

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF IDFC LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **IDFC LIMITED** ("the Company") for the Quarter and Nine Months ended December 31, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company'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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company 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 stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Nine Months Ended December 31, 2013 of the Statement, from the details furnished by the Registrars. We are informed that there is no promoter or promoter group of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

P. R. Ramesh

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

MUMBAI, 31st January, 2014
PRR/PG/SCR/2013-14

Regd. Office: 12, Dr. Annie Besant Road, Opp. Shiv Sagar Estate, Worli, Mumbai - 400 018, India.

Deloitte Haskins & Sells (Registration No. BA 97449) a partnership firm was converted into Deloitte Haskins & Sells LLP (LLP

Identification No. AAB-8737) a limited liability partnership with effect from 20th November 2013.

PART I - Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2013						
Particulars	Quarter ended 31.12.2013	Quarter ended 30.09.2013	Quarter ended 31.12.2012	Nine months ended 31.12.2013	Nine months ended 31.12.2012	Year ended 31.03.2013
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1 Income from operations						
(a) Income from operations (see note 1)	1990,79	2062,78	1966,20	6188,00	5670,49	7753,51
(b) Other operating income	1,20	3,10	2,98	7,91	11,07	11,79
Total income from operations (net)	1991,99	2065,88	1969,18	6195,91	5681,56	7765,30
2 Expenses						
(a) Employee benefits expense	39,26	39,44	36,80	110,18	94,11	136,99
(b) Other expenses	18,79	20,83	15,12	63,18	49,30	84,77
(c) Provisions and contingencies	37,82	49,02	50,32	145,97	183,01	394,11
(d) Depreciation and amortisation expense	6,15	6,13	6,90	18,30	20,59	27,45
Total expenses	102,02	115,42	109,14	337,63	347,01	643,32
3 Profit from operations before other income, finance costs and exceptional items (1-2)	1889,97	1950,46	1860,04	5858,28	5334,55	7121,98
4 Other income (see note 2)	3,02	47	5,70	3,98	10,74	11,19
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	1892,99	1950,93	1865,74	5862,26	5345,29	7133,17
6 Finance costs	1253,55	1255,83	1208,47	3774,18	3468,55	4665,19
7 Exceptional items	-	-	-	-	-	-
8 Profit from ordinary activities before tax (5-6+7)	639,44	695,10	657,27	2088,08	1876,74	2467,98
9 Tax expense (net)	164,00	197,00	188,60	600,00	562,80	703,00
10 Net profit from ordinary activities after tax (8-9)	475,44	498,10	468,67	1488,08	1313,94	1764,98
11 Extraordinary items (net of tax)	-	-	-	-	-	-
12 Net profit after tax (10+11)	475,44	498,10	468,67	1488,08	1313,94	1764,98
13 Paid-up equity share capital (see note 5) (Face value ₹ 10/- each)	1516,22	1516,13	1514,37	1516,22	1514,37	1514,73
14 Reserves excluding revaluation reserves						11942,58
15 Analytical ratios						
(i) Capital adequacy ratio	24.77%	23.89%	22.42%	24.77%	22.42%	22.00%
(ii) Earnings per share (of ₹ 10/- each)(not annualised)						
(a) Basic (₹) (see note 5)	3.14	3.28	3.09	9.82	8.68	11.66
(b) Diluted (₹) (see note 5)	3.14	3.28	3.07	9.80	8.64	11.59
(iii) NPA Ratio (see note 6)						
(a) Amount of gross non performing advances	340,80	180,49	142,59	340,80	142,59	85,12
(b) Amount of net non performing advances	274,65	111,27	65,70	274,65	65,70	28,91
(c) % of gross non performing advances to gross advances	0.62%	0.32%	0.26%	0.62%	0.26%	0.15%
(d) % of net non performing advances to net advances	0.50%	0.20%	0.12%	0.50%	0.12%	0.05%
(iv) Return on assets (annualised)	2.60%	2.71%	2.69%	2.70%	2.64%	2.63%

PART II - Select information for the quarter and nine months ended December 31, 2013						
Particulars	Quarter ended 31.12.2013 (Reviewed)	Quarter ended 30.09.2013 (Reviewed)	Quarter ended 31.12.2012 (Reviewed)	Nine months ended 31.12.2013 (Reviewed)	Nine months ended 31.12.2012 (Reviewed)	Year ended 31.03.2013 (Audited)
[A] Particulars of shareholding						
Public shareholding						
- Number of shares	151,62,18,366	151,61,25,991	151,43,73,497	151,62,18,366	151,43,73,497	151,47,27,629
- Percentage of shareholding	100%	100%	100%	100%	100%	100%
Promoters & promoter group shareholding						
(a) Pledged/encumbered						
- Number of shares	NA	NA	NA	NA	NA	NA
- Percentage of shares	NA	NA	NA	NA	NA	NA
(as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares	NA	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	NA
- Percentage of shares	NA	NA	NA	NA	NA	NA
(as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares	NA	NA	NA	NA	NA	NA
(as a % of the total share capital of the Company)						

[B] Investor complaints for the quarter ended December 31, 2013	
1 Shareholders' complaints :	
No. of complaints pending at the beginning of the quarter	Nil
No. of complaints received during the quarter	104
No. of complaints disposed off during the quarter	104
No. of complaints remaining unresolved at the end of the quarter	Nil
2 Infrastructure retail bondholders' complaints :	
No. of complaints pending at the beginning of the quarter	Nil
No. of complaints received during the quarter	2,246
No. of complaints disposed off during the quarter	2,246
No. of complaints remaining unresolved at the end of the quarter	Nil



IDFC Limited



- 1 Income from operations for the nine months ended December 31, 2013 include dividend from subsidiary companies of ₹ 28,07 lakhs (for the nine months ended December 31, 2012 ₹ 25,51 lakhs and for the year ended March 31, 2013 ₹ 25,51 lakhs).
- 2 Other income for the nine months ended December 31, 2013 include profit on sale of 100% equity shares in IDFC Pension Fund Management Company Limited to IDFC Securities Limited amounting to ₹ 68 lakhs. Other income for year ended March 31, 2013 include profit on sale of 100% equity shares in IDFC Project Equity Company Limited to IDFC Alternatives Limited amounting to ₹ 3,73 lakhs.
- 3 During the quarter and nine months ended December 31, 2013, Galaxy Mercantiles Limited became subsidiary of the Company.
- 4 The Company's main business is financing by way of loans. All other activities revolve around the main business. As such, there are no reportable segments as per Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006.
- 5 During the quarter and nine months ended December 31, 2013, the Company issued 92,375 and 14,90,737 equity shares respectively 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 point 15 (iii) above correspond to non performing advances.
- 7 Key data relating to the consolidated results of IDFC Limited are as under:

Particulars	(₹ in lakhs)					
	Quarter ended 31.12.2013	Quarter ended 30.09.2013	Quarter ended 31.12.2012	Nine months ended 31.12.2013	Nine months ended 31.12.2012	Year ended 31.03.2013
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
Total Income from operations	2120,64	2148,46	2041,66	6567,10	5921,08	8138,59
Net profit after tax	500,68	486,75	455,07	1544,74	1310,50	1836,20
Earnings per share						
(a) Basic (₹)	3.30	3.21	3.01	10.19	8.66	12.13
(b) Diluted (₹)	3.30	3.21	2.98	10.17	8.62	12.06

- 8 The above results were reviewed by the Audit Committee and approved by the Board of Directors and have been subjected to a "Limited Review" by the Statutory Auditors.
- 9 The figures for the previous periods / year have been regrouped wherever necessary, in order to make them comparable.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

P. R. Ramesh

P.R. Ramesh
Partner
Mumbai, January 31, 2014



For and on behalf of the Board

Vikram Limaye

Vikram Limaye
Managing Director & CEO