

February 01, 2023

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 170th Board Meeting of IDFC Limited

This is to inform you that the Board of Directors ('the Board') of IDFC Limited ('the Company') at its meeting held today i.e. February 01, 2023 has inter alia considered the following:

1. Approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2022. Please find enclosed herewith the aforesaid financial results together with copies of Limited Review Reports issued by KKC Co LLP, Chartered Accountants, the Statutory Auditors of the Company.

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

The Board Meeting commenced at 3:00 p.m. and concluded at 5:00 p.m.

Kindly take note of the same.

Thanking you,

Yours faithfully,
For IDFC Limited


Shivangi Mistry
Company Secretary



Encl.: A/a

kkc & associates llp

chartered accountants

(formerly Khimji Kunverji & Co LLP)

Independent Auditor's review report on unaudited standalone quarterly financial results of IDFC Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
IDFC Limited

Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results of IDFC Limited ('the Company') for the quarter ended 31 December 2022 and year to date results for the period from 1 April 2022 to 31 December 2022 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' specified in section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ('RBI') from time to time ('RBI guidelines') and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

5. We draw attention to note 8 to the Statement mentioning that the Company is in process of appointing new directors on the Board to comply with Regulation 17(1)(c) of Listing Regulations. Our conclusion on the Statement is not modified in respect of the above matter.



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Other Matter

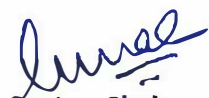
6. We draw attention to note 5 of the Statement which highlights that as part of simplification of corporate structure, the Board of Directors of the Company along with the three Wholly Owned Subsidiaries ("WOS") IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited, approved the merger of WOS into the Company, subject to receiving regulatory approvals from various authorities. Post Board approval, the Company along with its three WOS has filed scheme of amalgamation with Official Liquidator ("OL") – Chennai and Regional Director / Registrar of Companies ("ROC") – Chennai on 06 December 2021. The ROC, Chennai vide its letter dated 01 February 2022 intimated no observation / suggestions to the aforesaid scheme of amalgamation. Also, the OL of Madras High Court vide its letter dated 24 March 2022 communicated no observation to the aforesaid scheme of amalgamation. The Company filed petition with National Company Law Tribunal ("NCLT") – Chennai on 13 April 2022. NCLT heard the petition on 20 October 2022 and passed the order on 22 November 2022 in favour of the Company. Appointed date of the merger being 01 April 2021, the Company has given effect to the Order and have prepared merged accounts for all the periods appearing in the result. Consequently, all the previous periods presented in the Statement has been restated. Our conclusion on the Statement is not modified in respect of this matter.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Gautam Shah

Partner

ICAI Membership No: 117348

UDIN: 23117348BGSZGZ8864



Place: Mumbai

Date: 01 February 2023

IDFC Limited

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

(₹ in crores)

| Statement of Standalone unaudited Financial Results for the quarter and nine months ended December 31, 2022 | | | | | | |
|---|------------------------------|--------------------|------------------------------|---------------------------|-------------------|--------------------|
| Particulars | For the quarter ended | | | For the nine months ended | | For the year ended |
| | December 31, 2022 | September 30, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | March 31, 2022 |
| | Unaudited (refer note 13) | Unaudited | Unaudited (refer note 13) | Unaudited | Unaudited | Audited |
| Revenue from operations | | | | | | |
| i Interest | 0.03 | 0.02 | 0.66 | 0.07 | 4.45 | 4.70 |
| ii Dividend | - | - | - | 170.00 | - | - |
| iii Net gain / (loss) on fair value changes | 29.12 | 48.84 | 53.69 | 99.51 | 85.35 | 87.40 |
| I Total revenue from operations | 29.15 | 48.86 | 54.35 | 269.58 | 89.80 | 92.10 |
| II Other income (refer note 7) | (0.02) | 9.08 | β | 9.06 | 0.49 | 3.13 |
| III Total income (I+II) | 29.13 | 57.94 | 54.35 | 278.64 | 90.29 | 95.23 |
| IV Expenses | | | | | | |
| i Employee Benefits Expenses | 1.24 | 0.17 | 2.56 | 2.75 | 7.50 | 10.14 |
| ii Impairment on financial instruments | 0.66 | 0.02 | (0.25) | 0.72 | (0.19) | (0.23) |
| iii Depreciation, amortization and impairment | 0.02 | 0.02 | 0.03 | 0.07 | 0.08 | 0.10 |
| iv Other expenses | 2.18 | 2.20 | 6.56 | 6.28 | 10.46 | 13.14 |
| Total expenses (IV) | 4.10 | 2.41 | 8.90 | 9.82 | 17.85 | 23.15 |
| V Profit / (loss) before exceptional items and tax (III - IV) | 25.03 | 55.53 | 45.45 | 268.82 | 72.44 | 72.08 |
| VI Exceptional Items | - | - | - | - | - | - |
| VII Profit before tax (V-VI) | 25.03 | 55.53 | 45.45 | 268.82 | 72.44 | 72.08 |
| VIII Tax expense: | | | | | | |
| (1) Current tax | (2.10) | 6.34 | 0.96 | 6.49 | 2.89 | 3.32 |
| (2) Deferred tax charge | 4.57 | 4.60 | 12.23 | 14.10 | 18.23 | 17.50 |
| (3) Tax adjustment of earlier years | 0.22 | 0.03 | - | 0.22 | - | (2.71) |
| Total tax expense / (credit) | 2.69 | 10.97 | 13.19 | 20.81 | 21.12 | 18.11 |
| IX Profit for the period / year (VII-VIII) | 22.34 | 44.56 | 32.26 | 248.01 | 51.32 | 53.97 |
| X Other Comprehensive Income | | | | | | |
| A (i) Items that will not be reclassified to profit or loss | | | | | | |
| - Remeasurements of post-employment benefit obligations | (0.05) | (0.09) | (0.05) | (0.17) | (0.03) | (0.12) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 0.01 | 0.02 | 0.02 | 0.04 | 0.01 | 0.03 |
| 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 / year, net of tax | (0.04) | (0.07) | (0.03) | (0.13) | (0.02) | (0.09) |
| XI Total Comprehensive Income for the period / year (IX+X) | 22.30 | 44.49 | 32.23 | 247.88 | 51.30 | 53.88 |
| XII Paid-up equity share capital (face value of ₹ 10 per share) (refer note 2) | 1,599.22 | 1,597.23 | 1,596.44 | 1,599.22 | 1,596.44 | 1,596.44 |
| XIII Earnings per equity share (not annualised): | | | | | | |
| Basic (in ₹) | 0.14 | 0.28 | 0.20 | 1.55 | 0.32 | 0.34 |
| Diluted (in ₹) | 0.14 | 0.28 | 0.20 | 1.55 | 0.32 | 0.34 |



IDFC Limited

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

- 1 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.
- 2 During the nine months ended December 31, 2022 the Company issued 2,784,436 equity shares of face value of Rs 10 each (77,626 equity shares for the year ended March 31, 2022) pursuant to exercise of stock option by employees under the employee stock option scheme.
- 3 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. The Board of Directors of the Company, IDFC Financial Holding Company (IDFC FHCL) and IDFC FIRST Bank Limited at their respective meetings held on December 30, 2021 have confirmed that they are "in-principle" in favour of merger of "IDFC" and "IDFC FHCL" with "IDFC FIRST Bank". The merger will be subject to the approval by the Board of Directors of entities involved, shareholders, creditors and other necessary regulatory approvals.
- 4 The Board of Directors of the Company and IDFC FHCL at their respective meetings held on April 06, 2022, have inter alia considered binding bids received in connection with divestment of IDFC Asset Management Company Limited ('IDFC AMC') along with IDFC AMC Trustee Company Limited ('IDFC AMC Trustee') and have approved sale of the entire shareholding of IDFC AMC and IDFC AMC Trustee held by IDFC FHCL to a consortium comprising of Bandhan Financial Holding Limited, Lathe Investment Pte. Ltd. (affiliate of GIC), Tangerine Investments Limited, Infinity Partners (affiliates of ChrysCapital) ('Proposed Transaction'). The consideration for the Proposed Transaction of IDFC AMC is ₹ 4,500 crores on a fully diluted basis and subject to customary price adjustments at the closure and ₹ 0.50 crore for IDFC AMC Trustee.

All the requisite regulatory and other approvals, as applicable have been received and the Proposed Transaction is completed on January 31, 2023. IDFC FHCL sold 27,636,940 shares in IDFC AMC and 50,000 shares in IDFC AMC Trustee to the consortium for consideration of ₹ 4,490 crore and ₹ 0.50 crore respectively.

- 5 As part of simplification of the corporate structure, the Board of Directors of the company along with the three wholly owned subsidiaries (WOS) IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited, approved the merger of WOS into the Company, subject to receiving regulatory approvals from various authorities. Post Board approval, the Company along with its three WOS has filed scheme of amalgamation with Official Liquidator (OL) – Chennai and Regional Director / Registrar of Companies (ROC) – Chennai on December 06, 2021.

The ROC, Chennai vide its letter dated February 01, 2022 intimated its no observation / suggestions to the aforesaid scheme of amalgamation. Also the OL of Madras High Court vide its letter dated March 24, 2022 communicated its no observation to the aforesaid scheme of amalgamation.

The Company filed petition with National Company Law Tribunal (NCLT) – Chennai on April 13, 2022. NCLT heard the petition on October 20, 2022 and passed the order on November 22, 2022 in favor of the Company. The order is effective from December 09, 2022.

The Company has given effect to the order and have prepared merged accounts for all the periods appearing in the result. Consequently, all previous periods presented in the statement have been restated.

- 6 IDFC Foundation a wholly owned subsidiary of IDFC Limited, being a Section 8 company prohibits payment of dividend and/or repatriation of capital to its members. In continuation of corporate structure simplification, Board of Directors at their meeting held on October 27, 2022 have approved and donated its entire equity held in IDFC Foundation along with underlying investments in joint venture entities (Delhi Integrated Multi Modal Transit Systems Limited and Infrastructure Development Corporation (Karnataka) Limited) to Upajeevan Sangathan Foundation (a not for profit organisation formed under Section 8 of Companies Act, 2013). Accordingly, IDFC Foundation has ceased to be a subsidiary of the Company.
- 7 The Company has diluted 13.85% stake in Novopay Solutions Private Limited ('NSPL') (associate of the company) for ₹ 8.72 crore. After the dilution, NSPL is no longer an associate of the Company.



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8 On August 15, 2022, Ms. Ritu Anand ceased to be an Independent Director of the Company upon completion of her term.

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 cessation of her directorship from the Board, the number of Directors on the Board of the Company reduced from 6 to 5 and the composition of the Board as well as constitution of Board's committees were impacted. As on December 31, 2022 the Company was in process of appointing New Directors, on the Board to comply with Regulation 17(1)(c) of SEBI LODR Regulations 2015.

9 The Board of the Directors of the Company at its meeting held on April 06, 2022 has considered and declared an Interim Dividend of 10% i.e. ₹ 1 per equity share of the Company. The interim dividend was paid to the eligible shareholders on May 02, 2022, whose names appeared on the Register of Members of the Company as at close of day on April 10, 2022 being the record date for the purpose of the aforesaid interim dividend.

10 The Board of Directors at its meeting held on February 01, 2023 has considered and declared an interim dividend of 110% i.e. ₹ 11 per equity share of the Company. The interim dividend will paid to the eligible shareholders, whose names appear on the Register of Members of the Company as at close of the record date February 13, 2023.

11 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." Also the Company does not have any geographical segment.

12 The aforesaid standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 01, 2023. The Statutory Auditors of the Company have carried out limited review of the aforesaid results.

13 The figures for the quarter ended December 31, 2022 and December 31, 2021 are the balancing figures between reviewed figures for the nine months ended December 31, 2022 and December 31, 2021 and half year ended September 30, 2022 and September 30, 2021 respectively.

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

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

For and on behalf of the Board of IDFC Limited



Mahendra N. Shah
Managing Director

Place: Mumbai

Date: February 01, 2023



Independent Auditor's review report on unaudited consolidated quarterly financial results of IDFC Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
IDFC Limited

Introduction

1. We have reviewed the accompanying statement of unaudited consolidated financial results of IDFC Limited ('the Parent' or 'the Company') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its share of the net profit after tax and total comprehensive income of its associates and joint ventures for the quarter ended 31 December 2022 and year to date results for the period from 1 April 2022 to 31 December 2022 ('the Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 and, the circulars, guidelines and directions issued by Reserve Bank of India ('RBI') from time to time ('RBI guidelines') other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 Listing Regulations, as amended, to the extent applicable.
4. The Statement includes the result of the following entities:

| Name of the entity | Relationship |
|--|----------------------|
| IDFC Limited | Parent |
| IDFC Projects Limited (upto 9 December 2022 and then merged with the Parent) | Subsidiaries- Direct |
| IDFC Alternatives Limited (upto 9 December 2022 and then merged with the Parent) | Subsidiaries- Direct |



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| | |
|---|--------------------------|
| IDFC Trustee Company Limited (upto 9 December 2022 and then merged with the Parent) | Subsidiaries- Direct |
| IDFC Financial Holding Company Limited | Subsidiaries- Direct |
| IDFC Foundation (a section 8 company) (upto 27 October 2022) | Subsidiaries- Direct |
| IDFC Asset Management Company Limited | Subsidiaries- Indirect |
| IDFC AMC Trustee Company Limited | Subsidiaries- Indirect |
| IDFC Investment Managers (Mauritius) Limited | Subsidiaries- Indirect |
| India Multi Avenues Fund Limited | Subsidiaries- Indirect |
| IDFC IEH Conservative Fund (upto 6 October 2022) | Subsidiaries- Indirect |
| IDFC FIRST Bank Limited | Associates- Indirect |
| IDFC FIRST Bharat Limited | Associates- Indirect |
| Millennium City Expressways Private Limited | Associates- Indirect |
| Jetpur Somnath Tollways Limited | Associates- Indirect |
| Infrastructure Development Corporation (Karnataka) Limited) (upto 27 October 2022) | Joint Ventures- Indirect |
| Delhi Integrated Multi-Modal Transit System Limited (upto 27 October 2022) | Joint Ventures- Indirect |
| India PPP Capacity Building Trust (upto 27 October 2022) | Joint Ventures- Indirect |

Basis for Qualified Conclusion

5. The Statement includes the profit from discontinued operation of a subsidiary of Rs. 21.71 crores and Rs.78.09 crores for the quarter ended 31 December 2022 and for the period from 1 April 2022 to 31 December 2022 respectively, which have not been reviewed by their auditors as on the date of approval of financial results of the Parent. The Board meeting of this subsidiary has not been conducted to approve its financial results. According to the information and explanations given to us by the Parent, the interim financial information, have been prepared and certified by the Management of the said subsidiary.

Qualified Conclusion

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the report of other auditors referred to in paragraph 9 and 10 below, except for the matters described in the 'Basis for Qualified Conclusion' paragraph above, impact whereof, if any, not ascertainable presently, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



Emphasis of Matter

7. We draw attention to note 10 to the Statement mentioning that the Company is in process of appointing new directors on the Board to comply with Regulation 17(1)(c) of Listing Regulations. Our conclusion on the Statement is not modified in respect of the above matter.

Other Matters

8. We draw attention to note 7 of the Statement which highlights that as part of simplification of corporate structure, the Board of Directors of the Parent along with its three Wholly Owned Subsidiaries ("WOS") IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited, approved the merger of WOS into the Company, subject to receiving regulatory approvals from various authorities. Post Board approval, the Company along with its three WOS has filed scheme of amalgamation with Official Liquidator ("OL") – Chennai and Regional Director / Registrar of Companies ("ROC") – Chennai on 06 December 2021. The ROC, Chennai vide its letter dated 01 February 2022 intimated no observation / suggestions to the aforesaid scheme of amalgamation. Also, the OL of Madras High Court vide its letter dated 24 March 2022 communicated no observation to the aforesaid scheme of amalgamation. The Company filed petition with National Company Law Tribunal ("NCLT") – Chennai on 13 April 2022. NCLT heard the petition on 20 October 2022 and passed the order on 22 November 2022 in favour of the Company. Appointed date of the merger being 01 April 2021, the Company has given effect to the Order and have prepared merged accounts for all the periods appearing in the result. Consequently, all the previous periods presented in the Statement has been restated.

Our conclusion on the Statement is not modified in respect of this matter.

9. We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results, reflect total revenues of Rs. 0.58 crores and Rs. 1.65 crores, total net loss after tax of Rs. 0.19 crores and Rs. 3.53 crores and total comprehensive loss of Rs. 0.19 crores and of Rs. 3.53 crores for the quarter ended 31 December 2022 and for the period from 1 April 2022 to 31 December 2022 respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 229.32 crores and Rs. 705.68 crores and total comprehensive income of Rs. 253.91 crores and Rs. 698.69 crores for the quarter ended 31 December 2022 and for the period from 1 April 2022 to 2022, respectively, as considered in the Statement, in respect of three associates, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.



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10. The Statement includes the interim financial information of Four subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 0.15 crores and Rs. 0.45 crores, total net loss after tax of Rs. 0.23 crores and Rs. 0.45 crores and total comprehensive loss of Rs. 0.23 crores and Rs. 0.45 crores for the quarter ended 31 December 2022 and for the period from 1 April 2022 to 31 December 2022 respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. Nil and Rs. Nil and total comprehensive income of Rs. Nil and Rs. Nil for the quarter ended 31 December 2022 and for the period from 1 April 2022 to 31 December 2022, respectively, as considered in the Statement, in respect of one associate and three joint ventures, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621


Gautam Shah

Partner

ICAI Membership No: 117348

UDIN: 23117348BGSZHA6940



Place: Mumbai

Date: 01 February 2023

Statement of Consolidated unaudited Financial Results for the quarter and nine months ended December 31, 2022

| Particulars | For the quarter ended | | | For the nine months ended | | For the year ended |
|--|----------------------------|--------------------|----------------------------|---------------------------|-------------------|--------------------|
| | December 31, 2022 | September 30, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 | March 31, 2022 |
| | Unaudited (see note 16) | Unaudited | Unaudited (see note 16) | Unaudited | Unaudited | Audited |
| Revenue from operations | | | | | | |
| i Interest income | 0.61 | 0.54 | 0.05 | 1.72 | 0.15 | 0.37 |
| ii Net gain / (loss) on fair value changes | 29.12 | 48.84 | 53.69 | 99.51 | 85.35 | 87.40 |
| Total revenue from operations | 29.73 | 49.38 | 53.74 | 101.23 | 85.50 | 87.77 |
| II Other income (see note 9) | (0.02) | 9.08 | 0.01 | 9.06 | 0.49 | 3.11 |
| III Total income (I+II) | 29.71 | 58.46 | 53.75 | 110.29 | 85.99 | 90.88 |
| Expenses | | | | | | |
| i Impairment on financial instruments | 0.66 | 0.02 | (0.77) | 0.72 | (0.71) | (0.75) |
| ii Employee benefits expenses | 1.46 | 0.38 | 2.78 | 3.43 | 8.15 | 11.06 |
| iii Depreciation, amortization and impairment | 0.02 | 0.01 | 0.03 | 0.07 | 0.08 | 0.11 |
| iv Other expenses | 2.32 | 2.45 | 6.88 | 10.71 | 11.16 | 14.27 |
| IV Total expenses | 4.46 | 2.86 | 8.92 | 14.93 | 18.68 | 24.69 |
| V Profit/ (loss) before exceptional items and tax (III - IV) | 25.25 | 55.60 | 44.83 | 95.36 | 67.31 | 66.19 |
| VI Exceptional items | | | | | | |
| VII Profit before share of net profits of investments accounted for using equity method and tax (VVI) | 25.25 | 55.60 | 44.83 | 95.36 | 67.31 | 66.19 |
| VIII Share of net profit / (loss) of associate accounted for using equity method * | 229.31 | 253.24 | (27.00) | 705.68 | (271.70) | 7.30 |
| IX Profit / (Loss) before tax from continuing operations (VII + VIII) | 254.56 | 308.84 | 17.83 | 801.04 | (204.39) | 73.49 |
| X Tax expense: | | | | | | |
| i Current tax | (2.10) | 6.35 | 23.57 | 6.49 | 25.51 | 45.72 |
| ii Deferred tax charge/ (credit) | 4.56 | 4.59 | 12.21 | 14.10 | 18.22 | 17.50 |
| iii Tax adjustment of earlier years | 0.22 | 0.07 | - | 0.29 | - | (2.72) |
| Total tax expense | 2.68 | 11.01 | 35.78 | 20.88 | 43.73 | 60.50 |
| XI Net profit / (loss) after tax from continuing operations (IX - X) | 251.88 | 297.83 | (17.95) | 780.16 | (248.12) | 12.99 |
| XII Discontinued operations: (see note 5 & 8) | | | | | | |
| i Profit / (loss) from discontinued operations | 2.788 | 45.37 | 50.97 | 102.17 | 163.04 | 113.26 |
| ii Tax expense of discontinued operations | 7.70 | 11.11 | 15.21 | 25.81 | 44.64 | 61.94 |
| Net profit / (loss) for the period / year from discontinued operations | 20.18 | 34.26 | 35.76 | 76.36 | 118.40 | 51.32 |
| XIII Net profit / (Loss) for the period / year (XI+XII) | 272.06 | 332.09 | 17.81 | 856.52 | (129.72) | 64.31 |
| XIV Other Comprehensive Income | | | | | | |
| A (i) Items that will not be reclassified to profit or loss | | | | | | |
| - Remeasurements of post-employment benefit obligations | (0.05) | (0.09) | (0.05) | (0.17) | (0.03) | (0.12) |
| - OCI arising from discontinued operation | 0.38 | 0.77 | 0.22 | 1.40 | 0.68 | 0.89 |
| - Share of OCI of associate accounted for using equity method * | (1.28) | 17.04 | 30.26 | 14.24 | 23.15 | 18.50 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 0.01 | 0.02 | 0.02 | 0.04 | 0.01 | 0.03 |
| B (i) Items that will be reclassified to profit or loss | | | | | | |
| - Share of OCI of associate accounted for using equity method * | 25.87 | (0.28) | 84.85 | (21.24) | 109.13 | 108.53 |
| - OCI arising from discontinued operation | - | - | (0.46) | - | (104) | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | | | | | |
| Other comprehensive income for the period / year, net of tax | 24.93 | 17.46 | 114.84 | (5.73) | 131.90 | 127.83 |
| XV Total Comprehensive Income for the period / year (XIII+XIV) | 296.99 | 349.55 | 132.65 | 850.79 | 2.18 | 192.14 |
| * Represents share of IDFC from IDFC FIRST Bank Limited under INDAS | | | | | | |
| Net Profit/(Loss) attributable to: | | | | | | |
| - Owners | 272.05 | 331.83 | 18.23 | 856.50 | (130.13) | 64.03 |
| - Non-controlling interests | 0.01 | 0.26 | (0.42) | 0.02 | 0.41 | 0.28 |
| Other comprehensive income attributable to: | | | | | | |
| - Owners | 24.93 | 17.46 | 114.84 | (5.73) | 131.90 | 127.83 |
| - Non-controlling interests | - | - | - | - | - | - |
| Total comprehensive income attributable to: | | | | | | |
| - Owners | 296.98 | 349.29 | 133.07 | 850.77 | 1.77 | 191.86 |
| - Non-controlling interests | 0.01 | 0.26 | (0.42) | 0.02 | 0.41 | 0.28 |
| Total comprehensive income attributable to owners from: | | | | | | |
| - Continuing operations | 276.43 | 314.52 | 97.13 | 773.03 | (115.86) | 139.93 |
| - Discontinued operations | 20.56 | 35.03 | 35.52 | 77.76 | 118.04 | 52.21 |
| XVI Paid-up equity share capital (face value of ₹ 10 per share) [see note 3] | 1,599.22 | 1,597.23 | 1,596.44 | 1,599.22 | 1,596.44 | 1,596.44 |
| XVII Earnings per equity share (in ₹) | | | | | | |
| For continuing operations: | | | | | | |
| (1) Basic | 1.58 | 1.87 | (0.11) | 4.88 | (1.55) | 0.08 |
| (2) Diluted | 1.58 | 1.87 | (0.11) | 4.88 | (1.55) | 0.08 |
| For discontinued operations: | | | | | | |
| (1) Basic | 0.12 | 0.21 | 0.22 | 0.48 | 0.74 | 0.32 |
| (2) Diluted | 0.12 | 0.21 | 0.22 | 0.48 | 0.74 | 0.32 |
| For continuing and discontinued operations: | | | | | | |
| (1) Basic | 1.70 | 2.08 | 0.11 | 5.36 | (0.81) | 0.40 |
| (2) Diluted | 1.70 | 2.08 | 0.11 | 5.36 | (0.81) | 0.40 |
| See accompanying notes to the financial results | | | | | | |



Notes

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

| Particulars | For the quarter ended | | | For the nine months ended | | For the year ended |
|--|---|---------------------------------|---|--------------------------------|--------------------------------|---------------------------|
| | December 31, 2022 Unaudited (see note 16) | September 30, 2022 Unaudited | December 31, 2021 Unaudited (see note 16) | December 31, 2022 Unaudited | December 31, 2021 Unaudited | March 31, 2022 Audited |
| Segment Revenues | | | | | | |
| - Financing | 29.73 | 49.38 | 53.74 | 101.23 | 85.50 | 87.77 |
| - Others | - | - | - | - | - | - |
| Total Segment Revenues | 29.73 | 49.38 | 53.74 | 101.23 | 85.50 | 87.77 |
| Add: Unallocated Revenues | - | - | - | - | - | - |
| (Less) Inter-segment Adjustments | - | - | - | - | - | - |
| Total Revenues | 29.73 | 49.38 | 53.74 | 101.23 | 85.50 | 87.77 |
| Segment Results | | | | | | |
| - Financing | 25.25 | 55.60 | 44.83 | 95.36 | 67.31 | 66.19 |
| - Others | - | - | - | - | - | - |
| Total Segment Results | 25.25 | 55.60 | 44.83 | 95.36 | 67.31 | 66.19 |
| Add / (Less): Unallocated | - | - | - | - | - | - |
| Add: Share of net profit / (loss) of associate accounted for using equity method | 229.31 | 253.24 | (27.00) | 705.68 | (271.70) | 7.30 |
| Profit / (loss) before tax | 254.56 | 308.84 | 17.83 | 801.04 | (204.39) | 73.49 |
| Segment Assets | | | | | | |
| - Financing | 520.73 | 481.26 | 236.50 | 520.73 | 236.50 | 592.90 |
| - Others | - | - | - | - | - | - |
| Total Segment Assets | 520.73 | 481.26 | 236.50 | 520.73 | 236.50 | 592.90 |
| Unallocated | - | - | - | - | - | - |
| - Banking | 8,115.41 | 7,858.53 | 7,122.35 | 8,115.41 | 7,122.35 | 7,401.21 |
| - Others | 31.44 | 32.64 | 27.11 | 31.44 | 27.11 | 18.98 |
| Disposal group held for sale | 1,217.75 | 1,164.29 | 1,556.03 | 1,217.75 | 1,556.03 | 1,151.01 |
| Total Assets | 9,885.33 | 9,536.73 | 8,941.99 | 9,885.33 | 8,941.99 | 9,164.10 |
| Segment Liabilities | | | | | | |
| - Financing | 5.01 | 4.75 | 37.91 | 5.01 | 37.91 | 9.14 |
| - Others | - | - | - | - | - | - |
| Total Segment Liabilities | 5.01 | 4.75 | 37.91 | 5.01 | 37.91 | 9.14 |
| Unallocated | - | - | - | - | - | - |
| - Others | 32.18 | 31.88 | 40.37 | 32.18 | 40.37 | 18.08 |
| Disposal group held for sale | 139.17 | 168.36 | 99.13 | 139.17 | 99.13 | 210.24 |
| Total Liabilities | 176.36 | 204.99 | 177.41 | 176.36 | 177.41 | 237.46 |
| Capital Employed | | | | | | |
| - Financing | 515.72 | 476.52 | 198.59 | 515.72 | 198.59 | 583.76 |
| - Others | - | - | - | - | - | - |
| Total Segment Capital Employed | 515.72 | 476.52 | 198.59 | 515.72 | 198.59 | 583.76 |
| Unallocated | - | - | - | - | - | - |
| - Banking | 8,115.41 | 7,858.53 | 7,122.35 | 8,115.41 | 7,122.35 | 7,401.21 |
| - Others | (0.74) | 0.76 | (13.26) | (0.74) | (13.26) | 0.90 |
| Disposal group held for sale | 1,078.58 | 995.93 | 1,456.90 | 1,078.58 | 1,456.90 | 940.77 |
| Total Capital Employed | 9,708.97 | 9,331.74 | 8,764.58 | 9,708.97 | 8,764.58 | 8,926.64 |

ii Segment composition

- Financing includes investing activity. With the merger of three wholly owned subsidiaries ("WOS") IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited with the Holding Company on November 22, 2022, 'other' segment has been merged with financing segment. Previous period segment figures are regrouped in accordance with revised segment structure.
- The Group has reorganised its segment structure on account of classification of IDFC Asset Management Company Limited, IDFC AMC Trustee Company Limited, IDFC IEH Conservative Fund, IDFC Investment Managers (Mauritius) Limited, India Multi-Avenues Fund Limited and IDFC Foundation as Disposal group held for sale. Previous period segment figures are regrouped in accordance with revised segment structure.



IDFC Limited

Registered Office: 4th Floor, Capitale Tower, 555, Anna Salai, Thiru Vi Ka Kudiyruppu, Teynampet, Chennai 600018, Tamil Nadu.

CIN No. L65191TN1997PLC037415

- 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 During the nine months ended December 31, 2022 IDFC Limited ('Holding Company') issued 27,84,436 equity shares of face value of Rs 10 each (77,626 equity shares for the year ended March 31, 2022) pursuant to exercise of stock option by employees under the employee stock option scheme.
- 4 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. The Board of Directors of the Holding Company, IDFC Financial Holding Company (IDFC FHCL) and IDFC FIRST Bank Limited at their respective meetings held on December 30, 2021 have confirmed that they are "in-principle" in favour of merger of "IDFC" and "IDFC FHCL" with "IDFC FIRST Bank". The merger will be subject to the approval by the Board of Directors of entities involved, shareholders, creditors and other necessary regulatory approvals.
- 5 The Board of Directors of the Holding Company and IDFC FHCL at their respective meetings held on April 06, 2022, have inter alia considered binding bids received in connection with divestment of IDFC Asset Management Company Limited ('IDFC AMC') along with IDFC AMC Trustee Company Limited ('IDFC AMC Trustee') and have approved sale of the entire shareholding of IDFC AMC and IDFC AMC Trustee held by IDFC FHCL to a consortium comprising of Bandhan Financial Holding Limited, Lathe Investment Pte. Ltd. (affiliate of GIC), Tangerine Investments Limited, Infinity Partners (affiliates of ChrysCapital) ('Proposed Transaction'). The consideration for the Proposed Transaction of IDFC AMC is ₹ 4,500 crores on a fully diluted basis and subject to customary price adjustments at the closure and ₹ 0.50 crore for IDFC AMC Trustee.

It was highly probable that the said sale transaction would be completed in the next 12 months. Accordingly the investment in IDFC AMC and IDFC AMC Trustee along with their subsidiaries IDFC IEH Conservative Fund, IDFC Investment Managers (Mauritius) Limited and India Multi - Avenues Fund Limited are classified as assets held for sale as on December 31, 2022 and March 31, 2022.

Figures for the quarter and nine months ended December 31, 2022 include ₹ 22.33 crores and ₹ 79.47 crore as net profit after tax from discontinued operations pertaining to these entities.

All the requisite regulatory and other approvals, as applicable have been received and the Proposed Transaction is completed on January 31, 2023. IDFC FHCL sold 27,636,940 shares in IDFC AMC and 50,000 shares in IDFC AMC Trustee to the consortium for consideration of ₹ 4,490 crore and ₹ 0.50 crore respectively. With the conclusion of the transaction, post January 31, 2023, IDFC AMC, IDFC AMC Trustee and IDFC Investment Managers (Mauritius) Limited are no more subsidiaries of the Group.

- 6 The Board of Directors of IDFC Asset Management Company Limited ('IDFC AMC') ('the Investment Manager') had approved the winding up of IDFC IEH Conservative Fund, subsidiary of IDFC AMC, vide its meeting dated July 26, 2022. Approval from the investors holding more than 75% in the value was received by the Board of Directors of IDFC AMC on August 22, 2022 All the assets of IDFC IEH Conservative Fund were liquidated by October 6, 2022 and paid to investors. Hence with effect from October 6, 2022, IEH Conservative Fund has ceased to be subsidiary of the Group.
- 7 As part of simplification of corporate structure, the Board of Directors of the Holding Company along with its three wholly owned subsidiaries ('WOS') IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited, approved the merger of WOS into the Holding Company, subject to regulatory approvals from various authorities. Post Board approval, the Holding Company along with its three WOS has filed scheme of amalgamation with Official Liquidator ('OL') – Chennai and with Regional Director ('RD') / Registrar of Companies ('ROC') – Chennai on December 06, 2021.

The ROC, Chennai vide its letter dated February 01, 2022 intimated it's no observations/suggestions to the aforesaid scheme of amalgamation. Also, the OL of Madras High Court vide its letter dated March 24, 2022, communicated it's no observations to the aforesaid scheme of amalgamation.

The Company filed petition with National Company Law Tribunal (NCLT) – Chennai on April 13, 2022. NCLT heard the petition on October 20, 2022 and passed the order on November 22, 2022 in favor of the Holding Company. The order is effective from December 09, 2022.

Post approval from NCLT, IDFC Alternatives Limited, IDFC Trustee Company Limited and IDFC Projects Limited are merged with the Holding Company and are no more subsidiaries of the Group.

- 8 IDFC Foundation is a wholly owned subsidiary of IDFC and is a 'Not for profit' organisation. In continuation of corporate structure simplification, Board of Directors of the Holding Company at their meeting held on October 27, 2022 have approved and donated its entire equity held in IDFC Foundation along with underlying investments in joint venture entities [Delhi Integrated Multi Modal Transit Systems Limited ('DIMTS') and Infrastructure Development Corporation (Karnataka) Limited ('Ideck')] to Upajeevan Sangathan Foundation (a not for profit organisation formed under Section 8 of Companies Act, 2013). Accordingly, results of IDFC Foundation till October 27, 2022 are shown as discontinued operations and other periods have been regrouped.

Figures for the quarter and nine months ended December 31, 2022 include ₹ (1.77) crores and ₹ (1.71) crore as net loss after tax from discontinued operations pertaining to IDFC Foundation.



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9 The Holding Company has diluted 13.85% stake in Novopay Solutions Private Limited ('NSPL') (associate of the group) for ₹ 8.72 crore. After the dilution, NSPL is no longer an associate of the Group.

10 On August 15, 2022, Ms. Ritu Anand ceased to be an Independent Director of the Company upon completion of her term.

Pursuant to Regulation 17(1)(c) of SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations 2015, the Board of Directors of the Holding Company shall comprise of not less than six directors. Due to cessation of her directorship from the Board, the number of Directors on the Board of the Company reduced from 6 to 5 and the composition of the Board as well as constitution of Board's committees were impacted. As on December 31, 2022 the Holding Company was in process of appointing New Directors, on the Board to comply with Regulation 17(1)(c) of SEBI LODR Regulations 2015.

11 IDFC FIRST Bank Limited, an associate of the Group has brought out the following points in its result:

India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. Currently, while the number of new COVID-19 cases have reduced significantly and the restrictions have been eased by the Government, the extent to which the COVID-19 pandemic, including the future subsequent waves, if any, may impact the Bank's operations and asset quality will depend on future developments. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

12 The Board of the Directors of the Holding Company at its meeting held on April 06, 2022 has considered and declared an Interim Dividend of 10% i.e. ₹ 1 per equity share of the Company. The interim dividend was paid to the eligible shareholders on May 02, 2022, whose names appeared on the Register of Members of the Holding Company as at close of day on April 10, 2022 being the record date for the purpose of the aforesaid interim dividend.

13 The Board of Directors at its meeting held on February 01, 2023 has considered and declared an Interim Dividend of 110 % i.e. ₹ 11 per equity share of the Company. The interim dividend will be paid to the eligible shareholders, whose names appear on the Register of Members of the Holding Company as at close of the record date February 13, 2023.

14 Key standalone financial information of IDFC Limited is given below:-

(₹ in crores)

| Particulars | For the quarter ended | | | For the nine months ended | | For the year ended |
|---|--------------------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------|
| | December 31, 2022 Unaudited | September 30, 2022 Unaudited | December 31, 2021 Unaudited | December 31, 2022 Unaudited | December 31, 2021 Unaudited | March 31, 2022 Audited |
| Total Income | 29.13 | 57.94 | 54.35 | 278.64 | 90.29 | 95.23 |
| Profit before tax | 25.03 | 55.53 | 45.45 | 268.82 | 72.44 | 72.08 |
| Profit after tax | 22.34 | 44.56 | 32.26 | 248.01 | 51.32 | 53.97 |
| Total comprehensive income for the period | 22.30 | 44.49 | 32.23 | 247.88 | 51.30 | 53.88 |

15 The aforesaid consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 01, 2023. The Statutory Auditors of the Company have carried out limited review of the aforesaid results.

16 The figures for the quarter ended December 31, 2022 and December 31, 2021 are the balancing figures between reviewed figures for the nine months ended December 31, 2022 and December 31, 2021 and half year ended September 30, 2022 and September 30, 2021 respectively.

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

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

19 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


Mahendra N. Shah
Managing Director

Place: Mumbai

Date: February 01, 2023

