

October 30, 2018

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

IDFC Limited – Presentation on Q2FY19-(Quarter and half Year ended September 30, 2018)

Dear Sirs,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the presentation on the financials for the quarter and half year ended September 30, 2018.

This is for your information and records

Thanking you,

Yours faithfully,
For IDFC Limited

AARanade



Amol A. Ranade
Company Secretary

Encl.: A/a



IDFC LIMITED

H1FY19 FINANCIALS



INDEX

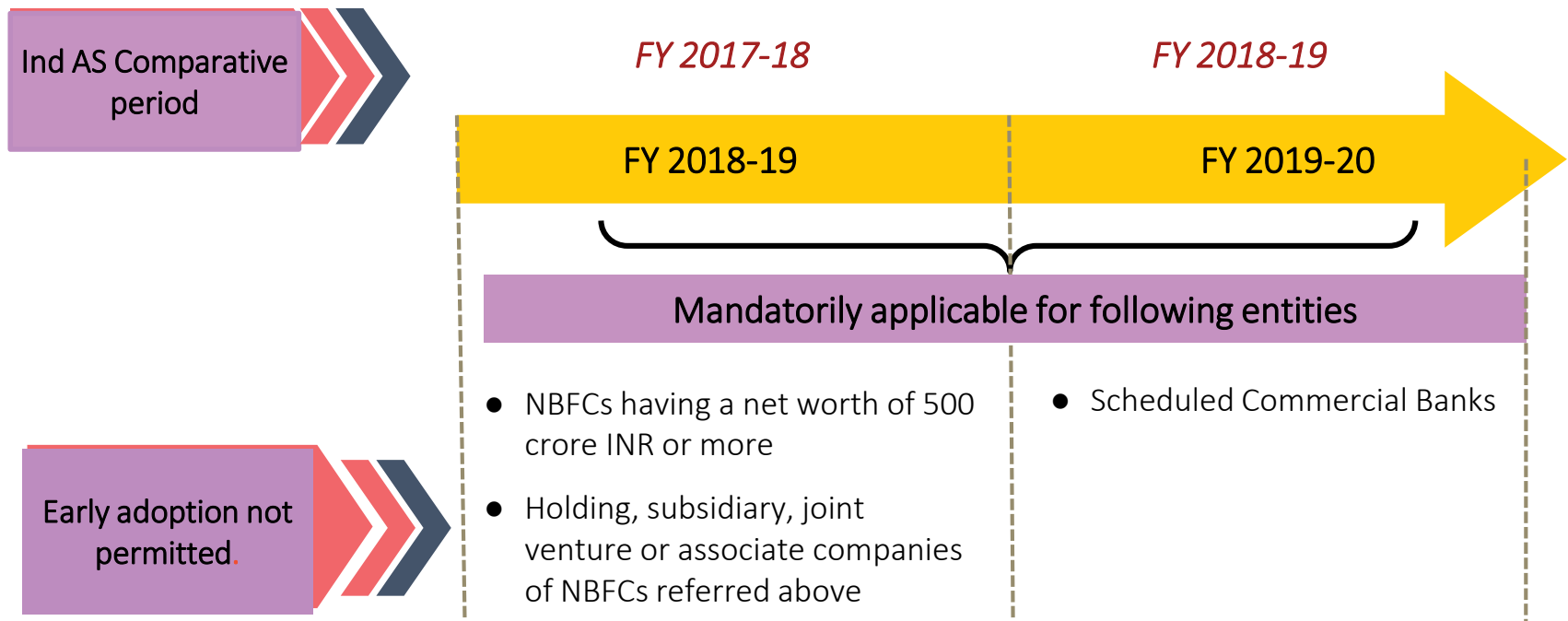
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First time adoption of Indian Accounting Standard (Ind-AS)

Ind AS applicable to IDFC Limited from April 1, 2018.

IDFC Limited to publish standalone Ind AS financials on quarterly basis. IDFC Limited will publish consolidated Ind AS results for the year ended March 31, 2019.

All subsidiaries of IDFC Limited are required to prepare Ind AS financials from April 1, 2018.



Key Highlights for half year ended September 30, 2018

	<p align="center">Balance Sheet (Standalone)</p> <p align="center">Ind AS ₹ 9,821 Cr</p>	<p align="center">PAT</p> <p align="center">Standalone (Ind AS) – ₹ 128 Cr [₹ 150 Cr]</p>
<p align="center">IDFC AMC</p> <p>QAAUM : ₹ 69,483 Cr YoY 5% ↑ Market Share : 2.9% ↔ PAT (Ind AS) : ₹ 31 Cr [₹ 45 cr] ↓</p>		<p align="center">IDFC Bank</p> <p align="center">PAT (IGAAP) ₹ (167) Cr [₹ 671 Cr] (including profit of IBL)</p>
	<p align="center">IDFC IFL</p> <p>Loan Book : ₹ 4,521Cr ↑ (₹ 3,297 Cr) YoY 37%</p> <p>PAT (Ind AS): ↑ ₹ 50.4 Cr [₹ 41.3 cr]</p> <p>Capital Adequacy : 22.6%</p>	<p align="center">IDFC Securities</p> <p>Market Share :</p> <p>MF 3.6% PY 3.9% ↓ DII 4.0% PY 5.1% FIIs 0.6% PY 0.8% PAT (Ind AS) : ₹ (0.24) Cr [₹ 21.76 Cr] ↓</p>
<p align="center">Merger of Capital First with IDFC Bank</p> <p>Shareholders' and creditors' approval received. NCLT process underway.</p>		<p align="center">IDFC Alternatives</p> <p>Infra Vertical sale completed in July 18 PE/RE being sold</p> <p>PAT (Ind AS) : ₹ 130 Cr</p>

[] denotes number for previous corresponding period.

Entity wise P&L (H1 FY 19)

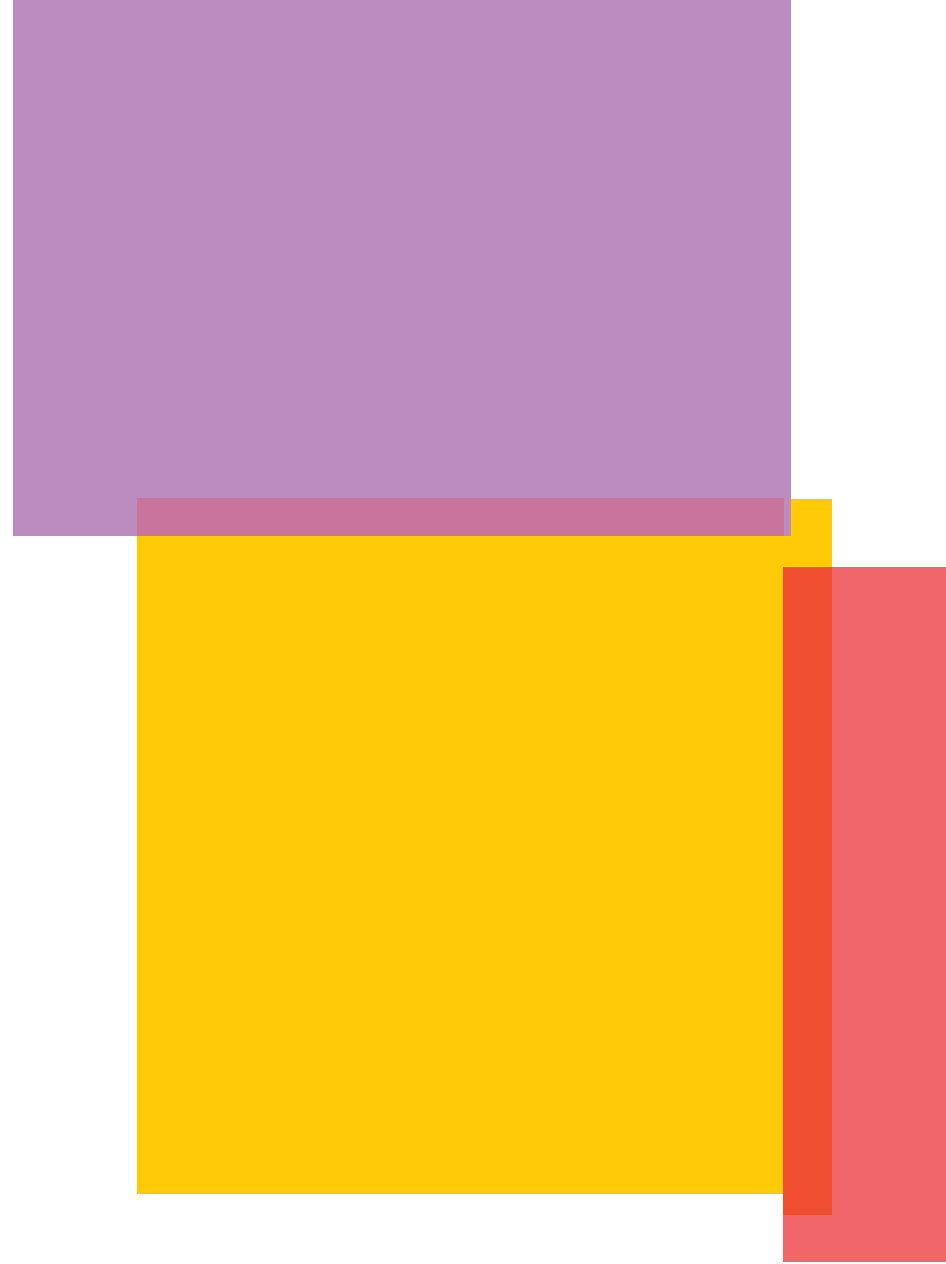
In INR cr	IDFC Ltd. *	IDFC Bank + IBL^	IDFC AMC	IDFC Alt	IDFC IFL ^	IDFC Sec	IDFC FHCL #
Applicable Accounting Standard	Ind AS	IGAAP	Ind AS	Ind AS	Ind AS	Ind AS	Ind AS
% Holding		56.16%	100%	100%	81.48%	100%	100%
Income	155	1356	155	190	62	31	199
Operating Expenses	17	1108	110	29	10	25	12
Pre Provisioning Operating Profit	138	248	45	161	52	5	187
Provisions	1	562	-	-	1	-	-
Tax	9	-147	14	31		5	1
PAT	128	-167	31	130	50	0	186

* Includes subsidiary dividend of INR 121 cr

^ Not adjusted for Minority Interest

Includes subsidiary dividend of INR 194 cr

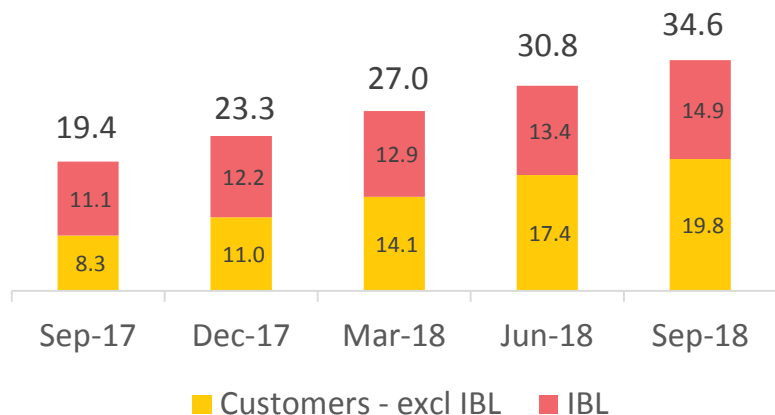
IDFC BANK



Key Highlights: H1 FY19

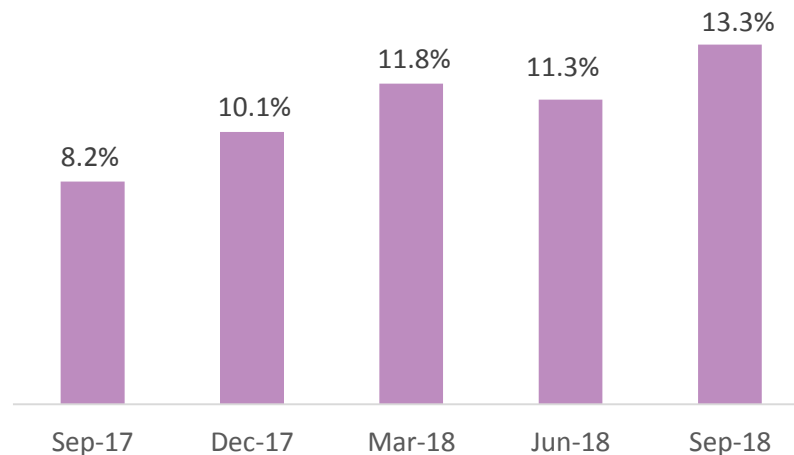
No of Customers

(Total: 34.6 lacs | IBL: 14.9 lacs)



Customers acquired in Q2 FY19: 383K (Urban: 53K, Rural: 329K of which IBL: 141K)

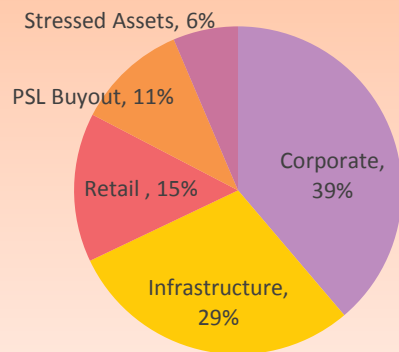
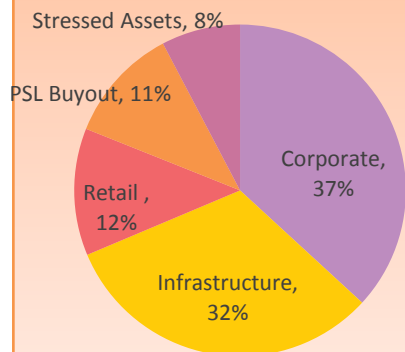
CASA to Deposits



Funded book diversified into Retail & Infra/Stressed assets decline

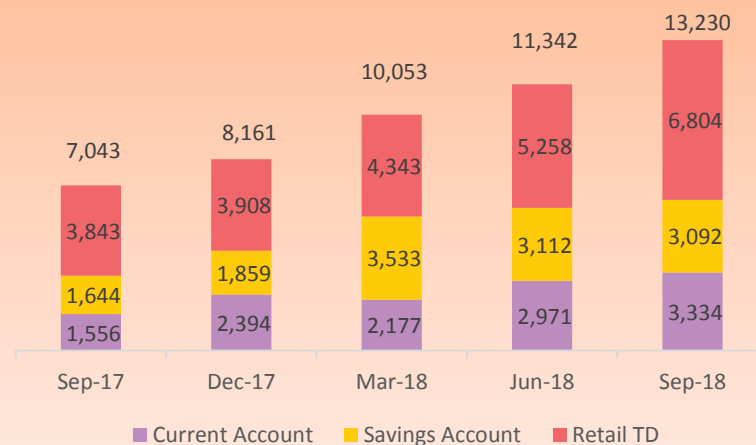
Jun 18 (Rs. 75,191 Cr¹)

Sep 18 (Rs. 75,331 Cr¹)



CASA + Retail TD

All figures in INR Cr



Balance sheet

In INR Cr.	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Shareholders' Funds	15,056	15,257	15,438	14,776	(4%)	(2%)	(3%)
Deposits	38,890	48,198	54,057	48,356	(11%)	24%	0%
Borrowings	59,944	57,287	47,591	52,875	11%	(12%)	(8%)
Other liabilities and provisions	6,062	5,778	5,934	7,248	22%	20%	25%
Total Liabilities	1,19,952	1,26,520	1,23,021	1,23,255	0%	3%	(3%)
Cash and Bank Balances	2,470	1,768	2,545	2,409	(5%)	(2%)	36%
Net Retail and Wholesale Assets	65,886	70,099	72,240	72,619	1%	10%	4%
Net Advances	48,830	52,165	53,215	53,868	1%	10%	3%
<i>Gross Advances</i>	<i>51,121</i>	<i>53,753</i>	<i>54,809</i>	<i>55,020</i>	<i>0%</i>	<i>8%</i>	<i>2%</i>
<i>Less: Provisions</i>	<i>(2,291)</i>	<i>(1,588)</i>	<i>(1,594)</i>	<i>(1,152)</i>	<i>(28%)</i>	<i>(50%)</i>	<i>(27%)</i>
Credit Investments	17,056	17,934	19,025	18,751	(1%)	10%	5%
<i>Credit Book</i>	<i>15,160</i>	<i>16,136</i>	<i>17,279</i>	<i>17,235</i>	<i>(0%)</i>	<i>14%</i>	<i>7%</i>
<i>Loan Equity</i>	<i>3,220</i>	<i>3,163</i>	<i>3,103</i>	<i>3,076</i>	<i>(1%)</i>	<i>(4%)</i>	<i>(3%)</i>
<i>Less: Provision</i>	<i>(1,324)</i>	<i>(1,365)</i>	<i>(1,356)</i>	<i>(1,560)</i>	<i>15%</i>	<i>18%</i>	<i>14%</i>
Statutory Investments	16,740	19,458	19,572	19,887	2%	19%	2%
<i>CRR</i>	<i>2,604</i>	<i>3,124</i>	<i>3,089</i>	<i>3,081</i>	<i>(0%)</i>	<i>18%</i>	<i>(1%)</i>
<i>SLR</i>	<i>14,136</i>	<i>16,334</i>	<i>16,483</i>	<i>16,806</i>	<i>2%</i>	<i>19%</i>	<i>3%</i>
Trading Investments	27,921	27,899	20,701	19,012	(8%)	(32%)	(32%)
Fixed and Other Assets	6,935	7,296	7,962	9,327	17%	34%	28%
Total Assets	1,19,952	1,26,520	1,23,021	1,23,255	0%	3%	(3%)

Funded assets: Retail grows 19% & Corporate grows 5.5% QoQ; Stressed Assets decline

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Retail	4,722	7,966	9,323	11,070	19%	134%	39%
Wholesale	47,575	50,249	51,620	51,190	(1%)	8%	2%
Corporate	18,434	26,059	27,696	29,218	5%	58%	12%
Infrastructure	29,141	24,190	23,924	21,972	(8%)	(25%)	(9%)
PSL Buyout/RIDF	9,865	8,980	8,463	8,256	(2%)	(16%)	(8%)
Stressed Assets	5,317	4,874	4,827	2,896	(40%)	(46%)	(41%)
SRs	2,023	1,984	1,958	1,932	(1%)	(5%)	(3%)
Technical Write offs	(0)	(998)	(1,000)	(12)	(99%)	2523%	(99%)
Total	69,501	73,055	75,191	75,331	0%	8%	3%

Non-Funded Assets

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Trade Related Non Funded Assets	25,421	27,903	26,201	25,624	(2%)	1%	(8%)
Forward and Derivative Contracts	1,80,784	1,87,428	2,09,938	2,40,658	15%	33%	28%
Total	2,06,205	2,15,331	2,36,139	2,66,281	13%	29%	24%

Note: Figures for the previous periods have been reclassified for consistency with the current period.

Retail assets growing at a healthy clip

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Rural	2,289	3,264	3,665	4,295	17%	88%	32%
JLG Total	2,192	3,042	3,384	3,915	16%	79%	29%
Micro Enterprise Loan	67	158	205	274	33%	309%	73%
Equipment Hypothecation Loan	5	13	15	21	37%	284%	58%
Micro Housing Loan	1	7	15	34	125%	NM	383%
Two-Wheeler Loan	24	44	46	50	10%	114%	15%
KCC	0	0	0	2	NM	NM	NM
Urban	2,433	4,704	5,657	6,775	20%	178%	44%
Home Loan	969	1,610	1,911	2,209	16%	128%	37%
Loan Against Property	316	621	776	997	29%	216%	61%
Personal Loan	185	374	483	641	33%	246%	71%
Business Loan	1	24	59	119	101%	NM	395%
MSME	248	512	640	843	32%	240%	65%
Working capital – Partnership	68	97	103	102	-1%	49%	5%
Commercial Vehicle	168	538	571	709	24%	322%	32%
SME	477	928	1,114	1,155	4%	142%	25%
Retail (Funded)	4,722	7,967	9,323	11,070	19%	134%	39%

Wholesale assets diversifying away from Infra

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Wholesale Bank	47,575	50,249	51,620	51,190	(1%)	8%	2%
Corporates	18,434	26,059	27,696	29,218	5%	59%	12%
Conglomerates	2,850	3,941	3,289	3,219	(2%)	13%	(18%)
Health, Education, LRDs	3,216	4,127	4,373	4,345	(1%)	35%	5%
LC	3,478	5,565	5,422	6,073	12%	75%	9%
ELC	4,050	6,829	7,174	7,916	10%	95%	16%
MNC	666	637	711	937	32%	41%	47%
DFIG	4,174	4,960	6,728	6,727	0%	61%	36%
Infrastructure	29,141	24,190	23,924	21,972	(8%)	(25%)	(9%)
PSL Buyout	9,865	8,980	8,463	8,256	(2%)	(16%)	(8%)
PTC	7,317	6,206	5,570	5,025	(10%)	(31%)	(19%)
DA	1,839	654	591	542	(8%)	(71%)	(17%)
RIDF	709	2,120	2,302	2,689	17%	279%	27%

Treasury Assets

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)
CRR	2,604	3,124	3,089	3,081	(0%)	18%
HTM: SLR securities	13,404	14,661	16,008	16,068	0%	20%
Trading Portfolio	28,653	29,600	21,280	19,896	(7%)	(31%)
Government Securities - A	24,925	24,162	17,260	16,327	(5%)	(34%)
SLR	732	1,673	475	738	55%	1%
LCR / Others	24,193	22,489	16,785	15,589	(7%)	(36%)
Bonds (Non - Repoable) - B	3,728	5,438	4,020	3,569	(11%)	(4%)
Certificate of Deposit	0	249	0	0	NM	NM
Commercial Paper	13	524	24	24	0%	80%
Bonds & Debentures (ex Tax free)	1,123	2,046	1,367	930	(32%)	(17%)
Tax Free Bonds	2,592	2,619	2,629	2,615	(1%)	1%
(Less) Provision	11.6	24.6	103.8	146.0		
Net Book value	44,650	47,360	40,273	38,899	(3%)	(13%)

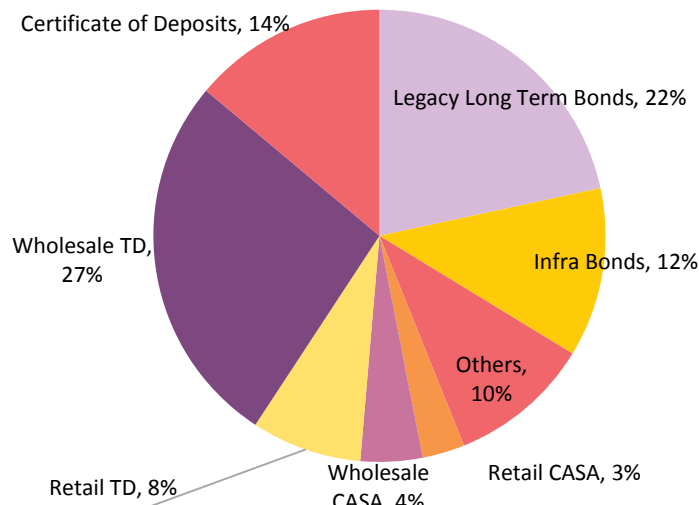
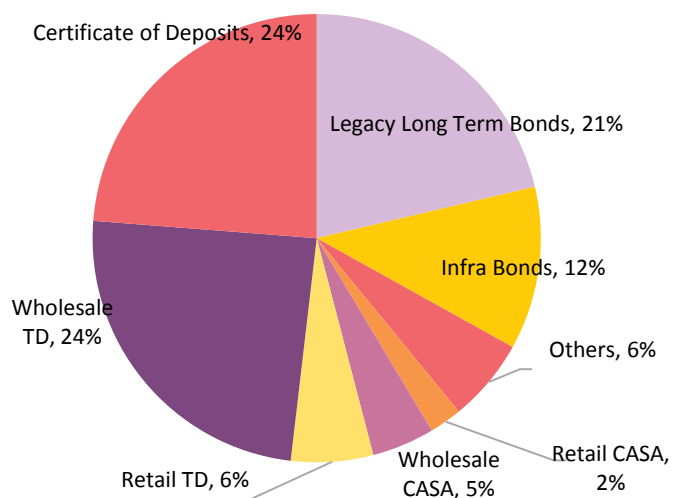
Borrowing & Deposit analysis

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18	% Growth (QoQ)	% Growth (YoY)	% Growth (YTD)
Legacy Long Term Bonds	25,464	21,405	18,909	18,632	(1%)	(27%)	(13%)
Infra Bonds	10,434	10,434	10,434	10,434	0%	0%	0%
Others (incl ECB / FCY / Refinance)	3,081	4,644	5,328	8,778	65%	185%	89%
CASA	3,200	5,710	6,084	6,426	6%	101%	13%
- Retail	810	1,617	2,078	2,609	26%	222%	61%
- Wholesale	2,389	4,093	4,006	3,817	(5%)	60%	(7%)
Term Deposits	23,505	22,826	26,887	29,943	11%	27%	31%
- Retail	3,843	4,343	5,258	6,804	29%	77%	57%
- Wholesale	19,662	18,483	21,629	23,139	7%	18%	25%
Certificate of Deposits	12,186	19,662	21,086	11,988	(43%)	(2%)	(39%)
Borrowings + Deposits	77,870	84,681	88,727	86,200	(3%)	11%	2%
Money Market (CBLO / REPO)	20,964	20,804	12,921	15,031	16%	(28%)	(28%)
Total Borrowings	98,834	1,05,485	1,01,648	1,01,231	(0%)	2%	(4%)

Jun 18

Borrowings (excluding Money Market)

Sep 18



Yields and CoFs remain stable

Particulars	H1 FY18	Q1 FY19	Q2 FY19	H1 FY19
Yields¹	9.3%	9.1%	9.4%	9.2%
Retail	17.6%	14.9%	15.0%	14.9%
WB (including PSL Buyout)	9.3%	8.8%	8.8%	8.8%
<i>Corporate Banking</i>	9.3%	8.9%	9.0%	8.9%
<i>Infrastructure</i>	10.1%	9.4%	9.4%	9.4%
WB (excl PSL Buyout)	9.8%	9.1%	9.2%	9.2%
PSL Buyout	6.8%	6.7%	6.5%	6.6%
<i>Stressed Assets</i>	3.4%	2.5%	3.8%	3.1%
Average Cost of Funds	7.5%	7.4%	7.6%	7.5%
CASA + Retail TD	5.7%	5.4%	5.9%	5.7%
Corporate Deposits	6.5%	7.0%	7.2%	7.1%
Legacy Borrowings	8.7%	8.8%	8.8%	8.8%
Spreads	1.8%	1.7%	1.7%	1.7%

1. Yields excluding SRs and grossed up for commission paid to IBL and other BCs

Note: Yields and CoFs excluding treasury assets and CBLO / REPO borrowings respectively

Note: Figures for the previous periods have been reclassified for consistency with the current period.

Stressed asset book falls; PCR at 80%

In INR Cr	Sep-17	Mar-18	Jun-18	Sep-18
Stressed Assets	5,317	4,874	4,827	2,896
<i>NPL</i>	2,002	2,769	2,765	895
<i>Others Loans</i>	2,118	927	918	856
<i>Stressed Equity</i>	1,197	1,178	1,144	1,144
Provisions	3,350	3,707	3,717	2,317
<i>NPL</i>	1,197	1,878	1,884	574
<i>Others Loans</i>	1,161	814	825	598
<i>Stressed Equity</i>	992	1,015	1,008	1,144
PCR	63%	76%	77%	80%
NPL (% of stressed assets)	37.7%	56.8%	57.3%	30.9%
GNPL	3.9%	3.3%	3.2%	1.6%
NNPL	1.6%	1.7%	1.6%	0.6%

Profit & Loss Statement (MIS-Standalone + IBL)

In INR Cr	Q1 FY19	Q2 FY19	H1 FY18	H1 FY19	% Growth (QoQ)	% Growth (YoY)
Operating Income	603	596	1,262	1,199	(1%)	(5%)
Net Interest Income	448	464	811	912	4%	12%
Wholesale	324	309	644	633	(5%)	(2%)
Retail	185	214	219	399	15%	82%
PSL Drag	(26)	(40)	(49)	(65)	NM	NM
SRs	(34)	(33)	(72)	(67)	NM	NM
Stressed Assets	(2)	15	69	13	NM	(82%)
Non Interest Income	123	133	250	256	8%	2%
Recurring Fees	120	128	181	248	6%	37%
Loan Related Fees	45	55	83	101	22%	21%
Trade & Cash Management Fees	36	39	56	75	7%	35%
Client Fx Margins	20	15	26	35	(26%)	34%
Debit Cards & Digital Transaction Fees	13	12	10	26	(8%)	168%
Wealth Management	3	3	2	6	3%	135%
Other Retail Fees	2	3	4	6	35%	33%
Other Fees	3	5	69	8	92%	(88%)
IB Fees	1	2	43	3	48%	(92%)
DCM & Syndication fees	2	3	24	5	15%	(80%)
Other Income	(1)	1	2	(0)	NM	NM
Treasury Income	32	(1)	200	31	NM	(84%)
Operating Expenses	499	608	827	1,108	22%	34%
HR	205	218	332	423	6%	27%
Non HR	250	342	423	592	36%	40%
IBL Expenses	44	49	72	93	12%	28%
PPOP	104	(12)	435	91	NM	(79%)
Provisions	23	539	13	562	NM	NM
Specific	13	518	10	530	NM	NM
Others	10	22	3	32	NM	NM
PBT (Excl Asset Sale)	81	(551)	422	(471)	NM	NM
Asset Sale/one offs	157	0	616	157	NM	(74%)
PBT	237	(551)	1,037	(314)	NM	NM
Tax	46	(192)	364	(147)	NM	NM
PAT	192	(359)	673	(167)	NM	NM

- Retail NII has been grossed up with the Commission paid to IBL and Other BCs and the same has been shown in operating expense line.
- Some of the Operating expenses items such as DICGC premium, brokerage, etc which were netted off from NII earlier have now been moved to Operating expenses.

Financials: Key ratios (MIS – Standalone + IBL)

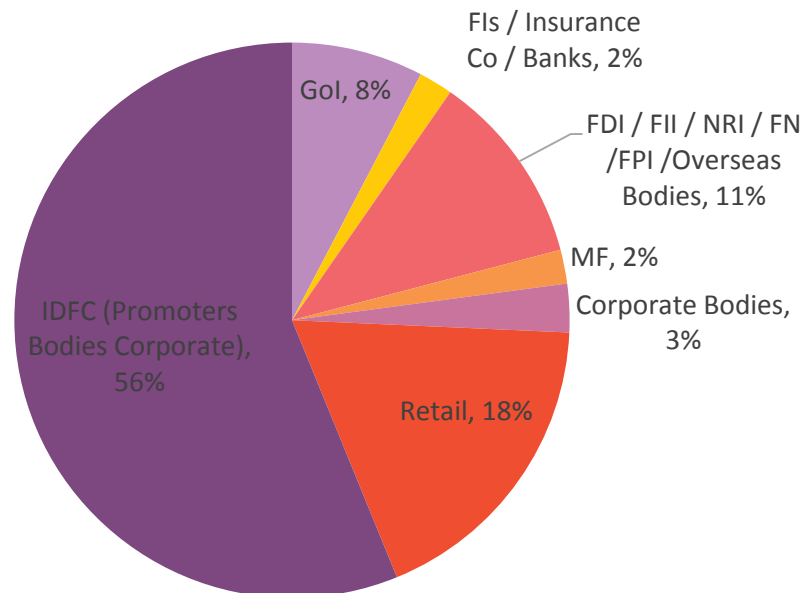
Particular	H1 FY18	FY 18	Q1 FY19	H1 FY19
Return on Assets	1.2%	0.7%	0.6%	(0.3%)
Return on Equity	9.1%	5.7%	5.0%	(2.2%)
EPS (Rs.)	2.0	2.5	0.6	(0.5)
Book Value Per Share (Rs.)	44.3	44.8	45.4	43.4
NIMs	1.9%	1.7%	1.9%	1.9%
Cost/Income ¹	44.0%	54.1%	65.7%	81.7%
Capital Adequacy Ratio	19.3%	18.0%	19.3%	19.2%
<i>Of which Tier I</i>	<i>19.0%</i>	<i>17.7%</i>	<i>18.9%</i>	<i>18.8%</i>
Gross NPL (% of Loans)	3.9%	3.3%	3.2%	1.6%
Net NPL (%)	1.6%	1.7%	1.6%	0.6%
CASA/Total Deposits	8.2%	11.8%	11.3%	13.3%
Price/Book	1.3	1.1	0.9	0.8

1. Income considered for calculation includes asset sale

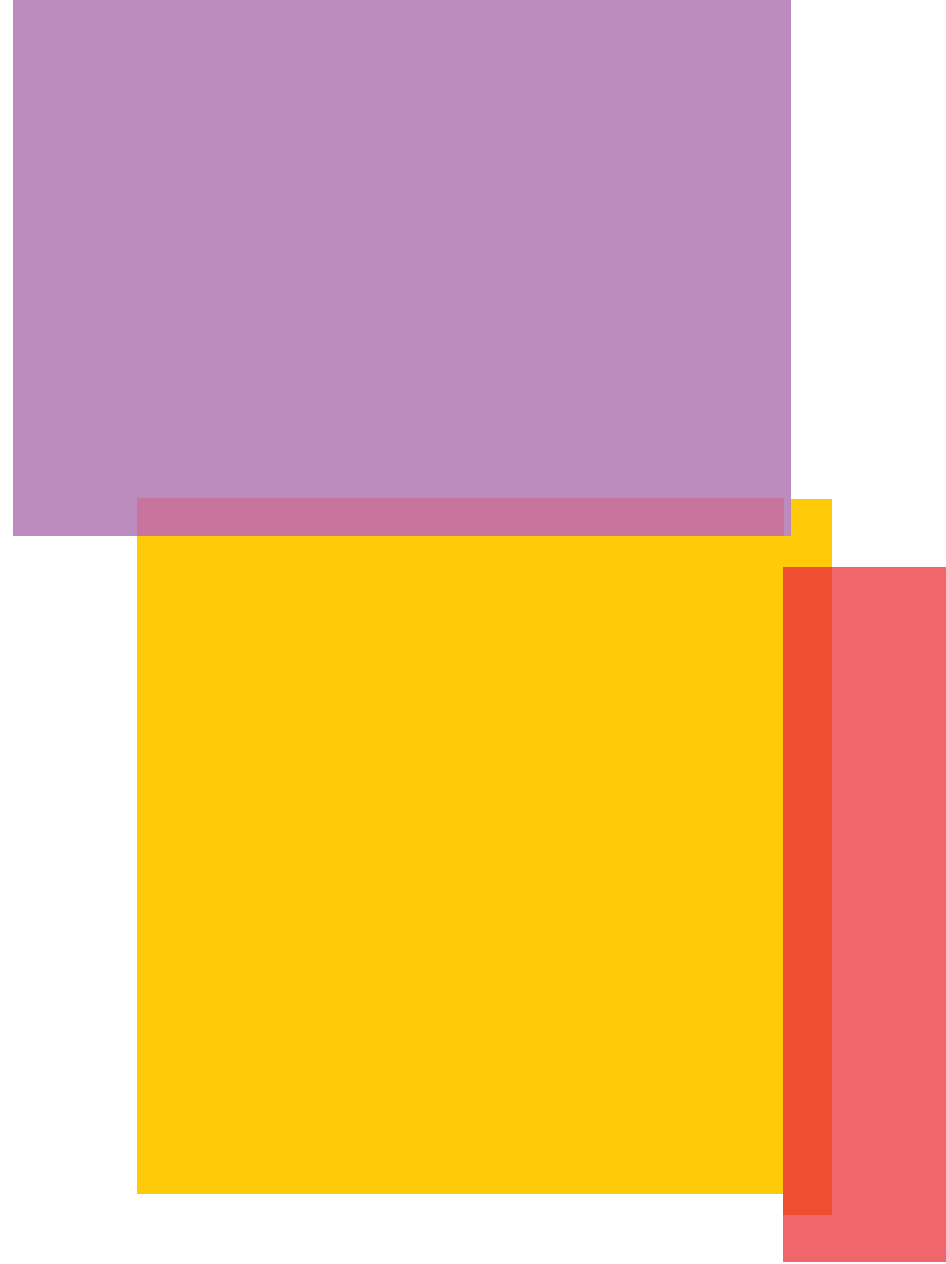
Shareholding pattern

Top 10 shareholders

Shareholder Name	Category	% Of total Equity
Gol	Gol	7.7%
Platinum Investment Management	FII / FDI	2.6%
Vanguard	FII / FDI	1.4%
Emerging Markets Funds	FII / FDI	1.2%
LIC	FIs / Insurance Co / Banks	0.8%
Blackrock Fund	FII / FDI	0.8%
Wellington Trust Company National Association	FII / FDI	0.6%
Kotak	MF	0.5%
Goldman Sachs Investments (Mauritius) I Ltd	P-Note	0.5%
Auburn Limited	FII / FDI	0.4%

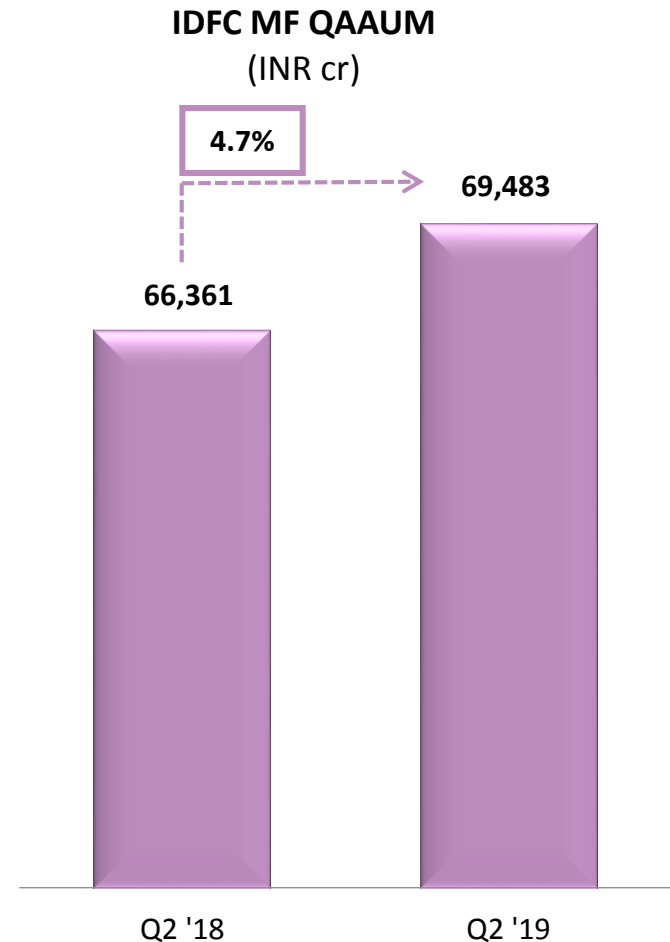


IDFC ASSET MANAGEMENT



Key Highlights

- Average AUM for Q2 '19 was INR 69,483 cr (+4.7% YoY, -0.2% QoQ), our market share at 2.9%
- Equity funds QAAUM was INR 22,522 cr (+44.3% YoY, +4.2% QoQ), maintaining market share of 2.0%
 - Industry Equity grew by 4.5% (QoQ)
- Fixed Income AAUM was INR 46,960 cr (-7.5% YoY, 2.1% QoQ), where we improved our non-liquid market share from 4.2% (Q1 '19) to 4.3%
 - Liquid funds continued to attract investments, leading to a growth in assets of ~INR 96,000 cr during the quarter (+22.1% QoQ)
 - In line with our stated strategy, we participated in the liquid space in a limited manner growing 4.6% over the Quarter
- Key industry updates:
 - The IL&FS default has caused concerns in the credit market leading to risk aversion away from the NBFC/ HFC sector
 - SEBI announced change in MF regulations; rules w.r.t. TER, upfront load and closed ended funds are expected to change

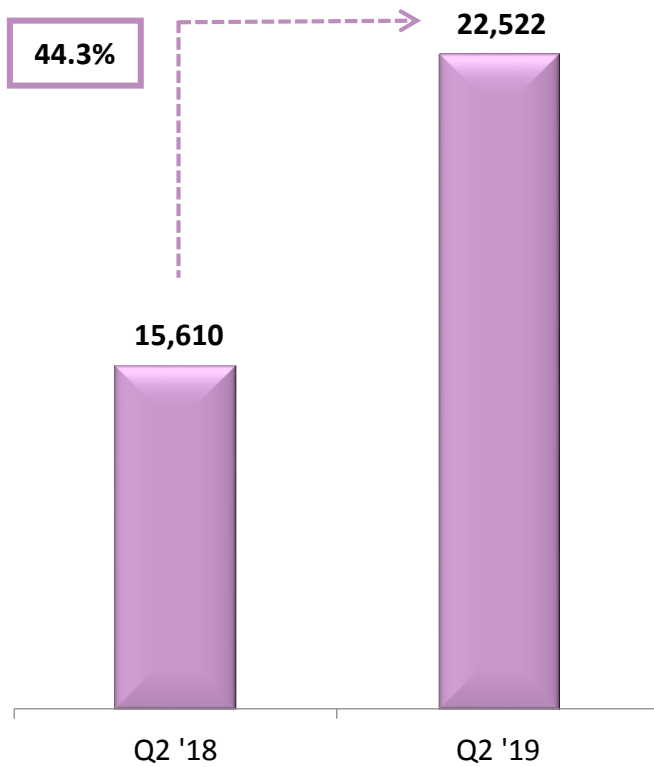


Note: QAAUM = Quarterly Average Assets Under Management

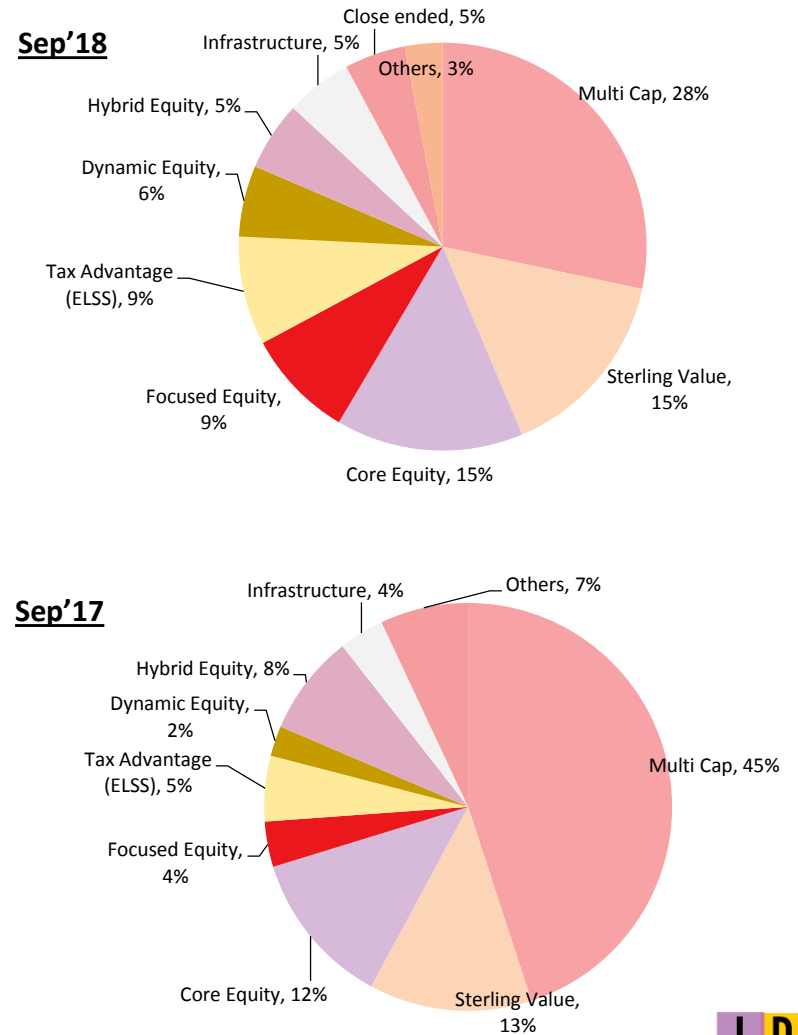
Equity

Our Equity assets grew ~44% over the last one year across a diversified book

**Equity (incl Hybrid) QAAUM
(INR Cr)**



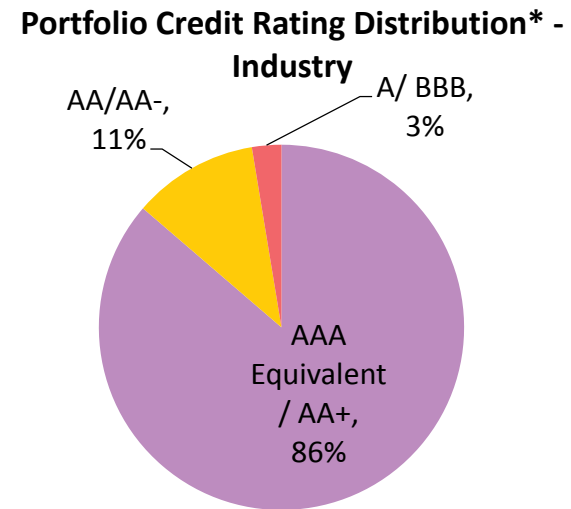
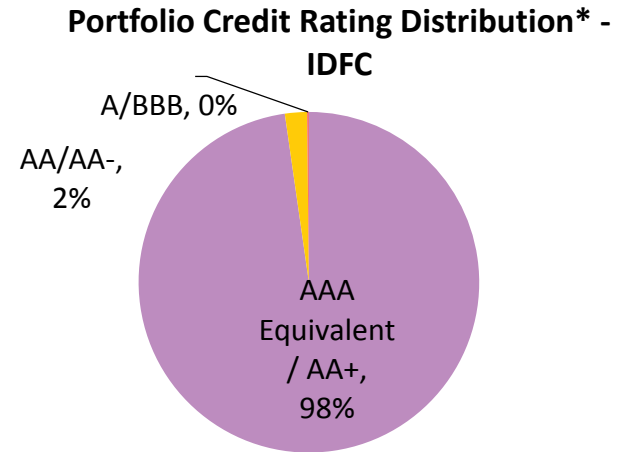
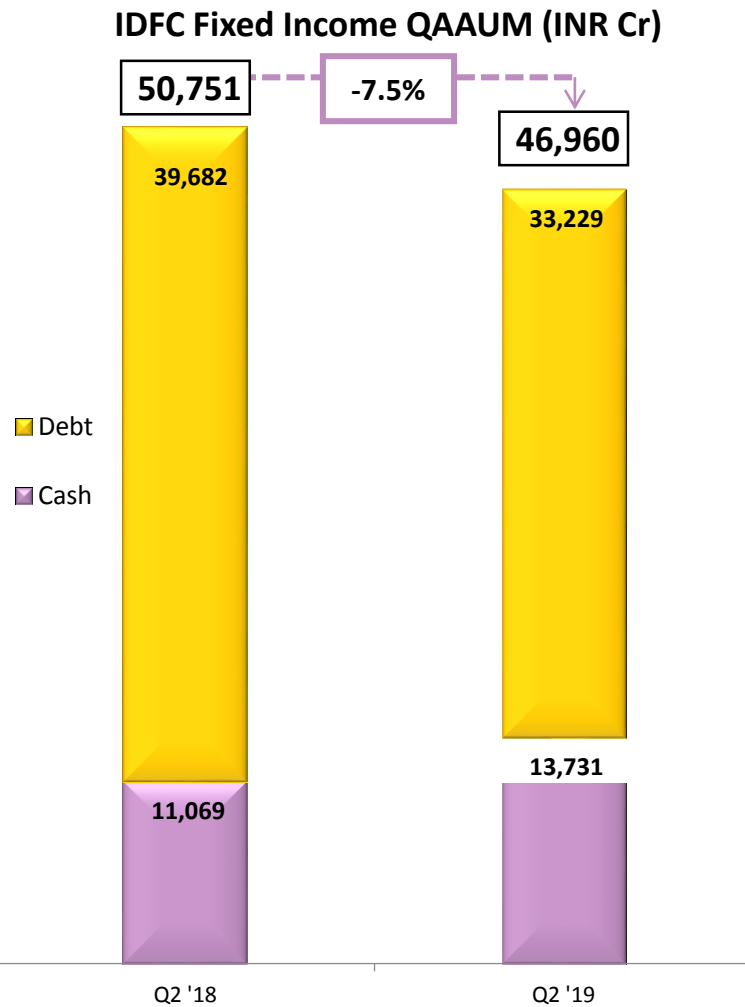
Product proportion in Equity AUM*



*excluding arbitrage funds

Fixed Income

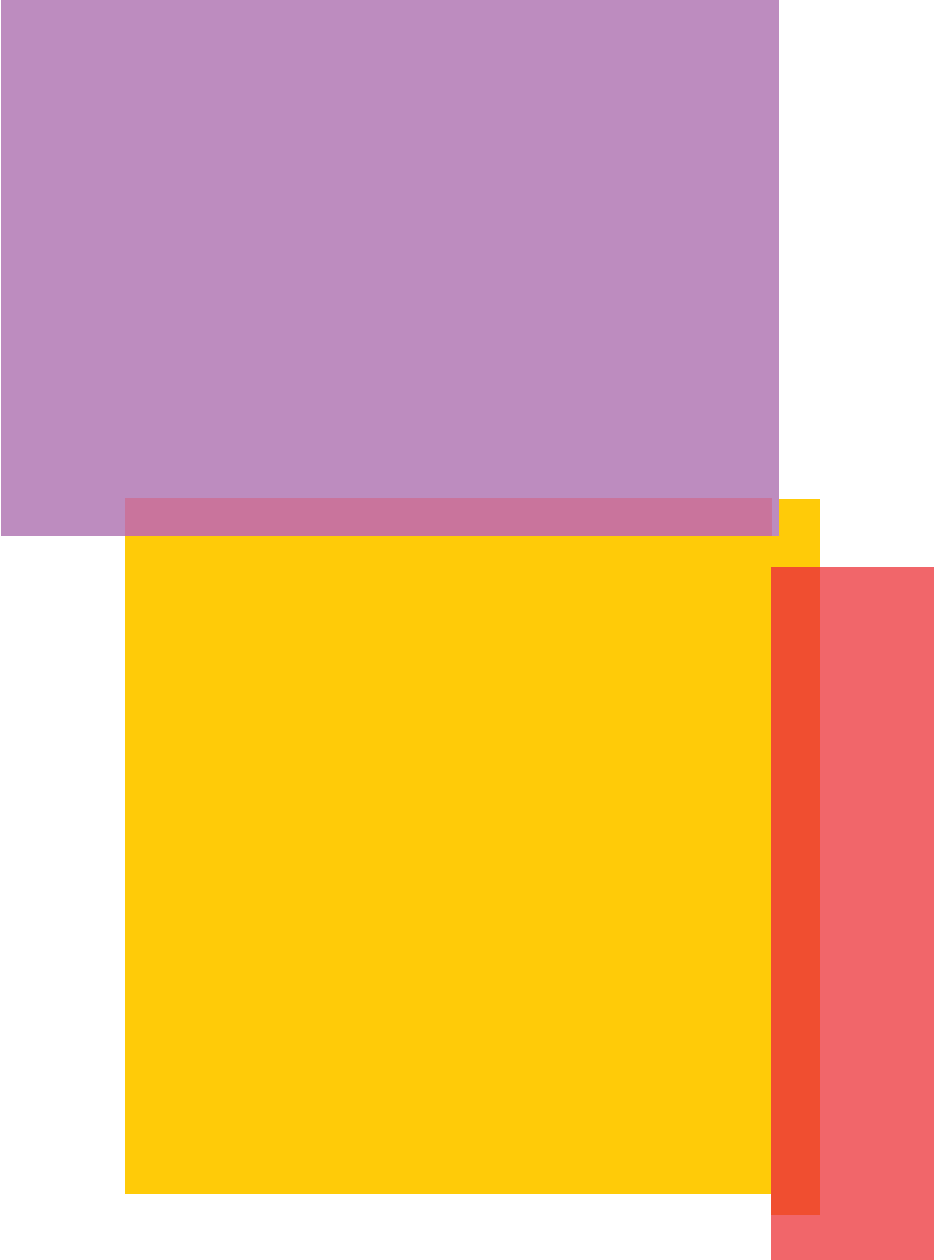
Amidst continuing volatility, Debt funds witnessed outflows while Liquid funds (low margin funds and hence, our non-focus area) attracted inflows.



Industry data includes top 15 AMCs excluding IDFC AMC

Source: ICRA MFI explorer
*as on end of Sep, 2018

**IDFC INFRASTRUCTURE
FINANCE LIMITED**



IDFC IFL – Key Highlights

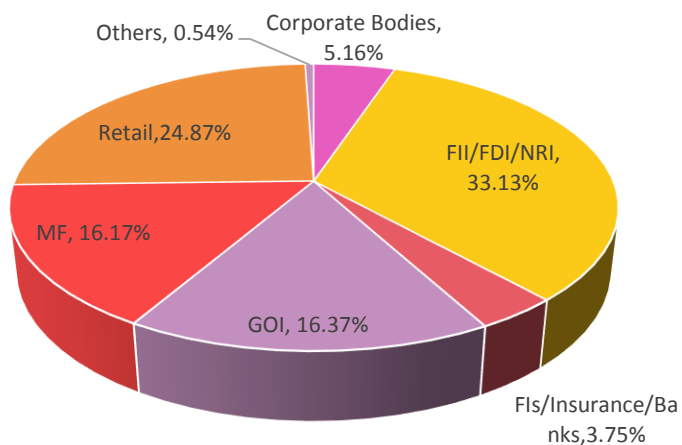
- Gross disbursements of INR 453 cr – 7 assets
- Loan book grew to INR 4,521 cr in HY-FY19 from INR 4,220 cr in FY18
- Profit After Tax (IND AS) - INR 50.4 cr from INR 41.3 cr
- Well diversified portfolio across 55 assets in multiple sectors
 - Renewables, roads, IT SEZs, healthcare, transmission, captive power, education, telecom infra etc.
- Healthy asset quality with NIL NPAs
- Net Incremental funds raised in HY-FY19 of INR 144 cr
- Capital Adequacy Ratio – 22.6%

IDFC Shareholding

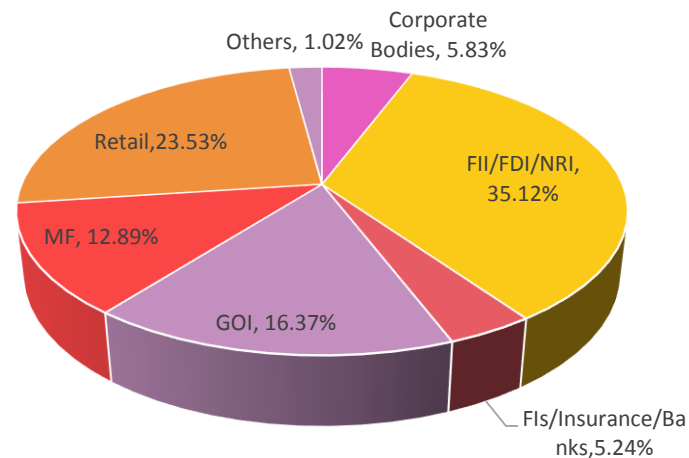
% of Top 10 shareholders

Sr No	Name	Category	31-Mar-18	30-Sep-18
1	Government of India	GOI	16.37%	16.37%
2	Sipadan Investments (Mauritius) Ltd.	FPI	9.47%	9.47%
3	Theleme Master Fund Limited	FPI	4.98%	4.98%
4	Orbis Sicav - Asia Ex-Japan Equity Fund	FPI	3.69%	4.68%
5	Ashwin Dhawan	PUB	3.06%	3.51%
6	East Bridge Capital Master Fund Limited	FPI	2.48%	2.48%
7	Aditya Birla Sun Life Trustee	MF	1.68%	1.68%
8	Akash Bhansali	PUB	1.63%	1.63%
9	ICICI Prudential and Equity Fund	MF	1.21%	1.60%
10	Government Pension Global Fund	FPI	1.19%	1.20%

Shareholding as on 31st March, 2018



Shareholding as on 30th Sep, 2018





THANK YOU