

August 11, 2021

The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra-Kurla-Complex, Bandra (East),
Mumbai - 400 051
NSE Scrip Code: IDFC

The Manager – Listing Department
BSE Limited
1st Floor, P.J. Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 532659

Dear Sirs,

Sub: Outcome of 148th Board Meeting of IDFC Limited

The Board of Directors ('the Board') of IDFC Limited ('the Company') at its meeting held today i.e. August 11, 2021 has inter alia considered the following:

1. Approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2021. Please find enclosed herewith the aforesaid financial results together with copies of Limited Review Reports issued by Price Waterhouse & Co LLP, Chartered Accountants, the Statutory Auditors of the Company. We hereby confirm and declare that the Statutory Auditors of the Company have issued Report on the aforesaid financial results (Standalone and Consolidated) with unmodified opinion. (**Annexure – A**)
2. To convey and hold the **24th Annual General Meeting (AGM) of IDFC Limited** will be held on **Wednesday, September 22, 2021** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in compliance with relevant provisions of the Companies act, 2013 read with circular issued by Ministry of Corporate Affairs ("MCA") dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") dated May 12, 2020 and January 15, 2021. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the 24th e-AGM along with the Annual Report for the financial year ended on 31st March, 2021 will be sent only through electronic mode to those Members whose email addresses are registered with the Company/ Registrar & Share Transfer Agent/Depositories. The Notice calling the AGM and the Annual Report will be available on the website of the Company at www.idfc.com.
3. Pursuant to RBI circular RBI/2021-22/25 ref no. DOS.CO.ARG/SEC.01/08.091.001/2021-22 dated April 27, 2021 directing all RBI mandated entities for compulsory rotation of audit firms if the existing auditors had completed three years as auditors. Price Waterhouse & Co, Chartered Accountants, LLP (FRN 304026E/E300009) have already completed 3 years as Statutory Auditors of the Company for FY 2018-19, FY 2019-20 and FY 2020-21. Accordingly, the Board has approved appointment of Khimji Kunverji Co LLP (FRN 105146W/W-100621) as statutory auditors of the IDFC Limited for a period of 3 years from the conclusion of 24th Annual General Meeting until the conclusion of the 27th Annual General Meeting of the Company to be held for FY2023-24 subject to the approval of the



shareholders of the Company at the ensuing Annual General Meeting. Brief profile of Khimji Kunverji Co LLP is enclosed as **Annexure - B**.

The above information is also available on the website of the Company: www.idfclimited.com

The Board Meeting commenced at 10:30 a.m. and concluded at 3:00 p.m.

Kindly take note of the same.

Thanking you,

Yours faithfully,
For IDFC Limited

A handwritten signature in blue ink, appearing to read 'Mahendra N. Shah'.

Mahendra N. Shah
Company Secretary

Encl.: A/a

Price Waterhouse & Co Chartered Accountants LLP

To
The Board of Directors
IDFC Limited
906/907, 9th Floor, Embassy Centre,
Jamnalal Bajaj Road,
Nariman Point,
Mumbai – 400021

1. We have reviewed the unaudited financial results of IDFC Limited (the “Company”) for the quarter ended June 30, 2021 which are included in the accompanying Statement of Standalone unaudited Financial Results (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been signed by us for identification purposes.
2. This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, 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. 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 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing 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, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

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(West) Mumbai 400 028
T: +91(22) 66691500, F: +91 (22) 66547804 / 07*

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata, 700091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, Its ICAI Registration Number is 304026E/E-00009 (ICAI registration number before conversion was 304026E)

Price Waterhouse & Co Chartered Accountants LLP

Limited Review Report on the Standalone Financial Results

To the Board of Directors of IDFC Limited

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5. We draw your attention to Note 7 to the Statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Mumbai
Date: August 11, 2021

Sharad Vasant
Partner
Membership Number 101119
UDIN: 21101119AAAAGR4146

Statement of Standalone unaudited Financial Results for the quarter ended June 30, 2021				
Particulars	For the quarter ended			For the year ended
	June 30,2021	March 31,2021	June 30,2020	March 31, 2021
	Unaudited	Unaudited (refer note 10)	Unaudited	Audited
Revenue from operations				
i Interest income	-	-	0.01	0.01
ii Net gain / (loss) on fair value changes	0.95	8.26	0.03	7.71
I Total revenue from operations	0.95	8.26	0.04	7.72
II Other income	-	22.63	10.95	35.20
III Total income (I+II)	0.95	30.89	10.99	42.92
IV Expenses				
i Finance Charges	0.84	0.57	0.81	2.59
ii Employee Benefits Expenses	2.20	0.54	2.49	8.47
iii Impairment on financial instruments	-	-	-	0.02
iv Depreciation, amortization and impairment [refer note 2]	0.03	0.02	18.02	1.51
v Other expenses [refer note 2]	1.69	1.62	2.45	24.75
Total expenses (IV)	4.76	2.75	23.77	37.34
V Profit / (loss) before exceptional items and tax (III - IV)	(3.81)	28.14	(12.78)	5.58
VI Exceptional Items	-	-	-	-
VII Profit/(loss) before tax (V-VI)	(3.81)	28.14	(12.78)	5.58
VIII Tax expense:				
(1) Current tax	-	(0.51)	0.63	1.71
(2) Deferred tax (net)	0.20	1.87	(3.12)	(6.57)
(3) Tax adjustment on earlier years	-	0.93	-	1.46
Total tax expense	0.20	2.29	(2.49)	(3.40)
IX Profit/(loss) for the period (VII-VIII)	(4.01)	25.85	(10.29)	8.98
X Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
- Remeasurements of post-employment benefit obligations	(0.04)	0.02	0.02	(0.15)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	β	β	0.04
B (i) Items that will be reclassified to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Other comprehensive income for the period, net of tax	(0.03)	0.02	0.02	(0.11)
XI Total Comprehensive Income for the period (IX+X)	(4.04)	25.87	(10.27)	8.87
XII Paid-up equity share capital (face value of ₹ 10 per share) (see note 3)	1,596.39	1,596.36	1,596.36	1,596.36
XIII Earnings per equity share (not annualised):				
Basic	(0.03)	0.16	(0.06)	0.06
Diluted	(0.03)	0.16	(0.06)	0.06

Notes:-

- The standalone financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") prescribed under section 133 of the Companies Act, 2013.
- Impairment of windmills amounting to ₹ 17.05 crore was done for the quarter ended June 30, 2020. Post sale of windmills during the quarter ended September 30,2020 impairment loss was reversed and realised loss of ₹ 16.57 crore was recognised under other expenses.
- During the quarter ended June 30, 2021 the Company issued 30,000 equity shares of face value of Rs 10 each pursuant to exercise of stock option by employees under the employee stock option scheme.
- Reserve Bank of India ("RBI") has, vide its letter No.DOR..HOL.No.SUO-75590/16.01.146/2021-22 dated July 20, 2021, clarified that after the expiry of lock-in period of 5 years, IDFC Limited can exit as the promoter of IDFC FIRST Bank Limited.

IDFC Limited

Registered Office: 4th Floor, Capitale Tower, 555, Anna Salai, Thiru Vi Ka Kudiyruppu, Teynampet, Chennai 600018, Tamil Nadu
CIN No. L65191TN1997PLC037415



- 5 On March 25, 2021 the Company received letter from Government of India, Ministry of Finance , Department of Financials Services informing about the withdrawal of Mr. Anshuman Sharma and Mr. Soumyajit Ghosh as Nominee directors from the Board of IDFC Limited with immediate effect.

Pursuant to Regulation 17(1)(c) of SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations 2015, the Board of Directors of IDFC Limited shall comprise of not less than six directors. Due to sudden and immediate withdrawal of Government Nominees from the Board, the number of Directors on the Board of the Company reduced from 6 to 4 and the composition of the Board as well as constitution of Board's committees were impacted. As on March 31, 2021 the Company was in process of appointing New Directors, other than Government Nominee, on the Board to comply with Regulation 17(1)(c) of SEBI LODR Regulations 2015.

Subsequently, the Company based on the recommendation of Nomination and Remuneration Committee at its meeting held on May 25, 2021 approved nomination of Mr. Jaimini Bhagwati and Mr. Anil Singhvi as an additional director in the category of independent director for a period of 3 years. These nominations are subject to approval of the shareholders of the Company and other statutory / regulatory approvals.

- 6 IDFC Financial Holding Company Limited (IDFC FHCL) (Wholly Owned Subsidiary of the Company) had filed application under section 66 (i) of the Companies Act 2013 for reduction of share capital by ₹ 650 crore on December 12, 2019 with Hon'ble National Company Law Tribunal ('NCLT'). Hon'ble NCLT, Chennai Branch passed order on February 04, 2021 approving the reduction of share capital and had given time of 30 days to effect the reduction. However the shareholders of IDFC FHCL passed a special resolution in the Extra Ordinary General Meeting held on March 2, 2021 to not give effect to the said capital reduction. Based on the legal advice obtained, IDFC FHCL has communicated its decision of not being able to comply to the NCLT order to the Registrar of companies ("ROC") vide MGT-14 dated March 02, 2021 and to NCLT vide their letter dated March 02, 2021. No communication has been received by IDFC FHCL from ROC or NCLT upto the date of approval of these financial results.
- 7 The Company is an investing company for the group. The Company has its investments in subsidiaries and associates of the group. In lights of the Covid-19 outbreak and based on the information available upto the date of the approval of these Financial results, the Company has assessed its liquidity position for the next one year which factors uncertainties due to the current situation.
- The Company has further assessed the recoverability and carrying value of its assets comprising of Property, Plant and Equipment and Investments as at June 30, 2021, and has concluded that there are no material adjustments required in the financial information, other than those already considered. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- 8 The Company's main business is to carry out Investment activity in India. All other activities of the Company revolve around the main business of the Company. Accordingly, there are no separate reportable segments, as per Ind AS 108 "Operating Segment."
- 9 The aforesaid standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 11, 2021.
- 10 The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures of the full financial year ended March 31, 2021 and unaudited figures in respect of the nine months ended December 31, 2020.
- 11 Figures less than ₹ 50,000 have been denoted by β.
- 12 The accounting policies adopted in the preparation of the financial results are consistent with those followed in the previous period unless otherwise stated.
- 13 Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.

For and on behalf of the Board of IDFC Limited

Sunil Kakar
Managing Director & CEO
Place: Mumbai
Date: August 11, 2021

We have signed this statement for identification purposes only and this statement should be read in conjunction with our report dated August 11, 2021.

For Price Waterhouse & Co Chartered Accountant LLP
Firm Registration No. 304026E/E-300009

Sharad Vasant
Partner
Membership Number : 101119
Place: Mumbai
Date: August 11, 2021

Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
IDFC Limited
906/907, 9th Floor, Embassy Centre,
Jamnalal Bajaj Road,
Nariman Point,
Mumbai – 400021

1. We have reviewed the unaudited consolidated financial results of IDFC Limited (the “Parent”), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the “Group”), joint ventures and associate companies for the quarter ended June 30, 2021 which are included in the accompanying statement of consolidated unaudited financial results (the “Statement”). The Statement is being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been signed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent’s Management and has been approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, 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. 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure A.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Mumbai 400 028
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Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata, 700091

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Price Waterhouse & Co Chartered Accountants LLP

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To the Board of Directors of IDFC Limited
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6. We draw attention to the following:

- (a) In respect of the Parent and 3 subsidiaries of the Group reviewed by us, (including, IDFC Asset Management Company Limited, IDFC Financial Holding Company Limited and IDFC Foundation), we draw your attention to note 11 to the Statement, which describes the Group's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. As mentioned in the note, in view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- (b) In respect of IDFC Alternatives Limited, (a subsidiary of the Parent), we draw attention to note 8 to the Statement, regarding preparation of the special purpose financial information on realizable value basis, pursuant to the Group's decision to discontinue the operations of the Company in view of reasons stated therein. Further, we also draw reference to note 11 to the Statement which describes the Group's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the realisable values. As mentioned in the note, in view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- (c) In respect of IDFC Trustee Company Limited and IDFC Projects Limited (subsidiaries of the Parent), we draw attention to note 8 to the Statement regarding preparation of the special purpose financial information of these companies on a realisable value basis, pursuant to the Group's decision to discontinue the operations of these companies.

Our conclusion is not modified in respect of these matters.

7. We draw attention to following emphasis of matter paragraph included in the review report on the Special purpose condensed consolidated financial information of IDFC FIRST Bank Limited (an associate of the Parent), its subsidiary and its associate, issued by their auditors vide report dated July 31, 2021:
- i. "As more fully described in Note 3 to the Reporting package, the extent to which the COVID-19 pandemic will have an impact on the Bank's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion is not modified in respect of these matters."

Note 3 as mentioned in the point i. above corresponds to Note 12(i) of the Statement.

8. We draw attention to the following emphasis of matter paragraphs included in the review report on the statement of unaudited financial results of Delhi Integrated Multi Modal Transit System Limited (a Joint Venture of the Parent), issued by their auditors vide report dated August 2, 2021:

"We draw your attention:

- i. To note (1) regarding the Company has already provided provision of 2,663.46 lakhs against amount due under AVLS (Automatic Vehicle Location System) Project for which the matter was under arbitration. Arbitral award was declared on 30th June, 2021 and arbitrator has rejected the claims of DIMTS and also ordered the refund of Security deposit of 235.92 lakh with interest. DIMTS proposes to appeal against this order with the approval of Board of Directors/Audit Committee. Hence, DIMTS has neither written-off this amount of Rs 2,663.46 lakh nor refunded security deposit of Rs 235.92 lakh. Further, DIMTS has only provided for interest of Rs 30.35 lakhs on balance security amount payable of Rs 68.35 lakhs. Had the interest been provided on full security amount mentioned in arbitration award, an additional sum of Rs 74.41 lakh would have been provided.

Our opinion is not modified in respect of this matter.

Price Waterhouse & Co Chartered Accountants LLP

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To the Board of Directors of IDFC Limited
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- ii. To note (2) regarding the Company has recognised deferred tax assets totaling to Rs 1,835.09 lakh as on 30th June 2021. Based on the realistic estimate on future profits based on the examination of profits and loss statement of earlier periods, the management estimates that there is a reasonable certainty of its expected realization.

Our opinion is not modified in respect of this matter.

- iii. To note (3) regarding there is a demand of INR 34.34 Crores raised in March 2020 as rental arrears (including interest) from Delhi Transport Infrastructure Development Corporation Ltd. (DITDC) for OCC & DIMTS Office (Kashmere Gate) premises for the past 8 years starting from FY 2010-11. DIMTS has taken legal opinion from the reputed counsels M/S Shardul Amarchand Mangaldas & Co. who have opined that there is a merit in setting up its case before the appropriate arbitral tribunal. Accordingly, DIMTS proposes to initiate formal Dispute Redressal proceedings under the Arbitration & Conciliation Act 1996 to settle the dispute with DTIDC and Transport Department and the management is hopeful to get a positive outcome of the proposed dispute settlement process.

Our opinion is not modified in respect of this matter.

- iv. To note (4) regarding DTIDC has deducted a sum of Rs 717.19 lakhs (representing 15% of all fees on account of services rendered by DIMTS to DTIDC) towards disputed rental arrears and the same has been shown as "Advance to DTIDC".

Our opinion is not modified in respect of this matter."

Note (1) as described in point i. above corresponds to Note 13 (i) of the Statement.
Note (2) as described in point ii. above corresponds to Note 13 (ii) of the Statement.
Note (3) as described in point iii. above corresponds to Note 13 (iii) of the Statement.
Note (4) as described in point iv. above corresponds to Note 13 (iv) of the Statement.

9. We did not review the special purpose financial information / financial results of one subsidiary included in the Statement, whose special purpose financial information / financial results reflect total revenues of Rs. 2.46 crores, total profit after tax of Rs. 1.82 crores and total comprehensive income is 1.82 crores for the quarter ended June 30, 2021, as considered in the Statement. The Statement also includes the Group's share of loss after tax of Rs. 450.32 crores and total comprehensive loss (net) of Rs. 428.22 crores for the quarter ended June 30, 2021, as considered in the Statement, in respect of one associate and one joint venture, whose special purpose financial information/ financial results have not been reviewed by us. These special purpose financial information / financial results have been reviewed by other auditors and their reports vide which they have issued an unmodified conclusion, have been furnished to us by the other auditors and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, associate and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Price Waterhouse & Co Chartered Accountants LLP

Limited Review Report on Consolidated Financial Results
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10. The Statement includes the financial information/ financial results of two subsidiaries which have not been reviewed by their auditors, whose financial information/ financial results reflect total revenue of Rs. Nil, total net loss after tax of Rs. 0.28 crores and total comprehensive loss of Rs. 0.28 crores for the quarter ended June 30 2021, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 1.44 crores and total comprehensive loss is Rs. 1.44 crores for the quarter ended June 30, 2021, as considered in the Statement, in respect of two associates and one joint venture, based on their financial information/ financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial information / financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the matters set out in paragraphs 9 and 10 above.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Place: Mumbai
Date: August 11, 2021

Sharad Vasant
Partner
Membership Number 101119
UDIN: 21101119AAAAGS1961

Price Waterhouse & Co Chartered Accountants LLP

Limited Review Report on Consolidated Financial Results
To the Board of Directors of IDFC Limited
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Annexure A: List of entities

A. Subsidiaries – Direct

1. IDFC Projects Limited
2. IDFC Financial Holding Company Limited
3. IDFC Foundation (a section 8 company)
4. IDFC Alternatives Limited
5. IDFC Trustee Company Limited

B. Subsidiaries – Indirect

1. IDFC Asset Management Company Limited
2. IDFC AMC Trustee Company Limited
3. IDFC Securities Limited (upto June 10, 2020)
4. IDFC Capital (Singapore) Pte Limited (upto November 20, 2020)
5. IDFC Investment Managers (Mauritius) Limited
6. IDFC Capital (USA), Inc. (upto June 10, 2020)
7. IDFC Securities Singapore Pte. Limited (upto June 10, 2020)
8. India Multi Avenues Fund Limited
9. IDFC IEH Conservative Fund
10. IDFC IEH Tactical Fund (upto March 16, 2021)

C. Associates – Direct

1. Novopay Solutions Private Limited

D. Associates – Indirect

1. IDFC FIRST Bank Limited
2. IDFC FIRST Bharat Limited
3. Millennium City Expressways Private Limited
4. Jetpur Somnath Tollways Limited

E. Joint Ventures – Indirect

1. Infrastructure Development Corporation (Karnataka) Limited
2. Delhi Integrated Multi-Modal Transit System Limited
3. India PPP Capacity Building Trust

Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2021

(₹ in crores)

Particulars	For the quarter ended			For the year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Unaudited (see note 15)	Unaudited	Audited
Revenue from operations				
i Interest income	0.20	0.23	6.97	9.52
ii Dividend income	0.05	0.08	0.01	0.29
iii Fees and commission income	97.42	96.80	73.42	347.31
iv Net gain / (loss) on fair value changes	11.63	30.64	8.25	49.80
I Total revenue from operations	109.30	127.75	88.65	406.92
II Other income	2.26	25.50	15.34	48.04
III Total income (I+II)	111.56	153.25	103.99	454.96
Expenses				
i Finance costs	0.74	1.72	2.51	13.04
ii Impairment on financial instruments	(0.44)	0.33	0.09	(0.82)
iii Loss on winding up of subsidiary	-	2.56	-	2.56
iv Employee benefits expenses	27.18	24.16	24.11	107.29
v Depreciation, amortization and impairment (see note 3)	5.38	4.74	22.60	20.27
vi Other expenses (see note 3)	21.44	35.45	20.92	112.24
IV Total expenses (IV)	54.30	68.96	70.23	254.58
V Profit/ (loss) before exceptional items and tax (III - IV)	57.26	84.29	33.76	200.38
VI Exceptional Items	-	-	-	-
VII Profit/ (loss) before share of net profits of investments accounted for using equity method and tax (V-VI)	57.26	84.29	33.76	200.38
VIII Share of net profit / (loss) of associates and joint ventures accounted for using equity method	(451.76)	(34.68)	(34.35)	(466.81)
IX Profit / (Loss) before tax from continuing operations (VII + VIII)	(394.50)	49.61	(0.59)	(266.43)
X Tax expense:				
i Current tax	15.16	21.06	22.44	70.79
ii Deferred tax (net)	0.42	(0.39)	(2.55)	(7.13)
iii Tax adjustment of earlier years	-	(13.05)	6.11	7.01
Total tax expense	15.58	7.62	26.00	70.67
XI Net profit / (loss) after tax from continuing operations (IX - X)	(410.08)	41.99	(26.59)	(337.10)
XII Discontinued operations:				
i Profit / (loss) from discontinued operations	-	-	(0.16)	0.07
ii Tax expense of discontinued operations	-	-	(0.29)	(0.29)
Net profit / (loss) for the period from discontinued operations	-	-	0.13	0.36
XIII Net profit / (Loss) for the year/ period (XI+XII)	(410.08)	41.99	(26.46)	(336.74)
XIV Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
- Remeasurements of post-employment benefit obligations	0.22	0.14	(0.27)	1.28
- OCI arising from discontinued operation	-	-	-	-
- Share of OCI of associates and joint ventures accounted for using equity method	(6.58)	(13.40)	19.99	(25.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.05)	(0.01)	0.07	(0.29)
B (i) Items that will be reclassified to profit or loss				
- Share of OCI of associates and joint ventures accounted for using equity method	28.68	31.86	36.26	248.68
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Other comprehensive income for the year, net of tax	22.27	18.59	56.05	224.17
XV Total Comprehensive Income for the period (XIII+XIV)	(387.81)	60.58	29.59	(112.57)
Net Profit/(Loss) attributable to:				
- Owners	(410.25)	41.12	(26.26)	(336.02)
- Non-controlling interests	0.17	0.87	(0.20)	(0.72)
Other comprehensive income attributable to:				
- Owners	22.27	18.59	56.05	224.17
- Non-controlling interests	-	-	-	-
Total comprehensive income attributable to:				
- Owners	(387.98)	59.71	29.79	(111.85)
- Non-controlling interests	0.17	0.87	(0.20)	(0.72)
Total comprehensive income attributable to owners from:				
- Continuing operations	(387.81)	60.58	29.46	(112.93)
- Discontinued operations	-	-	0.13	0.36
XVI Paid-up equity share capital (face value of ₹ 10 per share) [see note 4]	1,596.39	1,596.36	1,596.36	1,596.36
XVII Earnings per equity share				
For continuing operations:				
(1) Basic	(2.57)	0.26	(0.17)	(2.11)
(2) Diluted	(2.57)	0.26	(0.17)	(2.11)
For discontinued operations:				
(1) Basic	-	-	0.00	0.00
(2) Diluted	-	-	0.00	0.00
For continuing and discontinued operations:				
(1) Basic	(2.57)	0.26	(0.17)	(2.11)
(2) Diluted	(2.57)	0.26	(0.17)	(2.11)
See accompanying note to the financial results				

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1 The disclosure in terms of Ind AS 108 dealing with "Operating Segment" as specified under Section 133 of the Companies Act, 2013

(₹ in crores)

Particulars	For the quarter ended			For the year ended
	June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
	Unaudited	Unaudited (see note 15)	Unaudited	Audited
Segment Revenues				
- Financing	0.99	8.21	68.01	77.00
- Asset Management	110.94	133.13	82.25	396.60
- Others	0.08	0.03	0.65	1.30
Total Segment Revenues	112.01	141.37	150.91	474.90
Add: Unallocated Revenues	-	-	-	-
Less: Inter-segment Adjustments	(2.71)	(13.62)	(62.26)	(67.98)
Total Revenues	109.30	127.75	88.65	406.92
Segment Results				
- Financing	(3.35)	26.71	(7.52)	4.79
- Asset Management	62.70	59.78	42.06	202.65
- Others	(2.09)	(2.20)	(0.78)	(7.06)
Total Segment Results	57.26	84.29	33.76	200.38
Add / (Less): Unallocated	-	-	-	-
Add: Share of Profit from Associates and Joint Ventures accounted under Equity method	(451.76)	(34.68)	(34.35)	(466.81)
Profit before tax	(394.50)	49.61	(0.59)	(266.43)
Segment Assets				
- Financing	83.65	78.50	249.39	78.50
- Asset Management	1,442.59	1,411.29	1,339.29	1,411.29
- Others	22.64	26.38	84.06	26.38
Total Segment Assets	1,548.88	1,516.17	1,672.74	1,516.17
Unallocated				
- Banking	6,830.84	6,712.42	6,981.75	6,712.42
- Others	133.89	142.23	104.74	142.23
Total Assets	8,513.60	8,370.82	8,759.23	8,370.82
Segment Liabilities				
- Financing	24.76	24.64	238.59	24.64
- Asset Management	86.92	92.65	114.16	92.65
- Others	9.99	11.30	14.83	11.30
Total Segment Liabilities	121.67	128.59	367.58	128.59
Unallocated				
- Others	20.75	27.35	24.90	27.35
Total Liabilities	142.42	155.94	392.48	155.94
Capital Employed				
- Financing	58.89	53.86	10.80	53.86
- Asset Management	1,355.67	1,318.64	1,225.13	1,318.64
- Others	12.65	15.08	69.23	15.08
Total Segment Capital Employed	1,427.21	1,387.58	1,305.16	1,387.58
Unallocated				
- Banking	6,830.84	6,712.42	6,956.85	6,712.42
- Others	113.14	114.88	104.74	114.88
Disposal group held for sale	-	-	-	-
Total Capital Employed	8,371.18	8,214.88	8,366.75	8,214.88

(i) Segment composition :

- Financing includes investing activity
- Asset Management segment includes portfolio management, mutual fund and other alternative funds

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- 2 The consolidated financial results of the Group have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") prescribed under section 133 of the Companies Act, 2013.
- 3 In the books of Holding company, Impairment of windmills amounting to ₹ 17.05 crore was recognised for the quarter ended June 30, 2020. Post sale of windmills during the quarter ended September 30, 2020 impairment loss was reversed and realised loss of ₹ 16.57 crore was recognised under other expenses.
- 4 During the quarter ended June 30, 2021 the Holding Company issued 30,000 equity shares of face value of Rs 10 each pursuant to exercise of stock option by employees under the employee stock option scheme.
- 5 Reserve Bank of India ("RBI") has, vide its letter No.DOR..HOL.No.SUO-75590/16.01.146/2021-22 dated July 20, 2021, clarified that after the expiry of lock-in period of 5 years, IDFC Limited can exit as the promoter of IDFC FIRST Bank Limited.
- 6 On March 25, 2021 the Holding Company received letter from Government of India, Ministry of Finance , Department of Financials Services informing about the withdrawal of Mr. Anshuman Sharma and Mr. Soumyajit Ghosh as Nominee directors from the Board of IDFC Limited with immediate effect. Pursuant to Regulation 17(1)(c) of SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations 2015, the Board of Directors of IDFC Limited shall comprise of not less than six directors. Due to sudden and immediate withdrawal of Government Nominees from the Board, the number of Directors on Board of the Holding Company reduced from 6 to 4 and the composition of the Board as well as constitution of Board's committees were impacted. As on March 31, 2021 the Holding Company was in process of appointing new directors, other than Government Nominee, on the Board to comply with Regulation 17(1)(c) of SEBI LODR Regulations 2015.

Subsequently, the Holding Company based on the recommendation of Nomination and Remuneration Committee at its meeting held on May 25, 2021 approved nomination of Mr. Jaimini Bhagwati and Mr. Anil Singhvi as an additional director in the category of independent director for a period of 3 years. These nominations are subject to approval of the shareholders of the Holding Company and other statutory / regulatory approvals.

- 7 IDFC Financial Holding Company Limited (IDFC FHCL) (Wholly Owned Subsidiary of the Holding Company) had filed application under section 66 (i) of the Companies Act 2013 for reduction of share capital by ₹ 650 crore on December 12, 2019 with Hon'ble National Company Law Tribunal ('NCLT'). Hon'ble NCLT, Chennai Branch passed order on February 04, 2021 approving the reduction of share capital and had given time of 30 days to effect the reduction. However the shareholders of IDFC FHCL passed a special resolution in the Extra Ordinary General Meeting held on March 2, 2021 to not give effect to the said capital reduction. Based on the legal advice obtained, IDFC FHCL has communicated its decision of not being able to comply to the NCLT order to the Registrar of companies ("ROC") vide MGT-14 dated March 02, 2021 and to NCLT vide their letter dated March 02, 2021. No communication has been received by IDFC FHCL from ROC or NCLT upto the date of approval of these financial statements.
- 8 In view of likely discontinuance of business operations of IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited, the financial statements of these subsidiaries have been prepared on realisable value basis and accordingly, all assets and liabilities are stated at the value at which they are expected to be realised/ settled.
- 9 The Board of Directors of IDFC Asset management Company Limited ('the Investment Manager') had approved the winding up of IDFC IEH Tactical Fund, subsidiary of IDFC Asset Management Company Limited, vide its meeting dated October 30, 2020. Approval from the investors holding more than 75% in the value was received by the Board of Directors of IDFC Asset Management Company Limited on February 16, 2021. All the assets of IDFC IEH Tactical Fund were liquidated by March 16, 2021 and paid to investors. Hence with effect from March 16, 2021, IEH Tactical Fund has ceased to be subsidiary of the Group.
- 10 IDFC FIRST Bank Limited in June 2020 raised equity capital by way of issue of equity shares on preferential basis amounting to ₹ 2,000 crore to augment their capital base. IDFC as a promoter of the Bank, invested a sum of ₹ 800 crore (to maintain 40% stake as required under RBI Guidelines of February 2013) through its wholly owned subsidiary IDFC Financial Holding Company Limited.
- 11 The Group continues to closely monitor the situation and in response to this health crisis has implemented protocols and processes to execute its business continuity plans and help protect its employees and support its clients.

In lights of the Covid-19 outbreak and based on the information available upto the date of the approval of these Financial results, the Group has assessed its liquidity position for the next one year which factors uncertainties due to the current situation.

The Group has further assessed the recoverability and carrying value of its assets comprising of Property, Plant and Equipment and Investments as at June 30, 2021, and has concluded that there are no material adjustments required in the financial results, other than those already considered. The Management has performed an analysis of the fair value of its unquoted and illiquid investments and the same has been considered in the financial result. The future direct and indirect impact of COVID-19 on the Company business, results of operations, financial position and cash flows remains uncertain. The Group will continue to monitor any material changes to future economic conditions.

- 12 IDFC FIRST Bank Limited, an associate of the Group has brought out the following points in its result:
 - (i) The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activity, which may persist even after the restrictions related to the COVID-19 outbreak are being lifted. While the easing of restrictions has driven a revival in economic activity across sectors, the continued slowdown has impacted lending business, fee income generation from sale of third party products, collection efficiency etc. Further, there may be a rise in the number of customer defaults and consequently an increase in provisions. The extent to which the COVID-19 pandemic, including the current "second wave" will continue to impact the Bank's operations and asset quality will depend on future developments, which are highly uncertain. The current second wave of COVID-19 pandemic where the number of cases have increased significantly in India, has resulted into re-imposition of localised / regional lock down measures in various parts of the country.

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This uncertainty is reflected in the Bank's assessment of impairment loss allowance on its loans which are subject to certain management judgements and estimates. In relation to COVID-19, judgements and assumptions included the estimated impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries/products, along with the associated impact on domestic and global economy.

We believe that the Bank's capital and liquidity position is strong and would continue to be the focus area for the bank during this period. The Bank will continue to monitor any material changes to future economic conditions and consequential impact on its Reporting package.

- (ii) In accordance with Resolution Framework for COVID-19 announced by the RBI on August 6, 2020, the Bank has implemented a One-Time Restructuring (OTR) for certain eligible borrowers. The Bank has classified such loans in Stage 3 as at June 30, 2021. Similarly, OTR cases which are restructured based on Resolution Framework 2.0 announced by the RBI on May 5, 2021 are also classified as stage 3 assets.

13 Delhi Integrated Multi Modal Transit System Limited ("DIMTS"), a joint venture of the Group has brought out the following points in its result:

- (i) The Company has already provided provision of ₹ 2,663.46 lakhs against amount due Under AVLS (Automatic Vehicle Location System) Project for which the matter was under arbitration. Arbitral award was declared on 30th June, 2021 and arbitrator has rejected the claims of DIMTS and also ordered the refund of Security deposit of ₹ 235.92 Lakh with Interest. DIMTS proposes to appeal against this order with the approval of Board of Directors/Audit Committee. Hence, DIMTS has neither written-off this amount of ₹ 2,663.46 lakh nor refunded security deposit of ₹ 235.92 lakh. Further, DIMTS has only provided for interest of ₹ 30.35 lakhs on balance security amount payable of ₹ 68.35 lakhs. Had the interest been provided on full security amount mentioned in arbitration award, an additional sum of ₹ 74.41 lakh would have been provided.
- (ii) The Company has recognised deferred tax assets totalling to ₹ 1,835.09 lakh as on 30th June, 2021. Based on the realistic estimates of future profits based on the examination of profits and loss statement of earlier periods, the management estimates that there is reasonable certainty of its expected realization.
- (iii) There is a demand of ₹ 34.34 Crores raised in March' 2020 as rental arrears (including interest) from Delhi Transport Infrastructure Development Corporation Ltd. (DTIDC) for OCC & DIMTS Office (Kashmere Gate) premises for the past 8 years starting from FY 2010-11. DIMTS has taken legal opinion from the reputed counsels M/s Shardul Amarchand Mangaldas & Co. who have opined that there is merit in setting up its case before the appropriate arbitral tribunal. Accordingly, DIMTS proposes to initiate formal Dispute Redressal proceedings under the Arbitration & Conciliation Act'1996 to settle the dispute with DTIDC and Transport Department and the management is hopeful to get a positive outcome of the proposed dispute settlement process.
- (iv) DTIDC has deducted a sum of ₹ 717.19 lakhs (representing 15% of all fees on account of services rendered by DIMTS to DTIDC) towards disputed rental arrears and the same has been shown as "Advance to DTIDC".

14 The aforesaid consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 11, 2021.

15 The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures of the full financial year ended March 31, 2021 and unaudited figures in respect of the nine months ended December 31, 2020.

16 Figures less than ₹ 50,000 have been denoted by β.

17 The accounting policies adopted in the preparation of the financial results are consistent with those followed in the previous period unless otherwise stated.

18 Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.

For and on behalf of the Board of IDFC Limited

Sunil Kakar
Managing Director & CEO
Place: Mumbai
Date: August 11, 2021

We have signed this statement for identification purposes only and this statement should be read in conjunction with our report dated August 11, 2021.

For Price Waterhouse & Co Chartered Accountant LLP
Firm Registration No. 304026E/E-300009

Sharad Vasant
Partner
Membership Number : 101119
Place: Mumbai
Date: August 11, 2021

Khimji Kunverji Co LLP

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