

April 26, 2016

The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla-Complex,
Bandra (East), Mumbai - 400 051
NSE Scrip Code: IDFCBANK

The Manager – Listing Department
BSE Limited
1st Floor, P.J. Towers, Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 539437

Dear Sirs,

Sub: Outcome of 15th Board Meeting of IDFC Bank Limited

Ref: IDFC Bank Limited – Audited Financial Results for the quarter and year ended March 31, 2016

This is to inform you that the Board of Directors of IDFC Bank Limited at its meeting held today i.e. April 26, 2016 has approved the Audited Financial Results for the quarter and year ended March 31, 2016.

In the aforesaid meeting, the Board of Directors also recommended payment of dividend for the financial year ended March 31, 2016 at the rate of 2.5%, i.e. ₹ 0.25 per share, subject to the approval of shareholders at the ensuing Annual General Meeting. The dividend, if approved by the shareholders at the Annual General Meeting will be paid not later than first week of August 2016.

Pursuant to Regulation 33 & 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

- a. Audited Financial Results of IDFC Bank Limited for the quarter and year ended March 31, 2016.
- b. Auditors' Report on the Audited Financial Results issued by the Statutory Auditors of the Bank, M/s. Deloitte Haskins & Sells, Chartered Accountants
- c. Form A

The Board Meeting concluded at 5.35 p.m.

Kindly take note of the same.

Thanking you,

Yours faithfully,

For IDFC Bank Limited


Mahendra N. Shah
Company Secretary



Encl: As above

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF IDFC BANK LIMITED

1. We have audited the financial results for the year ended 31st March, 2016, included in the accompanying Statement of Financial Results of **IDFC BANK LIMITED** ("the Bank") for the year ended 31st March, 2016 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements for the year ended 31st March, 2016 prepared in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable to banks, other accounting principles generally accepted in India and the Guidelines issued by the Reserve Bank of India. Our responsibility is to express an opinion on the presentation of the Statement and the financial results for the year ended 31st March, 2016.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, and evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us:

- (i) the Statement is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) the financial results gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Bank for the year ended 31st March, 2016.



Deloitte Haskins & Sells

3. We draw attention to Note 2 to the Statement which describes demerger of financial undertaking of Ultimate Holding Company in to the Bank in accordance with the Scheme of Arrangement under section 391-394 of the Companies Act, 1956 approved by the Hon'ble Madras High Court vide its order dated June 25, 2015

Further, as referred to in Note 3 to the Statement, the Bank commenced its banking operations and business effective 1 October 2015. Accordingly the quarter ended 31 December 2015 represents the inception of the banking business. The financial results for the quarter and year ended 31 March 2016 are therefore not comparable with any previous quarters/periods.

Our report is not modified in respect of these matters.

4. The "Pillar 3 disclosures, the leverage ratio and liquidity coverage ratio under the Basel III Capital Regulation" as set out in Note 10 of the Statement have not been subjected to our audit.
5. The Statement includes the financial results for the quarter ended 31st March, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the three quarters ended 31st December, 2015 of the current financial year, which were previously subjected to limited review by us.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



Kalpesh J. Mehta
Partner
(Membership No.48791)

MUMBAI, 26th April, 2016



IDFC Bank Limited

Registered Office: KRM Towers, 8th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu

Statement of Audited Financial Results for the year ended March 31, 2016

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended 31.03.2016 (refer note 3) (refer note 11)	Quarter ended 31.12.2015 (refer note 3) (Unaudited)	Quarter ended 31.03.2015 (refer note 3) (refer note 11)	Year ended 31.03.2016 (refer note 3) (Audited)	Year ended 31.03.2015 (refer note 3) (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	181554.16	178909.10	-	364883.24	-
	(a) Interest/discount on advances/bills	119303.30	115838.06	-	235141.36	-
	(b) Income on investments	58563.10	60445.10	-	123428.18	-
	(c) Interest on balances with Reserve Bank of India and other inter- bank funds	448.25	281.69	-	729.94	-
	(d) Others	3239.51	2344.25	-	5583.76	-
2	Other Income (refer note 4)	13766.00	21793.08	-	40319.74	-
3	TOTAL INCOME (1+2)	195320.16	200702.18	-	405202.98	-
4	Interest Expended	139871.67	140278.58	-	280150.25	-
5	Operating Expenses (i) + (ii) + (iii) + (iv)	29465.40	21532.48	0.40	51058.16	258.58
	(i) Employees cost	13615.42	12047.33	-	25662.75	-
	(ii) Rent, taxes and lighting	3341.59	2277.64	-	5619.23	-
	(iii) Professional fees	3462.21	2727.98	-	6190.30	-
	(iv) Other operating expenses	9046.18	4479.53	0.40	13585.88	258.58
6	TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	169337.07	161811.06	0.40	331208.41	258.58
7	Operating Profit (3-6) (Profit Before Provisions and Contingencies)	25983.09	38891.12	(0.40)	73994.57	(258.58)
8	Provisions (other than tax) and Contingencies (Net)	1189.02	1229.24	-	2418.26	-
9	Exceptional Items	-	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	24794.07	37661.88	(0.40)	71576.31	(258.58)
11	Tax Expense	8287.97	13445.05	(0.09)	24890.97	(0.09)
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	16506.10	24216.83	(0.31)	46685.34	(258.49)
13	Extraordinary Items (Net of tax expense)	-	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	16506.10	24216.83	(0.31)	46685.34	(258.49)
15	Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 8)	339262.33	339262.33	5.00	339262.33	5.00
16	Reserves excluding Revaluation Reserves	-	-	-	1023992.89	(258.49)
17	Analytical Ratios (refer note 3)					
	(i) Percentage of shares held by Government of India	7.70%	7.70%	-	7.70%	-
	(ii) Capital adequacy ratio (Basel III)	22.04%	20.30%	-	22.04%	-
	(iii) Earnings per share (EPS) for the period / year (before and after extraordinary items) (not annualized) (refer note 8)					
	- Basic (₹)	0.49	0.71	(0.63)	2.34	(516.98)
	- Diluted (₹)	0.49	0.71	(0.63)	2.34	(516.98)
	(iv) NPA ratios (refer note 7)					
	(a) Amount of gross NPAs	305830.21	146225.73	-	305830.21	-
	(b) Amount of net NPAs	113904.43	45341.29	-	113904.43	-
	(c) % of gross NPAs to gross advances	6.16%	3.09%	-	6.16%	-
	(d) % of net.NPAs to net advances	2.39%	0.98%	-	2.39%	-
	(v) Return on assets (annualized) (refer note 3)	0.83%	1.19%	-	1.10%	-



Segment Information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the bank is as under :

(₹ in lakhs)

	Particulars	Quarter ended 31.03.2016 (refer note 3)	Quarter ended 31.12.2015 (refer note 3)	Quarter ended 31.03.2015 (refer note 3)	Year ended 31.03.2016 (refer note 3)	Year ended 31.03.2015 (refer note 3)
		(refer note 11)	(Unaudited)	(refer note 11)	(Audited)	(Audited)
1	Segment Revenue					
	a Treasury	148696.89	161437.59	-	319315.13	-
	b Wholesale Banking	123185.50	117897.31	-	241082.81	-
	c Retail Banking	1025.34	13.71	-	1039.05	-
	d Other Banking Business	-	-	-	-	-
	e Unallocated	1571.92	870.53	-	2442.44	-
	Total	274479.65	280219.14	-	563879.43	-
	Add/(Less) : Inter Segment Revenue	(79159.49)	(79516.96)	-	(158676.45)	-
	Income from Operations	195320.16	200702.18	-	405202.98	-
2	Segment Results After Provisions & Before Tax					
	a Treasury	11613.83	21232.79	-	42027.26	-
	b Wholesale Banking	28754.05	29265.90	-	58019.95	-
	c Retail Banking	(7547.33)	(4333.97)	-	(11881.30)	-
	d Other Banking Business	-	-	-	-	-
	e Unallocated	(8026.48)	(8502.84)	(0.40)	(16589.60)	(258.58)
	Total Profit Before Tax	24794.07	37661.88	(0.40)	71576.31	(258.58)
3	Capital Employed					
	a Treasury	161298.38	664613.96	-	161298.38	-
	b Wholesale Banking	917392.58	421892.54	-	917392.58	-
	c Retail Banking	44818.78	(3446.74)	-	44818.78	-
	d Other Banking Business	-	-	-	-	-
	e Unallocated	239745.48	273903.17	(253.49)	239745.48	(253.49)
	Total	1363255.22	1356962.93	(253.49)	1363255.22	(253.49)

Business segments have been identified and reported taking into account the target customer profile, the nature of products, the organisation structure, internal business reporting system and the guidelines prescribed by the Reserve Bank of India (the RBI).



Notes:

- 1 Statement of Assets and Liabilities of the Bank as on March 31, 2016 and March 31, 2015 is given below :

Particulars	(₹ in lakhs)	
	As on 31.03.2016 (refer note 3)	As on 31.03.2015 (refer note 3)
	(Audited)	(Audited)
CAPITAL AND LIABILITIES		
Capital	339262.33	5.00
Employees' stock options outstanding	332.35	-
Reserves and surplus	1023660.54	(258.49)
Deposits	821904.53	-
Borrowings	4791383.08	-
Other liabilities and provisions	420444.22	258.57
TOTAL	7396987.05	5.08
ASSETS		
Cash and balances with Reserve Bank of India	190083.69	-
Balances with banks and money at call and short notice	100307.00	5.00
Investments	2009117.92	-
Advances	4569942.97	-
Fixed Assets	67285.49	-
Other Assets	460249.98	0.08
TOTAL	7396987.05	5.08

- 2 IDFC Bank Limited was incorporated on October 21, 2014 as a Company under the Companies Act, 2013. Further to the grant of the banking license by the RBI on July 23, 2015 and approval of the Scheme of Arrangement between IDFC Limited and IDFC Bank Limited and their respective shareholders and creditors, IDFC Bank Limited commenced its Banking operations on October 1, 2015.

As per the Scheme of Arrangement, the entire financial undertaking of IDFC Limited was transferred to IDFC Bank Limited with effect from October 1, 2015. Accordingly assets amounting to ₹ 6623746 lakhs and liabilities amounting to ₹ 6000290 lakhs resulting in net assets amounting to ₹ 623456 lakhs along with contingent liabilities of ₹ 28563 lakhs, capital commitment of ₹ 84005 lakhs and notional principal of derivative contract of ₹ 1390357 lakhs pertaining to the financial undertaking were transferred from IDFC Limited to IDFC Bank Limited and in consideration, equity shares of IDFC Bank Limited in the ratio of 1:1 have been issued to the shareholders of IDFC Limited.

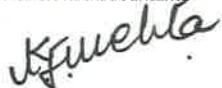
- 3 The financial results for the year ended March 31, 2016 include the financial performance of IDFC Bank Limited as a bank for the period of six months (October 1, 2015 to March 31, 2016). Accordingly, the financial results for the quarter / year ended March 31, 2016 are not comparable with corresponding previous quarters / year. Return on Assets has been computed based on performance of the Bank for the period October 1, 2015 to March 31, 2016.
- 4 "Other Income" includes non-fund based income such as commission, fees, earnings from foreign exchange and derivative transactions and profit and loss from sale of investments.
- 5 The above results are reviewed by the Audit Committee and approved by the Board of Directors on April 26, 2016. There are no qualifications in the auditor's report for the year ended March 31, 2016. The information presented above is extracted from the audited financial statements as stated.
- 6 The financial results of the Bank for the year ended March 31, 2016 have been prepared in accordance with the provisions of the Banking Regulation Act, 1949, Generally Accepted Accounting Principles in India, including Accounting Standards as specified under Section 133 of the Companies Act, 2013, Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in so far as they apply to banks, and the guidelines issued by the RBI. In addition, the Bank has automated its key operations with the key applications largely integrated with the core banking solutions and general ledger system. Accordingly, branch returns are not required to be submitted.



- 7 The disclosures for NPA referred to in point 17 (iv) above correspond to non performing advances.
- 8 During the year ended March 31, 2016, the Bank has issued 1090000 equity shares of face value of ₹10 each pursuant to the exercise of options under the employee stock option scheme.
- 9 The Board of Directors has proposed a dividend of ₹ 0.25 per share (2.50%) for the year ended March 31, 2016 , subject to the approval of the members at the ensuing Annual General Meeting.
- 10 In accordance with the RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' and the RBI circular DBR.No.BP.BC.80/21/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures on its website at the link : <http://www.idfcbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Statutory Auditors of the Bank.
- 11 The figures of quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the relevant financial year which was subject to limited review.

In terms of our report attached,

For Deloitte Haskins & Sells
Chartered Accountants



Kalpesh J. Mehta
Partner

Date: April 26, 2016
Place: Mumbai

For and behalf of the Board
of IDFC Bank Limited



Rajiv B. Lall
Founder Managing Director & CEO

Form A (for audit report with unmodified opinion)

1.	Name of the Company	IDFC Bank Limited
2.	Annual financial statements for the year ended	31 st March 2016
3.	Type of Audit observation	Un Modified
4.	Frequency of observation	N.A.
5.	To be signed by-	 Rajiv B. Lall Founder Managing Director & CEO  Sunil Kakar Chief Financial Officer  Kalpesh J. Mehta Auditor Deloitte Haskins & Sells  Abhijit Sen Audit Committee Chairman