

## PART I - Statement of unaudited financial results for the quarter and six months ended September 30, 2014

Particulars	Standalone						Consolidated					
	Quarter ended 30.09.2014	Quarter ended 30.06.2014	Quarter ended 30.09.2013	Six months ended 30.09.2014	Six months ended 30.09.2013	Year ended 31.03.2014	Quarter ended 30.09.2014	Quarter ended 30.06.2014	Quarter ended 30.09.2013	Six months ended 30.09.2014	Six months ended 30.09.2013	Year ended 31.03.2014
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
<b>1 Income from operations</b>												
(a) Income from operations (see note 4)	242157	196911	206278	439068	419721	820356	248274	211821	214536	460095	443975	876139
(b) Other operating income	327	431	310	758	671	1065	327	431	310	758	671	1065
<b>Total income from operations</b>	<b>242484</b>	<b>197342</b>	<b>206588</b>	<b>439826</b>	<b>420392</b>	<b>821421</b>	<b>248601</b>	<b>212252</b>	<b>214846</b>	<b>460853</b>	<b>444646</b>	<b>877204</b>
<b>2 Expenses</b>												
(a) Employee benefits expense	5935	3721	3944	9656	7092	12900	9636	7836	7785	17472	14637	28828
(b) Other expenses	6377	2200	2083	8577	4439	8466	9559	5511	5179	15070	11409	22456
(c) Provisions and contingencies	28928	20178	4902	49106	10815	62883	28118	20393	5007	48511	10924	62830
(d) Depreciation and amortisation expense (see note 5)	491	(7499)	613	(7008)	1215	2429	640	(7967)	783	(7327)	1545	3096
<b>Total expenses</b>	<b>41731</b>	<b>18600</b>	<b>11542</b>	<b>60331</b>	<b>23561</b>	<b>86678</b>	<b>47953</b>	<b>25773</b>	<b>18754</b>	<b>73726</b>	<b>38515</b>	<b>117210</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>200753</b>	<b>178742</b>	<b>195046</b>	<b>379495</b>	<b>396831</b>	<b>734743</b>	<b>200648</b>	<b>186479</b>	<b>196092</b>	<b>387127</b>	<b>406131</b>	<b>759994</b>
4 Other income (see note 6)	243	6575	47	6818	96	1772	145	6663	55	6808	112	1795
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>200996</b>	<b>185317</b>	<b>195093</b>	<b>386313</b>	<b>396927</b>	<b>736515</b>	<b>200793</b>	<b>193142</b>	<b>196147</b>	<b>393935</b>	<b>406243</b>	<b>761789</b>
6 Finance costs	138500	128806	125583	267306	252063	500696	138508	130327	126039	268835	253791	505524
7 Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
<b>8 Profit from ordinary activities before tax (5-6±7)</b>	<b>62496</b>	<b>56511</b>	<b>69510</b>	<b>119007</b>	<b>144864</b>	<b>235819</b>	<b>62285</b>	<b>62815</b>	<b>70108</b>	<b>125100</b>	<b>152452</b>	<b>256265</b>
9 Tax expense (net) (see note 5)	15481	11604	19700	27085	43600	65707	18330	14160	20991	32490	47262	73846
<b>10 Net profit from ordinary activities after tax (8-9)</b>	<b>47015</b>	<b>44907</b>	<b>49810</b>	<b>91922</b>	<b>101264</b>	<b>170112</b>	<b>43955</b>	<b>48655</b>	<b>49117</b>	<b>92610</b>	<b>105190</b>	<b>182419</b>
11 Extraordinary items (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-
<b>12 Net profit after tax before minority interest and share of profit / (loss) of associates (10±11)</b>	<b>47015</b>	<b>44907</b>	<b>49810</b>	<b>91922</b>	<b>101264</b>	<b>170112</b>	<b>43955</b>	<b>48655</b>	<b>49117</b>	<b>92610</b>	<b>105190</b>	<b>182419</b>
13 Share of profit / (loss) of associates (equity method)	-	-	-	-	-	-	(1382)	30	44	(1332)	71	201
14 Share of minority interest	-	-	-	-	-	-	453	511	486	964	855	2352
<b>15 Net profit after tax, minority interest and share of profit / (loss) of associates (12+13-14)</b>	<b>47015</b>	<b>44907</b>	<b>49810</b>	<b>91922</b>	<b>101264</b>	<b>170112</b>	<b>42140</b>	<b>48174</b>	<b>48675</b>	<b>90314</b>	<b>104406</b>	<b>180268</b>
16 Paid-up equity share capital (see note 7) (Face value ₹ 10 /- each)	159027	151683	151613	159027	151613	151629	159027	151683	151613	159027	151613	151629
17 Reserves excluding revaluation reserves	-	-	-	-	-	1319266	-	-	-	-	-	1352402
<b>18 Earnings per share</b> (of ₹ 10/- each)(not annualised)												
(a) Basic (₹) (see note 7)	3.08	2.96	3.28	6.04	6.68	11.22	2.75	3.18	3.21	5.93	6.89	11.89
(b) Diluted (₹) (see note 7)	3.06	2.96	3.28	6.02	6.66	11.21	2.75	3.17	3.21	5.92	6.87	11.88

## PART II - Select information for the quarter and six months ended September 30, 2014

Particulars	Quarter ended 30.09.2014	Quarter ended 30.06.2014	Quarter ended 30.09.2013	Six months ended 30.09.2014	Six months ended 30.09.2013	Year ended 31.03.2014	Particulars
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	
<b>A Particulars of shareholding</b>							<b>B Investor complaints for the quarter ended September 30, 2014</b>
<b>Public shareholding</b>							<b>1 Shareholders' complaints :</b>
- Number of shares	1590267996	1516832080	1516125991	1590267996	1516125991	1516286251	No. of complaints pending at the beginning of the quarter
- Percentage of shareholding	100%	100%	100%	100%	100%	100%	No. of complaints received during the quarter
<b>Promoters &amp; promoter group shareholding</b>							No. of complaints disposed off during the quarter
<b>(a) Pledged/encumbered</b>							No. of complaints remaining unresolved at the end of the quarter
- 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>(b) Non-encumbered</b>							<b>2 Infrastructure retail bondholders' complaints :</b>
- Number of shares	NA	NA	NA	NA	NA	NA	No. of complaints pending at the beginning of the quarter
- Percentage of shares	NA	NA	NA	NA	NA	NA	No. of complaints received during the quarter
(as a % of the total shareholding of promoter and promoter group)							No. of complaints disposed off during the quarter
- Percentage of shares	NA	NA	NA	NA	NA	NA	No. of complaints remaining unresolved at the end of the quarter
(as a % of the total share capital of the Company)							

## Notes:

₹ in lakhs

Particulars	Standalone		Consolidated	
	As at 30.09.2014 (Reviewed)	As at 31.03.2014 (Audited)	As at 30.09.2014 (Reviewed)	As at 31.03.2014 (Audited)
<b>A EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share capital (see note 7)	159027	151629	159027	151629
(b) Reserves & surplus (see note 7)	1504861	1319266	1535435	1352402
<b>Sub-total - Shareholders' funds</b>	<b>1663888</b>	<b>1470895</b>	<b>1694462</b>	<b>1504031</b>
<b>2 Share application money pending allotment</b>	<b>18</b>	<b>12</b>	<b>18</b>	<b>12</b>
<b>3 Minority interest</b>	<b>-</b>	<b>-</b>	<b>3306</b>	<b>4016</b>
<b>4 Non-current liabilities</b>				
(a) Long-term borrowings	4090302	3932009	4090302	3932009
(b) Other long-term liabilities	60375	53046	60466	53137
(c) Deferred tax liabilities (net)	-	-	639	366
(d) Long-term provisions	13722	15041	13722	15050
<b>Sub-total - Non-current liabilities</b>	<b>4164399</b>	<b>4000096</b>	<b>4165129</b>	<b>4000562</b>
<b>5 Current liabilities</b>				
(a) Short-term borrowings	1039231	693253	1039231	782623
(b) Trade payables *	19198	79169	23691	87487
(c) Other current liabilities	979547	1086308	982082	1089500
(d) Short-term provisions	14712	46700	18013	48072
<b>Sub-total - Current liabilities</b>	<b>2052688</b>	<b>1905430</b>	<b>2063017</b>	<b>2007682</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>7880993</b>	<b>7376433</b>	<b>7925932</b>	<b>7516303</b>
<b>B ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Fixed assets	34796	27857	40355	32850
(b) Goodwill on consolidation	-	-	95709	95709
(c) Non-current investments	945061	517781	803725	388824
(d) Deferred tax assets (net)	61320	48720	61856	49116
(e) Long-term loans and advances				
(i) Loans	4725525	5004994	4725525	5004994
(ii) Others	59783	51936	67743	60369
(f) Other non current assets	18257	17406	18366	17531
<b>Sub-total - Non-current assets</b>	<b>5844742</b>	<b>5668694</b>	<b>5813279</b>	<b>5649393</b>
<b>2 Current assets</b>				
(a) Current investments	1210890	602107	1237503	742046
(b) Trade receivables **	42348	64310	43986	65799
(c) Cash and bank balances	15836	21746	76669	39038
(d) Short-term loans and advances				
(i) Loans	578297	849559	578297	849559
(ii) Others	78094	51029	64456	51197
(e) Other current assets	110786	118988	111742	119271
<b>Sub-total - Current assets</b>	<b>2036251</b>	<b>1707739</b>	<b>2112653</b>	<b>1866910</b>
<b>TOTAL - ASSETS</b>	<b>7880993</b>	<b>7376433</b>	<b>7925932</b>	<b>7516303</b>

\* includes ₹ Nil as on September 30, 2014 and ₹ 57426 lakhs as on March 31, 2014 on deals entered on trade date basis, subsequently paid.

\*\* includes ₹ 41665 lakhs as on September 30, 2014 and ₹ 63264 lakhs as on March 31, 2014 on deals recognised on trade date basis, subsequently realised.

4 Income from operations (standalone) for the half year ended September 30, 2014 includes dividend from subsidiary companies of ₹ 8723 lakhs (for the half year ended September 30, 2013 ₹ 2807 lakhs and for the year ended March 31, 2014 ₹ 2807 lakhs).

5 Having regard to the Part C of Schedule II of the Companies Act, 2013, during the half year ended September 30, 2014, the Group has reviewed its policy of providing for depreciation on its tangible fixed assets and also reassessed their useful lives. On and from April 1, 2014, the straight line method is being used to depreciate all classes of tangible fixed assets. Previously, straight line method was used for depreciating certain office equipment and leasehold improvements while other tangible fixed assets were depreciated using written down value method.

As a result of the change, the charge on account of depreciation in standalone accounts is lower for the half year ended September 30, 2014 by ₹ 8117 lakhs and for the quarter ended June 30, 2014 by ₹ 8040 lakhs (including writeback of ₹ 7887 lakhs upto March 31, 2014) and in consolidated accounts its lower by ₹ 8873 lakhs for the half year ended September 30, 2014 and for the quarter ended June 30, 2014 by ₹ 8774 lakhs (including writeback of ₹ 8471 lakhs upto March 31, 2014) as compared to the method used and useful lives estimated in earlier periods. Consequently, deferred tax liability in standalone accounts for the half year ended September 30, 2014 of ₹ 1507 lakhs, for the quarter ended June 30, 2014 of ₹ 1491 lakhs (including ₹ 1449 lakhs up to March 31, 2014) and for consolidated accounts ₹ 1764 lakhs for the half year ended September 30, 2014 and ₹ 1741 lakhs for the quarter ended June 30, 2014 (including deferred tax liability of ₹ 1648 lakhs up to March 31, 2014) has been created on account of depreciation timing differences, resulting in a net increase in standalone profit after tax of ₹ 6610 lakhs for the half year ended September 30, 2014 and ₹ 6549 lakhs for the quarter ended June 30, 2014 (including ₹ 6438 lakhs upto March 31, 2014) and for consolidated profit after tax of ₹ 7109 lakhs for the half year ended September 30, 2014 and ₹ 7033 lakhs for the quarter ended June 30, 2014 (including in profit after tax up to March 31, 2014 of ₹ 6823 lakhs).

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

₹ in lakhs

Particulars	Consolidated					
	Quarter ended 30.09.2014 (Reviewed)	Quarter ended 30.06.2014 (Reviewed)	Quarter ended 30.09.2013 (Reviewed)	Six months ended 30.09.2014 (Reviewed)	Six months ended 30.09.2013 (Reviewed)	Year ended 31.03.2014 (Audited)
<b>Segment revenue</b>						
Financing	239552	200004	207012	439556	425391	830489
Others *	15471	12338	10663	27809	22106	49605
	<b>255023</b>	<b>212342</b>	<b>217675</b>	<b>467365</b>	<b>447497</b>	<b>880094</b>
Less: Inter segment revenue	(6422)	(90)	(2829)	(6512)	(2851)	(2890)
<b>Income from operations</b>	<b>248601</b>	<b>212252</b>	<b>214846</b>	<b>460853</b>	<b>444646</b>	<b>877204</b>
<b>Segment results</b>						
Financing	55964	51018	66363	106982	144866	235594
Others *	6313	5143	3736	11456	7574	20065
Unallocated	8	6654	9	6662	12	606
<b>Profit before tax</b>	<b>62285</b>	<b>62815</b>	<b>70108</b>	<b>125100</b>	<b>152452</b>	<b>256265</b>
<b>Capital employed</b>						
(Segment assets - Segment liabilities)						
Financing	1459214	1315296	1281683	1459214	1281683	1276198
Others *	149405	154629	145747	149405	145747	150552
Unallocated	89167	87199	50563	89167	50563	81309
<b>Total Capital employed</b>	<b>1697786</b>	<b>1557124</b>	<b>1477993</b>	<b>1697786</b>	<b>1477993</b>	<b>1508059</b>

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

3 The analytical ratios and key data relating to standalone results are as under:

₹ in lakhs

Particulars	Standalone					
	Quarter ended 30.09.2014 (Reviewed)	Quarter ended 30.06.2014 (Reviewed)	Quarter ended 30.09.2013 (Reviewed)	Six months ended 30.09.2014 (Reviewed)	Six months ended 30.09.2013 (Reviewed)	Year ended 31.03.2014 (Audited)
<b>(i) Capital adequacy ratio</b>	<b>25.92%</b>	23.67%	23.95%	<b>25.92%</b>	23.95%	22.11%
<b>(ii) NPA Ratio</b> (see note 11)						
(a) Amount of gross NPA	34238	34238	18049	34238	18049	33298
(b) Amount of net NPA	22844	22887	11127	22844	11127	22058
(c) % of gross NPA to gross advances	<b>0.62%</b>	0.64%	0.32%	<b>0.62%</b>	0.32%	0.56%
(d) % of net NPA to net advances	<b>0.42%</b>	0.43%	0.20%	<b>0.42%</b>	0.20%	0.37%
<b>(iii) Return on assets (annualised)</b>	<b>2.33%</b>	2.37%	2.71%	<b>2.35%</b>	2.78%	2.32%

6 Other income (standalone) for the half year ended September 30, 2014 include profit ₹ 100 lakhs on transfer of its stake in IDFC Primary Dealership Company Limited and IDFC Housing Finance Company Limited to IDFC Alternatives Limited, a subsidiary of the Company. Other income for the year ended March 31, 2014 include profit of ₹ 68 lakhs on transfer of 49.99% stake in IDFC Pension Fund Management Company Limited, to IDFC Securities Limited, a subsidiary of the Company.

7 The Company has allotted 73000000 equity shares of ₹ 10 each at a premium of ₹ 127 per share on September 16, 2014 pursuant to a Qualified Institutions Placement under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Share issue expenses amounting to ₹ 1269 lakhs have been adjusted against the Securities Premium Account in terms of Section 52 of the Companies Act, 2013. The proceeds from the Qualified Institutions Placement is pending utilisation in accordance with the objects as set out in the offer document. The Company during the quarter and half year ended September 30, 2014 has also issued 435916 and 981745 equity shares respectively of face value of ₹ 10 each pursuant to exercise of stock options by employees under the employee stock option scheme.

8 IDFC Alternatives Limited, a wholly owned subsidiary of IDFC Limited has filed a Scheme of Arrangement with the Honble Bombay High Court on September 25, 2014 for merger of IDFC Project Equity Company Limited, IDFC Primary Dealership Company Limited and IDFC Housing Finance Company Limited with IDFC Alternatives Limited. The appointed date for the merger is October 1, 2014 and is subject to the approval of the Honble Bombay High Court.

9 During the half year ended September 30, 2014, the Company has disposed its stake in two subsidiaries - Neopro Technologies Private Limited and Galaxy Mercantiles Limited which were held exclusively for disposal in near future. Consequently, these entities ceased to be subsidiaries of the Company.

10 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 Schedule III to the Companies Act, 2013. 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.

11 The disclosures for NPA referred to in note 3 (ii) above correspond to non performing advances.

12 The figures for the quarter ended September 30, 2014 and September 30, 2013 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2014 and September 30, 2013 and the reviewed figures of quarter ended June 30, 2014 and June 30, 2013 respectively.

13 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.

14 The figures for the previous periods / year have been regrouped wherever necessary, in order to make them comparable.

For and on behalf of the Board

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 Vikram Limaye  
 Managing Director & CEO

Mumbai, October 30, 2014