

Pillar 3- Table DF-11
Basel III common disclosure March 31, 2016

			₹ million	
Composition of Capital as at March 31, 2016			Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital : instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	113,839		a=a1+a2
2	Retained earnings	12,129		b
3	Accumulated other comprehensive income (and other reserves)	10,358		c=c1+c2+c3+c4+c5
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-		
	Public sector capital injections grandfathered until January 1, 2018	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6	Common Equity Tier 1 capital before regulatory adjustments	136,326		
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments	-		
8	Goodwill (net of related tax liability)	-		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10	Deferred tax assets	3,208		
11	Cash-flow hedge reserve	-		
12	Shortfall of provisions to expected losses	-		
13	Securitisation gain on sale	-		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-		
15	Defined-benefit pension fund net assets	-		
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	-		
17	Reciprocal cross-holdings in common equity	-		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20	Mortgage servicing rights (amount above 10% threshold)	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22	Amount exceeding the 15% threshold	-		
23	of which : significant investments in the common stock of financial entities	-		
24	of which : mortgage servicing rights	-		
25	of which : deferred tax assets arising from temporary differences	-		
26	National specific regulatory adjustments (26a+26b+26c+26d)	-		
26a	of which : Investments in the equity capital of the unconsolidated insurance subsidiaries	-		
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	-		
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-		
26d	Unamortised pension funds expenditures	-		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		
28	Total regulatory adjustments to Common Equity Tier 1	3,208		
29	Common Equity Tier 1 capital (CET1)	133,118		
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	-		
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-		
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-		
35	of which : instruments issued by subsidiaries subject to phase out	-		
36	Additional Tier 1 capital before regulatory adjustments	-		

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Composition of Capital as at March 31, 2016		Amounts Subject to Pre-Basel III Treatment	Ref No.
Additional Tier 1 capital : regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (41a+41b)	-	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-	
	of which : [INSERT TYPE OF ADJUSTMENT e.g. DTAs]	-	
	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]	-	
	of which : [INSERT TYPE OF ADJUSTMENT]	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	Total regulatory adjustments to Additional Tier 1 capital	-	
44	Additional Tier 1 capital (AT1)	-	
45	Tier 1 capital (T1 = CET1 + AT1) (29 + 44)	133,118	
Tier 2 capital : instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	
47	Directly issued capital instruments subject to phase out from Tier 2	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49	of which : instruments issued by subsidiaries subject to phase out	-	
50	Provisions	3,319	d
51	Tier 2 capital before regulatory adjustments	3,319	
Tier 2 capital : regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments (56a+56b)	-	
56a	of which : Investments in the Tier 2 capital of unconsolidated subsidiaries	-	
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-	
	of which : existing adjustments which are deducted from Tier 2 at 50%]	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	3,319	
59	Total capital (TC = T1 + T2) (45 + 58)	136,436	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		
60	Total risk weighted assets (60a + 60b + 60c)	619,022	
60a	of which : total credit risk weighted assets	458,598	
60b	of which : total market risk weighted assets	119,878	
60c	of which : total operational risk weighted assets	40,546	
Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	21.50%	
62	Tier 1 (as a percentage of risk weighted assets)	21.50%	
63	Total capital (as a percentage of risk weighted assets)	22.04%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	6.125%	

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			Ref No.
65	of which : capital conservation buffer requirement	0.625%	
66	of which : bank specific countercyclical buffer requirement	0.00%	
67	of which : G-SIB buffer requirement	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	0.00%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	6.125%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	13.00%	
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	-	
73	Significant investments in the common stock of financial entities	-	
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)		
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	3,319	d
77	Cap on inclusion of provisions in Tier 2 under standardised approach	5,732	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	NA	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	NA	
82	Current cap on AT1 instruments subject to phase out arrangements	NA	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	NA	
84	Current cap on T2 instruments subject to phase out arrangements	NA	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	NA	
Notes to the template			
Row	Particular	₹ Mil	
10	Deferred tax assets associated with accumulated losses	-	
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-	
		16,841	
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-	
	<i>of which : Increase in Common Equity Tier 1 capital</i>	NA	
	<i>of which : Increase in Additional Tier 1 capital</i>	NA	
	<i>of which : Increase in Tier 2 capital</i>	NA	
		NA	
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	-	
		-	
	<i>(i) Increase in Common Equity Tier 1 capital</i>	-	
	<i>(ii) Increase in risk weighted assets</i>	NA	
		NA	
50	Eligible Provisions included in Tier 2 capital	-	
	Eligible Revaluation Reserves included in Tier 2 capital	0	
		-	



IDFC BANK

Pillar 3 Table DF-12

₹ Million		
Composition of Capital - Reconciliation Requirements Step-1	Balance sheet as in financial statements As on 31 March 2016	Balance sheet under regulatory scope of Consolidation As on 31 March 2016
i. Paid-up Capital	33,926	33,926
Reserves & Surplus	102,399	102,399
Minority Interest	-	-
Total Capital	136,326	136,326
ii. Deposits	82,190	82,190
<i>of which : Deposits from banks</i>	3,675	3,675
<i>of which : Customer deposits</i>	77,760	77,760
<i>of which : Other deposits (Savings)</i>	756	756
iii. Borrowings	479,138	479,138
<i>of which : From RBI</i>	-	-
<i>of which : From banks</i>	34,864	34,864
<i>of which : From other institutions & agencies</i>	377,404	377,404
<i>of which : Others (Borrowings outside India)</i>	66,870	66,870
<i>of which : Capital instruments</i>	-	-
iv. Other liabilities & provisions	42,044	42,044
Total Capital and Liabilities	739,699	739,699
B Assets		
i. Cash and balances with Reserve Bank of India	19,008	19,008
Balance with banks and money at call and short notice	10,031	10,031
ii. Investments :	200,912	200,912
<i>of which : Government securities</i>	116,923	116,923
<i>of which : Other approved securities</i>	-	-
<i>of which : Shares</i>	5,056	5,056
<i>of which : Debentures & Bonds</i>	58,947	58,947
<i>of which : Subsidiaries / Joint Ventures / Associates</i>	-	-
<i>of which : Others (Commercial Papers, Mutual Funds etc.)</i>	19,987	19,987
iii. Loans and advances	456,994	456,994
<i>of which : Loans and advances to banks</i>	526	526
<i>of which : Loans and advances to customers</i>	456,468	456,468
iv. Fixed assets	6,729	6,729
v. Other assets	46,025	46,025
<i>of which : Goodwill and intangible assets</i>	-	-
<i>of which : Deferred tax assets</i>	16,841	16,841
vi. Goodwill on consolidation	-	-
vii. Debit balance in Profit & Loss account	-	-
Total Assets	739,699	739,699



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Pillar 3 Table DF-12

			₹ Million
Composition of Capital - Reconciliation Requirements Step-2	Balance sheet as in financial statements As on 31 March 2016	Balance sheet under regulatory Scope of Consolidation As on 31 March 2016	Ref
A Capital & Liabilities			
i. Paid-up Capital	33,926	33,926	a1
Reserves & Surplus	102,399	102,399	
<i>of Which Share Premium</i>	79,912	79,912	a2
<i>of Which: Balance in Profit and loss account</i>	12,129	12,129	b
<i>of Which : Statutory Reserves</i>	1,180	1,180	c1
<i>of Which : General Reserves</i>	6,869	6,869	c2
<i>of Which : Capital Reserves</i>	825	825	c3
<i>of Which : Special Reserves</i>	1,450	1,450	c4
<i>of Which : ESOP outstanding</i>	33	33	c5
Minority Interest	-	-	
Total Capital	136,326	136,326	
<i>of which : Amount eligible for CET1</i>	136,326	136,326	
<i>of which : Amount eligible for AT1</i>	-	-	
ii. Deposits	82,190	82,190	
<i>of which : Deposits from banks</i>	3,675	3,675	
<i>of which : Customer deposits</i>	77,760	77,760	
<i>of which : Other deposits (Savings Accounts)</i>	756	756	
iii. Borrowings	479,138	479,138	
<i>of which : From RBI</i>	-	-	
<i>of which : From banks</i>	34,864	34,864	
<i>of which : From other institutions & agencies</i>	377,404	377,404	
<i>of which : Others (pl. specify)</i>	66,870	66,870	
<i>of which : Capital instruments</i>	-	-	
iv. Other liabilities & provisions	42,044	42,044	
of which : Provision against standard Assets	3,319	3,319	d
of which : DTLs related to goodwill	-	-	
of which : DTLs related to intangible assets	-	-	
Total Capital and Liabilities	739,699	739,699	



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Pillar 3 Table DF-12

			₹ Million
Composition of Capital - Reconciliation Requirements Step-2	Balance sheet as in financial statements As on 31 March 2016	Balance sheet under regulatory Scope of Consolidation As on 31 March 2016	Ref
B Assets			
i. Cash and balances with Reserve Bank of India	19,008	19,008	
Balance with banks and money at call and short notice	10,031	10,031	
ii. Investments :	200,912	200,912	
<i>of which : Government securities</i>	116,923	116,923	
<i>of which : Other approved securities</i>	-	-	
<i>of which : Shares</i>	5,056	5,056	
<i>of which : Debentures & Bonds</i>	58,947	58,947	
<i>of which : Subsidiaries / Joint Ventures / Associates</i>	-	-	
<i>of which : Others (Commercial Papers, Mutual Funds etc.)</i>	19,987	19,987	
iii. Loans and advances	456,994	456,994	
of which : Loans and advances to banks	526	526	
of which : Loans and advances to customers	456,468	456,468	
iv. Fixed assets	6,729	6,729	
v. Other assets	46,025	46,025	
of which : Goodwill and intangible assets			
Out of which : Goodwill	-	-	
Out of which : Other intangibles (excluding MSRs)	-	-	
Out of which : Deferred tax assets	16,841	16,841	
vi. Goodwill on consolidation	-	-	
vii. Debit balance in Profit & Loss account	-	-	
Total Assets	739,699	739,699	



IDFC BANK

Pillar III -DF 13

Main Features of Regulatory Capital Instruments

#	Particulars	Equity Shares
1	Issuer	IDFC Bank
2	Unique identifier	INE092T01019
3	Governing laws of the instrument	Applicable Indian statutes and regulatory requirements
	Regulatory Treatment	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post- transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/group & solo	Solo and Group
7	Instrument type	Common Shares
8	Amount recognised in the regulatory capital (` in million as of December 31, 2015) #	33,926
9	Par value of instrument (` in million)	10
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Various*
12	Perpetual or dated	Perpetual
13	Original maturity date	No Maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	Coupons/ dividends	Dividend
17	Fixed or floating dividend/coupon	Not applicable
18	Coupon rate and any related index	Not applicable
19	Existence of a dividend stopper	Not applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Not applicable
24	If convertible, conversion trigger(s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If write-down, description of write-up mechanism	Not applicable
35	Position in subordination heirarchy in liquidation (specify instrument type immediately senior to instrument)	All Depositors, Bond holders and Creditor of the Bank
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable

Represents Paid up Capital

* Note: Dates of allotment of equity shares in Annexure-I



Pillar III -DF 13

Main Features of Regulatory Capital Instruments

Annexure I :Dates of allotment of Equity shares

Date of Allotment	No of Shares		Issue Price	Cumulative Equity Shares	Remarks
21-Oct-14	50,000		10	50,000	Initial subscribers to the Memorandum of Association
7-Jul-15	1,250,000,000		40	1,250,050,000	Shares were issued to IDFC Financial Holding Company Limited on rights basis at a premium of Rs.30/- (Rupees Thirty only)
30-Sep-15	547,462,668		37.08	1,797,512,668	Shares were issued to IDFC Financial Holding Company Limited on rights basis at a premium of Rs. 27.08/- (Rupees Twenty Seven and Eight paisa only)
9-Oct-15	1,594,020,668		39.11	3,391,533,336	Pursuant to Scheme of Demerger
28-Nov-15	1,090,000	60,000	47.95	3,392,623,336	Share Allotment on exercise of stock Option under Employee Stock Option Scheme
		30,000	57.58		
		1,000,000	53.34		



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Terms and Conditions of Equity Shares of IDFC Bank

Sr. No	Particulars	Terms
1.	Voting shares	Equity shares of IDFC Bank are voting shares
2.	Limit on voting rights	Limits on voting rights are applicable as per provisions of the Banking Regulation Act, 1949. A proxy may not vote the equity shares except on a poll. Registered holders of equity shares withdrawn from the depository facility under the Deposit Agreement will be entitled to vote and exercise other direct shareholder rights in accordance with applicable Indian law.
3.	Position in subordination hierarchy	Represent the most subordinated claim in liquidation of the Bank. The paid up amount is neither secured/covered by a guarantee of the issuer or related entity nor subject to any other arrangement that legally or economically enhances the seniority of the claim
4.	Claim on residual assets	Entitled to a claim on the residual assets, which is proportional to its share of paid up capital; after all senior claims have been repaid in liquidation (i.e Has an unlimited and variable claim, not a fixed or capped claim).
5.	Perpetuity	Principal is perpetual and never repaid outside of liquidation (except discretionary repurchases/ buy backs or other means of effectively reducing capital in a discretionary manner that is allowable under relevant law as well as guidelines, if any, issued by RBI in the matter). The Bank does nothing to create an exception at issuance that the instrument will be bought back, redeemed or cancelled nor do the statutory or contractual terms provide any feature which might give rise to such an expectation.
6.	Distributions	Distributions are paid out of Distributable items (retained earnings included). The level of distributions is not in any way linked to the amount paid up at issuance and is not subject to a contractual cap (except to the extent that a bank is unable to pay distributions that exceed the level of distributable items). There are no circumstances under which the distributions are obligatory. Non – payment is therefore, not an event of default. Distributions are paid only after legal and contractual obligations have been met and payments on more senior capital instruments have been made. There are no preferential distributions, including in respect of other elements classified as the highest quality issued capital
7.	Loss Absorption	It is the paid up capital that takes the first and proportionately greatest share of any losses as they occur. Within the highest quality capital, each instrument absorbs losses on a going concern basis, proportionately and pari- passu with all the other common shares.
8.	Accounting classification	The paid up amount is classified as equity capital. It is classified as equity in the Banks Balance sheet.
9.	Directly issued and paid – up	Share are directly issued and paid up. The Bank cannot directly or indirectly fund the purchase of its own common shares. Banks should also not extend loans against their own shares.
10.	Approval for issuance	Paid up capital is only issued with the approval of the owners of the Bank, either given directly by the owners or, if permitted by applicable law, given by the Board of Directors or by other persons duly authorized by the owners.