

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
IDFC LIMITED (FORMERLY INFRASTRUCTURE DEVELOPMENT FINANCE
COMPANY LIMITED)**

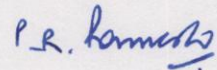
1. We have audited the accompanying Statement of Consolidated Financial Results ("the Statement") of **IDFC LIMITED (FORMERLY INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED)** ("the Company"), and its subsidiaries (the Company and its subsidiaries constitute "the Group") and its share of the associate companies for the year ended March 31, 2013, being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges. This Statement has been prepared on the basis of the related annual consolidated financial statements, which are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to Note 12 of the Statement regarding the figures for the quarter ended March 31, 2013 being balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
4. The Statement reflects the Group's share of Revenues of ₹ 184.04 crore and Profit after Tax of ₹ 24.57 crore relating to nine subsidiaries and the financial results of two associates which reflect the Company's net share of profits after tax of ₹ 1.86 crore which have have been audited by other auditors and whose reports have been considered by us in submitting our report.

See

Deloitte Haskins & Sells

5. In our opinion and to the best of our information and according to the explanations given to us on the basis stated in paragraph 4, the Statement:
- (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and
 - (ii) gives a true and fair view of the net profit and other financial information of the Group for the year ended March 31, 2013.
6. Further, we also report that we have traced from the details furnished by the Registrars, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged / encumbered shares and non-encumbered shares of promoter and promoter group shareholders, in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)



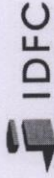
Signature
P. R. Ramesh
Partner
(Membership No.70928)

MUMBAI, ^{1st} May, 2013
PRR/PG/2012-13

PART I - Audited consolidated financial results for the quarter and year ended March 31, 2013					(₹ in lakhs)	
Particulars	Quarter ended 31.03.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Quarter ended 31.03.2012 (Reviewed)	Year ended 31.03.2013 (Audited)	Year ended 31.03.2012 (Audited)	
1 Income from operations						
(a) Income from operations	2216.79	2038.68	1719.23	8126.80	6330.41	
(b) Other operating income	72	2.98	1.23	11.79	11.72	
Total Income from operations	2217.51	2041.66	1720.46	8138.59	6342.13	
2 Expenses						
(a) Employee benefits expense	77.96	79.59	90.11	291.64	304.86	
(b) Other expenses	69.37	45.12	50.53	203.36	178.25	
(c) Provisions and contingencies	164.72	51.83	83.75	349.63	284.58	
(d) Depreciation and amortisation expense	8.61	8.63	9.68	34.40	38.44	
Total Expenses	320.66	185.17	234.07	879.03	806.13	
3 Profit from operations before other income, finance costs and exceptional items (1-2)	1896.85	1856.49	1486.39	7259.56	5536.00	
4 Other income (see note 4)	90	5.92	66	9.83	92.88	
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	1897.75	1862.41	1487.05	7269.39	5628.88	
6 Finance costs	1204.33	1211.05	996.23	4675.83	3456.21	
7 Exceptional items	-	-	-	-	-	
8 Profit from ordinary activities before tax (5-6+7)	693.42	651.36	490.82	2593.56	2172.67	
9 Tax expense (net)	164.57	196.47	158.96	751.13	621.86	
10 Net profit from ordinary activities after tax (8-9)	528.85	454.89	331.86	1842.43	1550.81	
11 Extraordinary items (net of tax)	-	-	-	-	-	
12 Net profit after tax before share of minority interest and share of profit from associates (10+11)	528.85	454.89	331.86	1842.43	1550.81	
13 Share of profit from associates (equity method)	67	58	66	1.86	1.87	
14 Share of minority interest	3.82	40	-2.31	8.09	-1.33	
15 Net profit after tax, share of minority interest and share of profit from associates (12+13-14)	525.70	455.07	334.83	1836.20	1554.01	
16 Paid-up equity share capital (see note 5) (Face value ₹ 10/- each)	1514.73	1514.37	1512.36	1514.73	1512.36	
17 Reserves excluding revaluation reserves				12167.89	10772.68	
18 Earnings per share (of ₹ 10/- each)(not annualised)						
(a) Basic (₹) (see note 5)	3.47	3.01	2.21	12.13	10.24	
(b) Diluted (₹) (see note 5)	3.44	2.98	2.19	12.06	10.20	



IDFC Limited (formerly Infrastructure Development Finance Company Limited)



PART II - Select information for the quarter and year ended March 31, 2013					
Particulars	Quarter ended 31.03.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Quarter ended 31.03.2012 (Reviewed)	Year ended 31.03.2013 (Audited)	Year ended 31.03.2012 (Audited)
[A] Particulars of shareholding					
Public shareholding	151,47,27,629	151,43,73,497	151,23,62,768	151,47,27,629	151,23,62,768
- Number of shares	100%	100%	100%	100%	100%
- Percentage of shareholding					
Promoters & promoter group shareholding					
(a) Pledged/encumbered					
- Number of shares	NA	NA	NA	NA	NA
- Percentage of shares	NA	NA	NA	NA	NA
(as a % of the total shareholding of promoter and promoter group)					
- Percentage of shares	NA	NA	NA	NA	NA
(as a % of the total share capital of the Company)					
(b) Non-encumbered					
- Number of shares	NA	NA	NA	NA	NA
- Percentage of shares	NA	NA	NA	NA	NA
(as a % of the total shareholding of promoter and promoter group)					
- Percentage of shares	NA	NA	NA	NA	NA
(as a % of the total share capital of the Company)					

[B] Investor complaints for the quarter ended March 31, 2013

1 Shareholders' complaints :

No. of complaints pending at the beginning of the quarter
No. of complaints received during the quarter
No. of complaints disposed off during the quarter
No. of complaints remaining unresolved at the end of the quarter

Nil
135
135
Nil

2 Infrastructure retail bondholders' complaints :

No. of complaints pending at the beginning of the quarter
No. of complaints received during the quarter
No. of complaints disposed off during the quarter
No. of complaints remaining unresolved at the end of the quarter

Nil
5,911
5,911
Nil



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Notes:

Audited consolidated statement of assets and liabilities		(₹ in lakhs)	
Particulars	As at year ended 31.03.2013 (Audited)	As at year ended 31.03.2012 (Audited)	
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1514.73	1512.36	
(b) Reserves & surplus	12167.89	10772.68	
Sub-total - Shareholders' funds	13682.62	12285.04	
2 Share application money pending allotment	30	60	
3 Minority interest	25.39	17.78	
4 Non-current liabilities			
(a) Long-term borrowings	36803.33	29837.20	
(b) Other long-term liabilities	314.72	140.02	
(c) Deferred tax liabilities (net)	3.29	2.18	
(d) Long-term provisions	143.28	128.93	
Sub-total - Non-current liabilities	37264.62	30108.33	
5 Current liabilities			
(a) Short-term borrowings	3869.37	7351.01	
(b) Trade payables *	349.15	252.01	
(c) Other current liabilities	15323.51	10542.91	
(d) Short-term provisions	544.35	445.18	
Sub-total - Current liabilities	20086.38	18591.11	
TOTAL - EQUITY AND LIABILITIES	71059.31	61002.86	
B ASSETS			
1 Non-current assets			
(a) Fixed assets	344.45	416.47	
(b) Goodwill on consolidation	957.09	966.75	
(c) Non-current investments	3309.25	2433.11	
(d) Deferred tax assets(net)	397.05	320.22	
(e) Long-term loans and advances			
(i) Loans	48126.83	42082.21	
(ii) Others	513.72	467.10	
Other non current assets	626.99	371.22	
Sub-total - Non-current assets	54275.38	47057.08	
2 Current assets			
(a) Current investments	7694.92	5100.75	
(b) Trade receivables **	160.57	383.17	
(c) Cash and bank balances	262.72	698.11	
(d) Short-term loans and advances			
(i) Loans	7609.63	6100.72	
(ii) Others	367.60	1040.28	
Other current assets	688.49	622.75	
Sub-total - Current assets	16783.93	13945.78	
TOTAL - ASSETS	71059.31	61002.86	

* includes ₹ 108.52 lakhs as on March 31, 2013 and ₹ 20.48 lakhs as on March 31, 2012 on deals entered on trade date basis, subsequently paid.

** includes ₹ 114.31 lakhs as on March 31, 2013 and ₹ 355.68 lakhs on March 31, 2012 on deals recognised on trade date basis, subsequently realised.



2 The disclosure in terms of Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006.

	Consolidated			
	Quarter ended 31.03.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Quarter ended 31.03.2012 (Reviewed)	Year ended 31.03.2012 (Audited)
Segment revenue				
Financing	2086,20	1977,14	1658,04	7774,63
Others *	130,61	89,45	90,02	390,40
	2216,81	2066,59	1748,06	8165,03
Less: Inter segment revenue	70	-24,93	-27,60	-89,44
Income from operations	2217,51	2041,66	1720,46	8138,59
Segment results				
Financing	628,56	629,69	486,17	2464,52
Others *	64,86	16,58	4,59	122,27
Unallocated	-	5,09	6	6,77
Profit before tax	693,42	651,36	490,82	2593,56
Capital employed (Segment assets - Segment liabilities)				
Financing	11724,89	11782,98	10596,91	11724,89
Others *	1424,01	1370,75	1217,70	1424,01
Unallocated	559,41	481,70	488,81	559,41
Total Capital employed	13708,31	13635,43	12303,42	13708,31

* Others comprise asset management, investment banking and institutional broking.

3 The analytical ratios and key data relating to *standalone results* of IDFC Limited are as under:

Particulars	Standalone			
	Quarter ended 31.03.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Quarter ended 31.03.2012 (Reviewed)	Year ended 31.03.2012 (Audited)
(i) Capital adequacy ratio	22.10%	22.47%	20.79%	20.79%
(ii) Earnings per share (EPS)				
(a) Basic (₹)	2.98	3.09	2.35	11.66
(b) Diluted (₹)	2.95	3.07	2.35	11.59
(iii) NPA Ratio (see note 6)				
(a) Amount of gross NPA	85,12	142,59	148,32	85,12
(b) Amount of net NPA	28,91	65,70	71,43	28,91
(c) % of gross NPA to gross advances	0.15%	0.26%	0.30%	0.15%
(d) % of net NPA to net advances	0.05%	0.12%	0.15%	0.05%



IDFC Limited (formerly Infrastructure Development Finance Company Limited)



Particulars	Standalone			
	Quarter ended 31.03.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Quarter ended 31.03.2012 (Reviewed)	Year ended 31.03.2012 (Audited)
(iv) Return on assets (annualised)	2.61%	2.69%	2.43%	2.63%
(v) Turnover (Total Income from operations) *	2083.74	1969.18	1658.30	7765.30
(vi) Profit before tax *	591.24	657.27	516.09	2467.98
(vii) Profit after tax *	451.04	468.67	356.89	1764.98

* Includes dividend from subsidiary companies of ₹ 25.51 lakhs for the year ended March 31, 2013 and ₹ 69.27 lakhs for the year ended March 31, 2012.

- 4 Other Income for the year ended March 31, 2012 include profit on sale of 25% equity shares in IDFC Asset Management Company Limited and IDFC AMC Trustee Company Limited amounting to ₹ 83.78 lakhs.
- 5 During the quarter ended March 31, 2013, the Company issued 3,54,132 equity shares of face value of ₹ 10 each pursuant to exercise of stock options by employees under the employee stock option scheme.
- 6 The disclosures for NPA referred to in note 3 (iii) above correspond to non performing advances.
- 7 The classification of assets and liabilities into current and non-current is carried out based on their residual maturity profile as per the requirement of Revised Schedule VI to the Companies Act, 1956. The estimates and assumptions regarding prepayments (which are taken into account for ALM purpose) are not considered while classifying the assets and liabilities into current and non-current.
- 8 During the year ended March 31, 2013, IDFC Securities Singapore Pte. Limited and Neopro Technologies Private Limited became subsidiaries of the Group and Dheeru Powergen Limited and IDFC General Partners Limited ceased to be subsidiaries of the Group.
- 9 During the year ended March 31, 2012, the Company had raised ₹ 1387.46 lakhs through public issues of long term Infrastructure Bonds eligible for deduction under section 80CCF of the Income tax Act, 1961 in three tranches of which ₹ 1208.29 lakhs was utilised towards lending to Infrastructure projects during the year ended March 31, 2012. The balance of ₹ 179.17 lakhs was utilised for lending to infrastructure projects during the year ended March 31, 2013.
- 10 The Board of Directors at their meeting proposed a dividend of ₹ 2.60 per share, subject to the approval of the members at the ensuing Annual General Meeting.
- 11 The above results were reviewed by the Audit Committee and approved by the Board of Directors. There are no qualifications in the auditor's report for the year ended March 31, 2013. The information presented above is extracted from the audited financial statements as stated.
- 12 The figures for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figures between audited figures of the full financial year and the published year to date figures up-to the third quarter of the relevant financial year.
- 13 The standalone financial results are available on the Company's website (www.idfc.com) and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 14 The figures for the previous periods / year have been regrouped wherever necessary, in order to make them comparable.

For Deloitte Haskins & Sells

P.R. Ramesh
P.R. Ramesh
Partner

Mumbai, May 1, 2013

For and on behalf of the Board

Rajiv B. Lal
Rajiv B. Lal
Vice Chairman & Managing Director

