



CHAIRMAN'S STATEMENT

I deem it a privilege to address my first message to the shareholders of IDFC Bank, as the Chairman of the Board of Directors. I have been associated with the IDFC Limited, as Chairman of the IDFC Foundation for the last 5 years. The IDFC Group has played a leading role in the nation's infrastructure development through its multiple financial entities. As we now embark on the journey of building a bank, we will continue our agenda of nation building and develop a truly universal bank that serves the interests of all segments of society.

Fiscal 2016 was truly historic for us. It witnessed the creation of IDFC Bank on October 01, 2015 and its formal inauguration by the Hon'ble Prime Minister, Shri Narendra Modi, on October 19, 2015, at an event in New Delhi.

The timing of the Bank launch seems to be opportune. India is well placed in the global context of uncertain and slowing growth, albeit some distance away from achieving its full potential. The confluence of the trinity of JAM (Jan Dhan, Aadhaar and mobile technology), increasing models of payment platforms and FinTech has

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transformational potential for delivery of financial services at affordable costs to disadvantaged and low-income segments of society. And herein we see an opportunity to re-imagine banking and deliver innovative solutions to customers across businesses.

We will focus on a calibrated organic growth of branch network across India. As of the last financial year, our Bank had 60 branches, 45 of which are in the underbanked / unbanked areas of Madhya Pradesh and Karnataka.

As a new age bank, our efforts are to leverage the digital space and use technology to deliver banking to our customers in a simple and transparent manner. Customers can now speak to trained bankers 24x7, through our Banker-on-Call facility, instead of IVRs. The Bank's micro-ATMs, positioned outside the branches, function like a Bank in a Box, enabling customers of all banks to carry out transactions any time any where.

Customer response to our products and offerings in the last few months has been very encouraging. Feedback on

our internet portal for corporate banking customers, branch design, Banker-on-Call, seamless opening of savings account - based on Aadhaar, micro-ATMs and many other products and services has been very positive. Such feedback and response give us the confidence that we are on the right path to fulfil our vision.

On behalf of the Board of Directors, I want to assure you that we are committed to providing the highest standards of governance and to ensure this, all the systems, procedures and structures of good governance have been put in place. Your Board comprises eminent members drawn from diverse backgrounds; requisite Board Committees have been constituted; and policy framework and operating procedures needed for smooth banking operations have been laid down. The Bank is extremely well capitalised and is ideally placed to take advantage of available opportunities. The Executive Committee of the Bank under the proven leadership of the Founder Managing Director & CEO has developed a robust strategy for the build out of the Bank.

Your Bank is fully committed to its remit of Corporate Social Responsibility in letter and spirit of the extant law. It will continue to focus on sustainable and outcome based programmes through the platform of IDFC Foundation.

I thank you all the esteemed shareholders in facilitating a complex but successful transition to IDFC Bank. I look forward to your continued support and guidance, as we march ahead to fulfil the vision of our Bank.



Anil Baijal

Independent Non-Executive Chairman