IDFC FIRST Bank

Investor Presentation – Q2 FY27

October 24, 2026

Our Vision

To Build A World Class Bank in India with Principles of Ethical, Digital & Social Good Banking

Bank at Glance, Q2 FY27 results

Loans & Advances

Rs. 3,38,929 Cr
(14% QoQ | 30% YoY)

Total Deposits

Rs. 3,48,583 Cr
(12% QoQ | 26% YoY)

CASA Deposits

Rs. 1,65,963 Cr
(5% QoQ | 20% YoY)

Average CASA ratio

48.4%
(-167 bps QoQ | -22 bps YoY)

GNPA ratio

1.32%
(-20 bps QoQ | -54 bps YoY)

NNPA ratio

0.40%
(-4 bps QoQ | -13 bps YoY)

Net Interest Income (Q2-FY27)

Rs. 6,184 Cr
(3.5% QoQ | 21.0% YoY)
Excluding Interest on IT-refund in Q1FY27, up 4.5% QoQ

Fee & Other Income (Q2-FY27)

Rs. 2,285 Cr
(7.4% QoQ | 24.5% YoY)

Core Operating Profit (Q2-FY27)

Rs. 2,527 Cr
(6.6% QoQ | 38.5% YoY)

Provisions (Q2-FY27)

Rs. 1,137 Cr
(-0.6% QoQ | -21.7% YoY)

Profit After Tax (Q2-FY27)

Rs. 1,045 Cr
(-2.8% QoQ | 196.5% YoY)

Return on Assets (Q2-FY27)

0.93%
(-13 bps QoQ | 55 bps YoY)
Core RoA at 0.92% in Q2 vs 0.88% in Q1 FY27

1. *Loans & Advances (Rs. 3,38,929 Cr) and Credit Substitutes (Rs. 7,984 Cr) = Total Loan Assets of Rs. 3,46,913 Cr, up 30% YoY and 14% QoQ*
2. *Loan Assets includes FCNR (B) backed loans to NRI customers amounting to Rs. 24,885 crore, excluding this it grew 5.5% QoQ and 20.8% YoY. Gross of IBPC Loan Assets increased by 22.2% YoY*
3. *Total Deposits includes Customer Deposits (Rs. 3,41,415 Cr) and Certificate of Deposits (Rs. 7,168 Cr). This includes FCNR (B) deposits of Rs. 34,390 crore*
4. *Domestic credit to deposit ratio was at 89.9% as on September 30, 2026, this excludes the loans and deposits of IBU branch of the Bank*

Management Commentary – Q2 FY27

- **Strong deposit growth:** Total deposits grew 25.9% YoY and 11.8% QoQ to reach Rs. 3,48,583 crore.
- **Healthy CASA:** Average CASA ratio remained strong at 48.4% in Q2 FY27. The slight decline from 50.1% was primarily due to the large mobilisation of FCNR(B) deposits during the quarter.
- **Loan growth:** Loans and advances, including credit substitutes and FCNR(B)-backed loans, grew 30.1% YoY to Rs. 3,46,913 crore. Excluding loans secured by FCNR(B) deposits, loan growth was 22.2%, gross of IBPC.
- **Operating leverage:** Opex growth has remained lower than income growth by over 500 bps YoY for two consecutive quarters. Over the past seven years, the Bank has invested in building its deposit, PSL franchise, and launch of many new business lines. Bank is experiencing Operating leverage on these investments which is resulting in strong growth in PAT.
- **Improving cost-to-income ratio:** Incremental cost-to-income ratio was 55% in H1 FY27. The core cost-to-income ratio improved to 70.16% in Q2 FY27 from 70.73% in Q1 FY27.
- **Strong growth in core operating profit:** Core operating profit, excluding trading gains, grew 38.5% YoY to Rs. 2,527 crore in Q2 FY27.
- **Stable asset quality:** GNPA stood at 1.32% and Net NPA at 0.40%. Credit cost, as a percentage of average assets, reduced to 1.01% in Q2 FY27.
- **PAT** grew 196.5% YoY to Rs. 1,045 crore, resulting in an ROA of 0.93% for Q2 FY27. H1 FY27 ROA stood at 0.99%.
- **FCNR(B) mobilisation:** The Bank mobilised Rs. 34,390 crore (approximately US$3.6 billion) of FCNR(B) deposits despite having no branch, subsidiary or representative office outside India. This demonstrates the Bank's digital capabilities and the trust it enjoys among customers.
- FCNR(B) deposits are largely of 3-to-5-year tenor and provide strong structural liquidity for the coming years. The fully loaded cost of FCNR(B), including PSL benefits, is approximately 1% lower than the cost of raising domestic fixed deposits.
- FCNR(B) deposits will benefit NII, PAT, EPS and RoE, although it is optically NIM-dilutive because the balance sheet expanded by Rs. 24,885 crore as loans were extended by the International Banking Unit against FCNR(B) deposits.
- We expect the impact of the recent consultation paper by IRDAI on commission of insurance paper on the overall profitability for FY28 to be broadly addressed by the positive impacts of the FNCR(B) deposit mobilization at ~1% benefit (including statutory benefits) compared to domestic rates, savings in raising these deposits domestically, product changes, and expected increase in the repo rate (assumed additional 25 bps in FY27 and 25 bps in FY28).

Our Incremental Core RoA (excluding trading gains) is at 1.84%

RoA Tree	H1 FY27 Actuals	RoA Tree on Incremental C:I for H1 FY27	
Interest Income	10.7%	10.7%	(A)
Interest Expense	5.0%	5.0%	(A)
NII	**5.7%**	**5.7%**	(A)
Fee & Other Income	2.1%	2.1%	(A)
Total Income	**7.8%**	**7.8%**	(A)
Cost to Income Ratio	**70.4%**	**55.0%**	(A)
Opex	5.4%	4.3%	(D)
PPOP	**2.3%**	**3.5%**	(D)
Provisions	1.1%	1.1%	(A)
PBT	1.3%	2.4%	(D)
ROA	**0.99%**	**1.84%**	(D)

Note: H1 FY27 RoA of **0.99%** includes **~30bps** drag from the liabilities business.

(A) Actuals **(D)** Derived

Incremental Cost to Income ratio at

55.0%

In Rs. Crore	H1 FY26	H1 FY27	Incremental
Operating Expenses	10,044	11,671	1,627
Core Operating Income	13,613	16,570	2,957
C:I (%)	**73.8%**	**70.4%**	**55.0%**

ROA AT INCREMENTAL C:I of 55%

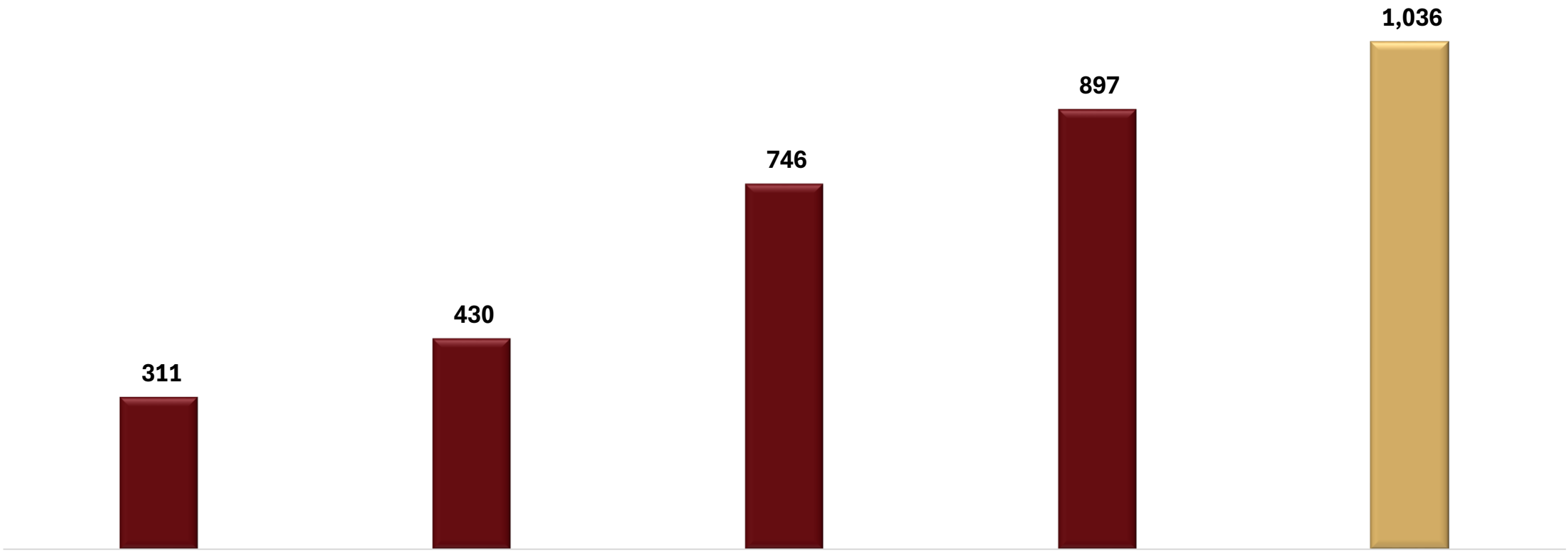
1.84%

vs 0.99% RoA in H1 FY27

Core Profit After Tax crosses Rs. 1,000 crore

*Core Profit after Tax has grown by **233.5% YoY** and by **15.5% QoQ***

In Rs crore



	Q2 FY26	Q3 FY26	Q4 FY26	Q1 FY27	Q2 FY27
Core RoA	0.34%	0.45%	0.77%	0.88%	0.92%
Reported RoA	0.38%	0.52%	0.33%	1.06%	0.93%

Core PAT excludes Trading gain from all periods, Impact of Fraud incident and IT Refund in Q4 FY26 and Interest on IT Refund in Q1 FY27

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The Bank has built a full Suite of Universal Banking Products and scaled them up

WHOLESALE BANKING PRODUCTS

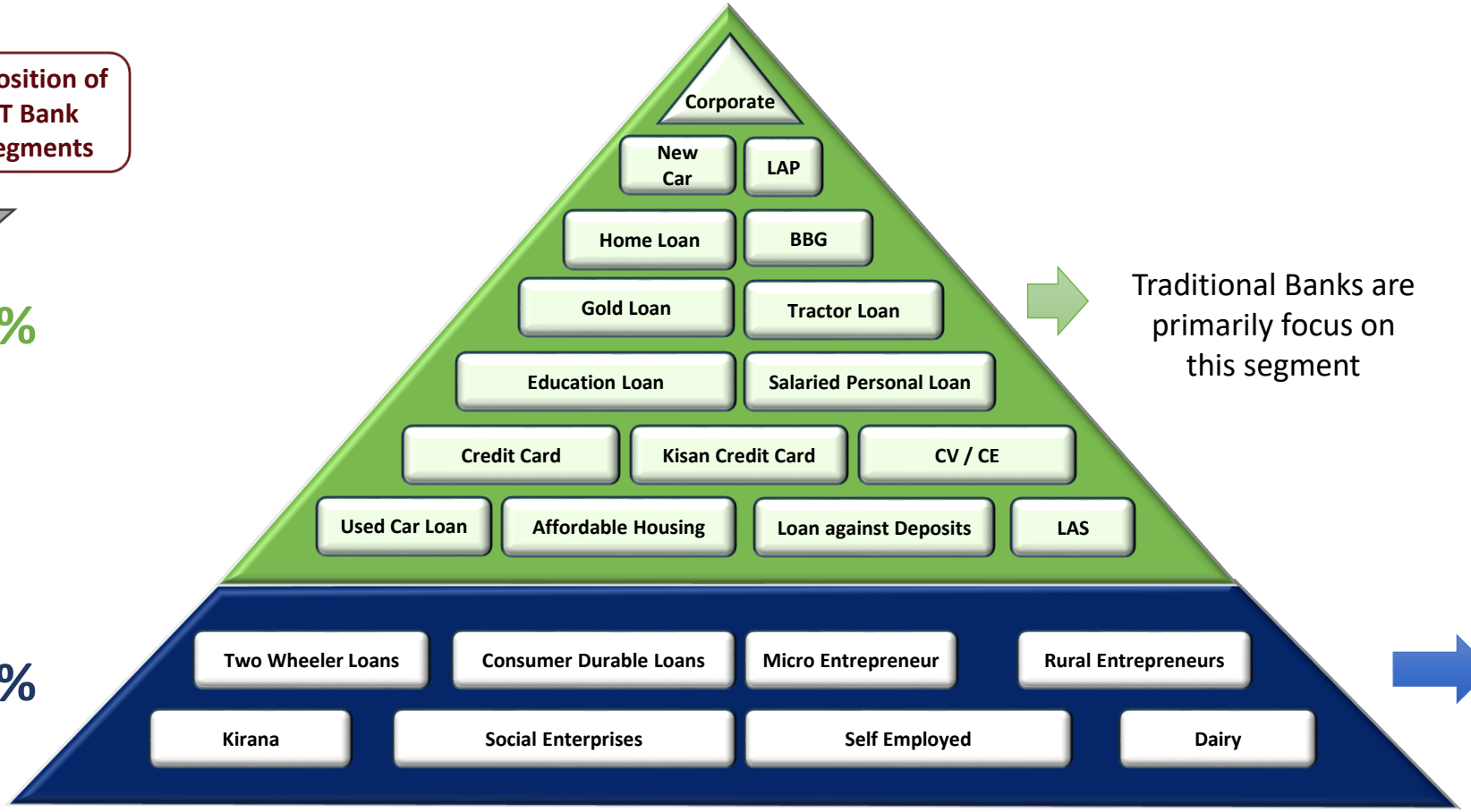
RETAIL BANKING PRODUCTS

IDFC FIRST Bank has developed capabilities to finance all customer segments

Book Composition of IDFC FIRST Bank in these segments

79%

21%



Traditional Banks are primarily focus on this segment

- Retail Finance ✓
- Rural Finance ✓
- MSME Finance ✓
- Corporate Finance ✓

IDFC FIRST Bank has developed unique capabilities for 15 years to underwrite the segment profitably with stable asset quality using Cash-flow and Machine Learning model

Retail Financing

Diversified retail lending suite catering to customers' key life-stage needs

Mortgage Loans

Consumer Durable Loans

Two-Wheeler Loan

Car Loans

Personal Loans

Gold Loan

Retail Finance stood at Rs. 2,11,614 crore on September 30, 2026

Rural Financing

Loans to farmers, rural entrepreneurs and women borrowers

Microfinance (JLG) Loans

Rural Entrepreneur Loans

Tractor Loans

Micro Enterprise Loans

Kisan Credit Card

Dairy Farmer Loans

Rural Finance stood at Rs. 25,248 crore on September 30, 2026

MSME Financing

Cash-flow based lending solutions for micro, small and medium enterprises

SME Working Capital Loan

SME Term Loans

Loans to Micro Businesses (Kirana, Salon)

Commercial Vehicle Financing

Construction Equipment Financing

Agri-Trade Finance

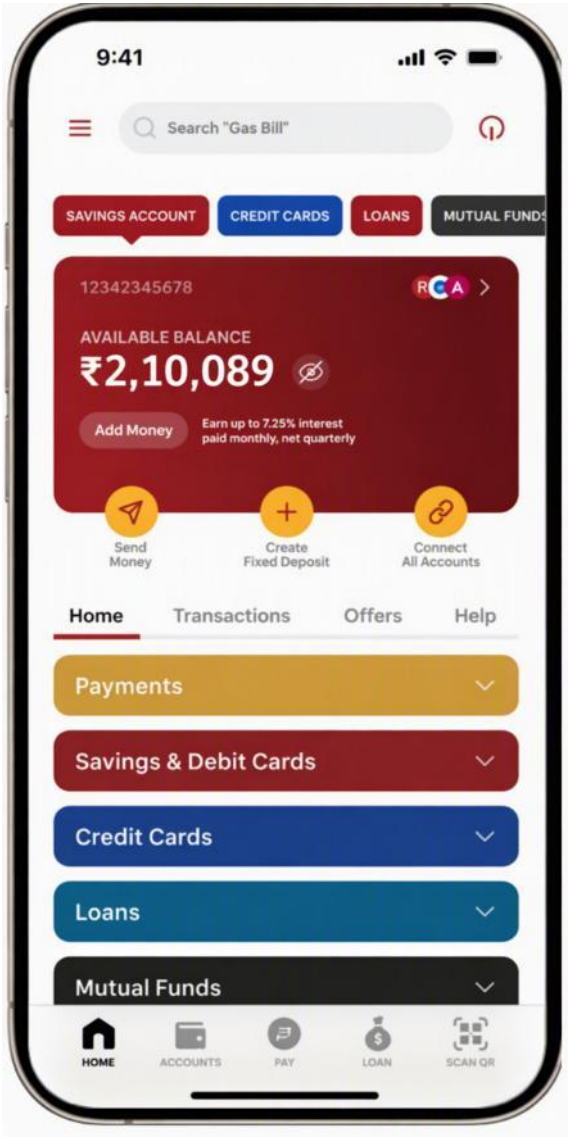
MSME Finance Stood at Rs. 39,739 crore on September 30, 2026

Wholesale Finance

Comprehensive corporate banking suite, delivered through a 360-degree relationship approach

Wholesale Finance Stood at Rs. 70,312 crore on September 30, 2026

Digital channels support growth of Retail Deposits



#1 Mobile Banking App in India,

#2 Globally

31.4 Mn+
App Registrations

3 Mn+
Reviews

Rated 4.9 on Android and 4.8 on IOS

SEGMENTED OFFERINGS

Salaried (Corp Salary)

Affluent Banking (Program)

Senior Citizen

Non-Resident Savings Account

Women SA (First Power)

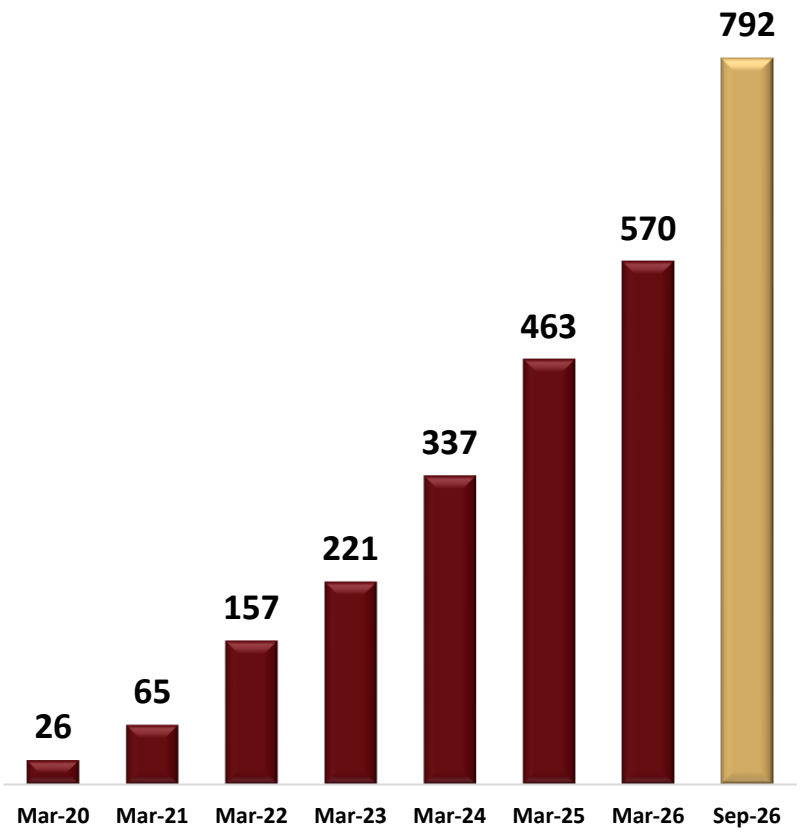
Defense (Honor FIRST)

IDFC FIRST Bank

Private Wealth Management AUM grew to Rs. 792 Bn

AI-powered, research-led wealth platform simplifying investment decisions for affluent and HNI clients

Private Wealth Book (Rs. Billion)^



Product Offerings

Mutual Funds
Curated ACE Funds backed by deep research and insight

PMS and AIFs
Professionally managed, diversified strategies tailored to client goals

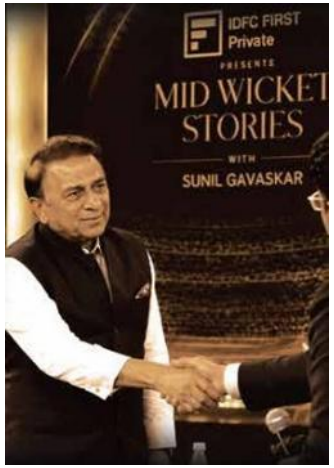
Structured Products & Bonds
Predictable income foundation built on expert investment strategies

Pre-listed & Private Equity
Early access to high-growth start-ups and private firms

Proprietary ACE fund-selection framework

~40	15+ yrs	1,000+
Equity ACE funds	Back-testing	Funds tracked

FIRST Private Proposition



Curated client experiences

Exquisitely crafted premium cards

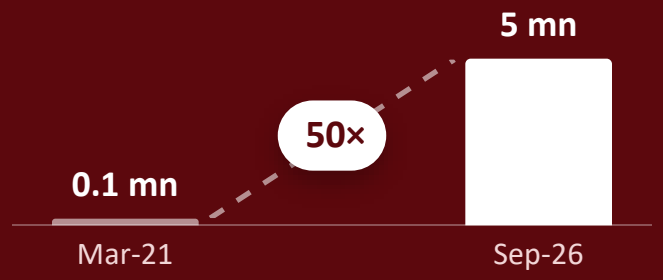
**AUM includes Private Banking Investments and Deposits and FCNR(B) deposits of Rs.15,247 crore*
^Includes Demat of Rs. 7,816 crore as of September 2026.

IDFC FIRST Bank Cards in force cross 5 million as the credit card franchise scales

CREDIT CARDS IN FORCE

5 mn

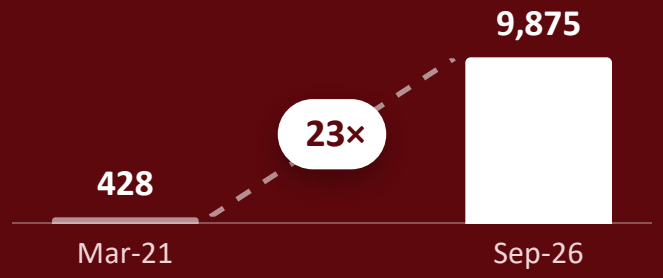
cards in force as on Sep 30, 2026



CREDIT CARD BOOK (RS. CRORE)

+14.3%

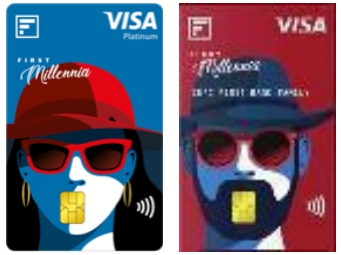
YoY growth in credit card book



Wide range of card variants matching the multiverse of consumer needs

Credit builders

GenZ, Millennials



Lifetime free

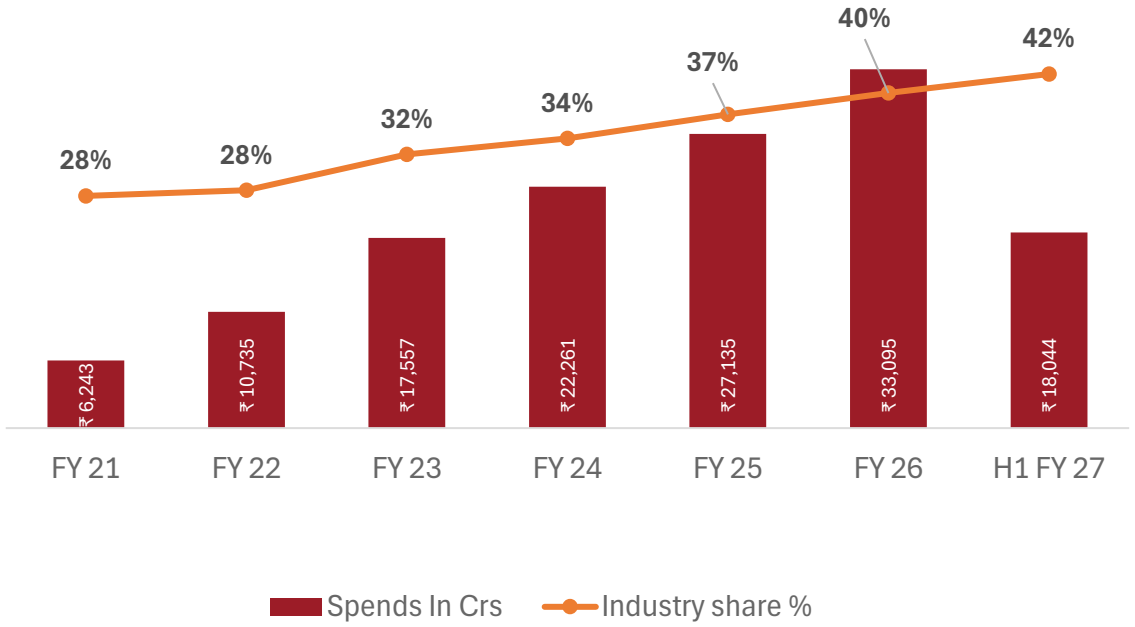
Metal

Largest Issuer of FASTags in NETC (National Electronic Toll Collection)

- **India's FIRST FASTag accepted at Tolls, Fuel stations and Parking.**
- As on Sept'26, Program leader with **42% Market share** with respect to Toll Value paid per month.
- **Largest Biller in NPCI's Bharat Connect (BBPS)** platform.
- Active Tags increased 40% YoY to reach **19.5 million** as on September 30, 2026

Spends - 6 Year CAGR of ~40%

(Rs. crore)



Customer Service is of prime importance, all gates open for service

Best-in-class
CUSTOMER SERVICE

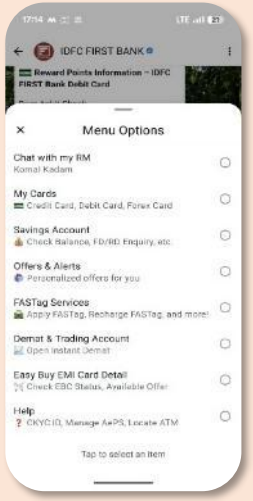
Bank Branch

Bank has **1,200** branches as on September 30, 2026.

Loan Centre

Contact Centre

WhatsApp



App

Prime spot for customer service inside the Bank's app

Website

Email

39 million customers served through these channels

2. LIABILITIES

Mobilised ~US$ 3.6 bn of FCNR(B) deposits from NRI Customers; Market share of 2.7%

FCNR(B)

Rs. 34,390 Cr

~US$ 3.6 bn mobilised

- Pursuant to **strong FCNR(B) deposit flows** during the quarter and consequent excess liquidity, the bank calibrated deposit growth to manage surplus liquidity
  - **Bulk Rupee Term Deposits (>= Rs. 3 crore)** as % of Total Deposits reduced from 17.1% at June 30, 2026 to 13.9% at September 30, 2026. This has structurally strengthened the balance sheet. It was 18.2% at September 30, 2025
  - **Certificate of Deposits** also de-grew by Rs. 5,318 crore in Q2 FY27, down 6.6% QoQ and 42.6% on YoY basis
  - In the interim Excess liquidity parked in HQLA investments within nostro accounts Average LCR for the month of Sep-26 was 139% as against 115% maintained in normal course

Key Highlights

GLOBAL CREDIT RATINGS (DEBUT)

BBB- (Stable) | BBB- (Positive)

S&P Global Ratings | CareEdge Global

FOREIGN CURRENCY FUND RAISING - DEBUT

US$ 950 Mn bond (Raised across 3-year & 5-year tenor)

and balance mobilized by loans from IBU branch

SHARE OF FCNR(B) DEPOSITS

~10% of Total Deposits (as on Sep-26)

of total deposits as at September 30, 2026

LEVERAGED FCNR(B) of Rs. 24,885 crore

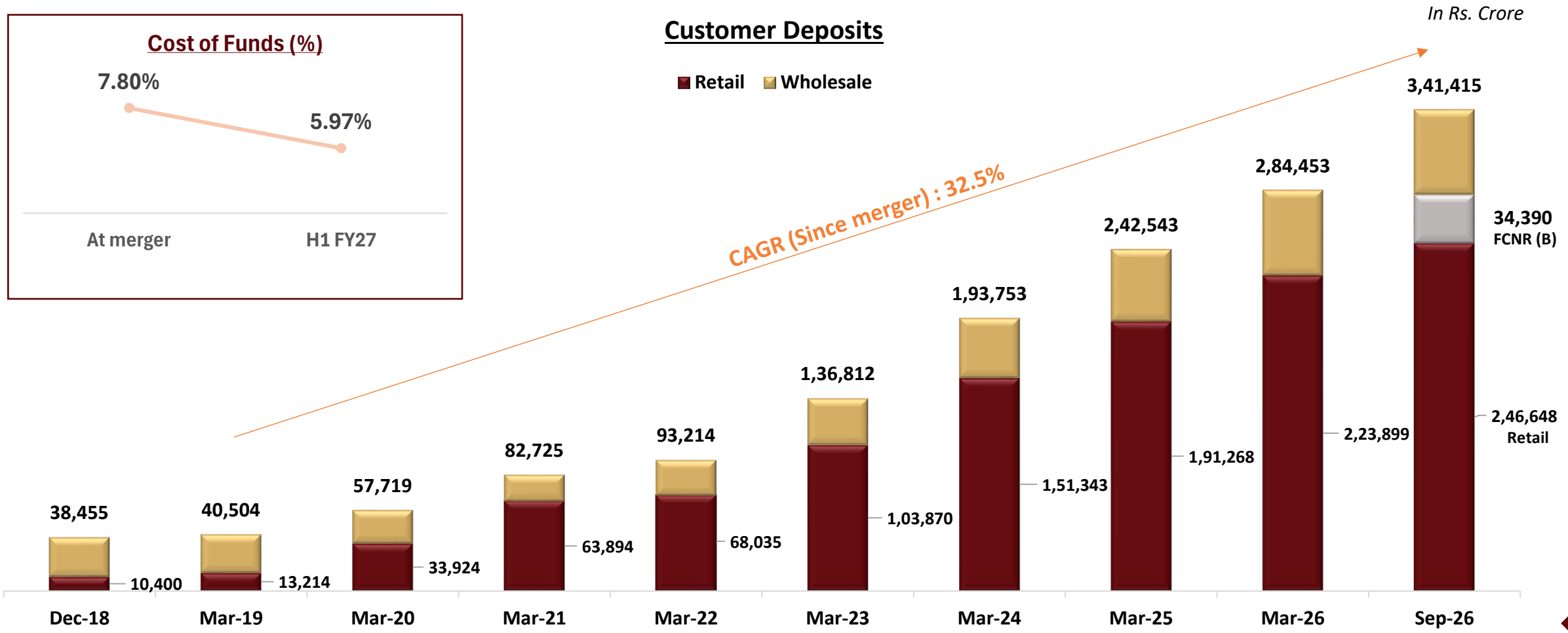
> 7% of Total Loan Assets (as on Sep-26)

~US$ 2.6 bn | 72% of FCNR(B) deposits mobilised

FCNR proposition is accretive towards Net Interest Income, PAT, RoE (FCNR is FD backed and no additional capital requirement) and EPS for the Bank, it is optically dilutive for the Net Interest Margins due to denominator effect on the Balance Sheet

Since merger, the CoF reduced by 183 bps, yet the customer deposits grew at ~8-Year CAGR of 32.5%

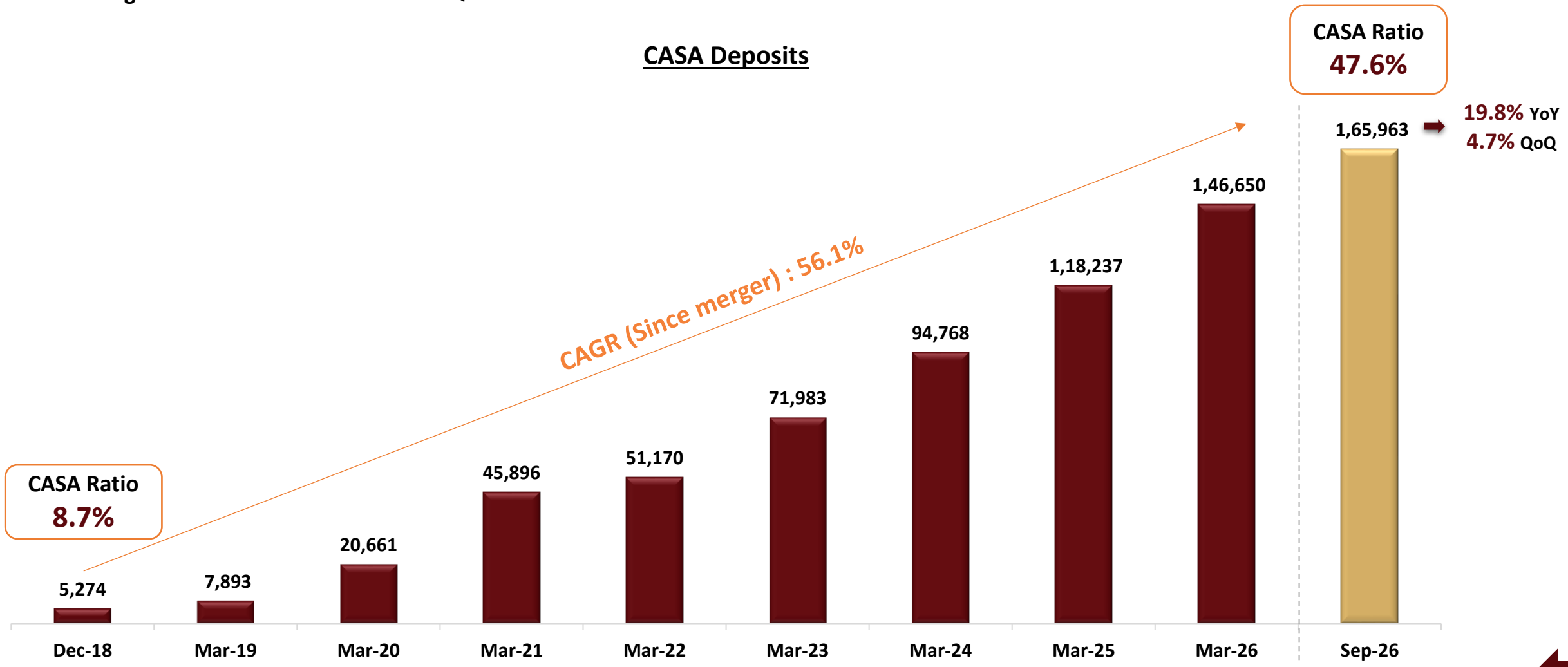
- **Customer Deposits** were up **26.9%** YoY and **14.0%** QoQ; **Average customer deposits** increased by **23.7%** YoY and **10.3%** QoQ during Q2FY27
- Customer Deposit growth excluding FCNR(B) during the Q2FY27 grew by **14.1%** YoY and **2.5%** QoQ, growth was calibrated due to FCNR (B) flows



IDFC Bank's Cost of Funds given at merger above is of H2 FY19 | Customer Deposits = Retail Customer Deposits + Wholesale Customer Deposits (Excludes Certificate of Deposits)

CASA Deposits growth strong at 19.8% YoY

- **Average CASA** deposits grew **23.3%** YoY in Q2 FY27, with average CA and SA deposits growing **30.0%** and **22.3%**, respectively
- The **average CASA ratio** stood at **48.4%** for Q2FY27

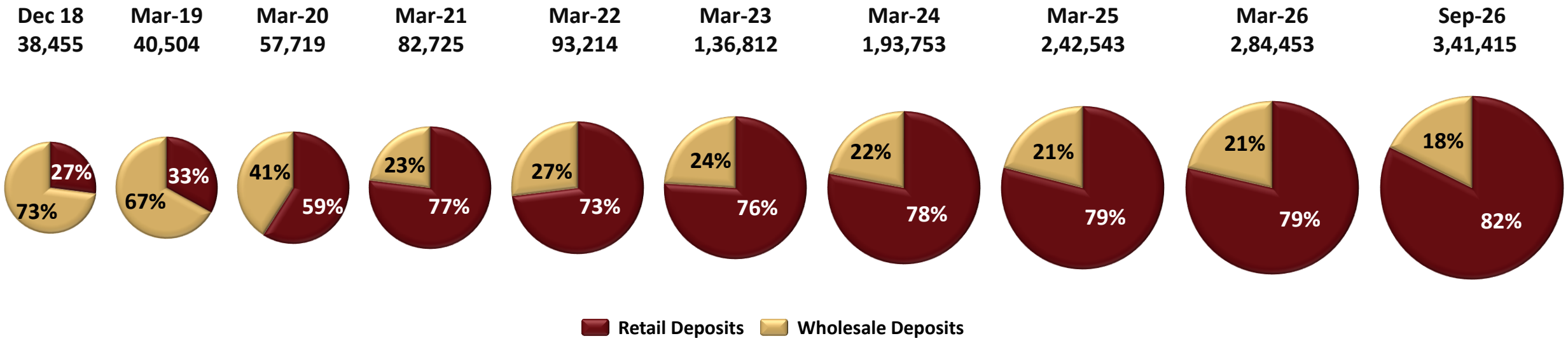


IDFC FIRST Bank

Bank has diversified its liabilities base with 82% Customer Deposits in Retail

Retail deposits have increased from 27% of deposits at merger (Dec-18) to 82% currently which has strengthened the deposits side.

Customer Deposits (Rs. Crore)



- Retail Deposits as on September 30, 2026 includes FCNR (B) deposits raised through IBU branch amounting to Rs. 34,390 crore
- Retail LCR deposits (as per Basel III disclosures) as a % of Total Average Deposits, is highest among private sector banks indicating high stability of deposits

Deposits & Borrowings Details

Particulars (In Rs. Crore)	Dec-18 (Merger)	Sep-25	Jun-26	Sep-26	YoY Growth
Legacy Long Term & Infrastructure Bonds	26,819	578	-	-	-
Refinance & Other Borrowings	30,834	18,707	28,973	49,176	162.9%
Tier II Bonds	-	4,500	4,500	4,500	-
Total Borrowings	**57,652**	**23,784**	**33,473**	**53,676**	**125.7%**
CASA Deposits	5,274	1,38,583	1,58,492	1,65,963	19.8%
Term Deposits	33,181	1,30,512	1,40,913	1,75,452	34.4%
Total Customer Deposits	**38,455**	**2,69,094**	**2,99,405**	**3,41,415**	**26.9%**
Certificate of Deposits	22,312	7,677	12,486	7,168	-6.6%
Borrowings & Deposits (Excluding money market borrowings)	**1,18,420**	**3,00,555**	**3,45,365**	**4,02,260**	**33.8%**
Money Market Borrowings	10,962	16,997	7,911	280	-98.4%
Total Borrowings & Deposits	**1,29,381**	**3,17,552**	**3,53,276**	**4,02,540**	**26.8%**
CASA Ratio (%)	**8.7%**	**50.1%**	**50.8%**	**47.6%#**	**-246 bps**
Average CASA Ratio % (On daily average balance for the quarter)	**-**	**48.6%**	**50.1%**	**48.4%**	**-22 bps**

#Excluding the FCNR (B) Deposits of Rs. 34,390 crore from Total Deposits, the CASA Ratio stood at 52.8%

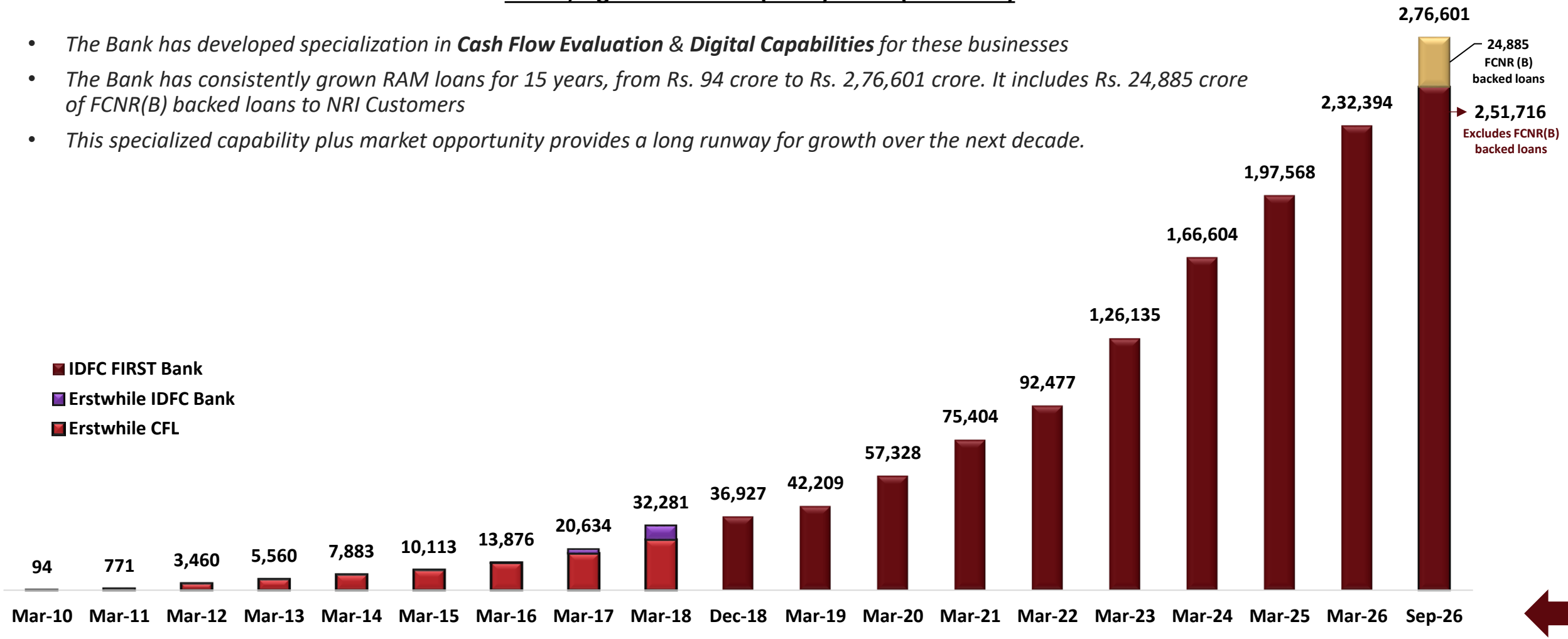
3. ASSETS

Bank has developed specialization in RAM book; grown consistently for 15 years

RAM = Retail, Agri and MSME book

Retail, Agri and MSME (RAM) Book (Rs. Crore)

- *The Bank has developed specialization in **Cash Flow Evaluation** & **Digital Capabilities** for these businesses*
- *The Bank has consistently grown RAM loans for 15 years, from Rs. 94 crore to Rs. 2,76,601 crore. It includes Rs. 24,885 crore of FCNR(B) backed loans to NRI Customers*
- *This specialized capability plus market opportunity provides a long runway for growth over the next decade.*

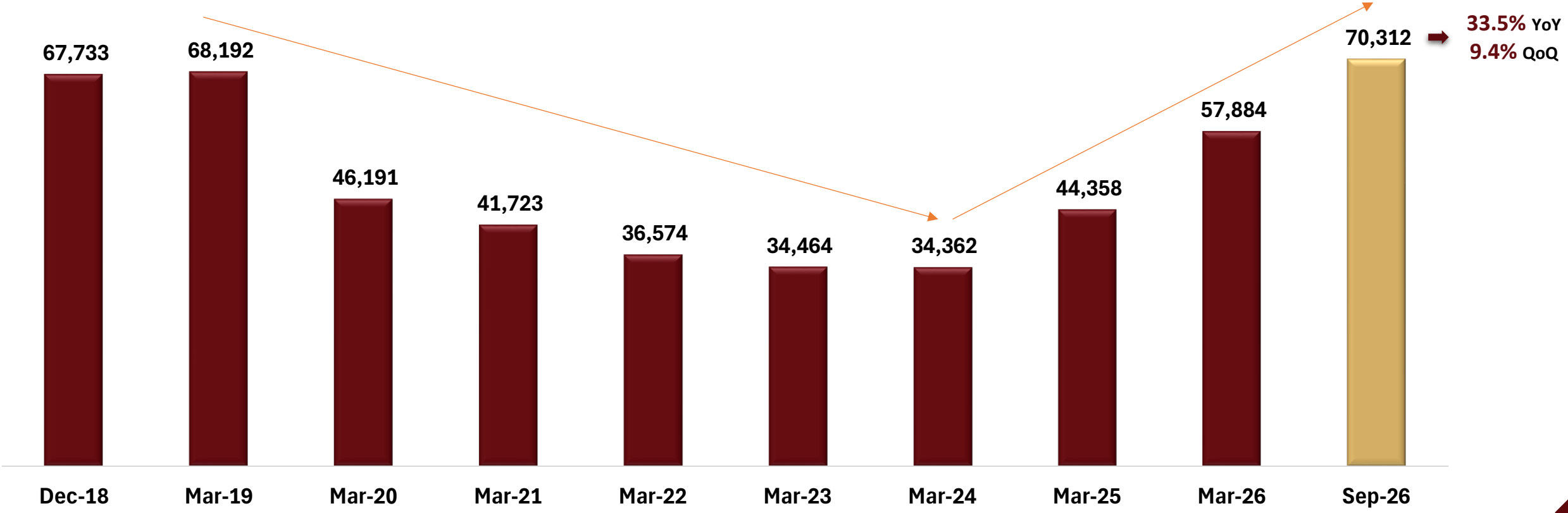


Wholesale Loan Book growing steadily

Wholesale Loan Book (Rs. Crore)

Reduction Phase: Upon merger, Bank reduced the legacy infrastructure projects and large ticket corporate loans to deal with asset quality and to conserve funds to grow retail loans.

Growth Phase: Bank started regrowing the corporate loans with strong underwriting practices. Bank has a 360 degree approach for corporate business including CMS, Forex, Transaction Banking, Salary Accounts and other services to generate returns with asset quality.



Corporate loans includes credit substitutes

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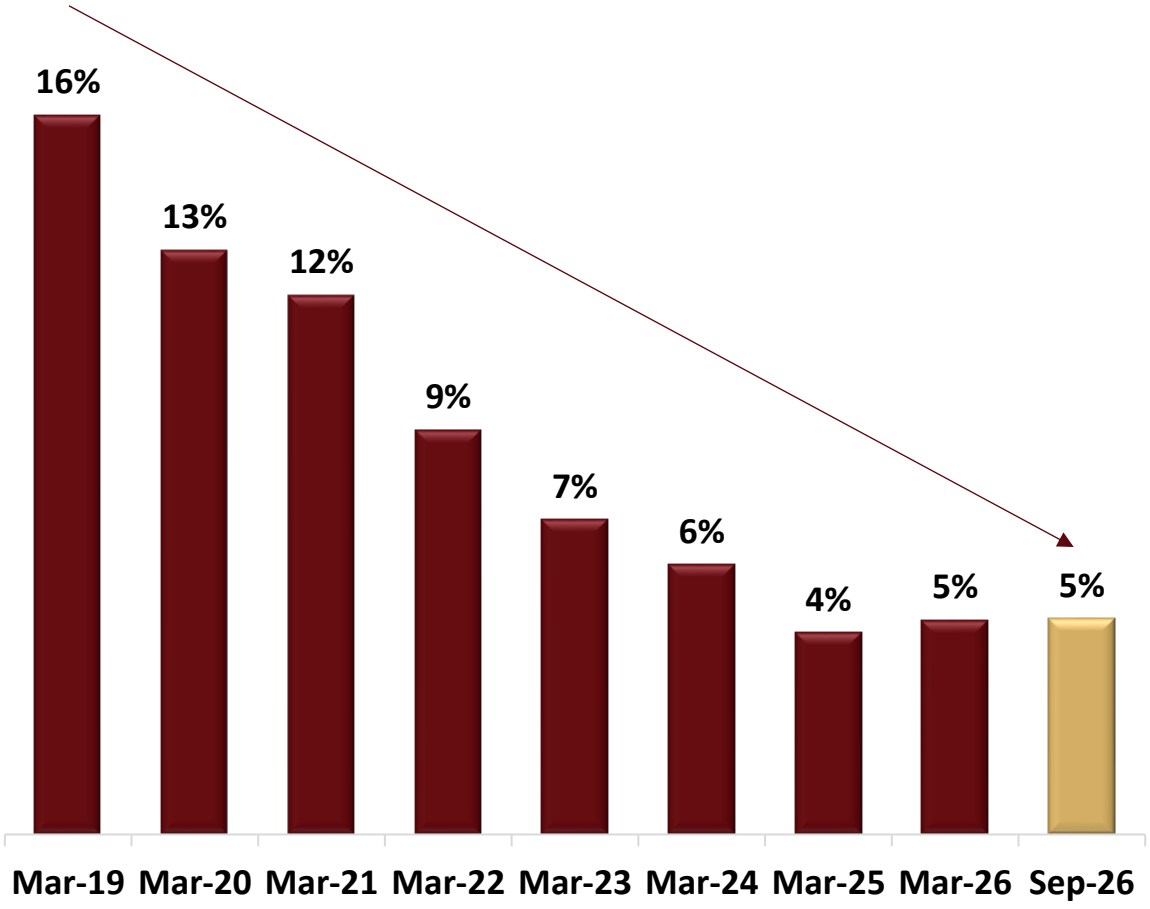
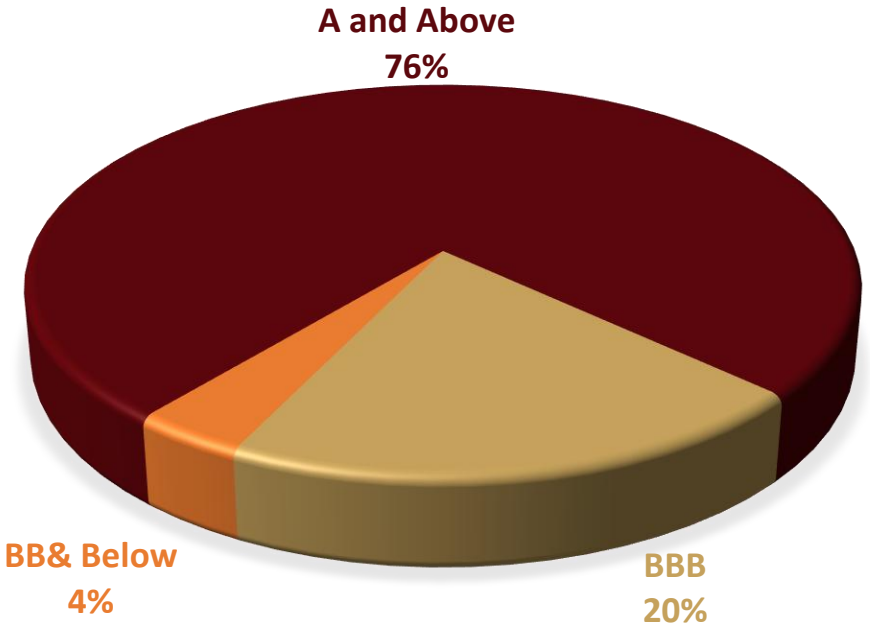
Bank has reduced concentration risk in corporate banking

The exposure to top 20 single borrowers reduced from 16% in Mar-19 to 5% in Sep-26 (excluding FCNR (B) backed loans to NRI Customers)



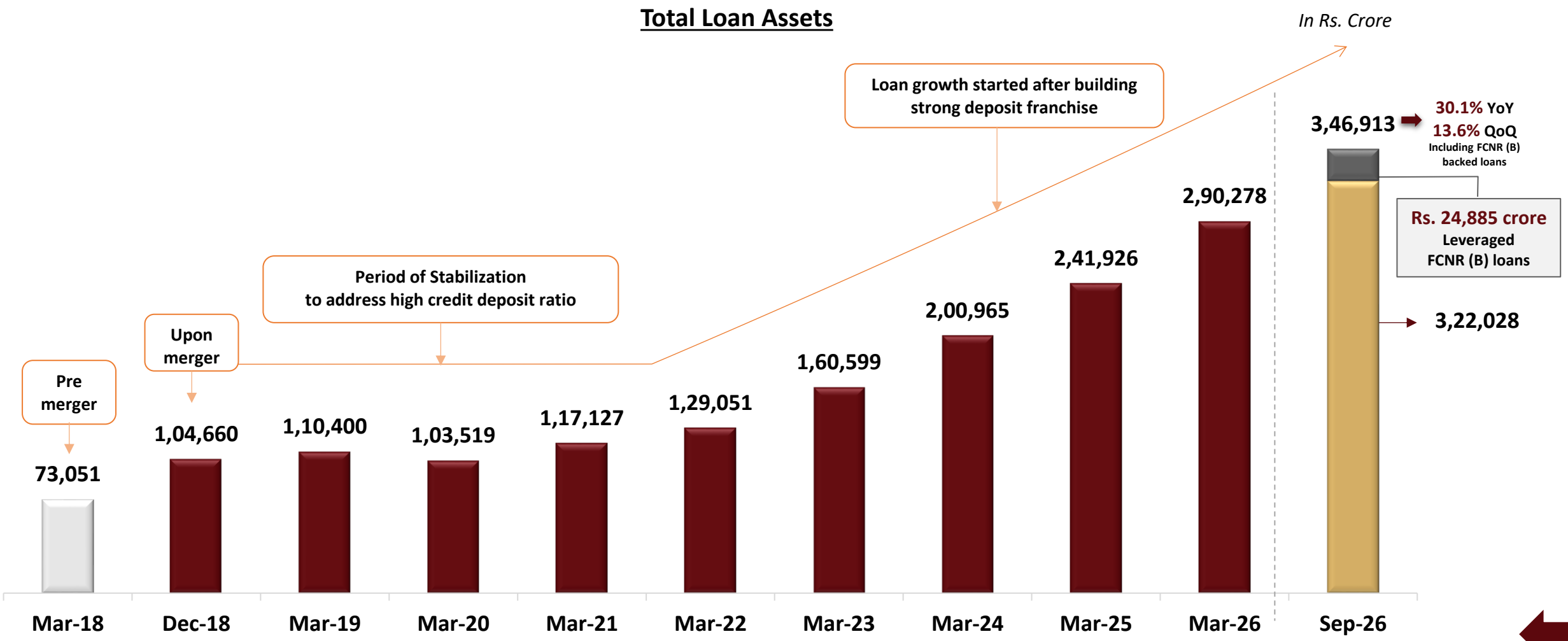
Rating wise distribution – Corporate Exposure
September 30, 2026



Total Corporate Exposure of Rs. 1,04,070 crore (including non-funded exposure)

Total Loan Assets grew @ 30% YoY (including FCNR (B) backed loans)

Growth of **22.2%** YoY and **5.7%** QoQ in loan assets (gross of IBPC and excluding FCNR(B)-backed loans to NRI customers)



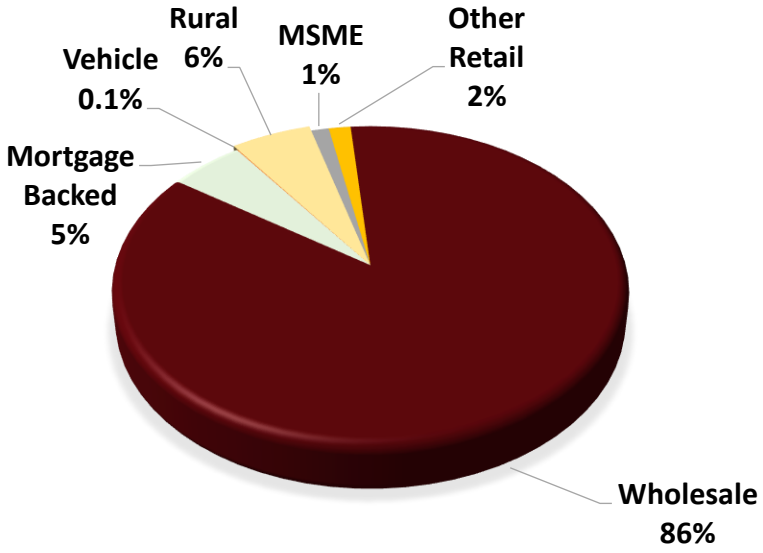
Total Loan Assets net of Inter-Bank Participant Certificate (IBPC) transactions & includes credit substitutes

IDFC FIRST Bank

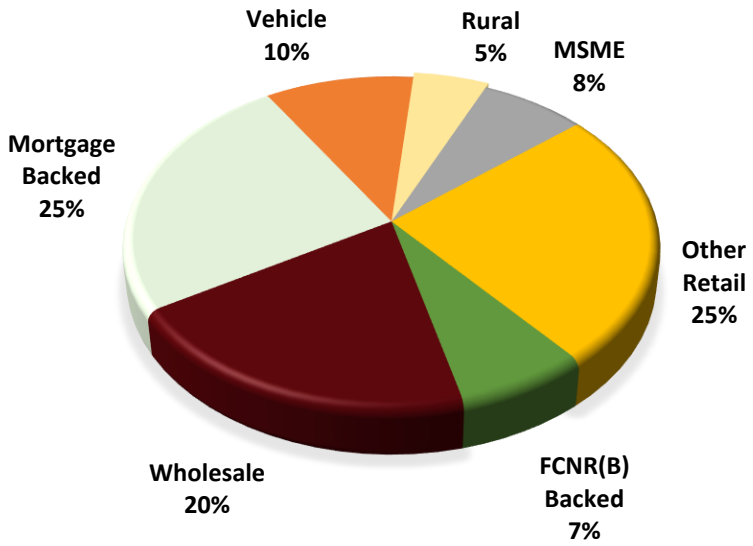
Bank has transformed its credit book from wholesale to a well diversified book across several products

The Bank has transformed the loan book from largely wholesale credit book to a well diversified book of Retail, Agri, MSME and Corporate Banking. The portfolio is well diversified across mortgage-backed loans (25%), vehicle finance (10%), rural (5%), MSME (8%), other retail loans (25%), FCNR(B) backed (7%) and wholesale banking (20%)

Pre-Merger
September 30, 2018
Rs. 75,332 crore



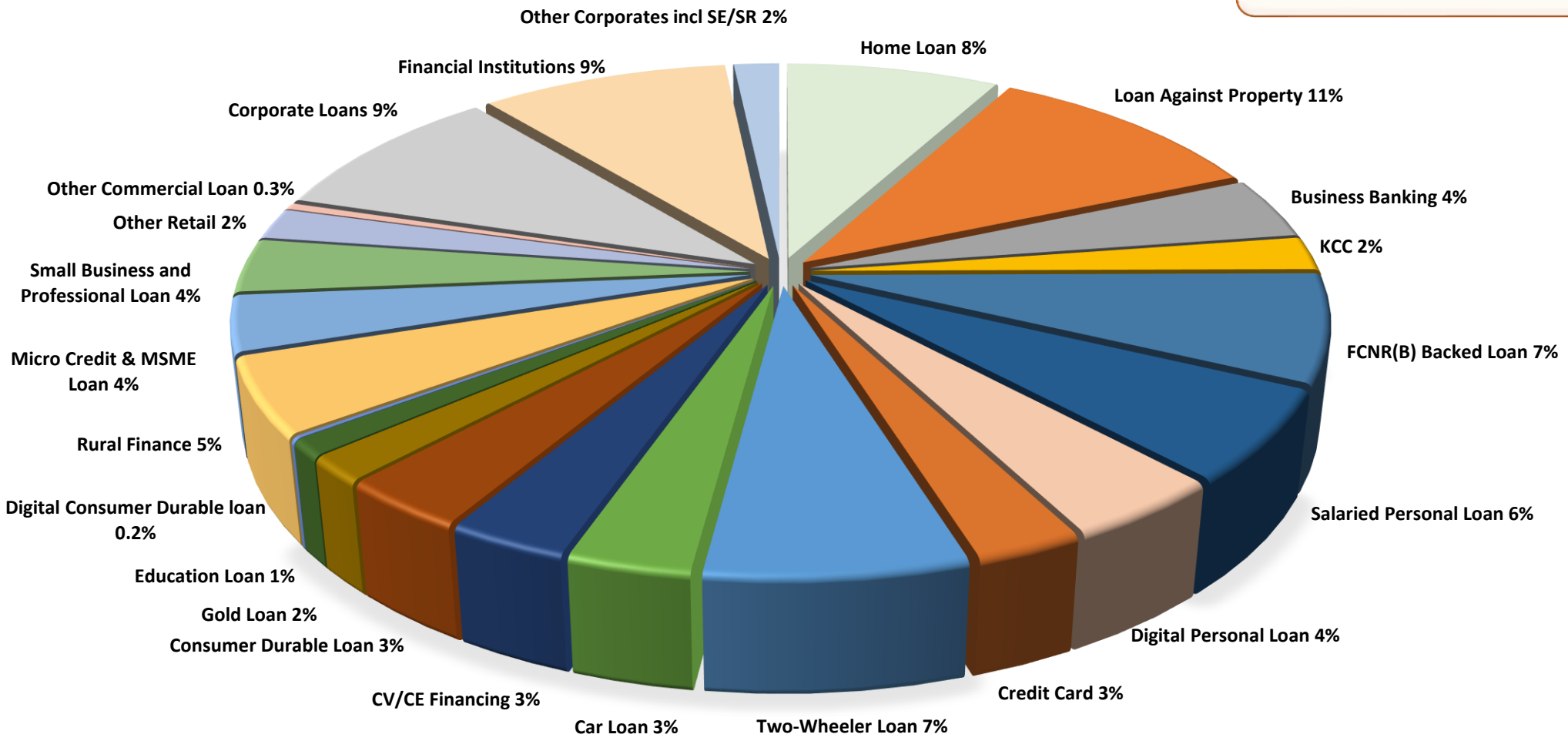
Current
September 30, 2026
Rs. 3,46,913 crore



- Wholesale book reduced from **86%** to **20%**
- RAM book (including FCNR (B) leveraged book), increased from **14%** to **80%**
- Mortgage-backed loans increased from **5%** to **25%**

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

Loan Book: September 30, 2026
Rs. 3,46,913 crore



YoY Loan Growth driven by Mortgage, Vehicle, Consumer, MSME & Wholesale Loans

Gross Loans Assets (In Rs. Crore)	Dec-18	Sep-25	Jun-26	Sep-26	QoQ (%)	YoY (%)
Retail Finance	**26,877**	**1,56,253**	**1,79,192**	**2,11,614**	**18.1%**	**35.4%**
Mortgage Loans	12,462	59,068	62,480	64,211	2.8%	8.7%
Vehicle Loans	5,281	30,246	34,144	35,464	3.9%	17.3%
Consumer Loans	8,260	48,159	57,834	60,324	4.3%	25.3%
Education Loan	-	3,565	3,630	3,783	4.2%	6.1%
Credit Card	-	8,638	9,580	9,875	3.1%	14.3%
Gold Loan	-	2,668	4,892	5,850	19.6%	119.3%
FCNR(B) Backed Loans	-	-	-	24,885	-	-
Others	874	3,909	6,633	7,221	8.9%	84.7%
Rural Finance	**4,679**	**23,542**	**24,427**	**25,248**	**3.4%**	**7.2%**
- Of which Micro-finance Loans	4,336	7,306	6,698	6,825	1.9%	-6.6%
Business Finance	**73,105**	**86,784**	**1,01,751**	**1,10,051**	**8.2%**	**26.8%**
Wholesale Loans	67,733	52,673	64,252	70,312	9.4%	33.5%
Business Banking (Working Capital)	1,019	10,934	12,961	14,381	11.0%	31.5%
CV & CE Financing	788	8,621	10,614	11,062	4.2%	28.3%
Business Loans (Term loans to Small Businesses)	3,565	14,556	13,924	14,295	2.7%	-1.8%
Total Loan Assets (Net of IBPC)	**1,04,660**	**2,66,579**	**3,05,370**	**3,46,913**	**13.6%**	**30.1%**
Total Loan Assets (Gross of IBPC and excluding FCNR (B) backed loans)	**1,04,660**	**2,69,279**	**3,11,442**	**3,29,173**	**5.7%**	**22.2%**

Excluding FCNR (B) backed loans the Retail Finance grew **4.2% QoQ** and **19.5% YoY**

(In Rs. Crore)

Loans Assets	Sep-26	Mix %
Retail Finance	2,11,164	61%
Rural Finance	25,248	7%
MSME Financing	39,739	11%
Wholesale Financing	70,312	20%
Total Loan Assets	**3,46,913**	**100%**

- *The figures above are net of Inter-Bank Participant Certificate (IBPC) transactions & includes credit substitutes*
- *Mortgage Loans includes Loan Against Property and Home Loans*
- *Consumer loans include Salaried Personal Loans, Small Business & Professional Loans, Consumer Durable Loans, Digital Personal loans and digital consumer loans.*
- *Wholesale Loans includes credit substitutes amounting to Rs. 7,984 crore.*
- *Business Loans includes Trade Advances*

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4. ASSET QUALITY

The fundamental underwriting principle of the Bank explained

Cashflow Analysis

- **Cashflow analysis is the core part of our underwriting process.** Bank assess customer cashflows, estimate repayment capacity and determine loan eligibility accordingly.
- We leverage India's digital public infrastructure, including Account Aggregator, GST data, India Stack, Credit bureaus, e-KYC, e-agreements and e-mandates.
- Bank takes **Debit instruction** to loan account to the extent of EMI upfront during disbursal, the **second core element** of our model

Stringent Process

- Bank follows stringent multi-step underwriting process, depending on product; some of which are mentioned below -

Cash Flow Analysis → Financial Ratio Analysis → Fraud Detection → Physical Verifications → Title Deed Verification → Personal Discussions

Credit Scorecards

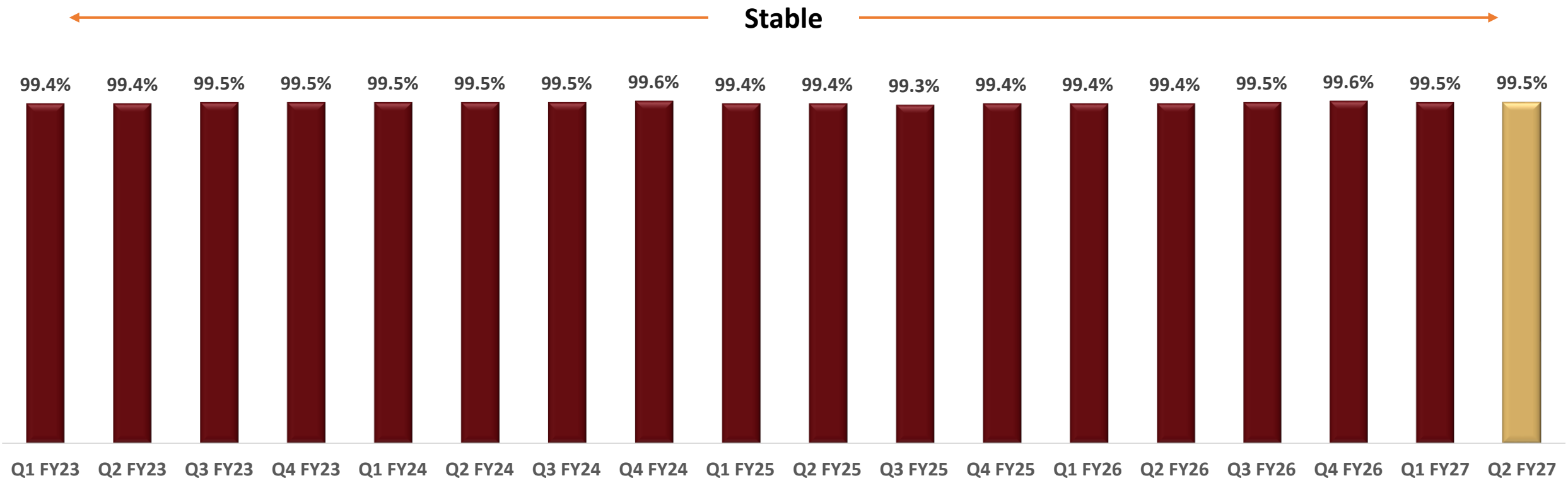
- The bank has developed credit underwriting scorecards for dedicated cohorts by enriched them through repeated cycles over 15 years with performance data over millions of customers.
- These scorecards have evolved over the last 15 years supported by new advances in technology –

Judgemental Scorecards → Decision Tree → Parametric Models → Machine Learning Models → Deep Learning Models → Generative AI tech

- Since loan tenors typically are between one to three years, the scorecards have evolved, have been tested through multiple loan life cycles during this time frame.

0-30 DPD collection efficiency stable at 99.5%

Collections % do not include any arrear or prepayment collections and hence represents true collections efficiency.



- Numbers above pertain to collection efficiency in current bucket in Retail portfolio which is the majority of the Book.

Collection Efficiency % = (Pos of EMI Collected for the Month)/(Pos of EMI Due for the month) %

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

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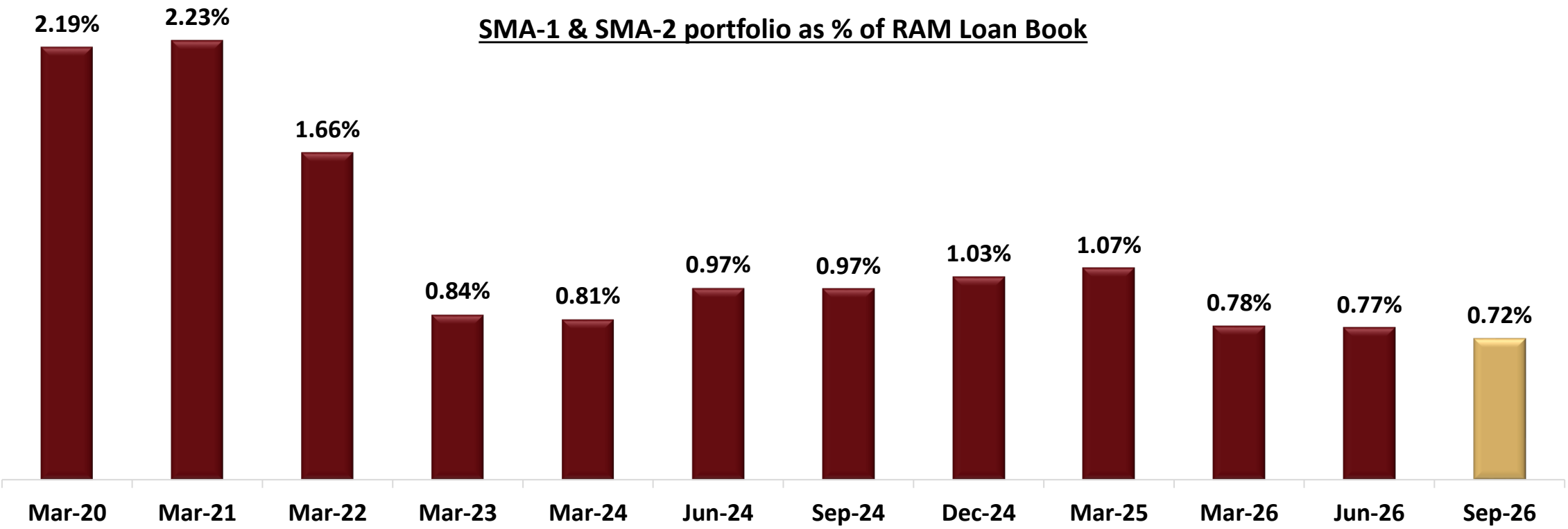
31-90 DPD for Retail, Agri and MSME book loan book stable

RAM = Retail, Agri and MSME book

Pre -NPA
- SMA 1 = 31-60 dpd
- SMA 2 = 61-90 dpd

NPA
- >90 dpd



*Above numbers are Gross of IBPC | SMA-1 & 2 for the Bank reduced from 0.62% in Jun-26 to **0.58%** in Sep-26*

Product-wise details in annexure

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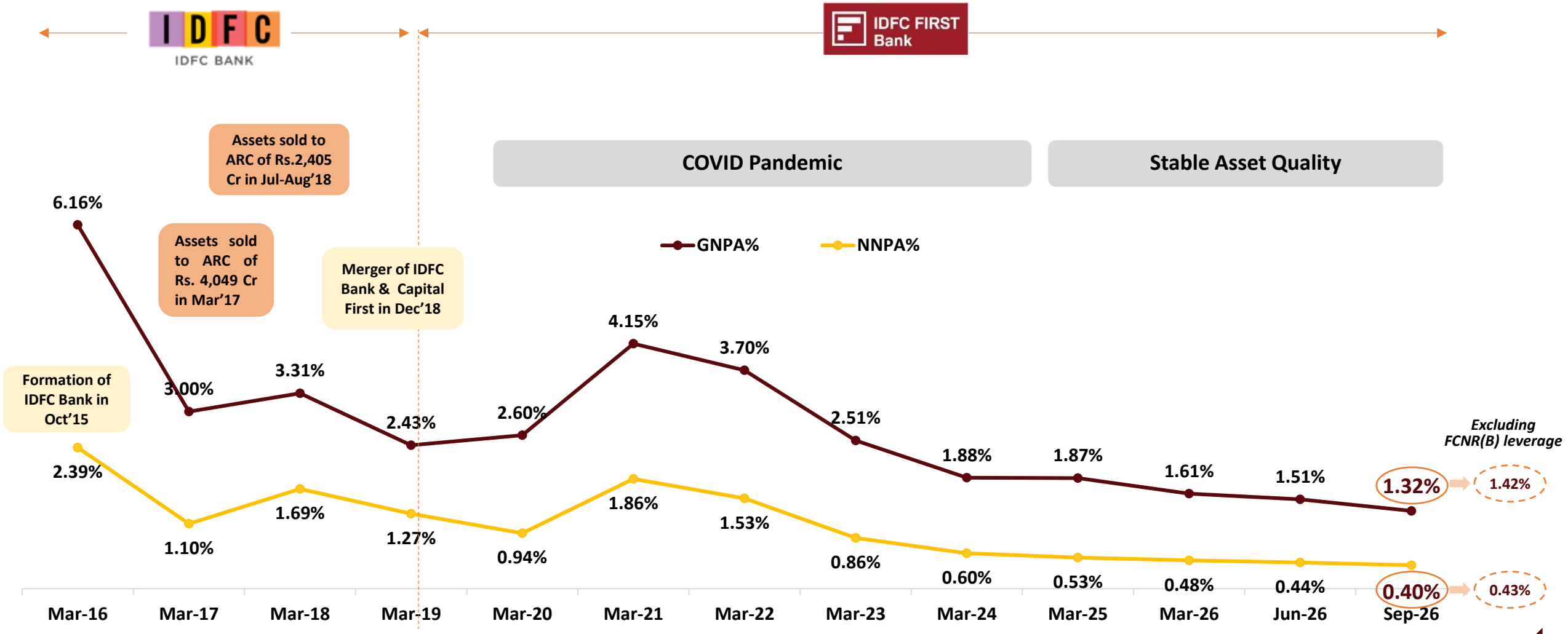
>90 DPD: Overall Bank level NPA is stable



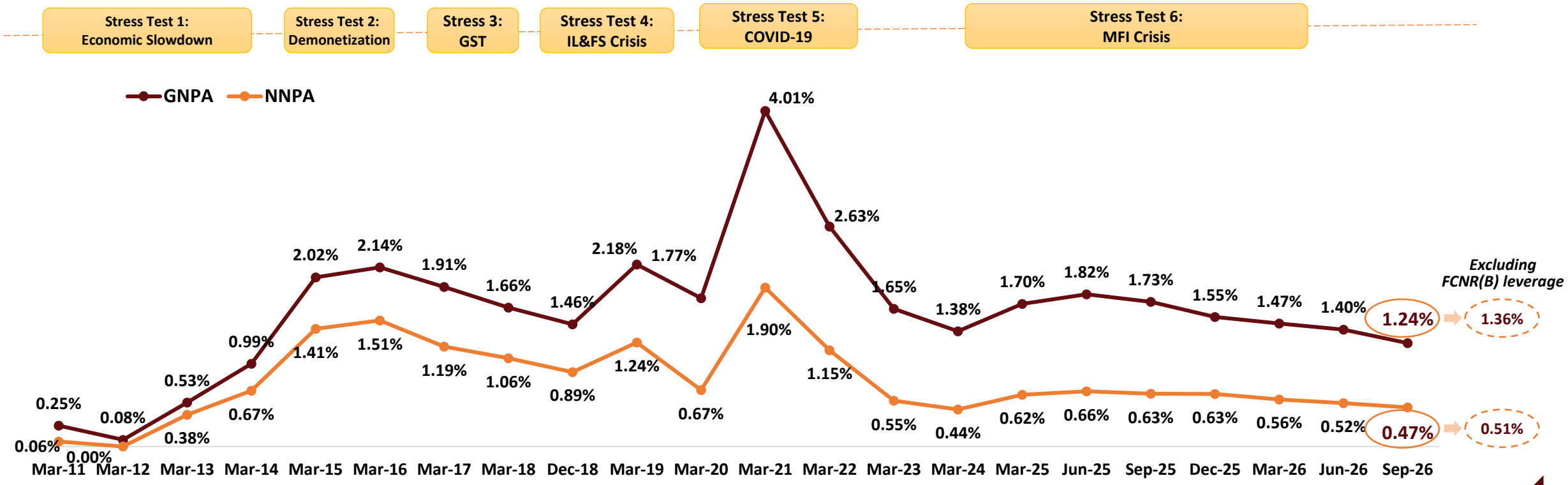
- Provision Coverage Ratio stood at 70.1% as on September 30, 2026 as compared to 70.5% as on March 31, 2026

RAM asset quality has been stable over 15 years through credit cycles

RAM = Retail, Agri and MSME book

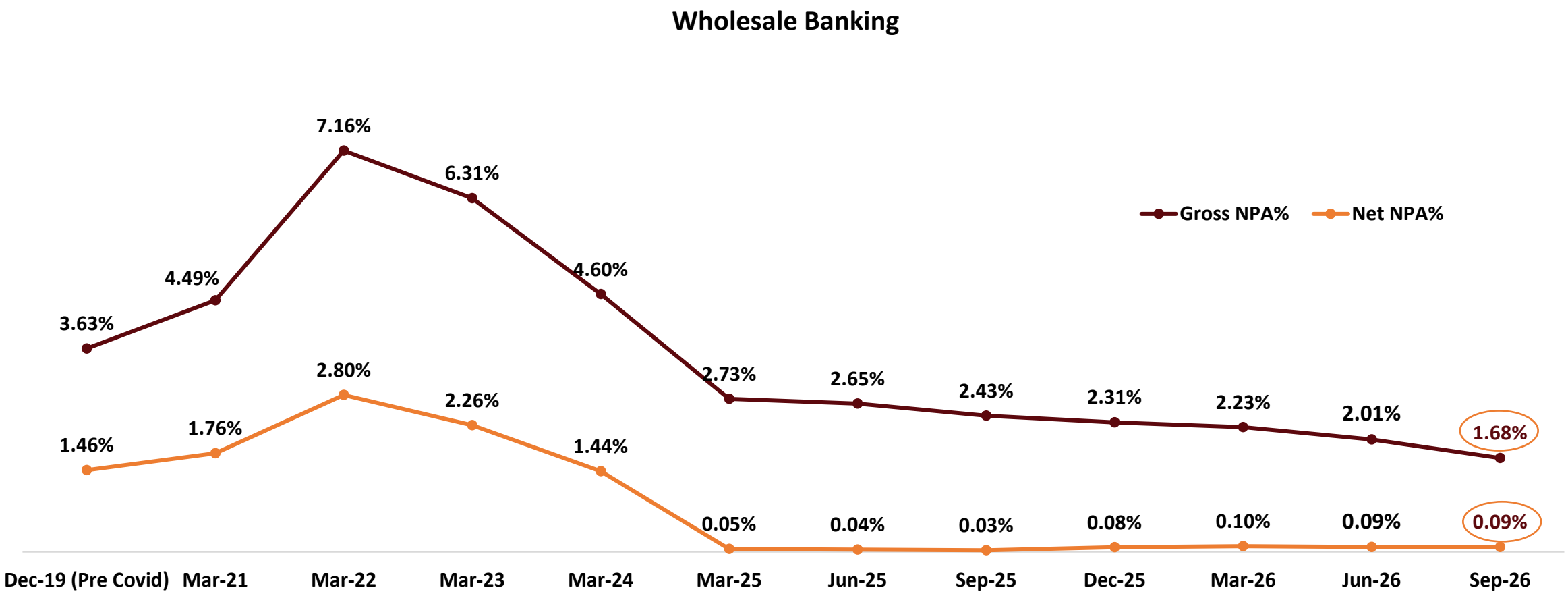
- *Corridor of technology-led and cash-flow based underwriting approach, the Bank has maintained strong asset quality for over 15 years, with Gross NPA and Net NPA of approximately 2% and <1% respectively across multiple credit cycles. Credit Costs averaged 2.0% of loans (or 1.4% of assets) over FY21–FY26, including COVID an2d MFI credit cycle.*

RAM book-NPA ratio



Product-wise details in annexure

Wholesale Business Gross NPA and Net NPA are stable



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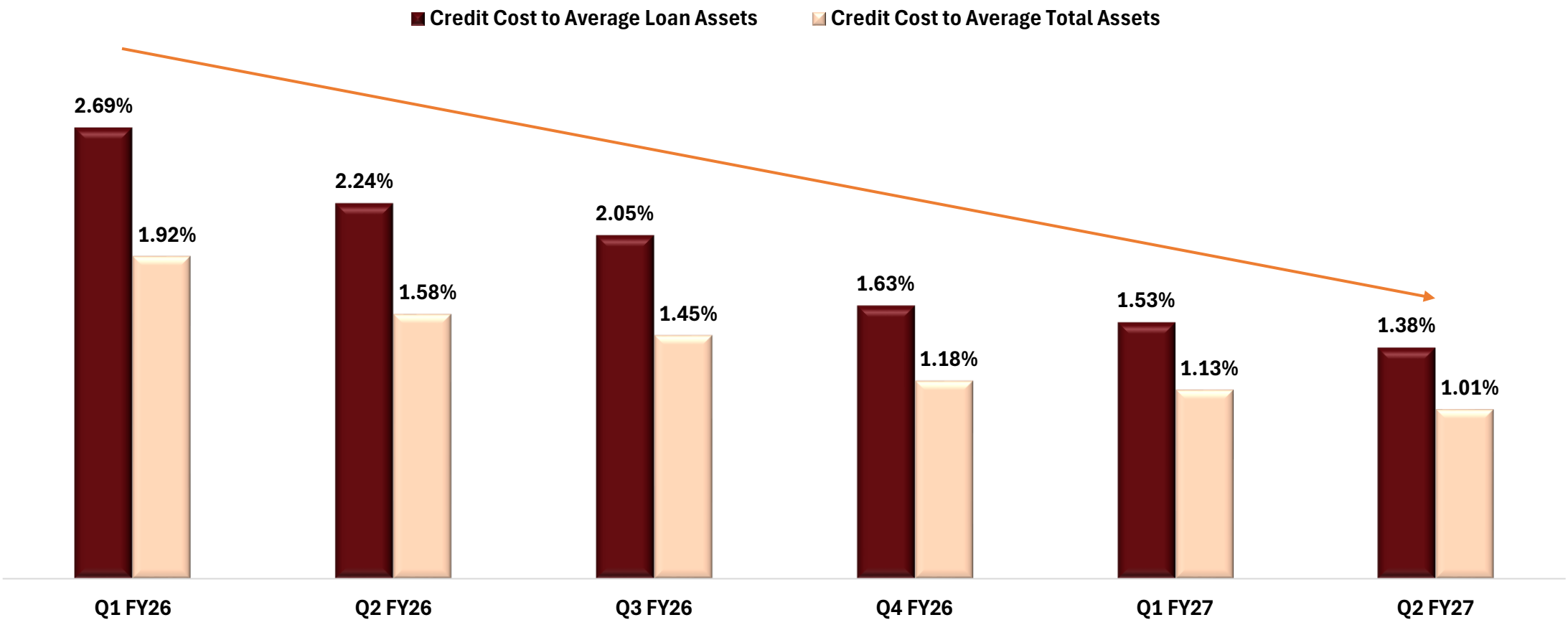
NPA Movement

Description (Rs. Crore)	Q2 FY26	Q3 FY26	Q4 FY26	Q1 FY27	Q2 FY27
Opening NPAs	4,867	4,841	4,614	4,559	4,510
ADD: Gross additions	2,260	2,092	1,777	1,736	1,893
LESS: Recoveries and Upgrades	(522)	(518)	(621)	(623)	(684)
Net Addition to NPA	**1,739**	**1,574**	**1,156**	**1,113**	**1,209**
LESS: Write-offs	(1,765)	(1,801)	(1,211)	(1,162)	(1,252)
Closing NPA	**4,841**	**4,614**	**4,559**	**4,510**	**4,467**
Net Slippages ratio	**2.8%**	**2.4%**	**1.7%**	**1.6%**	**1.6%**

Average Credit Cost improved to 1.01% of Average Total Assets for Q2 FY27



- Q2FY27 provisions include **Rs. 100 crore** of standard asset provisions on FCNR(B)-backed loans. As these loans are backed by FDs, excluding these loans and the corresponding provisions, credit cost for the quarter would have been **1.30%** on Average Funded Assets and **0.94%** of Average Total Assets
- The bank continues to hold contingency provision of **Rs. 515 crore** created on a prudent basis for macro and geopolitical uncertainties
- Disbursements since January 2024 are CGFMU-covered, with coverage at **97%** of total microfinance book as of September 30, 2026

5. PROFITABILITY & CAPITAL

Balance Sheet

In Rs. Crore	Sep-25	Jun-26	Sep-26	YoY
Shareholders' Funds	46,490	48,651	49,445	6.4%
Deposits	**2,76,771**	**3,11,892**	**3,48,583**	**25.9%**
- *CASA Deposits*	1,38,583	1,58,492	1,65,963	19.8%
- *Term Deposits and Certificate of Deposits*	1,38,189	1,53,399	1,82,620	32.2%
Borrowings	40,781	41,384	53,956	32.3%
Other liabilities and provisions	18,175	18,882	18,563	2.1%
Total Liabilities	**3,82,218**	**4,20,810**	**4,70,548**	**23.1%**
Cash and Balances with Banks and RBI	15,498	13,356	15,048	-2.9%
Net Retail and Wholesale Loans & Advances*	**2,62,692**	**3,01,731**	**3,43,353**	**30.7%**
Investments	86,189	88,004	94,882	10.1%
Fixed Assets	2,583	2,545	2,581	-0.1%
Other Assets	15,257	15,173	14,684	-3.8%
Total Assets	**3,82,218**	**4,20,810**	**4,70,548**	**23.1%**

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

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Half-yearly Income Statement

In Rs. Crore	H1 FY26	H1 FY27	Growth (%) YoY
Interest Income	19,579	22,973	17.3%
Interest Expense	9,533	10,816	13.5%
Net Interest Income	**10,046**	**12,157**	**21.0%**
Fee & Other Income	**3,567**	4,413	23.7%
Trading Gain	551	193	-65.0%
Operating Income	**14,164**	**16,762**	**18.3%**
Operating Income (Ex. Trading gain)	**13,613**	**16,570**	**21.7%**
Operating Expense	10,044	11,671	16.2%
Pre-Provisioning Operating Profit (PPOP)	**4,119**	**5,091**	**23.6%**
Pre- Provisioning Operating Profit (Ex. Trading gain)	**3,568**	**4,898**	**37.3%**
Provisions	3,111	2,281	-26.7%
Profit Before Tax	**1,008**	**2,810**	**178.7%**
Tax	194	691	256.8%
Profit After Tax	**815**	**2,120**	**160.1%**

- C:I ratio (excluding trading gains) improved by **335 bps** to **70.4%** in H1-FY27 from **73.8%** in H1-FY26
- The bank continues to hold contingency provision of **Rs. 515 crore** created on a prudent basis for macro and geopolitical uncertainties
- Incremental Cost to Income Ratio (excluding trading gains) for H1 FY27 is **55.0%**

Quarterly Income Statement

In Rs. Crore	Q2 FY26	Q1 FY27	Q2 FY27	Growth (%) QoQ	Growth (%) YoY
Interest Income	9,937	11,051	11,922	7.9%	20.0%
Interest Expense	4,824	5,079	5,737	13.0%	18.9%
Net Interest Income	**5,113**	**5,972**	**6,184**	**3.5%**	**21.0%**
Fee & Other Income	**1,836**	**2,128**	2,285	7.4%	24.5%
Trading Gain	56	181	11	-93.8%	-79.8%
Operating Income	**7,004**	**8,282**	**8,480**	**2.4%**	**21.1%**
Operating Income (Ex. Trading gain)	**6,948**	**8,100**	**8,469**	**4.6%**	**21.9%**
Operating Expense	5,124	5,729	5,942	3.7%	16.0%
Pre-Provisioning Operating Profit (PPOP)	**1,880**	**2,553**	**2,539**	**-0.5%**	**35.0%**
Operating Profit (Ex. Trading gain)	**1,825**	**2,371**	**2,527**	**6.6%**	**38.5%**
Provisions	1,452	1,144	1,137	-0.6%	-21.7%
Profit Before Tax	**428**	**1,409**	**1,402**	**-0.5%**	**227.3%**
Tax	76	334	357	7.0%	370.3%
Profit After Tax	**352**	**1,075**	**1,045**	**-2.8%**	**196.5%**

- Net Interest Income increased sequentially by **4.5%** excluding Interest on IT refund in Q1 FY27
- Operating Income (excluding trading gain) grew **21.9% YoY** in Q2 FY27 as compared to **21.5%** YoY growth during Q1 FY27
- C:I ratio (excluding trading gains) improved by **358 bps** to **70.2%** in Q2-FY27 from **73.7%** in Q2-FY26 and **70.7%** in Q1 FY27
- The bank continues to hold contingency provision of **Rs. 515 crore** created on a prudent basis for macro and geopolitical uncertainties
- Q2FY27 provisions include **Rs. 100 crore** of standard asset provisions on FCNR(B)-backed loans. These loans are secured through FDs, excluding these, the provisions for the quarter declined by **9.3%** QoQ

NIM declined as average earning assets expanded due to FCNR (B) backed loans

Net interest margin moderated by ~32 basis points, **from 5.90% in Q1FY27** (excluding interest on income tax refund) **to 5.58% in Q2FY27**

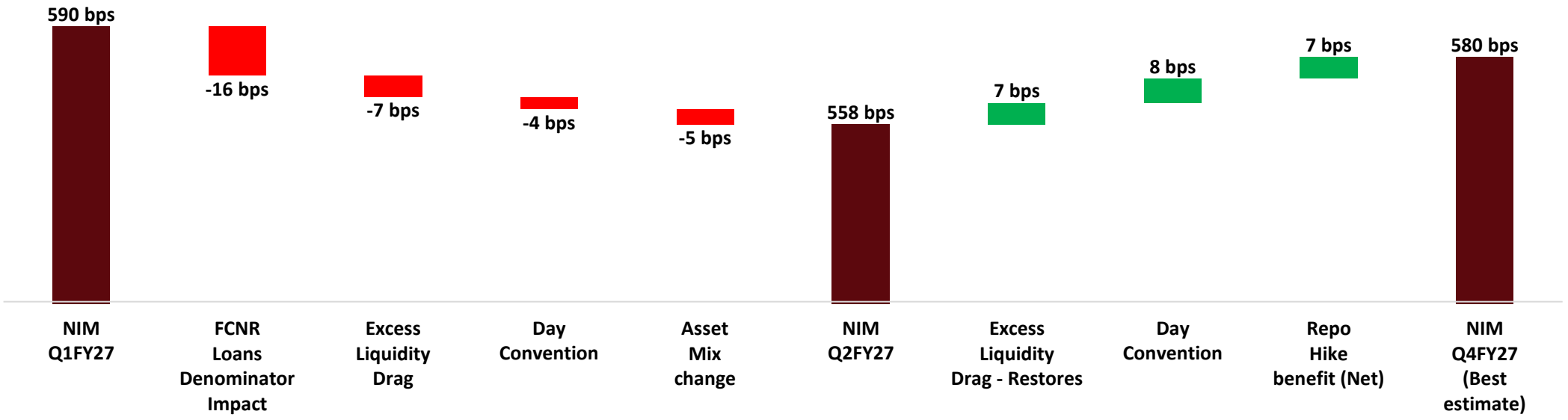
KEY TAKEAWAYS

- **On an overall basis, FCNR proposition is accretive towards Net Interest Income, PAT, RoE (FCNR is FD backed and no additional capital requirement) and EPS for the Bank, it is optically dilutive for the Net Interest Margins due to denominator effect on the Balance Sheet**
- **NIM impact should not be seen in isolation as opex to asset and credit cost to asset also decline; as a result there would be very minimal impact of 2 bps on ROA in steady state**

FCNR proposition is accretive for

- Net Interest Income ✓
- Profit After Tax ✓
- Return on Equity ✓
- Earning per Share ✓

NIM bridge and estimated recovery



Day Convention: Q1: 91 days, Q2: 92 days, Q3: 92 days, Q4: 90 days

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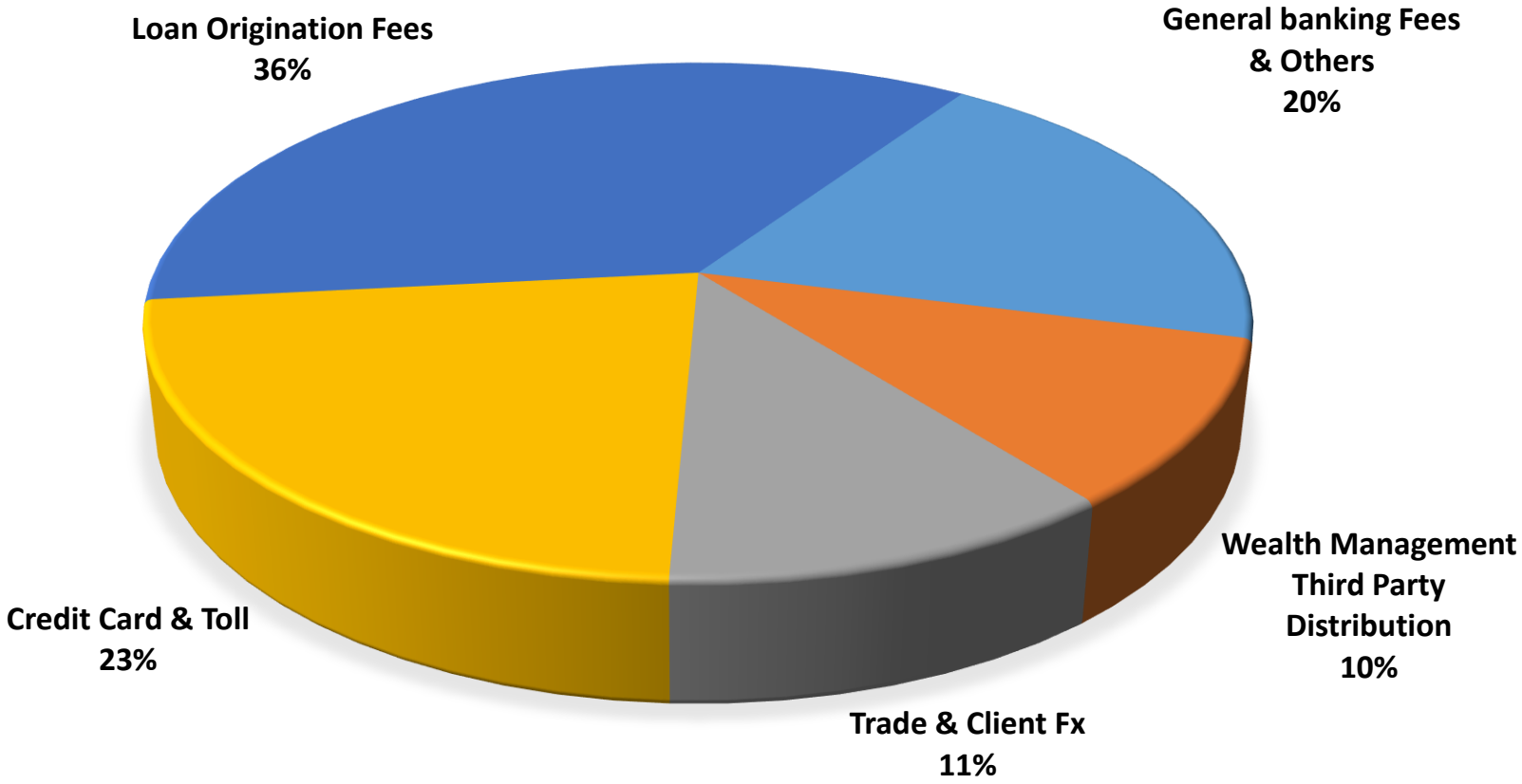
Breakup of Fee & Other Income – H1 FY27

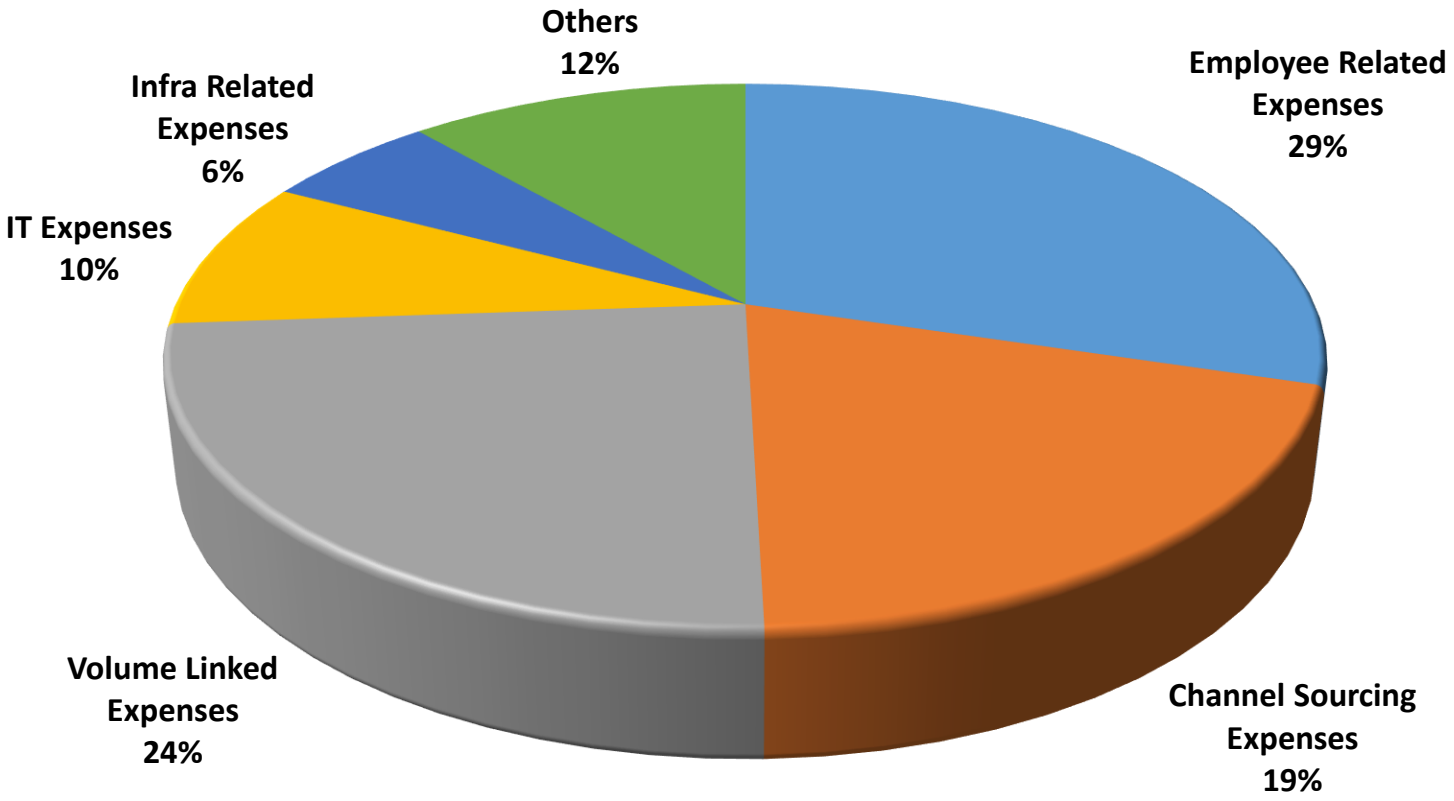
- **91%** of the fee income & other income is from retail banking operations.
- Fee to Average total assets stood at **2.06%** for H1 FY27 compared to **2.00%** for H1 FY26
- Fee to Average total assets stood at **2.03%** for Q2 FY27 compared to **1.99%** for Q2 FY26



Composition of Operating Expenditure – H1 FY27

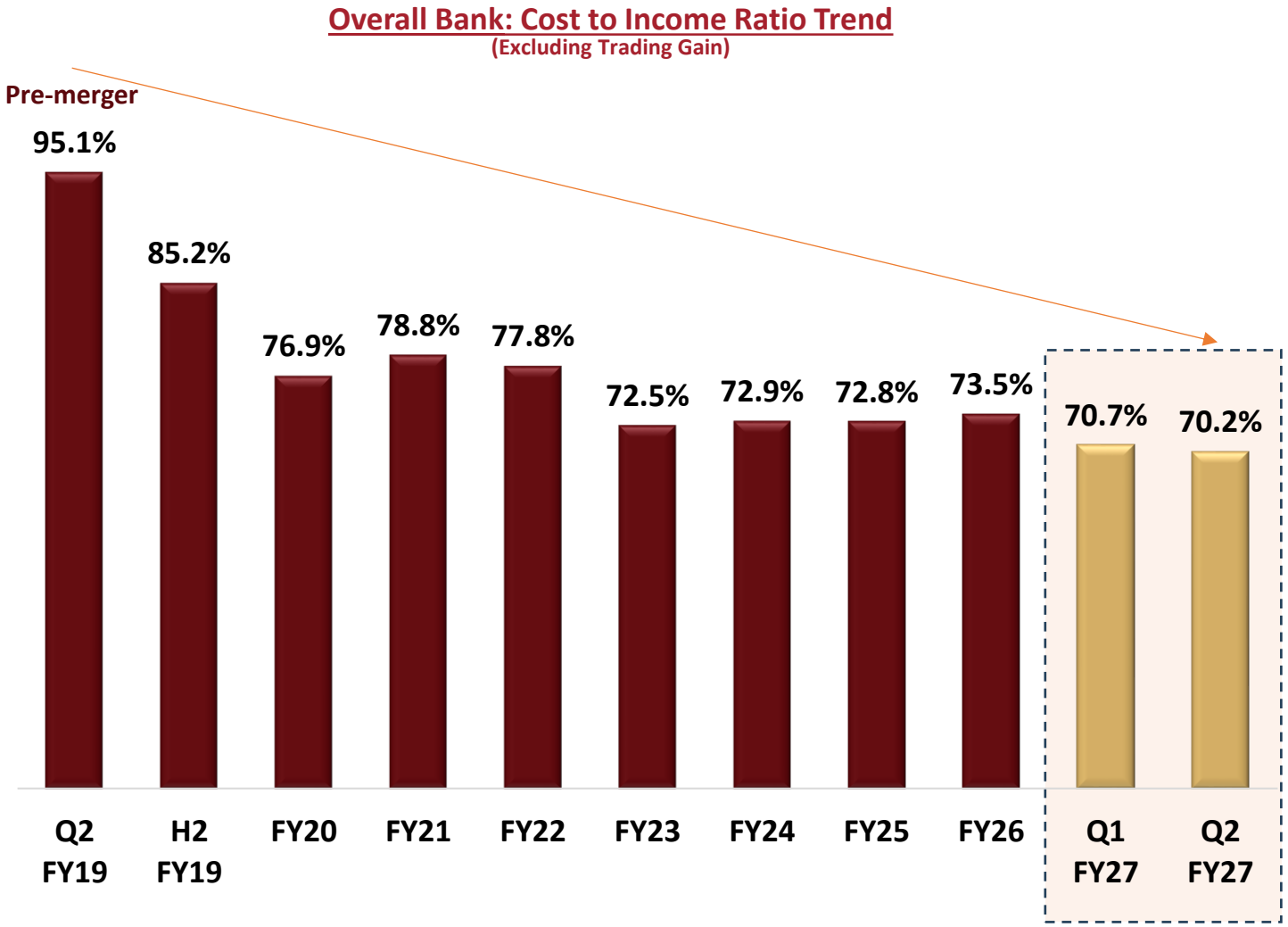
Volume linked expenses include collection cost, Risk Containment Unit cost, credit administration cost, DICGC premium, credit card reward cost, UPI & RTGS charges etc.

Channel Sourcing expenses included commissions & charges paid to the channels. The Bank has incurred set up costs during the last 7 years and plans to leverage the same in the coming years.



Improving cost to income ratio across business segments with scale

Cost to Income ratio (excluding trading gains) of the Bank improved **358 bps** to **70.2% in Q2-FY27** from **73.7% in Q2-FY26**



In H1 FY27 Incremental Cost to Income ratio (ex trading gains) was ***55.0%***

C:I ratio of FY26 for overall bank excludes the impact of fraud incident

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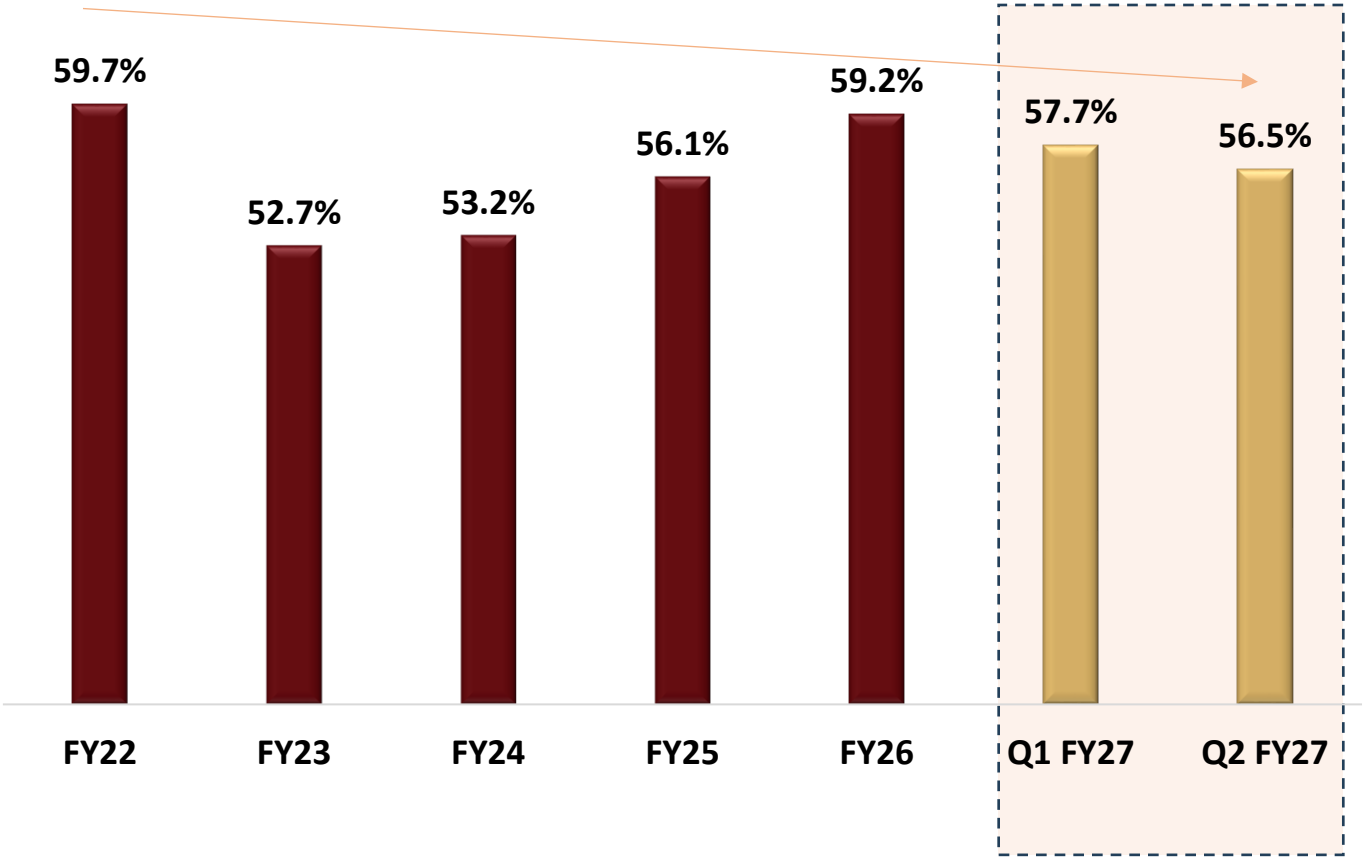
Assets Cost to Income ratio improving with normalcy in the microfinance segment

Assets: Cost to Income Ratio Trend



With the normalizing of the microfinance business, the C:I is improving gradually

Based on applicable internal transfer pricing of the Bank

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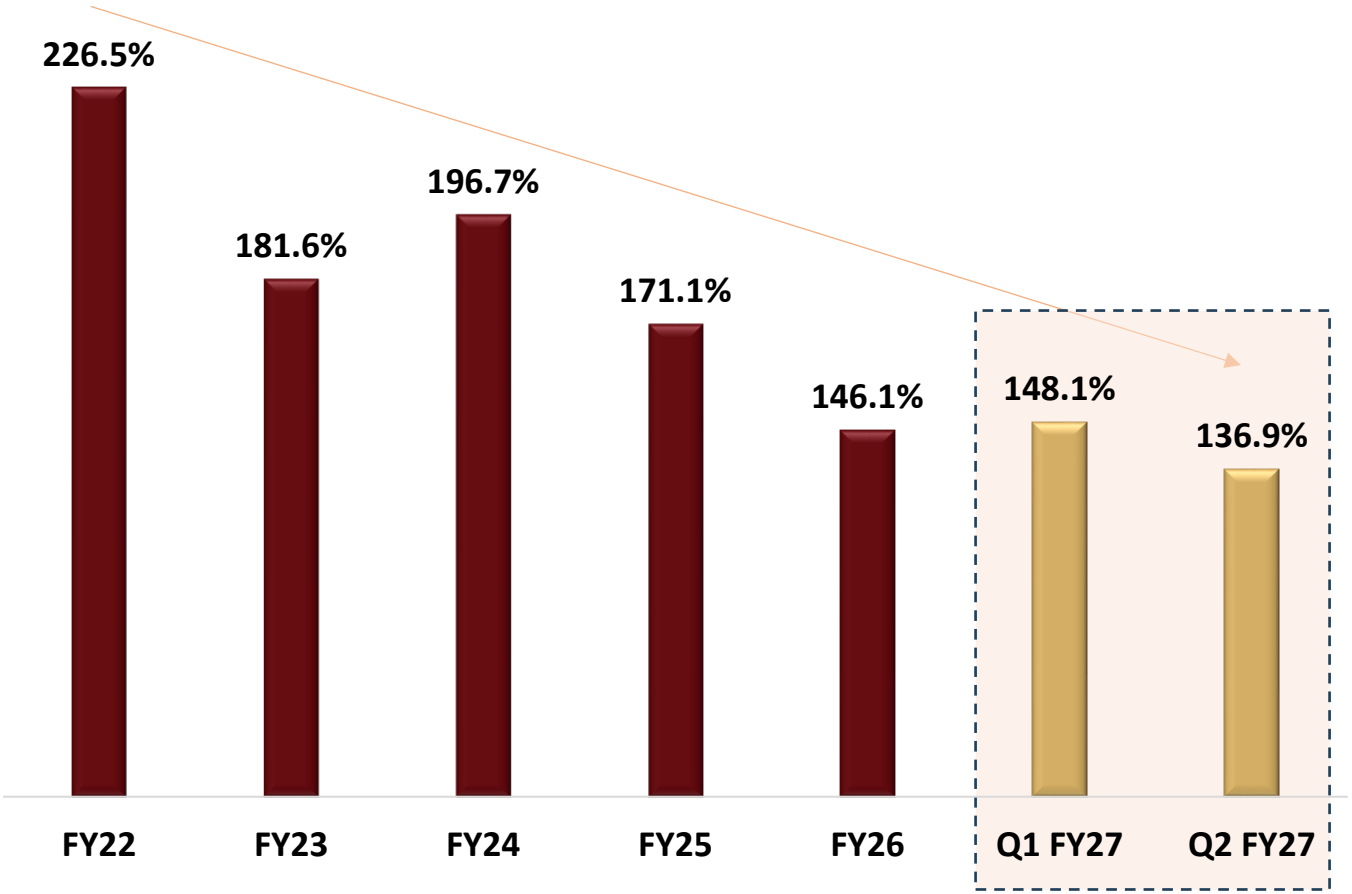
Cost to Income ratio for Retail Liabilities came down from 226.5% to 136.9%

Retail Liabilities: Cost to Income Ratio Trend

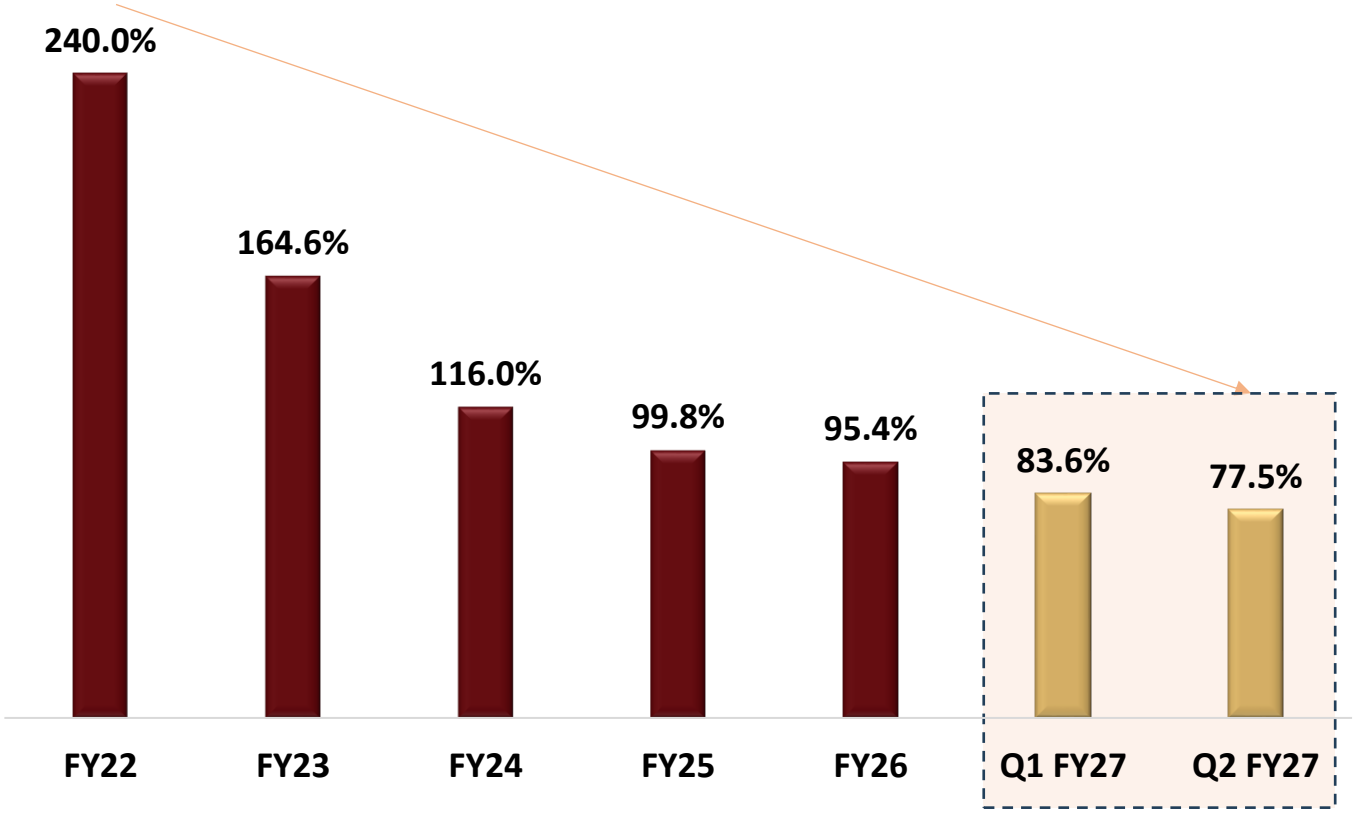


C:I ratio of FY26 for Retail Liabilities excludes the impact of fraud incident | Based on applicable internal transfer pricing of the Bank

- Bank has invested in developing the franchise (Branches, ATMs, Products, People, technology) for raising deposits over the years.
- With growing CASA and retail deposits, the Bank is gradually sweating out this franchise to drive operating leverage, i.e. income growth is higher than the opex growth
- As a result, The C:I ratio has come down from 226.5% to 136.9%.
- We expect the trend to continue and reach 100% over the next 4-5 years.

Cost to Income ratio for Credit Card has improved from 240.0% to 77.5% in Q2 FY27

Credit Cards: Cost to Income Ratio Trend



Credit card business was set up in FY22, and the C:I ratio has come down from 240% to 80.4% by H1 FY27.

We expect the same trend to continue and reach the mid-sixties in the next 4-5 years.

Based on applicable internal transfer pricing of the Bank

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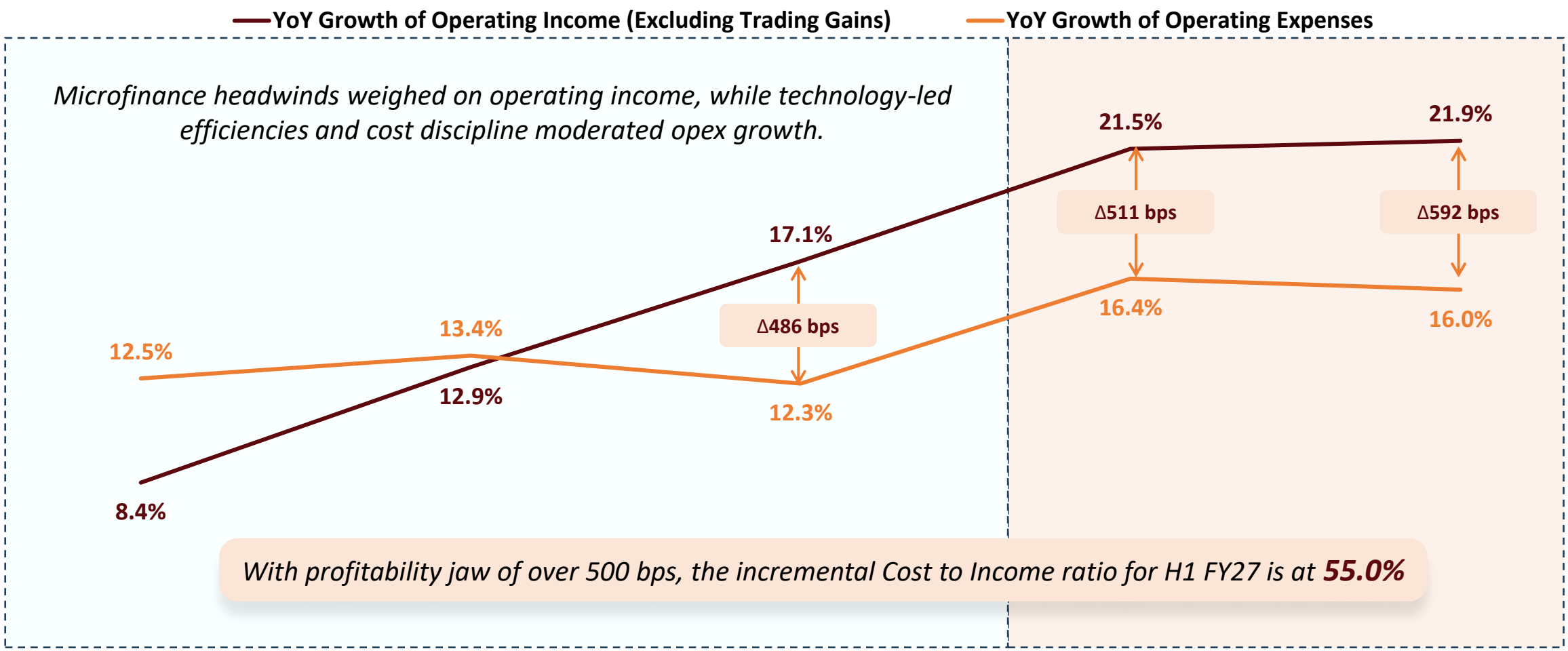
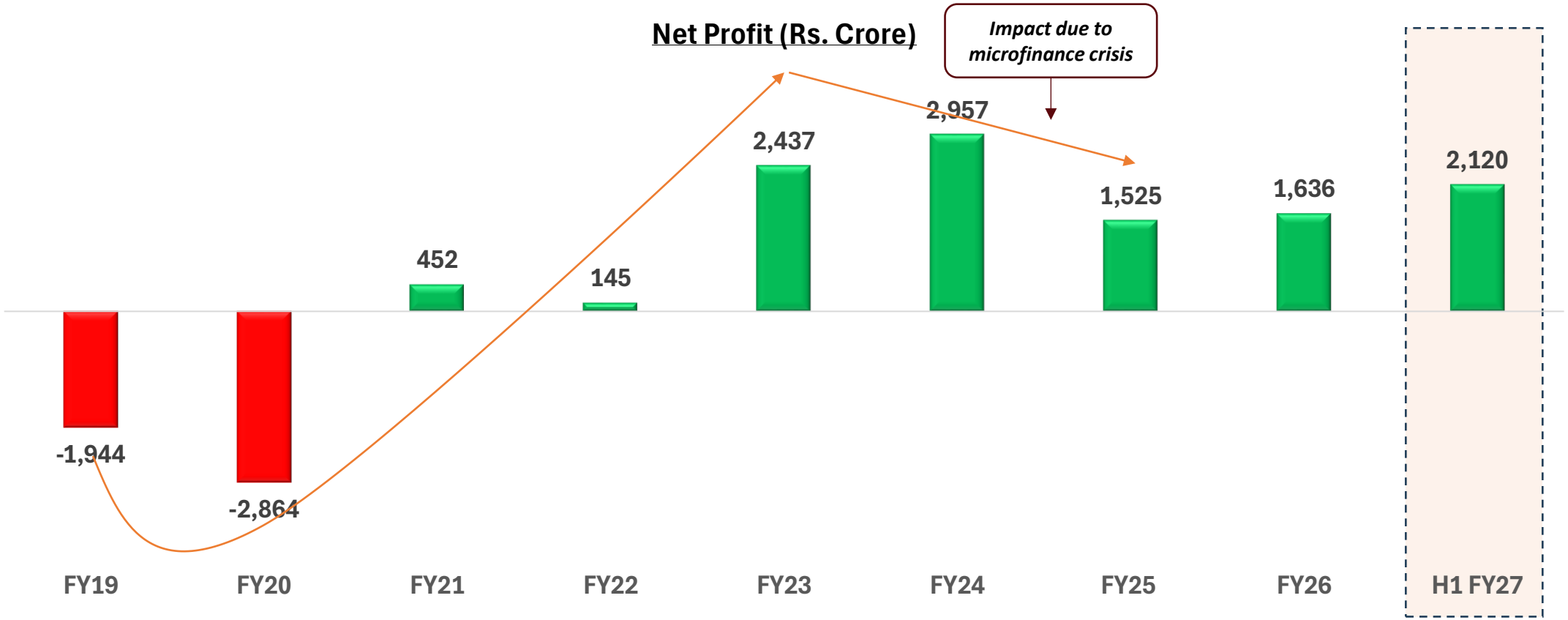
Profitability Jaws expanding by ~500 bps



Operating expenses for Q4 FY26 excludes the impact of fraud incident of Rs. 646 crore

Strong growth in profitability in H1 FY27

- The Asset Businesses (RAM & Wholesale Banking) have strong profitability even after factoring for provisions.
- The Bank is investing the profits from lending business into building the deposit, rural and other businesses.
- The Return on Assets (RoA) for H1FY27 stood at **0.99%** and Return on Equity (RoE) stood at **8.72%,** to improve with operating leverage and scale.
- RoA for Q2FY27 stood at **0.93%** and RoE stood at **8.45%**



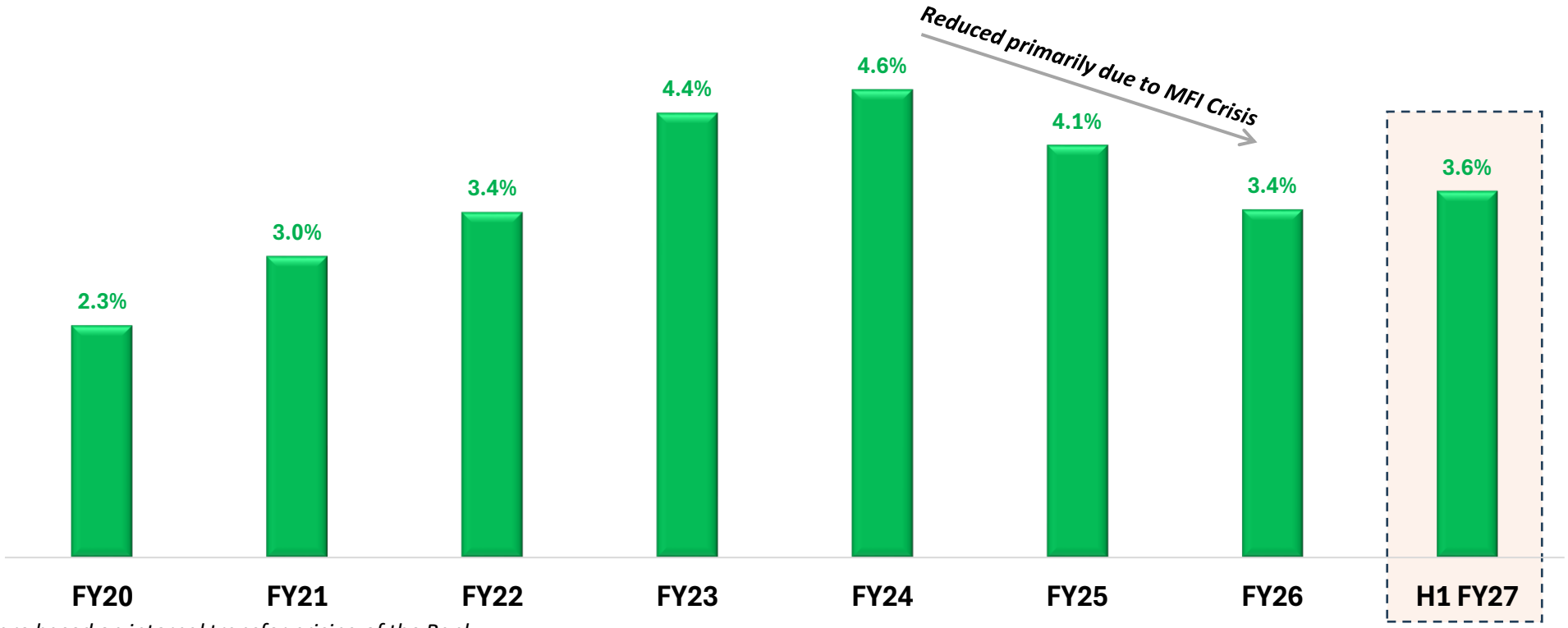
- *Profit after Tax (PAT) pertaining to Mar-26 includes the impact of the fraud incident reported during the Q4 FY26, excluding this PAT would be Rs. 2,119 crore in FY26.*

Assets (Retail Loans, Credit Cards & Wholesale Banking) : Profitability

Operating Profit as a % of Average Loan Book (Retail + Credit Cards + Wholesale)

Rs. Crore

Avg. Loan Book	1,04,565	1,02,663	1,12,734	1,42,483	1,80,927	2,20,143	2,61,033	3,09,270



Above numbers are based on internal transfer pricing of the Bank

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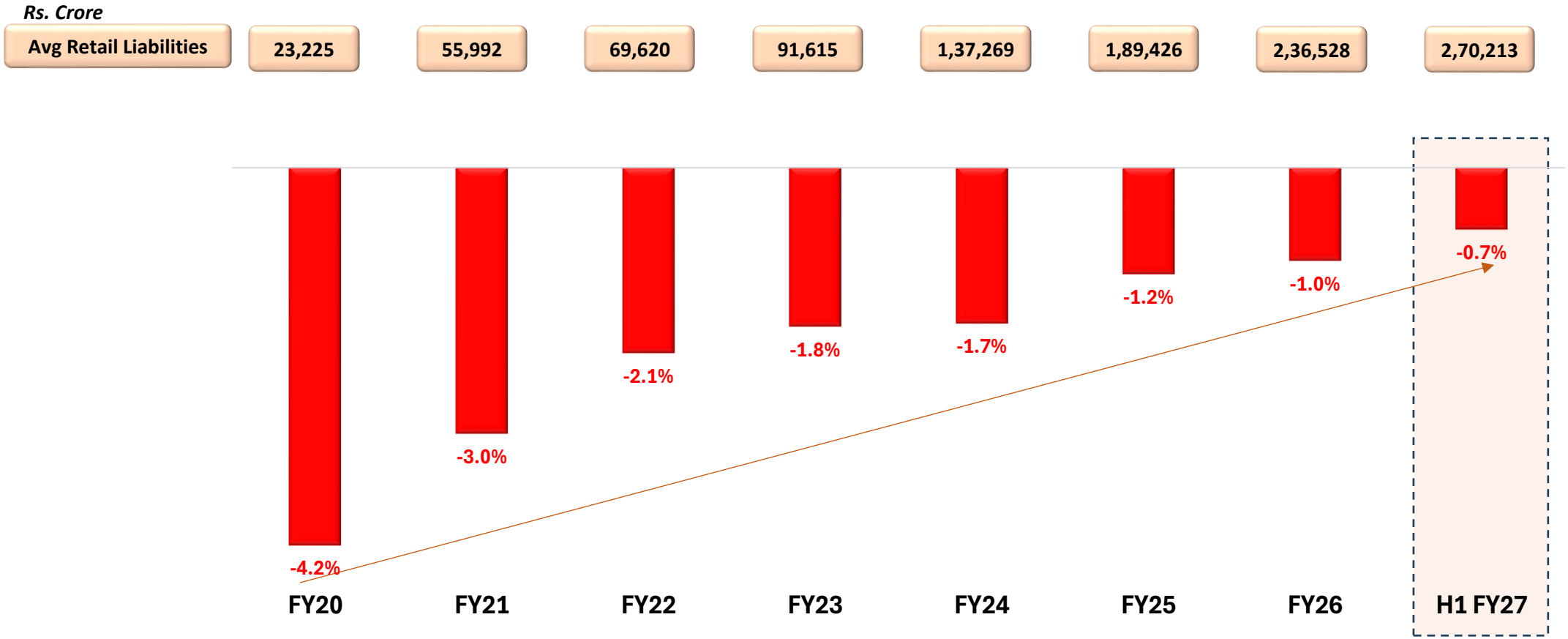
Retail Liabilities Business : Moving towards break even with scale and productivity

- Being a new Bank, we had to invest in building branch infrastructure, people, digital platforms and other capabilities.
- With increasing scale, Operating losses as % of Deposits continues to reduce, trend expected to continue.
- Overall profitability of Bank to be positively impacted with breakeven of deposit business

Operating Profit as % of Average Retail Liabilities



Based on internal transfer pricing of the Bank; Average Retail Liabilities includes deposits raised through retail banking & government banking group
FY26 includes the impact of the fraud incident

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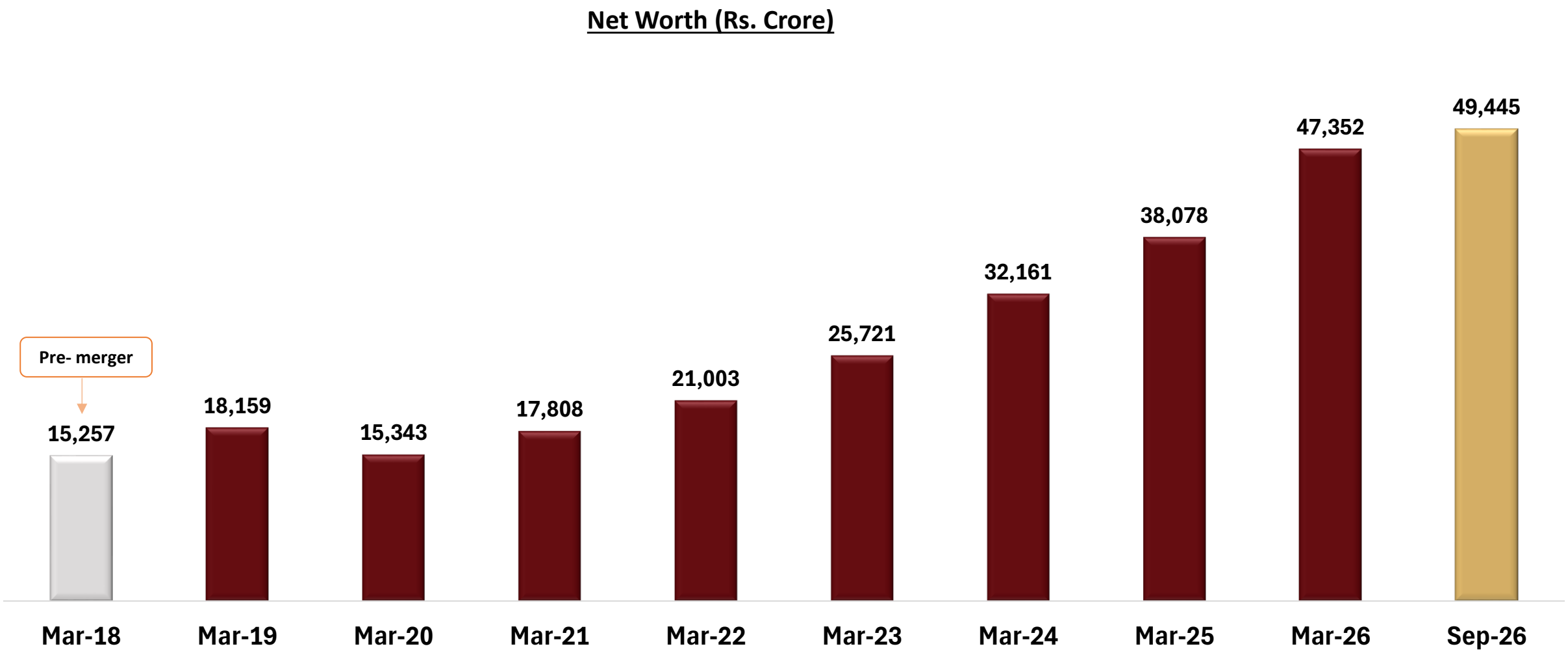
Capital Adequacy Ratio

In Rs. Crore	Sep-25	Jun-26	Sep-26
Common Equity *	44,716	47,341	48,410
Tier 2 Capital Funds	6,255	6,126	6,232
Total Capital Funds	**50,972**	**53,467**	**54,642**
Total Risk Weighted Assets	**3,03,084**	**3,55,232**	**3,72,587**
CET-1 Ratio (%)	**14.75%**	**13.33%**	**13.00%**
Total CRAR (%)	**16.82%**	**15.05%**	**14.67%**

** Sep-25, Jun-26 & Sep-26 includes profits for respective Quarter*

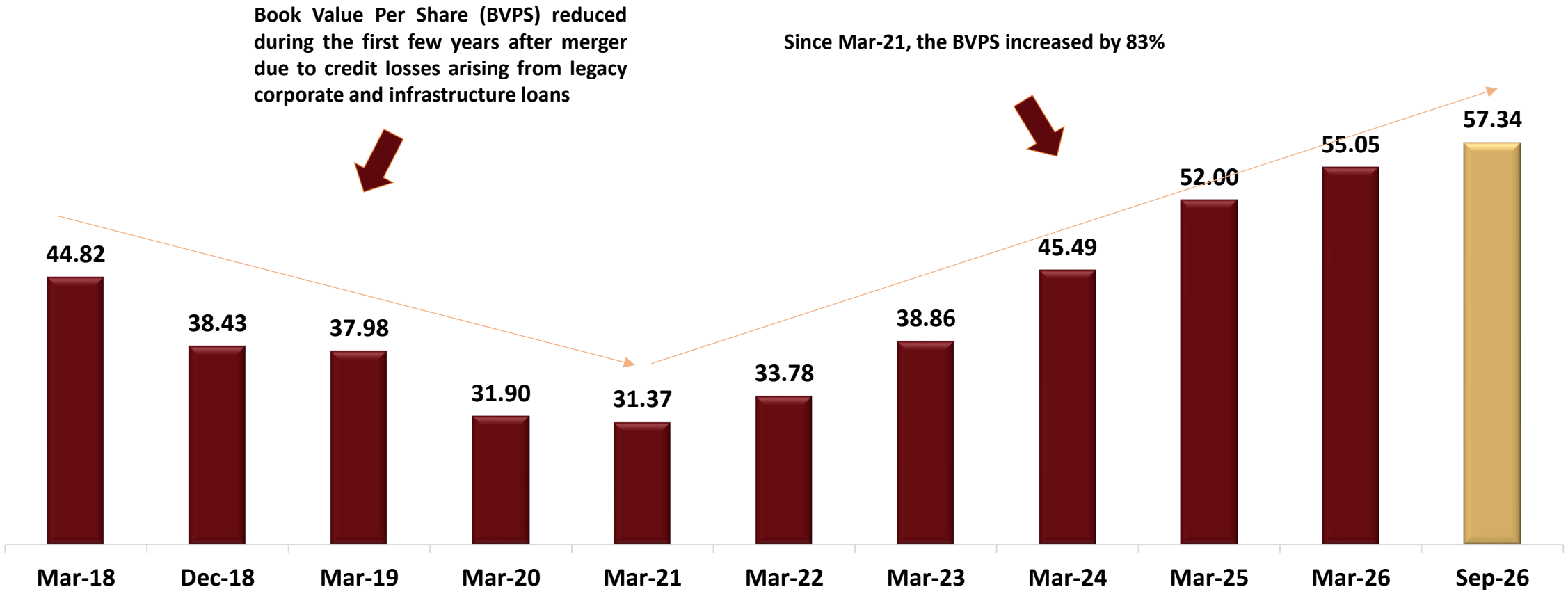
Bank's net worth has increased consistently over the last 6 years



IDFC FIRST Bank

BVPS grew from Rs. 31.37 to Rs. 57.34 since March 2021

In Rs.

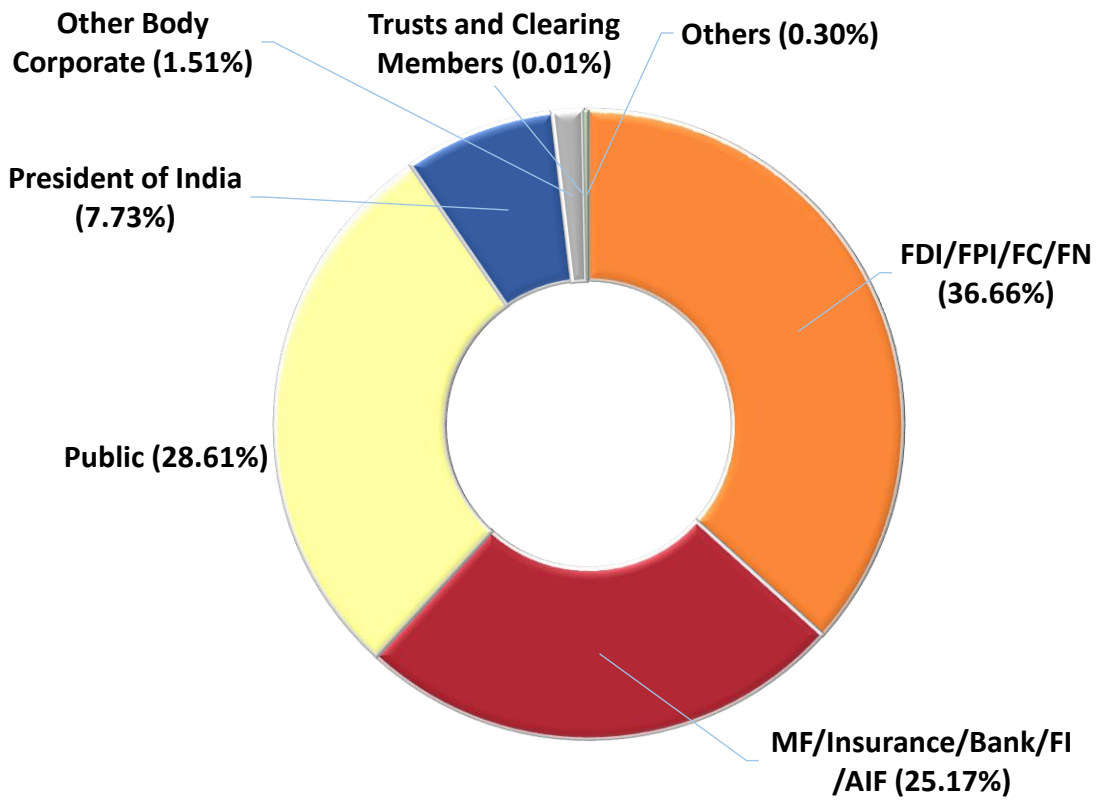


IDFC FIRST Bank

Shareholding Pattern

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

Shareholding (September 30, 2026)



Total No. of shares	***862.28 Cr***
Book Value per Share (September 30, 2026)	***Rs. 57.34***
Basic EPS *(Annualized H1 FY27)*	***Rs. 4.91***

Bank's Long Term Credit Rating

	Rating Agency	Rating	
Fixed Deposit	CRISIL	AAA	Rating assigned in October 2024 and maintained thereafter
Long Term Credit Rating	ICRA	AA+ (stable)	Ratings upgraded during May - June 2023 and maintained thereafter
	India Ratings	AA+ (stable)	
	CRISIL	AA+ (stable)	
	CARE Ratings	AA+ (stable)	
International Rating	CARE Edge	BBB-	Ratings assigned in August 2026
	S&P Global	BBB-	INVESTMENT GRADE

IDFC FIRST Bank

ESG highlights at IDFC FIRST Bank

ESG Vision & Strategy

Embed ESG as a core driver of responsible growth, risk resilience, and long-term value creation for IDFC FIRST Bank

FIRST ENSURE

FIRST ENSURE (Enabling Sustainability Responsibly)

IDFC FIRST Bank's unified ESG identity, integrating responsible business practices and strategic partnerships to drive measurable sustainability outcomes.

Environment

- **Green Deposits:** ₹2,766 Cr raised*; ₹1,563 Cr portfolio as of Sep'26
- **Clean Transportation:** 80,000+ EVs financed in H1 FY27
- **Renewable Energy:** Over ₹2,500 Cr portfolio in financing towards renewable energy as of Sep'26
- **Green Power:** 5.6 lakh+ sq. ft. carpet area connected to green power
- **ISO 14001 & 45001:** for 15 large offices

* Green Deposits raised from Jul'24 - Sep'26 | ^ Large offices > 50,000 sq. ft.

Social

- **Financial Inclusion:** ₹ 25,248 Cr live portfolio in rural financing (JLG, KCC, Agri, EWS and others) as of Sep'26
- **Women Borrowers:** Over 1 Cr women borrowers across urban and rural lending as of Sep'26
- **Learning & Development:** 14 lakh+ employee learning hours in H1 FY27
- **CSR Activities:** 27,762 individuals impacted in H1 FY27
- **Volunteering:** 6,073 hours of employee volunteering in H1 FY27

Governance

- **CSR and ESG Committee:** Board-level Committee that meets quarterly on strategy and implementation
- **Board Diversity:** 20% of Directors, i.e., 02 are women
- **Board Independence:** ~70% of Directors, i.e. 07 are Independent Directors
- **Policies:** Board-approved ESG, GHG and Green Deposits Policies
- **ISO 27001:** certified Information Security Management

Global Associations

UN GLOBAL COMPACT

IDFC FIRST Bank is an official supporter of the UN Global Compact, actively contributing to the UN SDGs.

PCAF Partnership for Carbon Accounting Financials

IDFC FIRST Bank is one of the first Indian banks to be a signatory to PCAF, committing to baseline and estimate financed emissions.

BRICS BUSINESS COUNCIL

IDFC FIRST Bank is a part of the BRICS Financial Services Working Group, supporting dialogues that promote sustainable finance and inclusive economic growth.

ESG Ratings & Recognitions

Performance across Key ESG Ratings*

MSCI ESG Ratings

AA

CCC ---------- AAA

CDP Score

C

F ---------- A

S&P Global ESG Score

56

0 ---------- 100

FTSE4Good Index Series

Constituent Company

under Emerging ESG Index

CRISIL ESG Score

73

0 ---------- 100

NSE ESG Ratings

68

0 ---------- 100

ESG Awards & Recognitions won by IDFC FIRST Bank

UBS Forums

Sustainability Impact Award (Jun 2026)

Green Urja Awards

Financial Institution in Green Energy - Gold (Feb 2026)

IGBC

Green Champion Award (Dec 2025)

Global Fintech Awards

Best Green Banking Initiative (Oct 2025)

SKOCH ESG Award

Green Infrastructure - Silver (Sep 2025)

IGBC

Green Visionary Award (Sep 2025)

AFAI Indian Climate Awards

Outstanding Private Bank in Green Finance (Jan 2025)

Times Now Climate Awards

Product Innovation Award (WASH) - Silver (Oct 2024)

ABF Retail Banking Awards

Financial Inclusion Initiative of the Year: India (Jun 2024)

The European

Most ESG Responsible Banking Service (Dec 2023)

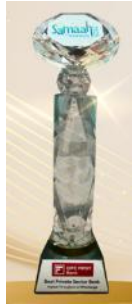
Institute of Directors India

Golden Peacock Award in ESG - National (Sep 2023)

**ESG rating scores updated as of Oct'26*

IDFC FIRST Bank

Awards and Recognition



Digital & Retail Banking

- **Best Innovation in Retail Banking India 2026**
  International Banker Award
- **Best Digital Bank**
  FE Best Banks Awards 2025
- **Best Digital Transformation Program**
  Global Fintech Awards 2025
- **Mobile Banking & Payment Initiative of the Year**
  Asian Banking & Finance
- **Best CMS Bank of the Year**
  Asian Banking & Finance
- **Best Innovation in Retail Banking**
  International Banker Awards
- **Best Mobile Banking App 2024**
  CFI
- **Digital Payments (2024-25)**
  Ministry of Finance

ESG & Green Banking

- **Sustainability Impact Award**
  UBS Sustainability Summit & Awards 2026
- **Gold Award for Best FI in Green Energy**
  ICC Green Urja Awards 2026
- **Green Champion Award**
  IGBC Green Building Congress 2025
- **Best Green Banking Initiative**
  Global Fintech Awards 2025
- **Silver Award for Green Infrastructure**
  SKOCH ESG Awards 2025
- **Green Visionary Award**
  IGBC Green Mumbai Summit 2025
- **Outstanding Private Bank in Green Finance**
  AFAI Indian Climate Awards 2025

MSME & Financial Inclusion

- **India Domestic Cash Management Bank of the Year + India Domestic Trade Finance Bank of the Year**
  Asian Banking & Finance Wholesale Banking Awards 2026
- **Best MSME Friendly Bank (Private) + Jury Special Award for Supporting MSMEs + Best Bank for Creating Awareness among MSMEs (Private Sector)**
  Chamber of Indian Micro & Small Ent.
- **Best Private Sector Bank Award 2025**
  M1 TReDS Exchange
- **Excellence Achiever — Atal Pension Yojana**
  APY Annual Felicitation Programme FY 2024-25

Overall Bank & Employer

- **Most Customer Friendly Bank India 2026**
  Capital Finance International (CFI)
- **World's Best Banks 2025**
  Forbes & Statista
- **India's Leading Private Bank (Mid) 2025**
  Dun & Bradstreet
- **Best Mid-Sized Bank Award 2024**
  Mint

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.**

Annexure

Progress since merger

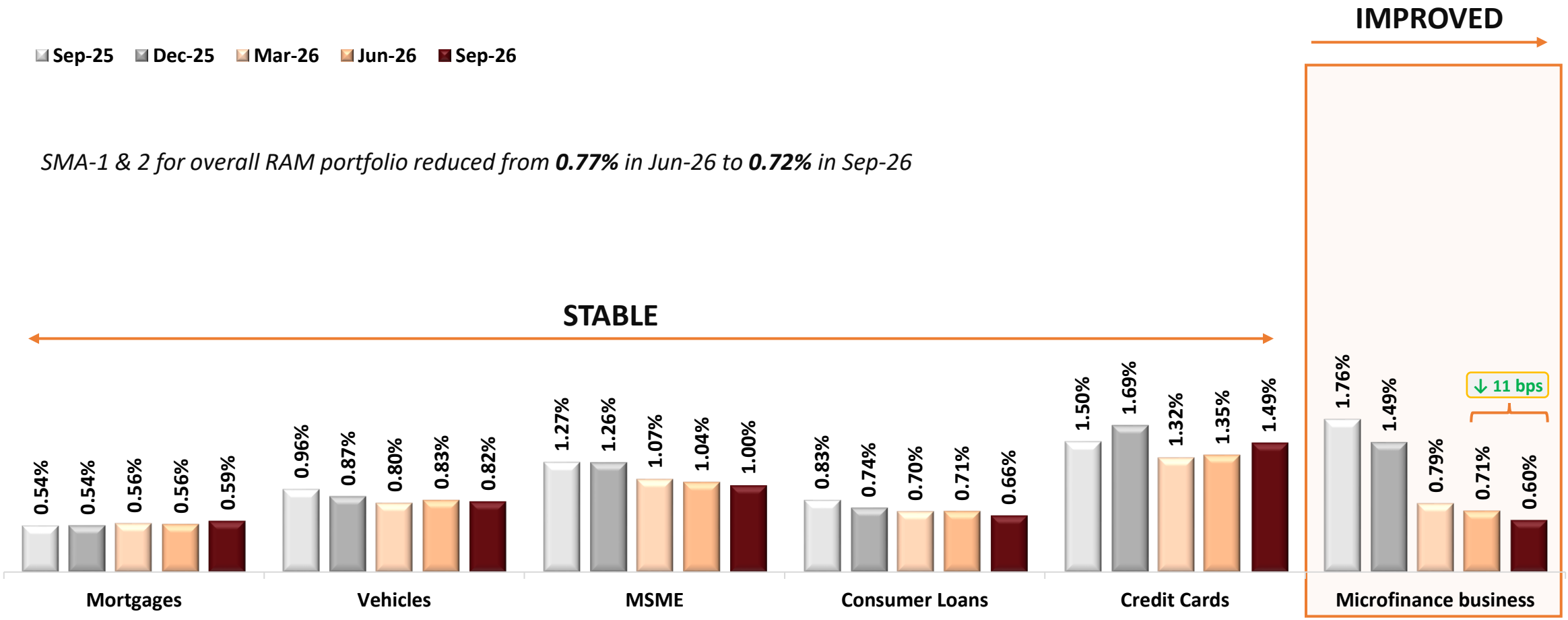
	Parameters (Rs. Crore)	CAPITAL FIRST (30-Sep-18)	IDFC Bank (30-Sep-18)	Upon merger (31-Dec-2018)	Now (30-Sep-2026)	Change Since Merger
BALANCE SHEET	Loan Assets (Loan Book + credit substitutes)	32,623	75,332	1,04,660	3,46,913	▲ 17% CAGR
	Customer Deposit	0 *(NBFC)*	36,369	38,455	3,41,415	▲ 33% CAGR
	Retail Deposit	0 *(NBFC)*	9,008	10,400	2,81,038	▲ 53% CAGR
	CASA Deposit	0 *(NBFC)*	6,253	5,274	1,65,963	▲ 56% CAGR
	CASA Ratio	0 *(NBFC)*	13.0%	8.7%	47.6%	▲ 5.5X
	Net Worth	2,928	14,776	18,376	49,445	▲ 14% CAGR
PROFITABILITY	NIM %	8.2%	1.6%	3.1%	5.8%	▲ 269 bps
	Core PPOP/Average Asset %	5.0%	0.1%	0.8%	2.3%	▲ 150 bps
	Cost to Income %	47.5%	92.4%	82.2%	69.6%	▼ -1,256 bps
ASSET QUALITY	Gross NPA	1.6% (Mar-18)	1.6%	1.97%	1.32%	▲ 65 bps
	Net NPA	1.0% (Mar-18)	0.6%	0.95%	0.40%	▲ 55 bps

- *Loan Book of Capital First as on 30 Sep 2018 was Rs. 26,994 crore and Off-Balance Sheet book of Rs. 5,629 crore. Loan Book of erstwhile IDFC Bank (Sep-18) was Rs. 55,020 crore*
- *As of Sep-26, Loan Book (Rs. 3,38,929 Cr) and Credit Substitutes (Rs. 7,984 Cr) = Total Loan Assets of Rs. 3,46,913 Cr*
- *Profitability numbers for Capital First and IDFC Bank are of H1 FY19, For IDFC FIRST Bank Dec-18 are of Q3 FY19; Sep-26 are of H1FY27*
- *NIM is Gross of IBPC & Sell-down for H1 FY27 (Sep-26)| C:I excluding trading gains was 70.4% for H1 FY27 and 81.6% for Q3 FY19*

Product-wise SMA trend analysis (5 quarters)

RAM = Retail, Agri and MSME book

Product-wise SMA-1 & SMA-2 portfolio



*SMA-1 & 2 for overall RAM portfolio reduced from **0.77%** in Jun-26 to **0.72%** in Sep-26*

Above numbers are Gross of IBPC | Consumer loans include consumer durables, personal loans, digital loans and education loans | HL and LAP constitute Mortgages Loans

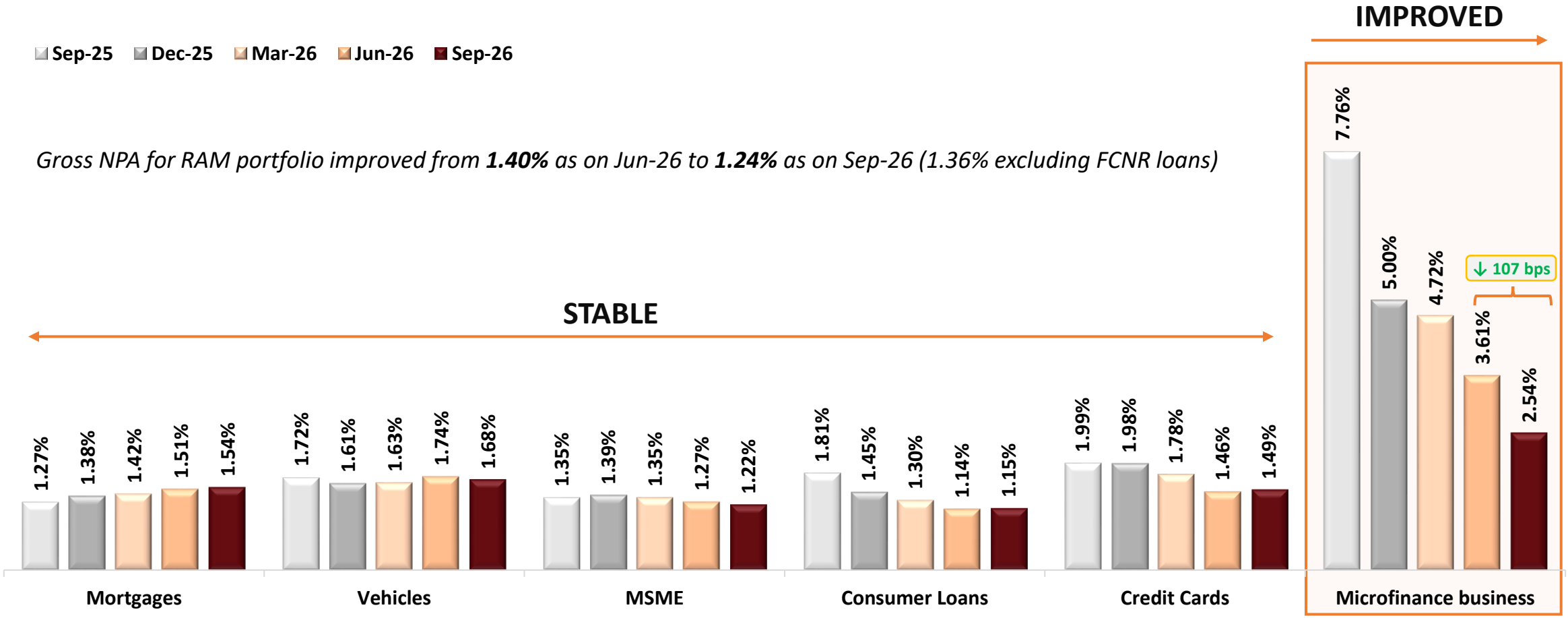
Back

IDFC FIRST Bank

Product-wise GNPA trend analysis (5 quarters)

RAM = Retail, Agri and MSME book

Product-wise Gross NPA portfolio



*Gross NPA for RAM portfolio improved from **1.40%** as on Jun-26 to **1.24%** as on Sep-26 (1.36% excluding FCNR loans)*

Above numbers are Gross of IBPC | Consumer loans include consumer durables, personal loans, digital loans and education loans | HL and LAP constitute Mortgages Loans

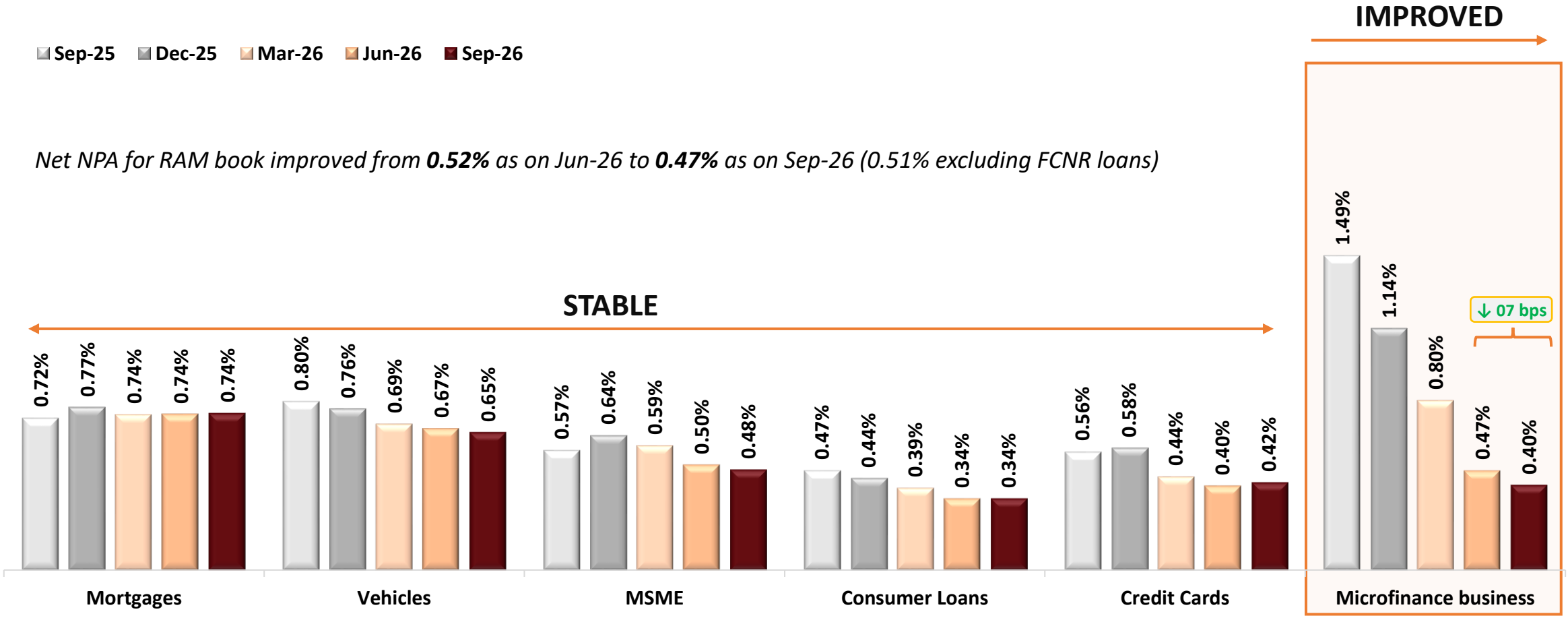
Back

IDFC FIRST Bank

Product-wise NNPA trend analysis (5 quarters)

RAM = Retail, Agri and MSME book

Product-wise Net NPA portfolio



*Net NPA for RAM book improved from **0.52%** as on Jun-26 to **0.47%** as on Sep-26 (0.51% excluding FCNR loans)*

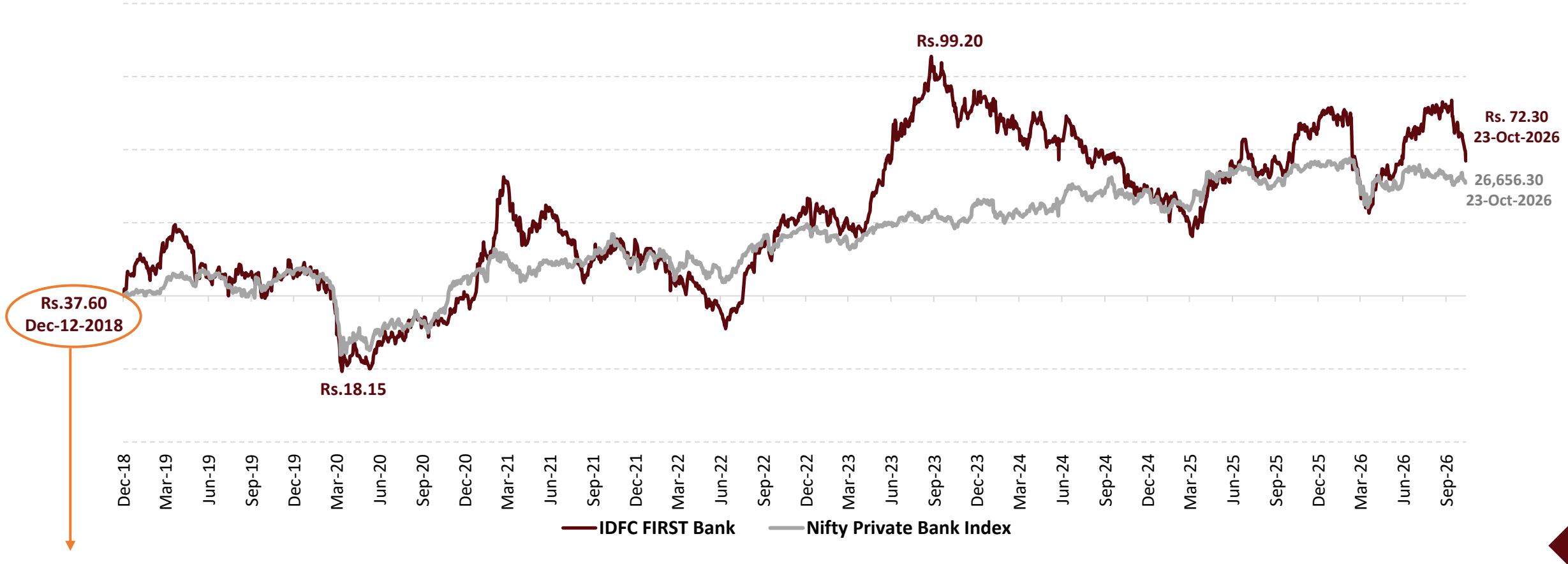
Above numbers are Gross of IBPC | Consumer loans include consumer durables, personal loans, digital loans and education loans | HL and LAP constitute Mortgages Loans

Back

IDFC FIRST Bank

Price Movement Since Merger: IDFC FIRST Bank vs NIFTY Private Bank Index (%)

	December 12, 2018	October 23, 2026	% Change
IDFC FIRST Bank Limited	37.6	72.3	92.3%
NIFTY Private Bank Index	15,041.8	26,656.3	77.2%



Merger date = Date of announcement to stock exchanges for receipt of NCLT approval & new management to take over

How IDFC FIRST Bank Was Created

IDFC BANK + CAPITAL FIRST = IDFC FIRST Bank

- **IDFC Limited** was created in 1997 for financing infrastructure.
- **IDFC Bank** was created by IDFC Limited, in 2016.
- The loan book of IDFC limited was transferred to IDFC Bank at inception in 2016.
- IDFC Bank had assets of Rs. 75,332 crore as of September 30, 2018, of which 86% was in wholesale loans.
- IDFC Bank was looking to set up a deposit franchise and diversify into Retail Banking

- Capital First was an NBFC created in 2012, focussed on MSME and retail loans through technology driven lending models.
- It had grown its Assets under Management from Rs. 934 crore on March 31, 2010 to Rs. 32,623 crore on September 30, 2018.
- It had a track record of growth, profits and asset quality.
- Capital FIRST was looking for a commercial bank license to get a steady source of funding for its long-term growth.

IDFC FIRST Bank was created through the merger of IDFC Bank and Capital First, on 11th December 2018, when all regulatory and legal approvals were received, announced to the public, and the new management took charge.

Background: IDFC FIRST Bank was created by merger of IDFC Bank and Capital First

IDFC BANK

IDFC Limited was created in 1997 for financing infrastructure. IDFC Bank Limited was formed as a part of demerger from its parent IDFC Limited on October 21, 2014.

2012–13 IDFC Limited, then a non-banking finance company focused on infrastructure financing, applied to RBI for a banking licence.

2014–15 RBI granted in-principle approval to set up a bank within 18 months. IDFC Limited raised ₹1,000 Cr via QIP at ₹137/share. IDFC Bank Limited was incorporated on 21 Oct 2014.

2015–16 IDFC Bank was inaugurated by PM Narendra Modi on 19 Oct 2015. Began operations with 23 branches, corporate internet banking, and Aadhaar-enabled micro-ATMs.

2016–17 Acquired Grama Vidiyal Micro Finance to strengthen rural outreach. Opened its first North-East branch in Shillong. Launched IDFC Aadhaar Pay, India's first Aadhaar-linked merchant payment solution. CASA reached ₹2,094 Cr; funded assets stood at ₹66,567 Cr (Mar'17).

2017–18 Featured in LinkedIn Top Companies 2017. Merger discussions with Shriram Group were explored but called off. Launched 100th branch; total 127 branches across 18 states. On 13 Jan 2018, announced merger with Capital First, subject to approvals. CASA reached ₹5,710 Cr; funded assets ₹70,099 Cr (Mar'18).

CAPITAL FIRST

Capital First was an NBFC created in 2012, focussed on MSME and retail loans through technology driven lending models.

2012–13 Company operated mainly in Wholesale Financing, PE, Asset Management, FX, and Retail Broking. Total AUM was ₹935 Cr, of which Retail AUM was ₹94 Cr (10%).

2012–13 V. Vaidyanathan acquired equity stakes in company, concluded MBO, divested for Forex JV, merging the NBFC subsidiary, wound down non-core businesses, and launching tech-driven retail lending. Retail loan book crossed ₹700 Cr by Mar'11, becoming proof-of-concept for global PE investors.

2014–15 Continued engaging PE investors; further exited non-core subsidiaries; scaled retail financing. Retail book grew to ₹3,660 Cr (44% of AUM), validating the model.

2012–13 Secured ₹810 Cr equity from PE backing, enabling the MBO and creation of Capital First. Conducted open offer, raised ₹100 Cr fresh equity, reconstituted the Board, and launched the new brand.

2014–15 Raised ₹178 Cr equity at ₹153/share. Obtained HFC license from NHB and launched housing finance through a wholly-owned subsidiary.

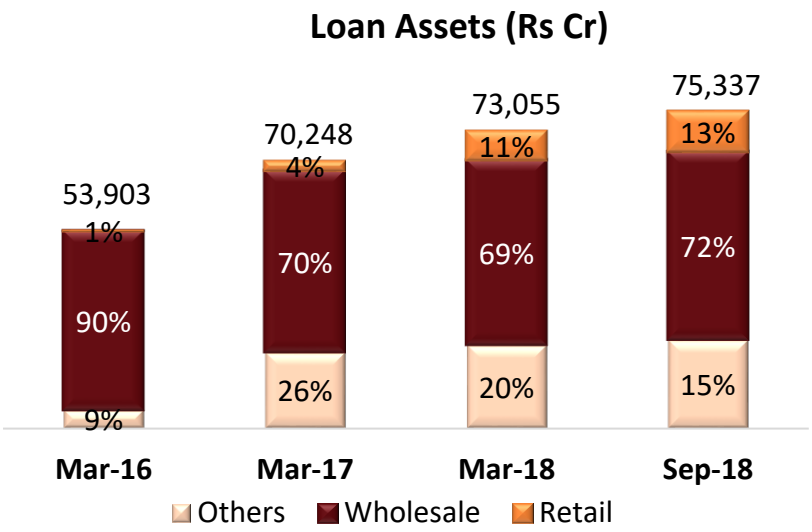
2015–16 AUM reached ~₹12,000 Cr; customers financed crossed 10 lakh. Raised ₹300 Cr via QIP at ₹390/share from marquee investors.

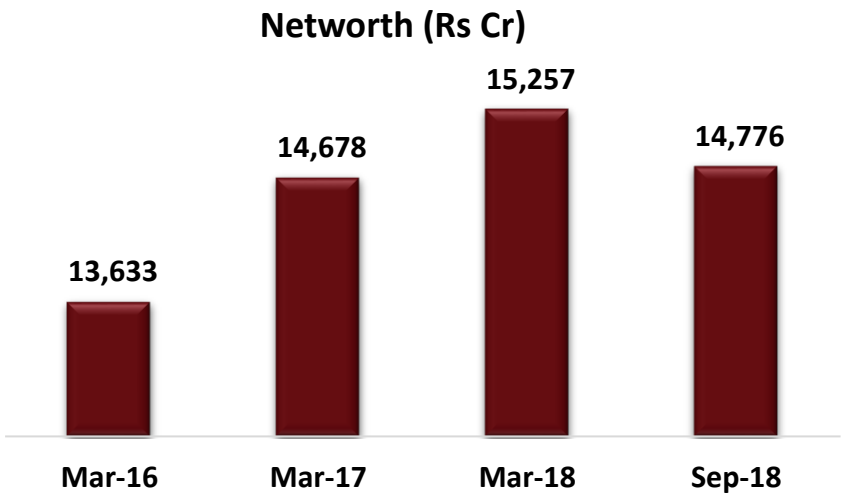
2014–15 Featured in Business Today – India's Most Valuable Companies, D&B India's Top 500, and included in S&P BSE 500 Index.

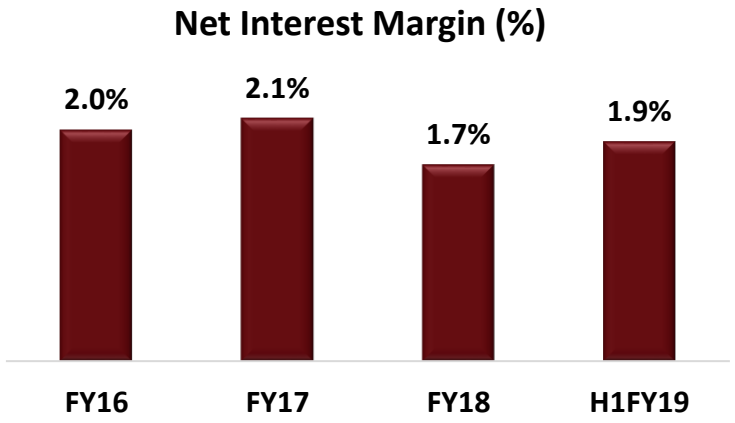
2016–17 AUM reached ~₹20,000 Cr; customers financed crossed 4 million. Raised ₹340 Cr from GIC (Singapore) via preferential allotment at ₹712/share. Received several awards including CNBC Asia IBLA and ET Future Ready Companies.

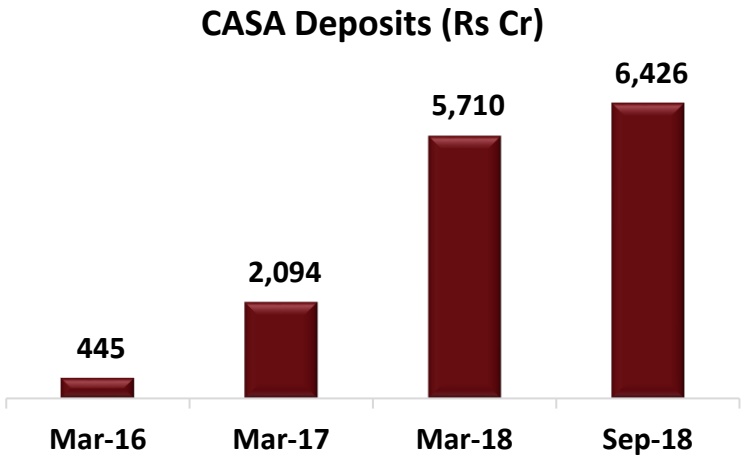
2017–18 AUM touched ~₹27,000 Cr; customers crossed 6 million. Won ET Best BFSI Brand and VC Circle Financial Services Company awards. Announced merger with IDFC Bank in Jan 2018 (subject to approvals).

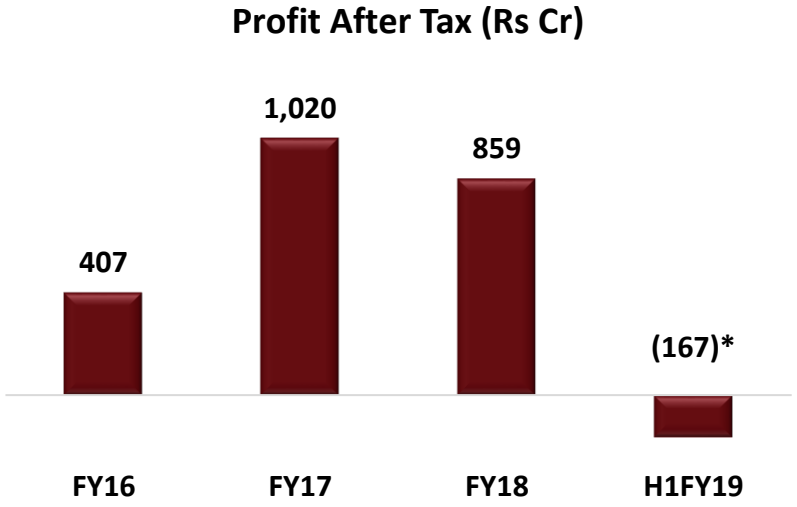
IDFC Bank – Financial Trends

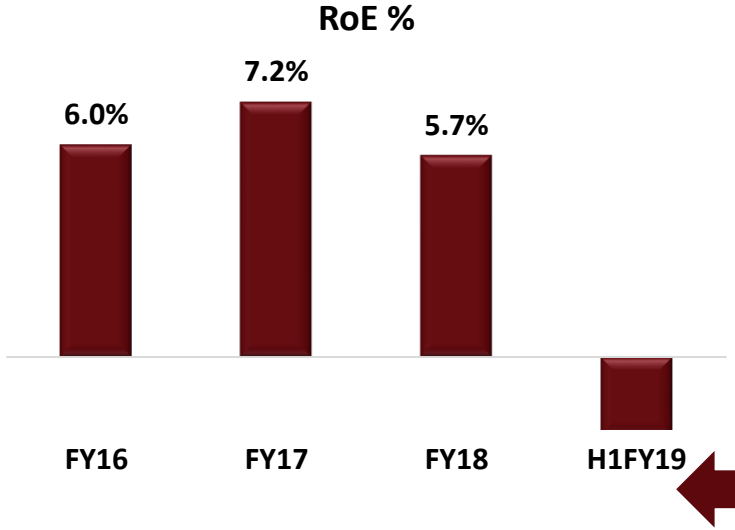












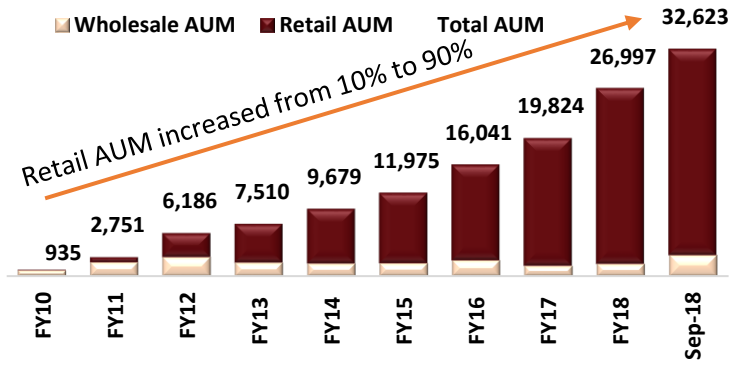
**The bank took one-time provisions relating to stressed infrastructure loans. Without such one-time charge off, the PAT for H1 FY19 would be Rs. 81 Cr*

IDFC FIRST Bank

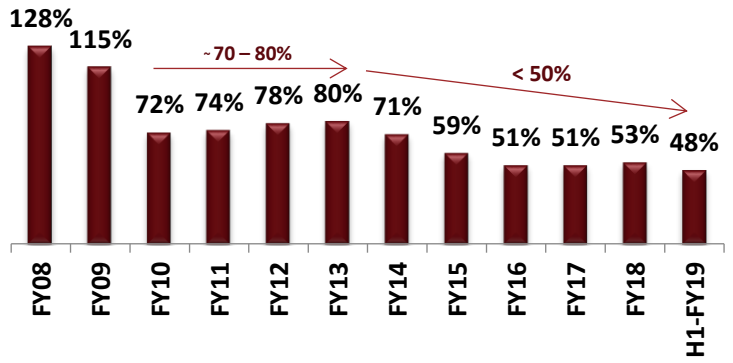
Capital First – Financial Trends

(Rs. Cr)

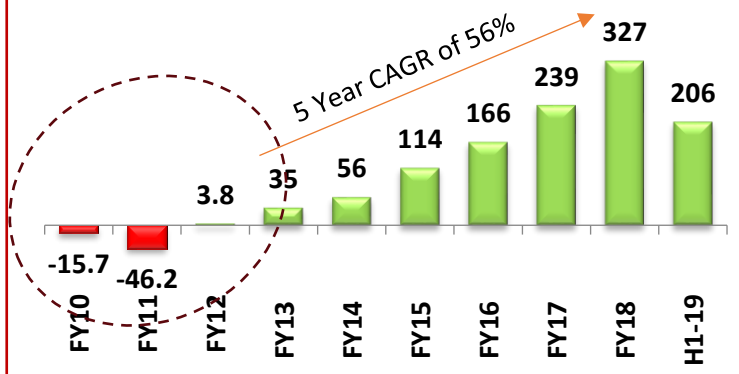
Strong growth in AUM



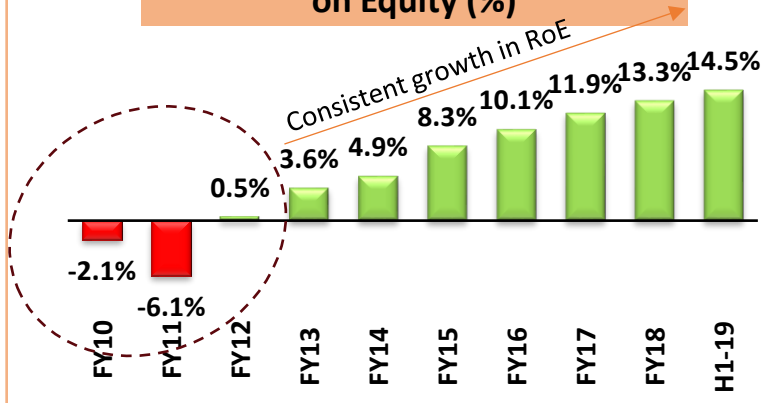
Cost to income came down to <50% with scaling up of business



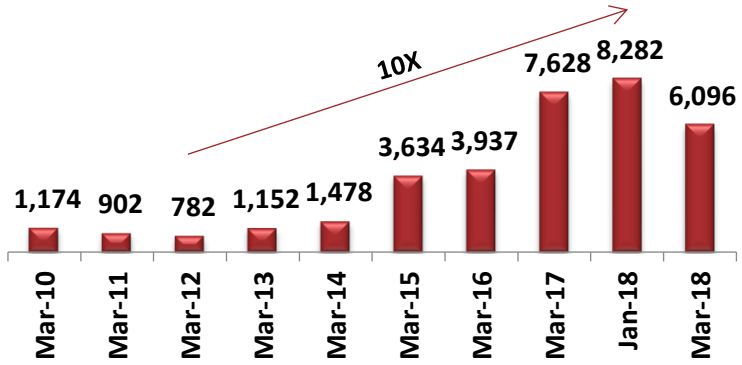
5 Year PAT CAGR of 56%



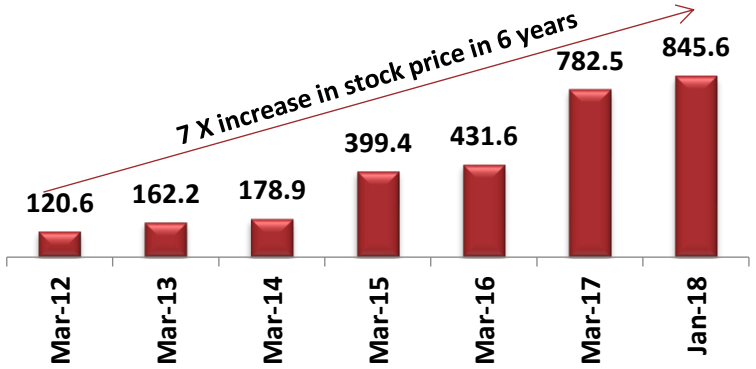
Continuous Increase in Return on Equity (%)



Market Cap grew 10X



Stock Price increased 7x from Rs. 120 to Rs. 850 in 6 years



IDFC FIRST Bank

Board of Directors: MD & CEO Profile

Vaidyanathan aspires to build “A World Class Bank in India with Principles of Ethical, Digital & Social Good”. He took over as the Managing Director and CEO of IDFC FIRST Bank in December 2018 on merger of erstwhile Capital First and erstwhile 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, grew CASA and retail deposits to ₹ 1 trillion, and grew retail lending, including mortgages, auto loans, MSME and Rural banking to ₹1.35 trillion ($15bn). 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 equity stake in a small real-estate financing NBFC with a market cap of ₹780 crore ($89m), 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 ($93m) in equity by 2012, recapitalized the company, and became Chairman and CEO."

Capital First grew its retail loan book from ₹94 crore ($10m) in 2010 to ₹29,600 crore ($3.1b) by 2018, and served 7 million customers with high asset quality. The company turned around from losses of ₹30 crore ($3m) to profits of ₹358 crore ($37m) during this period. Its share price increased from ₹122 in 2010 to ₹845 in 2018, with market cap rose tenfold to ₹8,200 crore ($858m). In 2017, Vaidyanathan sold 1.5% of his personal stake in Capital First to repay the 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 IDFC FIRST Bank.

Post-merger, the loan assets expanded to ₹ 3,46,913 crore ($36.3b) with significant growth in RAM (retail, agri and MSME) finance. Customer deposits increased from ₹38,455 crore ($4.0b) to ₹ 3,41,415 crore ($35.7b) between 2018 and 2026, while the CASA ratio rose from 8.7% to 47.6%, NIM (H1 FY27) at 5.79% with H1 FY27 PAT of ₹2,120 crore ($222m).

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

CHAIRMAN

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.

INDEPENDENT

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

INDEPENDENT

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.

INDEPENDENT

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

INDEPENDENT

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

INDEPENDENT

MR. UDAY BHANSALI

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 Company
- Executive VP in General Electric Company.
- Over 20 years of experience in Arthur Andersen & Co (now Accenture Plc) at multiple positions.

INDEPENDENT

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

NON-EXECUTIVE

MR. NARENDRA OSTAWAL

Non-Executive Non-Independent Director

- He is a Managing Director and leads Warburg Pincus's investment advisory activities in India.
- Joined Warburg Pincus in 2007 and since then has been working with the firm's Indian affiliate.
- Prior to joining Warburg Pincus, Mr. Ostawal was an Associate with 3i India and McKinsey & Company.

EXECUTIVE

MR. PRADEEP NATARAJAN

Executive Director

- Has been in leadership positions since merger with Capital First in December 2018
- Has over 25 years of work experience across Capital First, Standard Chartered Bank, Religare, Macquarie 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

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