



July 31, 2015

The Manager – Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra (E)
Mumbai-400051

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

Subject: Price Sensitive Information under Clause 36 of the Listing Agreement

The volume of net restructured assets, Non-Performing Assets (NPAs) and Security Receipts (SRs) as of June 30, 2015 was 8.4% of our loan book. Almost 80% of our risks relate to the coal and gas based assets. Given that we will be transitioning to a bank by the end of Q2 FY16 with no visible solution for these assets, we believe it is prudent for us to make incremental provisions against known risks. While our existing loan provisions will be adequate to take care of the regulatory provisioning requirements even if these assets were to deteriorate and become NPAs, we plan to take additional provisions of approximately ₹2500 crore in Q2 FY16 against coal and gas power assets to make sure that in the aggregate, we have provided 50-60% against our aggregate stressed loan assets many of which will not be NPAs on September 30, 2015. We plan to create these additional provisions by utilizing non distributable special reserves that we have created over the past several years, subject to appropriate approvals. The net impact of these additional provisions will be a reduction in our net worth by approximately ₹1600 crore.

Kindly take this information on record.

For IDFC Limited


Mahendra N. Shah
Company Secretary

