

IDFCFIRSTBANK/SD/ SE/120/ 2019-20

July 24, 2019

**The Manager-Listing Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051.  
Tel No.: 022 – 2659 8237/ 38  
NSE - Symbol – IDFCFIRSTB

**The Manager-Listing Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.  
Tel No.: 022 – 2272 2039/ 37/3121  
BSE- Scrip Code: 539437

**Sub.: IDFC FIRST Bank Limited - Outcome of the Board Meeting held on July 24, 2019**

Dear Sir / Madam,

Pursuant to Regulation 33 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copies of Unaudited Financial Results (Standalone and Consolidated) of IDFC FIRST Bank Limited for the quarter ended June 30, 2019, considered and approved by the Board of Directors at its meeting held on July 24, 2019, together with copies of Limited Review Reports issued by the Statutory Auditors of the Bank viz. M/s Deloitte Haskins & Sells, Chartered Accountants on the aforesaid Unaudited Financial Results.

M/s. Deloitte Haskins & Sells, Statutory Auditors of the Bank have issued unmodified opinion with respect to the Unaudited Financial Results (Standalone and Consolidated) of the Bank for the quarter ended June 30, 2019.

The meeting of the Board of Directors of Bank commenced at 2:30 p.m. and concluded at 8:20 p.m.

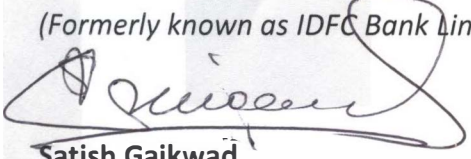
Please find enclosed a copy of the Press Release on the financials for the quarter ended June 30, 2019.

Please take the above on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For IDFC FIRST Bank Limited  
(Formerly known as IDFC Bank Limited)

  
**Satish Gaiwad**  
Head – Legal & Company Secretary



**Encl.: as above**

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF IDFC FIRST BANK LIMITED (formerly, IDFC BANK LIMITED)

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **IDFC FIRST BANK LIMITED (formerly, IDFC BANK LIMITED)** (the "Bank") for the quarter ended 30 June 2019 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to Pillar 3 disclosures, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 6 to the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to banks, the relevant provisions of the Banking Regulations Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Bank's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, in so far as they apply to banks, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to Pillar 3 disclosures, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 6 to the Statement and have not been reviewed by us, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 117365W)



**Pallavi A. Gorakshakar**  
Partner  
(Membership No. 105035)

UDIN: 19105035AAAADL9225



**IDFC FIRST Bank Limited (Formerly IDFC Bank Limited)**

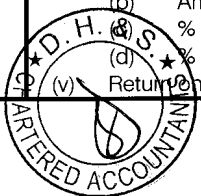
Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu

CIN : L65110TN2014PLC097792

**Statement of Unaudited Financial Results for the quarter ended June 30, 2019 (Standalone)**

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2019 (refer note 7) (Unaudited)	31.03.2019 (refer note 8) (Unaudited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	<b>Interest Earned (a) + (b) + (c) + (d)</b>	<b>379311.86</b>	<b>362878.71</b>	<b>232114.89</b>	<b>1194817.24</b>
	(a) Interest / discount on advances / bills	276662.11	259411.14	125033.23	782553.75
	(b) Income on investments	96084.28	98251.45	99874.72	390565.35
	(c) Interest on balances with Reserve Bank of India and other inter- bank funds	1648.57	834.98	481.06	2318.68
	(d) Others	4916.90	4381.14	6725.88	19379.46
2	<b>Other Income (refer note 5)</b>	<b>31045.14</b>	<b>27332.08</b>	<b>19872.18</b>	<b>85208.39</b>
3	<b>TOTAL INCOME (1+2)</b>	<b>410357.00</b>	<b>390210.79</b>	<b>251987.07</b>	<b>1280025.63</b>
4	Interest Expended	261865.32	251592.80	183131.34	874908.34
5	<b>Operating Expenses (i) + (ii) + (iii)</b>	<b>116718.11</b>	<b>114758.28</b>	<b>44643.78</b>	<b>328738.65</b>
	(i) Employees cost	36108.67	34803.04	20155.73	111819.15
	(ii) Depreciation on bank's property	7793.06	6062.50	4545.09	21332.83
	(iii) Other operating expenses	72816.38	73892.74	19942.96	195586.67
6	<b>TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)</b>	<b>378583.43</b>	<b>366351.08</b>	<b>227775.12</b>	<b>1203646.99</b>
7	<b>Operating Profit (3-6) (Profit Before Provisions and Contingencies)</b>	<b>31773.57</b>	<b>23859.71</b>	<b>24211.95</b>	<b>76378.64</b>
8	Provisions (other than tax) and Contingencies (Net)	128075.68	65531.45	3399.31	145962.61
9	Exceptional Items (refer note 3)	-	-	-	259934.67
10	<b>Profit / (Loss) from Ordinary Activities before tax (7-8-9)</b>	<b>(96302.11)</b>	<b>(41671.74)</b>	<b>20812.64</b>	<b>(329518.64)</b>
11	Tax Expense	(34566.49)	(19868.70)	2657.84	(135100.81)
12	<b>Net Profit / (Loss) from Ordinary Activities after tax (10-11)</b>	<b>(61735.62)</b>	<b>(21803.04)</b>	<b>18154.80</b>	<b>(194417.83)</b>
13	Extraordinary Items (Net of tax expense)	-	-	-	-
14	<b>Net Profit / (Loss) for the period (12-13)</b>	<b>(61735.62)</b>	<b>(21803.04)</b>	<b>18154.80</b>	<b>(194417.83)</b>
15	<b>Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 4)</b>	<b>478247.71</b>	<b>478167.64</b>	<b>340410.71</b>	<b>478167.64</b>
16	Reserves excluding Revaluation Reserves	-	-	-	1337758.50
17	<b>Analytical Ratios</b>				
	(i) Percentage of shares held by Government of India (refer note 4)	5.47%	5.47%	7.68%	5.47%
	(ii) Capital adequacy ratio (Basel III)	14.01%	15.47%	19.25%	15.47%
	(iii) Earnings per share (EPS) for the period / year (before and after extraordinary items) (not annualized) (refer note 4)				
	- Basic (₹)	(1.29)	(0.46)	0.53	(4.75)
	- Diluted (₹)	(1.27)	(0.45)	0.53	(4.71)
	(iv) NPA ratios				
	(a) Amount of gross NPAs	241856.25	213604.28	177447.20	213604.28
	(b) Amount of net NPAs	121513.22	110662.76	88108.43	110662.76
	(c) % of gross NPAs to gross advances	2.66%	2.43%	3.24%	2.43%
	(d) % of net NPAs to net advances	1.35%	1.27%	1.63%	1.27%
	(v) Return on assets (annualized)	(1.47%)	(0.55%)	0.58%	(1.20%)

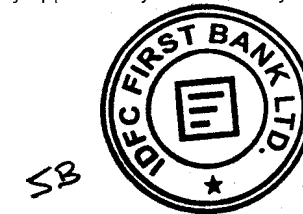


Segment Information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the Bank is as under :

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2019 (refer note 7) (Unaudited)	31.03.2019 (refer note 8) (Unaudited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	<b>Segment Revenue</b>				
	a Treasury	331069.11	310493.36	225745.41	991311.19
	b Wholesale Banking	204746.64	203565.22	206885.21	885724.07
	c Retail Banking	243397.18	223602.37	49173.44	561345.06
	d Other Banking Business	884.57	862.11	273.53	2105.82
	e Unallocated	1.33	278.79	3118.07	3365.17
	<b>Total Segment Revenue</b>	<b>780098.83</b>	<b>738801.85</b>	<b>485195.66</b>	<b>2443851.31</b>
	Add/(Less) : Inter Segment Revenue	(369741.83)	(348591.06)	(233208.59)	(1163825.68)
	<b>Income from Operations</b>	<b>410357.00</b>	<b>390210.79</b>	<b>251987.07</b>	<b>1280025.63</b>
2	<b>Segment Results After Provisions &amp; Before Tax</b>				
	a Treasury	(89961.66)	(18930.02)	15605.93	(10075.30)
	b Wholesale Banking	19151.38	(3416.57)	22593.21	40365.66
	c Retail Banking	(19261.86)	(12407.85)	(14117.24)	(60292.12)
	d Other Banking Business	255.51	490.04	(66.45)	746.61
	e Unallocated	(6485.48)	(7407.34)	(3202.81)	(300263.49)
	<b>Total Profit Before Tax</b>	<b>(96302.11)</b>	<b>(41671.74)</b>	<b>20812.64</b>	<b>(329518.64)</b>
3	<b>Segment Assets</b>				
	a Treasury	7330237.79	7518952.37	6662468.91	7518952.37
	b Wholesale Banking	4245811.04	4371279.52	4471163.18	4371279.52
	c Retail Banking	4882649.60	4456399.44	957119.90	4456399.44
	d Other Banking Business	20.88	22.86	23.78	22.86
	e Unallocated	411764.69	371831.96	211293.18	371831.96
	<b>Total Segment Assets</b>	<b>16870484.00</b>	<b>16718486.15</b>	<b>12302068.95</b>	<b>16718486.15</b>
4	<b>Segment Liabilities</b>				
	a Treasury	10187379.94	10431209.85	7312653.78	10431209.85
	b Wholesale Banking	3041838.54	2947663.23	2685580.79	2947663.23
	c Retail Banking	1865382.99	1498224.70	747734.13	1498224.70
	d Other Banking Business	-	-	-	-
	e Unallocated	21414.90	25462.23	12276.56	25462.23
	<b>Total Segment Liabilities</b>	<b>15116016.37</b>	<b>14902560.01</b>	<b>10758245.26</b>	<b>14902560.01</b>
5	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>	<b>1754467.63</b>	<b>1815926.14</b>	<b>1543823.69</b>	<b>1815926.14</b>

Business segments have been identified and reported taking into account the target customer segment, the nature of products, internal business reporting system, transfer pricing policy approved by Asset Liability Committee (ALCO), the guidelines prescribed by the Reserve Bank of India ('the RBI'), which has been relied upon by the auditors.



**Notes:**

- 1 The above financial results for the quarter ended June 30, 2019 were reviewed by the Audit Committee and approved by the Board of Directors on July 24, 2019 and have been subjected to a "Limited Review" by the Statutory Auditors.
- 2 The above financial results of the Bank have been prepared in accordance with the provisions of the Banking Regulation Act, 1949, Generally Accepted Accounting Principles in India, including Accounting Standards as specified under Section 133 of the Companies Act, 2013, Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in so far as they apply to Banks, and the guidelines issued by the RBI. In addition, the Bank has automated its key operations with key applications largely integrated with core banking solution and general ledger system. Accordingly, branch returns are not required to be submitted.
- 3 The merger of Capital First Limited and its wholly owned subsidiaries, Capital First Home Finance Limited and Capital First Securities Limited with erstwhile IDFC Bank Limited ('IDFC - CFL Merger') has been accounted under the 'Purchase Method' as per Accounting Standard 14 on 'Accounting for Amalgamations' and as per the specific provisions of the scheme. Accordingly, net assets of erstwhile Capital First Limited and its subsidiaries aggregating to ₹ 2,752.98 crore as at appointed date has been recorded by the Bank at fair value as determined by an independent valuer. In view of the share swap ratio of 13.9:1, the Bank issued 137,71,09,057 equity shares as purchase consideration at fair value. The difference between the purchase consideration and fair value of net assets is represented by Goodwill on amalgamation of ₹ 2,390.53 crore and recorded accordingly.

Under Section 15 of the Banking Regulation Act 1949, banks are restricted from declaring dividend in the event a bank carries intangible assets such as goodwill on its Balance Sheet. Therefore, as a prudent measure, intangible assets acquired or arising on amalgamation had been fully amortised through profit and loss account in the year ended March 31, 2019. This accelerated amortisation charge to profit and loss account for the year ended March 31, 2019 of ₹ 2,599.35 crore was exceptional in nature and resulted in loss for the year.

- 4 During the quarter June 30, 2019, the Bank has issued 8,00,714 equity shares of face value of ₹10 each pursuant to the exercise of options under the Employee Stock Option Scheme.
- 5 "Other Income" includes non-fund based income such as commission, fees, earnings from foreign exchange and derivative transactions, profit / loss from sale of investments.
- 6 In accordance with the RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' and the RBI circular DBR.No.BP.BC. 80/21/21.06.201/ 2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures on its website at the link : <http://www.idfcfirstbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Statutory Auditors of the Bank.
- 7 In view of accounting for IDFC - CFL merger from appointed date of October 1, 2018, the figures of the quarter ended June 30, 2019 are not comparable to the corresponding figures of the previous periods. The figures for the previous quarter/period have been regrouped wherever necessary in order to make them comparable.
- 8 The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year which was subject to limited review.
- 9 The Bank has followed the same significant accounting policies in the preparation of these financial results as those followed in the annual financial statements for the year ended March 31, 2019

In terms of our report attached



Date: July 24, 2019  
Place: Chennai



For and behalf of the Board of Directors  
of IDFC FIRST Bank Limited

  
V. Valdyanathan  
Managing Director & Chief Executive Officer



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF IDFC FIRST BANK LIMITED (formerly, IDFC BANK LIMITED)

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **IDFC FIRST BANK LIMITED (formerly, IDFC BANK LIMITED)** ("the Parent/the Bank") and its subsidiary (the Bank and its subsidiary together referred to as "the Group"), and its share of the net loss after tax of its associate for the quarter ended 30 June 2019 ("the Statement") being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to Pillar 3 disclosures, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 4 to the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulations Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Bank's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Attention is drawn to Note 8 to the Statement which states that the consolidated figures for the corresponding quarter ended 31 March 2019 and 30 June 2018, as reported in the accompanying Statement have been approved by the Bank's Board of Directors, but have not been subjected to review.



## **Deloitte Haskins & Sells**

4. The Statement includes the results of the following entities:  
**Subsidiary:** IDFC FIRST Bharat Limited (formerly, IDFC Bharat Limited)  
**Associate:** Millennium City Expressways Private Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to Pillar 3 disclosures, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 4 to the Statement and have not been reviewed by us, or that it contains any material misstatement.
6. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial financial results reflect total revenues of Rs. 7487.22 lakhs and total net profit after tax of Rs. 571.88 lakhs for the quarter ended 30 June 2019, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.  
  
Our conclusion on the Statement is not modified in respect of this matter.
7. The consolidated unaudited financial results also includes the Group's share of loss after tax of nil for the quarter ended 30 June 2019, as considered in the Statement, in respect of one associate based on its interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.  
  
Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 117365W)



**Pallavi A. Gorakshakar**  
Partner  
(Membership No. 105035)

UDIN: 19105035AAAADM5926





IDFC FIRST Bank Limited (Formerly IDFC Bank Limited)

Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu

CIN : L65110TN2014PLC097792

Statement of Unaudited Financial Results for the quarter ended June 30, 2019 (Consolidated)

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended 30.06.2019 (refer note 7)	Quarter ended 31.03.2019 (refer note 8)	Quarter ended 30.06.2018 (refer note 8)	Year ended 31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a)+(b)+(c)+(d)	386571.21	369744.83	237820.35	1220401.64
	(a) Interest / discount on advances / bills	283911.23	267034.21	130730.83	808097.57
	(b) Income on investments	96084.28	98251.45	99874.72	390565.35
	(c) Interest on balances with Reserve Bank of India and other inter- bank funds	1648.57	834.33	481.06	2318.68
	(d) Others	4927.13	3624.84	6733.74	19420.04
2	Other Income	31147.06	27337.15	19875.88	85216.26
3	TOTAL INCOME (1+2)	417718.27	397081.98	257696.23	1305617.90
4	Interest Expended	261739.37	251467.58	182913.59	874324.14
5	Operating Expenses (i) + (ii) + (iii)	123391.96	120742.99	49019.93	349128.91
	(i) Employees cost	41385.14	39390.10	23598.07	127937.48
	(ii) Depreciation on group's property	8058.61	6313.27	4690.42	22097.02
	(iii) Other operating expenses	73948.21	75039.62	20731.44	199094.41
6	TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	385131.33	372210.57	231933.52	1223453.05
7	Operating Profit (3-6) (Profit Before Provisions and Contingencies)	32586.94	24871.41	25762.71	82164.85
8	Provisions (other than tax) and Contingencies (Net)	128076.09	65542.37	2673.55	143187.28
9	Exceptional Items (refer note 3)	-	-	-	259934.67
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	(95489.15)	(40670.96)	23089.16	(320957.10)
11	Tax Expense	(34325.43)	(19458.07)	3204.10	(132955.37)
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	(61163.72)	(21212.89)	19885.06	(188001.73)
13	Extraordinary Items (Net of tax expense)	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	(61163.72)	(21212.89)	19885.06	(188001.73)
15	Share in loss of Associate	-	-	(725.76)	(2786.25)
16	Consolidated Net Profit / (Loss) for the period (14+15)	(61163.72)	(21212.89)	19159.30	(190787.98)
17	Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 5)	478247.71	478167.64	340410.71	478167.64
18	Reserves excluding Revaluation Reserves				1341768.74
19	<b>Analytical Ratios (refer note 6)</b>				
	Earnings per share (EPS) for the period (before and after extraordinary items)				
	- Basic (₹)	(1.28)	(0.44)	0.56	(4.66)
	- Diluted (₹)	(1.26)	(0.44)	0.56	(4.63)





Consolidated Segment Information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the Group is as under :

(₹ in lakhs)					
Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2019 (refer note 7)	31.03.2019 (refer note 8)	30.06.2018 (refer note 8)	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>				
	a Treasury	331069.11	310493.36	225745.41	991311.19
	b Wholesale Banking	204746.64	203565.22	206885.21	885724.07
	c Retail Banking	250758.45	230473.56	54882.60	586937.33
	d Other Banking Business	884.57	862.11	273.53	2105.82
	e Unallocated	1.33	278.79	3118.07	3365.17
	<b>Total Segment Revenue</b>	<b>787460.10</b>	<b>745673.04</b>	<b>490904.82</b>	<b>2469443.58</b>
	Add/(Less) : Inter Segment Revenue	(369741.83)	(348591.06)	(233208.59)	(1163825.68)
	<b>Income from Operations</b>	<b>417718.27</b>	<b>397081.98</b>	<b>257696.23</b>	<b>1305617.90</b>
2	<b>Segment Results After Provisions &amp; Before Tax</b>				
	a Treasury	(89961.66)	(18930.02)	16331.69	(7289.05)
	b Wholesale Banking	19151.38	(3416.57)	22593.21	40365.66
	c Retail Banking	(18448.90)	(11407.07)	(12566.48)	(54516.83)
	d Other Banking Business	255.51	490.04	(66.45)	746.61
	e Unallocated	(6485.48)	(7407.34)	(3202.81)	(300263.49)
	<b>Total Profit Before Tax and Earnings from Associates</b>	<b>(95489.15)</b>	<b>(40670.96)</b>	<b>23089.16</b>	<b>(320957.10)</b>
3	<b>Segment Assets</b>				
	a Treasury	7307222.16	7495936.74	6632757.29	7495936.74
	b Wholesale Banking	4245811.04	4371279.52	4471163.18	4371279.52
	c Retail Banking	4897253.71	4470197.94	970017.60	4470197.94
	d Other Banking Business	20.88	22.86	23.78	22.86
	e Unallocated	412582.32	372456.33	211470.13	372456.33
	<b>Total Segment Assets</b>	<b>16862890.11</b>	<b>16709893.39</b>	<b>12285431.98</b>	<b>16709893.39</b>
4	<b>Segment Liabilities</b>				
	a Treasury	10187288.26	10431149.08	7312595.99	10431149.08
	b Wholesale Banking	3041396.63	2947349.17	2685329.80	2947349.17
	c Retail Banking	1854042.96	1486321.68	728862.14	1486321.68
	d Other Banking Business	-	-	-	-
	e Unallocated	21112.48	25137.08	12059.06	25137.08
	<b>Total Segment Liabilities</b>	<b>15103840.33</b>	<b>14889957.01</b>	<b>10738846.99</b>	<b>14889957.01</b>
5	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>	<b>1759049.78</b>	<b>1819936.38</b>	<b>1546584.99</b>	<b>1819936.38</b>

Business segments have been identified and reported taking into account the target customer segment, the nature of products, internal business reporting system, transfer pricing policy approved by Asset Liability Committee (ALCO), the guidelines prescribed by the Reserve Bank of India ('the RBI'), which has been relied upon by the auditors.



**Notes:**

- 1 The above results represent the consolidated financial results for IDFC FIRST Bank Limited ('the Bank' or 'Holding company'), its subsidiary together constituting the 'Group' and share of profit / loss of its associate. The above results were reviewed by the Audit Committee and approved by the Board of Directors on July 24, 2019.
- 2 The consolidated financial results of the Bank have been prepared in accordance with the provisions of the Banking Regulation Act, 1949, Generally Accepted Accounting Principles in India, including Accounting Standards as specified under Section 133 of the Companies Act, 2013, Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in so far as they apply to Banks, and the guidelines issued by the RBI.
- 3 The merger of Capital First Limited and its wholly owned subsidiaries, Capital First Home Finance Limited and Capital First Securities Limited with erstwhile IDFC Bank Limited ('IDFC - CFL Merger') has been accounted under the 'Purchase Method' as per Accounting Standard 14 on 'Accounting for Amalgamations' and as per the specific provisions of the scheme. Accordingly, net assets of erstwhile Capital First Limited and its subsidiaries aggregating to ₹ 2,752.98 crore as at appointed date has been recorded by the Bank at fair value as determined by an independent valuer. In view of the share swap ratio of 13.9:1, the Bank issued 137,71,09,057 equity shares as purchase consideration at fair value. The difference between the purchase consideration and fair value of net assets is represented by Goodwill on amalgamation of ₹ 2,390.53 crore and recorded accordingly.

Under Section 15 of the Banking Regulation Act 1949, banks are restricted from declaring dividend in the event a bank carries intangible assets such as goodwill on its Balance Sheet. Therefore, as a prudent measure, intangible assets acquired or arising on amalgamation had been fully amortised through profit and loss account in the year ended March 31, 2019. This accelerated amortisation charge to profit and loss account for the year ended March 31, 2019 of ₹ 2,599.35 crore was exceptional in nature and resulted in loss for the year.

- 4 In accordance with the RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' and the RBI circular DBR.No.BP.BC.80/21/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures on its website at the link : <http://www.idfcfirstbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Statutory Auditors of the Bank.
- 5 During the quarter ended June 30, 2019, the holding company has issued 8,00,714 equity shares of face value of ₹10 each pursuant to the exercise of options under the Employee Stock Option Scheme.
- 6 Analytical ratios are part of standalone financial results available on the Bank's website ([www.idfcfirstbank.com](http://www.idfcfirstbank.com)) and on the Stock Exchange websites ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)).
- 7 In view of accounting for IDFC - CFL merger from appointed date of October 1, 2018, the figures of the quarter ended June 30, 2019 are not comparable to the corresponding figures of the previous periods. The figures for the previous quarter/period have been regrouped wherever necessary in order to make them comparable.
- 8 The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures for the full financial year and the unaudited figures upto December 31, 2018. The financial results for the quarter ended June 30, 2018 and for the period ended December 31, 2018 are not reviewed / audited by the statutory auditors.
- 9 The Group has followed the same significant accounting policies in the preparation of these financial results as those followed in the annual financial statements for the year ended March 31, 2019.

In terms of our report attached



Date: July 24, 2019  
Place: Chennai

For and on behalf of the Board of Directors  
of IDFC FIRST Bank Limited

  
V. Vaidyanathan  
Managing Director & CEO





## IDFC FIRST Bank Q1-FY20 loss at Rs. 617 crore; CASA Deposits, Retail Loans post strong growth

- *Bank reported loss of Rs. 617 crore for the quarter ended June 30, 2019; as a prudent measure, the Bank took provision coverage to 75% for two identified corporate loans in the financial services sector. Bank believes the provision is adequate and does not expect to take any more provisions on these accounts in the near future.*
- *CASA increased by 64% to Rs. 9,987 crore as of June 30, 2019, from Rs. 6,083 crore as of June 30, 2018.*
- *Retail Loans as % of Total Loans increased to 40% (post-merger) as of June 30, 2019, from 11% as on June 30, 2018 (pre-merger).*
- *Net worth of the Bank stood at Rs. 17,545 crore as of June 30, 2019.*
- *Total Balance Sheet size of the Bank was at Rs 1,68,705 crore as on June 30, 2019.*
- *Total Loan book was at Rs. 1,12,558 crore as on June 30, 2019.*

**Mumbai / Chennai, July 24, 2019:** The Board of Directors of IDFC FIRST Bank founded by the merger of IDFC Bank and Capital First recently, in its meeting held today to consider the financial results, approved the combined unaudited financial results for the quarter ended June 30, 2019, as summarized below.

### **PROFIT & LOSS ACCOUNT FOR THE QUARTER ENDED JUNE 30, 2019**

The Bank reported a Net Loss of Rs. 617 crore for the quarter ended June 30, 2019, primarily due to additional provisioning for two identified stressed Corporate Loans to a Housing Finance Company and a Financial Services company (recently downgraded by credit rating agencies), taking the provision coverage on these accounts to 75%. The Bank stated that the provisions on these accounts is adequate and the Bank does not expect to take any more provisions on this account in the near future.

The Net Interest Income during the quarter grew to Rs. 1,174 crore in Q1-FY20 from Rs. 1,113 crore in Q4-FY19.

Total Income (Net Interest Income plus other revenues) was at Rs. 1,485 crore for the quarter ended June 30, 2019.

The Net Interest Margin for the Bank pre-merger was 1.56% which has now crossed 3.01% in Q1-FY20, within six months of the merger. The increase in NIM is sustainable as the mix of the loan book is changing towards retail.

The cost to income ratio of the Bank decreased sequentially and stood at 78.60% for the quarter ended on June 30, 2019.

### **BALANCE SHEET AS OF JUNE 30, 2019**

The total Balance Sheet size of the Bank as of June 30, 2019, was Rs 1,68,705 crore.

The Gross Loan Book, including credit investments, stood at Rs. 1,12,558 crore. The Bank is making quick progress on retailisation of the loan book. The Retail Loan Book which stood at Rs. 44,642 crore,



contributed 40% to the Gross Loan Book as of Q1 2019. The proportion of retail loans as a percentage of total loan book has increased from 13% pre-merger to 40% within two quarters into Q1 2019.

The Wholesale Loan Book stood at Rs. 52,675 crore as on June 30, 2019. Of this, Infrastructure Financing was at Rs. 20,322 crore, which declined from Rs. 21,459 crore sequentially.

The Bank has gained strong momentum in raising CASA Deposits. As on June 30, 2019, CASA Deposits were at Rs. 9,987 crore as compared to Rs. 6,083 crore as on June 30, 2018, representing a growth of 64%. CASA% increased from 10.37% on December 31, 2018, at merger, to 15.08% as of June 30, 2019, an increase of 471 bps within six months.

As of June 30, 2019, Retail CASA & Retail Term Deposits (Core Retail Deposits) as percentage of the overall liability book stood at 11.72% as compared to 7.97% at merger as on December 31, 2018, an increase of 375 bps within six months.

As of June 30, 2019, the Net Worth of the Bank was at Rs. 17,545 crore and the book value per share was at Rs. 36.69.

## ASSET QUALITY

The Gross and Net NPA of the Bank as of June 30, 2019, was 2.66% and 1.35%, as compared to 2.43% and 1.27% as of March 31, 2019.

In the Retail Loan business, which is a significant key driver of the Bank's growth and business model, the asset quality continues to be stable at 2.32% as compared to 2.18% as of March 31, 2019, and the Net NPA was 1.14% as compared to 1.24% as of March 31, 2019.

The rest of the portfolio continues to perform normally, with no major concerns being witnessed in the rest of the loan book.

## CAPITAL ADEQUACY

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines was at 14.01%, and Tier I CAR was at 13.88% as on June 30, 2019, significantly higher than regulatory requirements.

## NETWORK

As of June 30, 2019, the Bank's distribution network comprised 279 bank branches and 199 ATMs, as compared to 170 branches and 99 ATMs in the previous year.

**Mr. V Vaidyanathan, Managing Director and CEO, IDFC FIRST Bank, said, "We are witnessing strong YoY growth of 64% in CASA deposits, healthy growth in the retail loan book, increase in Net interest margins and expanding product lines. The Bank is headed for a strong performance as this strategy plays out. I am confident we have a great growth story in the years ahead."**

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## About IDFC FIRST Bank

IDFC FIRST Bank was founded by the merger of IDFC Bank and Capital First in December 2018. The Bank provides a range of financial solutions to individuals, small businesses and corporates. The Bank offers savings and current accounts, NRI accounts, salary accounts, demat accounts, fixed and recurring deposits, home and personal loans, two wheeler loans, consumer durable loans, small business loans, forex products, payment solutions and wealth management services. IDFC FIRST Bank has a nationwide presence and operates in the Retail Banking, Wholesale Banking and other banking segments. Customers can choose where and how they want to bank: 279 bank liability branches, 102 asset branches, 199 ATMs and 520 rural business correspondent centres across the country, net banking, mobile banking and 24/7 toll free Banker-on-Call service.

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