



IDFC BANK

# H1 FY19 FINANCIALS

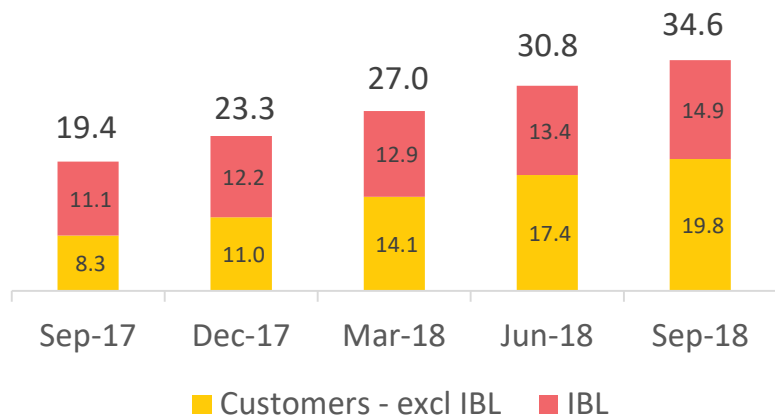
OCTOBER 25, 2018



# Key Highlights: H1 FY19

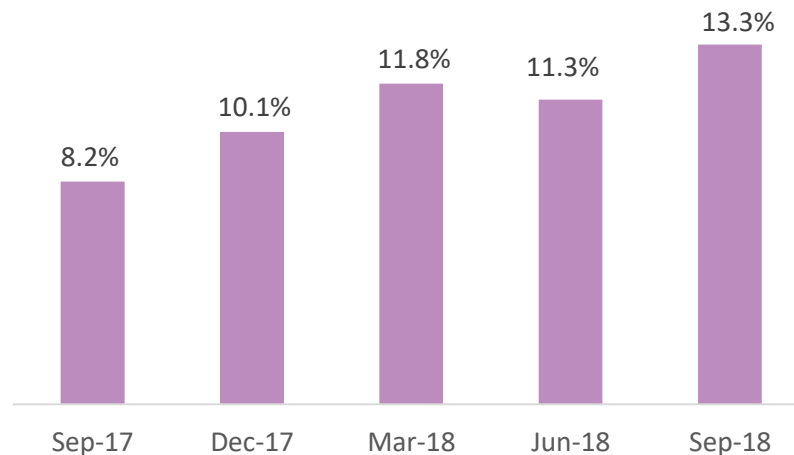
## No of Customers

(Total: 34.6 lacs | IBL: 14.9 lacs)



Customers acquired in Q2 FY19: 383K (Urban: 53K, Rural: 329K of which IBL: 141K)

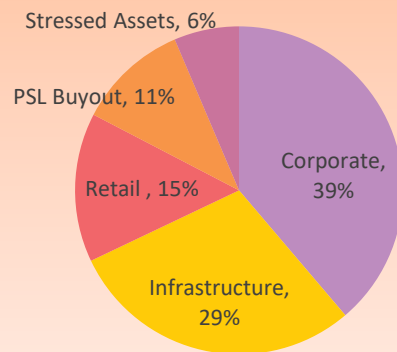
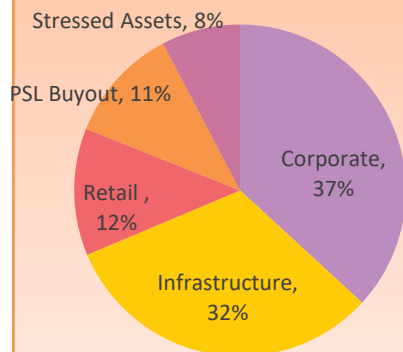
## CASA to Deposits



## Funded book diversified into Retail & Infra/Stressed assets decline

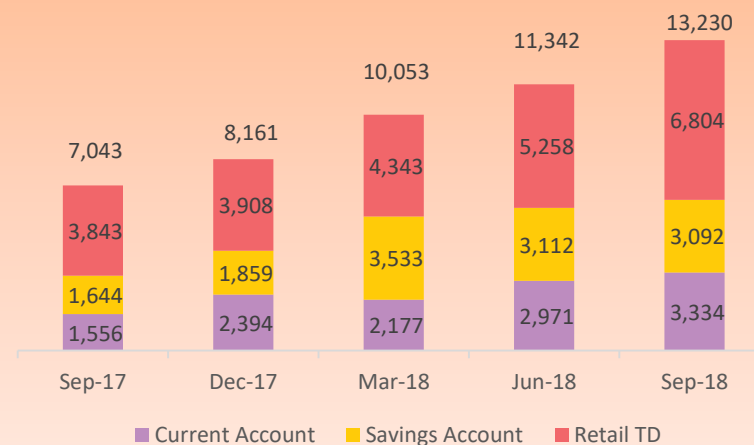
**Jun 18 (Rs. 75,191 Cr<sup>1</sup>)**

**Sep 18 (Rs. 75,331 Cr<sup>1</sup>)**



## CASA + Retail TD

All figures in INR Cr



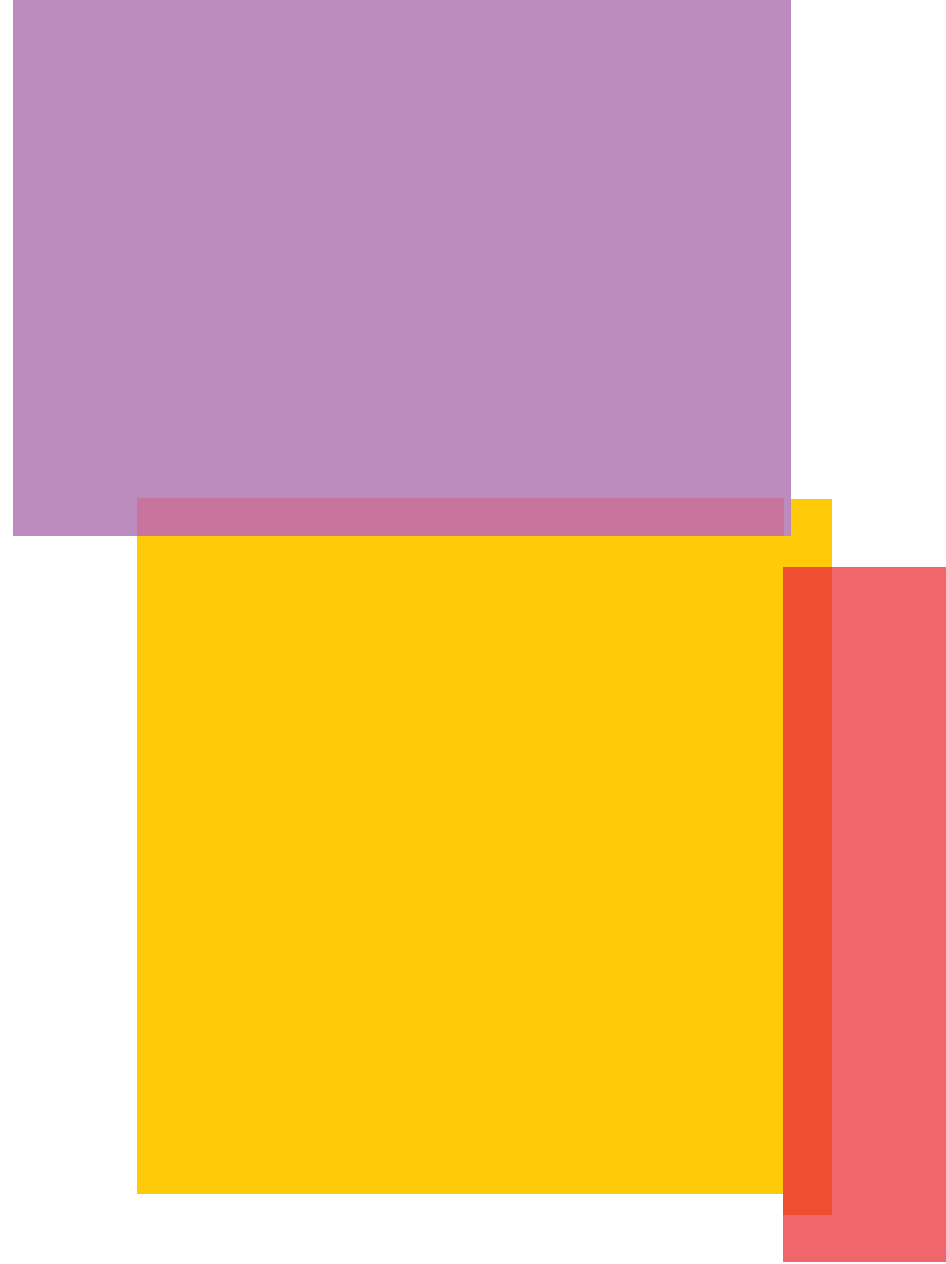
## Customers & Network

Number of Customers				
	Sep-17	Mar-18	Jun-18	Sep-18
Customers	19,41,647	27,00,238	30,80,115	34,62,757
Customers - excl IBL	8,29,061	14,08,795	17,36,232	19,77,582
CWB	1,039	1,137	1,180	1,256
Retail	8,28,022	26,99,101	30,78,935	34,61,501
Rural	5,47,644	22,84,718	25,96,719	29,25,812
Urban	2,80,378	4,14,383	4,82,216	5,35,689

Points of presence (PoP)				
	Sep-17	Mar-18	Jun-18	Sep-18
Total	14,126	18,096	19,138	21,201
Branches	100	150	170	203
ATM(s)	48	85	99	129
BC & IBL <sup>1</sup>	383	387	412	454
Customer Access Points <sup>2</sup>	13,595	17,474	18,457	20,415

1. BC: 101 (89), IBL: 353 (323); 2. Customer Access Points= Aadhar pay points + Micro ATMs

# FINANCIAL HIGHLIGHTS



## Balance sheet

In INR Cr.	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Shareholders' Funds	15,056	15,257	15,438	14,776	(4%)	(2%)	(3%)
Deposits	38,890	48,198	54,057	48,356	(11%)	24%	0%
Borrowings	59,944	57,287	47,591	52,875	11%	(12%)	(8%)
Other liabilities and provisions	6,062	5,778	5,934	7,248	22%	20%	25%
<b>Total Liabilities</b>	<b>1,19,952</b>	<b>1,26,520</b>	<b>1,23,021</b>	<b>1,23,255</b>	<b>0%</b>	<b>3%</b>	<b>(3%)</b>
Cash and Bank Balances	2,470	1,768	2,545	2,409	(5%)	(2%)	36%
Net Retail and Wholesale Assets	65,886	70,099	72,240	72,619	1%	10%	4%
Net Advances	48,830	52,165	53,215	53,868	1%	10%	3%
<i>Gross Advances</i>	<i>51,121</i>	<i>53,753</i>	<i>54,809</i>	<i>55,020</i>	<i>0%</i>	<i>8%</i>	<i>2%</i>
<i>Less: Provisions</i>	<i>(2,291)</i>	<i>(1,588)</i>	<i>(1,594)</i>	<i>(1,152)</i>	<i>(28%)</i>	<i>(50%)</i>	<i>(27%)</i>
Credit Investments	17,056	17,934	19,025	18,751	(1%)	10%	5%
<i>Credit Book</i>	<i>15,160</i>	<i>16,136</i>	<i>17,279</i>	<i>17,235</i>	<i>(0%)</i>	<i>14%</i>	<i>7%</i>
<i>Loan Equity</i>	<i>3,220</i>	<i>3,163</i>	<i>3,103</i>	<i>3,076</i>	<i>(1%)</i>	<i>(4%)</i>	<i>(3%)</i>
<i>Less: Provision</i>	<i>(1,324)</i>	<i>(1,365)</i>	<i>(1,356)</i>	<i>(1,560)</i>	<i>15%</i>	<i>18%</i>	<i>14%</i>
Statutory Investments	16,740	19,458	19,572	19,887	2%	19%	2%
<i>CRR</i>	<i>2,604</i>	<i>3,124</i>	<i>3,089</i>	<i>3,081</i>	<i>(0%)</i>	<i>18%</i>	<i>(1%)</i>
<i>SLR</i>	<i>14,136</i>	<i>16,334</i>	<i>16,483</i>	<i>16,806</i>	<i>2%</i>	<i>19%</i>	<i>3%</i>
Trading Investments	27,921	27,899	20,701	19,012	(8%)	(32%)	(32%)
Fixed and Other Assets	6,935	7,296	7,962	9,327	17%	34%	28%
<b>Total Assets</b>	<b>1,19,952</b>	<b>1,26,520</b>	<b>1,23,021</b>	<b>1,23,255</b>	<b>0%</b>	<b>3%</b>	<b>(3%)</b>

## Funded assets: Retail grows 19% & Corporate grows 5.5% QoQ; Stressed Assets decline

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Retail	4,722	7,966	9,323	11,070	19%	134%	39%
Wholesale	47,575	50,249	51,620	51,190	(1%)	8%	2%
Corporate	18,434	26,059	27,696	29,218	5%	58%	12%
Infrastructure	29,141	24,190	23,924	21,972	(8%)	(25%)	(9%)
PSL Buyout/RIDF	9,865	8,980	8,463	8,256	(2%)	(16%)	(8%)
Stressed Assets	5,317	4,874	4,827	2,896	(40%)	(46%)	(41%)
SRs	2,023	1,984	1,958	1,932	(1%)	(5%)	(3%)
Technical Write offs	(0)	(998)	(1,000)	(12)	(99%)	2523%	(99%)
<b>Total</b>	<b>69,501</b>	<b>73,055</b>	<b>75,191</b>	<b>75,331</b>	<b>0%</b>	<b>8%</b>	<b>3%</b>

## Non-Funded Assets

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Trade Related Non Funded Assets	25,421	27,903	26,201	25,624	(2%)	1%	(8%)
Forward and Derivative Contracts	1,80,784	1,87,428	2,09,938	2,40,658	15%	33%	28%
<b>Total</b>	<b>2,06,205</b>	<b>2,15,331</b>	<b>2,36,139</b>	<b>2,66,281</b>	<b>13%</b>	<b>29%</b>	<b>24%</b>

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

## Retail assets growing at a healthy clip

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
<b>Rural</b>	2,289	3,264	3,665	4,295	17%	88%	32%
JLG Total	2,192	3,042	3,384	3,915	16%	79%	29%
Micro Enterprise Loan	67	158	205	274	33%	309%	73%
Equipment Hypothecation Loan	5	13	15	21	37%	284%	58%
Micro Housing Loan	1	7	15	34	125%	NM	383%
Two-Wheeler Loan	24	44	46	50	10%	114%	15%
KCC	0	0	0	2	NM	NM	NM
<b>Urban</b>	2,433	4,704	5,657	6,775	20%	178%	44%
Home Loan	969	1,610	1,911	2,209	16%	128%	37%
Loan Against Property	316	621	776	997	29%	216%	61%
Personal Loan	185	374	483	641	33%	246%	71%
Business Loan	1	24	59	119	101%	NM	395%
MSME	248	512	640	843	32%	240%	65%
Working capital – Partnership	68	97	103	102	-1%	49%	5%
Commercial Vehicle	168	538	571	709	24%	322%	32%
SME	477	928	1,114	1,155	4%	142%	25%
<b>Retail (Funded)</b>	4,722	7,967	9,323	11,070	19%	134%	39%



## Wholesale assets diversifying away from Infra

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Wholesale Bank	47,575	50,249	51,620	51,190	(1%)	8%	2%
Corporates	18,434	26,059	27,696	29,218	5%	59%	12%
Conglomerates	2,850	3,941	3,289	3,219	(2%)	13%	(18%)
Health, Education, LRDs	3,216	4,127	4,373	4,345	(1%)	35%	5%
LC	3,478	5,565	5,422	6,073	12%	75%	9%
ELC	4,050	6,829	7,174	7,916	10%	95%	16%
MNC	666	637	711	937	32%	41%	47%
DFIG	4,174	4,960	6,728	6,727	0%	61%	36%
Infrastructure	29,141	24,190	23,924	21,972	(8%)	(25%)	(9%)
PSL Buyout	9,865	8,980	8,463	8,256	(2%)	(16%)	(8%)
PTC	7,317	6,206	5,570	5,025	(10%)	(31%)	(19%)
DA	1,839	654	591	542	(8%)	(71%)	(17%)
RIDF	709	2,120	2,302	2,689	17%	279%	27%

## Treasury Assets

Particulars	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)
<b>CRR</b>	<b>2,604</b>	<b>3,124</b>	<b>3,089</b>	<b>3,081</b>	<b>(0%)</b>	<b>18%</b>
<b>HTM: SLR securities</b>	<b>13,404</b>	<b>14,661</b>	<b>16,008</b>	<b>16,068</b>	<b>0%</b>	<b>20%</b>
<b>Trading Portfolio</b>	<b>28,653</b>	<b>29,600</b>	<b>21,280</b>	<b>19,896</b>	<b>(7%)</b>	<b>(31%)</b>
<b>Government Securities - A</b>	<b>24,925</b>	<b>24,162</b>	<b>17,260</b>	<b>16,327</b>	<b>(5%)</b>	<b>(34%)</b>
SLR	732	1,673	475	738	55%	1%
LCR / Others	24,193	22,489	16,785	15,589	(7%)	(36%)
<b>Bonds (Non - Repoable) - B</b>	<b>3,728</b>	<b>5,438</b>	<b>4,020</b>	<b>3,569</b>	<b>(11%)</b>	<b>(4%)</b>
Certificate of Deposit	0	249	0	0	NM	NM
Commercial Paper	13	524	24	24	0%	80%
Bonds & Debentures (ex Tax free)	1,123	2,046	1,367	930	(32%)	(17%)
Tax Free Bonds	2,592	2,619	2,629	2,615	(1%)	1%
<b>(Less) Provision</b>	<b>11.6</b>	<b>24.6</b>	<b>103.8</b>	<b>146.0</b>		
<b>Net Book value</b>	<b>44,650</b>	<b>47,360</b>	<b>40,273</b>	<b>38,899</b>	<b>(3%)</b>	<b>(13%)</b>

# Borrowing & Deposit analysis

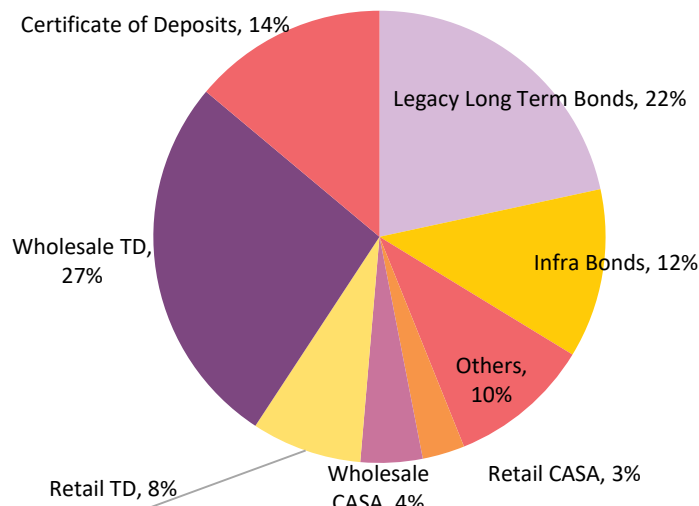
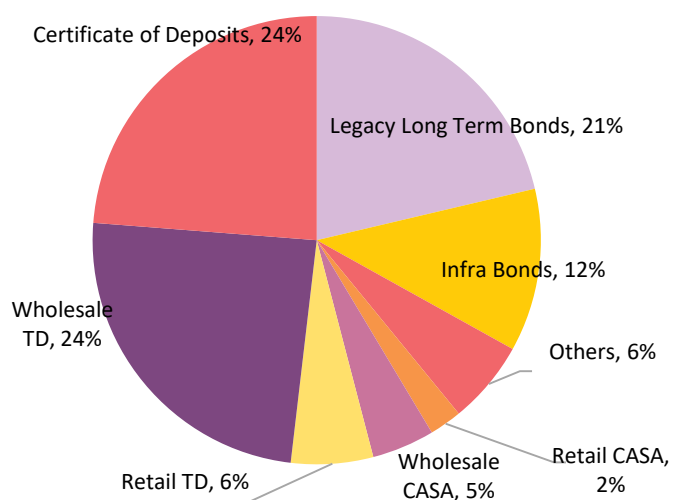
In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Legacy Long Term Bonds	25,464	21,405	18,909	18,632	(1%)	(27%)	(13%)
Infra Bonds	10,434	10,434	10,434	10,434	0%	0%	0%
Others (incl ECB / FCY / Refinance)	3,081	4,644	5,328	8,778	65%	185%	89%
<b>CASA</b>	<b>3,200</b>	<b>5,710</b>	<b>6,084</b>	<b>6,426</b>	6%	101%	13%
- Retail	810	1,617	2,078	2,609	26%	222%	61%
- Wholesale	2,389	4,093	4,006	3,817	(5%)	60%	(7%)
<b>Term Deposits</b>	<b>23,505</b>	<b>22,826</b>	<b>26,887</b>	<b>29,943</b>	11%	27%	31%
- Retail	3,843	4,343	5,258	6,804	29%	77%	57%
- Wholesale	19,662	18,483	21,629	23,139	7%	18%	25%
Certificate of Deposits	12,186	19,662	21,086	11,988	(43%)	(2%)	(39%)
<b>Borrowings + Deposits</b>	<b>77,870</b>	<b>84,681</b>	<b>88,727</b>	<b>86,200</b>	(3%)	11%	2%
Money Market (CBLO / REPO)	20,964	20,804	12,921	15,031	16%	(28%)	(28%)
<b>Total Borrowings</b>	<b>98,834</b>	<b>1,05,485</b>	<b>1,01,648</b>	<b>1,01,231</b>	(0%)	2%	(4%)

Jun 18

Borrowings (excluding Money Market)

Sep 18

All figures in ₹ Crores



## Yields and CoFs remain stable

Particulars	H1 FY18	Q1 FY19	Q2 FY19	H1 FY19
<b>Yields<sup>1</sup></b>	<b>9.3%</b>	<b>9.1%</b>	<b>9.4%</b>	<b>9.2%</b>
Retail	17.6%	14.9%	15.0%	14.9%
WB (including PSL Buyout)	9.3%	8.8%	8.8%	8.8%
<i>Corporate Banking</i>	9.3%	8.9%	9.0%	8.9%
<i>Infrastructure</i>	10.1%	9.4%	9.4%	9.4%
WB (excl PSL Buyout)	9.8%	9.1%	9.2%	9.2%
PSL Buyout	6.8%	6.7%	6.5%	6.6%
<i>Stressed Assets</i>	3.4%	2.5%	3.8%	3.1%
<b>Average Cost of Funds</b>	<b>7.5%</b>	<b>7.4%</b>	<b>7.6%</b>	<b>7.5%</b>
CASA + Retail TD	5.7%	5.4%	5.9%	5.7%
Corporate Deposits	6.5%	7.0%	7.2%	7.1%
Legacy Borrowings	8.7%	8.8%	8.8%	8.8%
<b>Spreads</b>	<b>1.8%</b>	<b>1.7%</b>	<b>1.7%</b>	<b>1.7%</b>

1. Yields excluding SRs and grossed up for commission paid to IBL and other BCs

Note: Yields and CoFs excluding treasury assets and CBLO / REPO borrowings respectively

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

## Stressed asset book falls; PCR at 80%

Particular	Sep-17	Mar-18	Jun-18	Sep-18
<b>Stressed Assets</b>	5,317	4,874	4,827	2,896
<i>NPL</i>	2,002	2,769	2,765	895
<i>Others Loans</i>	2,118	927	918	856
<i>Stressed Equity</i>	1,197	1,178	1,144	1,144
<b>Provisions</b>	3,350	3,707	3,717	2,317
<i>NPL</i>	1,197	1,878	1,884	574
<i>Others Loans</i>	1,161	814	825	598
<i>Stressed Equity</i>	992	1,015	1,008	1,144
<b>PCR</b>	63%	76%	77%	80%
<b>NPL (% of stressed assets)</b>	37.7%	56.8%	57.3%	30.9%
<b>GNPL</b>	3.9%	3.3%	3.2%	1.6%
<b>NNPL</b>	1.6%	1.7%	1.6%	0.6%

## Profit & Loss Statement (MIS-Standalone + IBL)

Particulars	Q1 FY19	Q2 FY19	H1 FY18	H1 FY19	% Growth (QoQ)	% Growth (YoY)
Operating Income	603	596	1,262	1,199	(1%)	(5%)
Net Interest Income	448	464	811	912	4%	12%
Wholesale	324	309	644	633	(5%)	(2%)
Retail	185	214	219	399	15%	82%
PSL Drag	(26)	(40)	(49)	(65)	NM	NM
SRs	(34)	(33)	(72)	(67)	NM	NM
Stressed Assets	(2)	15	69	13	NM	(82%)
Non Interest Income	123	133	250	256	8%	2%
Recurring Fees	120	128	181	248	6%	37%
Loan Related Fees	45	55	83	101	22%	21%
Trade & Cash Management Fees	36	39	56	75	7%	35%
Client Fx Margins	20	15	26	35	(26%)	34%
Debit Cards & Digital Transaction Fees	13	12	10	26	(8%)	168%
Wealth Management	3	3	2	6	3%	135%
Other Retail Fees	2	3	4	6	35%	33%
Other Fees	3	5	69	8	92%	(88%)
IB Fees	1	2	43	3	48%	(92%)
DCM & Syndication fees	2	3	24	5	15%	(80%)
Other Income	(1)	1	2	(0)	NM	NM
Treasury Income	32	(1)	200	31	NM	(84%)
Operating Expenses	499	608	827	1,108	22%	34%
HR	205	218	332	423	6%	27%
Non HR	250	342	423	592	36%	40%
IBL Expenses	44	49	72	93	12%	28%
PPOP	104	(12)	435	91	NM	(79%)
Provisions	23	539	13	562	NM	NM
Specific	13	518	10	530	NM	NM
Others	10	22	3	32	NM	NM
PBT (Excl Asset Sale)	81	(551)	422	(471)	NM	NM
Asset Sale/one offs	157	0	616	157	NM	(74%)
PBT	237	(551)	1,037	(314)	NM	NM
Tax	46	(192)	364	(147)	NM	NM
PAT	192	(359)	673	(167)	NM	NM

- Retail NII has been grossed up with the Commission paid to IBL and Other BCs and the same has been shown in operating expense line.
- Some of the Operating expenses items such as DICGC premium, brokerage, etc which were netted off from NII earlier have now been moved to Operating expenses.

## Financials: Key ratios (MIS – Standalone + IBL)

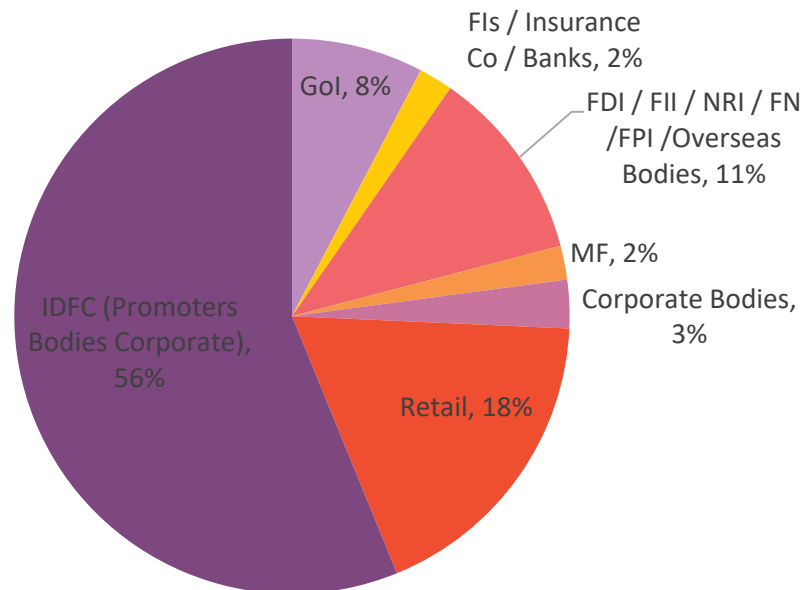
Particular	H1 FY18	FY 18	Q1 FY19	H1 FY19
Return on Assets	1.2%	0.7%	0.6%	(0.3%)
Return on Equity	9.1%	5.7%	5.0%	(2.2%)
EPS (Rs.)	2.0	2.5	0.6	(0.5)
Book Value Per Share (Rs.)	44.3	44.8	45.4	43.4
NIMs	1.9%	1.7%	1.9%	1.9%
Cost/Income <sup>1</sup>	44.0%	54.1%	65.7%	81.7%
Capital Adequacy Ratio	19.3%	18.0%	19.3%	19.2%
<i>Of which Tier I</i>	<i>19.0%</i>	<i>17.7%</i>	<i>18.9%</i>	<i>18.8%</i>
Gross NPL (% of Loans)	3.9%	3.3%	3.2%	1.6%
Net NPL (%)	1.6%	1.7%	1.6%	0.6%
CASA/Total Deposits	8.2%	11.8%	11.3%	13.3%
Price/Book	1.3	1.1	0.9	0.8

1. Income considered for calculation includes asset sale

# Shareholding pattern

## Top 10 shareholders

Shareholder Name	Category	% Of total Equity
Gol	Gol	7.7%
Platinum Investment Management	FII / FDI	2.6%
Vanguard	FII / FDI	1.4%
Emerging Markets Funds	FII / FDI	1.2%
LIC	FIs / Insurance Co / Banks	0.8%
Blackrock Fund	FII / FDI	0.8%
Wellington Trust Company National Association	FII / FDI	0.6%
Kotak	MF	0.5%
Goldman Sachs Investments (Mauritius) I Ltd	P-Note	0.5%
Auburn Limited	FII / FDI	0.4%







THANK YOU