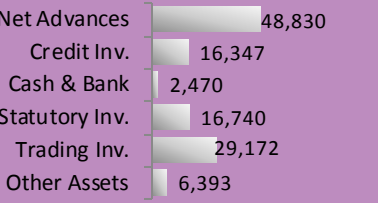
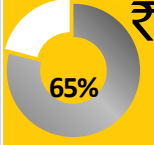
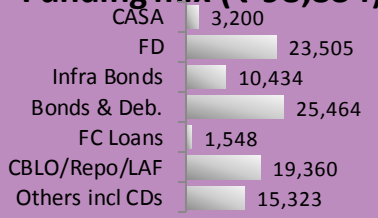
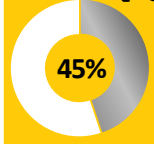
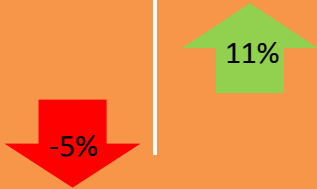


**PAT Growth  
Q2FY18: ₹ 233.7 Cr**



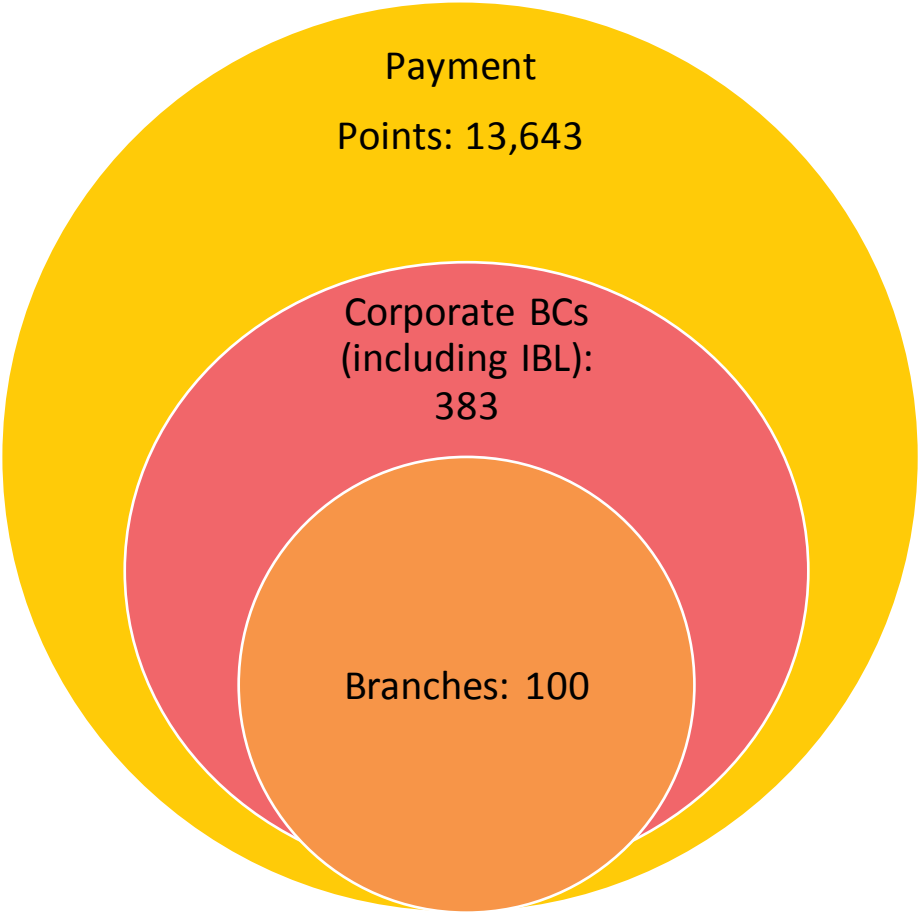
1. Including loss on sale of equity: 83.7% AND 17.5%, respectively  
Note: Grama Vidiyal (GV) is now renamed as IDFC Bharat Ltd (IBL)

# Key Highlights: Q2 FY18 (2 of 2)

<b>Credit Outstanding<sup>1</sup></b>  <b>₹ 90,598 Cr</b> Net Adv: ₹ 48,830 Cr Credit Inv: ₹ 16,347 Cr LC/BG/LuT: ₹ 25,421 Cr <b>YoY</b>	<b>PAT</b> <b>₹ 233.7 Cr</b> Q1 FY18: ₹ 437.5 Cr	<b>RoA   RoE</b> <b>0.8%   6.1%</b>	<b>Network &amp; Customers</b> <b>Network: 14,126</b> Branches: 100 ATMs: 48 Aadhar pay: 3,337 Micro ATMs: 10,258 <sup>6</sup> BC & IBL: 383 <b>Customers</b> Total: 19 lacs IBL: 11 lacs
<b>Asset mix (₹ 1,19,952)</b>  Net Advances: 48,830 Credit Inv.: 16,347 Cash & Bank: 2,470 Statutory Inv.: 16,740 Trading Inv.: 29,172 Other Assets: 6,393	<b>Operating Income</b> <b>₹ 734 Cr</b> NII: ₹ 480 Cr Non Int*: ₹ 254 Cr  NII/Total *Excluding loss on sale of equity	<b>NIM</b> <b>1.8%</b> Loan NIM: 2.9%	<b>EPS (Q2)   Book value per share</b> <b>0.7   44.3</b>
<b>Funding mix (₹ 98,834)</b>  CASA: 3,200 FD: 23,505 Infra Bonds: 10,434 Bonds & Deb.: 25,464 FC Loans: 1,548 CBLO/Repo/LAF: 19,360 Others incl CDs: 15,323	<b>Expenses</b> <b>₹ 362.3 Cr</b> HR: ₹ 163 Cr Non-HR: ₹ 200 Cr  HR/Total	<b>Cost/Income Ratio</b> <b>49.4%</b> Including loss on sale of equity: 59.7%	<b>Headcount*</b> <b>8,377</b> (Ex-IBL: 4,677) Q1'18: 7,867 (+6.5%) *including IBL
<b>CASA Ratio<sup>2</sup></b> <b>8.2% (Q1:6.8%)</b> CASA: ₹ 3200 Cr (₹ 2,850 Cr) <ul style="list-style-type: none"> <li>Bharat: ₹ 125 Cr (₹ 138 Cr)</li> <li>Bharat Plus: ₹ 685 Cr (₹ 565 Cr)</li> <li>Wholesale: ₹ 2389 Cr (₹ 2147 Cr)</li> </ul>	<b>Asset Quality</b> GNPL: 3.9% Q1: 4.1% NNPL: 1.6% Q1: 1.7% Net RSA: 1.0% Net SR: 3.2%	<b>Capital Adequacy<sup>4</sup></b> <b>19.3%</b> Tier 1: 19.0%	<b>IDFC Bank vs. Bankex<sup>3</sup></b> 

1. Credit Outstanding (FB+ NFB) grew 9% to ₹90,598 Cr as of 30<sup>th</sup> Sep'17 from ₹83,157 Cr as of 30<sup>th</sup> Jun'17. Funded Credit Outstanding grew 4% from ₹62,675 Cr as of 30<sup>th</sup> Jun'17 to ₹65,177 Cr as of 30<sup>th</sup> Sep'17. 2. CASA Ratio = CASA/(CASA+FD+CD) 3. 1<sup>st</sup> April 17 to 30<sup>th</sup> Sep 17 4. Increase in capital adequacy due to change in risk-weights for certain category of assets due to RBI clarification received 5.. Average SA balance per account: Bharat plus= Rs. 19,617; Bharat=Rs. 2,102 6. Including 537 MATMs deployed for Bharat plus liability acquisition

# Customer Outreach: 14,126 Points of Presence



# Building a National Footprint

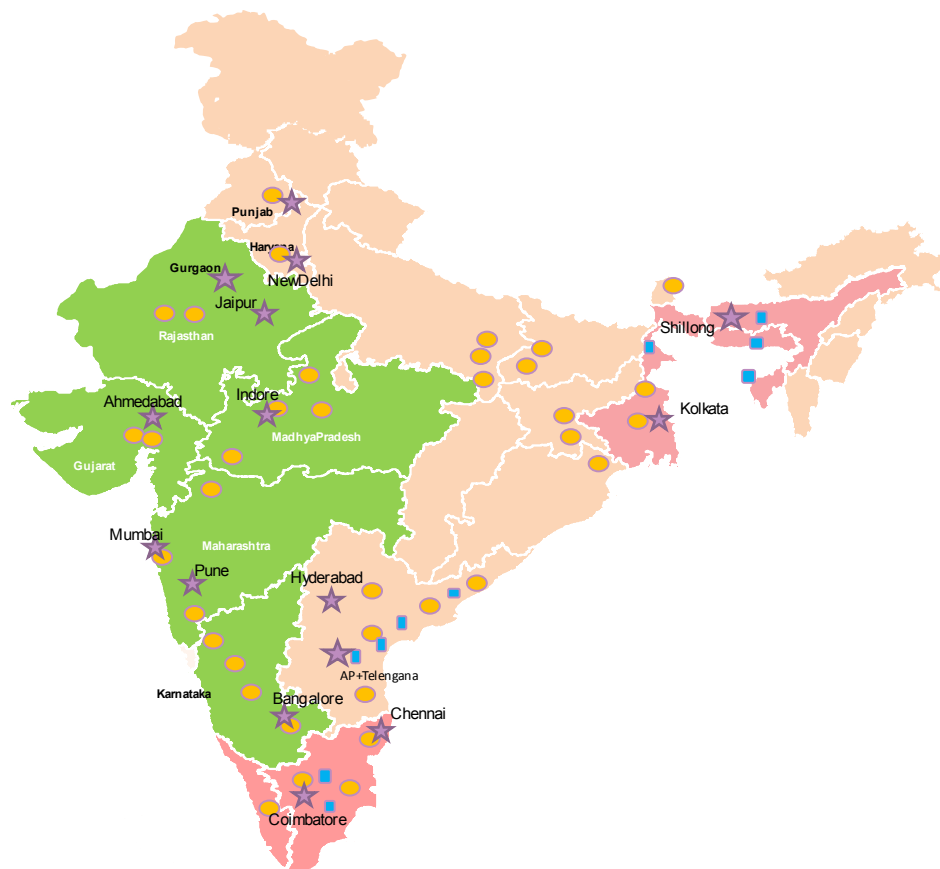
25 states

325 districts

670 cities / towns

45,000 villages

14,126 Points of Presence<sup>1</sup>



## Priority states for Bharat branch network

- Madhya Pradesh
- Karnataka
- Rajasthan
- Gujarat
- Maharashtra

## MicroATM, EPDS & Aadhar Pay Network

- Rural & Urban centres across India
- Receiving end of remittance corridors & DBT
- MicroATM Network around branches and in select districts

Light Branches in District HQ-Andhra Pradesh, Meghalaya, Tripura, West Bengal, Tamil Nadu

BC & IDFC Bharat Ltd. Partnerships : Micro loans & Small Savings through 383 branches

Branch network

1. Including 537 MATMs deployed for Bharat plus liability acquisition

## Balance sheet: increases 10% YoY

In INR Cr.	Sep-16	Mar-17	Jun-17	Sep-17	% Growth (QoQ)	% Growth (YoY)
Shareholders' Funds	14,291	14,678	15,125	15,056	0%	5%
Deposits	22,911	40,208	41,959	38,890	-7%	70%
CASA	1,791	2,094	2,850	3,200	12%	79%
Fixed Deposits	11,733	17,970	24,822	23,505	-5%	100%
Certificate of Deposits	9,387	20,144	14,288	12,186	-15%	30%
Borrowings	66,926	50,262	56,250	59,944	7%	-10%
Other liabilities and provisions	5,100	7,011	5,911	6,062	3%	19%
<b>Total Liabilities</b>	<b>109,228</b>	<b>112,160</b>	<b>119,245</b>	<b>119,952</b>	<b>1%</b>	<b>10%</b>
Cash and Bank Balances	6,784	2,202	2,101	2,470	18%	-64%
Net Retail and Corporate Assets	57,138	66,567	62,675	65,177	4%	14%
Net Advances	50,180	49,402	46,205	48,830	6%	-3%
Credit Investments	6,958	17,165	16,470	16,347	-1%	135%
Statutory Investments	14,740	19,264	17,467	16,740	-4%	14%
CRR	2,184	2,900	2,630	2,604	-1%	19%
SLR	12,556	16,364	14,837	14,136	-5%	13%
Trading Investments	24,824	16,942	30,981	29,172	-6%	18%
Fixed and Other Assets	5,742	7,184	6,021	6,393	6%	11%
<b>Total Assets</b>	<b>109,228</b>	<b>112,160</b>	<b>119,245</b>	<b>119,952</b>	<b>1%</b>	<b>10%</b>

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

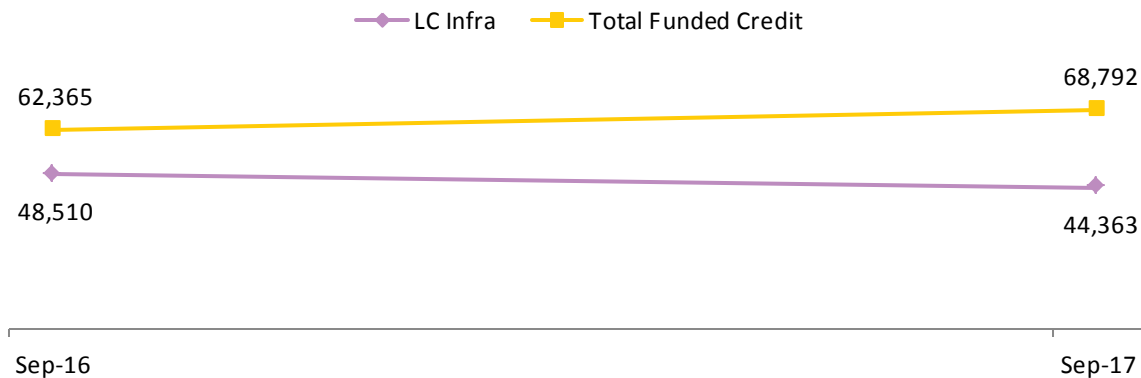
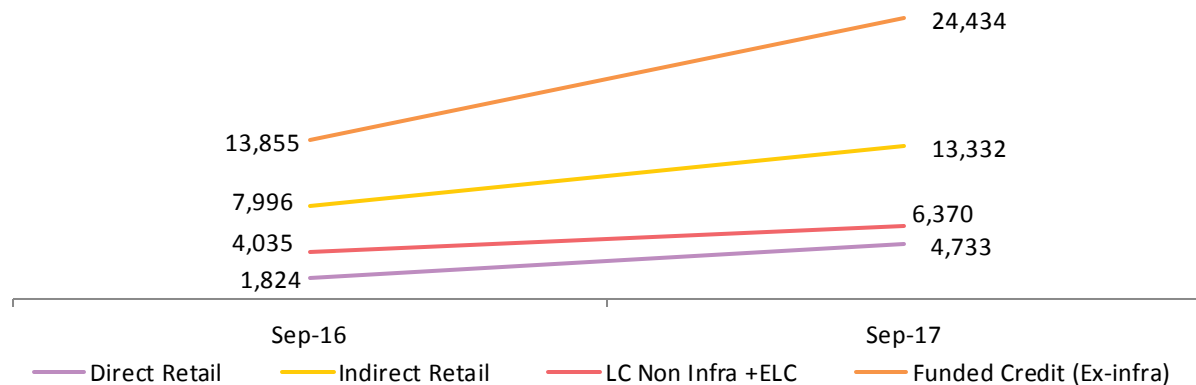


## NII improves 10% on sequential basis (QoQ)

In INR Cr.	H1 FY17	H1 FY18	% Growth FYH1 vs FYH1	Q2 FY17	Q1 FY18	Q2 FY18	% Growth (QoQ)	% Growth (YoY)
Operating Income	1,617.1	1,783.5	10%	905.4	1,049.5	734.0	(30%)	(19%)
Net Interest Income	1,025.1	917.3	(11%)	509.9	437.5	479.8	10%	(6%)
Non Interest Income <sup>1</sup>	591.8	866.2	46%	395.5	612.0	254.2	(58%)	(36%)
Fee and Commission	183.5	249.2	36%	111.9	142.7	106.5	(25%)	(5%)
Trading Gains (Debt & Equity)	401.8	615.3	53%	279.9	468.9	146.4	(69%)	(48%)
Other Income	6.5	1.7	(74%)	3.7	0.4	1.3	242%	(65%)
Operating Expenses	599.9	751.7	25%	323.4	389.4	362.3	(7%)	12%
HR	294.3	332.0	13%	158.1	169.4	162.6	(4%)	3%
Non HR	305.6	419.7	37%	165.4	220.0	199.7	(9%)	21%
Pre-Prov Op Profit (Ppop)	1,017.2	1,031.8	1%	582.0	660.1	371.7	(44%)	(36%)
Provisions & Contingencies	45.9	24.6	(46%)	22.3	(1.9)	26.5	NM	NM
Profit Before Tax	971.3	1,007.2	4%	559.7	662.0	345.2	(48%)	(38%)
Tax	318.7	336.0	5%	172.2	224.5	111.5	(50%)	(35%)
<b>Profit After Tax</b>	<b>652.5</b>	<b>671.2</b>	<b>3%</b>	<b>387.4</b>	<b>437.5</b>	<b>233.7</b>	<b>(47%)</b>	<b>(40%)</b>

1. Including loss on sale of equity, Non interest income increased by 23% from Rs. 592 Cr to Rs. 727 Cr in H1 and Non Interest Income for Q2 FY18 is 127 Cr

## 1.76x increase in Funded Credit (ex-infra) [15% QoQ, 76% YoY]



All numbers on a gross basis

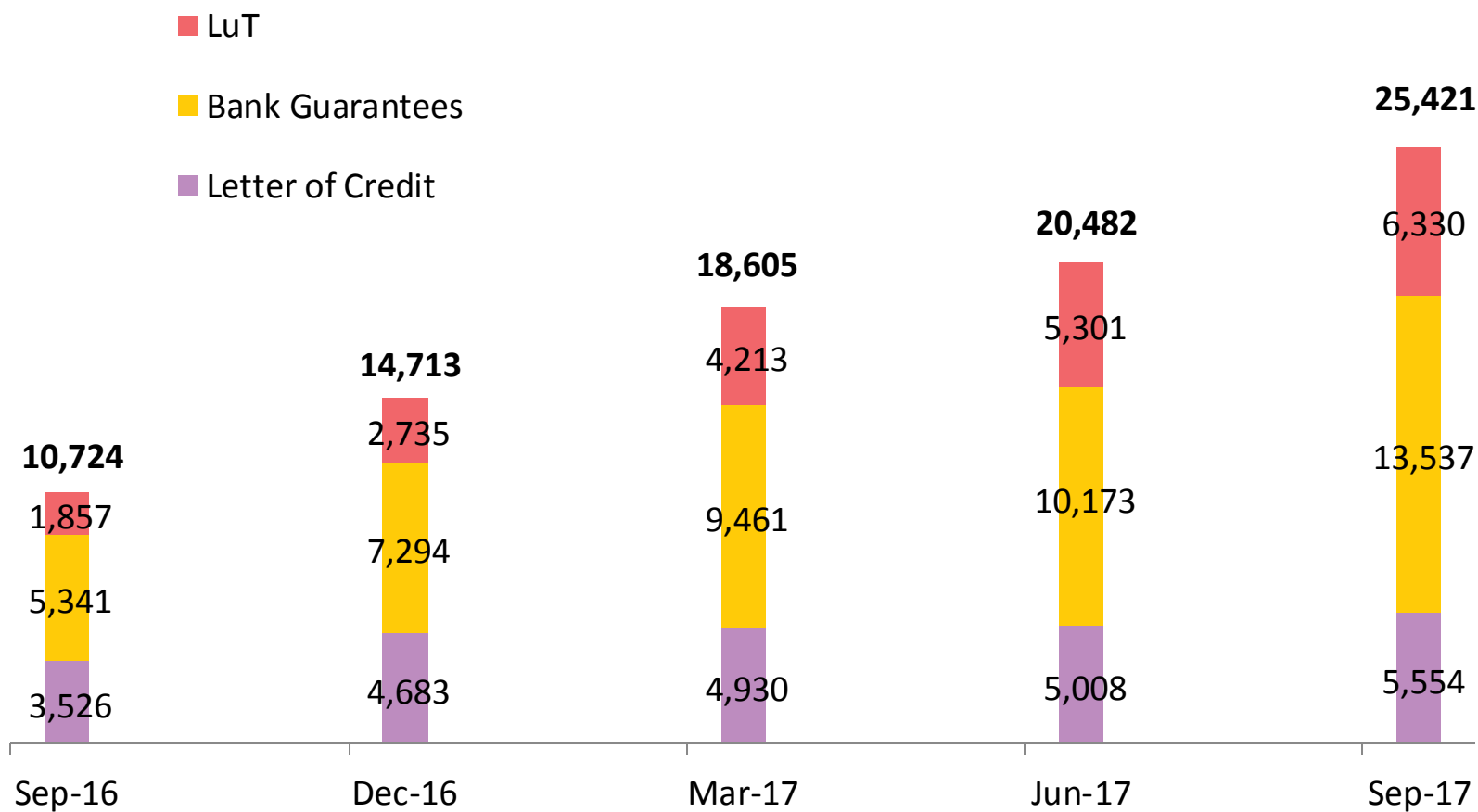
## Financials: Key ratios

Particular	Q2 FY17	Q1 FY18	Q2 FY18	H1 FY18
Return on Assets	1.5%	1.5%	0.8%	1.2%
Return on Equity	10.9%	11.8%	6.1%	9.0%
EPS (Rs.)	1.1	1.3	0.7	2.0
Book Value Per Share (Rs.)	42.1	44.5	44.3	44.3
NIMs	2.2%	1.7%	1.8%	1.7%
<i>Of which Loan NIMs</i>	<i>2.9%</i>	<i>2.4%</i>	<i>2.9%</i>	<i>2.7%</i>
Cost/Income <sup>1</sup>	35.7%	37.1%	49.4%	42.1%
HR Cost/ Income	17.5%	16.1%	22.2%	18.6%
Capital Adequacy Ratio	19.2%	18.6%	19.3%	19.3%
<i>Of which Tier I</i>	<i>18.7%</i>	<i>18.3%</i>	<i>19.0%</i>	<i>19.0%</i>
Gross NPL (% of Loans)	6.0%	4.1%	3.9%	3.9%
Net NPL (%)	2.4%	1.7%	1.6%	1.6%
CASA/Gross Advances	3.3%	5.9%	6.3%	6.3%
CASA/Total Deposits	7.8%	6.8%	8.2%	8.2%

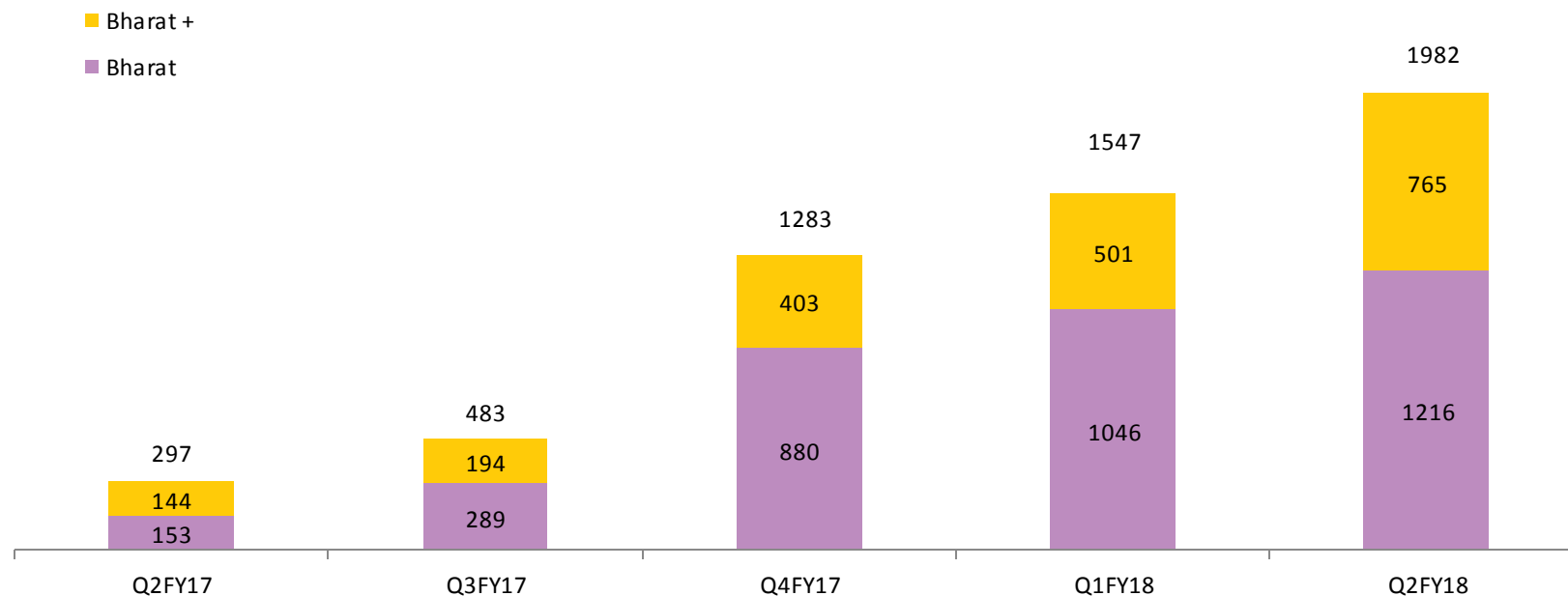
1. Including loss on sale of equity: Cost/Income: Q2 FY18: 59.7%; H1 FY18: 45.7%

# BUSINESS HIGHLIGHTS

## 2.4x increase in Non-funded exposure YoY



## Gross retail disbursement rate ~ Rs. 2000 Cr / quarter & rising



### Monthly net run-rates<sup>1</sup>

Segment	(in Rs. Crores)
Bharat	237
Bharat Plus	194
<b>Total</b>	<b>431</b>

1. Run rate defined as monthly average in last 3 months

## CASA increased 1.8x to INR 3,200 Cr YoY

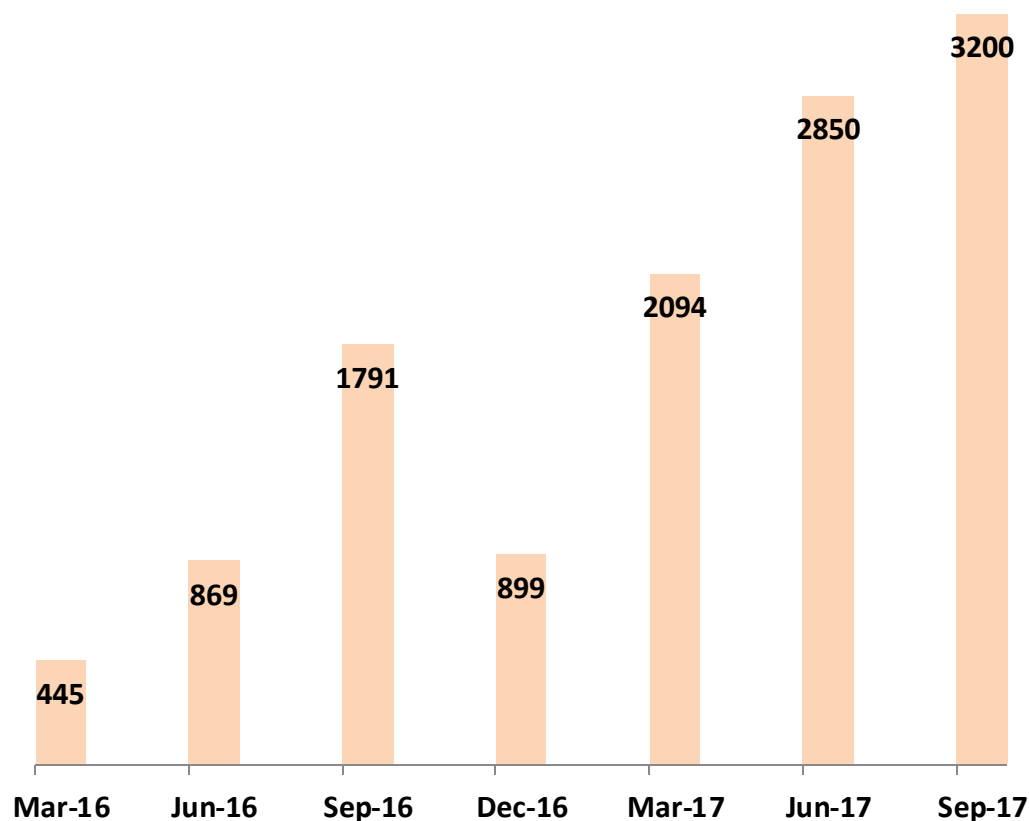
All figures in Rs Cr

Wholesale Bank: INR 2,389 crore  
B+: INR 685 crore  
B: INR 125 crore

Avg. SA per account  
B+: Rs. 19,617  
Bharat: Rs. 2,102

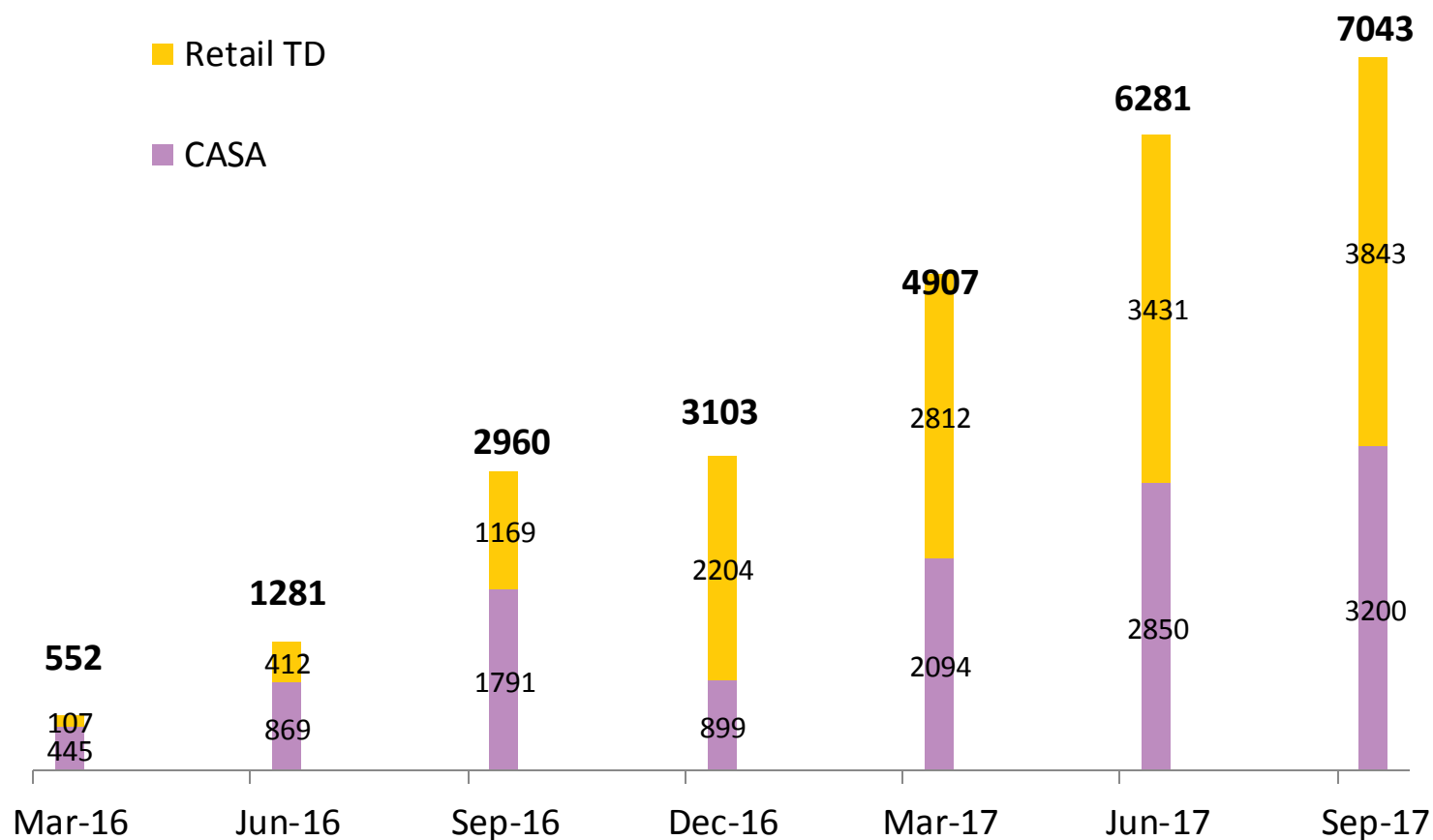
CASA for Q2  
B+: Increased by INR 120 crore to INR 685 crore (per branch CASA increased ~7 Cr to ~40 Cr)  
B: Decreased by INR 13 crore to INR 125 crore

### CASA



## 140% increase in core deposits (CASA + Retail TD) YoY & 12% QoQ

All figures in Rs Cr

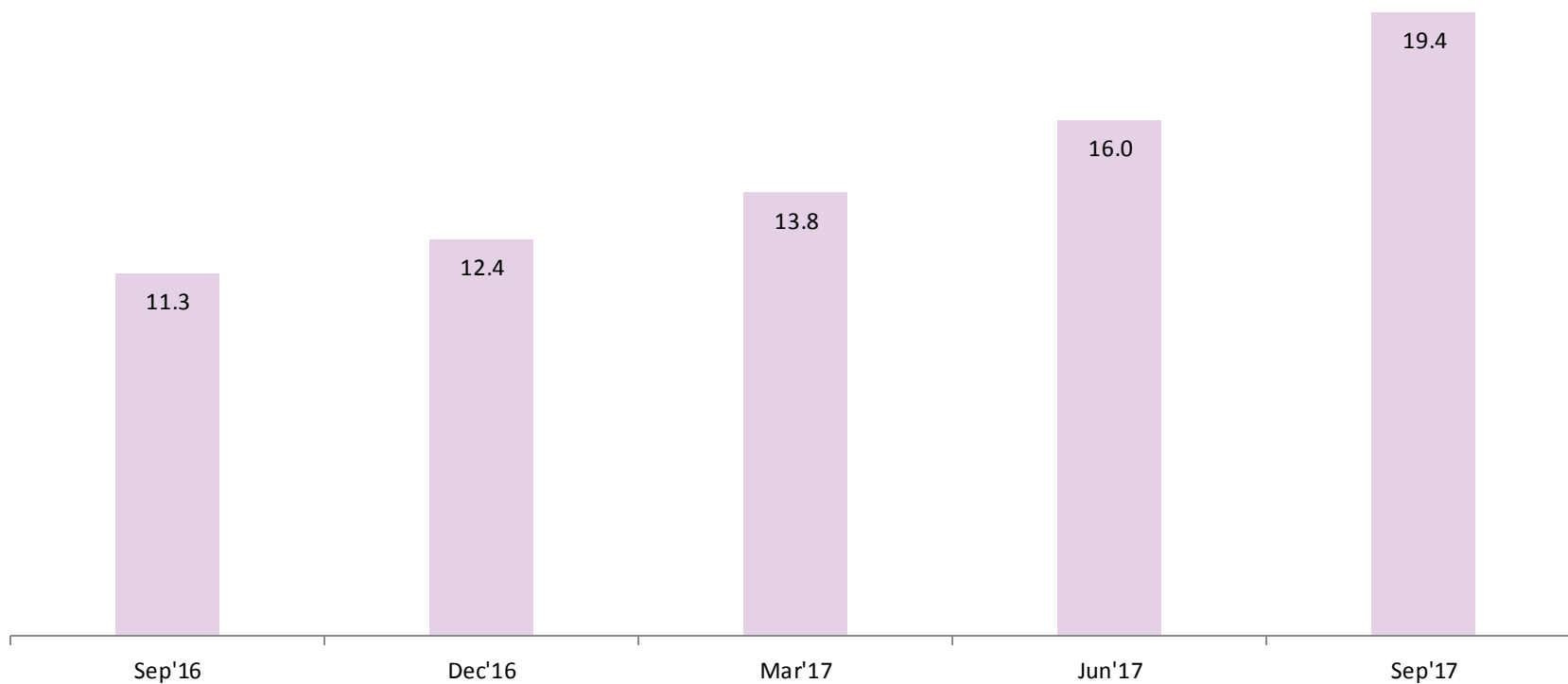




>19 lac customers; acquisition run-rate accelerated to 113k/ month

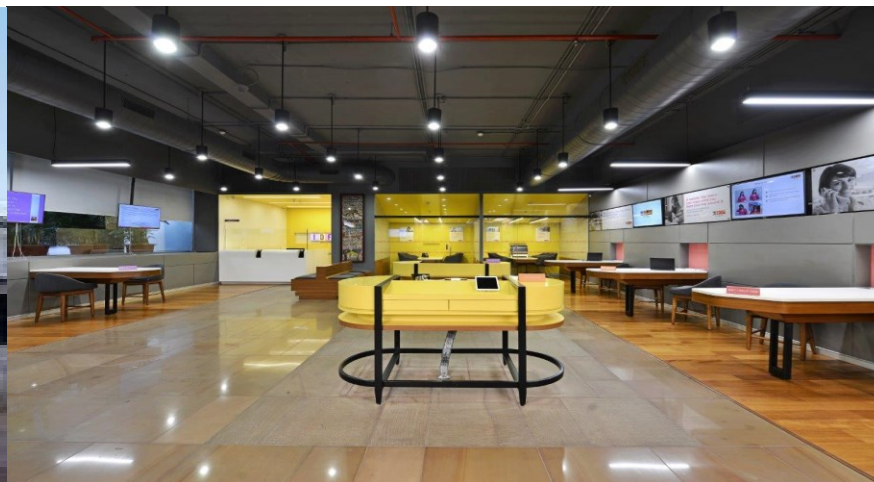
## Total Customers

In Lacs



# BUSINESS HIGHLIGHTS

# Bharat Plus Snapshot



## Branch Network

17 Branches

- Presence across 8 cities in India
- Mumbai, Delhi, Bangalore, Chennai, Pune, Hyderabad, Kolkata & Ahmedabad.

## Assets (Sep'17)

- Total funded advances Rs. 1,732 Cr<sup>1</sup>
- Wealth AUM is Rs. 540 Cr

- Breakup of total funded advances:
  - Home loans – Rs. 970 Cr
  - Loan against property – Rs. 308 Cr
  - Working Capital- Funded book of Rs. 200 Cr
  - Personal loan – Rs. 184 Cr
  - Alliances – Rs. 69 Cr

- Non funded book as on 30 Sep is Rs. 58 Cr

## Liabilities

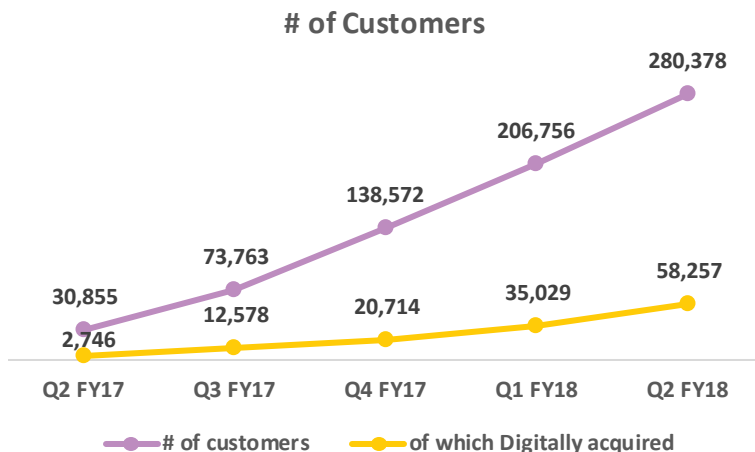
- ~ 2.8L customers
- ~ 2.7L CASA accounts

- Rs. 4,099 Cr deposit book as on 30 Sep 2017 comprising of:
  - Rs. 685<sup>2</sup> Cr of Current & Savings Account Deposits
  - Rs. 3,438 Cr of Fixed Deposits

1. Excluding CV & SME
2. Including SME

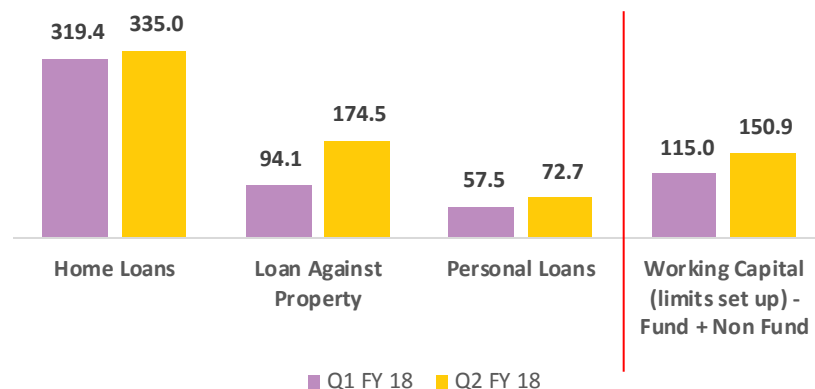
# Bharat Plus Snapshot

## Strong ramp up in customer acquisition in Q2



## Sustained momentum on asset disbursement continues in Q2

### Q2 FY 18 vs Q1 FY 18 Asset Disbursals (Rs Cr)



## Funded SME assets

Quarter ending in	Outstanding (INR Cr)
Sep-17	477
Jun-17	294
Mar-17	314

## Commercial Vehicle Portfolio

Quarter ending in	Outstanding (INR Cr)
Sep-17	163
Jun-17	121
Mar-17	96

# Bharat: ~16.6 Lacs customers acquired and serviced through branches and Micro ATMs



## Customer Touchpoints

- 13,550 Customer Points
- 335 IBL locations
- 48 Partnership BC locations



## Customer Network

- 16.6 lacs unique customers (11.1 Lacs of IBL)
- 4.0 lacs Liability & 2.1 lacs asset customers sourced through Branches & MATM



## Assets & Liabilities

- Rs 2,356 Cr of advances<sup>1</sup> (1,864 Crs of IBL)
- Rs. 379 Cr of deposit balances
- Rs. 2,263 Cr disbursed in H1FY18

- 83 Branches across MP, Karnataka, AP, Gujarat, Rajasthan, Tamilnadu, Tripura & Meghalaya

- 9,721 MATMs

- 3,337 Aadhar Pay (Merchant Points)

- 28 ATMs

- More than 5.5 lacs customers acquired through branches and MATMs

- No. of loan accounts crossed 13 lacs

- Branch Based advances: Rs. 367 Cr

- Assets<sup>1</sup>: MSME assets are at Rs. 49 Cr; JLG BC are at Rs. 76 Cr; IBL are at Rs. 1,864

<sup>1</sup>Excludes SME and onlending

# Wholesale bank

## Transaction Highlights

### IB Transactions

- Main banker to one of the most successful IPOs in India by a manufacturing company. The stock was listed with the issue recording a one of the highest ever IPO subscriptions at 118 times.
- Acted as the exclusive sell side advisor in the largest ever M&A in the road transportation sector.
- Provided advisory services to sell stake in a major NBFC. The transaction was completed in record time and at a 30% market premium over the last three month average price

### Bankers to Issue

- Bankers to Issue for Institutional Placement of USD 600 Million for a leading airline
- Deal resulted in large float and substantial FX remittances
- In addition, we also managed the dividend payout of 1,250 crore via 50,000 payments for FY17

### BG Issuance

- Successful issuance of ₹ 1000 crore Bank Guarantee to one of the biggest sports associations in the country on behalf of its media partner
- We are the only bank outside the consortium of global banks in this transaction with a share of 23%

### Corporate Linked Finance through BXP

- Gone live on BXP for a CLF client via completely straight through processing of invoices without any manual intervention.

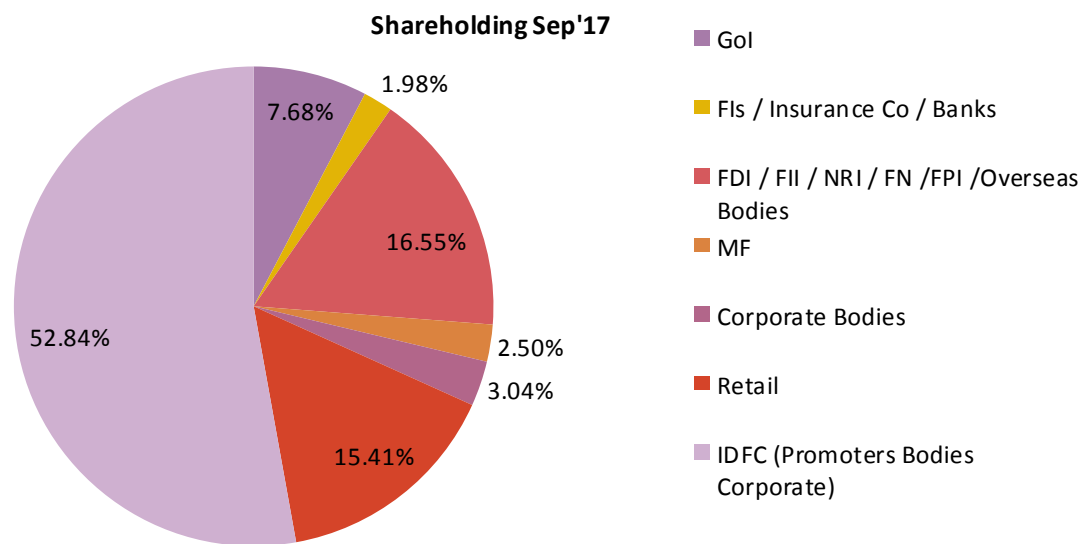
### DCM

- Executed a 300 crore secured, taxable, listed NCD mandate for an energy company with maturity of 15 years
- Executed a 760 crore NCD mandate for an energy company with 5, 10 and 15 year maturities

# Shareholding pattern

% of Top 10 shareholders

Sr. no	Shareholder Name	Category	30.09.17
1	Gol	Gol	7.7%
2	Blackrock Fund	FII / FDI	1.8%
3	Platinum Investment Management	FII / FDI	1.4%
4	Vanguard	FII / FDI	1.4%
5	Emerging Markets Funds	FII / FDI	1.1%
6	Capital Group Inc	FII / FDI	1.0%
7	LIC	FIs / Insurance Co / Banks	0.9%
8	Kotak	MF	0.6%
9	Wellington Trust Company National Association	FII / FDI	0.6%
10	Reliance Capital	MF	0.5%





THANK YOU