



IDFC FIRST Bank | आई डी एफ सी फर्स्ट बैंक

BKC BRANCH

Investor Presentation – Q2 FY25

IDFC FIRST Bank

Our Vision

TO BUILD A WORLD
CLASS BANK IN INDIA,

GUIDED BY  **ETHICS,**

POWERED BY  **TECHNOLOGY,**

AND

BE A FORCE FOR  **SOCIAL GOOD**



Key Highlights of Q2 FY25

Deposits

- Strong growth of **32.4% YoY** in Customer Deposits, reaches Rs. 2,18,026 crore
- Strong growth of **37% YoY** in Retail Deposits, reaches Rs. 1,75,300 crore
- Strong growth of **37.5% YoY** in CASA deposits, reaches Rs. 1,09,292 crore
- High CASA Ratio at **48.9%**
- Cost of funds, was stable at **6.46%**; Excluding legacy borrowings, cost of funds were **6.37%** in Q2-FY25
- Cost of deposits was stable at **6.38%**

Loans & Advances

- Healthy growth of **21.5% YoY** in **Total Loan Book**, reaches Rs. 2,22,613 crore
- **Retail** Loan Book grew **25.1% YoY**
- **Corporate** Loan (non-infra) Book grew **20.0% YoY**
- Microfinance portfolio as % of overall loan book reduced from **6.3%** in June-2024 to **5.6%** in Sep-2024.

Asset Quality

- Gross NPA of the Bank marginally increased by 2 bps QoQ to **1.92%**
- Net NPA of the Bank improved by 11 bps QoQ to **0.48%**
- **Provision Coverage** ratio improved by 589 bps QoQ to **75.27%**
- SMA 1+2 of Retail, Rural and MSME Book (excluding micro-finance) improved by 8 bps QoQ to **0.87%**.
- Collection Efficiency (early bucket) in urban retail book is stable at **99.5%**
- Collection Efficiency (early bucket) in micro-finance book deteriorated by 40 bps to **98.6%**
- Since Jan 24, microfinance loans are insured by **CGFMU**. **50%** of micro-finance book is insured by CGFMU currently, likely to go up to **75% by March 2025**.

Rating

- **CARE & CRISIL ratings** have **re-affirmed** the Long Term Credit Rating of **AA+ (Stable)**
- Fixed Deposit Program has been rated "**AAA**" by **CRISIL Ratings** recently

Key Highlights of Q2 FY25

Provisions

- Provisions for Q2 FY25 stood at **Rs. 1,732 crore**, primarily on account of prudent provisioning buffer of **Rs. 568 crore** created for microfinance business (Rs. 315 crore) and one legacy infrastructure toll road account
 - micro-finance Business:** The Bank has made conservative **contingency provision of Rs. 315 crore** against the **micro-finance** business, equivalent of ~ **99% of the SMA-1+2** portfolio and is **2.5% of the entire portfolio** in this business segment as of Sep-2024
 - Legacy infrastructure Toll Road Account:** Maharashtra Government withdrew toll charges at Mumbai Entry Point, which adversely affected our Infrastructure customer. Bank took 100% provision and made **additional provision of Rs. 253 crore** on pro-active basis
 - Excluding the provision in microfinance portfolio and without the additional provision buffer created on the legacy toll account, the quarterly annualized credit cost for the loan book for Q2-FY25 was **1.8%**

Profitability

- Net Interest Income (NII) increased **21% YoY**;
- Marginal reduction of 4 bps QoQ in Net Interest Margin on AUM to **6.18%**
- Steady growth of **21% YOY** in Operating income
- Operating expenses grew at a reduced pace of **18% YoY**
- Core Operating Profit (excluding trading gains) up by **28% YoY**; Operating Profit (including trading gain) up by **30% YoY**
- Profit after Tax of the Bank stood at **Rs. 201 crore**. Excluding the additional provision on toll account and prudent provision on micro-finance business, the Profit after Tax would be **Rs. 626 crore**

Capital

- Including the profits for H1 FY25, the Capital adequacy ratio was strong at **16.36%** with CET-I ratio of **13.84%**
- The merger of the Bank has been successfully completed in October 2024. As result of the merger, **Rs. 618 crore** was added to the Bank's net worth. Considering the same and calculated on September 30, 2024 numbers, the total CRAR would be **16.60%** with CET-I ratio of **14.08%**.
- Including the merger benefit, the book value of share (BVPS) was **Rs. 51.27**



TABLE OF CONTENTS

1	Building a Universal Bank	7
2	Deposits and Borrowings	14
3	Diversified Loan Portfolio	20
4	Robust Risk Framework	24
5	Digital Capabilities	42
6	Profitability & Capital	49
7	Credit Rating	60
8	Board of Directors	62
9	Progress on ESG	65
10	Awards & Recognition	69

IDFC FIRST Bank was created by merger of IDFC Bank and Capital First in December 2018

- **IDFC FIRST Bank** was created by the merger of Erstwhile IDFC Bank and Erstwhile Capital First on December 18, 2018.
- **Erstwhile IDFC Bank** started its operation as a Bank after demerger from IDFC Ltd, an infrastructure Financing Domestic Financial Institution. The loan assets and borrowings of IDFC limited were transferred to IDFC Bank at inception of IDFC Bank in 2015.
- **Erstwhile Capital First** was a successful consumer and MSME financing entity since 2012 with strong track record of growth, profits and asset quality.
- On merger, the Bank was renamed **IDFC FIRST Bank**.



IDFC FIRST Bank was created by merger of IDFC Bank and Capital First in December 2018

	Parameters	Erst. CAPITAL FIRST (30-Sep-2018)	Erst. IDFC Bank (30-Sep-2018)	IDFC FIRST Bank, (on merger) (31-Dec-2018)	IDFC FIRST Bank (now) (30-Sep-2024)	Change Since Merger
BALANCE SHEET	Loan Book	26,994*	75,332	1,04,660	2,22,613	▲ 112%
	Customer Deposit	0	36,369	38,455	2,18,026	▲ 5.6X
	Retail Deposit	0	9,008	10,400	1,75,300	▲ 16.9X
	CASA Ratio	0	13.0%	8.7%	48.9%	▲ 40.2%
PROFITABILITY	NIM %	8.2%	1.6%	3.1%	6.2%	▲ 3.1%
	Core PPOP to Average Asset	5.0%	0.10%	0.78%	2.40%	▲ 1.62%
	Cost to Income	47.5%	92.4%	82.2%	70.0%	▼ -12.2%
	Branches	0	203	206	961	▲ 4.7X

Profitability numbers for Sep-18 are for H1 FY19, Dec-18 are of Q3 FY19; Sep-24 are of H1 FY25

*AUM of Capital First as on 30 September 2018 stood at Rs. 32,623 crore. Funded book was Rs. 26,994 cr. As an NBFC Capital First did not have any deposits.

Post merger, the Bank undertook key initiatives to address the challenges and create necessary building blocks for future growth over the last 5 years..

We are happy to share that IDFC FIRST Bank has made significant progress on all counts during the last 5 years including **Deposits, Loan, Capital, Assets** and **Leadership Team Building**. Some of the key building blocks are summarized below -

01. Concluded Smooth Integration of IDFC Bank and Capital First

02. Defined the Vision of the Bank

03. Instilled Customer First Philosophy in the Bank

04. Built a strong Leadership Team

05. Created Robust Risk Management framework

06. Built Culture of Governance and independence of Control Functions

07. Built as Universal Bank with complete products and services →

08. Built a Strong Brand Image →

09. Launched New Products & Services and scaled them up →

10. Implemented Contemporary Technology, Digital innovation & analytics →

11. Upgraded Long Term Credit Rating by top credit rating agencies →

12. Strengthened ESG practices, improved ESG rating →

Bank has launched and scaled up many new products to build comprehensive product suite of an Universal bank

New Product Launched by the Bank Post-Merger

Loans	Deposits and Wealth Management	Payment & Fee Based Products
Micro Credit	IDFC FIRST Power Savings Account	Forex Cards
Digital Loans	NRI Seafarer Account	FIRST Digital RuPay Credit Card
KCC	Green Fixed Deposit	WOW! Credit Card*
Agri / Farmer Loans	Digital Fixed Deposit	Credit Card
CV Loans	Startup Current Account	Forex Solutions
Gold Loan	FIRST Booster & FIRST Advantage Auto Sweep	FASTag
New Car Loan	World Business Account	Cash Management Service
Education Loan	Wealth Management	
Tractor Loans		
Prime Home Loans		
Construction Equipment Loan		

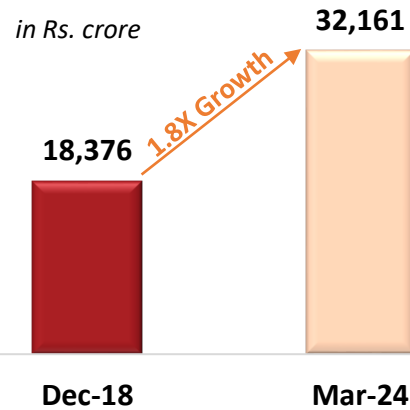
- The Bank has launched more than 20 product in the last 5 years since merger.
- Most of businesses are in the early stage of their lifecycle
- The Bank made investments in people, technology, marketing, distribution etc in the initial phase.
- In the longer run, these will provide stable profit streams as they scale up.
- The Bank also scaled up all the existing products including the ones added after the after merger

* Against Fixed Deposits

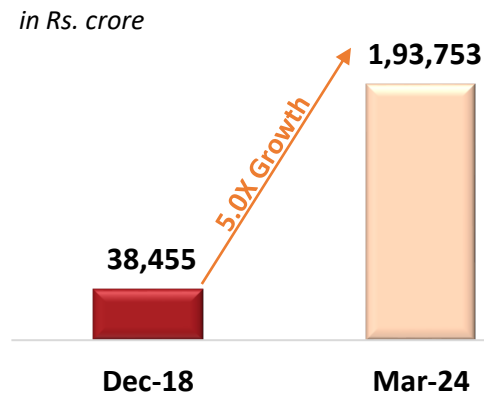


Bank has made strong Progress in key financial & business parameters in the last 5 Years

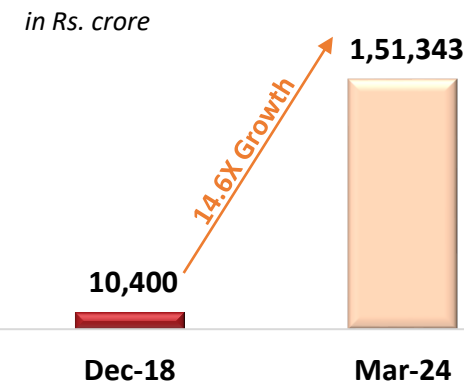
Net-worth



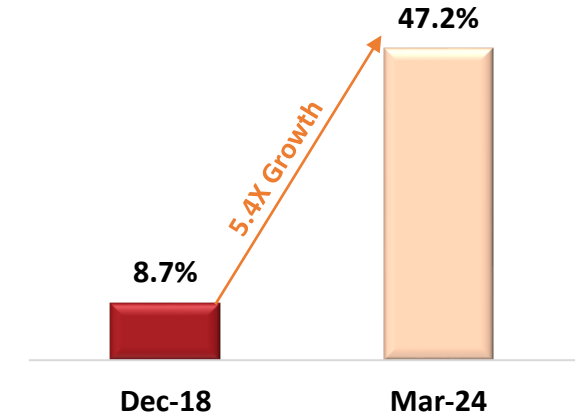
Customer Deposit



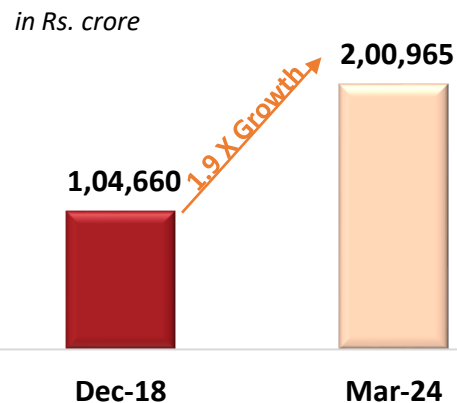
Retail Deposit



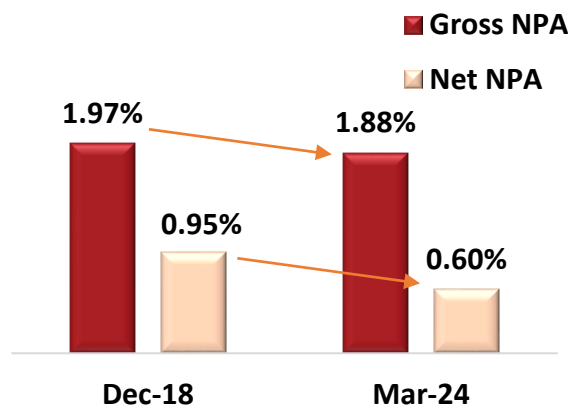
CASA Ratio



Loan Growth



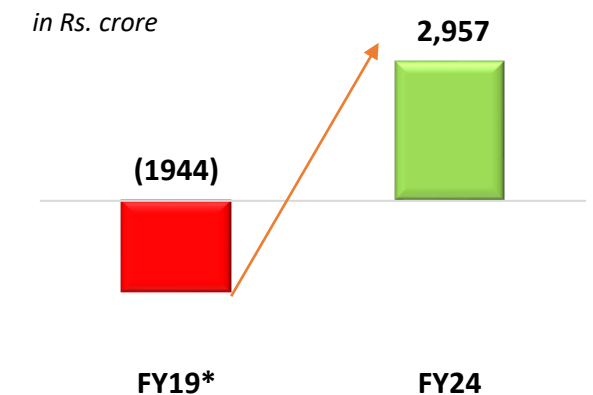
GNPA & NNPA



Asset Quality

- On merger, the Bank had large and concentrated exposure in infrastructure and corporate Loans.
- Bank has run-down the portfolio
- It is now currently 1.2% of the total funded book.

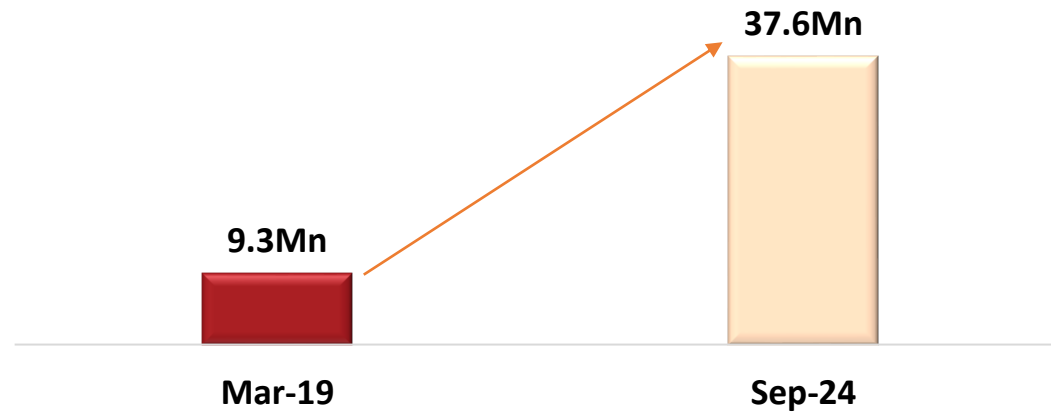
Profit After Tax



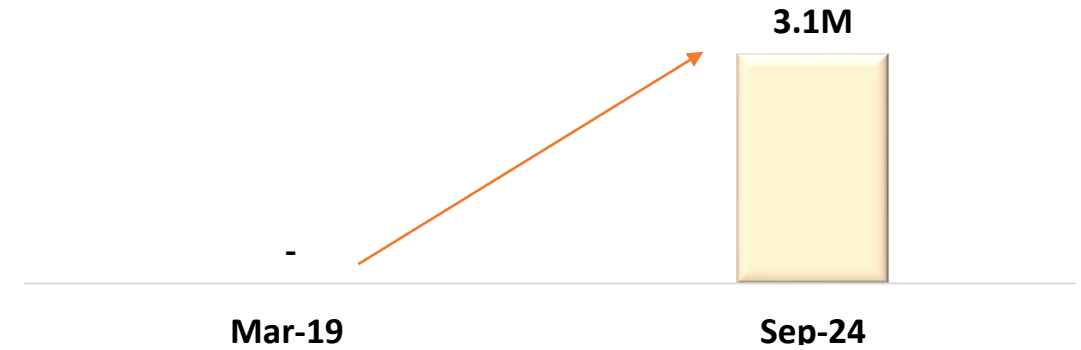
Loan book growth includes Credit Substitutes; *As per the reported financials for the period ended March 31, 2019. Net Loss of FY19 includes goodwill write-off, excluding the impact of goodwill write off, net loss would have been only Rs. 253 Crores.

Bank has built a strong franchise of 38 m customers

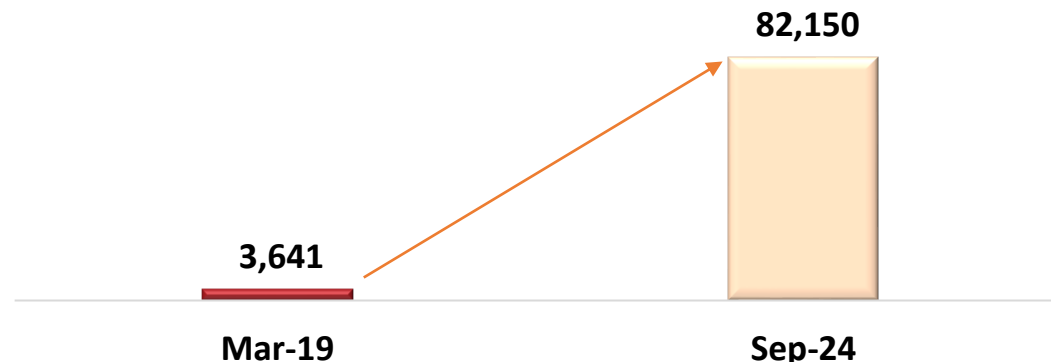
Total Unique Customers



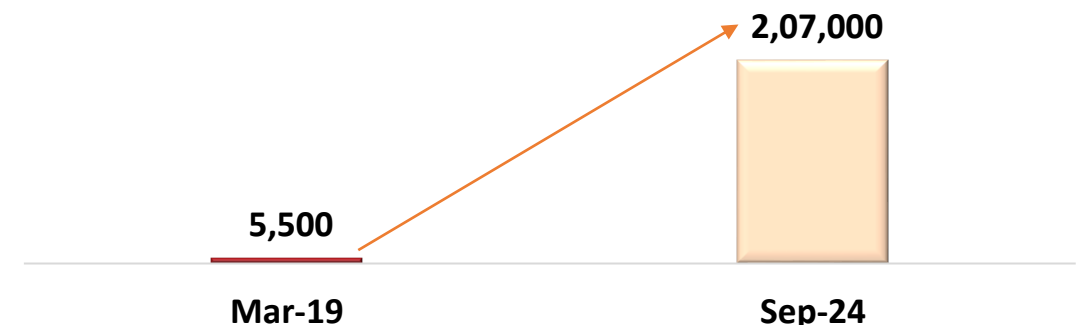
Credit Cards in Force



NRI Customers

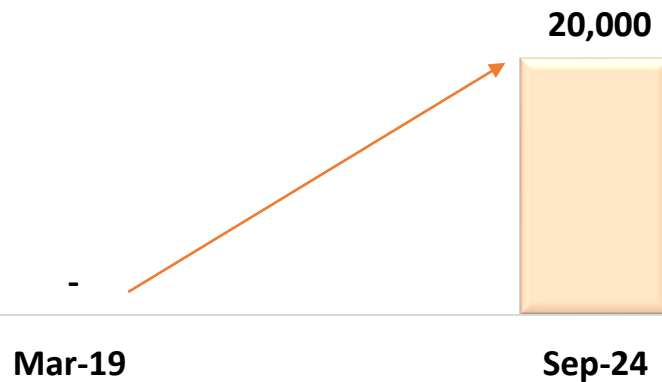


Wealth Management

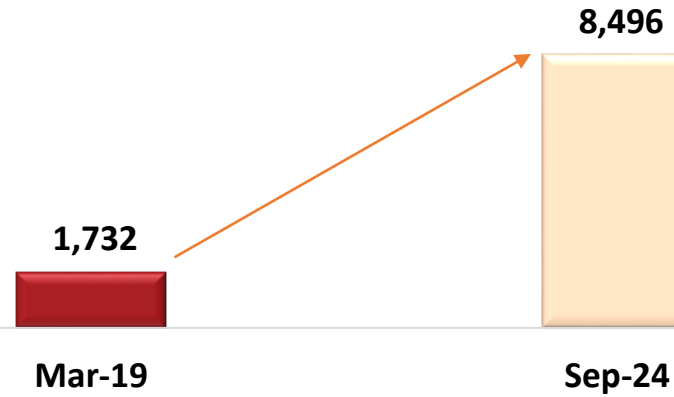


Expanding customer franchise in SME & Corporate Banking

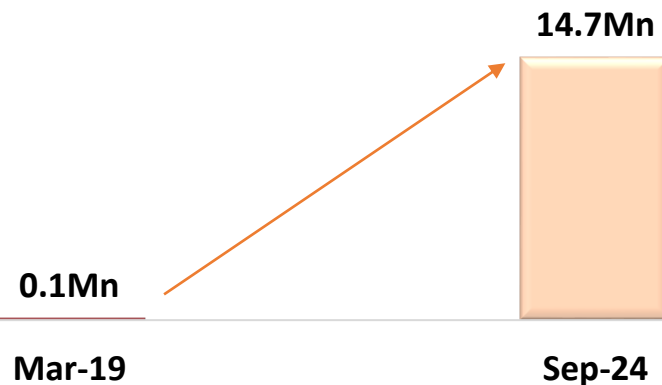
Start-up Banking



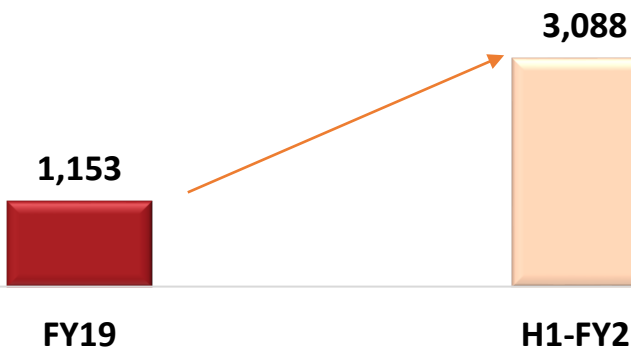
Business Banking



FASTag Customers



CMS Relationships

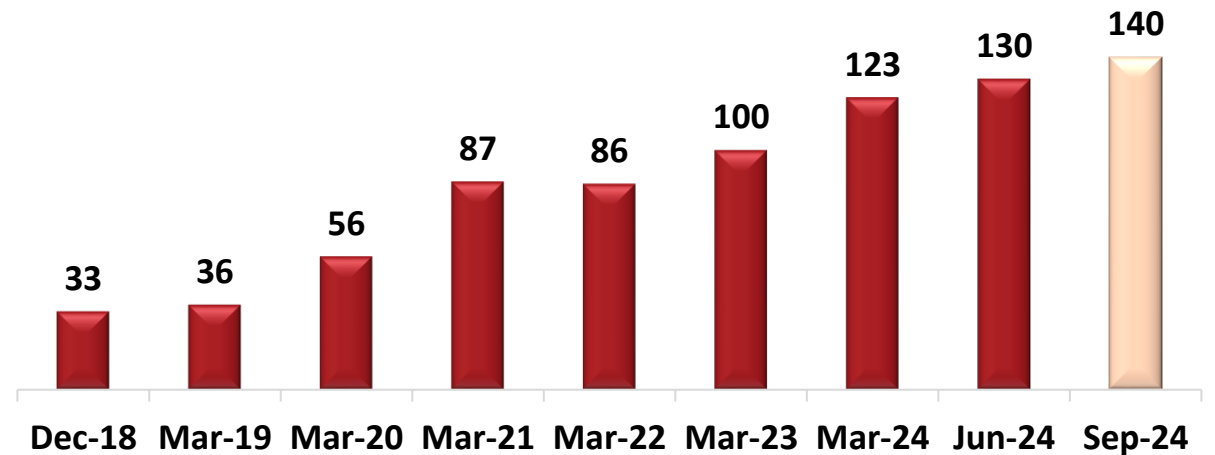


Bank has set-up 961 branches across India

High Retail Deposits (as per LCR Disclosures) per branch of Rs. 140 crore

- Banks deposit growth has outperformed the branch growth.
- IDFC FIRST Bank Branches and ATMs are spacious, digitally equipped, and customer friendly staff.
- The Bank intends to grow the branch network by 10% each year in near term.
- Bank grew its branch network from 206 branches as on the date of merger to 961 branches as on September 30, 2024, addition of 755 new branches since merger.

Strong growth in Retail Deposits (LCR) per branch of Rs. 140 crore

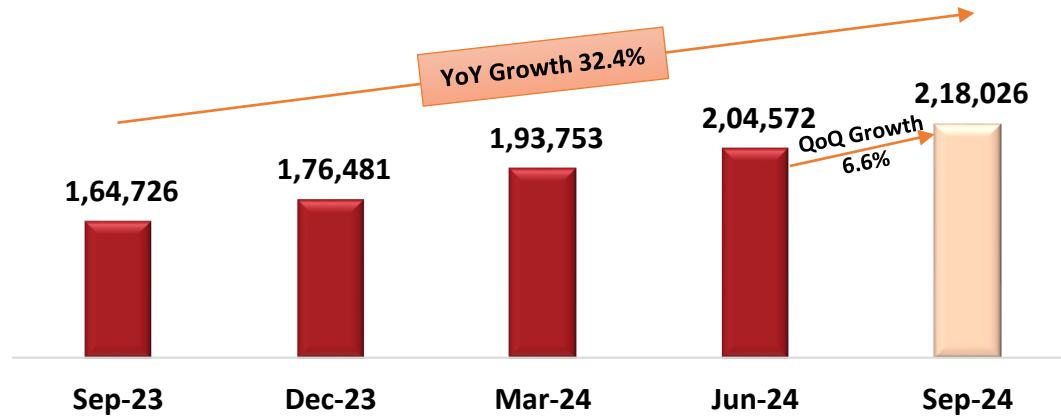


Section 2: Deposits and Borrowings

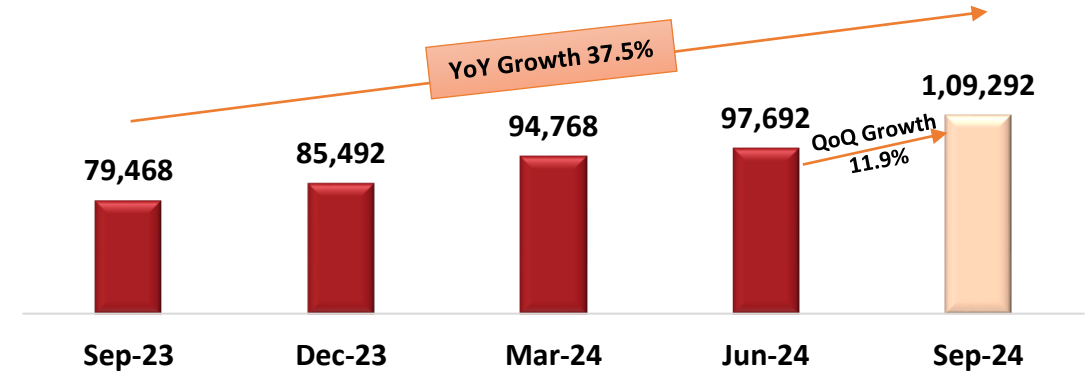


Strong growth in Deposits Franchise, Customer Deposits up 32% YoY

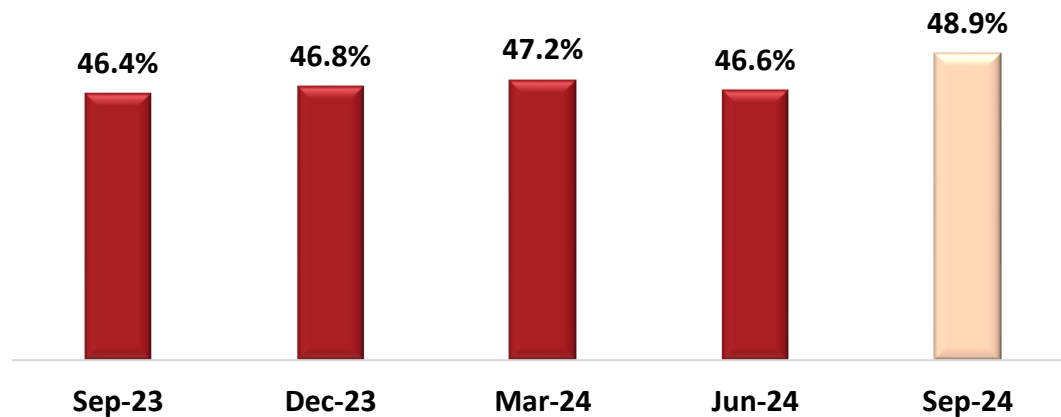
Customer Deposits



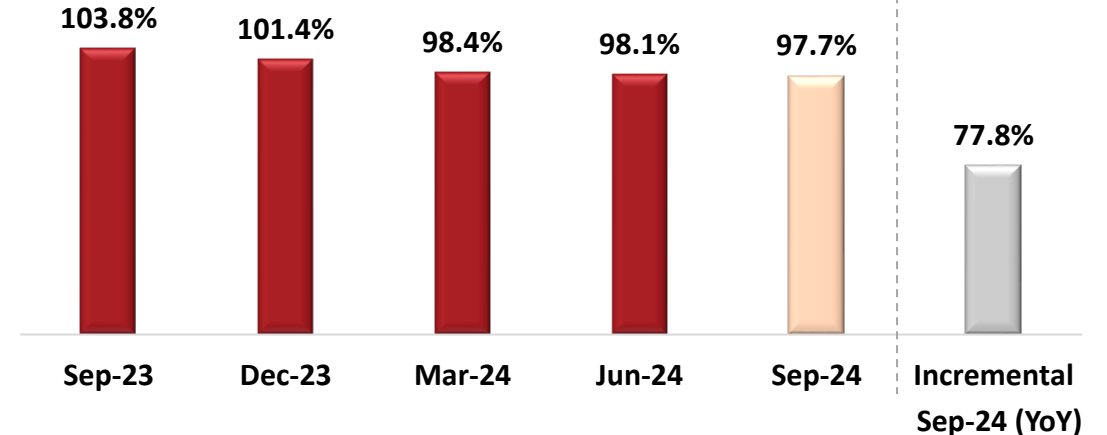
CASA Deposits



CASA Ratio



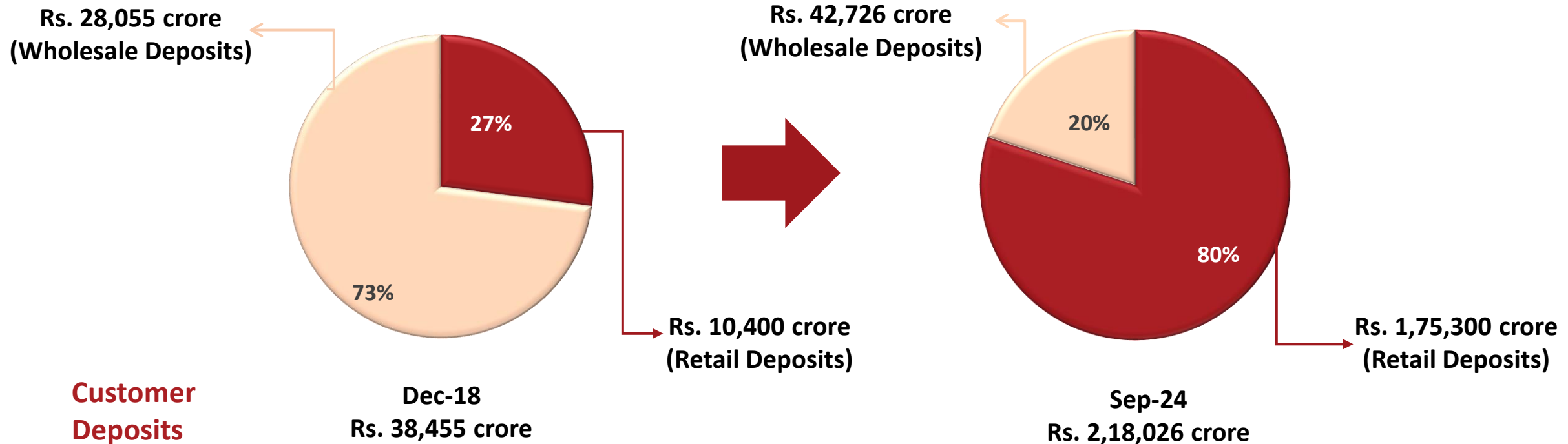
Credit Deposit Ratio



Excluding IPO proceeds of Rs. 771 crore received during Q2-FY25 the QoQ growth in CASA Deposits will be 11.1% and 6.2% QoQ for the customer deposits

Bank has a highly diversified liabilities base with 80% Retail Customer Deposits

- It is a strategic priority of the Bank to diversify the deposits by raising retail deposits.
- Retail Deposit customers get used to transactions, id, passwords, RMs, branch services, auto debits, SI debit, EMI debits, MF investing etc. and hence is more stable than bulk deposits.
- Retail deposits have increased from 27% of deposits at merger to 80% currently which has significantly stabilized the deposits side.
- Certificate of Deposits (short term money) has come down from Rs. 22,312 crore as of Dec-18 to Rs. 5,580 crore as of Sep-24.



Deposits & Borrowings Details

The Bank has grown its customer deposits by **32% YOY** which was utilized for repayment of the legacy borrowings and for the growth of assets.

Particulars (in Rs Cr)	Sep-23	Jun-24	Sep-24	YoY Growth
Legacy Long Term & Infrastructure Bonds	12,037	9,435	7,082	-41%
Refinance & Other Borrowings	19,803	18,681	19,940	1%
Tier II Bonds	4,500	4,500	4,500	0%
Total Borrowings (A)	36,340	32,617	31,522	-13%
CASA Deposits	79,468	97,692	1,09,292	38%
Term Deposits	85,258	1,06,880	1,08,735	28%
Total Customer Deposits (B)	1,64,726	2,04,572	2,18,026	32%
Certificate of Deposits (C)	6,510	5,095	5,580	-14%
Money Market Borrowings (D)	16,826	19,253	14,823	-12%
Borrowings & Deposits (A) + (B) + (C) + (D)	2,24,401	2,61,536	2,69,951	20%
CASA Ratio (%)	46.4%	46.6%	48.9%	247 bps
Average CASA Ratio % (On Daily Average Balance for the Quarter)	45.0%	44.5%	46.3%	126 bps

Bank has reduced Cost of Funds by 132 bps yet grew deposits strongly

- Despite increase in Repo Rate by 25 bps between FY19 and H1-FY25, the Cost of Funds of the Bank has reduced to 6.47% from 7.8% at merger, a reduction of 132 bps which demonstrates the low-cost deposit raising capability of the bank.
- Cost of Deposits of the Bank was at 6.38% for Q2 FY25 (6.38% in Q1 FY25)



Bank continues to run down the Legacy high-cost long-term borrowings

- Because we have a DFI background, the legacy borrowings are costing the bank 8.83%. The Bank plans to replace this with low-cost deposits.

In Rs. Cr	Balance		Run off Schedule			RoI (%)
	As on Sep-23	As on Sep-24	H2 FY25	FY26	Beyond FY26	
Infrastructure Bonds	5,908	3,204	2,479	725	-	8.76%
Long Term Legacy Bonds	6,129	3,878	391	3,487	-	8.86%
Other Bonds	1,105	615	-	289	326	9.08%
Refinance	1,860	-	-	-	-	-
Total	15,002	7,697	2,870	4,501	326	8.83%

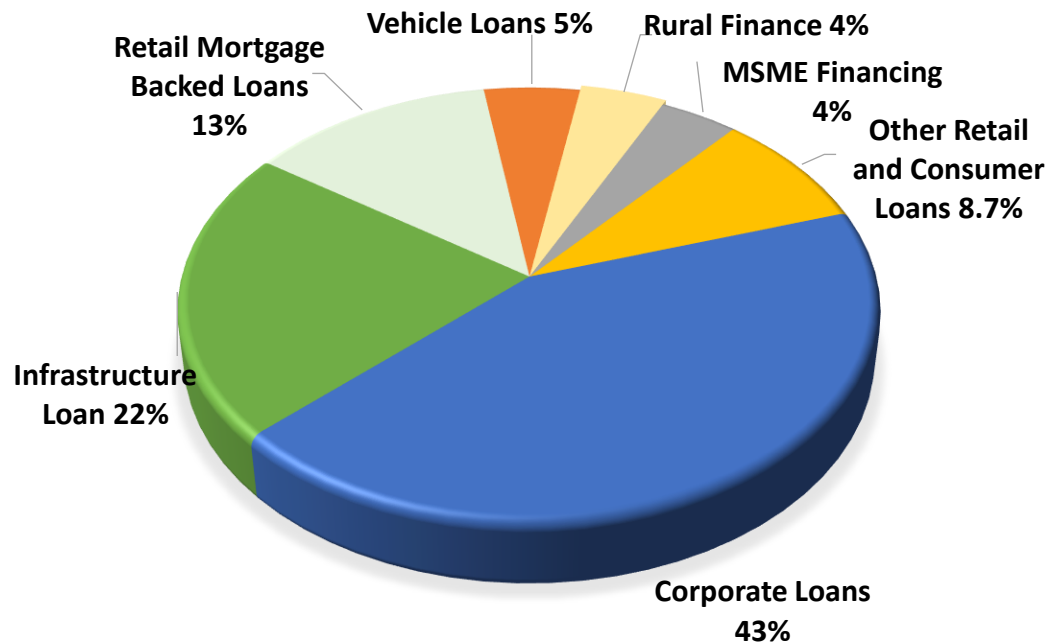
Section 3: Diversified Loan Portfolio



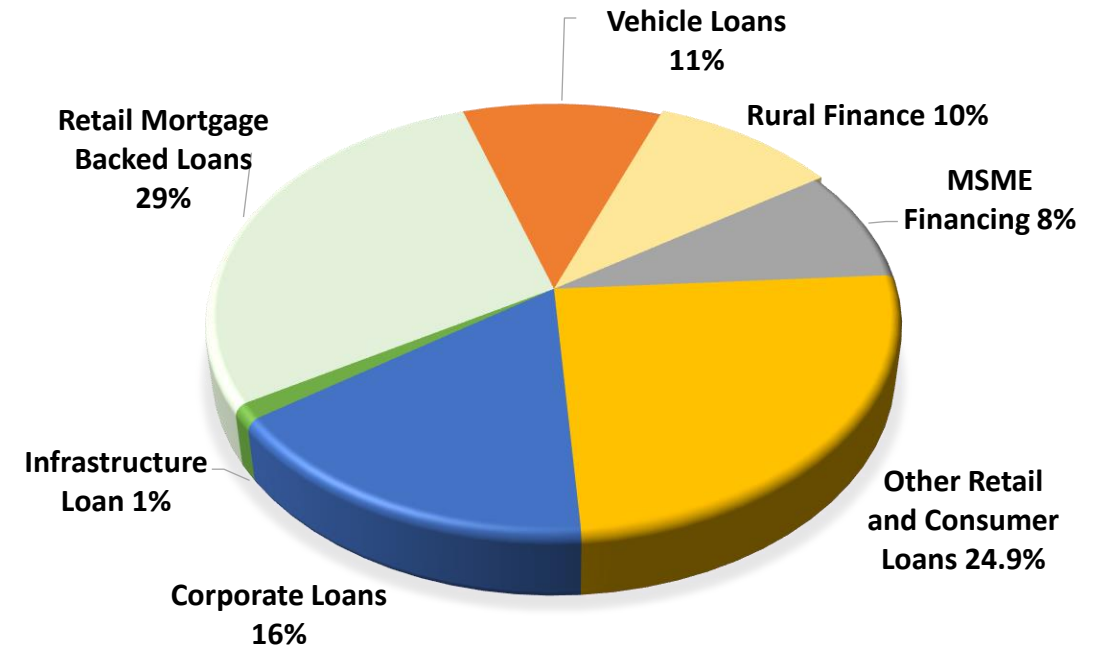
Diversified Loan Book

The Bank has transformed the loan book from a primarily wholesale credit book to a well diversified portfolio including retail, rural, MSME and corporate Banking

Loan Book: **Rs. 1,04,660 crore**, December 31, 2018



Loan Book: **Rs. 2,22,613 crore**, September 30, 2024



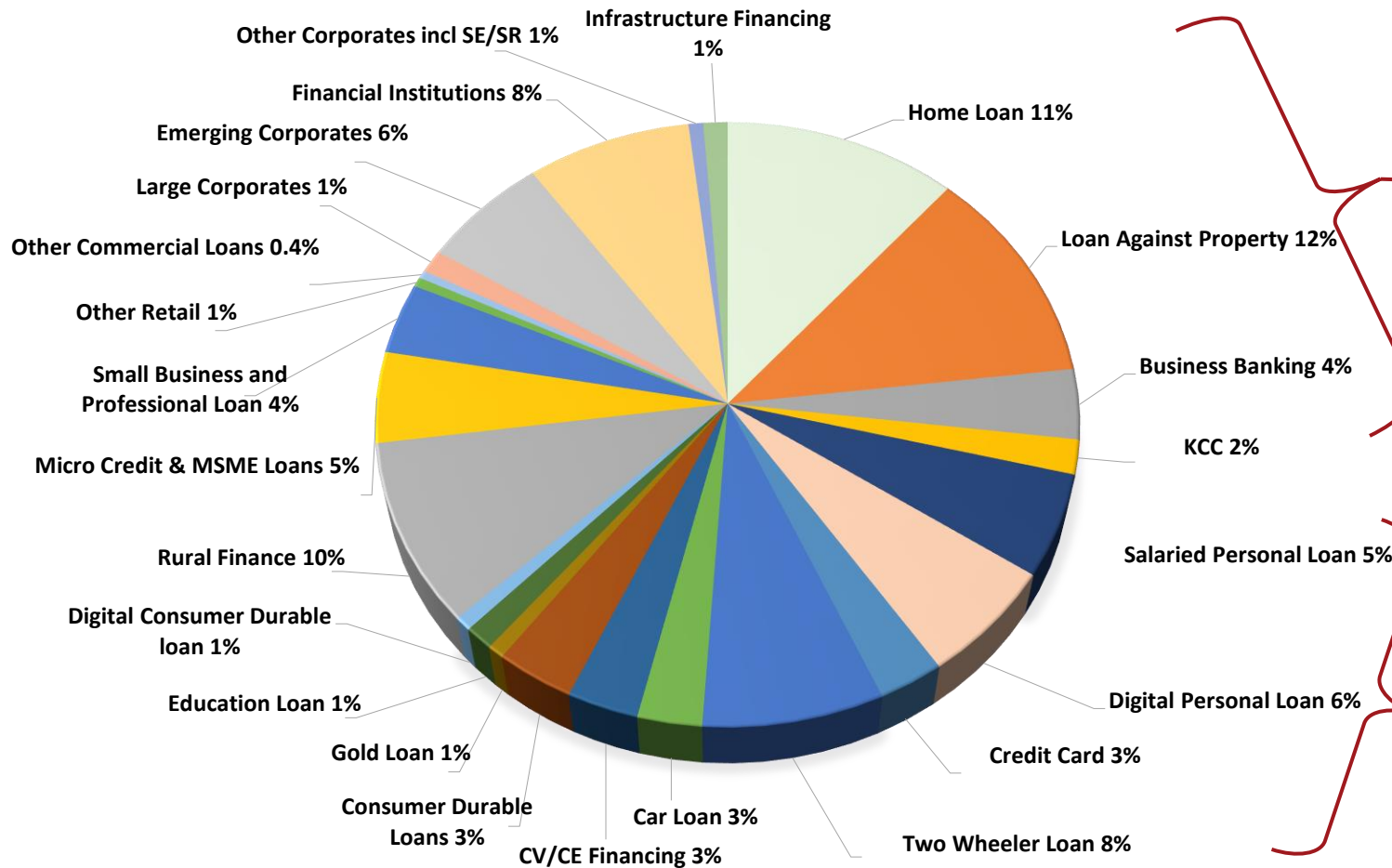
- The Bank reduced the Infrastructure Loans of the total loan assets from 22% at merger to only 1.2% currently
- The Bank has improved the mortgage-backed loans % of the total loan assets from 13% at merger to 29% currently.
- The retail and consumer loans as % of the total loan assets from 9% at merger to 25% currently.

The Bank has **diversified** its loan book across more than **25** business lines

Loan Book: September 30, 2024
Rs. 2,22,613 crore

29% of total loan book Backed by Mortgage

- 15% of total loan book is Unsecured Retail Credit**
- GNPA is at 2.08% and NNPA is at 0.61% as of Sep 30, 2024 for the consumer loan book including unsecured retail credit and Consumer durable loans, education loan, etc.



Analysis of Loans & Advances by nature of business (Personal vs Business finance)

Gross Loans & Advances (In Rs. Crore)	Sep-23	Jun-24	Sep-24	YoY (%)	QoQ (%)
Retail Finance	1,04,603	1,25,590	1,30,704	25.0%	4.1%
- Home Loan	21,257	24,658	25,494	19.9%	3.4%
- Loan Against Property	21,629	24,729	26,022	20.3%	5.2%
- Vehicle Loans	17,842	21,824	23,655	32.6%	8.4%
- Consumer Loans	23,235	27,828	28,293	21.8%	1.7%
- Education Loans	1,761	2,387	2,812	59.7%	17.8%
- Credit Card	4,282	5,938	6,332	47.9%	6.6%
- Gold Loan*	563	1,314	1,604	185.1%	22.1%
- Others	14,034	16,912	16,492	17.5%	-2.5%
Rural Finance*	22,828	24,518	25,934	13.6%	5.8%
Business Finance (MSME & Corporate)	52,448	56,486	63,321	20.7%	12.1%
- of which CV/CE Financing*	4,934	6,674	6,897	39.8%	3.3%
- of which Business Banking*	6,102	7,590	8,358	37.0%	10.1%
- of which Corporate Loans	29,324	31,508	35,191	20.0%	11.7%
Infrastructure	3,356	2,766	2,654	-20.9%	-4.0%
Total Gross Loans & Advances	1,83,236	2,09,361	2,22,613	21.5%	6.3%

* Rural Finance, CV/CE Financing, Business Banking, Gold Loans, Home Loans (< Rs. 30 Lacs) largely contribute to the PSL requirements of the Bank and hence are focus areas

1. The figures above are net of Inter-Bank Participant Certificate (IBPC) transactions & includes credit substitutes
2. Lending to commercial banking businesses and MSMEs through working capital loans, business banking, commercial vehicle, trade advances, term loans, security receipts, loan converted to equity etc. have been combined with corporate banking as these are all pertaining to financing businesses.
3. Home Loans, vehicle finance, education loans, gold loans, credit cards, etc have been combined under Retail banking as this represents financing to individuals. Loan against property has been retained as part of retail banking as is the convention in the banking system reporting.
4. Consumer loans include Salaried Personal Loans, Small Business & Professional Loans and Consumer Durable Loans
5. Others include digital personal loans, digital consumer durables loans, retail portfolio buyout etc.

4. Robust Risk Management Framework

a. Cash-flow based lending – fundamental basis of Bank's lending

b. Trend in Bounce Rates

c. Trend in Collection Efficiency

d. Vintage Analysis

e. SMA and NPA Ratios in Retail, Rural, SME Book

f. Wholesale Credit Risk Management



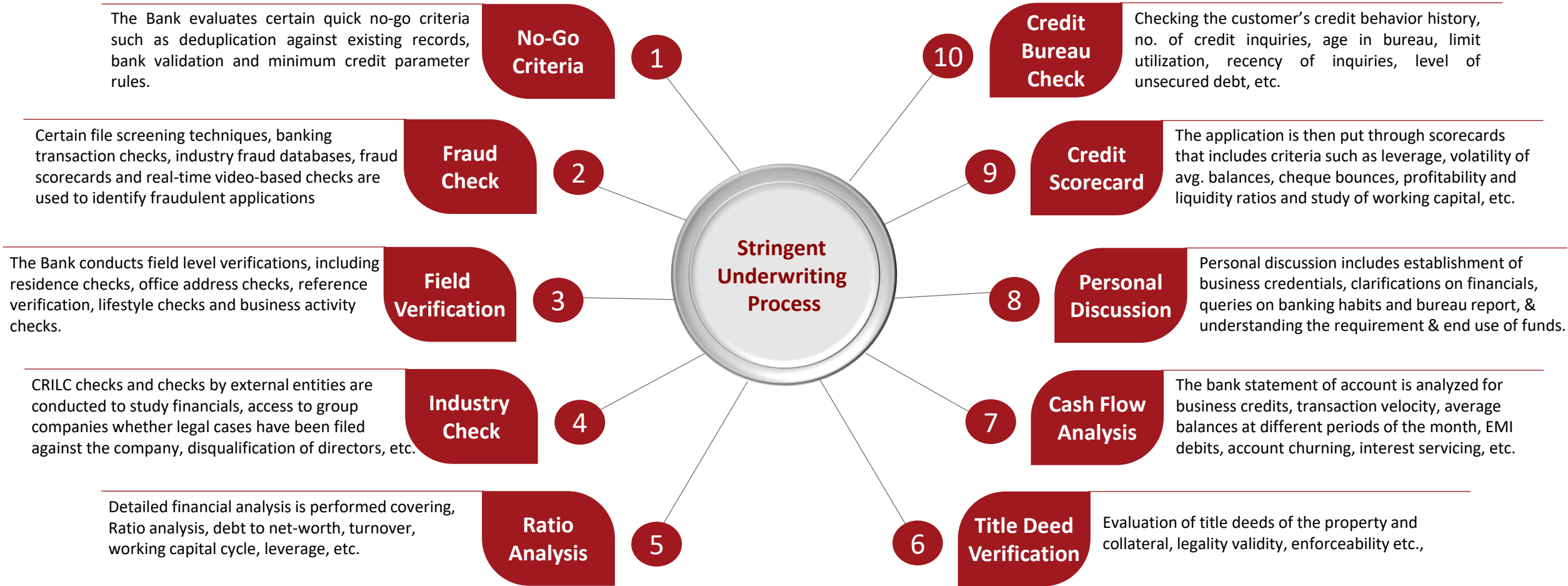
The fundamental underwriting principle of the Bank explained



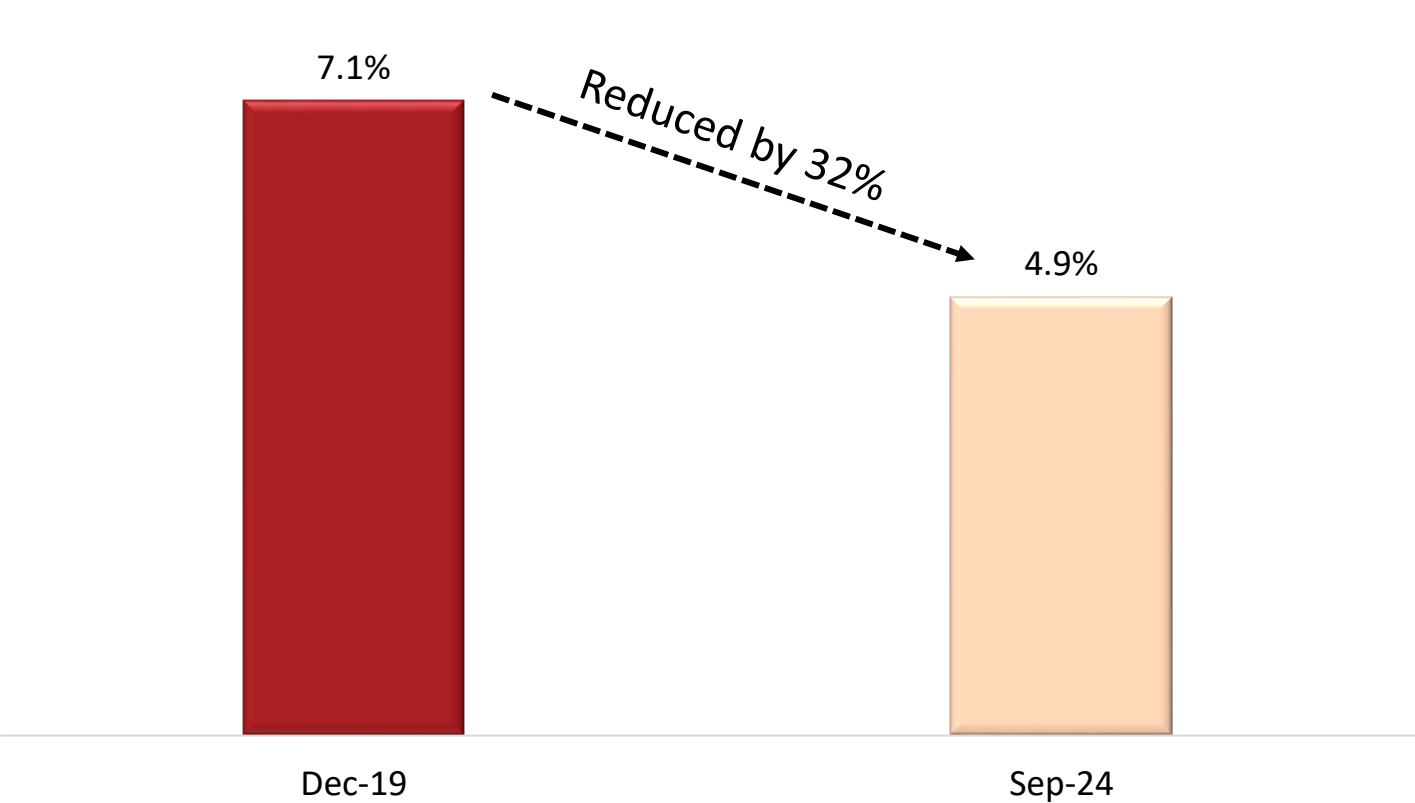
- The Bank lends on the basis of cash flow assessment –
 - A.** Bank assesses the cash flow of the borrower through bank statement, GST, bureau EMI etc.
 - B.** Bank takes debit instruction mandate for EMI.
- Combination of **A+B** put together practically works as an escrow.
- This is a key reason for the bank portfolio continues to do well through the credit cycles.
- Microfinance portfolio does not have debit instructions and the repayments are done through cash collections



10 Step Stringent Underwriting Process



First EMI returns for insufficient funds has reduced by **32%** which indicates quality of underwriting has improved over the years



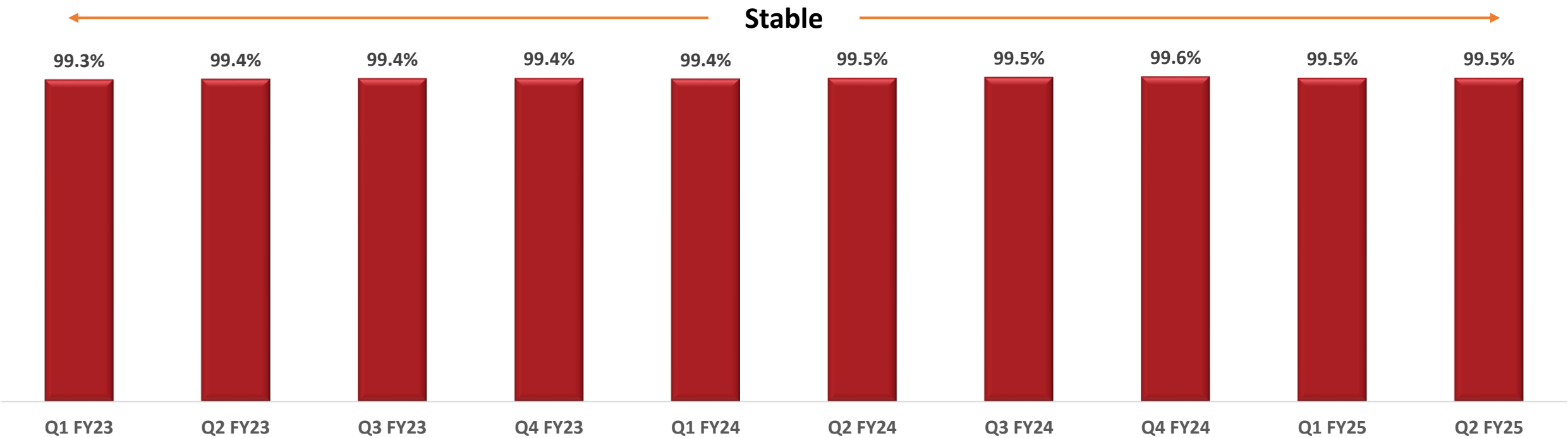
- First EMI (FEMI) represents Cheque returns in the FIRST month after Booking. It is thus a direct indicator of the Quality of Booking.
- First EMI Bounce Rate, including insufficient funds and technical bounce was at 5.7% as of Sep 2024
- % are on 12 month trailing basis, as a sustainable performance indicator

(EMI returns pertain to Month 1 EMI presentation for Month 0 Booking)



The Bank collection efficiency stable at 99.5% (Excluding micro-finance)

Collection Efficiency % = (Pos of EMI Collected for the Month)/(Pos of EMI Due for the month) %
Collections % represented here do not include any arrear collections, or prepayment collections, and hence represents the true picture of collections efficiency.



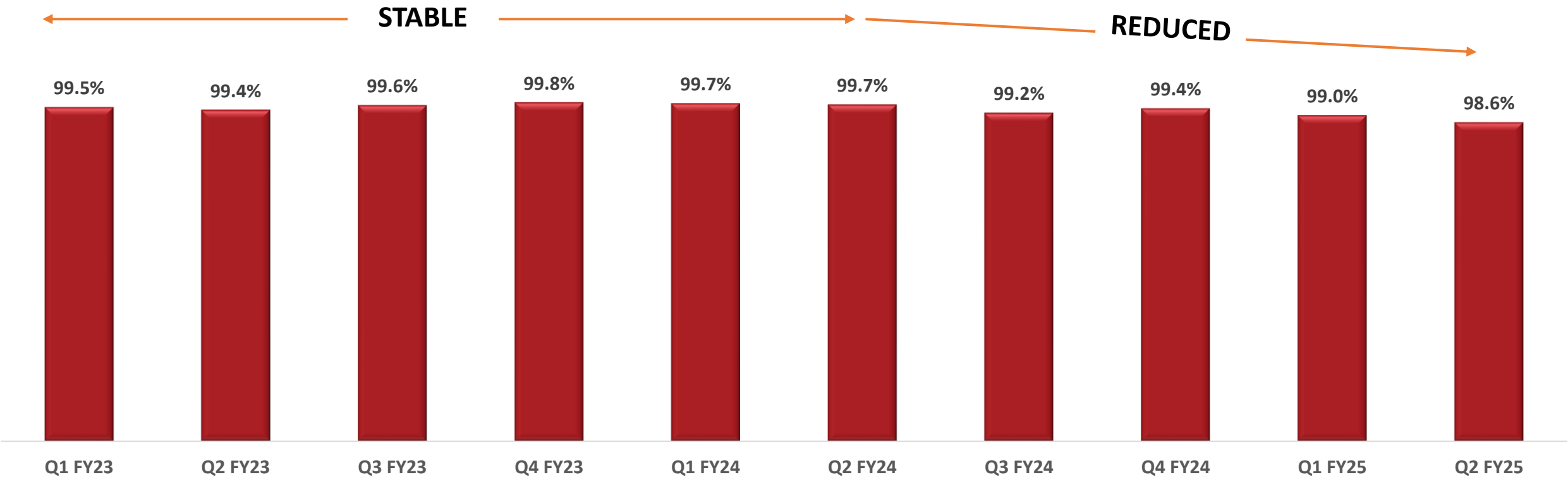
- Numbers pertain to collection efficiency in current bucket in Retail portfolio (excluding rural financing) which is the majority of the Book.
- Except the microfinance portfolio, the collection efficiency is stable for the other rural products

Note: The above figures are quarterly average of monthly collection efficiency.

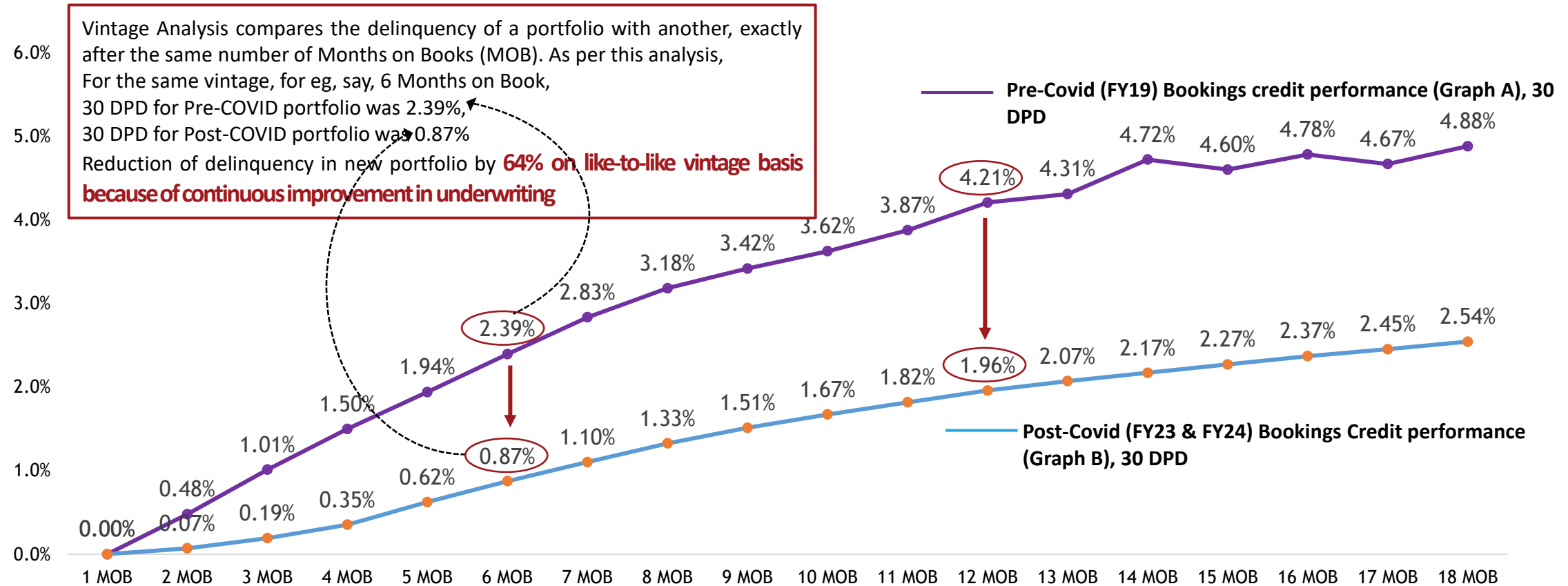


Deterioration in collection % of Microfinance Business

Collection Efficiency % = (Pos of EMI Collected for the Month)/(Pos of EMI Due for the month)%
Note: Collections does not include any arrear collections, or prepayment collections in these calculations, and hence represents the true picture of collections efficiency.

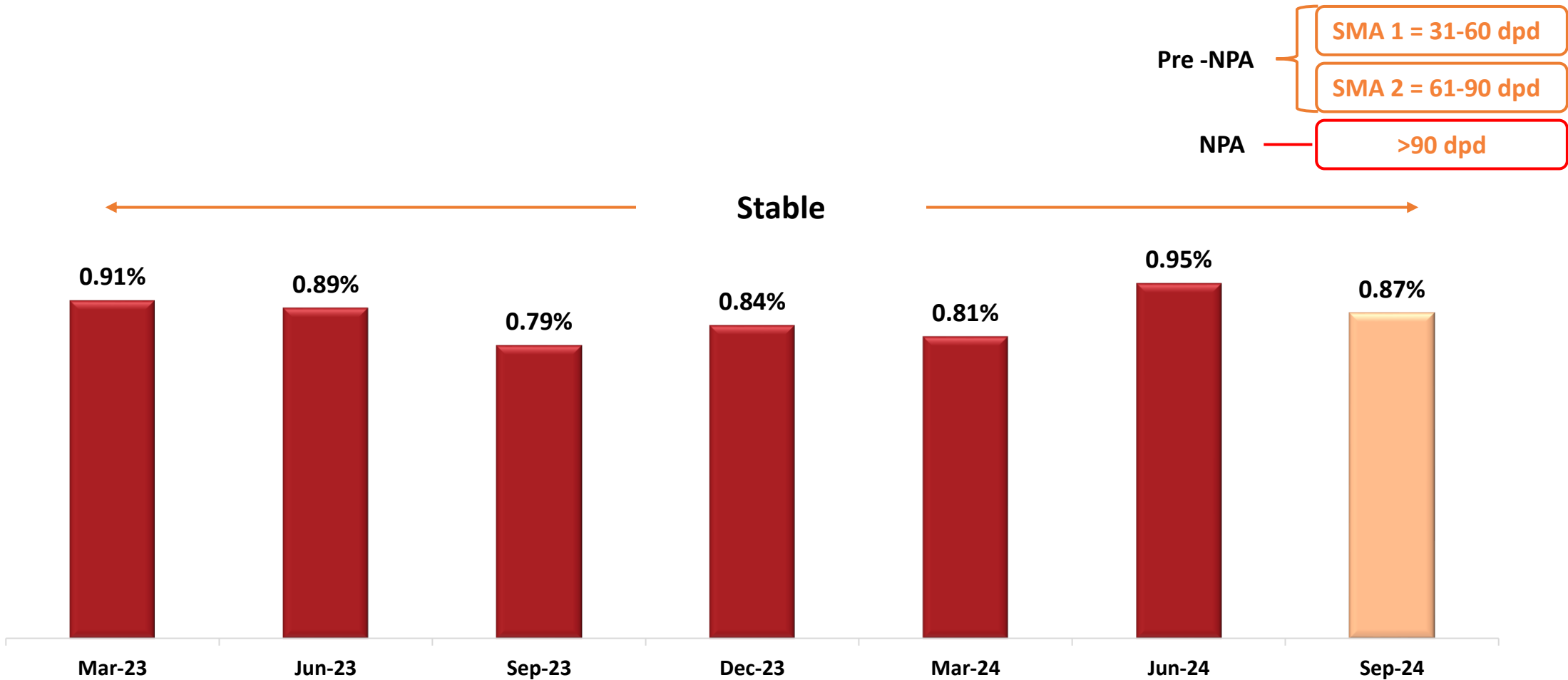


Vintage Analysis – showing quality of portfolio improvement over the year (excluding microfinance business).



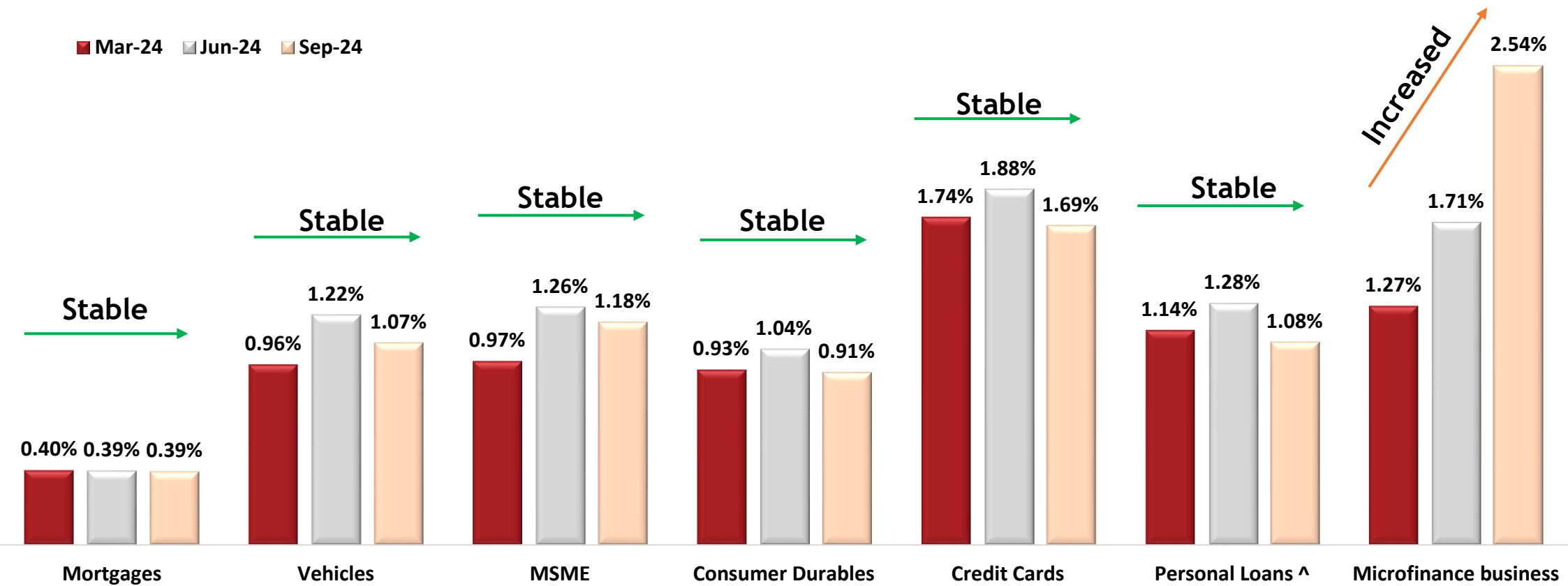
- The Vintage analysis on this graph indicates the expected NPA over the next 3-5 years. The delinquency for the new bookings of Post-COVID for like-to-like vintage is lesser than that booking of Pre-COVID. The past Pre-Covid bookings (Graph A) led to NPA of around 2% and Net NPA of around 1%. Under the new bookings (Graph B), the NPA is expected to remain range bound around 1.5% and 0.5% based on the above vintage analysis.

SMA-1 & SMA-2 portfolio as % of Retail, Rural & MSME Loan Book (Excluding Microfinance business) is stable



- SMA-1 & 2 for overall Retail, Rural & MSME portfolio (including microfinance business) improved to **0.99%** as on Sep-24, from **1.01%** in Jun-24.

Product wise SMA Analysis – All product stable except Microfinance



^ including Digital loans

Micro-finance Loans – Product Features & Customer Profiles



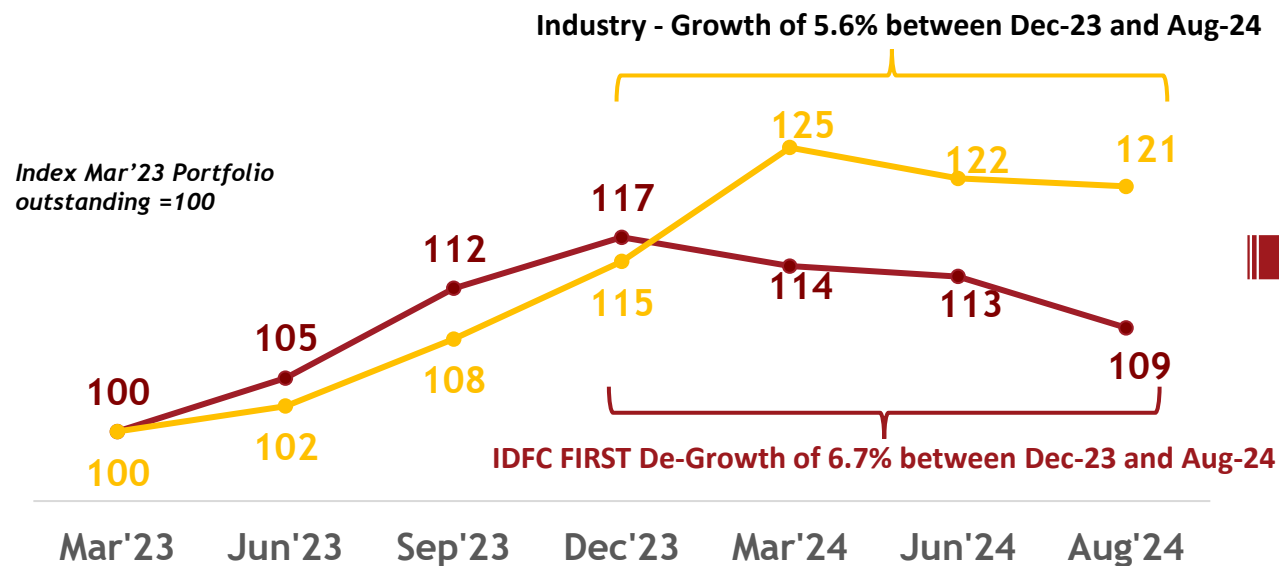
- Small ticket size loans offered to only women borrowers primarily in rural areas for their livelihood generation
- 4-6 members come together to form a group, who are provided collateral free loans with mutual guarantee among the members.
- Loans are of ticket size of Rs. 30,000 to Rs. 1 lakh with tenure of 2-3 years.
- Broader objective is driving financial inclusion by providing loans to women entrepreneurs
- ~98% of the portfolio are eligible for PSL under multiple categories of Agri, Small and Marginal Farmers, Weaker Sections

Micro-Finance business: Bank recognized the growing stress early in December 2023 & moderated disbursements

Micro-Finance Industry was adversely impacted due to increased leverage, general elections, heat wave, and reduction under the central meeting discipline.

The Bank recognized the stress in Micro-Finance early in December 2023 and took corrective action to slow down the disbursement

Industry Vs Bank - Portfolio growth comparison



Bank recognized the stress in Micro-Finance business in Dec'23 & started taking decisive corrective measures which include –

- 1. Slowdown of Business:** Implemented Underwriting policy restrictions to slowdown the disbursal volume which resulted in the de-growth of the book
- 2. CGFMU cover since Jan'24:** Incremental Bookings from Jan 2024 covered under the Credit Guarantee Scheme.
- 3. Conservative Provisioning Policy:** The Bank makes early recognition and holds ~80% on outstanding NPA book.
- 4. Enhanced Collection Efforts:** Added more employees for collections in higher buckets. Ensured participation in Lok Adalats, started awareness campaigns & launched Call Centres.

IDFC FIRST Bank has a relatively better / similar delinquency than industry

Comparative performance of Industry and IDFC FIRST Bank across the Top 15 states

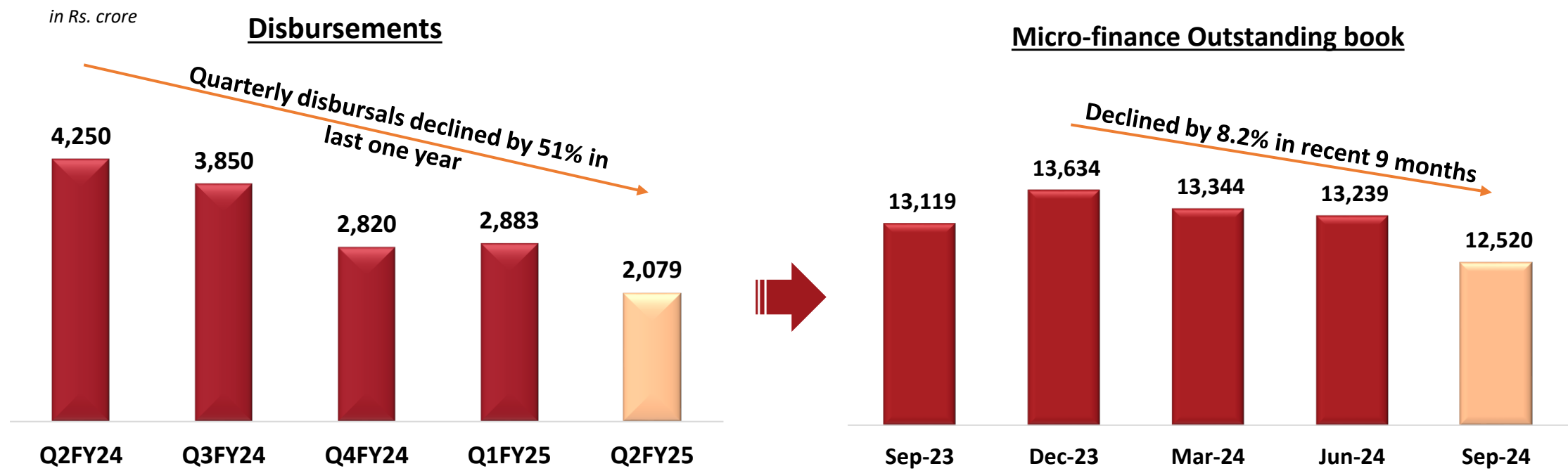
	IDFC FIRST Bank			Industry		
State	IDFC POS	% POS	PAR 30+	POS (Cr)	% POS	PAR 30+ %
Tamil Nadu (TN)	7661	60.8%	3.5%	56,031	13.0%	3.7%
Karnataka (KA)	1215	9.6%	1.7%	41,646	10.0%	1.7%
Maharashtra (MH)	709	5.6%	3.1%	31,902	8.0%	4.9%
Kerala (KL)*	684	5.4%	9.8%	12,975	3.0%	7.1%
Bihar (BR)	456	3.6%	2.0%	63,395	15.0%	3.0%
Portfolio Contribution Top 5 States	10,725	85.1%	3.6%	205,949	48.8%	3.5%

**The Bank has reduced its microfinance exposure in Kerala by 30% on YoY basis*

The Bank has been reducing the Micro-finance disbursals from December 2023

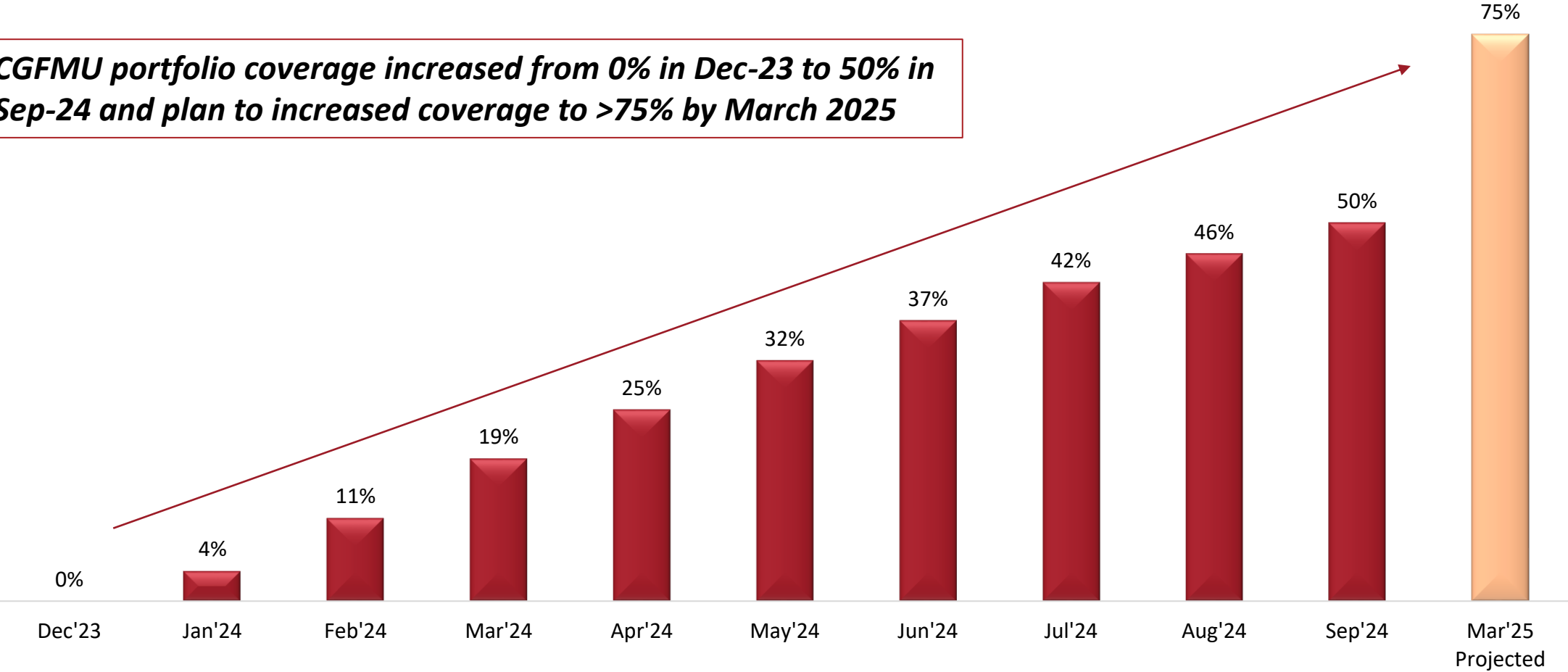
- Bank put restriction on new to bank customer in selected geographies and have been reducing geographic concentration
- The Bank implemented micro-finance scorecards for ETB and NTB segments in Q2FY25 to identify riskier customers
- Key additional parameters like lender count, overdue & leverage norms are reviewed for customer selection.

The pro-active tightening of the underwriting norms has resulted in slowing down disbursal

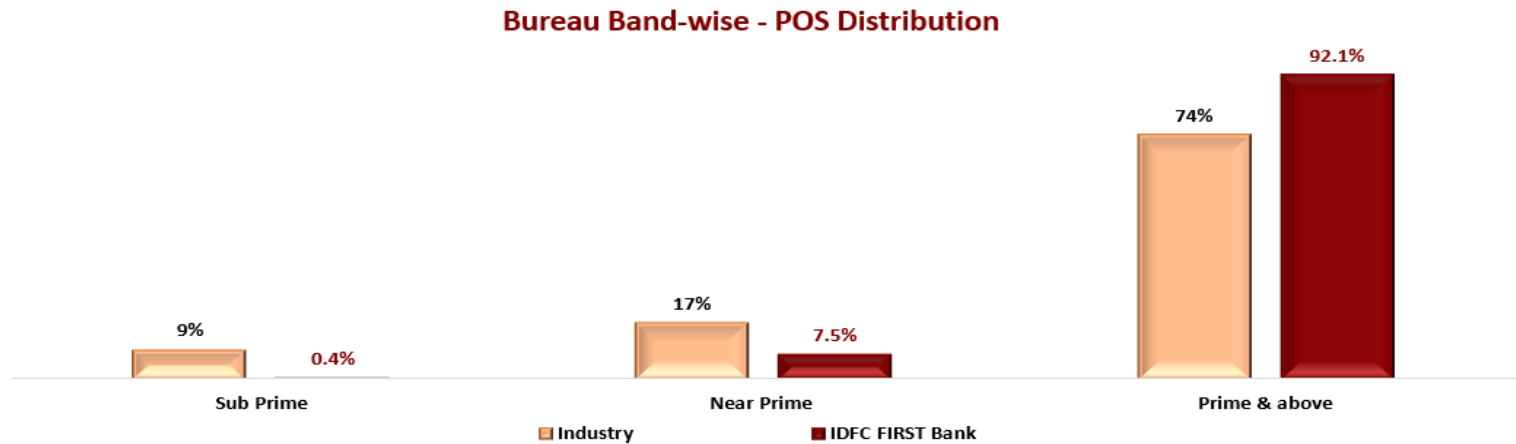
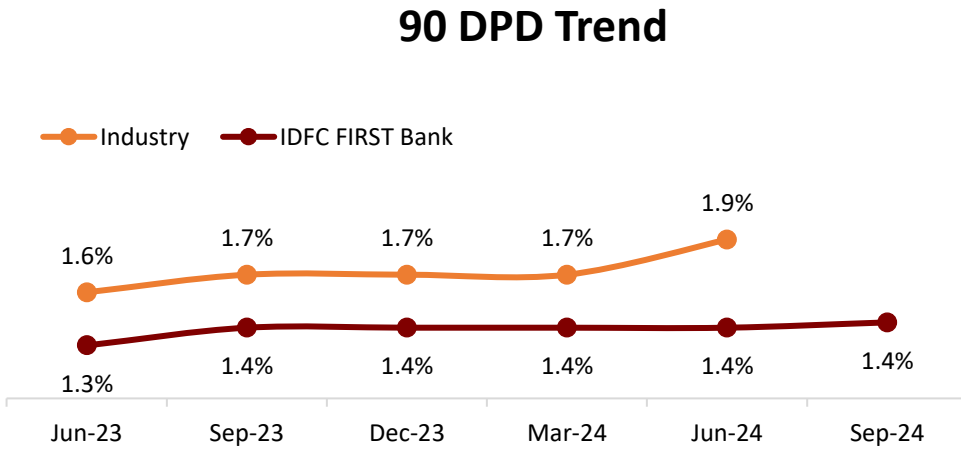
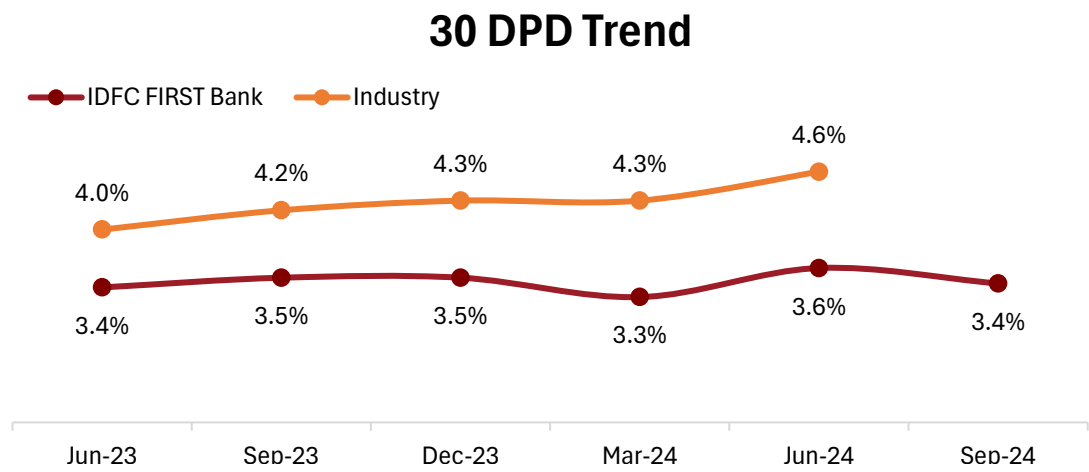


Micro-finance business: CGFMU cover increased gradually since January 2024

CGFMU portfolio coverage increased from 0% in Dec-23 to 50% in Sep-24 and plan to increased coverage to >75% by March 2025



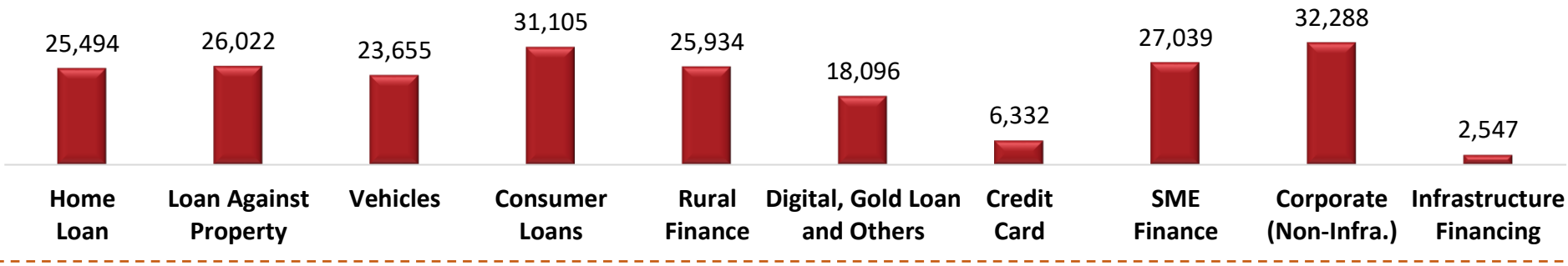
Credit Card – Portfolio delinquencies trending better than Industry.



Basis the latest Bureau data as of Jun 2024
*TU CIBIL V3 Score Band definition :- Sub Prime – 300-680, Near Prime- 681 – 730, Prime & above >730

Retail, rural and MSME product segments continue to have low NPA ratios

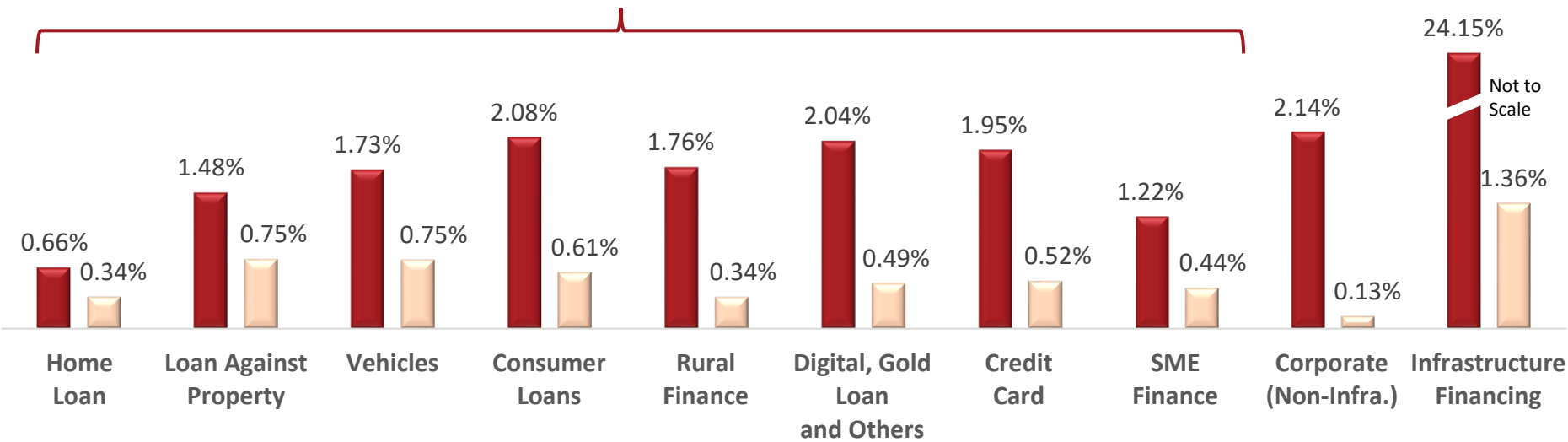
Gross Advances Breakup (Rs. Crore)



Gross Advances of the Bank stood at Rs. 2,18,512 crore

Retail, Rural & MSME - GNPA: 1.57% | NNPA: 0.53%

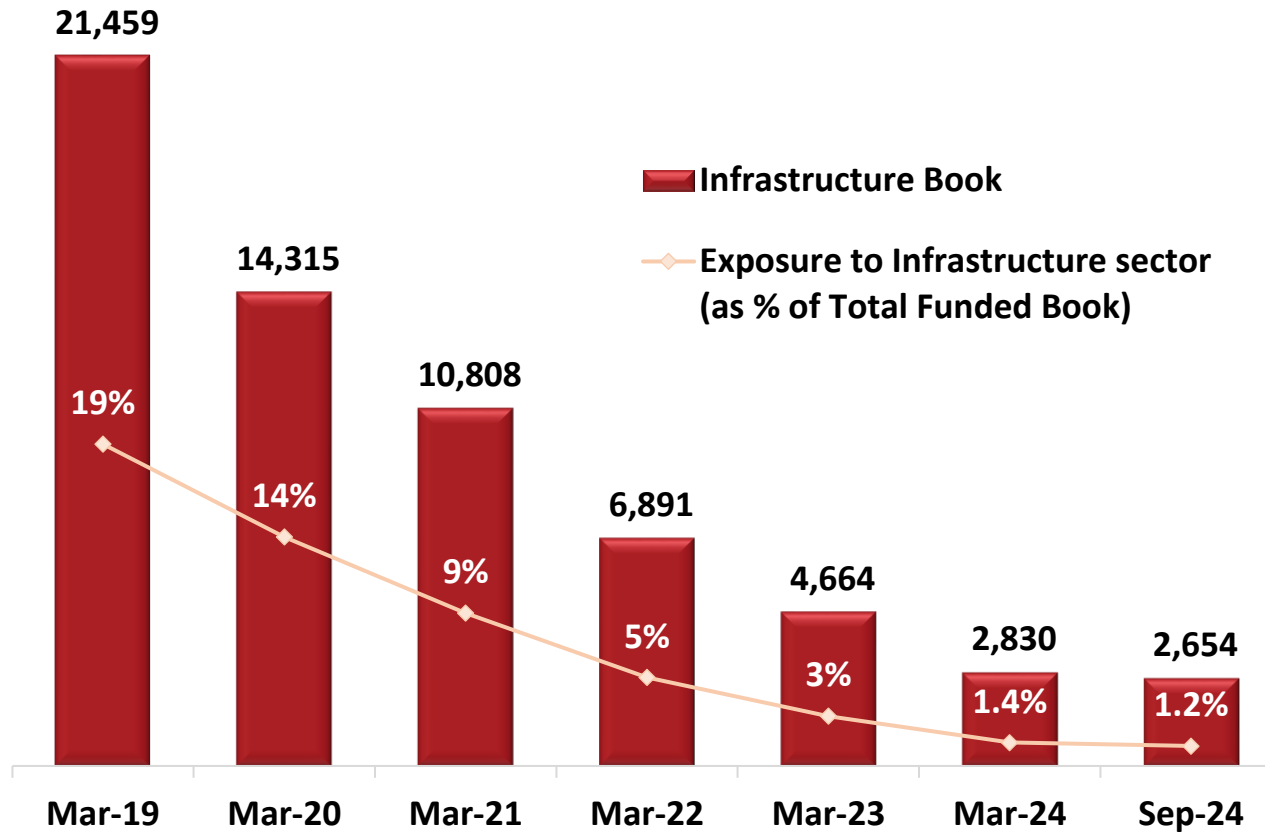
■ GPNA% ■ NNPA%



Bank's GNPA was at 1.92% and NNPA at 0.48%

Provision coverage at bank level stood at 75.3%;

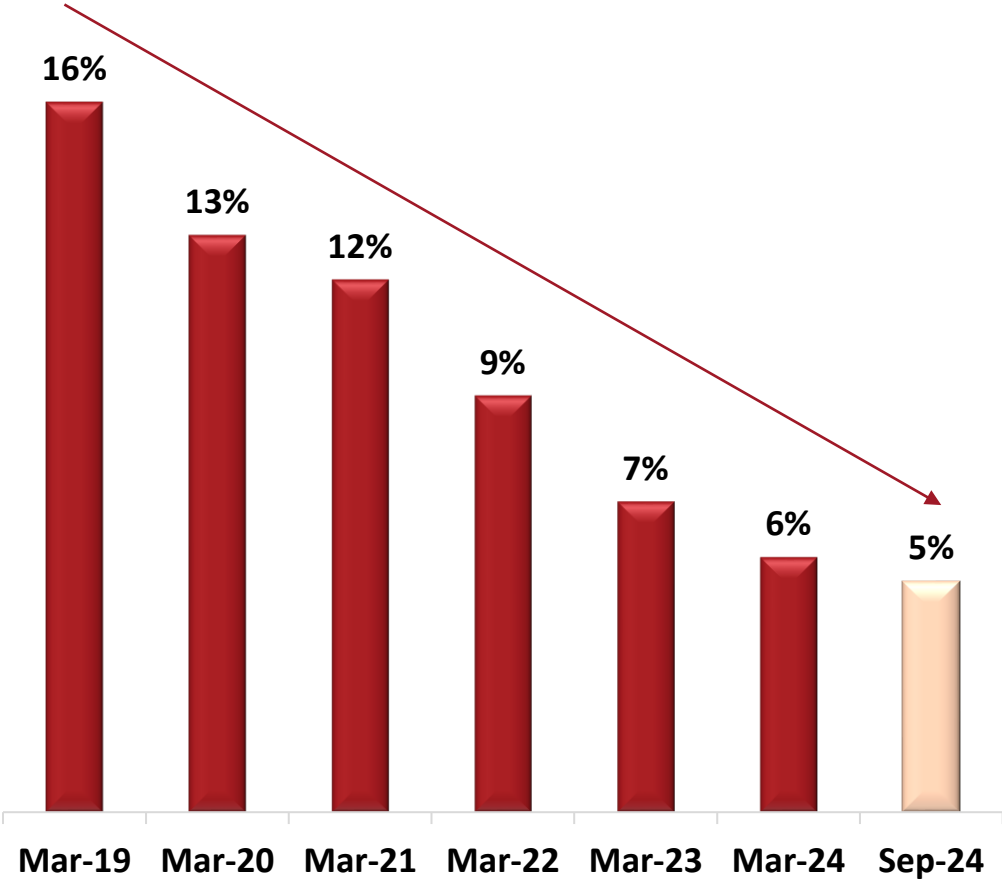
The Bank has reduced its infrastructure financing portfolio from 19% in Mar-19 to 1.2% of the total funded assets in Sep-24.



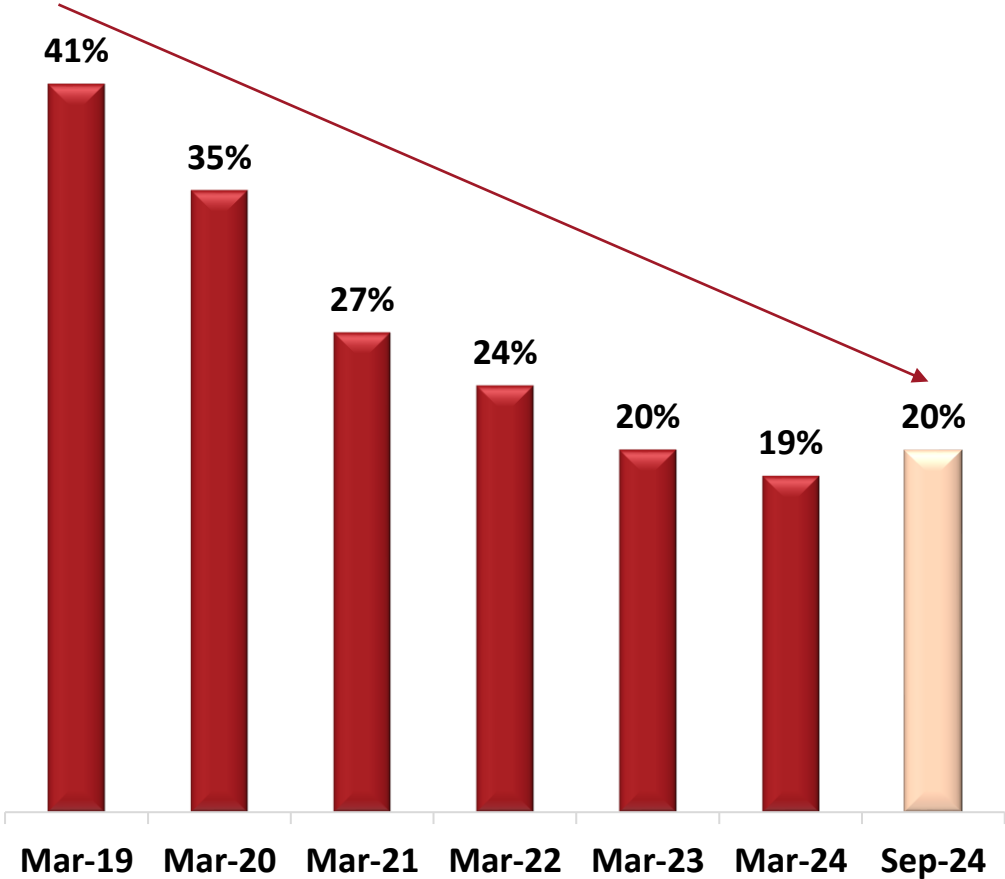
- The Bank had a total funded exposure of Rs. 2,654 crore as of Sep 30, 2024.
- Out of this, the Bank has funded exposure of Rs. 482 crore in a large Mumbai toll project account, where the Bank has reduced its exposure from Rs. 1,094 crore as of March 31, 2018.
- The Bank has now provisioned 100% against the outstanding exposure in this account as on date, including Rs. 253 crore additional provisions done in Q2-FY25.
- Bank does not expect any further provisioning requirements for the residual infrastructure loan portfolio

As a key risk measure, the Bank has reduced concentration risk in Wholesale lending

Also, the exposure to top 20 single borrowers reduced from 16% in Mar-19 to 5% in Sep-24



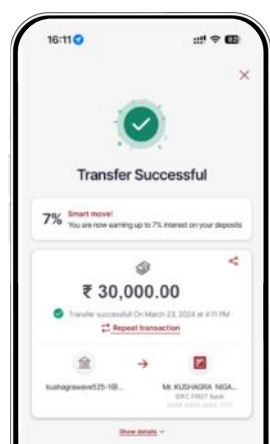
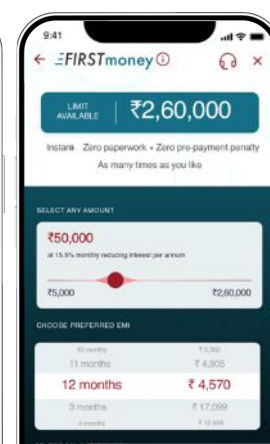
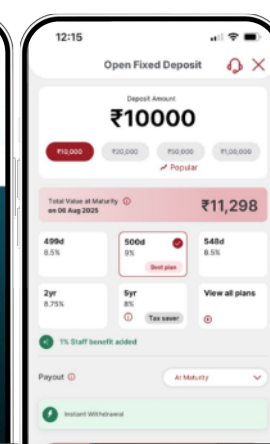
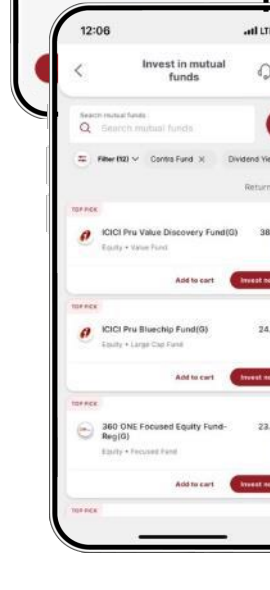
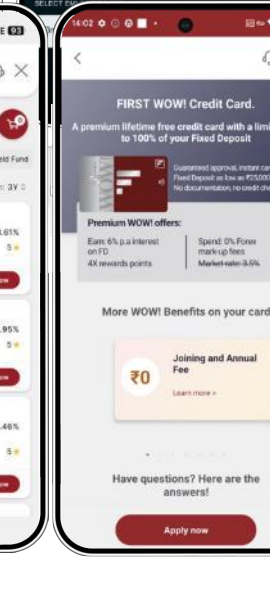
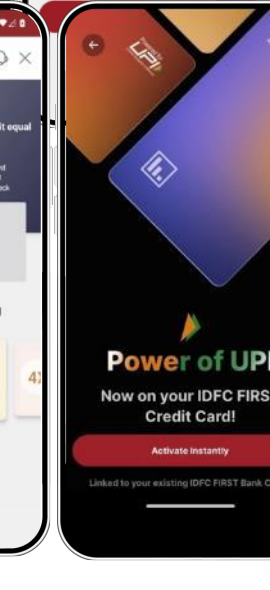
Further, the exposure to top 5 industries also reduced from 41% Mar-19 to 20% in Sep-24 which has further strengthened the balance sheet.



Section 5: Digital Capabilities



Bank successfully rolled out an advanced Mobile Banking App with top rating of 4.9 on Google Play and 4.8 on App Store

CREATE FD in 2 CLICKS

FIRSTMONEY PL – ETB/NTB

ACE FUNDS/ IPO

SMART STATEMENT

RUPAY CC on UPI


PAY ABROAD

RECHARGE & BILL PAY


ACCOUNT AGGREGATOR

1 CLICK SAVINGS ACCOUNT


TARVEL & SHOP




The Forrester Digital Experience Review: Indian Mobile Banking Apps, Q3 2024 →



4 . 9



4 . 8



1 6 M +
USERS
ON APP

6 . 5 M +
MONTHLY
ACTIVE

1 . 2 M +
MONTHLY
TRANSACTIONING

9 0 0 k +
REVIEWS

Wealth Management: AUM growing at 60% CAGR and crossed Rs. 20,000 crore

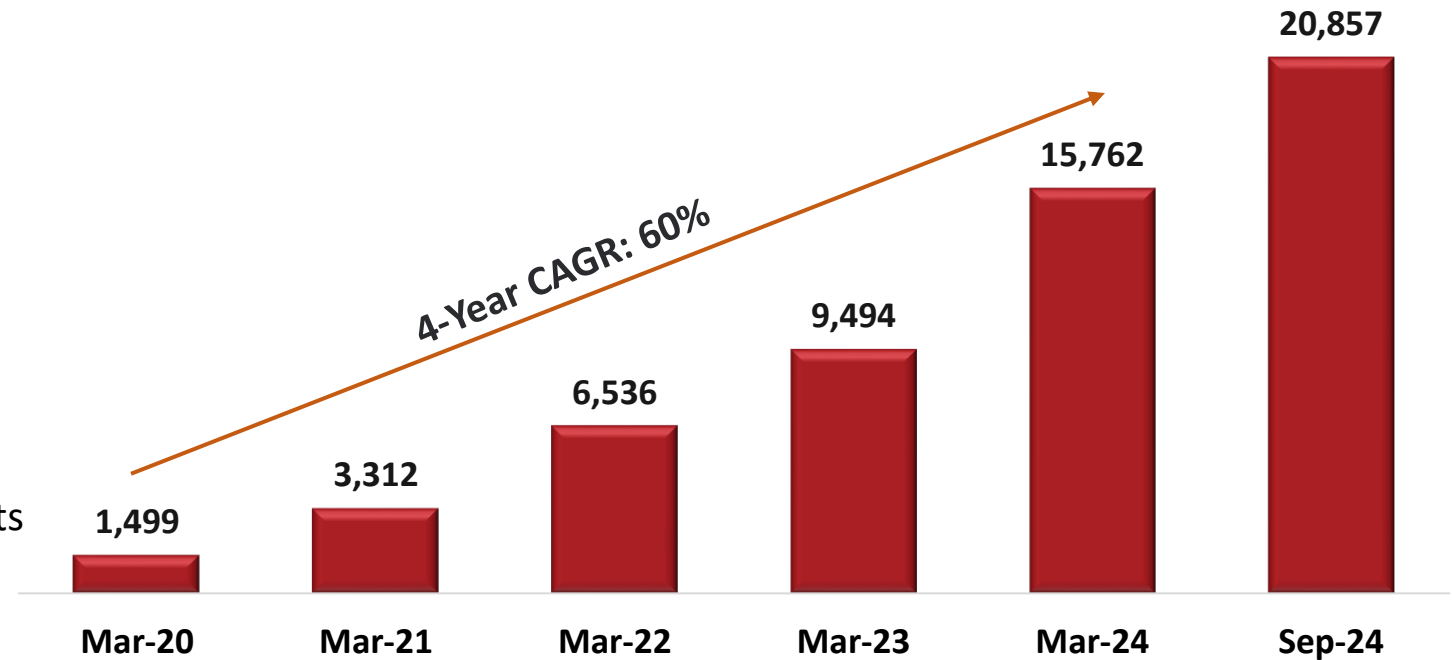
- The Bank has successfully launched Wealth Management
- Wealth Management AUM from scratch to Rs. 20,857 crore in the last 5 years after merger
- In Q2-FY25, the Wealth Management AUM grew by **79%** YOY. Ambition to reach Rs. 1 lac crores.

Wealth Management AUM (Rs. Crore)

FIRST
Private

Our Offerings:

- PMS & Alternate Investment Funds
- Bonds & Structured Products
- Pre-listed and Pre-IPO Equity Funds
- Estate & Trust Planning Services
- Loan against Securities & IPO
- Offshore & Immigration Linked Investments



Over 20 million FASTags issued

Largest Issuer bank

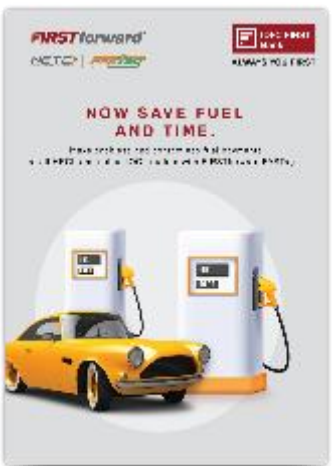
IDFC FIRST is the largest issuer among 38 Issuer banks in NETC with respect to FASTAG monthly activation numbers and value processed.

Largest Acquirer Bank

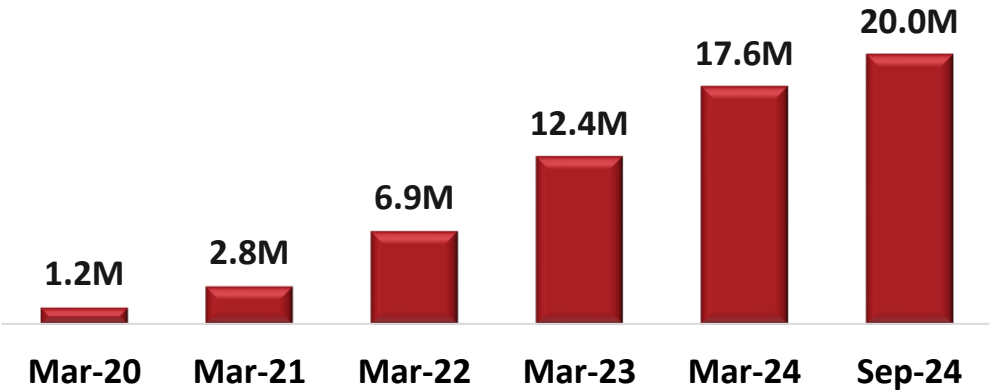
Largest Acquirer Bank with 765+ Toll plaza and parking merchants, with 45% market share.

Issuance Value

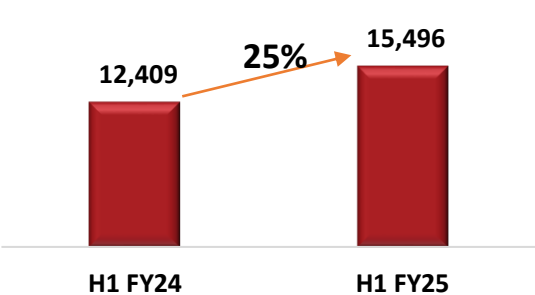
Issuance value has reached Rs. 67 crore per day in H1-FY25, with 37% market share.



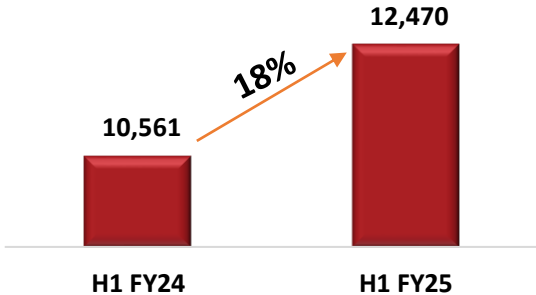
FASTags issued



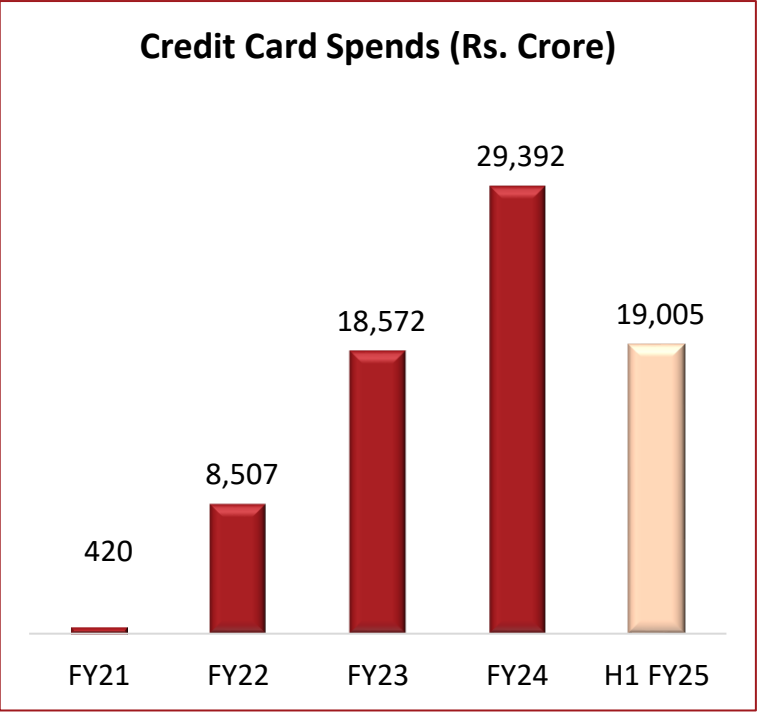
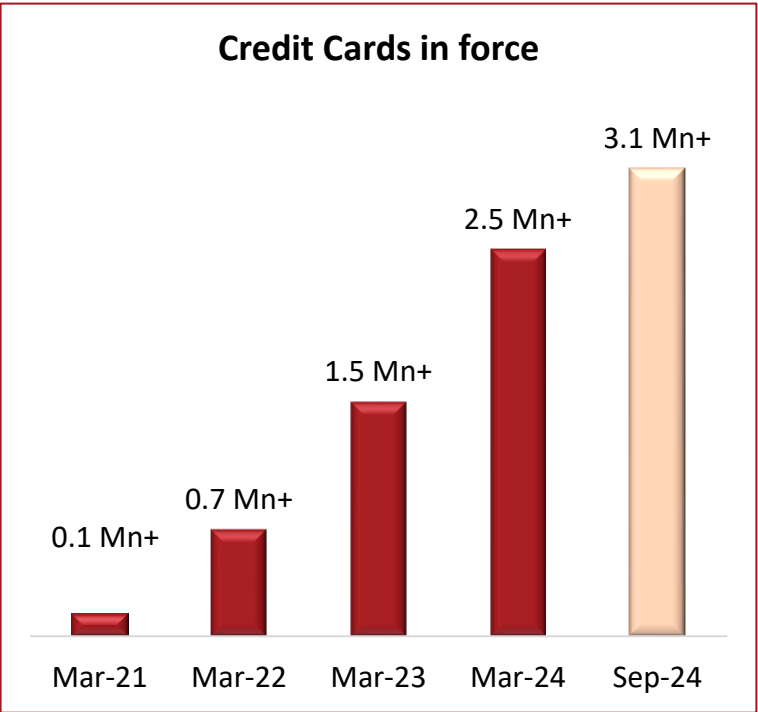
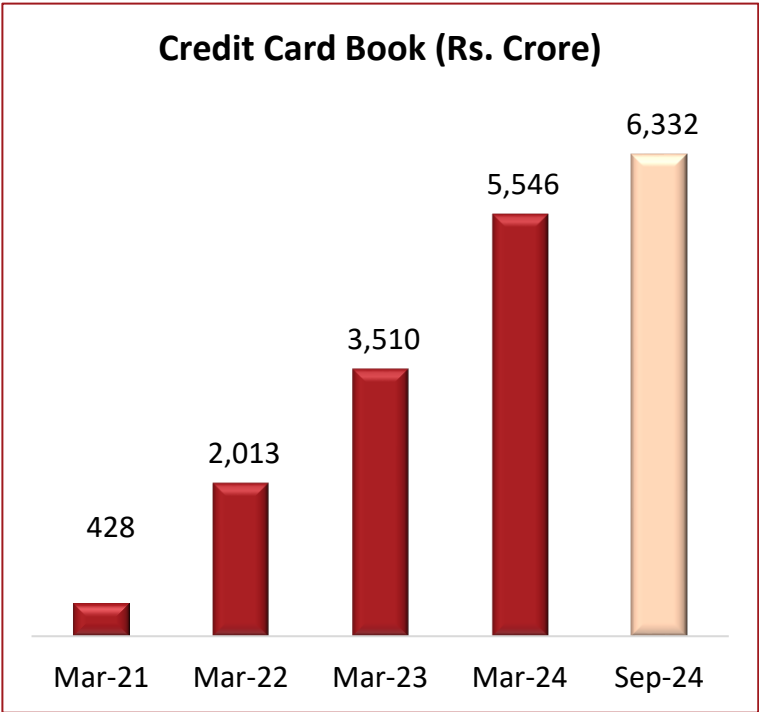
Acquirer Thruput (In Crore)



Issuer Thruput (In Crore)



Credit Cards in force crosses 3 million mark



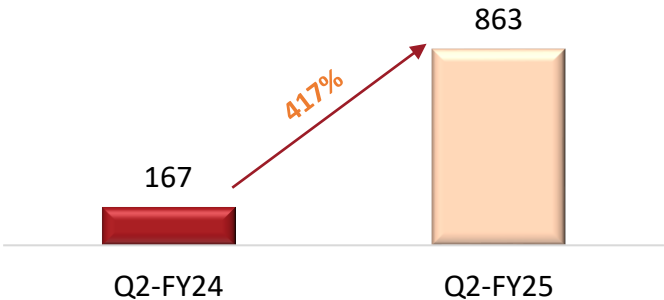
*During H1FY25, the Bank has launched Metal Variants
Ashva & Mayura*



Strong growth in Business (Value) from recently launched App

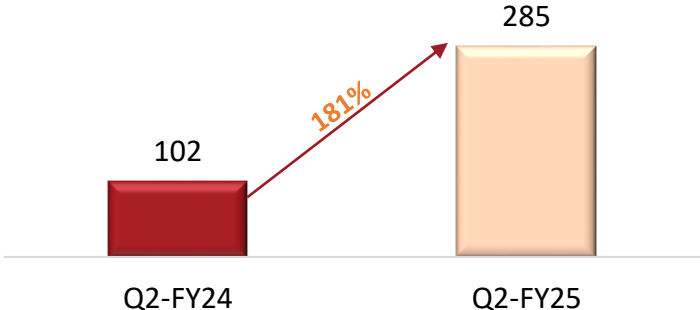
Mutual Funds (Investments)

(Rs. Crore)



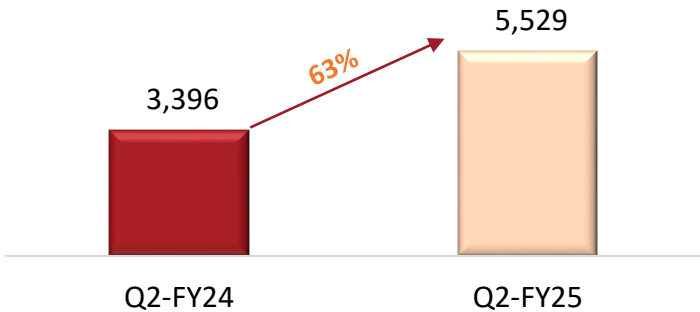
Foreign Payments

(Rs. Crore)



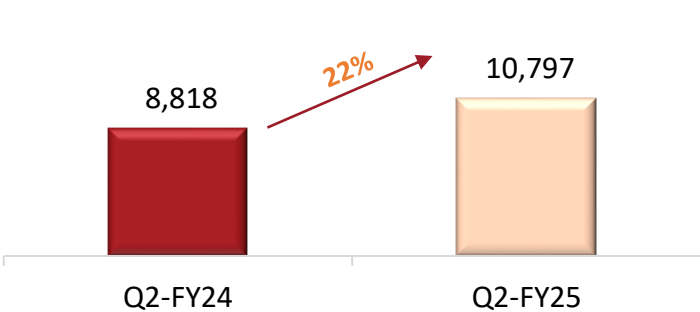
Payment through UPI

(Rs. Crore)



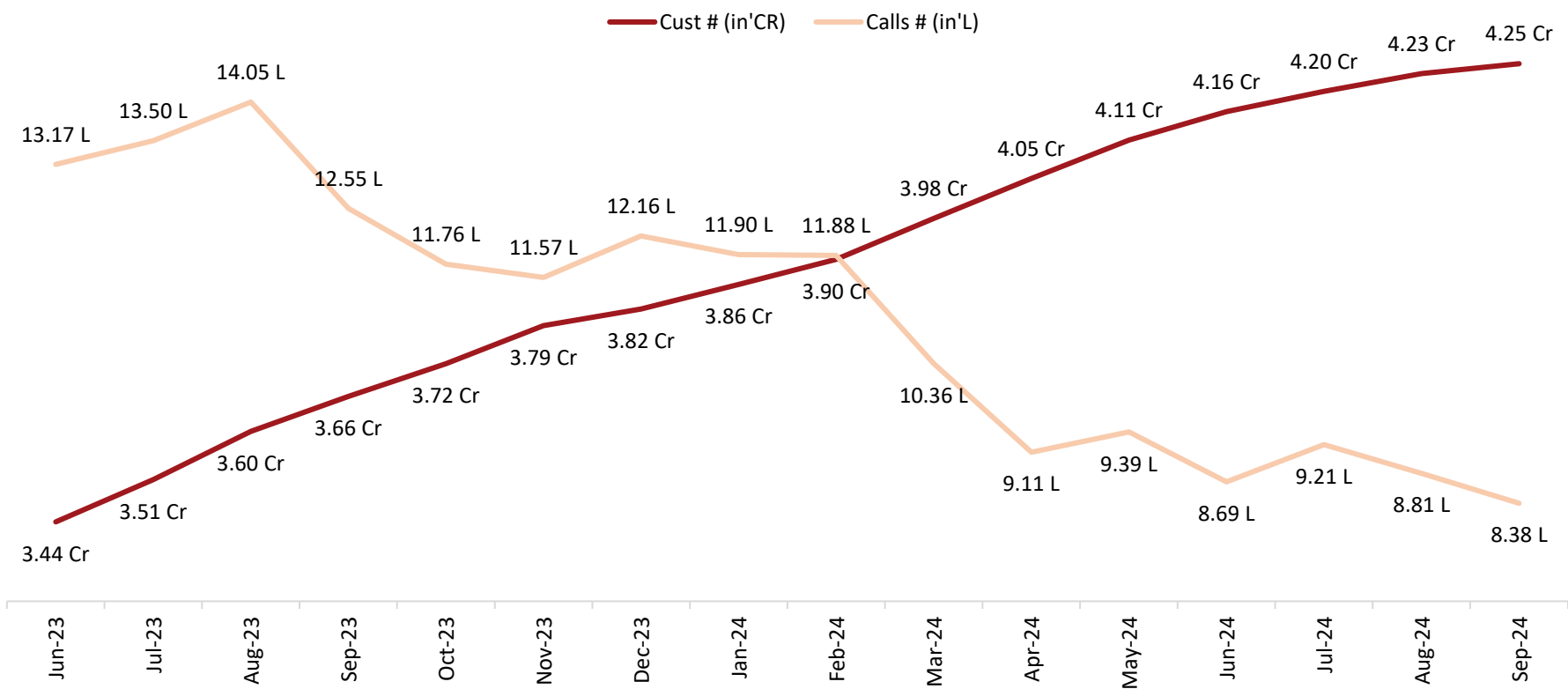
Fixed Deposits

(Rs. crore)



Strong improvement in Customer Service due to Digital Capabilities

- Digitisation initiatives are improving efficiency and customer experience in customer service, disbursement, processing, collection, liabilities, and all divisions.
- For instance, in the last one year, the number of customers increased by 21% while the monthly customer calls at contact center reduced by 34%.



>90% calls answered within **1 sec** with 97% Service Level

These are not unique customers. This is number of relationships with the bank. For eg, if a customer has a credit card and a savings account, it is treated as 2. Excludes BNPL.



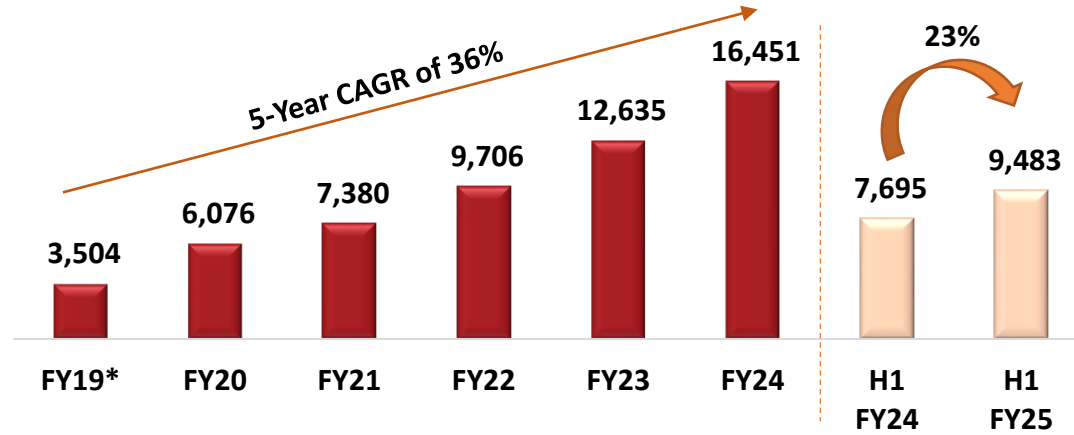
Section 6: Profitability & Capital



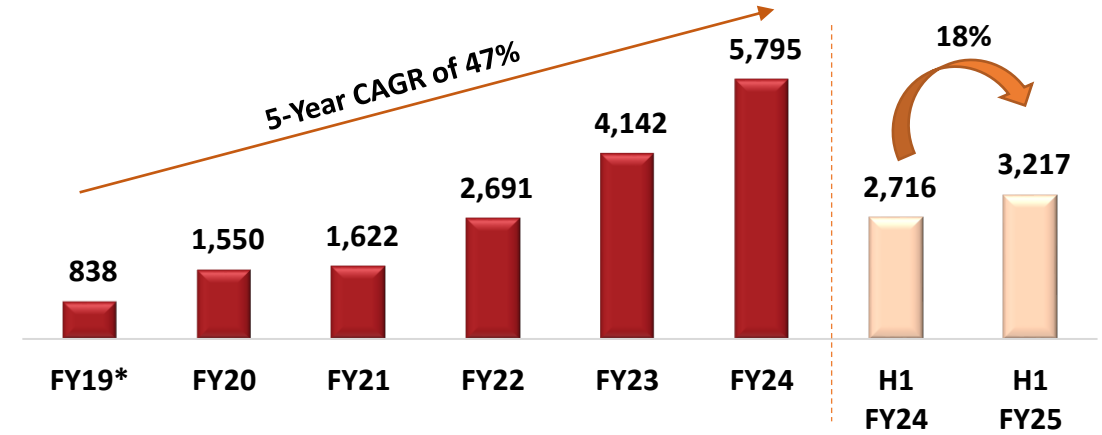
Strong rise in Profitability

In Rs. Crore unless specified otherwise

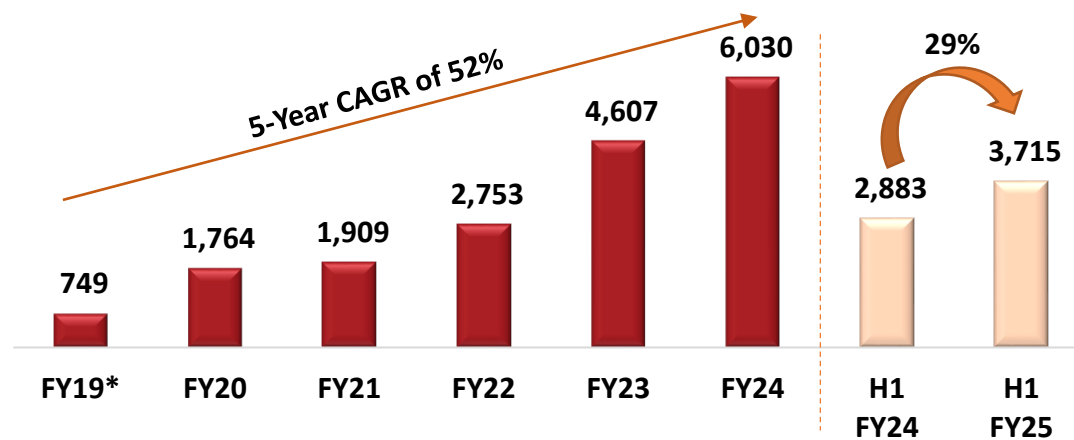
Net Interest Income



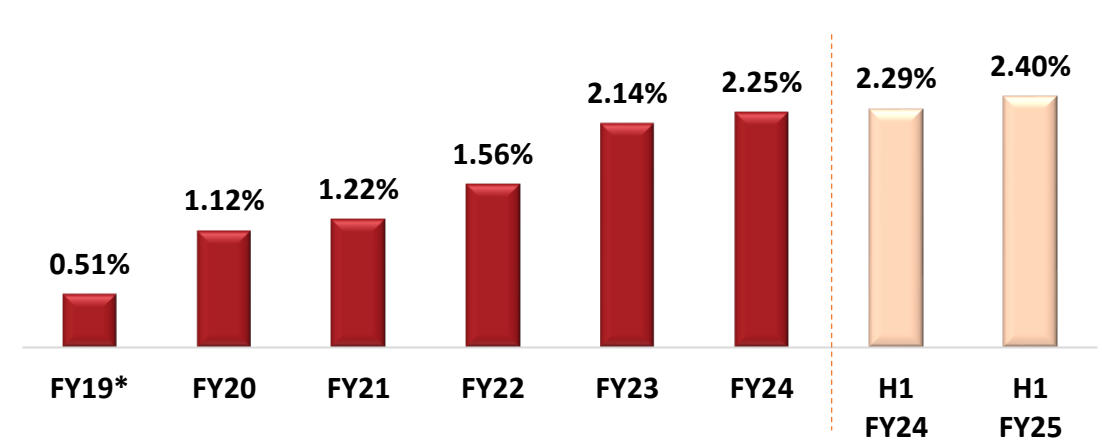
Fee and Other Income



Core Pre-provisioning Operating Profit ^



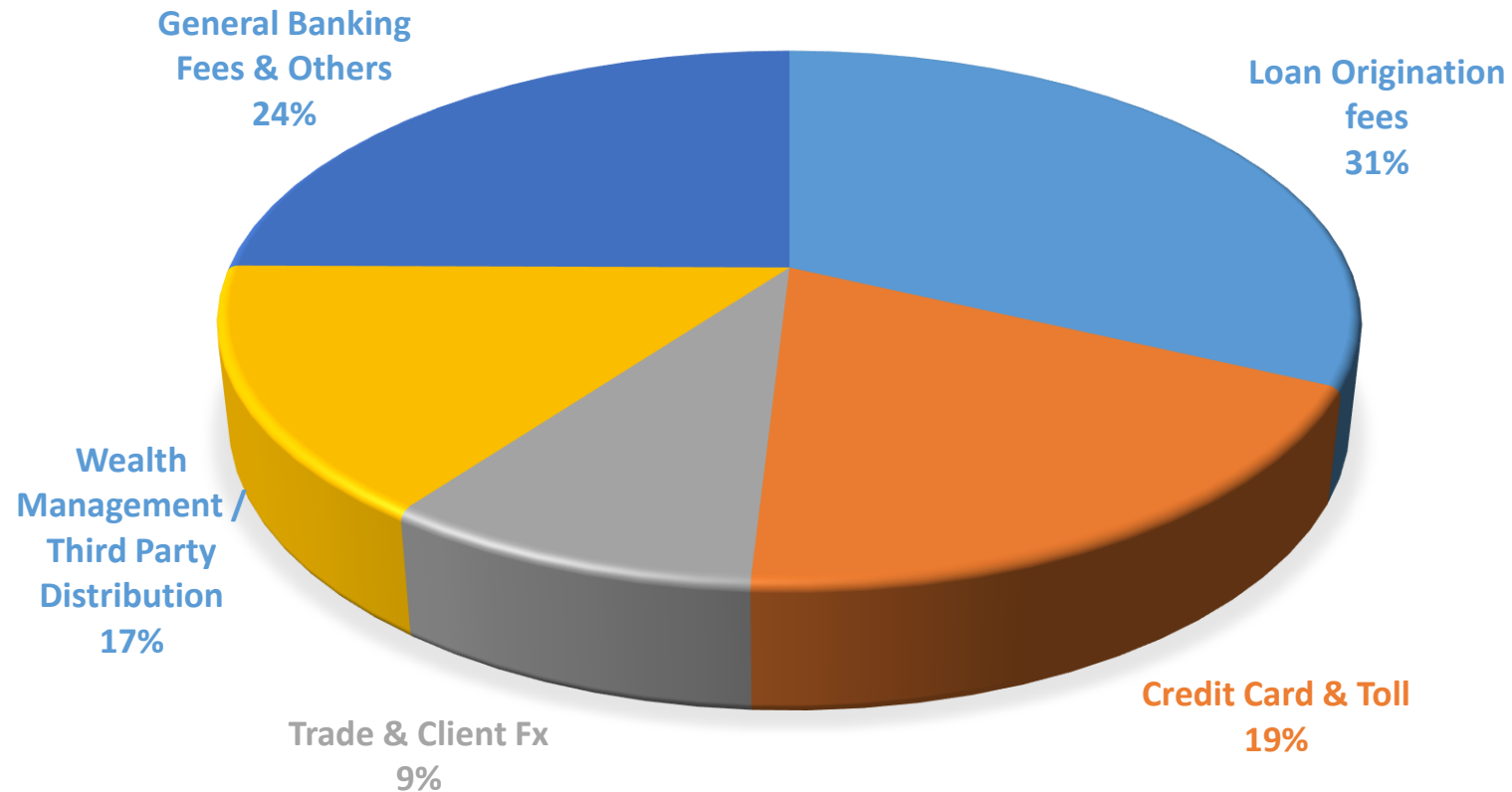
Core PPOP as a % of Average Total Assets ^



^ Excluding trading gains

* Reported Numbers are as per the reported results of respective Financial Years

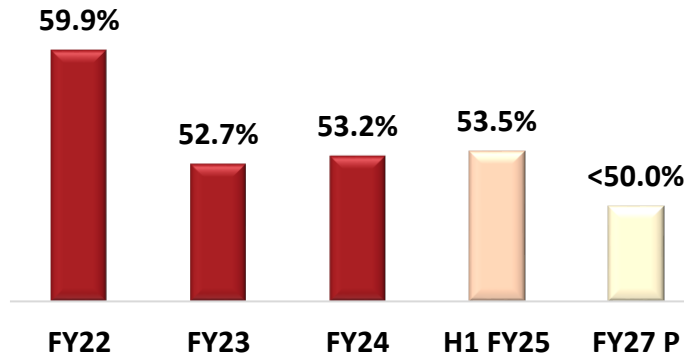
Breakup of Fee & Other Income – H1-FY25



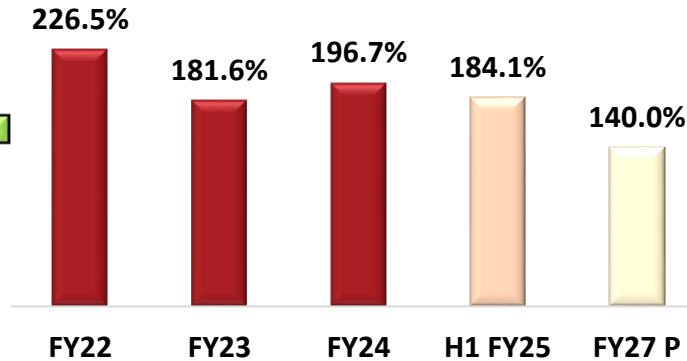
- The Bank has launched and scaled up many fee-based products in the last 5 years.
- Many of these products are in the early stage of their lifecycle and have the potential to grow significantly going forward.
- **92%** of the fee income & other income is from retail banking operations which is granular and sustainable.
- Fee to Average total assets stood at **2.08%** for H1-FY25

Targeting to bring down the Cost to Income Ratio over next 3 years

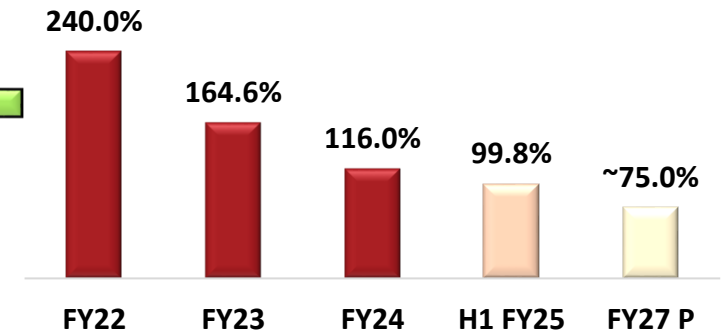
Assets C:I ratio Trend:



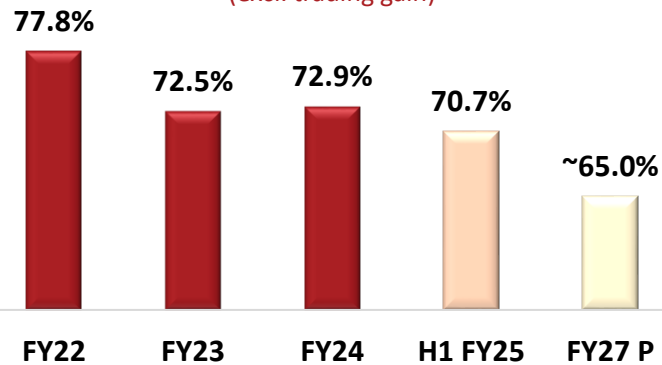
Retail Liabilities C:I ratio Trend:



Credit Cards C:I ratio Trend:



Overall Bank C:I ratio Trend:
(excl. trading gain)

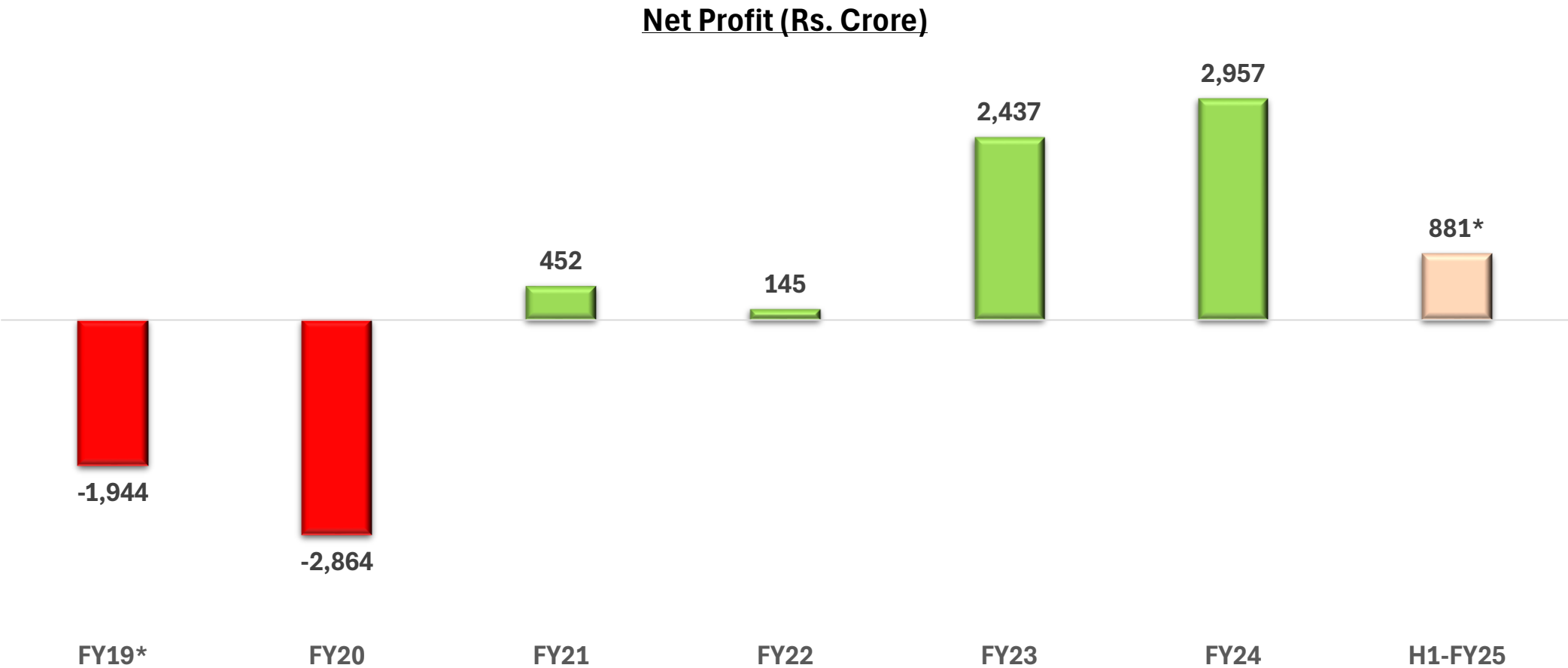


- Economies of scale will lead to reduction in the cost to income ratio of Assets.
- Bank requires to grow branches only about 10% annually against estimated deposit growth of ~25%.
- Credit Cards C:I come down from 240% to <100%, will reduce to ~75% with scale by FY27.
- At a overall Bank level , the C:I to improve to ~65% by FY27.

Disclaimer: Kindly note that the aspirations mentioned above have been presented in good faith based on our internal estimates and current business environment. The Bank may or may not be able to achieve the same based on multiple factors such as interest rate movements, regulatory changes, macro-economic changes, geo-political factors, change in business model and any other factors unknown to us at this stage

Notes. 1. Assets include Retail, Rural, MSME, Business Banking and Wholesale Banking 2. In Q4 FY24, Business Banking (working capital) was included as part of Liabilities business as these are run from branches. Since, by nature, it is a lending business, numbers of this division have been grouped with Assets.

Bank has turned profitable on sustained basis based on strong Operating Profits



*PAT is lower by Rs. 425 crore, on account of additional provisions in Q2 FY25 on a toll account and micro-finance book

*Reported Profit After tax for FY19



Balance Sheet

In Rs. Crore	Sep-23	Jun-24	Sep-24	Growth (%) (YoY)
Shareholders' Funds	27,675	33,443	36,891	33.3%
Deposits	1,71,236	2,09,666	2,23,607	30.6%
- CASA Deposits	79,468	97,692	1,09,292	37.5%
- Term Deposits	91,768	1,11,974	1,14,315	24.6%
Borrowings	53,166	51,869	46,344	-12.8%
Other liabilities and provisions	12,642	11,840	13,600	7.6%
Total Liabilities	2,64,718	3,06,819	3,20,442	21.1%
Cash and Balances with Banks and RBI	13,106	16,972	14,574	11.2%
Net Retail and Wholesale Loans & Advances*	1,78,110	2,06,030	2,18,854	22.9%
Investments	59,838	70,162	72,536	21.2%
Fixed Assets	2,468	2,724	2,757	11.7%
Other Assets	11,197	10,930	11,721	4.7%
Total Assets	2,64,718	3,06,819	3,20,442	21.1%

*includes credit investments (Non-Convertible Debentures, PTC, SRs and Loan Converted into Equity)

Quarterly Income Statement

In Rs. Crore	Q2 FY24	Q1 FY25	Q2 FY25	Growth (%) YoY
Interest Income	7,356	8,789	8,957	22%
Interest Expense	3,406	4,094	4,169	22%
Net Interest Income	3,950	4,695	4,788	21%
Fee & Other Income	1,376	1,595	1,622	18%
Trading Gain	54	24	105	94%
Operating Income	5,380	6,314	6,515	21%
Operating Expense	3,870	4,432	4,553	18%
Operating Profit (PPOP)	1,510	1,882	1,962	30%
Operating Profit (Ex. Trading gain)	1,456	1,858	1,857	27.5%
Provisions	528	994	1,732	228%
Profit Before Tax	982	888	230	-77%
Tax	231	207	29	-87%
Profit After Tax	751	681	201	-73%
PAT (adjusted for one-off provisions)*	751	681	626	-17%

- Net Interest Margin for Q2 FY25 was at 6.18% as compared to 6.22% in Q1 FY25
- Cost to income ratio for Q2FY25 stood at 69.9% as compared to 70.2% in Q1 FY25

* PAT is adjusted for one-off provisions taken prudently against one legacy Toll account and SMA book of microfinance portfolio

Half-Yearly Income Statement

In Rs. Crore	H1 FY24	H1 FY25	Growth (%) YoY
Interest Income	14,224	17,746	25%
Interest Expense	6,529	8,263	27%
Net Interest Income	7,695	9,483	23%
Fee & Other Income	2,716	3,217	18%
Trading Gain	127	129	2%
Operating Income	10,539	12,829	22%
Operating Expense	7,528	8,985	19%
Operating Profit (PPOP)	3,011	3,844	28%
Operating Profit (Ex. Trading gain)	2,883	3,715	29%
Provisions	1,005	2,726	171%
Profit Before Tax	2,006	1,118	-44%
Tax	490	237	-52%
Profit After Tax	1,516	881	-42%
PAT (adjusted for one-off provisions)*	1,516	1,306	-14%

1. Cost to income ratio for H1 FY25 stood at 70.0% as compared to 71.4% in H1 FY24

* Adjusted PAT is adjusted for one-off provisions taken prudently against one legacy Toll account and SMA book of microfinance portfolio

Capital Adequacy Ratio

In Rs. Crore	Sep-23	Jun-24	Sep-24
Common Equity	26,777	32,041 ^	35,424 ^
Tier 2 Capital Funds	6,051	6,085	6,449
Total Capital Funds	32,828	38,126	41,873
Total Risk Weighted Assets	1,98,425	2,40,159	2,56,007
CET-1 Ratio (%)	13.49%	13.34%	13.84%
Total CRAR (%)	16.54%	15.88%	16.36% [16.60]*

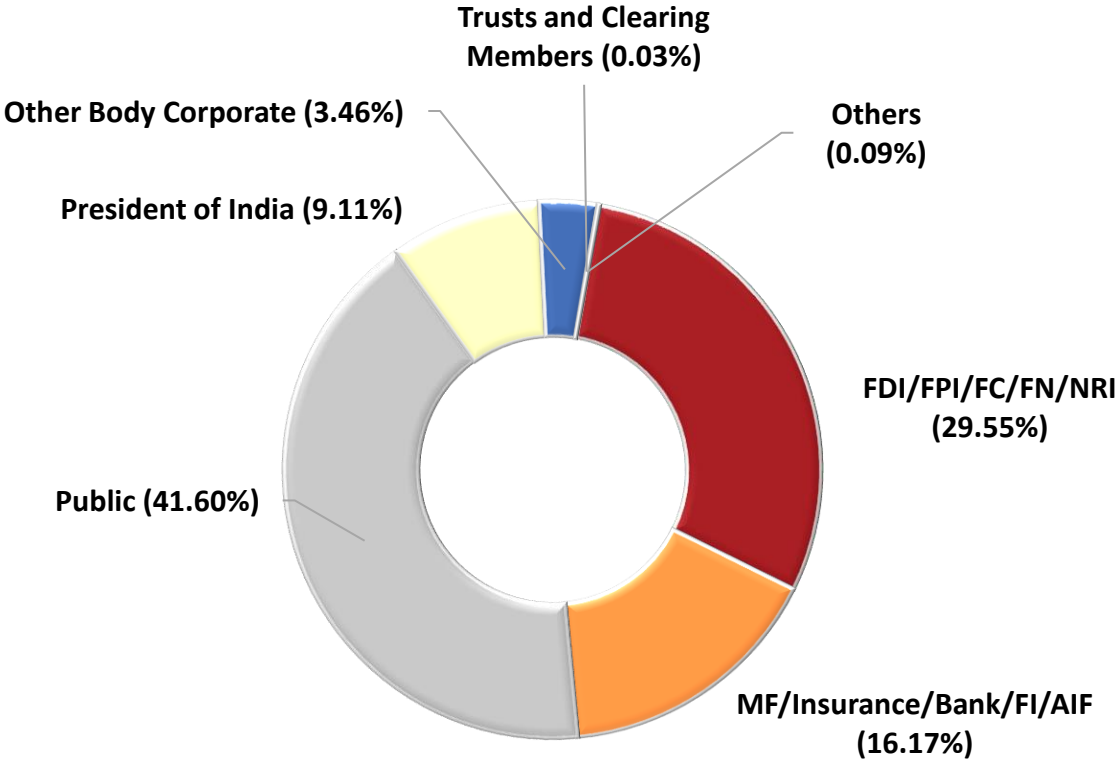
*Including profits for H1 and post the impact of merger, total CRAR as on September 30, 2024 would have been **16.60%** with CET-1 ratio of **14.08%**

^Including profits for respective periods

Shareholding Pattern

Scrip Name: IDFC FIRST Bank (BSE: 539437, NSE:IDFCFIRSTB)

Shareholding Post-Merger



Total No. of shares after merger

731.63 Cr ^

Book Value per Share (Sep 30, 2024)

Rs. 51.27 *

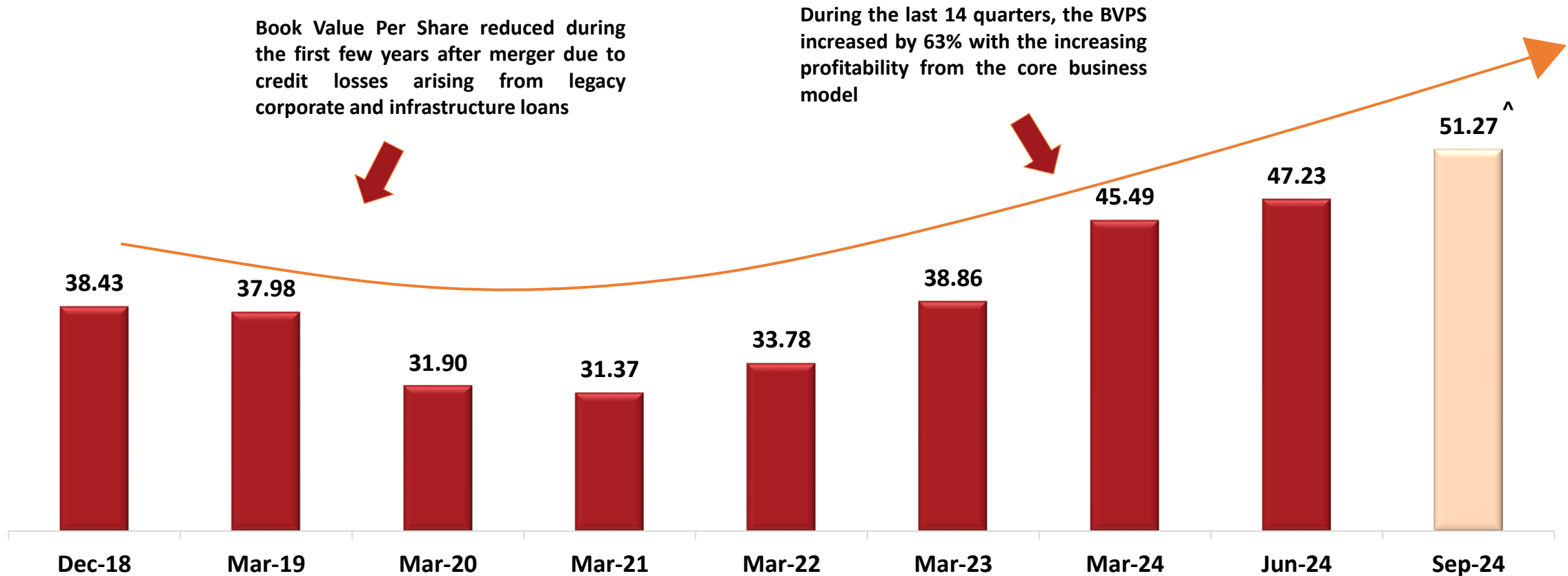
Basic EPS
(H1-FY25 Annualized – Post-Merger)

Rs. 2.35

^ Equity shares outstanding as on 10th October 2024 and post considering cancellation of 16.6 Crore equity shares

* Including Rs. 618 crore accretion to net-worth, arising out of merger

BVPS has grew from Rs. 31.4 to Rs. 51.3



[^] Including Rs. 618 crore accretion to net-worth, arising out of merger, number of shares are considered post merger

Section 7: Credit Rating



Bank's Long Term Credit Rating

Rating Agency	Fixed Deposit
CRISIL	AAA
	Long Term Credit Rating
ICRA	AA+ (stable)
India Ratings	AA+ (stable)
CRISIL	AA+ (stable)
CARE Ratings	AA+ (stable)

- The Bank has received **AAA** rating by **CRISIL** for its **Fixed Deposit Program**
- Bank's **Long Term Credit rating** got **upgraded** from **AA (Stable)** to **AA+ (Stable)** from all major rating agencies in FY24

Section 8: Board of Directors



Board of Directors: MD & CEO Profile



Vaidyanathan aspires to create “a world-class Indian Bank, guided by ethics, powered by technology, and to be a force social good”. He became the Managing Director and CEO of IDFC FIRST Bank in December 2018 following the merger of Capital First and IDFC Bank.

Previously, he worked with Citibank (1990-2000) and ICICI Bank (2000-2010), where he built a large retail banking division, expanding branches to 1,411, growing CASA and retail deposits to ₹ 1 trillion, and growing retail lending, including mortgages, auto loans, MSME and Rural banking to ₹1.35 trillion (\$30bn). He was appointed to the Board of Directors of ICICI Bank in 2006 at age 38. He later served as MD and CEO of ICICI Prudential Life.

Chasing an entrepreneurial opportunity, he left ICICI in 2010 to acquire a stake in a small real-estate financing NBFC with a market cap of ₹780 crore (\$140m), with an idea to convert it to a commercial Bank.

He pledged his stock and home to raise funds, renamed the NBFC as Capital First, and transformed it by exiting real-estate financing and focusing on retail & MSME lending using tech-driven algorithms. He demonstrated the Proof-of-Concept to PE firms, raised ₹810 crore (\$140m) in equity by 2012, recapitalized the company, and became Chairman and CEO."

Capital First grew its retail loan book from ₹94 crore (\$14m) in 2010 to ₹29,600 crore (\$4b) by 2018, serving 7 million customers with high asset quality. The company turned around from losses of ₹30 crore (\$5m) to profits of ₹358 crore (\$50m) during this period. Its share price increased from ₹122 in 2010 to ₹845 in 2018, with market cap rising tenfold to ₹8,200 crore (\$1.2b). In 2017, Vaidyanathan sold 1.5% of his personal stake in Capital First to repay a loan used to acquire his ownership. To secure a commercial banking license for Capital First, he merged it with IDFC Bank in 2018 and became the MD and CEO of the renamed IDFC FIRST Bank.

Post-merger, the loan book expanded to ₹2,22,613 crore (\$27b) with significant growth in retail, rural, and MSME finance. Customer deposits increased from ₹38,455 crore (\$4.6b) to ₹2,18,026 crore (\$26b) between 2018 and 2024, while the CASA ratio rose from 8.7% to 48.9%, and NIM increased to 6.2%. The bank turned profitable with a FY24 PAT of ₹2,957 crore (\$352m).

He has been recognized by numerous awards including “Banker of the Year 2023” by leading Indian publication Financial Express, Ernst and Young "Entrepreneur of the Year" 2022 for Financial Services, "Entrepreneur of the Year" 2020 by CNBC Awaaz, "Most Inspirational Leveraged Management Buyout, India 2018" by CFI Awards, London, "Most Innovative Company of the Year" 2017 by CNBC Asia, "Entrepreneur of the Year 2016 and 2017" from Asia Pacific Entrepreneurship Award, "Most Promising Business Leaders of Asia" by Economic Times in 2016, Business Today - India's Most Valuable Companies 2016 & 2015, Economic Times 500 India's Future Ready Companies 2016, Fortune India's Next 500 Companies 2016.

Board of Directors



MR. SANJEEB CHAUDHURI
Chairman & Independent Director

- Advisor to global organizations across Europe, the US and Asia.
- Worked as Regional Business Head for India and South Asia for Retail, Commercial and Private Banking and **Global Head of Brand** and **Chief Marketing Officer** at **Standard Chartered Bank**.
- **Ex-CEO for Retail and Commercial Banking** for **Citigroup**, Europe, Middle East and Africa.



MR. AASHISH KAMAT
Independent Director

- Has over **32 years of experience** in corporate world, with 24 years being in banking & financial services.
- Was **Country Head for UBS India**, 2012-2018
- Previously, he was the **Regional COO/CFO for Asia Pacific** at **JP Morgan** in Hong Kong
- Worked with **Bank of America** as the Global CFO for IB, Consumer and Mortgage Products



MR. PRAVIR VOHRA
Independent Director

- Was President and **Group CTO** at **ICICI Bank** from 2005 to 2012.
- In ICICI Bank, he headed a number of functions including the Retail Technology Group & Technology Management Group
- **23 years of working experience with SBI** in business as well as technology.
- Ex-VP (Corporate Service Group) at Times Bank



MR. S GANESH KUMAR
Independent Director

- Worked as **Executive Director** in **RBI**
- Worked in **RBI** for **more than 30 years**
- His key areas of operations included Payment and Settlement Systems, External Investments, managing foreign exchange reserve etc.
- He had a key role in the establishment of NPCI, IFTAS, etc.



MR. UDAY BHANUSHALI
Independent Director

- Was **President - Financial Advisory** for **Deloitte Touche Tohmatsu India LLP** and a member of other entities in Deloitte from 2015 to 2024.
- Was **Executive Director** in **Kotak Mahindra Capital**
- Executive VP in General Electric Company.
- Over 20 years of experience in Arthur Andersen & Co at multiple positions.



MR. SUDHIR KAPADIA
Independent Director

- Has **over three decades of vast experience** in advising Indian and Global Multi-National Companies on their tax strategies and efficiencies
- Was the **Tax & Regulatory services Leader** and a Board member at **EY**, India and **KPMG**, India
- former President and a permanent invitee of the Board of Bombay Chamber of Commerce and Industry, is a member of the CII National Committee on MNCs



DR. (MRS.) BRINDA JAGIRDAR
Independent Director

- Independent consulting and business economist.
- Retired as **General Manager and Chief Economist** from **SBI**.
- Member of Governing Council of Treasury Elite and RBI Depositor Education and Awareness (DEA) Fund Committee, All India Bank Depositors Association of the Forum of Free Enterprise



MS. MATANGI GOWRISHANKAR
Independent Director

- **Experience business & human resources professional with over four decades of experience** in senior leadership roles in business and HR, both in India and overseas.
- Worked with large multinational corporations, in diverse sectors like Banking, IT, Financial services, Manufacturing etc.
- actively involved in coaching and mentoring senior leaders



MRS. PANKAJAM SRIDEVI
Independent Director

- **35 years of experience** in domains such as banking, manufacturing and technology.
- **MD of Commonwealth Bank of Australia** (India) from 2019 to 2024.
- Held various global positions for the ANZ Banking Services group.
- active leader in representing industry forums like CII, NASSCOM, BCIC, Anita Borg Institute and India Inclusion Forum in India



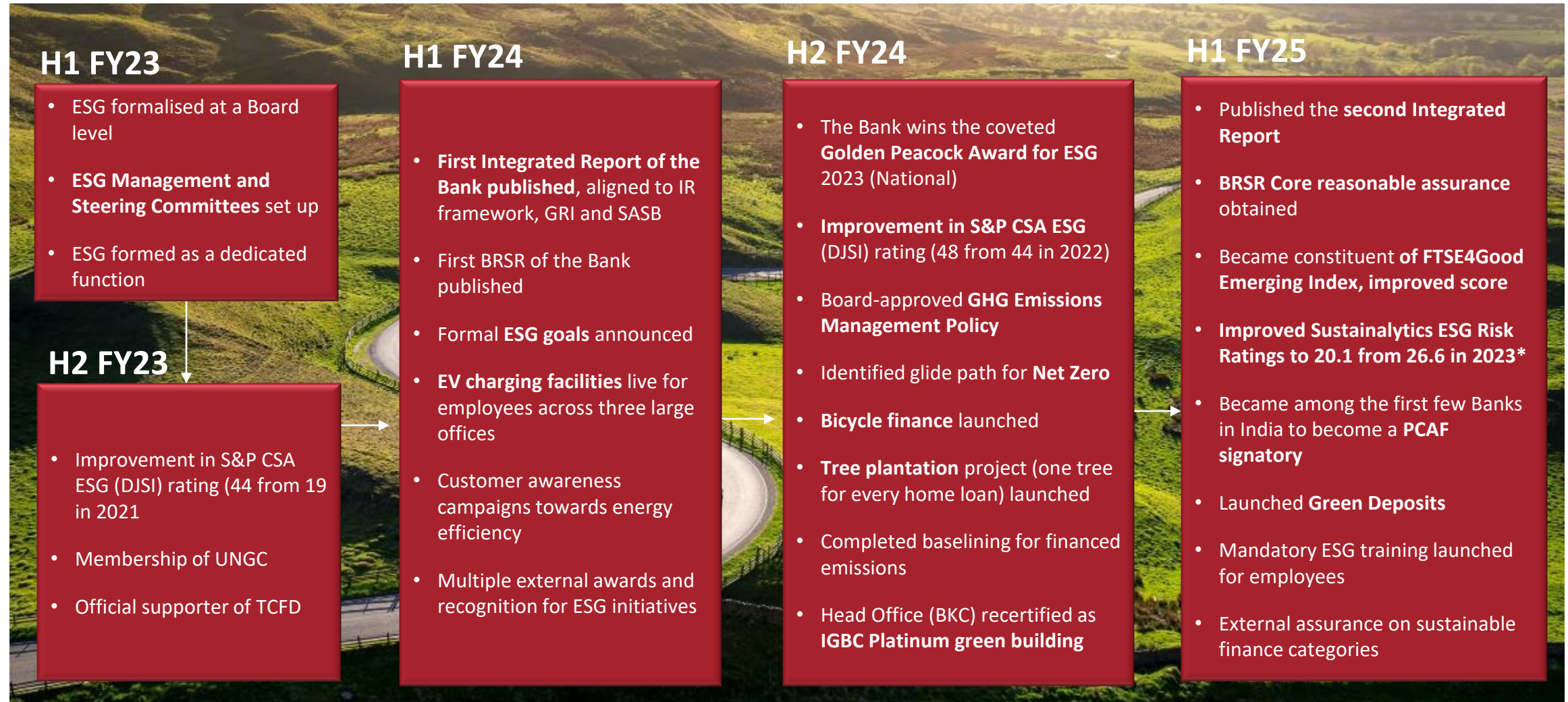
MR. PRADEEP NATARAJAN
Executive Director

- Has been in the leadership position since merger with Capital First in December 2018
- **Has over 25 years of work experience across Capital First, Standard Chartered Bank, Religare Mcquarie and Dell.**
- helped to set up retail business in Capital First since inception.
- Expertise in Business Development, Technology, Risk Analytics, Debt Management, Project Management, Customer Service, Marketing

Section 9: Progress on ESG



Our ESG journey



Key ESG highlights

ENVIRONMENT



- **21%** overall infrastructure green building certified
- Corporate HO in Mumbai **fully powered by green energy**
- **Board-approved GHG Emissions Management Policy**

SOCIAL



- **56,960 lives impacted** in H1 FY 25 under CSR
- Mandatory training module on ESG for employees
- **iBelong and iTalent initiatives** for employee diversity and growth

GOVERNANCE



- **80% Independent Directors** on Board
- **Climate risk** made part of annual ICAAP process
- **ISO 27001** Certified Information Security Management

SUSTAINABLE FINANCE



- **~2.2 lakh EV two wheelers financed***
- **1,900+ Bicycles financed***
- **3.7 lakh+** Water Sanitation and Hygiene (WASH) loans disbursed*
- **Green Deposits** launched

**live till date*

Recognitions for ESG Efforts



Dun & Bradstreet India

Leading Listed ESG Entity
Mar 2024



The European

Most ESG Responsible Banking
Service – India Dec 2023



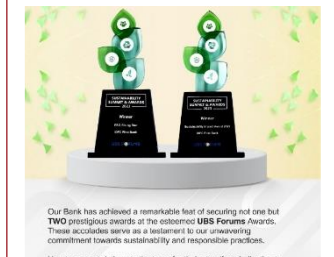
Institute of Directors India

Golden Peacock Award in ESG
Sep 2023 (National)



Capital Finance International

Outstanding Commitment to
ESG Performance India Sep 2023



UBS Forums

ESG Rising Star & Sustainability
Impact Award May 2023



Transformance Forums

Best Bank Leading the Way in
ESG Apr 2023



ET BFSI Excellence Awards

Best CSR Sustainability Award
Feb 2023



Navabharat BFSI Award

Best Sustainable Bank Strategy
Oct 2022



The European

Social Impact Bank of the Year
Sep 2022



World Finance Organisation

Best Corporate Governance,
India Jun 2022

Section 10: Awards and Recognition



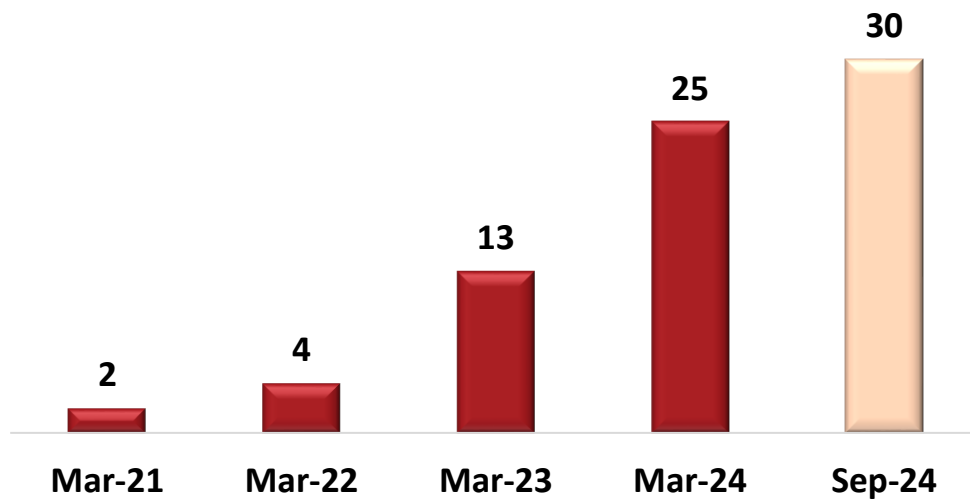
Awards and Recognition



FE Best Banks Award for Best Savings Product 2024 – Financial Express
 FE Best Banks Award for Banker Of The Year - 2024 - Financial Express
 Global Transaction Banking Innovation Award for Outstanding Innovation in Corporate Payments - 2024– The Digital Banker
 Global Transaction Banking Innovation Award for Best API Initiative of the Year - 2024 - The Digital Banker
 Best Corporate Governance 2023 - World Finance
 India's Leading Private Bank (Mid) – Dun & Bradstreet (BFSI & FinTech 2024)
 Innovation In Banking - Aegis Graham Bell (14th edition – 2024)
 Best Digital Bank 2023 - Financial Express India's Best Banks Awards 2023
 Innovative Payment Solution of the Year for FIRSTAP 2023 - Gadgets Now
 Excellence in BFSI 2023 - National Awards for Excellence
 Dream company to work for HR 2023 - National Awards for Excellence
 Best Corporate Governance, India 2022 - World Finance Corporation
 Most Innovative Digital Transformation Bank 2022 - The European
 Most Promising Brand Awards 2022 - ET BFSI
 Social Impact Bank of the Year 2022 - The European
 Best Payments & Collections Solution Award 2021 - Asset Asian Awards
 Best Innovative Payment Solution - Phi Commerce
 Best Consumer Digital Bank in India – 2021 - Global Finance Magazine
 Best Wealth management provider for Digital CX - Digital CX
 Excellence in User Experience – Website - Digital CX
 Best BFSI Brands in Private Bank Category - ET BFSI
 Most Trusted Brands of India 2021 - CNBC TV18
 Most Harmonious Merger Award - The European
 Most Trusted Companies Awards 2021 - IBC
 Outstanding Digital CX - Internet Banking (WM) - Digital CX
 ET Most Inspiring CEO Award - by Economic Times

IDFC FIRST Bank has established its strong presence improving its TOMA score

Top Of Mind Awareness (TOMA) ^



- Over the years, the Bank has launched many campaigns and improved its brand recognition
- TOMA score represents the brand recall from the customers' perspective and it has improved from 2 in March-2021 to 30 as of Sep-2024.
- The Bank aspires to improve the TOMA score further going forward

^ Source: Kantar syndicated brand track study

IDFC FIRST Bank



We are building a world class bank with:

- Highest levels of corporate governance
- Stable balance sheet growth of ~20%,
- Robust asset quality of GNPA less than 2% and net NPA of < 1%
- High teens ROE
- Contemporary technology and
- High levels of Customer Centricity.



Disclaimer

This presentation has been prepared by and is the sole responsibility of IDFC FIRST Bank (together with its subsidiaries, referred to as the “Company”). By accessing this presentation, you are agreeing to be bound by the trailing restrictions.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer or recommendation to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contractor commitment therefore. In particular, this presentation is not intended to be a prospectus or offer document under the applicable laws of any jurisdiction, including India. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. There is no obligation to update, modify or amend this communication or to otherwise notify the recipient if information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Certain statements contained in this presentation that are not statements of historical fact constitute “forward-looking statements.” You can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “goal”, “plan”, “potential”, “proforma”, “project”, “pursue”, “shall”, “should”, “will”, “would”, or other words or phrases of similar import. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, among others: (a) material changes in the regulations governing our businesses; (b) the Company's inability to comply with the capital adequacy norms prescribed by the RBI; (c) decrease in the value of the Company's collateral or delays in enforcing the Company's collateral upon default by borrowers on their obligations to the Company; (d) the Company's inability to control the level of NPAs in the Company's portfolio effectively; (e) certain failures, including internal or external fraud, operational errors, systems malfunctions, or cyber security incidents; (f) volatility in interest rates and other market conditions; and (g) any adverse changes to the Indian economy.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. The Company may alter, modify, regroup figures wherever necessary or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes.



Thank You

Annexure 1

- **Performance of the Bank against the stated goals**
- **Guidance 2.0**



The Bank is performing well on the guidance given for FY 25 at the time of the merger

	Particulars	Dec-18 (At Merger)	Guidance for FY24-FY25	H1-FY25	Status
Capital	CET – 1 Ratio	16.14%	>12.5 %	13.84% ¹	On Track
	Capital Adequacy (%)	16.51%	>13.0 %	16.36% ¹	On Track
Liability	CASA as a % of Deposits (%)	8.7%	30% (FY24), 50% thereafter	48.9%	Achieved
	Branches (#)	206	800-900	961	Achieved
	CASA + Term Deposits<5 crore (% of Customer Deposits)	39%	85%	82%	On Track
	Certificate of Deposits of % of total deposits & borrowings	17%	<10% of liabilities	2%	Achieved
	Quarterly Avg. LCR (%)	123%	>110%	116%	Achieved
Assets	Retail, Rural and MSME Finance (Net of IBPC)	Rs. 36,927 Cr	Rs. 100,000 Cr	Rs. 1,83,677 Cr	Achieved
	Retail, Rural and MSME Finance as a % of Total Loans & Advances	35%	70%	83%	Achieved
	Wholesale Loans & Advances ²	Rs. 56,770 Cr	< Rs. 40,000 Cr	Rs. 37,846 Cr	Achieved
	- of which Infrastructure loans	Rs. 22,710 Cr	Nil in 5 years	Rs. 2,654 Cr	On Track

1. Including profits for H1 FY25.

2. Excluding Security Receipts, Loan converted into Equity, RIDF and PTC.

Some new guidance has been included for greater clarity. No guidance given at the time of the merger has been amended



The Bank is performing well on the guidance given for FY 25 at the time of the merger

	Particulars	Dec-18 (At Merger)	Guidance for FY24-FY25	H1-FY25	Status
Asset Quality	Top 10 borrowers as % of Total Loans & Advances (%)	12.8%	< 5%	1.84%	Achieved
	GNPA (%)	1.97%	2.0% - 2.5%	1.92%	Achieved
	NNPA (%)	0.95%	1.0% - 1.2%	0.48%	Achieved
	Provision Coverage Ratio (%)	53%	~70%	75.27%	Achieved
Profitability	Net Interest Margin (%)	3.10%	5.0% - 5.5%	6.2% ¹	Achieved
	Cost to Income Ratio ² (%)	81.56%	65% ^	70.7%	Delayed
	Return on Asset (%)	-3.70%	1.4-1.6%	0.57% ³	Delayed
	Return on Equity (%)	-36.81%	13-15%	5.15% ³	Delayed

1. Gross of IBPC & Sell-down

2. Excluding Trading Gains

3. Excluding the additional provisioning in Q2 FY25 on one legacy toll account and prudent provisioning on microfinance business, the RoA and RoE would be by **0.85%** and **7.60%** respectively

Note: Earnings for Dec-18 are for the quarter, NIM, ROA, ROE are annualized for the corresponding quarter.

^ guidance for Q4-FY25,

Disclaimer: Kindly note that the aspirations mentioned above have been presented in good faith based on our internal estimates and current business environment. The Bank may or may not be able to achieve the same based on multiple factors such as interest rate movements, regulatory changes, macro-economic changes, geo-political factors, change in business model and any other factors unknown to us at this stage



Target 2.0 (FY24 - FY29) [Provided in January 2024]

Particulars	31-Dec-2018	31-Dec-2023	5 Year CAGR (%)	31-Mar-2029
Deposits	First 5 years since after merger			
Branches (#)	206	897	34%	1700-1800
Customer Deposits (Rs Cr)	38,455	176,481	36%	585,000
- CASA Deposits (Rs Cr)	5,274	85,492	75%	2,85,000
- Term Deposits (Rs Cr)	33,181	90,990	22%	3,00,000
Assets				
Loans & Advances** (Rs Cr)	104,660	1,89,475	13%	5,00,000
Total Assets (Rs Cr)	156,916	270,738	12%	7,00,000
Asset quality				
GNPA %	1.97%	2.04%	-	1.5%
NNPA %	0.95%	0.68%	-	0.4%
Profitability				
Profit (Rs Cr)	-1,568	2,232*	-	12,000 – 13,000
ROA %	-	1.2%	-	1.9-2.0%
ROE %	-	10.7%	-	17-18%

- The Bank has exceeded or met or most likely to meet most targets as provided under Guidance 1.0.
- We have a strong proven business model that is incrementally very profitable.
- We are building a world class bank with highest levels of corporate governance, a consistent balance sheet growth of ~20%, with strong asset quality of GNPA < 1.5% and net NPA of < 0.4%, with ROE of 17-18%, with contemporary technology, unique business model, and high levels of Customer Centricity.

* For 9MFY24

** (including Credit Substitutes))



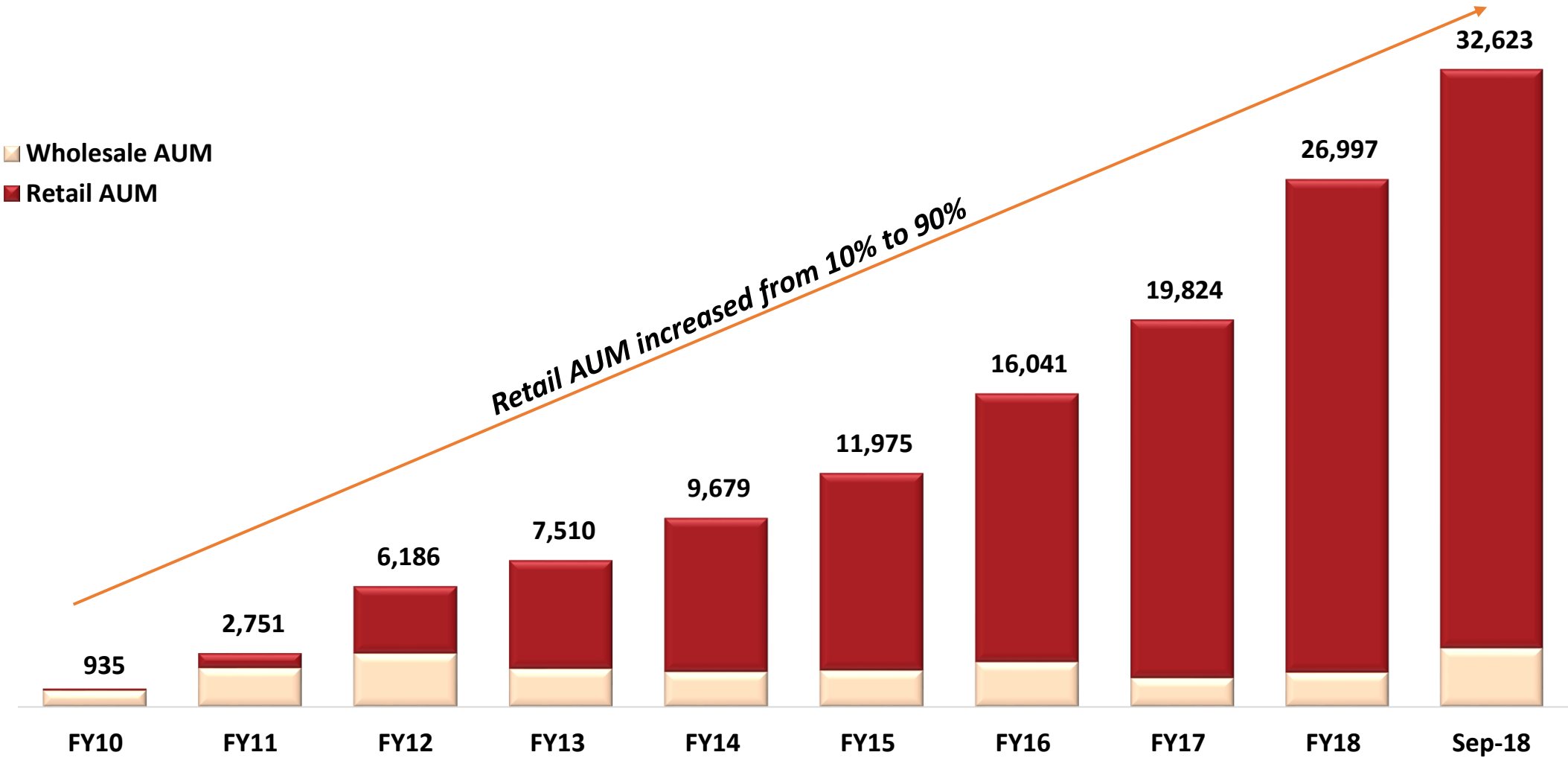
Annexure 2

Since the business model of Capital First is an important part of the business being built in the merged bank, the brief history and the progress of Capital First is being provided for ready reference to investors.



Successful Trajectory of Growth and Profits at Capital First

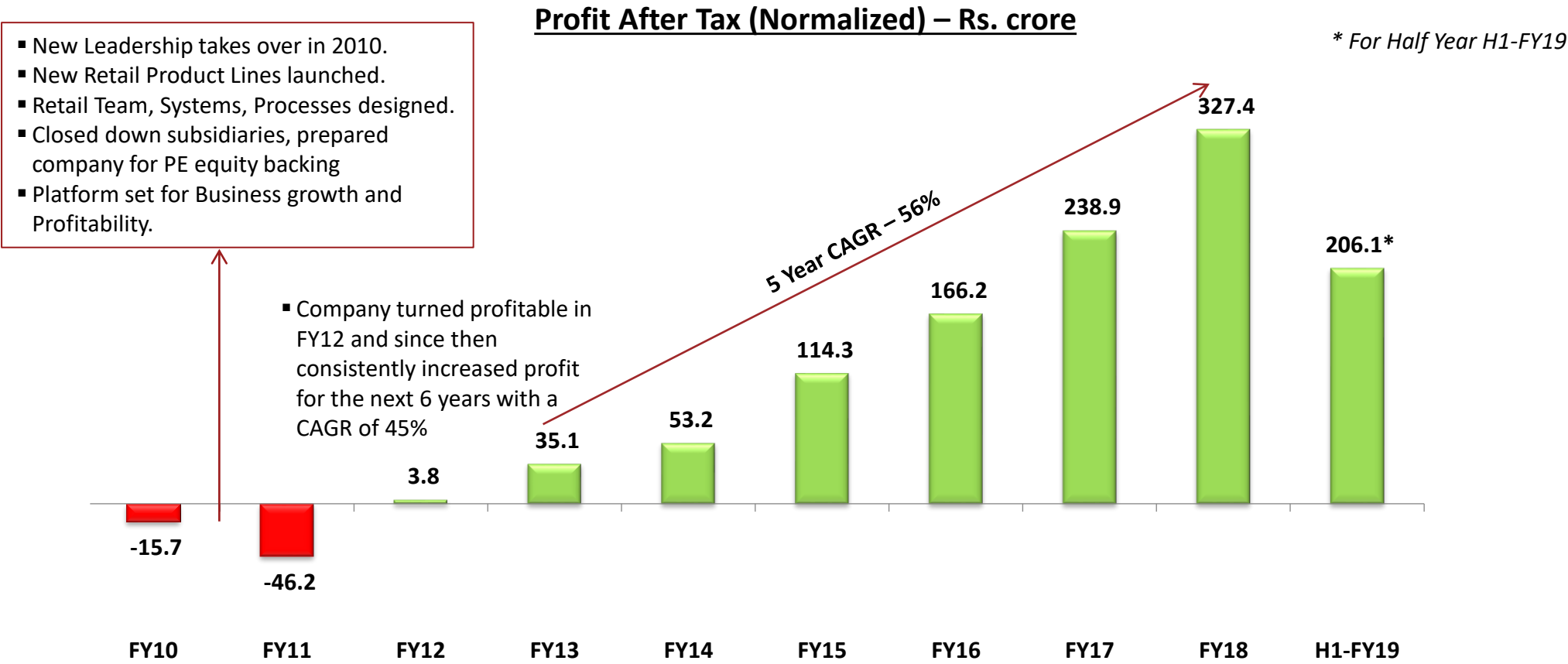
Financial Performance: The Asset Under Management has consistently grown at 5-Year CAGR of 29%



Successful Trajectory of Growth and Profits at Capital First

Financial Performance: Yearly Trend of Profit After Tax

In FY 08 and 09, the Company had made losses. Even after the new leadership took over, for two years the company continued to post losses as the building blocks for new age retail lending were prepared. Once the company got scale, Capital First posted a CAGR growth in profits of 56% for last 5 years.

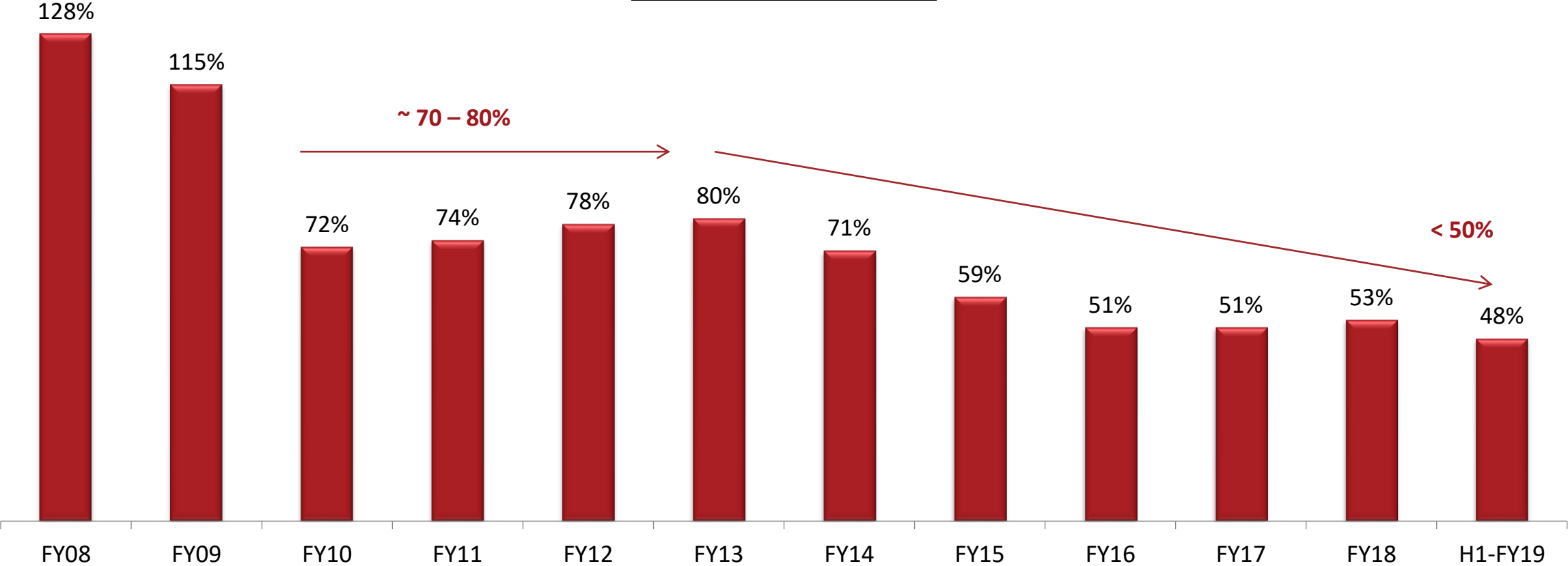


Successful Trajectory of Growth and Profits at Capital First

This page is an extract from Capital First investor Presentation of September 2018, which is the last quarter prior to merger. Presented here to demonstrate the capability of the core loan book and the track record of growth and profitability.

The Cost to Income ratio, which was high at ~130% in the early stages of the company, reduced to <50% once the business model stabilized over the years.

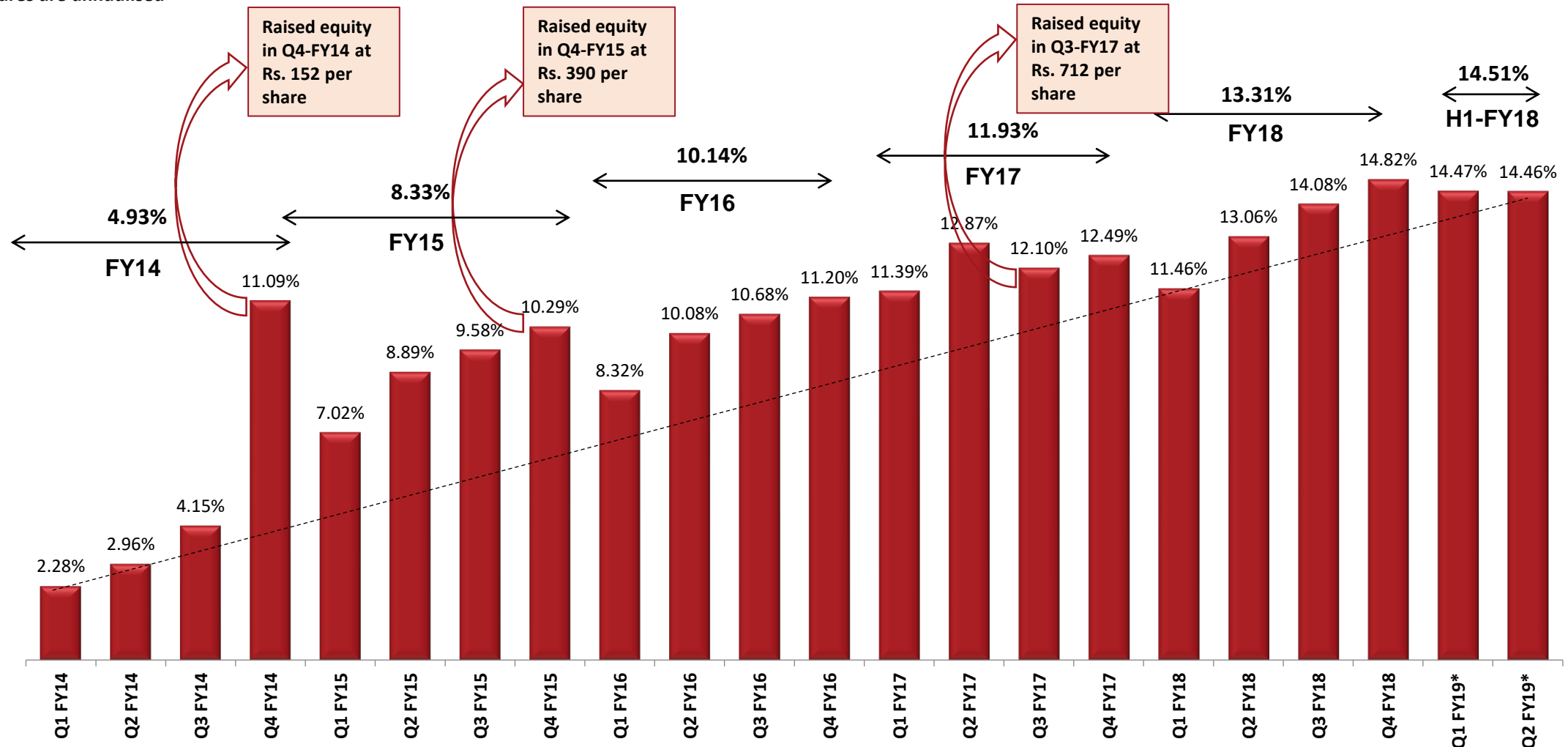
Cost to Income ratio (%)



Capital First: the Return on Equity continuously improved over the quarters...

This page is an extract from Capital First investor Presentation of September 2018, which is the last quarter prior to merger. Presented here to demonstrate the capability of the core loan book and the track record of growth and profitability.

All figures are annualised



*Highlighted figures are based on Indian AS in comparison to quarterly figures for earlier periods based on Indian GAAP.

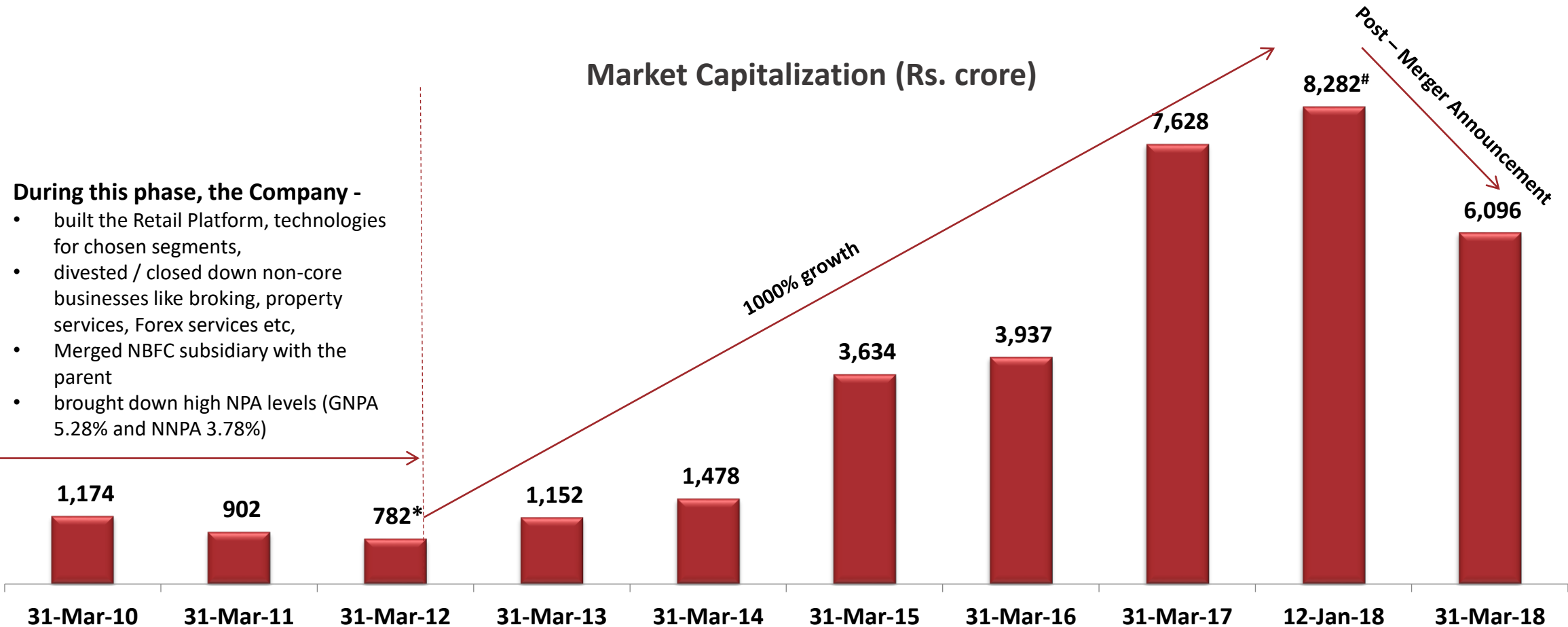
Successful Trajectory of Growth and Profits at Capital First

This page is an extract from Capital First investor Presentation of September 2018, which is the last quarter prior to merger. Presented here to demonstrate the capability of the core loan book and the track record of growth and profitability.

Market Capitalization (Rs. crore)

During this phase, the Company -

- built the Retail Platform, technologies for chosen segments,
- divested / closed down non-core businesses like broking, property services, Forex services etc,
- Merged NBFC subsidiary with the parent
- brought down high NPA levels (GNPA 5.28% and NNPA 3.78%)

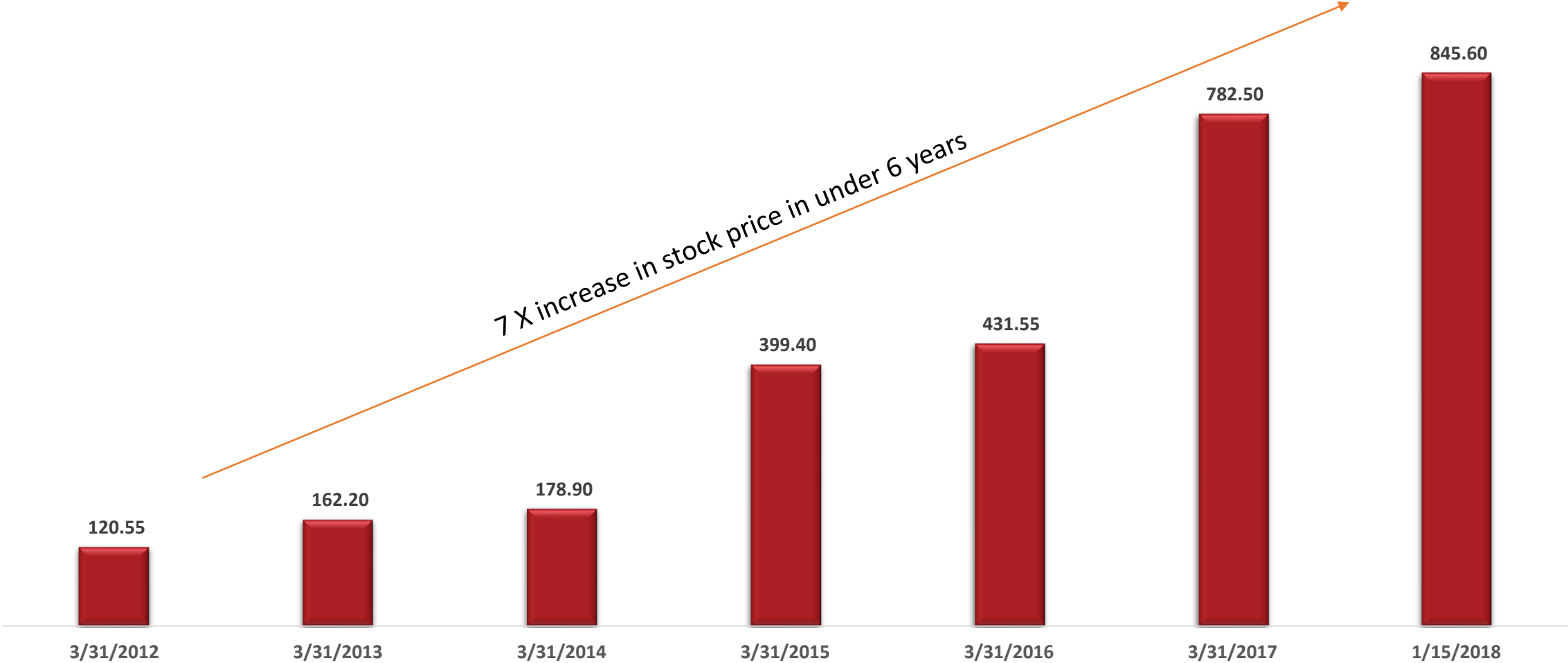


* Market Cap as on 31-March-2012, the year of Management Buyout
Market Cap on the day before the announcement of merger with IDFC Bank (Jan 13, 2018).

Successful Trajectory of Growth and Profits at Capital First

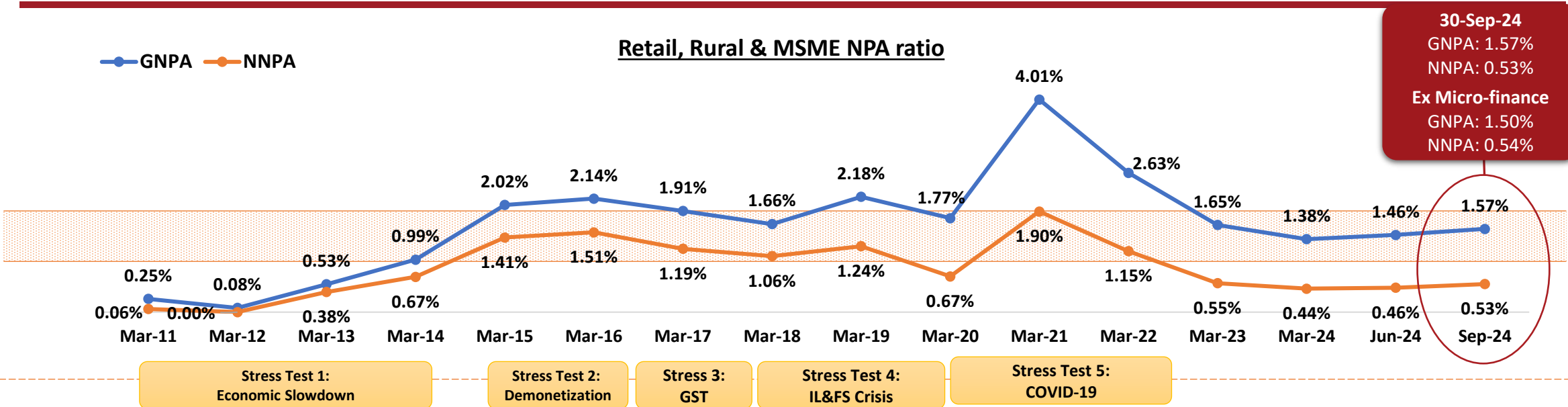
This page is an extract from Capital First investor Presentation of September 2018, which is the last quarter prior to merger. Presented here to demonstrate the capability of the core loan book and the track record of growth and profitability.

Stock Price increased 7x from Rs. 120.55 to Rs. 845.60 in 6 years



Bank has maintained High Retail asset quality GNPA of ~2% and NNPA ~1% for 14 years across cycles

Retail, Rural & MSME NPA ratio



Retail, Rural & MSME AUM (Rs. Crore)

