

May 29, 2019

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

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

Dear Sirs,

**Sub: Outcome of 131<sup>st</sup> Board Meeting of IDFC Limited**

The Board of Directors ('the Board') of IDFC Limited ('the Company') at its meeting held today i.e. May 29, 2019 has inter alia considered and approved the Consolidated audited Financial Results of the Company for the year ended March 31, 2019. Please find enclosed herewith the aforesaid financial results along with Auditors' Report thereon issued by Price Waterhouse & Co. Chartered Accountants LLP, the Statutory Auditors of the Company.

The Statutory Auditors of the Company have issued Audit Report on the consolidated financial results with modified opinion. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, please find enclosed herewith the statement of Impact of Audit Qualifications on the Consolidated Audited financial results, for the year ended March 31, 2019.

The above information is also available on the website of the Company: [www.idfc.com](http://www.idfc.com)

The Board Meeting commenced at 1.30 p.m. and concluded at 3:00 p.m.

Kindly take note of the same.

Thanking you,

Yours faithfully,  
For IDFC Limited



**Mahendra N. Shah**  
Company Secretary



Encl.: A/a

# Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors  
IDFC Limited  
Naman Chambers, C-32, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051

## Independent Auditor's Report on the Statement of consolidated financial results

1. We have audited the accompanying Statement containing the annual audited consolidated financial results of IDFC Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate entities; for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.
2. The Statement includes the results of the entities listed in Annexure A.

## Management's Responsibility for the consolidated financial results

3. Management of the Holding Company is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

4. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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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-300009 (ICAI registration number before conversion was 304026E)

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## Basis for Qualified Opinion

7. The payment of interim dividend by IDFC Financial Holding Company Limited (a wholly owned subsidiary) to the Holding Company to the extent of Rs. 120.99 crores during the year is not in accordance with the provisions of section 123 of the Act.

## Qualified Opinion

8. In our opinion and to the best of our information and according to the explanations given to us:
  - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - (ii) except for the matter described in the Basis for Qualified opinion paragraph above, the annual audited consolidated financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total consolidated comprehensive income (comprising of consolidated loss and consolidated other comprehensive income), and other financial information of the Group, its associates and joint ventures for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

## Emphasis of Matter

9. In respect to IDFC Foundation (a subsidiary of the Holding Company), we draw your attention to Note 12 to the Statement regarding non laying of Consolidated Financial Statements for the year ended March 31, 2018 in the Annual General Meeting held on September 28, 2018 as required under Section 129(3) of the Act and consequent to which there is a non-compliance with the provisions of Section 137(1) of the Act to the extent this section is applicable to the consolidated financial statements. The consequential impact of these non-compliances is presently not ascertainable pending disposal of application filed by IDFC Foundation for compounding of these contraventions before the Regional Director.
10. In respect IDFC Financial Holding Company Limited (IDFC FHCL) (a subsidiary of the Holding Company), we draw your attention to Note 14 to the statement regarding non-compliance with section 203 of the Act read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. IDFC FHCL has not appointed Key Managerial Personnel (Managing Director / CS / Chief Executive Officer / Manager) and Chief Financial Officer during the year ended March 31, 2018 and March 31, 2019. Subsequent to the year end, the Board of Directors of IDFC FHCL have appointed the Chief Financial Officer and the Company secretary and has recommended appointment of Chief Executive Officer which is subject to approval of Reserve Bank of India and accordingly, is in the process of taking necessary actions to ensure compliance with the respective provisions of the Act.



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11. In respect of IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited (subsidiaries of the Holding Company), we draw attention to Note 16 to the Statement regarding preparation of the financial statements of these companies on a realisable value basis, pursuant to the Group's decision to discontinue the operations of these companies.
12. We draw attention to following paragraph included in the audit report on the consolidated special purpose financial information of IDFC FIRST Bank Limited (an associate of the Holding Company), its subsidiary and its associate, issued by an independent firm of chartered accountants vide its report dated May 28, 2019:

"We draw attention to Note 4 of the Reporting Package, which explains the accounting of the merger of Capital First Limited and its wholly owned subsidiaries, Capital First Home Finance Limited and Capital First Securities Limited (the "CFL Group") with the Bank ('IDFC - CFL Merger') approved by the Reserve Bank of India, the Competition Commission of India, the Securities and Exchange Board of India, Stock Exchanges, the respective Shareholders and Creditors of each entities and the National Company Law Tribunal ('NCLT'), resulting in recognition and accelerated amortization of Intangible assets through Profit and Loss Account during the year ended 31 March 2019."

Note 4 as described above corresponds to Note 8 of the Statement.

Our opinion is not modified in respect of the above matters.

## Other Matter

13. The comparative financial information of the Group for the year ended March 31, 2018 included in this Statement, are based on the previously issued statutory consolidated financial statements for the year ended March 31, 2018 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 27, 2018. The adjustments to those consolidated financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us.
14. We did not audit the financial statements/financial information of two subsidiaries considered in the preparation of the annual audited consolidated financial results and which constitute total assets of Rs 86.54 crores and net assets of Rs 84.31 crores as at March 31, 2019 and total revenue of Rs. 3.85 crores and total comprehensive income (comprising of profit and other comprehensive income) of Rs 1.85 crores and net cash flows amounting to Rs 13.76 crores, as considered in the annual audited consolidated financial results. The annual audited consolidated financial results also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 6.42 crores for the year ended March 31, 2019 as considered in the annual audited consolidated financial results in respect of one joint venture, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the annual audited consolidated financial results insofar as it relates to the amount included in respect of these subsidiaries and joint venture, is based solely on the report of other auditors.



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15. We did not audit the financial information of one associate company, whose financial information reflect Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 891.65 crores for the year ended March 31, 2019. This financial information has been audited by other auditor whose unmodified report have been furnished to us by the Management. As mentioned by the other auditors in their report, this financial information have been prepared as per the recognition and measurement principles of Ind AS to the extent not contradicting with the provisions of the Banking Regulation Act, 1949 in relation to accelerated amortisation of intangible assets as detailed in note 8 in the Statement, and our opinion on the annual audited consolidated financial results insofar as it relates to the amount included in respect of this associate, is based solely on the report of other auditor.
16. We did not audit the financial statements/financial information of one subsidiary, whose financial statements/ financial information reflect total assets of Rs 0.03 crores and net liabilities of Rs 1.02 crores as at March 31, 2019, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs 0.17 crores and net cash flows amounting to Rs Nil for the year ended on that date, as considered in the annual audited consolidated financial results. The annual audited consolidated financial results also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 2.73 crores for the year ended March 31, 2019 as considered in the Statement, in respect of two associate companies, whose financial statements/financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the Statement insofar as it relates to the amounts and disclosures included in respect of this subsidiary and associate companies, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.
17. The financial statements of four subsidiaries located outside India, included in the Statement, which constitute total assets of Rs 236.58 crores and net assets of Rs 235.28 crores as at March 31, 2019, total revenue of Rs. 24.78 crores, total comprehensive income (comprising of profit and other comprehensive income) of Rs 9.60 crores and net cash flows amounting to Rs 37.67 crores for the year then ended, have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.



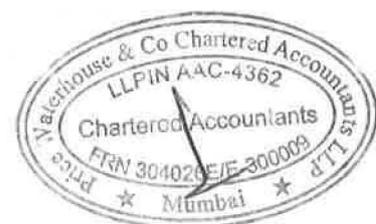
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18. We draw attention to following paragraphs included in the audit report on the consolidated special purpose financial information of IDFC FIRST Bank Limited (an associate of the Holding Company) and its subsidiary and its associate, issued by an independent firm of chartered accountants vide its report dated May 28, 2019:
- i. "The Reporting Package also include the Group's share of net loss of Rs. 28 crore for the year ended 31 March 2019, as considered in the Reporting Package, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Reporting Package, in so far as it relates to the amounts and disclosures included in respect this associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial information statements are not material to the Group."
  - ii. "We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 205 Crores as at 31 March 2019 and total revenues of Rs. 262 crores for the year ended on that date, as considered in the Reporting Package. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Reporting Package, in so far as it relates to the amounts and disclosures included in respect this subsidiary, is based solely on the report of the other auditors."
  - iii. "The comparative financial information for the year ended 31 March 2018 in respect of its subsidiary and the related transition date opening balance sheet as at 1 April 2017 prepared in accordance with the GRI, accounting policies approved by the Board of Directors of the Bank, as per the recognition and measurement principles of Ind AS and other accounting principles generally accepted in India and included in this reporting package has been audited by other auditors, whose reports have been furnished to us by the Management and in so far as it relates to the comparative amounts included in respect of this subsidiary in this reporting package, is based solely on the reports of the other auditors."
  - iv. "The comparative financial information of the Group for the year ended 31 March 2018, which includes its share of loss in its associates and the related transition date opening balance sheet as at 1 April 2017 included in this reporting package, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and have been prepared after adjusting the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group Adjustments made to the previously issued consolidated financial statements to comply with Ind AS have been audited by us."
  - v. "The audit of special purpose financial information of Capital First Limited and its subsidiaries Capital First Home Finance Limited and Capital First Securities Limited (together referred to as "the CFL Group") as at and for the period ended 30 September



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2018, as considered for the merger accounting as on the appointed date, was carried out by the statutory auditors of the CFL Group.”

19. In respect of the consolidated special purpose financial information of Infrastructure Development Corporation (Karnataka) Limited (iDeCK) (a jointly controlled entity of the Holding Company), we draw attention to the following:

- i. We did not audit the financial statements and the financial information of a Trust (subsidiary controlled by iDeCK), whose financial statements reflect total assets of Rs. 0.19 Crores and net assets of Rs. 0.16 Crores as at March 31, 2019, total revenue of Rs. 0.04 Crores, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 0.01 Crores and net cash outflows of Rs. 0.01 for the year ended on that date and consequently due to Holding Company's joint control over iDeCK, reflecting Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 0.005 crores, as considered in the Statement. This financial information has been audited by another auditor whose report has been furnished to us by the Management of the iDeCK and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the said Trust is based solely on the report of the other auditor.
- ii. We did not audit the financial information of one associate company of iDeCK, whose financial information reflect Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 0.06 crores for the year ended March 31, 2019. This financial information is based on the unaudited financial information as certified and provided to us by the management of iDeCK, and our opinion on the Statement insofar as it relates to the amounts and disclosures included in respect of this associate company of iDeCK, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial statements/ financial information are not material to the Group.
- iii. The comparative Consolidated Special Purpose Financial Information of iDeCK for the year ended March 31, 2018 and the transition date Consolidated Opening Balance Sheet as at April 1, 2017 included in the Consolidated Special Purpose Financial Information of iDeCK, are based on the previously issued statutory consolidated financial statements for the years ended March 31, 2018 and March 31, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). The previously issued statutory consolidated financial statements of iDeCK for the year ended March 31, 2018 prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended) were audited by us, on which we expressed an unmodified opinion dated June 29, 2018. The previously issued statutory consolidated financial statements of iDeCK for the year ended March 31, 2017, prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended), were audited by the predecessor auditor who expressed an unmodified opinion dated June 21, 2017. The adjustments to those consolidated financial statements of iDeCK for the differences in accounting principles adopted by iDeCK on



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IDFC Limited

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transition to the Ind AS in respect of the standalone financial information of iDeCK, have been audited by us and in respect of the Trust, are based on the financial statements audited by the other auditor, whose report have been furnished to us by the Management of iDeCK, and in respect of the associate company of iDeCK, are based on the unaudited financial information as certified and provided to us by the management of iDeCK.

20. We draw attention to following paragraphs included in the audit report on the special purpose financial information of Delhi Integrated Multi-Modal Transit System Limited (a joint venture of the Holding Company) and its branches, issued by an independent firm of chartered accountants vide its report dated May 27, 2019:

"We have incorporated the unaudited financial statements/ information of one branch included in the standalone Ind AS financial statements of the company whose financial statements/financial information reflect total assets of Rs. 381.27 Lacs as at 31st March 2019 and the total revenue of Rs. 370.50 Lacs for the year ended on that date."

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

21. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This Statement is based on and should be read with the audited consolidated financial statements of the Group, its associates and joint ventures, for the year ended March 31, 2019 on which we issued modified audit opinion vide our report dated May 29, 2019.

## Restriction on Use

22. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 21 above. This report should not be otherwise used by any other party for any other purpose.

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



Russell I Parera  
Partner  
Membership No. 42190

Place: Mumbai  
Date: May 29, 2019

# Price Waterhouse & Co Chartered Accountants LLP

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Independent Auditor's Report on the Statement of consolidated financial results  
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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)
- B. Subsidiaries – Indirect
1. IDFC Alternatives Limited
  2. IDFC Asset Management Company Limited
  3. IDFC Trustee Company Limited
  4. IDFC AMC Trustee Company Limited
  5. IDFC Securities Limited
  6. IDFC Infrastructure Finance Limited (upto March 11, 2019)
  7. IDFC Capital (Singapore) Pte Limited
  8. IDFC Investment Managers (Mauritius) Limited
  9. IDFC Capital (USA), Inc.
  10. IDFC Securities Singapore Pte. Limited
  11. IDFC IEH Conservative Fund (w.e.f February 15, 2018)
  12. IDFC IEH Tactical Fund (w.e.f February 16, 2019)
  13. India Multi Avenues Fund Limited
- C. Associates – Direct
1. Novopay Solutions Private Limited
- D. Associates – Indirect
1. IDFC FIRST Bank Limited (formerly known as IDFC Bank Limited)
  2. IDFC FIRST Bharat Limited (formerly known as IDFC Bharat Limited)
  3. Millennium City Expressways Private Limited
  4. IDFC Infrastructure Finance Limited (w.e.f March 12, 2019)
  5. Jetpur Somnath Tollways Limited
  6. India Infrastructure Fund (upto July 01, 2018)
  7. India Infrastructure Fund II (upto July 01, 2018)
  8. IDFC Real Estate Yield Fund (upto January 30, 2019)
  9. IDFC Private Equity Fund III (upto January 30, 2019)
  10. IDFC Private Equity Fund IV (upto January 30, 2019)
  11. IDFC Score Fund (upto January 30, 2019)
  12. Emerging Markets Private Equity Fund LLP
- E. Joint Ventures – Indirect
1. Infrastructure Development Corporation (Karnataka) Limited
  2. Delhi Integrated Multi-Modal Transit System Limited
  3. Karnataka Rail Infrastructure Development Company (Karnataka) Limited (upto December 17, 2018)
  4. India PPP Capacity Building Trust



IDFC Limited

Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamil Nadu  
CIN No. L65191TN1997PLC037415



Statement of Consolidated Audited Financial Results for the year ended March 31, 2019

(₹ in crores)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
	Audited	Audited
<b>Revenue from operations</b>		
i Interest income	14.73	16.84
ii Dividend income	0.33	0.17
iii Fees and commission income	309.09	474.67
iv Net gain on fair value changes	31.32	128.04
<b>I Total revenue from operations</b>	<b>355.47</b>	<b>619.72</b>
II Other income	162.67	50.42
<b>III Total Income (I+II)</b>	<b>518.14</b>	<b>670.14</b>
<b>Expenses</b>		
i Finance costs	4.80	0.58
ii Impairment on financial instruments	38.80	16.38
iii Employee benefits expenses	139.06	150.88
iv Depreciation, amortization and impairment	13.93	12.68
v Other expenses	175.90	244.64
<b>IV Total expenses</b>	<b>372.49</b>	<b>425.16</b>
V Profit before exceptional items and tax (III - IV)	145.65	244.98
VI Exceptional Items	-	-
<b>VII Profit before share of net profits of investments accounted for using equity method and tax</b>	<b>145.65</b>	<b>244.98</b>
VIII Share of net profit / (loss) of associates and joint ventures accounted for using equity method	(845.97)	732.24
<b>IX Profit / (Loss) before tax from continuing operations (VII + VIII)</b>	<b>(700.32)</b>	<b>977.22</b>
<b>X Tax expense:</b>		
i Current tax	73.42	48.89
ii Deferred tax (net)	(192.49)	148.37
iii Tax adjustment of earlier years	(29.39)	0.29
<b>Total tax expense</b>	<b>(148.46)</b>	<b>197.55</b>
<b>XI Net profit / (loss) after tax from continuing operations (IX - X)</b>	<b>(551.86)</b>	<b>779.67</b>
<b>XII Discontinued operations:</b>		
i Profit / (loss) from discontinued operations	(234.28)	118.58
ii Tax expense of discontinued operations	35.19	13.66
<b>Net profit / (loss) for the period from discontinued operations</b>	<b>(269.47)</b>	<b>104.92</b>
<b>XIII Net profit / (Loss) for the year (XI+XII)</b>	<b>(821.33)</b>	<b>884.59</b>
<b>XIV Other Comprehensive Income</b>		
A (i) Items that will not be reclassified to profit or loss		
- Remeasurements of post-employment benefit obligations	(2.46)	0.04
- OCI arising from discontinued operation	(2.27)	(0.69)
- Share of OCI of associates and joint ventures accounted for using equity method	(42.83)	(144.51)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.72	29.21
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	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>(38.84)</b>	<b>(115.95)</b>
<b>XV Total Comprehensive Income for the period (XIII+XIV)</b>	<b>(860.17)</b>	<b>768.64</b>
<b>Net Profit/(Loss) attributable to:</b>		
- Owners	(839.18)	884.59
- Non-controlling interests	17.85	-
<b>Other comprehensive Income attributable to:</b>		
- Owners	(38.80)	(115.95)
- Non-controlling interests	(0.04)	-
<b>Total comprehensive Income attributable to:</b>		
- Owners	(877.98)	768.64
- Non-controlling interests	17.81	-
<b>Total comprehensive Income attributable to owners from:</b>		
- Continuing operations	(588.43)	664.41
- Discontinued operations	(271.74)	104.23
<b>XVI Paid-up equity share capital (face value of Rs. 10 per share) [see note 11]</b>	<b>1,596.36</b>	<b>1,596.35</b>
<b>XVII Earnings per equity share</b>		
<b>For continuing operations:</b>		
(1) Basic	(3.46)	4.88
(2) Diluted	(3.46)	4.88
<b>For discontinued operations:</b>		
(1) Basic	(1.69)	0.66
(2) Diluted	(1.69)	0.66
<b>For continuing and discontinued operations:</b>		
(1) Basic	(5.15)	5.54
(2) Diluted	(5.15)	5.54
See accompanying note to the financial results		



Notes:

1 Statement of Consolidated Audited Assets and Liabilities as at March 31, 2019

		(₹ in crores)	
Particulars		As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
<b>ASSETS</b>			
<b>1</b>	<b>Financial assets</b>		
i	Cash and cash equivalents	150.09	307.05
ii	Bank balance other cash and cash equivalents	113.93	89.04
iii	Derivative financial instruments	1.66	0.32
iv	Receivables		
	(I) Trade receivables	13.64	22.24
	(II) Other receivables	2.94	4.43
v	Loans	-	4,190.31
vi	Investments		
	- Accounted for using equity method	7,628.00	8,139.99
	- Others	1,045.27	1,239.08
vii	Other financial assets	63.05	58.20
<b>2</b>	<b>Non-financial assets</b>		
i	Current tax assets (net)	81.69	114.28
ii	Deferred tax assets (net)	-	15.31
iii	Property, plant and equipment	102.63	120.42
iv	Intangible assets under development	-	0.43
v	Goodwill	779.17	1,146.39
vi	Other Intangible assets	3.07	3.54
vii	Other non-financial assets	66.33	89.58
viii	Contract assets	59.28	61.72
<b>3</b>	<b>Assets directly associated with disposal group classified as held for sale</b>	447.12	-
<b>Total assets</b>		<b>10,557.87</b>	<b>15,602.33</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1</b>	<b>Financial liabilities</b>		
i	Derivative financial instruments	0.08	-
ii	Payables		
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.97	119.17
	(II) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.63	9.13
iii	Debt securities	-	3,543.60
iv	Other financial liabilities	3.57	140.40
<b>2</b>	<b>Non-financial liabilities</b>		
i	Current tax liabilities (net)	18.35	26.05
ii	Provisions	14.44	31.43
iii	Deferred tax liabilities (net)	13.12	237.79
iv	Other non-financial liabilities	54.26	62.53
<b>3</b>	<b>Liabilities directly associated with disposal group classified as held for sale</b>	16.13	-
<b>4</b>	<b>EQUITY</b>		
i	Equity share capital	1,596.36	1,596.35
ii	Other equity	8,788.45	9,679.61
<b>Equity attributable to owners of the Company</b>			
iii	Non-controlling interest	28.51	156.27
<b>Total liabilities and equity</b>		<b>10,557.87</b>	<b>15,602.33</b>



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

Particulars	(₹ in crores)	
	Year ended	
	March 31, 2019	March 31, 2018
	<b>Audited</b>	
<b>Segment Revenues</b>		
- Financing	77.38	271.46
- Asset Management	330.12	408.20
- Others	1.32	4.69
<b>Total Segment Revenues</b>	408.82	684.35
Add: Unallocated Revenues	-	-
Less: Inter-segment Adjustments	(53.35)	(64.63)
<b>Total Revenues</b>	355.47	619.72
<b>Segment Results</b>		
- Financing	(43.08)	167.41
- Asset Management	191.31	92.97
- Others	(2.58)	(15.40)
<b>Total Segment Results</b>	145.65	244.98
Add / (Less): Unallocated	-	-
Add: Share of Profit from Associates accounted under Equity method	(845.97)	732.24
<b>Profit before tax</b>	(700.32)	977.22
<b>Segment Assets</b>		
- Financing	793.06	849.22
- Asset Management	1,345.02	1,328.51
- Others	263.66	632.91
<b>Total Segment Assets</b>	2,401.74	2,810.64
<b>Unallocated</b>		
- Banking	7,516.60	8,040.85
- Others	192.41	114.32
Disposal group held for sale	447.12	4,636.52
<b>Total Assets</b>	10,557.87	15,602.33
<b>Segment Liabilities</b>		
- Financing	26.50	2.33
- Asset Management	64.13	150.58
- Others	5.37	22.12
<b>Total Segment Liabilities</b>	96.00	175.03
<b>Unallocated</b>		
- Others	32.42	250.69
Disposal group held for sale	16.13	3,744.38
<b>Total Liabilities</b>	144.55	4,170.10
<b>Capital Employed</b>		
- Financing	766.56	846.89
- Asset Management	1,280.89	1,177.93
- Others	258.29	610.79
<b>Total Segment Capital Employed</b>	2,305.74	2,635.61
<b>Unallocated</b>		
- Banking	7,516.60	8,040.85
- Others	159.99	(136.37)
Disposal group held for sale	430.99	892.14
<b>Total Capital Employed</b>	10,413.32	11,432.23

(i) "The Group has reorganised its segment structure on account of divestment of IDFC Infrastructure Finance Limited, IDFC Securities Limited and investment management rights of IDFC Alternatives. The new segment structure will enable an even more differentiated steering of the business, taking into account market-specific requirements and the competitive environment. It will further increase the transparency of the segment results. Previous period segment figures are regrouped in accordance with revised segment structure."

(ii) Segment composition :

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



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- 3 The consolidated 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. The Company has adopted Ind AS from April 1, 2018 with transition date of April 1, 2017. The corresponding figures presented in these results have been prepared based on the previously published results under the previous GAAP for the relevant years, duly restated to Ind AS. These Ind AS adjustments have been audited by Statutory Auditors.
- 4 As required under paragraph 32 of Ind AS 101, reconciliation between net profit reported under previous GAAP and total comprehensive income under Ind AS is given below:

(₹ in crores)	
Particulars	Year ended March 31, 2018 Audited
<b>Net profit after tax as per previous GAAP</b>	<b>971.76</b>
Adjustments:	
Consolidation of Subsidiaries under Ind AS	(15.82)
Deconsolidation of Subsidiaries and recognition of an associate under Ind AS	(50.47)
Fair valuation of Investments and derivatives	74.40
Amortisation of front end fees on loan assets at effective interest rate	(4.37)
Provision for expected credit losses	6.27
Fair valuation of security deposits	(0.56)
Carried Interest income on asset management	61.72
Share of profit in joint ventures accounted using equity method	7.61
Others	(2.33)
Tax impact on above items	(163.62)
<b>Profit after tax as per Ind AS</b>	<b>884.59</b>
<b>Other comprehensive Income:</b>	
Share of OCI of associates and joint ventures accounted for using equity method	(144.51)
Others	(0.65)
Tax Impact on above item	29.21
<b>Total comprehensive income as per Ind AS</b>	<b>768.64</b>

**Reconciliation of total equity between Previous GAAP and Ind AS:**

(₹ in crores)	
Particulars	As at March 31, 2018
<b>Total equity (shareholder's funds) as per Previous GAAP</b>	<b>11,322.99</b>
Adjustments:	
Consolidation of Subsidiaries under Ind AS	57.37
Deconsolidation of Subsidiaries under Ind AS	(13.43)
Fair valuation of investments	81.59
Fair valuation of security deposits	(2.18)
Carried interest income on asset management	61.72
Ind AS transition impact on carrying value of associates	33.31
Provision for expected credit losses	(31.43)
Amortisation of front end fees on loan assets at effective interest rate	(12.42)
Others	4.27
Tax Impact of Ind AS adjustments	(228.35)
Reclassification of non-controlling interests	158.79
<b>Total adjustments</b>	<b>109.24</b>
<b>Total equity as per Ind AS</b>	<b>11,432.23</b>



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- 5 The Group has entered into a Share Purchase Agreement ("SPA") with National Infrastructure and Investment Fund II ("NIIF") dated October 30, 2018 for sale of its entire investment of 81.48% in IDFC Infrastructure Finance Limited ("IIFL"). During the year 51.48% has been sold by the Group and the remaining 30% will be sold subject to certain terms, conditions and regulatory approvals. The assets and liabilities of IIFL have been classified as "held for sale" as on March 31, 2019 and have been presented separately in the Consolidated balance sheet. The results for the current year have been disclosed within discontinued operations and results for the previous year have been restated accordingly.
- 6 On March 7, 2019, the Group executed definitive agreements with TCG Advisory Services Private Limited ("TCG") for the sale of its entire investment in IDFC Securities Limited ("ISL"). The sale is to be completed in two tranches and is subject to certain terms, conditions and regulatory approvals. The assets and liabilities of ISL have been classified as held for sale as on March 31, 2019 and have been presented separately in the Consolidated balance sheet. The results for the current year have been disclosed within discontinued operations and results for the previous year have been restated accordingly. As the fair value is lower than the carrying amount of the investment in Subsidiary, an impairment of ₹ 343.83 crores have been recognised in the current year against goodwill in Consolidated financial statements.
- 7 Under Ind AS 110, IDFC First Bank Limited does not qualify to be a subsidiary as the Group fails to demonstrate control over it due to restricted voting rights as per the prevailing legal framework coupled with the absence of de-facto control. However, this does not preclude the Group from exercising significant influence over IDFC First Bank Limited. Accordingly, IDFC First Bank Limited is considered as an associate under Ind AS 28.
- 8 The merger of Capital First Limited and its wholly owned subsidiaries, Capital Home Finance Limited and Capital First Securities Limited ("Merging entities") with erstwhile IDFC Bank Limited ("IDFC-CFL Merger") has been approved by the Reserve Bank of India, the Competition Commission of India, the Securities and Exchange Board of India, Stock Exchanges, the respective Shareholders and Creditors of each entities and the National Company Law Tribunal ("NCLT"), with appointed date as October 1, 2018 and effective date as December 18, 2018. Accordingly, the scheme has been given effect to in the consolidated Ind AS financial results of IDFC FIRST Bank Limited ("Bank") for the year ended March 31, 2019 and it includes results for the merging entities for the period October 1, 2018 to March 31, 2019.

The Board of Directors of the Bank at its meeting held on January 5, 2019 has approved the allotment of 1,377,109,057 equity shares of the face value of ₹ 10/- each, fully paid-up, to the equity shareholders of erstwhile Capital First Limited based on the record date of December 31, 2018 as per the share exchange ratio of 13.9:1 as approved in the scheme. Accordingly, issued and paid-up equity share capital of the Bank increased to ₹ 4,781.52 crore (4,781,521,604 equity shares of ₹ 10/- each)

The IDFC-CFL Merger has been accounted by the Bank under the applicable accounting standard to the Bank as per the specific provisions of the scheme approved by the NCLT and based on the clarification by Ind AS Technical Facilitation Group ("ITFG"). Accordingly, the merger has been accounted under 'Purchase Method' - Accounting Standard 14 on 'Accounting for Amalgamations' and net assets of erstwhile Capital First Limited and its subsidiaries aggregating to ₹ 2,752.98 crore as at appointed date has been recorded by the Bank at fair value as determined by an independent valuer. In view of the share swap ratio of 13.9:1. The Bank issued 1,377,109,057 equity shares as purchase consideration at fair value. The difference between the purchase consideration and the fair value of net assets is represented by Goodwill on amalgamation of ₹ 2,390.53 crore and recorded accordingly.

Under Section 15 of the Banking Regulation Act, 1949, banks are restricted from declaring dividend in the event a bank carries intangible assets such as goodwill on its Balance Sheet. Therefore, as a prudent measure, intangible assets acquired or arising on amalgamation have been fully amortised through profit and loss account in the year ended March 31, 2019. This accelerated charge to the Ind AS consolidated financial results of the Bank for the year ended March 31, 2019 of ₹ 2,599.35 crore is exceptional in nature and resulted in loss for the year for the Bank.

Consequential impact arising on account of notes 7 and 8 above have been appropriately considered in the consolidated financial results of the Group.

- 9 The Company has entered into a business transfer agreement with Global Infrastructure Partners India LLP (on 27th April 2018) and InvestCorp Asia Services PTE Ltd (on 26th July 2018) wherein the Group has transferred the management rights for the following funds:
  - (i) India Infrastructure Fund
  - (ii) India Infrastructure Fund II
  - (iii) IDFC Real Estate Yield Fund
  - (iv) IDFC Score Fund
  - (v) IDFC Private Equity Fund III
  - (vi) IDFC Private Equity Fund IV



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- 10 Following entities have been considered as subsidiaries, associates or joint ventures of the Group pursuant to application of Ind AS from the transition date or as otherwise stated:

Name of the Company	Nature of Relation
IDFC Foundation Limited (a section 8 company)	Subsidiary
IDFC IEH Tactical Fund (w.e.f. February 16, 2019)	Subsidiary
IDFC IEH Conservative Fund (w.e.f. February 15, 2018)	Subsidiary
India Multi Avenues Fund Limited	Subsidiary
Delhi Integrated Multi- Modal Transit System Limited	Joint Venture
Infrastructure Development Corporation (Karnataka) Limited	Joint Venture
Karnataka Rail Infrastructure Development Company (Karnataka) Limited (upto December 17, 2018)	Joint Venture
India PPP Capacity Building Trust	Joint Venture
India Infrastructure Fund (upto July 1, 2018)	Associate
India Infrastructure Fund II (upto July 1, 2018)	Associate
IDFC Real Estate Yield Fund (upto January 30, 2019)	Associate
IDFC Score Fund (upto January 30, 2019)	Associate
IDFC Private Equity Fund III (upto January 30, 2019)	Associate
IDFC Private Equity Fund IV (upto January 30, 2019)	Associate

- 11 During the year ended March 31, 2019 the Company has issued 3,750 equity shares of face value of ₹ 10 each pursuant to exercise of options under the Employee Stock Option Scheme.
- 12 Consolidated financial statements of IDFC Foundation for FY 2017-18 were delayed for adoption by shareholders on account of non-availability of financials of Delhi Integrated Multi- Modal Transit System Limited (a joint venture between IDFC Foundation and Government of Delhi). The same were adopted by the Board of Directors on February 13, 2019 and approved by the shareholders on March 11, 2019. Subsequently, IDFC Foundation has made application for condonation of delay in holding their Annual General Meeting with the Regional Director on May 10, 2019.
- 13 On August 4, 2018 IDFC Financial Holding Company Limited ("FHCL") paid interim dividend of Rs. 120.99 crore to its holding company IDFC Limited on receipt of dividend from its subsidiaries. As per Section 123(3) of the Companies Act, 2013 the Company should have declared and paid this dividend on or after October 1, 2018 instead of paying the same on August 4, 2018. FHCL is taking necessary remedial measures to rectify the same.
- 14 FHCL had not appointed Key Managerial Personnel and Chief Financial Officer for the year ended March 31, 2018 and March 31, 2019. The Board of Directors of FHCL have appointed Chief Financial Officer and Company Secretary and has recommended appointment of Chief Executive Officer which is subject to approval of Reserve Bank of India in its meeting held on May 24, 2019.
- 15 The consolidated financial results have been approved by the Board of Directors at its meeting held on May 29, 2019.
- 16 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 net realisable value basis and accordingly, all assets and liabilities are stated at the value at which they are expected to be realised/ settled.
- 17 The figures for the previous year have been regrouped and reclassified to conform to the classification of the current year, wherever necessary.

For and on behalf of the Board of IDFC Limited

  
Sunil Kakar  
Managing Director & CEO  
Delhi, May 29, 2019



**ANNEXURE – 1**

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone and Consolidated separately)

<b>Statement on Impact of Audit Qualifications on Annual Consolidated Audited Financial Results for the</b>				
<b>Financial year ended March 31, 2019</b>				
I.	Sr No.	Particulars	Audited Figures (Rs. in crores) (as reported before adjusting for qualifications)	Adjusted Figures (Rs. in crores) (audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	518.14	518.14
	2.	Total Expenditure	372.49	372.49
	3.	Net Profit/(Loss)	(860.17)	(860.17)
	4.	Earnings Per share for continuing and discontinued Operations	(5.15)	(5.15)
	5.	Total Assets	10557.87	10557.87
	6.	Total Liabilities	144.55	144.55
	7.	Net Worth	10413.32	10413.32
	8.	Any other financial item(s) (as felt appropriate by the management)	None	None
II.	<b><u>Audit Qualification (each audit qualification separately):</u></b>			
	a.	<b>Details of Audit Qualification:</b> Refer Note no. 13		
	b.	<b>Type of Audit Qualification :</b> Qualified Opinion		
	c.	<b>Frequency of qualification:</b> First time		
	d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Unascertainable		
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b> (i) <b>Management's estimation on the impact of audit qualification:</b> Unascertainable (ii) <b>If management is unable to estimate the impact, reasons for the same:</b> Penalty if any for such lapse will be decided by Regulator. (iii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer paragraph 7 of our Audit Report dated May 29, 2019 on annual audited consolidated financial results of the Company.		
III.	<b><u>Signatories:</u></b>			
		<ul style="list-style-type: none"><li>• <b>CEO/Managing Director</b></li><li>• <b>CFO</b></li><li>• <b>Audit Committee Chairman</b></li><li>• <b>Statutory Auditor</b></li></ul>		
		Place: Delhi Date: May 29, 2019		

III.	<u>Signatories:</u>	
	<p><b>For IDFC Limited</b></p>   <p><b>Sunil Kakar</b> Managing Director &amp; CEO</p>	<p><b>For IDFC Limited</b></p>   <p><b>Bipin Gemani</b> Chief Financial Officer</p>
	<p><b>For IDFC Limited</b></p> <p><i>sdl-</i></p>  <p><b>Marianne Økland</b> Audit Committee Chairperson</p>	<p><b>For Price Waterhouse &amp; Co, Chartered Accountants LLP</b></p>  <p><b>Russell I Parera</b> Partner Membership No. 42190</p>
<p><b>Date: May 29, 2019</b></p>		