

IDFCFIRSTBANK/SD/216/2021-22

October 30, 2021

The Manager - Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C - 1, G - Block
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
Tel No.: 022 – 2659 8237/ 38
NSE - Symbol: IDFCFIRSTB

The Manager - Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
Tel No.: 022 – 2272 2039/ 37/ 3121
BSE - Scrip Code: 539437

Sub.: Board Meeting held on October 30, 2021 - Consideration of Unaudited Standalone and Consolidated Financial Results of IDFC FIRST Bank Limited (“Bank”) for the quarter and half-year ended September 30, 2021.

Dear Sir / Madam,

Pursuant to Regulations 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and other applicable provision, if any, we enclose the following:

- a) Copy of the Unaudited Standalone and Consolidated Financial Results of the Bank for the quarter and half-year ended September 30, 2021 (“Financial Results”) which have been approved by the Board of Directors of the Bank at its Meeting held today.
- b) Copies of the Limited Review Reports for the quarter and half year ended September 30, 2021, issued by the Joint Statutory Auditors, viz. M/s. B S R & Co. LLP, Chartered Accountants and M/s. MSKA & Associates, Chartered Accountants.

Further, pursuant to Regulation 23 of the SEBI Listing Regulations, we enclose the half-yearly disclosure of Related Party Transactions, on consolidated basis, drawn in accordance with the applicable accounting standards, for the period ended September 30, 2021.

The above information is also being uploaded on the Bank’s website at www.idfcfirstbank.com, in terms of SEBI Listing Regulations.

The Board Meeting of the Bank commenced at 09:30 a.m. and concluded at 03:40 p.m.

Please take the above on record and acknowledge receipt of the same.

Yours faithfully,
For **IDFC FIRST Bank Limited**

Satish Gaikwad
Head – Legal & Company Secretary

Encl.: as above

BSR & Co. LLP*Chartered Accountants*

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East),
Mumbai- 400063

MSKA & Associates*Chartered Accountants*

602 Floor 6, Raheja Titanium,
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Limited review report on the unaudited quarterly standalone financial results and standalone year to date financial results of IDFC FIRST Bank Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
IDFC FIRST Bank Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of IDFC FIRST Bank Limited (the 'Bank') for the quarter ended 30 September 2021 and year to date results for the period from 01 April 2021 to 30 September 2021 (the 'Statement'), except for the disclosures relating to "Pillar 3 under Basel III Capital Regulations", and those relating to "Leverage Ratio", "Liquidity Coverage Ratio" under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 7 to the Statement and have not been reviewed by us. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



Limited review report on the unaudited quarterly standalone financial results and standalone year to date financial results of IDFC FIRST Bank Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

IDFC FIRST Bank Limited

4. As more fully described in Note 10 to the Statement, the extent to which the COVID-19 pandemic will continue to have an impact on the Bank's financial performance is dependent on future developments, which are uncertain.

Our conclusion is not modified in respect of this matter.

5. The review of unaudited standalone financial results of the Bank for the quarter ended 30 June 2021, quarter and half year ended 30 September 2020 and audit of annual standalone financial results of the Bank for the year ended 31 March 2021, were conducted by B S R & Co. LLP, Chartered Accountants, the statutory auditor of the Bank, whose reports dated 31 July 2021, 31 October 2020 and 08 May 2021 respectively, expressed an unmodified conclusion/ opinion, as the case may be, on those standalone financial results. Accordingly, MSKA & Associates, Chartered Accountants, do not express any conclusion/ opinion, as the case may be, on the figures reported in the standalone financial results for the quarter ended 30 June 2021, quarter and half year ended 30 September 2020, and year ended 31 March 2021.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022



Manoj Kumar Vijai

Partner

Membership No: 046882

UDIN: 21046882AAAAAQ6841

Mumbai

30 October 2021

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No: 105047W



Swapnil Kale

Partner

Membership No: 117812

UDIN: 21117812AAAAQT8928

Mumbai

30 October 2021



IDFC FIRST Bank Limited

Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu
CIN : L65110TN2014PLC097792

Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2021 (Standalone)

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		30.09.2021 (Unaudited)	30.06.2021 (Unaudited)	30.09.2020 (Unaudited)	30.09.2021 (Unaudited)	30.09.2020 (Unaudited)	31.03.2021 (Audited)
1	Interest Earned (a)+(b)+(c)+(d)	410058.54	408929.02	392486.46	818987.56	787413.40	1596785.95
	(a) Interest/discount on advances/bills (refer note 12)	340816.84	334117.20	310592.48	674934.04	622972.43	1263297.81
	(b) Income on investments	59538.37	70939.65	75997.92	130478.02	151043.11	303921.07
	(c) Interest on balances with Reserve Bank of India and other inter-bank funds	3629.26	903.93	1631.97	4533.19	5140.03	11216.67
	(d) Others	6074.07	2968.24	4264.09	9042.31	8257.83	18350.40
2	Other Income (refer note 6 & 8)	77970.65	84246.79	16600.04	162217.44	65442.36	221132.87
3	TOTAL INCOME (1+2)	488029.19	493175.81	409086.50	981205.00	852855.76	1817918.82
4	Interest Expended	182842.46	190450.03	214095.09	373292.49	434644.22	858759.68
5	Operating Expenses (i)+(ii) (refer note 12)	235928.98	203233.59	161009.94	439162.57	294709.77	709328.33
	(i) Employees cost	63576.34	55440.33	48868.40	119016.67	93184.57	197697.58
	(ii) Other operating expenses	172352.64	147793.26	112141.54	320145.90	201525.20	511630.75
6	TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	418771.44	393683.62	375105.03	812455.06	729353.99	1568088.01
7	Operating Profit (3-6) (Profit before provisions and contingencies)	69257.75	99492.19	33981.47	168749.94	123501.77	249830.81
8	Provisions (other than tax) and Contingencies (Net) (refer note 8 & 10)	47494.56	187230.98	21340.40	234725.54	98106.20	202252.38
9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	21763.19	(87738.79)	12641.07	(65975.60)	25395.57	47578.43
11	Tax Expense	6589.19	(24734.79)	2500.00	(18145.60)	5900.00	2350.40
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	15174.00	(63004.00)	10141.07	(47830.00)	19495.57	45228.03
13	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	15174.00	(63004.00)	10141.07	(47830.00)	19495.57	45228.03
15	Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 4 & 5)	621210.99	620683.55	567234.37	621210.99	567234.37	567584.99
16	Reserves excluding Revaluation Reserves	-	-	-	-	-	1213194.63
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India (refer note 4 & 5)	4.21%	4.21%	4.61%	4.21%	4.61%	4.61%
	(ii) Capital adequacy ratio (Basel III)	15.60%	15.56%	14.73%	15.60%	14.73%	13.77%
	(iii) Earnings per share (EPS) for the period / year (before and after extraordinary items) (not annualized) (refer note 4 & 5)						
	- Basic (₹)	0.24	(1.02)	0.18	(0.77)	0.37	0.82
	- Diluted (₹)	0.24	(1.02)	0.18	(0.77)	0.36	0.81
	(iv) NPA ratios (refer note 13 & 16)						
	(a) Amount of gross NPAs	448552.84	466712.97	148611.36	448552.84	148611.36	430300.90
	(b) Amount of net NPAs	215034.00	229318.15	39095.13	215034.00	39095.13	188327.50
	(c) % of gross NPAs to gross advances	4.27%	4.61%	1.62%	4.27%	1.62%	4.15%
	(d) % of net NPAs to net advances	2.09%	2.32%	0.43%	2.09%	0.43%	1.86%
	(v) Return on assets (annualized)	0.35%	(1.52%)	0.26%	(0.57%)	0.25%	0.28%
	(vi) Net worth [#]	1821572	1794861	1557580	1821572	1557580	1580844
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital redemption reserve	-	-	-	-	-	-
	(ix) Debt-equity ratio [@]	1.49	1.50	1.66	1.49	1.66	1.85
	(x) Total debts to total assets ^{\$}	30.49%	28.66%	31.25%	30.49%	31.25%	28.06%

Net worth is computed as per RBI Master Circular No. RBI/2015-16/70 DBR.No.Dir.BC.12/13.03.00/2015-16 on Exposure Norms dated July 1, 2015

@ Debt represents borrowings with residual maturity of more than one year

\$ Total debts represents total borrowings of the Bank



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)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	a Treasury	236550.25	276692.45	250436.83	513242.70	549831.02	1073118.03
	b Wholesale Banking	135557.19	139985.36	155401.67	275542.55	320351.69	611804.19
	c Retail Banking	438546.55	423735.60	354144.75	862282.15	682175.97	1501075.72
	d Other Banking Business	6090.71	3782.12	2644.44	9872.83	3946.68	15267.27
	e Unallocated	3149.07	(34.25)	(10.79)	3114.82	(71.49)	5060.44
	Total Segment Revenue	819893.77	844161.28	762616.90	1664055.05	1556233.87	3206325.65
	Less : Inter Segment Revenue	(331864.58)	(350985.47)	(353530.40)	(682850.05)	(703378.11)	(1388406.83)
	Income from Operations	488029.19	493175.81	409086.50	981205.00	852855.76	1817918.82
2	Segment Results After Provisions & Before Tax						
	a Treasury	21428.68	61878.99	96517.76	83307.67	140079.09	259493.84
	b Wholesale Banking	14439.62	1528.11	(14981.92)	15967.73	(13263.08)	69850.37
	c Retail Banking	(12907.31)	(144361.74)	(64140.40)	(157269.05)	(85245.79)	(259471.43)
	d Other Banking Business	1450.12	206.95	(996.80)	1657.07	(3388.80)	(1724.23)
	e Unallocated	(2647.92)	(6991.10)	(3757.57)	(9639.02)	(12785.85)	(20570.12)
	Total Profit Before Tax	21763.19	(87738.79)	12641.07	(65975.60)	25395.57	47578.43
3	Segment Assets						
	a Treasury	6308122.33	6404525.69	5682304.83	6308122.33	5682304.83	5642062.60
	b Wholesale Banking	2815897.96	2834214.94	3100670.82	2815897.96	3100670.82	2916788.81
	c Retail Banking	7767173.97	7321157.92	6166135.08	7767173.97	6166135.08	7445995.19
	d Other Banking Business	5876.60	5145.20	24.05	5876.60	24.05	4160.64
	e Unallocated	353136.93	333605.03	316962.04	353136.93	316962.04	305381.04
	Total Segment Assets	17250207.79	16898648.78	15266096.82	17250207.79	15266096.82	16314388.28
4	Segment Liabilities						
	a Treasury	4517502.11	4418236.69	4914073.58	4517502.11	4914073.58	4084392.71
	b Wholesale Banking	3887318.99	3501584.54	3231312.68	3887318.99	3231312.68	3589526.40
	c Retail Banking	6766273.22	6916053.75	5344176.09	6766273.22	5344176.09	6746652.38
	d Other Banking Business	1752.87	995.54	2667.95	1752.87	2667.95	2796.63
	e Unallocated	42388.63	44756.65	20110.90	42388.63	20110.90	110230.80
	Total Segment Liabilities	15215235.82	14881627.17	13512341.20	15215235.82	13512341.20	14533598.92
5	Capital Employed (Segment Assets - Segment Liabilities)	2034971.97	2017021.61	1753755.62	2034971.97	1753755.62	1780789.36

Business segments have been identified and reported taking into account the target customer segment, the nature of products, internal business reporting system, transfer pricing policy approved by Asset Liability Committee (ALCO), the guidelines prescribed by the Reserve Bank of India ('the RBI'), which has been relied upon by the auditors.



Notes:

- 1 Statement of Assets and Liabilities of the Bank as at September 30, 2021 is given below :

Particulars	(₹ in lakhs)		
	As at 30.09.2021 (Unaudited)	As at 30.09.2020 (Unaudited)	As at 31.03.2021 (Audited)
CAPITAL AND LIABILITIES			
Capital (refer note 4 & 5)	621210.99	567234.37	567584.99
Employees' stock options outstanding	744.42	-	9.74
Reserves and surplus	1413016.56	1186521.25	1213194.63
Deposits	9023496.71	7580031.78	8868842.14
Borrowings	5260307.70	4771257.84	4578608.54
Other liabilities and provisions	931431.41	1161051.58	1086148.24
TOTAL	17250207.79	15266096.82	16314388.28
ASSETS			
Cash and balances with Reserve Bank of India	482418.87	340558.85	474592.80
Balances with banks and money at call and short notice	1219512.14	185155.40	108192.73
Investments	4183581.31	4525881.12	4541174.27
Advances	10225520.52	8997727.26	10055012.59
Fixed Assets	132869.01	113099.75	126642.30
Other Assets	1006305.94	1103674.44	1008773.59
TOTAL	17250207.79	15266096.82	16314388.28

- 2 The above financial results for the quarter and half year ended September 30, 2021 were reviewed by the Audit Committee on October 29, 2021 and approved by the Board of Directors on October 30, 2021 and have been subjected to a "Limited Review" by the Joint Statutory Auditors.
- 3 The above financial results of the Bank 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 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 key applications largely integrated with core banking solution and general ledger system. Accordingly, branch returns are not required to be submitted.
- 4 During the half year ended September 30, 2021, the Bank raised additional capital aggregating to ₹ 3,000.00 crore (rounded off) from qualified institutional buyers through issuance of 523103660 equity shares, fully paid-up, at the price of ₹ 57.35/- per equity share (including a premium of ₹ 47.35/- per equity share).
- 5 During the quarter and half year ended September 30, 2021, the Bank has issued 5274362 and 13156360 equity shares respectively of face Value of ₹ 10 pursuant to the exercise of options under the Employee Stock Option Scheme.
- 6 "Other Income" includes non-fund based income, fees, earnings from foreign exchange and derivative transactions, profit / loss from sale of investments, mark to market provisions on investments, dividend from subsidiaries / joint ventures etc.
- 7 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.idfcfirstbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Joint Statutory Auditors of the Bank.
- 8 As per the Master Direction on Financial Statements - Presentation and Disclosures issued by the RBI dated August 30, 2021, provision / (write-back) of mark-to-market depreciation on investments in AFS and HFT categories (net) has been classified under "Other Income". Hitherto, the Bank was classifying such provisions / (write-back) under Provisions and Contingencies. Further, the Provision on Non-Performing Investments (NPIs) and Identified Investments continues to be shown under Provisions and Contingencies. Previous period figures have been reclassified accordingly in line with this presentation. There is no impact of this change on net profit / loss of current or previous periods.
- 9 The Bank has applied its significant accounting policies in the preparation of these financial results which is consistent with those followed in the annual financial statements for the year ended March 31, 2021 except for its stock based employee compensation. The RBI, vide its clarification dated August 30, 2021 on "Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff", advised that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted to the above category of employees after March 31, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. As a result, 'Employees cost' for the quarter and half year ended September 30, 2021 has increased by ₹ 6.56 crore.

- 10 Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. During the quarter ended June 30, 2021, India experienced a "second wave" of COVID-19, including a significant surge of COVID-19 cases following the discovery of mutant coronavirus variants in the country. The second wave has started to subside in the current quarter and there has been gradual lifting of lock downs, thereby resulting into increase in near normal economic activity.

The extent to which the COVID-19 pandemic, including the second wave witnessed in the country, or future subsequent waves, if any, may continue to impact the Bank's operations and financial performance, including asset quality will depend on future developments which are uncertain. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

During the quarter ended September 30, 2021, the Bank utilised COVID-19 related provisions of ₹ 560.00 crore and continues to hold a provision of ₹ 165.00 crore.

- 11 (i) Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per the RBI circular dated August 6, 2020 for the period ended September 30, 2021.

Format – A
(₹ in crore except number of accounts)

Type of Borrower	Number of accounts where resolution plan has been implemented under this window (A)	Exposure to accounts mentioned at (A) before implementation of the plan (B)	Of (B), aggregate amount of debt that was converted into other securities (C)	Additional funding sanctioned, if any, including between invocation of the plan and implementation (D)	Increase in provisions on account of the implementation of the resolution (E)**
Personal Loans	81,007	961.48	-	-	96.15
^Corporate Loans***	7	928.84 ^{\$\$}	-	-	26.25
Of which, MSMEs	-	-	-	-	-
Others	45	4.74	-	-	0.47
Total	81,059	1,895.06	-	-	122.87

[^] As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** Refers to provisions created and held on account of implementation of the resolution plan (One time restructuring)

\$\$ Refers to Outstanding loans/ Investment balances of the Restructured loans upon implementation of the resolution plan (One time restructuring)

*** The Bank is required to maintain higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of the total debt. Accordingly, the Bank holds provisions amounting to ₹ 152.23 crore.

Format – B
(₹ in crore except number of accounts)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	652.67	152.65	162.27	71.91	265.84
Corporate Loans*	935.57 ^{**}	-	-	(2.19) [#]	937.76
Of which, MSMEs	-	-	-	-	-
Others	4.09	0.02	-	0.31	3.76
Total	1,592.33	152.67	162.27	70.03	1,207.36

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** Includes restructuring implemented during the quarter ended June 2021 under the Resolution Framework 1.0. Some of these borrowers were standard as on the date of invocation but NPA as at March 31, 2021. Such borrowers were subsequently upgraded to standard post implementation.

This amount represents amount paid by the borrowers during the half year ended September 30, 2021, net of Interest capitalised/ FITL amounts wherever applicable.



- 11 (ii) Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated May 5, 2021 are given below :-

Particulars	(₹ in crore except number of accounts)		
	Individual Borrowers		Small Business
	Personal Loans	Business Loans	
A) Number of requests received for invoking resolution process	3,65,761	5,531	441
B) Number of accounts where resolution plan has been implemented under this window	3,64,942	3,419	235
C) Exposure to accounts mentioned at (B) before implementation of the plan	1278.95	255.12	60.95
D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
F) Increase in provisions on account of the implementation of the resolution plan	96.63	19.49	4.70

- 11 (iii) In accordance with the RBI Cir. No. DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 on "Resolution Framework — 2.0: Resolution of Covid — 19 related stress of Individuals and Small Business", the number of borrower accounts where modifications were sanctioned and implemented and the aggregate exposure to such borrowers are as under :-

No. of accounts in which Resolution Period was extended	3
Amount Involved (Fund based outstanding) (₹ in crore)	0.03

- 12 The Bank pays loan servicing fees to business correspondents for services rendered towards sourcing and servicing of loans and other related activities. These were netted off from "Interest/discount on advances/bills" in the profit and loss account till December 31, 2020. During the quarter ended March 31, 2021, the Bank changed this presentation and accordingly reclassified them as part of "Operating Expenses" with the corresponding change in the previous periods. Basis this change, all relevant disclosures have been regrouped / reclassified wherever applicable, for the quarter and half year ended September 30, 2020.

	(₹ in crore)	
	Quarter ended 30.09.2020	Half Year ended 30.09.2020
Interest/discount on advances/bills - As reported	2,981.74	5,987.66
Interest/discount on advances/bills - As per reclassification	3,105.92	6,229.72
Operating Expenses - As reported	1,485.91	2,705.03
Operating Expenses - As per reclassification	1,610.09	2,947.09

- 13 The disclosures for NPA referred to in point 17(iv) above correspond to non performing advances.
- 14 The figures for the previous quarter/period have been regrouped/reclassified wherever necessary in order to make them comparable.
- 15 The above financial results have been reviewed by the joint statutory auditors, B S R & Co. LLP, Chartered Accountants and MSKA & Associates, Chartered Accountants and there are no modifications in the Limited Review report. The previous period results were reviewed / audited by B S R & Co. LLP, Chartered Accountants.



KH

16 The Honourable Supreme Court of India, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 03, 2020 had directed that accounts which were not declared as NPA till August 31, 2020 shall not be declared as NPA. Thus, the gross NPAs and net NPAs for quarter ended September 30, 2020 are not comparable. The said interim order stood vacated on March 23, 2021 and the Bank continued with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms.

17 Cash Flow Statement of the Bank for the half year ended September 30, 2021 is given below:

		(₹ in lakhs)		
		As at 30.09.2021	As at 30.09.2020	As at 31.03.2021
		(Unaudited)	(Unaudited)	(Audited)
A	Cash flow from operating activities			
	Profit before taxes	(65975.60)	25395.57	47578.43
	Adjustments for :			
	Depreciation on fixed assets	18236.27	15535.42	32937.52
	Amortization of deferred employee compensation	734.68	-	9.74
	Amortisation of premium on held to maturity investments	8701.56	3,958.00	10611.29
	Write back on depreciation in value of investments	(8019.77)	(71259.56)	(86275.62)
	Provision/(Write back) on non performing advances	(8454.76)	(37517.13)	94507.77
	Provision on restructured assets	40469.99	-	9931.98
	Dividend from subsidiary	(5042.87)	-	-
	Provision/(Write back) on specific advances	(17690.47)	8368.12	8110.04
	Provision/(Write back) for standard assets	(21502.44)	178141.65	9581.47
	Loss/(Profit) on sale of fixed assets (net)	23.43	97.18	(1565.65)
	Bad debts including technical / prudential write off (net of recoveries)	243391.93	68176.42	238701.90
	Other provisions and contingencies	6531.06	(47803.30)	(72304.16)
	Adjustments for working capital changes:			
	Decrease/(Increase) in investments (excluding held to maturity investment and investment in subsidiary)	303721.62	(76300.85)	303328.25
	Increase in advances	(386954.41)	(477218.71)	(1835787.18)
	Increase in deposits	154654.57	1069234.65	2358045.02
	Decrease in other assets	22473.34	194453.85	304593.00
	(Decrease) in other liabilities and provisions	(173393.28)	(152354.20)	(69375.90)
	Direct taxes (paid) / refund (net)	(9482.46)	40969.77	53519.34
	Net cash flow generated from operating activities (A)	102422.39	741876.88	1406147.24
B	Cash flow from investing activities			
	Purchase of fixed assets	(24587.19)	(25160.25)	(57740.02)
	Proceeds from sale of fixed assets	100.77	200.55	3498.50
	(Increase)/Decrease in held to maturity investments	53189.55	158179.27	(228380.21)
	Dividend from subsidiary	5042.87	-	-
	Net cash flow generated from/(used) in investing activities (B)	33746.00	1,33,219.57	(282621.73)
C	Cash flow from financing activities			
	Increase/ (Decrease) in borrowings	681699.16	(968460.71)	(1161110.01)
	Proceeds from issue of share capital	301277.93	200000.00	201291.52
	Net cash flow generated from/(used) in financing activities (C)	982977.09	(768460.71)	(959818.49)
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	1119145.48	106635.74	163707.02
	Cash and cash equivalents at the beginning of period	582785.53	419078.51	419078.51
	Cash and cash equivalents at the end of period	1701931.01	525714.25	582785.53

For and behalf of the Board of Directors
of IDFC FIRST Bank Limited

V. Vaidyanathan
Managing Director & Chief Executive Officer

Date: October 30, 2021
Place: Mumbai

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Limited review report on unaudited quarterly consolidated financial results and year to date consolidated financial results of IDFC FIRST Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
IDFC FIRST Bank Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of IDFC FIRST Bank Limited (the 'Bank' or the 'Parent') and its subsidiary (the Parent and its subsidiary together referred to as the 'Group'), and its share of the net profit / (loss) after tax of its associate for the quarter ended 30 September 2021 and year to date results for the period from 01 April 2021 to 30 September 2021 (the 'Statement'), being submitted by the Bank pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to consolidated Pillar 3 disclosure as at 30 September 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 4 to the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ('AS 25'), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



Limited review report on unaudited quarterly consolidated financial results and year to date consolidated financial results of IDFC FIRST Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

IDFC FIRST Bank Limited

4. The Statement includes the results of the following entities:

Subsidiary: IDFC FIRST Bharat Limited; and

Associate: Millennium City Expressways Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review report of the other auditor referred to in paragraph 7 below and based on our assessment of the financial information certified by the management of the associate as stated in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at 30 September 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 4 in the Statement and have not been reviewed by us, or that it contains any material misstatement.

6. As more fully described in Note 8 to the Statement, the extent to which the COVID-19 pandemic will continue to have an impact on the Bank's financial performance is dependent on future developments, which are uncertain.

Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results reflect total revenues of Rs. 13,487 lakhs and total net profit after tax of Rs. 966 lakhs for the quarter ended 30 September 2021, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by another auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of another auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.



Limited review report on unaudited quarterly consolidated financial results and year to date consolidated financial results of IDFC FIRST Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

IDFC FIRST Bank Limited

8. The Statement also includes the Group's share of net profit/ (loss) after tax of Rs. Nil for the quarter ended 30 September 2021, as considered in the Statement, in respect of one associate entity based on their interim financial information which have not been reviewed/ audited. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter.

9. The review of unaudited consolidated financial results of the Bank for the quarter ended 30 June 2021, quarter and half year ended 30 September 2020 and audit of annual consolidated financial results of the Bank for the year ended 31 March 2021, were conducted by B S R & Co. LLP, Chartered Accountants, the statutory auditor of the Bank, whose reports dated 31 July 2021, 31 October 2020 and 08 May 2021 respectively, expressed an unmodified conclusion/ opinion, as the case may be, on those consolidated financial results. Accordingly, MSKA & Associates, Chartered Accountants, do not express any conclusion/ opinion, as the case may be, on the figures reported in the consolidated financial results for the quarter ended 30 June 2021, quarter and half year ended 30 September 2020, and year ended 31 March 2021.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022



Manoj Kumar Vijai
Partner
Membership No: 046882
UDIN: 21046882AAAAAP6005

Mumbai
30 October 2021

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No: 105047W



Swapnil Kale
Partner
Membership No: 117812
UDIN: 21117812AAAAQU4786

Mumbai
30 October 2021



IDFC FIRST Bank Limited

Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu
CIN : L65110TN2014PLC097792

Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2021 (Consolidated)

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended 30.09.2021	Quarter ended 30.06.2021	Quarter ended 30.09.2020	Half year ended 30.09.2021	Half year ended 30.09.2020	Year ended 31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a)+(b)+(c)+(d)	410058.21	408930.04	392490.71	818988.25	787424.97	1596815.23
	(a) Interest/discount on advances/bills (refer note 10)	340816.84	334117.20	310592.47	674934.04	622972.42	1263297.81
	(b) Income on investments	59538.37	70939.65	75997.92	130478.02	151043.11	303921.07
	(c) Interest on balances with Reserve Bank of India and other inter-bank funds	3628.75	904.44	1631.97	4533.19	5140.03	11231.26
	(d) Others	6074.25	2968.75	4268.35	9043.00	8269.41	18365.09
2	Other Income (refer note 7)	72956.14	84242.31	16600.58	157198.45	65447.83	221143.18
3	TOTAL INCOME (1+2)	483014.35	493172.35	409091.29	976186.70	852872.80	1817958.41
4	Interest Expended	182829.73	190366.43	214029.76	373196.16	434565.47	858512.73
5	Operating Expenses (i) + (ii) (refer note 10)	234783.20	202116.81	160044.24	436900.01	292881.44	705294.90
	(i) Employees cost	73166.40	64656.69	56701.77	137823.09	107957.50	230151.56
	(ii) Other operating expenses	161616.80	137460.12	103342.47	299076.92	184923.94	475143.34
6	TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	417612.93	392483.24	374074.00	810096.17	727446.91	1563807.63
7	Operating Profit (3-6) (Profit before provisions and contingencies)	65401.42	100689.11	35017.29	166090.53	125425.89	254150.78
8	Provisions (other than tax) and Contingencies (Net) (refer note 7 & 8)	47494.55	187230.99	21340.40	234725.54	98106.20	202252.38
9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	17906.87	(86541.88)	13676.89	(68635.01)	27319.69	51898.40
11	Tax Expense	6811.52	(24425.38)	2774.38	(17613.86)	6409.67	3580.48
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	11095.35	(62116.50)	10902.51	(51021.15)	20910.02	48317.92
13	Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	11095.35	(62116.50)	10902.51	(51021.15)	20910.02	48317.92
15	Share in Profit / (loss) of Associate	-	-	-	-	-	-
16	Consolidated Net Profit / (Loss) for the period (14+15)	11095.35	(62116.50)	10902.51	(51021.15)	20910.02	48317.92
17	Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 5 & 6)	621210.99	620683.55	567234.37	621210.99	567234.37	567584.99
18	Reserves excluding Revaluation Reserves	-	-	-	-	-	1222376.76
19	Analytical Ratios						
	Earnings per share (EPS) for the period / year (before and after extraordinary items) (not annualized) (refer note 5 & 6)						
	- Basic (₹)	0.18	(1.01)	0.19	(0.82)	0.39	0.88
	- Diluted (₹)	0.18	(1.01)	0.19	(0.82)	0.39	0.87





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

Sr. No.	Particulars	(₹ in lakhs)					
		Quarter ended 30.09.2021	Quarter ended 30.06.2021	Quarter ended 30.09.2020	Half year ended 30.09.2021	Half year ended 30.09.2020	Year ended 31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	a Treasury	236550.25	276692.45	250436.83	513242.70	549831.02	1073118.03
	b Wholesale Banking	135557.19	139985.36	155401.67	275542.55	320351.69	611804.19
	c Retail Banking	433531.70	423732.14	354149.54	857263.84	682193.01	1501115.31
	d Other Banking Business	6090.71	3782.12	2644.44	9872.83	3,946.68	15267.27
	e Unallocated	3149.07	(34.25)	(10.79)	3114.82	(71.49)	5060.44
	Total Segment Revenue	814878.92	844157.82	762621.69	1659036.74	1556250.91	3206365.24
	Less: Inter Segment Revenue	(331864.57)	(350985.47)	(353530.40)	(682850.04)	(703378.11)	(1388406.83)
	Income from Operations	483014.35	493172.35	409091.29	976186.70	852872.80	1817958.41
2	Segment Results After Provisions & Before Tax						
	a Treasury	21428.68	61878.99	96517.76	83307.67	140079.09	259493.84
	b Wholesale Banking	14439.62	1528.11	(14981.92)	15967.73	(12663.08)	69850.37
	c Retail Banking	(16763.63)	(143164.83)	(63104.58)	(159928.46)	(83921.68)	(255151.46)
	d Other Banking Business	1450.12	206.95	(996.80)	1657.07	(3388.79)	(1724.23)
	e Unallocated	(2647.92)	(6991.10)	(3757.57)	(9639.02)	(12785.85)	(20570.12)
	Total Profit Before Tax and Earnings from Associates	17906.87	(86541.88)	13676.89	(68635.01)	27319.69	51898.40
3	Segment Assets						
	a Treasury	6287094.63	6381510.06	5659289.21	6287094.63	5659289.21	5619046.97
	b Wholesale Banking	2815897.96	2834214.94	3100670.82	2815897.96	3100670.82	2916788.81
	c Retail Banking	7784904.45	7336487.96	6183088.14	7784904.45	6183088.14	7459735.81
	d Other Banking Business	5876.60	5145.20	24.05	5876.60	24.05	4160.64
	e Unallocated	356007.93	336030.26	318726.09	356007.93	318726.09	307420.20
	Total Segment Assets	17249781.57	16893388.42	15261798.31	17249781.57	15261798.31	16307152.43
4	Segment Liabilities						
	a Treasury	4517485.62	4418223.23	4913946.47	4517485.62	4913946.47	4084358.60
	b Wholesale Banking	3886909.93	3501225.06	3230306.18	3886909.93	3230306.18	3589090.60
	c Retail Banking	6760364.92	6901194.22	5333881.23	6760364.92	5333881.23	6730874.57
	d Other Banking Business	1727.13	983.23	2549.49	1727.13	2549.49	2,736.42
	e Unallocated	42327.72	44671.44	19852.58	42327.72	19852.58	110120.75
	Total Segment Liabilities	15208815.32	14866297.18	13500535.95	15208815.32	13500535.95	14517180.94
5	Capital Employed (Segment Assets - Segment Liabilities)	2040966.25	2027091.24	1761262.36	2040966.25	1761262.36	1789971.49

Business segments have been identified and reported taking into account the target customer segment, the nature of products, internal business reporting system, transfer pricing policy approved by Asset Liability Committee (ALCO), the guidelines prescribed by the Reserve Bank of India ('the RBI'), which has been relied upon by the auditors.



Notes:

1 Statement of Assets and Liabilities of the Group as at September 30, 2021 is given below :

Particulars	(₹ in lakhs)		
	As at 30.09.2021 (Unaudited)	As at 30.09.2020 (Unaudited)	As at 31.03.2021 (Audited)
CAPITAL AND LIABILITIES			
Capital (refer note 5 & 6)	621210.99	567234.37	567584.99
Employee's stock options outstanding	744.42	0.00	9.74
Reserves and surplus	1419010.84	1194027.99	1222376.76
Deposits	9018718.71	7573475.05	8853624.42
Borrowings	5260307.70	4771257.84	4578608.54
Other liabilities and provisions	929788.91	1155803.06	1084947.98
TOTAL	17249781.57	15261798.31	16307152.43
ASSETS			
Cash and balances with Reserve Bank of India	475532.63	335860.89	466954.75
Balances with banks and money at call and short notice	1225312.78	187831.13	110357.70
Investments	4162553.61	4502865.49	4518158.65
Advances	10225520.52	8997727.26	10055012.59
Fixed Assets	135368.34	116405.77	129593.04
Other Assets	1025493.69	1121107.77	1027075.70
TOTAL	17249781.57	15261798.31	16307152.43

- The above financial results represent the consolidated financial results for IDFC FIRST Bank Limited ('the Bank' or 'Holding company'), its subsidiary together constituting the 'Group' and share of profit / loss of its associate. The above results for the quarter and half year ended September 30, 2021 were reviewed by the Audit Committee on October 29, 2021 and approved by the Board of Directors on October 30, 2021 and have been subjected to a "Limited Review" by the Joint Statutory Auditors.
- The consolidated financial results are 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 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in so far as they apply to banks, and the guidelines issued by the RBI.
- 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.idfcfirstbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Joint Statutory Auditors of the Bank.
- During the half year ended September 30, 2021, the Holding company raised additional capital aggregating to ₹ 3,000.00 crore (rounded off) from qualified institutional buyers through issuance of 523103660 equity shares, fully paid-up, at the price of ₹ 57.35/- per equity share (including a premium of ₹ 47.35/- per equity share).
- During the quarter and half year ended September 30, 2021, the Holding company has issued 5274362 and 13156360 equity shares respectively of face value of ₹10 each pursuant to the exercise of options under the Employee Stock Option Scheme.
- As per the Master Direction on Financial Statements - Presentation and Disclosures issued by the RBI dated August 30, 2021, provision / (write-back) of mark-to-market depreciation on investments in AFS and HFT categories (net) has been classified under "Other Income". Hitherto, the Bank was classifying such provisions / (write-back) under Provisions and Contingencies. Further, the Provision on Non-Performing Investments (NPIs) and Identified Investments continues to be shown under Provisions and Contingencies. Previous period figures have been reclassified accordingly in line with this presentation. There is no impact of this change on net profit / loss of current or previous periods.



- 8 Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. During the quarter ended June 30, 2021, India experienced a "second wave" of COVID-19, including a significant surge of COVID-19 cases following the discovery of mutant coronavirus variants in the country. The second wave has started to subside in the current quarter and there has been gradual lifting of lock downs, thereby resulting into increase in near normal economic activity.

The extent to which the COVID-19 pandemic, including the second wave witnessed in the country, or future subsequent waves, if any, may continue to impact the Bank's operations and financial performance, including asset quality will depend on future developments which are uncertain. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

During the quarter ended September 30, 2021, the Bank utilised COVID-19 related provisions of ₹ 560.00 crore and continues to hold a provision of ₹ 165.00 crore.

- 9 The Group has applied its significant accounting policies in the preparation of these financial results which is consistent with those followed in the annual financial statements for the year ended March 31, 2021 except for its stock based employee compensation. The RBI, vide its clarification dated August 30, 2021 on "Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff", advised that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the intrinsic value method to the fair value method for all share-linked instruments granted to the above category of employees after March 31, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. As a result, 'Employees cost' for the quarter and half year ended September 30, 2021 has higher by ₹ 6.56 crore.
- 10 The Bank pays loan servicing fees to business correspondents for services rendered towards sourcing and servicing of loans and other related activities. These were netted off from "Interest/discount on advances/bills" in the profit and loss account till December 31, 2020. During the quarter ended March 31, 2021, the Bank changed this presentation and accordingly reclassified them as part of "Operating Expenses" with the corresponding change in the previous periods. Basis this change, all relevant disclosures have been regrouped / reclassified wherever applicable, for the quarter and half year ended September 30, 2020.

(₹ in crore)

	Quarter ended 30.09.2020	Half Year ended 30.09.2020
Interest/discount on advances/bills - As reported	3,093.91	6,196.66
Interest/discount on advances/bills - As per reclassification	3,105.92	6,229.72
Operating Expenses - As reported	1,588.43	2,895.75
Operating Expenses - As per reclassification	1,600.44	2,928.81

- 11 Analytical ratios are part of standalone financial results available on the Bank's website (www.idfcfirstbank.com) and on the Stock Exchange websites (www.nseindia.com and www.bseindia.com).
- 12 The above consolidated financial results have been reviewed by the joint statutory auditors, B S R & Co. LLP, Chartered Accountants and MSKA & Associates, Chartered Accountants and there are no modifications in the Limited Review report. The previous period results were reviewed / audited by B S R & Co. LLP, Chartered Accountants.
- 13 The figures for the previous quarter/period have been regrouped wherever necessary in order to make them comparable.



14 Consolidated Cash Flow Statement of the Group for the period ended September 30, 2021 is given below.

(₹ in lakhs)

	As at 30.09.2021 (Unaudited)	As at 30.09.2020 (Unaudited)	As at 31.03.2021 (Audited)
A Cash flow from operating activities			
Profit before taxes	(68635.01)	27319.69	51898.40
Adjustments for :			
Depreciation on fixed assets	18724.91	16225.20	34250.65
Amortization of deferred employee compensation	734.68	-	9.74
Amortisation of premium on held to maturity investments	8701.56	3958.00	10611.29
Write back on depreciation in value of investments	(8019.77)	(71259.56)	(86275.62)
Provision/(Write back) on non performing advances	(8454.76)	(37517.13)	94507.77
Provision for restructured assets	40469.99	-	9931.98
Provision/(Write back) on specific advances	(17690.47)	8368.12	8110.04
Provision/(Write back) on standard assets	(21502.44)	178141.65	9581.47
(Profit)/Loss on sale of fixed assets (net)	17.65	92.06	(1575.97)
Bad debts including technical / prudential write off (net of recoveries)	243391.93	68176.42	238701.90
Other provisions and contingencies	6531.06	(47803.30)	(72305.16)
Share in loss of associates	-	-	-
Adjustments for working capital changes:			
(Increase)/decrease in investments (excluding held to maturity investment and investment in subsidiary)	303721.63	(76300.85)	303328.24
Increase in advances	(386954.41)	(477218.71)	(1835787.18)
Increase in deposits	165094.29	1065580.92	2345730.29
Decrease in other assets	22422.91	195353.51	304899.77
(Decrease) in other liabilities and provisions	(173835.51)	(150228.79)	(63202.21)
Direct taxes paid (net of refunds)	(10846.06)	40201.86	51755.91
Net cash flow generated from operating activities (A)	113872.18	743089.09	1404171.31
B Cash flow from investing activities			
Purchase of fixed assets	(24625.09)	(25608.84)	(58597.28)
Proceeds from sale of fixed assets	107.15	208.81	3652.71
(Increase)/decrease in held to maturity investments	51201.62	158179.27	(228380.21)
Net cash flow generated from/(used in) investing activities (B)	26683.68	132779.24	(283324.78)
C Cash flow from financing activities			
Increase/(decrease) in borrowings	681699.17	(968460.71)	(1161110.00)
Proceeds from issue of share capital	301277.93	200000.00	201291.52
Net cash flow generated from/(used in) financing activities (C)	982977.10	(768460.71)	(959818.48)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	1123532.96	107407.62	161028.05
Cash and cash equivalents at the beginning of period	577312.45	416284.40	416284.40
Cash and cash equivalents at the end of period	1700845.41	523692.01	577312.45

For and behalf of the Board of Directors
of IDFC FIRST Bank Limited

V. Vaidyanathan
Managing Director & Chief Executive Officer

Date: October 30, 2021
Place: Mumbai

SB
LH

Disclosure of Related Party Transactions on Consolidated Basis.

Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015

Related party disclosure :

As per AS-18, Related Party Disclosure, the Bank's related parties for the half year ended September 30, 2021 are disclosed below:

a Entities having Significant Influence

IDFC Limited
IDFC Financial Holding Company Limited

b Associates

Millennium City Expressways Private Limited

c Key Management Personnel

Mr. V. Vaidyanathan

d Relatives of key management personnel:

Mrs. Jeyashree Vaidyanathan, Mr. Krishnamurthy Vembu, Mr. Pranav Vaidyanathan, Mr. Amartya Vaidyanathan, Ms. Anusha Vaidyanathan, Group Captain V. Satyamurthy, Mr. Maj V Krishnamurthy, Ms. Savitri Krishnamoorthy

In accordance with paragraph 5 and 6 of AS - 18, the Bank has not disclosed certain transactions with relatives of key management personnel as they are in the nature of banker-customer relationship.

The significant transactions between the Bank and related parties for the half year ended September 30, 2021 are given below. A specific related party transaction is disclosed as a significant related party transaction wherever it exceeds 10% of all related party transactions in that category:

- **Interest Expense :**
IDFC Financial Holding Company Limited ₹ 0.07 crore , Mr. V. Vaidyanathan ₹ 0.05 crore
- **Interest income earned :**
Millennium City Expressways Private Limited ₹ 0.12 crore
- **Managerial Remuneration :**
Mr. V. Vaidyanathan ₹ 2.54 crore
- **Receiving of services**
IDFC Limited ₹ 0.15 crore
- **Rendering of services**
Millennium City Expressways Private Limited ₹ 0.01 crore



IDFC FIRST BANK LIMITED

The details of the transactions of the Bank with its related party during the half year ended September 30, 2021 are given below :
(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Interest expense	0.07	-	0.05
Interest income earned	-	0.12	-
Managerial Remuneration [^]	-	-	2.54
Receiving of services	0.15	-	-
Rendering of services	-	0.01	₹
Sale of fixed assets	-	-	-

[^] During FY 2021-22, the Board of Directors of the Bank, based on the recommendation of Nomination and Remuneration Committee, at its meeting held on Jun 30, 2021 had approved grant of 29,99,748 stock options to Mr. V. Vaidyanathan, MD & CEO under 'IDFC FIRST Bank – Employees Stock Option Scheme 2015'. In terms of Section 35B of the Banking Regulation Act, 1949, the said grant was duly approved by the Reserve Bank of India vide its letter dated July 21, 2021.

The balances payable to / receivable from the related parties of the Bank as on September 30, 2021 are given below:

(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Deposits with the Bank	9.11	-	0.27
Interest Accrued on Deposit	0.01	-	₹
Loans & advances including credit card balances	-	341.40	0.01
Investment of the Bank	-	226.38	-
Investment of related party in the Bank [§]	-	-	-

[§] As at September 30, 2021, IDFC Financial Holding Company Limited holds 2,268,937,489 and KMP holds 24,407,117 equity shares in the Bank.

The maximum balances payable to/receivable from the related parties of the Bank during the half year ended September 30, 2021 are given below:

(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Deposits with the Bank	16.78	-	7.43
Loans & advances including credit card balances	-	341.40	0.01
Investment of the Bank	-	226.38	-



The details of the transactions of the Bank with its related party during the half year ended September 30, 2020 are given below :
(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Interest expense	7.10	-	0.10
Interest income earned	-	5.14	-
Managerial Remuneration	-	-	2.54
Sale of fixed assets	0.09	-	-
Fee income received	-	0.10	-

The balances payable to / receivable from the related parties of the Bank as on September 30, 2020 are given below:

(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Deposits with the Bank	41.85	-	0.30
Interest Accrued on Deposit	0.24	-	β
Advances	-	348.23	-
Investment of the Bank	-	226.38	-
Investment of related party in the Bank §	-	-	-

§ As at September 30, 2020, IDFC Financial Holding Company Limited holds 2,268,937,489 and KMP holds 24,879,117 equity shares in the Bank.

The maximum balances payable to/receivable from the related parties of the Bank during the half year ended September 30, 2020 are given below:

(₹ in crore)

Particulars	Related Party		
	Entities having Significant Influence	Associates	Key Management Personnel
Deposits with the Bank	875.08	-	6.54
Advances	-	351.00	-
Investment of the Bank	-	226.38	-

*Amount less than ₹ 50,000 is denoted by β

