

*Press release:*

**IDFC FIRST Bank's Digital Rupee app is now interoperable with UPI QR Codes**

- ***IDFC FIRST Bank is one of the first cohort banks in the launch of Digital Rupee-India's CBDC***
- ***Interoperability of UPI QR Codes with Digital Rupee to boost acceptance and usage***

**Mumbai, 04<sup>th</sup> September 2023:** In alignment with the RBI's Central Bank Digital Currency (CBDC) initiative, IDFC FIRST Bank has unveiled a new enhancement: the integration of UPI QR Codes with its CBDC app, the IDFC FIRST Bank Digital Rupee. This innovation aims to enhance the adoption of Digital Rupee and boost its utilization.

Being one of the banks that are a part of RBI's CBDC initiative for retail users, this new feature will simplify payment acceptance for merchants, enabling them to seamlessly accept payments made with Digital Rupee. Moreover, individuals can effortlessly make payments using Digital Rupee through existing UPI QR codes at various merchants.

Speaking on this initiative, Madhivanan Balakrishnan, ED & COO at IDFC FIRST Bank said, "Our ethos revolves around embracing innovation that enriches the digital payment experience for our customers and valued merchants. The UPI Interoperability feature will dramatically enhance adoption of CBDC across the country. This initiative underscores our unwavering dedication to shape the future of banking in India. As a bank that is rooted in a 'Customer First' philosophy, this initiative aligns with our digital first approach philosophy."

The 'Digital Rupee,' a Central Bank Digital Currency (CBDC), is an initiative by the Reserve Bank of India. This digital form of legal tender is issued by the Central Bank and shares the essential attributes of physical currency, such as trustworthiness, security, and transaction finality with instantaneous settlement in the digital realm.

The IDFC FIRST Bank Digital Rupee app is readily available for both Android and iOS devices. Through this app, users can fund their digital wallets directly from their linked IDFC FIRST Bank accounts. Also, users can initiate transfers, receive or collect Digital Rupees from other registered users, and employ Digital Rupees for payments at any CBDC or UPI-registered merchant utilizing QR codes.

## **About IDFC FIRST Bank**

IDFC FIRST Bank's vision is to build a world-class bank in India that's guided by ethics, powered by technology, and a force for social good.

**Philosophy:** The Bank has a customer-first philosophy offering high-quality products including current accounts, savings accounts, fixed deposits, retail loans, business loans, corporate banking, cash management solutions, FASTag, wealth management, and 24/7 customer care services. IDFC FIRST bank is one of the select banks to work with the regulator for pilot projects for many banking technology initiatives for India like CBDC, UPI for foreigners etc.

**Unique Benefits for customers:** The Bank is the first and only bank in India that offers Zero fees for 28 essential services on savings accounts including for ATM cash withdrawals, IMPS, RTGS, NEFT, Cash Deposits and Cash withdrawals at branches, SMS Alerts, Cheque book, Demand Drafts, Pay-order, duplicate statements, etc. IDFC FIRST Bank is the first bank to offer monthly credit on savings accounts, so customers earn more with us. The bank's credit cards have unique features such as lifetime free, never-expiring reward points, zero interest on cash withdrawal at ATMs and low APR.

**Ethics First:** IDFC FIRST Bank prioritizes ethics in all our dealings and product design. We believe income earned unethically is not worth earning. The Bank applies a "Near and Dear" Test in all product design, so that the employees of the Bank serve only such products to customers that they'd want for their own loved ones.

**Transformation:** IDFC FIRST Bank has transformed from infrastructure to retail banking in four years since merger, increasing CASA ratio from 8.6% to 46.5% (June 30, 2023) and increased Retail Deposits as % of total deposits from 27% to 77%, and set up 824 branches and 1,069 ATMs.

**Financial Performance:** The Bank recorded a PAT of Rs. 765 crore (~US\$ 93 million) in Q1-FY24, with strong Capital Adequacy of 16.96%. The Bank has high asset quality, with Retail, Rural & SME book having Gross NPA of 1.53% and Net NPA of 0.52% as of June 30, 2023. Overall Gross NPA including infrastructure is 2.17% and Net NPA is 0.70%.

**ESG Goals:** The Bank is highly committed to ESG. The Bank has high governance scores, the business lines naturally support social goals, and efforts are ongoing to achieve environmental goals.