

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF IDFC LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of IDFC LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to Note 1 (c) to the Standalone Financial Statements which describes the demerger of the financial undertaking of the Company, as defined in the Scheme of Arrangement under section 391-394 of the Companies Act, 1956 approved by the Hon'ble Madras High Court vide its order dated June 25, 2015 into IDFC Bank Limited with effect from October 1, 2015.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

## INDEPENDENT AUDITORS' REPORT

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position
    - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

### **For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

### **P. R. Ramesh**

Partner

(Membership No. 70928)

Mumbai, 29 April, 2016

## ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of IDFC Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For Deloitte Haskins & Sells LLP

Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

#### P. R. Ramesh

Partner  
(Membership No. 70928)

Mumbai, 29 April, 2016

## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. The Company being a non banking financial company, nothing contained in section 186, except sub-section (1), shall apply.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO is not applicable
- (vi) Having regard to the nature of the Company’s business / activities, reporting under clause (vi) of the CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, during the year, there were no dues payable in respect of the employees’ state insurance scheme.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of debt instruments and term loans has been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors, directors of its subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

### **For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm’s Registration No. 117366W/W-100018)

### **P. R. Ramesh**

Partner

(Membership No. 70928)

Mumbai, 29 April, 2016

# BALANCE SHEET

AS AT MARCH 31, 2016

		(₹ IN CRORE)		
	NOTES	AS AT MARCH 31, 2016	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
(a) Share capital	4	1,594.02		1,592.78
(b) Reserves and surplus	5	7,994.71		15,336.74
			9,588.73	16,929.52
<b>Share application money pending allotment</b>				
	6		5.66	2.22
<b>Non-current liabilities</b>				
(a) Long-term borrowings	7	-		42,918.69
(b) Other long-term liabilities	8	-		355.43
(c) Long-term provisions	9	-		136.82
(d) Deferred tax liability	16	11.16		-
			11.16	43,410.94
<b>Current liabilities</b>				
(a) Short-term borrowings	10	-		12,085.77
(b) Trade payables	11			
(i) total outstanding dues of micro enterprises and small enterprises		-		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		9.21		430.71
(c) Other current liabilities	12	2.60		13,135.97
(d) Short-term provisions	13	2.43		524.67
			14.24	26,177.12
<b>TOTAL</b>			<b>9,619.79</b>	<b>86,519.80</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Fixed assets				
(i) Tangible assets	14(a)	65.73		357.36
(ii) Intangible assets	14(b)	-		1.79
(iii) Intangible assets under development		-		13.69
			65.73	372.84
(b) Non-current investments	15		8,959.80	15,879.98
(c) Deferred tax assets (net)	16		-	745.70
(d) Long-term loans and advances				
(i) Loans	17	-		47,172.47
(ii) Others	18	0.75		561.59
			0.75	47,734.06
(e) Other non-current assets	19		-	207.83
			9,026.28	64,940.41
<b>Current assets</b>				
(a) Current investments	20		269.38	14,606.91
(b) Trade receivables	21		3.02	26.08
(c) Cash and bank balances	22		226.64	181.35
(d) Short-term loans and advances				
(i) Loans	17	-		5,254.16
(ii) Others	18	92.79		492.00
			92.79	5,746.16
(e) Other current assets	19		1.68	1,018.89
			593.51	21,579.39
<b>TOTAL</b>			<b>9,619.79</b>	<b>86,519.80</b>

See accompanying notes forming part of the financial statements (see notes 1 to 48)

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

**P.R. Ramesh**  
Partner  
(Membership No. 70928)

Mumbai, April 29, 2016

For and on behalf of the Board of Directors of  
**IDFC Limited**

**Vinod Rai**  
Non-Executive Chairman

**Bipin Gemani**  
Chief Financial Officer

**Vikram Limaye**  
Managing Director & CEO

**Ketan Kulkarni**  
Company Secretary

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2016

		(₹ IN CRORE)	
	NOTES	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>A CONTINUING OPERATIONS</b>			
<b>I INCOME</b>			
Revenue from operations	23	224.13	98.56
Other income	24	1.75	1.00
<b>TOTAL INCOME (I)</b>		<b>225.88</b>	<b>99.56</b>
<b>II EXPENSES</b>			
Employee benefits expense	25	9.87	5.67
Provisions and contingencies	26	40.71	21.00
Other expenses	27	6.09	5.39
Depreciation and amortisation expense	14(a),(b) & 40	4.96	(31.65)
<b>TOTAL EXPENSES (II)</b>		<b>61.63</b>	<b>0.41</b>
<b>III PROFIT BEFORE TAX (I - II)</b>		<b>164.25</b>	<b>99.15</b>
<b>IV TAX EXPENSE</b>			
Current tax		14.29	33.95
Deferred tax	16 & 28	8.26	(1.80)
<b>TOTAL TAX EXPENSE (IV)</b>		<b>22.55</b>	<b>32.15</b>
<b>V PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (III-IV)</b>		<b>141.70</b>	<b>67.00</b>
<b>B DISCONTINUING OPERATIONS</b>	28		
<b>VI PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS BEFORE TAX</b>		<b>(1,969.49)</b>	<b>2,094.01</b>
<b>VII TAX EXPENSE OF DISCONTINUING OPERATIONS</b>			
Current Tax		379.55	874.04
Deferred Tax		(1,044.96)	(289.01)
Tax adjustment for prior years		(0.24)	(109.51)
<b>TOTAL TAX EXPENSE (VII)</b>		<b>(665.65)</b>	<b>475.52</b>
<b>VIII PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS (VI-VII)</b>		<b>(1,303.84)</b>	<b>1,618.49</b>
<b>C TOTAL OPERATIONS</b>			
<b>IX PROFIT / (LOSS) FOR THE YEAR (V+VIII)</b>		<b>(1,162.14)</b>	<b>1,685.49</b>
<b>X EARNINGS PER EQUITY SHARE (NOMINAL VALUE OF SHARE ₹ 10 EACH)</b>	36		
(a) Basic (₹)			
(i) Continuing operations		0.89	0.43
(ii) Total operations		(7.29)	10.83
(b) Diluted (₹)			
(i) Continuing operations		0.89	0.43
(ii) Total operations		(7.29)	10.77

See accompanying notes forming part of the financial statements (see notes 1 to 48)

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

**P.R. Ramesh**  
Partner  
(Membership No. 70928)

Mumbai, April 29, 2016

For and on behalf of the Board of Directors of  
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**Vinod Rai**  
Non-Executive Chairman

**Bipin Gemani**  
Chief Financial Officer

**Vikram Limaye**  
Managing Director & CEO

**Ketan Kulkarni**  
Company Secretary

# CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2016

		(₹ IN CRORE)	
	NOTES	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>I CASH FLOW FROM CONTINUING OPERATIONS</b>			
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		164.25	2,193.16
<b>Adjustments for:</b>			
Depreciation and amortisation expense	14(a)&(b)	4.96	(60.77)
Provision for employee benefits		-	(0.14)
Provisions and contingencies (excluding bad debts written off)	26	(53.07)	1,018.55
Interest expense		-	5,385.67
Interest income	23	(3.01)	(8,031.09)
Provision utilised against non-performing loans / other receivables		-	(102.97)
Unrealised loss on foreign currency revaluation		-	523.27
Profit on sale of investments in group companies	24	(1.75)	(1.00)
Profit on sale of other investments (net)	23	(17.90)	(900.14)
Amortisation of premium on long term investments		-	9.96
Profit on sale of fixed assets (net)		-	(1.28)
Interest paid		-	(5,063.44)
Interest received		1.33	8,146.47
		(69.44)	923.09
<b>Operating profit before working capital changes</b>		<b>94.81</b>	<b>3,116.25</b>
<b>Changes in working capital:</b>			
<b>Adjustments for (increase) / decrease in operating assets</b>			
Trade receivables		(0.73)	114.98
Long-term loans and advances		0.75	(54.97)
Short-term loans and advances		822.28	(70.90)
Other non-current assets		-	22.85
Other current assets		β	(33.42)
<b>Adjustments for increase / (decrease) in operating liabilities</b>			
Trade payables		3.46	120.43
Other long-term liabilities		-	(10.63)
Other current liabilities		0.83	(15.39)
		826.59	72.95
Direct taxes paid		(16.71)	(865.75)
<b>CASH GENERATED FROM OPERATIONS</b>		<b>904.69</b>	<b>2,323.45</b>
Loans disbursed / repaid (net)		-	4,952.95
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>904.69</b>	<b>7,276.40</b>



# CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2016

		(₹ IN CRORE)	
	NOTES	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets (including intangible assets under development)		(0.24)	(38.00)
Sale of fixed assets		-	5.78
Investments in subsidiaries		(45.00)	(340.05)
Purchase of other investments		(1,938.71)	(699,620.91)
Sale proceeds of investments in subsidiaries		22.75	976.87
Sale proceeds of other investments		1,573.45	680,746.92
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(387.75)</b>	<b>(18,269.39)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from fresh issue of shares (net of issue expenses)		18.93	1,021.00
Proceeds from borrowings		-	2,952,181.88
Repayment of borrowings		-	(2,941,820.33)
Dividend paid (including dividend distribution tax)		(458.06)	(446.58)
<b>NET CASH GENERATED / (USED IN) FROM FINANCING ACTIVITIES</b>		<b>(439.13)</b>	<b>10,935.97</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>77.81</b>	<b>(57.02)</b>
<b>II CASH FLOW FROM DISCONTINUING OPERATIONS :</b>			
<b>i. NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		8,608.30	-
<b>ii. NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		2,221.89	-
<b>iii. NET CASH USED IN FINANCING ACTIVITIES</b>		(9,530.81)	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (i+ii+iii)</b>		<b>1,299.38</b>	-
Net increase / (decrease) in cash and cash equivalents (I+II)		1,377.20	(57.02)
Less: Transferred pursuant to demerger of Financing Undertaking		(1,291.48)	-
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (NET OF TRANSFER ON DEMERGER)</b>		<b>85.72</b>	<b>(57.02)</b>
Cash and cash equivalents as at the beginning of the year	22	139.08	196.10
Cash and cash equivalents as at the end of the year	22	224.80	139.08
		<b>85.72</b>	<b>(57.02)</b>

See accompanying notes forming part of the financial statements (see note 1 to 48)

In terms of our report attached.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Registration No. 117366W/W-100018)

**P.R. Ramesh**  
Partner  
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Mumbai, April 29, 2016

For and on behalf of the Board of Directors of  
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Chief Financial Officer

**Vikram Limaye**  
Managing Director & CEO

**Ketan Kulkarni**  
Company Secretary

**01 CORPORATE INFORMATION**

- A. IDFC Limited ('the Company') is a public company incorporated in India and is a Non Banking Finance Company (NBFC) regulated by the Reserve Bank of India ('RBI'). It was operating as an Infrastructure Finance Company, i.e. financing infrastructure projects in sectors like energy, telecommunication, transportation, commercial and industrial projects including hospital, education, tourism and hotels upto September 30, 2015. The Company had received in principle approval from the RBI to set up a new private sector bank in April 2014. Since October 1, 2015 the company is operating as NBFC- Investment Company.
- B. In addition, as required under the Guidelines for Licensing of New Banks in the Private Sector issued by RBI on February 22, 2013, the Non Operative Financial Holding Company shall hold investment in the Bank as well as all other Financial Services entities of the group regulated by RBI or other Financial Sector regulators. Accordingly, IDFC Limited has transferred its entire investments in all regulated subsidiaries, i.e. IDFC Alternatives Limited, IDFC Asset Management Company Limited, IDFC AMC Trustee Company Limited, IDFC Infra Debt Fund Limited, IDFC Securities Limited & IDFC Trustee Company Limited to its wholly owned subsidiary, IDFC Financial Holding Company Limited ('IDFC FHCL') for consideration received in cash.

**C. DEMERGER OF FINANCING UNDERTAKING**

Pursuant to the filing and approval of the Scheme of Arrangement u/s. 391-394 of the Companies Act, 1956 ('Scheme of Arrangement') between IDFC Limited ('Transferor Company') and IDFC Bank Limited ('Transferee Company') and their respective shareholders and creditors, by the Hon'ble Madras High Court vide its order dated June 25, 2015 and on fulfillment of all conditions specified under the Scheme of Arrangement and on receipt of final banking license from the Reserve Bank of India by IDFC Bank Limited, the Financing Undertaking of the Transferor Company was transferred at the book value to the Transferee Company with effect from October 1, 2015. Accordingly, assets aggregating to ₹ 66,237.46 crore and liabilities aggregating to ₹ 60,002.90 crore, resulting in net assets of ₹ 6,234.56 crore along with contingent liabilities of ₹ 285.63 crore, capital commitment of ₹ 840.05 crore and notional principal of derivative contracts of ₹ 13,903.57 crore pertaining to the Financing Undertaking were transferred from Transferor Company to Transferee Company.

The Financing Undertaking as defined under the Scheme of Arrangement included all outstanding loans and deposits, borrowings, investments, current assets, sundry debtors, all debts, liabilities including contingent liabilities, licenses, approvals, tax credit, properties - movable and immovable, plant and machinery, furniture and fixtures, office equipment, software and licenses, insurance, policies, all contracts, agreements, collateral, all staff and employees employed in connection with Financing Undertaking etc.

In consideration, the Transferee Company issued equity shares of Face value ₹ 10 each in the ratio of 1:1 to the shareholders of Transferor Company on the record date as determined by the Board of Directors. The Company through its wholly owned subsidiary, IDFC FHCL, has invested ₹ 7,030.07 crore resulting in effective equity holding of 53% in IDFC Bank Limited.

In accordance with the accounting treatment, as provided under the Scheme of Arrangement;

- (i) The credit balance in the debenture redemption reserve is transferred and credited to general reserve.
- (ii) The Company has reduced the book value of assets (net of diminution/depreciation, if any) and liabilities relating to the Financing Undertaking transferred to IDFC Bank Limited.
- (iii) The excess of book value of the assets transferred (net of diminution/depreciation, if any) over the book value of the liabilities of the Financing Undertaking transferred to the transferee company, is debited proportionately to Reserves and Surplus (including the Securities Premium Account) other than statutory reserves created under Section 45IC of the Reserve Bank of India Act, 1934, under section 36(1)(viii) of the Income tax Act, 1961 and the stock option outstanding reserve as described in (iv) below. Accordingly, adjustments are made in Securities Premium Account ₹ 3,701.31 crore, General Reserve ₹ 918.87 crore, Statement of Profit and Loss account of ₹ 1,607.80 crore and Stock Option Outstanding Account of ₹ 6.56 crore on demerger of Financing Undertaking of IDFC Limited into IDFC Bank Limited.

Details of net assets transferred on demerger of Financing Undertaking of IDFC Limited are as under:

	( ₹ IN CRORE)
Cash and bank balances	2.55
Balances with banks and money at call and short notice	1,190.07
Investments	18,464.25
Advances	41,936.63
Fixed assets	535.16
Other assets	4,108.80
	66,237.46
Less: Borrowings	56,720.74
Other liabilities and provisions	3,282.16
	60,002.90
<b>Net Assets</b>	<b>6,234.56</b>

- (iv) Stock option outstanding reserve is reduced in the proportion of the net book value of the Financing Undertaking to the net worth of Transferor Company.

**02 BASIS OF PREPARATION**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified Under Section 133 of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year unless stated otherwise.

**03 SIGNIFICANT ACCOUNTING POLICIES**

**A. USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

**B. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purpose of the Cash Flow Statement comprises cash on hand, cash in bank, fixed deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

**C. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method whereby cash flows from operating, investing and financing activities of the Company are segregated and profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

**D. INVESTMENTS**

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments in accordance with the RBI guidelines and Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act"). Current investments also include current maturities of long-term investments and also current portion of long-term investments. All other investments are classified as long-term investments.

The Company follows trade date method of accounting for recording of purchase and sale of investments. All investments are initially recorded at cost. The cost of an investment includes purchase price, directly attributable acquisition charges and reduced by recovery of costs, if any. On disposal of an investment, the difference between its carrying amount and the net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are valued scrip-wise and depreciation / appreciation is aggregated for each category. Net appreciation in each category, if any, being unrealised gain is ignored, while net depreciation is provided for. Commercial papers, certificate of deposits and treasury bills are valued at carrying cost. Long-term investments are carried at acquisition cost. A provision is made for diminution other than temporary on an individual basis against long-term investments. Premium paid over the face value of long-term investment is amortised over the life of the investment on straight line method.

Inter-class transfer of investments from one category to the other, if any, is done in accordance with the RBI guidelines at the lower of book value and fair value / market value on the date of transfer.

**E. REPURCHASE AND RESALE TRANSACTIONS (REPO)**

Repo transactions are treated as collateralised lending and borrowing transactions, with an agreement to repurchase, on the agreed terms, as per the RBI guidelines and accordingly disclosed in the financial statements. The difference between consideration amounts of the first leg and second leg of the repo are reckoned as repo interest. As regards repo / reverse repo transactions outstanding on the balance sheet date, only the accrued expenditure / income till the Balance Sheet date is taken to the Statement of Profit and Loss. Any repo expenditure / income for the remaining period is reckoned in the next accounting period. The securities sold under repo transactions are continued to be marked-to-market as per the investment classification of the security.

**F. LOANS**

In accordance with the RBI guidelines, all loans are classified under any of four categories i.e. (i) standard assets (ii) sub-standard assets (iii) doubtful assets and (iv) loss assets.

**G. TANGIBLE FIXED ASSETS**

Fixed assets are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated depreciation. Profit or loss arising from derecognition of fixed assets are measured as difference between the net

disposal proceeds and the cost of the assets less accumulated depreciation upto the date of disposal and are recognised in the Statement of Profit and Loss.

**H. DEPRECIATION ON TANGIBLE FIXED ASSETS (SEE NOTE 40)**

Depreciation on tangible fixed assets is provided on the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in which case life of asset has been assessed based on the technical advice

a) Mobile phones b) Motor Cars. Depreciation on additions during the year is provided on a pro-rata basis. Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation. Depreciation in respect of leasehold improvements is provided on a straight - line method over the extended period of the lease.

**I. INTANGIBLE ASSETS AND AMORTISATION**

Intangible assets comprising of computer software are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated amortisation. Any technology support cost or annual maintenance cost for such software is charged annually to the Statement of Profit and Loss. Intangible assets are being amortised over the estimated useful life of the asset on a straight-line method. The estimated useful life of the intangible assets and amortisation period are reviewed at the end of each financial year.

**J. IMPAIRMENT OF ASSETS**

The carrying amount of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment based on internal / external factors exists, the recoverable amount of such assets is estimated and impairment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and its value in use, which is arrived at by discounting the future cash flows to their present value, based on an appropriate discounting factor. If at the Balance sheet date, there is a indication that previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of the depreciable historical cost and reversal of such impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

**K. EXPENSE UNDER EMPLOYEE STOCK OPTION SCHEMES**

The Company has formulated Employee Stock Option Schemes 2007 ('ESOS 2007') in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Guidelines'). The ESOS provides for grant of stock options to employees (including employees of subsidiary companies) to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the Guidelines and the Guidance Note on 'Accounting for Employees Share-based Payments' issued by the Institute of Chartered Accountants of India, the excess, if any, of the closing market price on the day prior to the date of grant of the stock options under the ESOS over the exercise price is amortised on a straight-line method over the vesting period and is charged to the Statement of Profit and Loss as employee benefits expense. In case the vested stock options expires unexercised, the balance in stock options outstanding is transferred to the general reserve. In case the unvested stock options get lapsed / cancelled, the balance in stock option outstanding account is transferred to Statement of Profit and Loss.

In addition, against each outstanding employee stock options granted by IDFC Limited to its employees, equivalent options of IDFC Bank Limited were granted under the Scheme of Arrangement. The price of these options were determined by multiplying the existing grant price of the options granted by IDFC Limited to its employees under the IDFC Limited Employee Stock Option Scheme by the proportion that the net worth of the Financing Undertaking bears to the total net book value of IDFC Limited, immediately prior to the effectiveness of the Scheme of Arrangement.

**L. EMPLOYEE BENEFITS**

▪ Defined contribution plans

The Company's contribution to provident fund, superannuation fund and pension fund are considered as defined contribution plans and are charged to the Statement of Profit and Loss as they fall due, based on the amount of contribution required to be made and when services are rendered by the employees.

▪ Defined benefit plan

The net present value of the Company's obligation towards gratuity to employees is funded and actuarially determined as at the Balance Sheet date based on the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss for the year.

▪ Compensated absences

Based on the leave rules of the Company, employees are not permitted to accumulate leave. Any unavailed privilege leave to the extent encashable is paid to the employees and charged to the Statement of Profit and Loss for the year.

**M. BORROWING COSTS**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over

the tenure of the loan. Ancillary costs in connection with long-term external commercial borrowings are amortised to the Statement of Profit and Loss over the tenure of the loan.

**N. REVENUE RECOGNITION**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognised:

- Interest is accounted on accrual basis except in the case of non-performing loans and identified advances\*, where it is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.
- Income on discounted instruments is recognised over the tenure of the instrument on a straight-line method.
- Dividend is accounted when the right to receive is established.
- Front end fees on processing of loans are recognised upfront as income.
- Underwriting commission earned to the extent not reduced from the cost of acquisition of securities is recognised as fees on closure of issue.
- All other fees and charges are recognised when reasonable right of recovery is established, revenue can be reliably measured and as and when they become due except guarantee commission which is recognised pro-rata over the period of the guarantee.
- Premium on interest rate reduction is accounted on accrual basis over the residual life of the loan.
- Profit / loss on sale of investments is recognised on trade date basis. Profit / loss on sale of investments is determined based on the 'first in first out' cost for current investments and weighted average cost for long-term investments.
- Profit on sale of loan assets through direct assignment / securitisation is recognised over the residual life of the loan / pass through certificate in terms of the RBI guidelines. Loss arising on account of direct assignment / securitisation is recognised upfront on sale in the Statement of Profit and Loss.
- Revenue from power supply is recognised when reasonable right of recovery is established.
- Income from trading in derivatives is recognised on final settlement or squaring up of the contracts.

\*Identified advances are specific advances in infrastructure sector that are not NPAs which has possible risk of slippage.

**O. SEGMENT REPORTING**

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing up-to September 30, 2015 w.e.f. October 1, 2015 post demerger of Financing Undertaking into IDFC Bank Limited, the Company's principal business is investing. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment.

**P. LEASES**

**Where the Company is lessee**

Leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Amount due under the operating leases are charged to the Statement of Profit and Loss, on a straight - line method over the lease term in accordance with Accounting Standard 19 on 'Leases' as specified under section 133 of the Companies Act, 2013 ("the 2013 Act"). Initial direct costs incurred specifically for operating leases are recognised as expense in the year in which they are incurred.

**Where the Company is lessor**

Leases under which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income in respect of operating leases is recognised in the Statement of Profit and Loss on a straight-line method over the lease term in accordance with Accounting Standard 19 on 'Leases' as specified under section 133 of the Companies Act, 2013 ("the 2013 Act"). Maintenance costs including depreciation are recognised as an expense in the Statement of Profit and Loss.

**Q. EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year.

**R. TAXES ON INCOME**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income - tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the Balance Sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Since the Company has passed a Board resolution that it has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income-tax Act, 1961, the special reserve created and maintained is not capable of being reversed and thus a permanent difference. Accordingly, no deferred tax liability has been created in books of account, towards the same.

**S. DERIVATIVE CONTRACTS**

**Interest rate swaps**

Interest rate swaps are booked with the objective of managing the interest rate risk on liabilities. Interest rate swaps in the nature of hedge are recorded on accrual basis and these transactions are not marked-to-market. Any resultant profit or loss on termination of the hedge swaps is amortised over the life of the swap or underlying liability, whichever is shorter.

**Currency Interest rate swaps**

Currency interest rate swaps in the nature of hedge, booked with the objective of managing the currency and interest rate risk on foreign currency liabilities are recorded on accrual basis and these transactions are not marked-to-market. Any resultant profit or loss on termination of hedge swaps is amortised over the life of swap or underlying liability, whichever is shorter. The foreign currency balances on account of principal of currency interest rate swaps outstanding as at the Balance Sheet date are revalued using the closing rate.

**Stock Futures**

- Stock Futures are marked-to-market on a daily basis. The debit or credit balance in the 'Mark-to-market margin - stock futures account' disclosed under loans and advances or current liabilities represents the net amount paid or received on the basis of the movement in the prices of stock futures till the Balance Sheet date.
- Credit balance in the 'Mark-to-market margin - stock futures account' in the nature of anticipated profit is ignored and no credit is taken to the Statement of Profit and Loss. However, the debit balance in the 'Mark-to-market margin - stock futures account' in the nature of anticipated loss is recognised in the Statement of Profit and Loss.
- On final settlement or squaring-up of contracts for stock futures, the profit or loss is calculated as the difference between the settlement / squaring-up price and the contract price. Accordingly, debit or credit balance pertaining to the settled / squared-up contract in 'Mark-to-market margin - stock futures account' is recognised in the Statement of Profit and Loss upon expiry of the contracts. When more than one contract in respect of the relevant series of stock futures contract, to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of such contract is determined using the weighted average method for calculating profit/loss on squaring-up.
- 'Initial margin account - stock futures' representing initial margin paid is disclosed under loans and advances.

**T. FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS**

Foreign currency transactions are accounted at the exchange rate prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gain or loss resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. Premium in respect of forward contracts is accounted over the period of the contract. Forward contracts outstanding as at the Balance Sheet date are revalued at the closing rate.

**U. PROVISIONS AND CONTINGENCIES**

**Provision against loans and advances**

- Contingent provision against standard assets is made at 0.40% of the outstanding standard assets in accordance with the RBI guidelines.
- In addition to above, the Company maintains a general provision as Provision for Contingencies in accordance with the provisioning policy of the Company and additional provision based on the assessment of portfolio including provision against identified advances that qualifies for deduction under Section 36(1)(vii) of the Income-tax Act, 1961.
- In addition to the minimum provisioning level prescribed by the RBI, IDFC Limited on a prudent basis made provisions on specific advances that are not NPAs ('Identified advances') but had reason to believe risk of possible slippages on the basis of the extant environment or specific information or current pattern of servicing. These provisions being specific in nature are netted off from gross advances.

- In January 2014, the RBI has issued guidelines on Restructuring of Advances applicable to Non Banking Finance Companies. As per the guidelines, a provision is required on standard accounts restructured prior to January 24, 2014 at 2.75 % from March 31, 2014, and would further increase to 3.50% from March 31, 2015, 4.25% from March 31, 2016 and 5.00% from March 31, 2017. Restructuring of standard accounts subsequent to January 23, 2014 would attract a provision at 5.00%. The Company has complied with the aforesaid guidelines and on prudent basis a provision at 5.00% has been made on all outstanding restructured accounts in addition to the provision against diminution in fair value of restructured advances. Unrealised income represented by Funded Interest Term Loan ('FITL') on standard accounts restructured after January 23, 2014 are fully provided and such provision against FITL will be reversed on repayment of FITL.

**Other provisions**

- A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed separately. Contingent assets are not recognised in the financial statements.

**V. SECURITIES ISSUE EXPENSES**

Issue expenses of certain securities and redemption premium are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013, to the extent balance is available for utilisation in the securities premium account.

**W. SERVICE TAX INPUT CREDIT**

Service tax input credit is accounted in the period in which the underlying services are received and when there is no uncertainty in availing / utilising the credit.

**X. OPERATING CYCLE**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**04 SHARE CAPITAL**

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NUMBER	(₹ IN CRORE)	NUMBER	(₹ IN CRORE)
<b>AUTHORISED</b>				
Equity shares of ₹ 10 each	4,000,000,000	4,000	4,000,000,000	4,000
Preference shares of ₹ 100 each	100,000,000	1,000	100,000,000	1,000
		5,000		5,000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>				
Equity shares of ₹ 10 each	1,594,020,668	1,594.02	1,592,780,866	1,592.78
<b>Total issued, subscribed and fully paid-up share capital</b>		<b>1,594.02</b>		<b>1,592.78</b>

**(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year**

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NUMBER	(₹ IN CRORE)	NUMBER	(₹ IN CRORE)
<b>EQUITY SHARES</b>				
Outstanding as at the beginning of the year	1,592,780,866	1,592.78	1,516,286,251	1,516.29
Issued during the year under QIP issue [see note (e)]	-	-	73,000,000	73.00
Issued during the year - stock options exercised under the ESOS [see note (f)]	1,239,802	1.24	3,494,615	3.49
<b>Outstanding as at the end of the year</b>	<b>1,594,020,668</b>	<b>1,594.02</b>	<b>1,592,780,866</b>	<b>1,592.78</b>

**(b) Terms / rights attached to equity shares**

- The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and ranks *pari passu*. The dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting. During the year ended March 31, 2016 dividend of ₹ Nil per share (Previous Year ₹ 2.60 per share) is recognised as amount distributable to equity shareholders.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% of the shares in the Company**

EQUITY SHARES	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NUMBER	% OF HOLDING	NUMBER	% OF HOLDING
President of India	261,400,000	16.40	261,400,000	16.41
Sipadan Investments (Mauritius) Limited	151,145,989	9.48	151,145,989	9.49
National Westminster Bank PLC	103,927,160	6.52	-	-

**(d) Shares reserved for issue under stock options**

Refer to note (f) for details of shares reserved for issue under the ESOS of the Company.

**(e)** The Company in the previous year had allotted 73,000,000 equity shares of ₹ 10 each at a premium of ₹ 127 per share on September 16, 2014 pursuant to a Qualified Institutions Placement (QIP) under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

**(f) Movement in stock options granted under the ESOS is as under:**

	FOR THE YEAR ENDED	FOR THE YEAR ENDED
	MARCH 31, 2016	MARCH 31, 2015
	NUMBER	NUMBER
Outstanding as at beginning of the year	31,485,043	32,889,410
Add: Granted during the year	12,898,500	3,300,000
Less: Exercised during the year [see note (a)]	1,239,802	3,494,615
Less: Lapsed / forfeited during the year	3,564,400	1,209,752
<b>Outstanding as at the end of the year</b>	<b>39,579,341</b>	<b>31,485,043</b>

**05 RESERVES AND SURPLUS**

	₹ IN CRORE	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>(A) SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	6,186.11	5,237.24
Add: premium on issue of equity shares under QIP issue [see note 4(e)]	-	927.10
Add: premium on exercise of stock options under the ESOS	15.18	34.46
Less: premium utilised during the year (see note below)	-	12.69
Less: Adjusted pursuant to Scheme of Arrangement [see note 1(c)]	3,701.31	-
<b>Closing balance</b>	<b>2,499.98</b>	<b>6,186.11</b>
Share issue expenses amounting to ₹ Nil (Previous Year ₹ 12.69 crore) on account of capital raising under the QIP issue have been utilised against the Securities Premium Account in accordance with Section 52 of the Companies Act, 2013.		
<b>(B) STOCK OPTIONS OUTSTANDING</b>		
Opening balance	18.23	25.40
Less: Transferred to general reserve [see note 5(f)]	3.68	0.71
Less: Stock options exercised	0.95	6.46
Less: Adjusted pursuant to Scheme of Arrangement [see note 1(c)]	6.56	-
<b>Closing balance</b>	<b>7.04</b>	<b>18.23</b>
<b>(C) DEBENTURE REDEMPTION RESERVE</b>		
Opening balance	739.50	541.60
Add : Transfer from surplus in the Statement of Profit and Loss [see note below & 5(g)]	-	197.90
Less : Transfer to general reserve [see note 5(f) & 1(c)]	(739.50)	-
<b>Closing balance</b>	<b>-</b>	<b>739.50</b>

Debenture redemption reserve has been created in accordance with Section 71 (4) of the Companies Act, 2013 in respect of the public issues of long-term Infrastructure Bonds. The Company created Debenture Redemption Reserve (DRR) upto 25% of the value of debentures issued through public issue plus accrued interest thereon over the expected life of such debentures in accordance with Rule 18(7)(b)(ii) of the Companies (Share Capital and Debentures) Rules 2014. The Company is not required to create DRR in respect of privately placed debentures under the Rules. During the current year, debenture redemption reserve has not been created as long term infrastructure bonds have been transferred to IDFC Bank Limited upon demerger of Financing undertaking and as provided in the Scheme of Arrangement entire Debenture Redemption Reserve amount has been transferred to General Reserve. [see note 1(c)]



	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>(D) SPECIAL RESERVE U/S. 36(1)(VIII) OF THE INCOME-TAX ACT, 1961 [see note 3(r)]</b>		
Opening balance	2,853.25	2,373.25
Add: Transfer from surplus in the Statement of Profit and Loss [see note 5(g)]	200.00	480.00
<b>Closing balance</b>	<b>3,053.25</b>	<b>2,853.25</b>
<b>(E) SPECIAL RESERVE U/S. 45-IC OF THE RBI ACT, 1934</b>		
Opening balance	2,550.60	2,208.60
Add: Transfer from surplus in the Statement of Profit and Loss [see note 5(g)]	-	342.00
Less: Transfer to surplus in the Statement of Profit and Loss [see note 5(g) & 28]	(1,634.80)	-
<b>Closing balance</b>	<b>915.80</b>	<b>2,550.60</b>
<b>(F) GENERAL RESERVE</b>		
Opening balance	799.85	799.14
Add: Transfer from Debenture redemption reserve [see note 5(c)]	739.50	-
Add: Transfer from stock options outstanding [see note 5(b)]	3.68	0.71
Less: Adjusted pursuant to Scheme of Arrangement [see note 1(c)(i)]	(918.87)	-
<b>Closing balance</b>	<b>624.16</b>	<b>799.85</b>

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>(G) SURPLUS IN THE STATEMENT OF PROFIT AND LOSS</b>		
Opening balance	2,189.20	2,007.43
Profit/(loss) for the year	(1,162.14)	1,685.49
<b>Add: Transfer from reserves:</b>		
Special reserve u/s. 45-IC of the RBI Act, 1934 [see note 5(e) & 28]	1,634.80	-
	<u>2,661.86</u>	<u>3,692.92</u>
<b>Less: Appropriations</b>		
<b>Transfer to reserves:</b>		
Debenture redemption reserve [see note 5(c)]	-	197.90
Special reserve u/s. 36(1)(viii) of the Income-tax Act, 1961 [see note 5(d)]	200.00	480.00
Special reserve u/s. 45-IC of the RBI Act, 1934 [see note (iii) & 5(e)]	-	342.00
Adjusted pursuant to Scheme of Arrangement [see note 1(c)]	1,607.80	-
<b>Dividend &amp; dividend distribution tax:</b>		
Proposed dividend on equity shares [₹ Nil per share (Previous Year ₹ 2.60 per share)]	-	414.17
Dividend on equity shares pertaining to previous year [see note (i)]	0.25	0.14
Tax on proposed equity dividend [see note (ii)]	-	84.31
Tax on equity dividend for previous year [see note (i) & (ii)]	(40.67)	(14.80)
<b>Total appropriations</b>	<u>1,767.38</u>	<u>1,503.72</u>
<b>Closing balance</b>	<b>894.48</b>	<b>2,189.20</b>
<b>TOTAL RESERVES AND SURPLUS</b>	<b>7,994.71</b>	<b>15,336.74</b>

- (i) In respect of equity shares issued pursuant to exercise of stock options under the ESOS, the Company paid dividend of ₹ 0.25 crore for the year 2014-15 (Previous Year ₹ 0.14 crore for the year 2013-14) as approved by the shareholders at the respective Annual General Meetings and tax on dividend of ₹ 0.05 crore (Previous Year ₹ 0.02 crore) as approved by the shareholders at the respective Annual General Meetings.
- (ii) Tax on dividend is net of dividend distribution tax of ₹ 40.67 crore (Previous Year ₹ 14.80 crore) paid by the subsidiary companies during financial year 2015-16 under Section 115-O of the Income-tax Act, 1961 and eligible for computing net liability towards dividend distribution tax.
- (iii) No appropriation was made under section 45-IC of the RBI Act for the year ended March 31, 2016 as the Company has made losses for the year ended March 2016.

**06 SHARE APPLICATION MONEY PENDING ALLOTMENT**

Share application money pending allotment represents applications received from employees on exercise of stock options granted and vested under the ESOS.

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NUMBER	(₹ IN CRORE)	NUMBER	(₹ IN CRORE)
Equity shares of face value ₹ 10 each proposed to be issued	1,874,416	1.87	164,175	0.16
Total amount of securities premium		3.79		2.06
<b>TOTAL</b>		<b>5.66</b>		<b>2.22</b>

The equity shares are expected to be allotted against the share application money within a reasonable period, not later than three months from the Balance Sheet date.

**07 LONG-TERM BORROWINGS (SECURED) [see note (a)]**

	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
<b>DEBENTURES &amp; BONDS (NON CONVERTIBLE) [see note (d)]</b>				
Face value	-	-	32,535.08	8,941.36
Less: Unexpired discount on zero percent debentures & bonds [see note (c)]	-	-	227.35	16.70
	-	-	32,307.73	8,924.66
<b>TERM LOANS</b>				
From banks [see note (e)]	-	-	2,325.00	780.74
From others [see note (f)]	-	-	840.75	7.59
	-	-	3,165.75	788.33
<b>EXTERNAL COMMERCIAL BORROWINGS</b>				
From banks [see note (g)]	-	-	5,244.90	1,376.98
From others [see note (h)]	-	-	2,200.31	157.10
	-	-	7,445.21	1,534.08
Amount disclosed under 'other current liabilities' (see note 12)	-	-	-	(11,247.07)
<b>TOTAL LONG-TERM BORROWINGS</b>	<b>-</b>	<b>-</b>	<b>42,918.69</b>	<b>-</b>

(a) Borrowings of ₹ Nil (Previous Year ₹ 54,165.76 crore) were secured by way of a first floating *pari passu* charge over investments, other assets, trade receivables, cash and bank balances and loans & advances excluding investments in and other receivables from subsidiaries and affiliates and lien marked assets.

(b) In terms of the RBI circular (Ref. No. DNBR (PD) CC No.043/03.10.119/2015-16 dated July 1, 2015) no borrowings remained overdue as on March 31, 2015.

(c) Unexpired discount is net of ₹ Nil (Previous Year ₹ 236.86 crore) towards interest accrued but not due.

(d) Interest and repayment terms of long-term borrowings - debentures and bonds (non convertible) (secured):

RESIDUAL MATURITY	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	BALANCE OUTSTANDING	INTEREST RATE (%)	BALANCE OUTSTANDING	INTEREST RATE (%)
<b>Fixed Rate</b>				
Above 5 years	-	-	18,853.52	7.75 - 9.68
3-5 years	-	-	4,540.73	8.34 - 9.68
1-3 years	-	-	9,100.83	7.98 - 9.57
<b>Floating Rate</b>				
1-3 years	-	-	40.00	MIBOR+150 bps
<b>TOTAL</b>	<b>-</b>		<b>32,535.08</b>	

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(e) Interest and repayment terms of long-term loans from banks (secured):

RESIDUAL MATURITY	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	BALANCE OUTSTANDING	INTEREST RATE (%)	BALANCE OUTSTANDING	INTEREST RATE (%)
<b>Floating Rate</b>				
1-3 years	-	-	2,325.00	Bank Base rate
<b>TOTAL</b>	-		2,325.00	

(f) Interest and repayment terms of long-term loans from others (secured):

RESIDUAL MATURITY	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	BALANCE OUTSTANDING	INTEREST RATE (%)	BALANCE OUTSTANDING	INTEREST RATE (%)
<b>Fixed Rate</b>				
Above 5 years	-	-	102.67	2.00
3-5 Years	-	-	52.16	2.00
1-3 Years	-	-	42.92	2.00
<b>Floating Rate</b>				
3-5 Years	-	-	643.00	Base rate
<b>TOTAL</b>	-		840.75	

(g) Interest and repayment terms of external commercial borrowings from banks (secured):

RESIDUAL MATURITY	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	BALANCE OUTSTANDING	INTEREST RATE (%)	BALANCE OUTSTANDING	INTEREST RATE (%)
<b>Floating Rate</b>				
3-5 years	-	-	2,816.55	USD 6M LIBOR + 185 to 213 bps
1-3 years	-	-	237.70	3M BBSY + 270.00
1-3 years	-	-	2,190.65	USD 6M LIBOR + 150 to 275 bps
<b>TOTAL</b>	-		5,244.90	

(h) Interest and repayment terms of external commercial borrowings from others (secured):

RESIDUAL MATURITY	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	BALANCE OUTSTANDING	INTEREST RATE (%)	BALANCE OUTSTANDING	INTEREST RATE (%)
<b>Floating Rate</b>				
Above 5 years	-	-	51.55	USD 6M LIBOR + 235 bps
Above 5 years	-	-	1,251.80	USD 3M LIBOR + 225 bps
Above 5 years	-	-	231.20	INBMK + 183.50 bps
3-5 years	-	-	115.60	INBMK + 183.50 bps
3-5 years	-	-	312.95	USD 3M LIBOR + 225 bps
3-5 years	-	-	51.54	USD 6M LIBOR + 235 bps
1-3 years	-	-	185.67	USD 6M LIBOR + 60.20 to 235 bps
<b>TOTAL</b>	-		2,200.31	

**08 OTHER LONG-TERM LIABILITIES**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Lease equalisation (see note 35)	-	0.78
Interest accrued but not due on borrowings	-	345.71
Payables against derivative contracts	-	8.94
<b>TOTAL</b>	<b>-</b>	<b>355.43</b>

**09 LONG-TERM PROVISIONS**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Contingent provision against standard assets [see note (a) & (b)]	-	136.82
<b>TOTAL</b>	<b>-</b>	<b>136.82</b>

(a) A contingent provision against standard assets has been created at 0.40% of the outstanding standard assets in terms of the RBI circular (Ref. No. DNBR (PD) CC No.043/03.10.119/2015-16 dated July 1, 2015).

(b) Movement in contingent provision against standard assets during the year is as under:

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Opening balance	136.82	150.41
Additions/(deductions) during the year [see note 26]	65.70	(13.59)
Adjusted pursuant to the Scheme of Arrangement	(202.52)	-
<b>Closing balance</b>	<b>-</b>	<b>136.82</b>

**10 SHORT-TERM BORROWINGS**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>Term loans (secured) [see note (a)]</b>		
From banks	-	100.00
<b>Collateralised borrowings and lending obligations (CBLO) (secured) [see note (b)]</b>	-	6,985.03
<b>Repurchase Agreement (REPO) (secured) [see note (c)]</b>	-	4,505.34
<b>Commercial papers (unsecured)</b>		
Face value	-	500.00
Less: Unexpired discount [see note (d)]	-	4.60
	-	495.40
<b>TOTAL SHORT-TERM BORROWINGS</b>	<b>-</b>	<b>12,085.77</b>
The above amount includes:		
Secured borrowings [see note a, b & c]	-	11,590.37
Unsecured borrowings	-	495.40
<b>TOTAL SHORT-TERM BORROWINGS</b>	<b>-</b>	<b>12,085.77</b>

(a) Borrowings of ₹ Nil (Previous Year ₹ 100.00 crore) were secured by way of a first floating *pari passu* charge over investments, other assets, trade receivables, cash and bank balances and loans and advances excluding investments in and other receivables from subsidiaries and affiliates and lien marked assets.

(b) Borrowings under CBLO were secured against investments in government securities and treasury bills of ₹ Nil (Previous Year ₹ 11,151.12 crore at book value).

(c) Borrowings under REPO were secured by assignment of government securities and treasury bills of ₹ Nil (Previous Year ₹ 4,443.62 crore at book value).

(d) Unexpired discount on commercial papers is net of ₹ Nil (Previous Year ₹ 4.39 crore) towards interest accrued but not due.

(e) In terms of the RBI circular (Ref. No. DNBR (PD) CC No.043/03.10.119/2015-16 dated July 1, 2015) no borrowings remained overdue as on March 31, 2015.

**11 TRADE PAYABLES**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
(i) total outstanding dues of micro enterprises and small enterprises (see note 39)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
Payables against derivative contracts	-	205.43
Payables against purchase of investments	-	85.70
Other trade payables	2.64	6.49
Provision for expenses	6.57	133.09
<b>TOTAL</b>	<b>9.21</b>	<b>430.71</b>

**12 OTHER CURRENT LIABILITIES**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Current maturities of long-term borrowings (see note 7)	-	11,247.07
Interest accrued but not due on borrowings	-	1,852.65
Income and other amounts received in advance	0.07	10.37
Unclaimed dividend [see note (a)]	1.84	1.78
Unclaimed interest [see note (a)]	-	17.99
Security deposit	-	3.59
Lease equalisation [see note 35]	-	0.25
Other payables		
Payable to gratuity fund [see note 32 & (b)]	0.04	-
Statutory dues	0.61	1.54
Other liabilities	0.04	0.73
<b>TOTAL</b>	<b>2.60</b>	<b>13,135.97</b>

(a) No amount of unclaimed dividend and unclaimed interest was due for transfer to the Investor Education and Protection Fund under Section 25 of the Companies Act, 2013 as at the Balance Sheet date.

(b) Payable to gratuity fund is net of amount receivable from gratuity fund of ₹ 0.01 crore (Previous Year ₹ Nil)

**13 SHORT-TERM PROVISIONS**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Provision for income tax	2.43	26.19
[Net of advance payment of tax of ₹ 316.57 crore (Previous Year ₹ 881.81 crore)]		
Provision for wealth tax	-	-
[Net of advance payment of tax of ₹ 0.40 crore (Previous year ₹ 0.40 crore)]		
Proposed equity dividend [see note 5(g)]	-	414.17
Tax on proposed equity dividend [see note 5(g)]	-	84.31
<b>TOTAL</b>	<b>2.43</b>	<b>524.67</b>

14 (A) TANGIBLE ASSETS

	GROSS BLOCK					ACCUMULATED DEPRECIATION						NET BLOCK		
	BALANCE AS AT APRIL 1, 2015	ADDITIONS	TRANSFER OUT	DISPOSALS	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT APRIL 1, 2015	DEPRECIATION CHARGE FOR THE YEAR (DISCONTINUING OPERATIONS)	DEPRECIATION CHARGE FOR THE YEAR (CONTINUING OPERATIONS)	TRANSFER OUT	TRANSITION EFFECT [SEE NOTE 40]	DISPOSALS	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT MARCH 31, 2015
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Previous year)	(4.36)	-	-	(4.36)	-	-	-	-	-	-	-	-	-	-
Buildings														
Own use	290.77	3.29	(291.23)	2.83	-	35.72	2.55	-	(37.69)	-	0.58	-	-	255.05
(Previous year)	(290.77)	-	-	-	(290.77)	(74.58)	(5.12)	-	-	((43.98))	-	(35.72)	(255.05)	-
Leasehold improvements	12.36	6.50	(18.86)	-	-	2.56	1.05	-	(3.61)	-	-	-	-	9.80
(Previous year)	(3.71)	(8.65)	-	-	(12.36)	(1.83)	(0.73)	-	-	-	-	(2.56)	(9.80)	-
Furniture and fixtures														
Own use	9.98	7.30	(14.69)	2.59	-	4.84	0.82	-	(4.06)	-	1.60	-	-	5.14
(Previous year)	(8.64)	(1.55)	-	(0.21)	(9.98)	(4.74)	(0.83)	-	-	((0.61))	(0.12)	(4.84)	(5.14)	-
Vehicles	12.74	8.34	(19.58)	0.87	0.63	3.20	2.11	0.05	(4.67)	-	0.36	0.33	0.30	9.54
(Previous year)	(5.13)	(7.61)	-	-	(12.74)	(1.22)	(2.50)	-	-	((0.52))	-	(3.20)	(9.54)	-
Office equipment														
Own use	13.15	3.89	(13.28)	3.71	0.05	9.39	0.92	-	(6.60)	-	3.68	0.03	0.02	3.76
(Previous year)	(10.81)	(2.48)	-	(0.14)	(13.15)	(5.02)	(1.44)	-	-	(3.03)	(0.10)	(9.39)	(3.76)	-
Computers	14.98	12.19	(17.72)	3.88	5.57	10.08	2.22	0.30	(4.00)	-	3.88	4.72	0.85	4.90
(Previous year)	(11.58)	(3.74)	-	(0.34)	(14.98)	(9.26)	(1.70)	-	-	((0.55))	(0.33)	(10.08)	(4.90)	-
Wind mills	101.25	-	-	-	101.25	32.08	-	4.61	-	-	-	36.69	64.56	69.17
(Previous year)	(101.25)	-	-	-	(101.25)	(63.73)	-	(4.59)	-	((36.24))	-	(32.08)	(69.17)	-
<b>TOTAL</b>	<b>455.23</b>	<b>41.51</b>	<b>(375.36)</b>	<b>13.88</b>	<b>107.50</b>	<b>97.87</b>	<b>9.67</b>	<b>4.96</b>	<b>(60.63)</b>	<b>-</b>	<b>10.10</b>	<b>41.77</b>	<b>65.73</b>	<b>357.36</b>
(Previous Year)	(436.25)	(24.03)	-	(5.05)	(455.23)	(160.38)	(12.32)	(4.59)	-	((78.87))	(0.55)	(97.87)	(357.36)	-

Buildings include ₹ Nil (Previous Year ₹ 500) being the cost of unquoted fully paid shares held in co-operative housing societies.

14 (B) INTANGIBLE ASSETS (other than internally generated)

	GROSS BLOCK					ACCUMULATED AMORTISATION						NET BLOCK		
	BALANCE AS AT APRIL 1, 2015	ADDITIONS	TRANSFER OUT	DISPOSALS	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT APRIL 1, 2015	DEPRECIATION CHARGE FOR THE YEAR (DISCONTINUING OPERATIONS)	DEPRECIATION CHARGE FOR THE YEAR (CONTINUING OPERATIONS)	TRANSFER OUT	TRANSITION EFFECT [SEE NOTE 40]	DISPOSALS	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT MARCH 31, 2016	BALANCE AS AT MARCH 31, 2015
Computer software	15.94	-	(15.94)	-	-	14.15	0.56	-	(14.71)	-	-	-	-	1.79
(Previous year)	(14.76)	(1.18)	-	-	(15.94)	(12.96)	(1.19)	-	-	-	-	(14.15)	(1.79)	-
<b>TOTAL</b>	<b>15.94</b>	<b>-</b>	<b>(15.94)</b>	<b>-</b>	<b>-</b>	<b>14.15</b>	<b>0.56</b>	<b>-</b>	<b>(14.71)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.79</b>
(Previous Year)	(14.76)	(1.18)	-	-	(15.94)	(12.96)	(1.19)	-	-	-	-	(14.15)	(1.79)	-
<b>Total tangible and intangible assets</b>	<b>471.17</b>	<b>41.51</b>	<b>(391.30)</b>	<b>13.88</b>	<b>107.50</b>	<b>112.02</b>	<b>10.23</b>	<b>4.96</b>	<b>(75.34)</b>	<b>-</b>	<b>10.10</b>	<b>41.77</b>	<b>65.73</b>	<b>359.15</b>
(Previous Year)	(451.01)	(25.21)	-	(5.05)	(471.17)	(173.34)	(13.51)	(4.59)	-	((78.87))	(0.55)	(112.02)	(359.15)	-

15 NON-CURRENT INVESTMENTS (AT COST)

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>TRADE INVESTMENTS</b>					
<b>Investments in equity shares (fully paid)</b>					
<b>Subsidiaries (unquoted) (see note 34)</b>					
IDFC Alternatives Limited	10	-	-	219,850	200.05
IDFC Asset Management Company Limited	10	-	-	2,009,283	629.49
IDFC AMC Trustee Company Limited	10	-	-	37,499	0.05
IDFC Finance Limited	10	-	-	21,000,200	21.00
IDFC Foundation	10	13,000,000	13.00	13,000,000	13.00
IDFC Financial Holding Company Limited	10	8,785,000,000	8,785.00	50,000	0.05
IDFC Infra Debt Fund Limited	10	-	-	152,000,000	152.00
IDFC Projects Limited	10	34,050,000	34.07	34,050,000	34.07
IDFC Securities Limited	10	-	-	14,137,200	440.10
IDFC Trustee Company Limited	10	-	-	50,000	0.05
<b>Associate (unquoted) (see note 34)</b>					
Feedback Infra Private Limited	10	-	-	4,026,689	20.09
Millennium City Expressway Private Limited	10	-	-	176,608,965	176.61
			8,832.07		1,686.56
<b>Non-trade investments</b>					
<b>Investment in equity shares (quoted)(fully paid)</b>					
Andhra Cements Limited	10	-	-	28,413,482	54.32
Jaypee Infratech Limited	10	-	-	3,791,842	38.68
KSK Energy Ventures Limited	10	-	-	1,028,824	24.69
Sarda Energy & Minerals Limited	10	-	-	1,207,777	22.95
			-		140.64
<b>Investment in equity shares (unquoted)(fully paid)</b>					
Asset Reconstruction Company (India) Limited	10	-	-	27,197,743	113.77
Asia Bio Energy (India) Limited [see note (c)]	10	-	-	695,000	2.50
Athena Energy Ventures Private Limited	10	-	-	50,000,000	50.00
Avantika Gas Limited	10	-	-	3,500	β
BSCPL Infrastructure Limited	10	-	-	436,300	25.00
Coastal Projects Limited	10	-	-	3,385,939	67.00
Ennore SEZ Company Limited	10	-	-	25,000	0.03
GMR Kamalanga Energy Limited	10	-	-	56,750,000	56.75
GMR Energy Limited	10	-	-	4,461,184	5.42
GR Infraprojects Limited	10	-	-	136,610	2.83
Green Gas Limited	10	-	-	10,000	0.01
Indian Commodity Exchange Limited	5	-	-	10,000,000	5.00
Indu Projects Limited	10	-	-	2,053,480	26.70
Intarvo Technologies Limited	10	-	-	74,694	1.41
KMC Constructions Limited	10	-	-	542,977	23.90
Lanco Amarkantak Power Limited	10	-	-	405,000,000	405.00
Max Life Insurance Company Limited	10	19,150,000	137.73	-	-
National Stock Exchange of India Limited	10	-	-	1,756,537	44.02
Novopay Solutions Private Limited	1	-	-	227,145	35.62
Petronet CCK Limited	10	-	-	19,973,332	19.97
Pipal Tree Ventures Private Limited	10	-	-	192,885	2.25
STCI Finance Limited	10	-	-	3,530,136	54.04
Uniquet Infra Ventures Private Limited	10	-	-	13,714,781	13.71
			137.73		954.93

15 NON-CURRENT INVESTMENTS (AT COST) (continued)

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>Investment in preference shares (unquoted) (fully paid)</b>					
0.10% GMR Energy Limited (convertible)	1,000	-	-	238,088	23.88
0% Human Value Developers Private Limited (convertible)	10	-	-	23,749,200	23.75
0% Intarvo Technologies Limited (convertible)	10	-	-	27,862	0.18
0% Regen Powertech Private Limited (convertible)	10	-	-	63,501	4.47
0.02% Ziqitza Healthcare Limited (convertible)	10	-	-	2,209	0.47
0% GMR Infrastructure Limited (convertible) Series A	1,000	-	-	209,550	20.96
0% GMR Infrastructure Limited (convertible) Series B	1,000	-	-	209,550	20.96
					94.67
Investment in government securities (unquoted) [see note 10(b) & 10(c)]					11,721.62
<b>Investment in debentures &amp; bonds (unquoted)(fully paid)</b>					
<b>Others</b>					
Axis Bank Limited	1,000,000	-	-	250	25.00
Dewan Housing Finance Corporation Limited	1,000,000	-	-	150	14.98
HDFC Bank Limited	1,000,000	-	-	59	5.90
ICICI Bank Limited	1,000,000	-	-	180	18.00
L&T Infrastructure Finance Company Limited	1,000,000	-	-	200	19.47
Reliance Gas Transportation Infrastructure Limited	1,000,000	-	-	1,824	189.62
Sharekhan Limited (convertible)	145.35	-	-	3,435,527	49.94
Sharekhan Limited (convertible)	264.27	-	-	567,601	15.00
Sundaram Finance Limited	1,000,000	-	-	250	24.90
Shriram Transport Finance Company Limited	1,000,000	-	-	545	54.82
Vizag General Cargo Berth Private Limited	1,000,000	-	-	1,250	122.95
					540.58
<b>Investment in venture capital units (unquoted) [see note (d)]</b>					
Faering Capital India Evolving Fund (fully paid)	1,000	-	-	271,074	27.11
Faering Capital India Evolving Fund II (fully paid)	1,000	30,000	3.00	-	-
LICHFL Urban Development Fund (Previous Year ₹ 3,145.43 paid)	10,000	-	-	20,000	4.95
India Infrastructure Fund - Class B (fully paid)	1	-	-	4,070	β
IDFC Project Equity Domestic Investors Trust I (fully paid)	100	-	-	32,512,080	325.12
IDFC Project Equity Domestic Investors Trust II (fully paid)	100	-	-	513,070	5.13
IDFC Private Equity Fund II - Class A (Previous Year ₹ 9.20 paid)	10	-	-	135,000,000	40.91
IDFC Private Equity Fund II - Class C (fully paid)	10	-	-	6,621	0.01
IDFC Private Equity Fund III - Class A (Previous Year ₹ 7.11 paid) (commitment restricted to ₹ 7.14 per unit)	10	-	-	280,000,000	184.79

**Carried forward**



15 NON-CURRENT INVESTMENTS (AT COST) (continued)

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>Investment in venture capital units (unquoted)</b>					
<b>[see note (d)] (continued)</b>					
<b>Brought forward</b>					
IDFC Private Equity Fund III - Class B (fully paid)	10	-	-	3,571	β
IDFC Private Equity Fund III - Class C (Previous Year ₹ 7.02 paid) (commitment restricted to ₹ 7.14 per unit)	10	-	-	1,350,000	0.88
IDFC Private Equity Fund III - Class D (Previous Year ₹ 9.68 paid)	10	-	-	79,996,000	77.44
IDFC Private Equity Fund III - Class E (fully paid)	10	-	-	1,429	β
IDFC Private Equity Fund III - Class F (Previous Year ₹ 9.64 paid)	10	-	-	385,695	0.37
IDFC Spice Fund (fully paid)	1	-	-	350,152,625	35.02
Urban Infrastructure Opportunities Fund - Class A (fully paid)	86,160	-	-	2,700	23.66
India Infrastructure Fund II - Class A5 (Previous Year ₹ 6.28 paid)	100	-	-	55,000,000	34.52
KKR India Alternative Credit Opportunities Fund I (fully paid)	1,000	-	-	150,000	15.00
India Infrastructure Fund II Class B (fully paid)	1	-	-	10,000	β
IDFC Real Estate Yield Fund - Class A3 (Previous Year ₹ 511.02 paid)	1,000	-	-	499,000	22.20
			3.00		797.11
<b>Investment in security receipts (unquoted)</b>					
<b>(see note 41(f))</b>					
Asset Reconstruction Company (India) Limited			-		118.94
Edelweiss Asset Reconstruction Company Limited			-		77.51
Phoenix Asset Reconstruction Company Private Limited			-		45.79
			-		242.24
<b>TOTAL NON-CURRENT INVESTMENTS</b>			<b>8,972.80</b>		<b>16,178.35</b>
Less: Provision for diminution in value of investments [see note (f)]			13.00		286.98
Less: Premium amortised on debentures, bonds & government securities			-		11.39
<b>NET NON-CURRENT INVESTMENTS</b>			<b>8,959.80</b>		<b>15,879.98</b>
(a) Aggregate amount of quoted investments					
Cost			-		140.64
Market value			-		52.63
(b) Aggregate amount of unquoted investments - cost			8,972.80		16,037.71

(c) Excludes Nil shares (Previous year 1,805,000 shares) since the Company has no beneficial interest.

(d) Investments includes ₹ 3.00 crore (Previous Year ₹ 797.11 crore) in respect of venture capital units which are subject to restrictive covenants.

(e) Investments exclude equity shares held by the Company having face value ₹ 10.42 crore (Previous Year ₹ 10.42 crore) where the Company has no beneficial interest.

(f) Includes provision for a Subsidiary Company of ₹ 13.00 crore (Previous Year ₹ 13.00 crore).

**16 DEFERRED TAX ASSETS / (LIABILITIES) (NET)**

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>DEFERRED TAX ASSET</b>				
(a) Provisions		-		805.35
(b) Others		-		(14.28)
		-		791.07
<b>DEFERRED TAX LIABILITY</b>				
(a) Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged to the Statement of Profit and Loss		11.16		45.37
<b>DEFERRED TAX ASSETS / (LIABILITIES) (NET)</b>		<b>(11.16)</b>		<b>745.70</b>

In compliance with Accounting Standard 22 on 'Accounting for Taxes on Income' as specified under Section 133 of the Companies Act, 2013, the Company has taken credit of ₹ 1,036.70 crore (Previous year ₹ 290.81 crore) in the Statement of Profit and Loss towards deferred tax assets (net) on account of timing differences and transfer to IDFC Bank Limited under the of Scheme of Arrangement. [see note 1(c) & 28]. Deferred Tax Asset Amounting to ₹ 1,793.60 crore has been transferred to IDFC Bank Limited on October 1, 2015 on demerger of Financing Undertaking.

**17 LOANS**

	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
Rupee loans [see note (a), (d) & (e)]	-	-	49,293.18	5,342.93
Debentures & bonds [see note (a), (c) & (e)]	-	-	-	109.25
	-	-	49,293.18	5,452.18
Less: Provision against non-performing loans [see note (d)]	-	-	39.98	198.02
Less: Provision against restructured loans and others (see note 43)	-	-	493.24	-
Less: Provision for contingencies [see note 42 (a)]	-	-	1,587.49	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>47,172.47</b>	<b>5,254.16</b>
(a) The above amount includes				
Secured [see note (b)]	-	-	40,365.47	4,039.08
Unsecured	-	-	8,927.71	1,413.10
	<b>-</b>	<b>-</b>	<b>49,293.18</b>	<b>5,452.18</b>

(b) Loans to the extent of ₹ Nil (Previous Year ₹ 44,404.55 crore) were secured by:

- (i) Hypothecation of assets and/ or
- (ii) Mortgage of property and/ or
- (iii) Trust and retention account and/ or
- (iv) Assignment of receivables or rights and/ or
- (v) Pledge of shares and/ or
- (vi) Negative lien and/ or
- (vii) Undertaking to create a security.

(c) Loans include debentures of ₹ Nil (Previous Year ₹ 109.25 crore) as detailed below:

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>DEBENTURES (REDEEMABLE)</b>					
<b>Associate</b>					
Feedback Infra Private Limited (see note 34)	1,000	-	-	400,000	40.00
<b>Others</b>					
Coastal Projects Limited	1,000,000	-	-	1,000	33.00
Regen Powertech Private Limited	100,000	-	-	3,625	36.25
<b>TOTAL</b>			<b>-</b>		<b>109.25</b>

(d) Loans includes non-performing loans of ₹ Nil (Previous Year ₹ 357.57 crore ) against which provisions of ₹ Nil (Previous Year ₹ 238.00 crore) has been made in accordance with the RBI circular (Ref. No. DNBR (PD) CC No.043/03.10.119/2015-16 dated July 01, 2015). [see note (e)].

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(e) The classification of loans under the RBI guidelines is as under:

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	(₹ IN CRORE)			
(i) Standard assets	-	-	-	54,387.79
(ii) Sub-standard assets	-	-	-	348.42
(iii) Doubtful assets	-	-	-	9.15
(iv) Loss assets	-	-	-	-
				54,745.36

### 18 LOANS AND ADVANCES - OTHERS (CONSIDERED GOOD, UNLESS STATED OTHERWISE)

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	(₹ IN CRORE)			
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
<b>UNSECURED</b>				
Inter corporate deposits to related party [see note 34]	-	-	-	150.00
Loans and advances to related parties [see note 34] [includes ₹ Nil (Previous year ₹ 53.22 crore) considered doubtful]	-	90.22	-	123.76
Receivables against derivative contracts	-	-	88.50	234.84
Loans and advances to employees	-	β	1.00	0.19
Security deposits	0.75	2.35	46.56	5.15
Other deposits	-	-	-	22.54
Advance payment of income tax [net of provision of ₹ Nil (Previous year ₹ 2,783.30 crore)]	-	-	405.00	-
Other loans and advances				
Supplier advances	-	0.16	-	1.95
Capital advances	-	-	5.51	-
Prepaid expenses	-	-	-	6.09
Balance with defined benefit plan [see note 32]	-	-	-	0.20
Balances with government authorities - cenvat credit available	-	0.06	-	0.46
Stamp Paper on hand	-	-	-	0.04
Initial margin account - government securities	-	-	15.02	-
	0.75	92.79	561.59	545.22
Less: Provision against doubtful advances	-	-	-	53.22
<b>TOTAL</b>	<b>0.75</b>	<b>92.79</b>	<b>561.59</b>	<b>492.00</b>

### 19 OTHER ASSETS (CONSIDERED GOOD, UNLESS STATED OTHERWISE)

	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	(₹ IN CRORE)			
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
Other receivables [includes ₹ Nil (Previous Year ₹ 1.29 crore) considered doubtful]	-	0.01	-	1.35
Less: Provision against doubtful receivables	-	-	-	1.29
	-	0.01	-	0.06
Interest accrued on deposits	-	0.78	-	1.38
Interest accrued on investments	-	0.89	-	521.83
Interest accrued on loans [see note (a)]	-	-	158.83	439.47
Unamortised expenses				
Premium on forward contracts	-	-	-	33.77
Ancillary borrowing costs	-	-	49.00	22.38
<b>TOTAL</b>	<b>-</b>	<b>1.68</b>	<b>207.83</b>	<b>1,018.89</b>

(a) Interest accrued on loans - current is net of provision of ₹ Nil (Previous year ₹ 33.00 crore) against restructured advances.

20 CURRENT INVESTMENTS

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>CURRENT INVESTMENTS (LOWER OF COST AND FAIR VALUE / MARKET VALUE)</b>					
<b>TRADE INVESTMENTS</b>					
<b>INVESTMENT IN PREFERENCE SHARES (UNQUOTED) (FULLY PAID)</b>					
Others					
Galaxy Mercantiles Limited (redeemable)	100	-	-	84,602	12.66
					12.66
<b>NON-TRADE INVESTMENTS</b>					
<b>INVESTMENT IN EQUITY SHARES (QUOTED) (FULLY PAID)</b>					
RattanIndia Power Limited	10	-	-	3,423,184	15.40
Vascon Engineers Limited	10	-	-	864,225	14.26
Deccan Chronicle Holdings Limited	2	-	-	1,000	β
					29.66
<b>INVESTMENT IN DEBENTURES &amp; BONDS (UNQUOTED) (FULLY PAID)</b>					
Subsidiaries (unquoted) (see note 34)					
IDFC Infra Debt Fund Limited	1,000,000	450	45.00	-	-
Others					
Housing Development Finance Corporation Limited	1,000,000	-	-	10,250	1,025.04
ICICI Home Finance Limited	1,000,000	-	-	38	3.80
India Infrastructure Finance Company Limited	1,000	-	-	584,500	58.45
Kotak Mahindra Prime Limited	1,000,000	-	-	500	44.45
Kalptaru Power Transmission Limited	1,000,000	-	-	1,000	99.85
L&T Finance Limited	1,000	-	-	821,491	82.15
L&T Infrastructure Finance Company Limited	1,000,000	-	-	50	4.95
LIC Housing Finance Limited	1,000,000	-	-	13,550	1,354.96
Mahindra & Mahindra Financial Services Limited	1,000,000	-	-	3,000	294.78
National Bank for Agriculture and Rural Development	1,000,000	-	-	750	75.03
Power Finance Corporation Limited	1,000,000	-	-	1,050	105.07
Power Grid Corporation of India Limited	100,000	-	-	90	0.94
Power Grid Corporation of India Limited	1,000,000	-	-	400	40.00
Power Grid Corporation of India Limited	1,250,000	-	-	20	2.50
The Great Eastern Shipping Company Limited	1,000,000	-	-	100	10.09
			45.00		3,202.06
<b>INVESTMENT IN PASS THROUGH CERTIFICATES (UNQUOTED)</b>					
India MBS 2002 Certificates Series I D			-		0.25
<b>INVESTMENT IN CERTIFICATE OF DEPOSITS WITH SCHEDULED BANKS (unquoted)</b>					
			-		773.68
<b>INVESTMENT IN COMMERCIAL PAPERS (UNQUOTED)</b>					
			-		1,847.61
<b>INVESTMENT IN GOVERNMENT SECURITIES (UNQUOTED) [SEE NOTE 10 (B) &amp; 10 (C)]</b>					
			-		4,934.54
<b>INVESTMENT IN TREASURY BILLS (UNQUOTED) [SEE NOTE 10 (B) &amp; 10 (C)]</b>					
			-		2,256.42

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

	FACE VALUE (₹)	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
		QUANTITY	(₹ IN CRORE)	QUANTITY	(₹ IN CRORE)
<b>INVESTMENT IN MUTUAL FUNDS (UNQUOTED)</b>					
IDFC Cash Fund-Growth-(Direct Plan)	1,000	242,872.442	44.53	6,766,845.399	1,150.00
IDFC Ultra Short Term Fund-Growth-(Direct Plan)	10	73,239,995.653	155.00	-	-
IDFC Corporate Bond Fund Direct Plan - Growth	10	25,000,000	25.00	-	-
UTI Money Market Fund Institutional Plan Direct Plan Growth	1,000	-	-	2,743,187.616	425.00
			224.53		1,575.00
<b>TOTAL CURRENT INVESTMENTS</b>			<b>269.53</b>		<b>14,631.88</b>
Less: Provision for diminution in value of investments			0.15		24.97
<b>NET CURRENT INVESTMENTS</b>			<b>269.38</b>		<b>14,606.91</b>

	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
(a) Aggregate amount of quoted investments		
Cost	-	29.66
Market value	-	4.69
(b) (i) Aggregate amount of investments in unquoted mutual funds		
Cost	224.53	1,575.00
Market value	226.32	1,580.87
Market value of investments in unquoted mutual funds represents the repurchase price of the units issued by the mutual funds.		
(ii) Aggregate amount of other unquoted investments - cost	45.00	13,027.22

### 21 TRADE RECEIVABLES (UNSECURED)

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>CONSIDERED GOOD</b>		
Outstanding for a period less than six months from the date they are due for payment [see note (a)]	3.02	26.08
<b>CONSIDERED DOUBTFUL</b>		
Outstanding for a period less than six months from the date they are due for payment	-	-
Outstanding for a period exceeding six months from the date they are due for payment [see note (b)]	-	0.68
		0.68
Less: Provision against doubtful receivables	-	0.68
		-
<b>TOTAL</b>	<b>3.02</b>	<b>26.08</b>

(a) Includes ₹ Nil (Previous Year ₹ 21.71 crore) on deals recognised on trade date basis, subsequently realised.

(b) During the year ended March 31, 2016, the Company has written off debts of ₹ Nil (Previous Year ₹ 102.97 crore). The provision of same has been reversed.

**22 CASH AND BANK BALANCES**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>CASH AND CASH EQUIVALENTS [see note (a)]</b>		
Cash on hand	β	0.01
Cheques on hand	5.46	87.12
Balances with banks:		
In current accounts	1.44	26.95
In deposit accounts	217.90	25.00
	224.80	139.08
<b>OTHERS</b>		
Balances with banks:		
In earmarked accounts:		
- unclaimed dividend	1.84	1.78
- unclaimed interest	-	17.99
In deposit accounts [see note (b)]	-	22.50
	1.84	42.27
	226.64	181.35

(a) Cash & Cash equivalents as referred in Cash Flow Statement.

(b) Balances with banks include deposits of ₹ Nil (Previous Year ₹ 22.50 crore) having original maturity of more than 12 months.

**23 REVENUE FROM OPERATIONS**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Interest [see note (a)]	3.01	-
Other financial services - Fees	0.08	-
Dividend from subsidiaries	200.01	87.23
Net profit on sale of current investments	17.90	-
Other operating income - Sale of power	3.13	11.33
<b>TOTAL</b>	<b>224.13</b>	<b>98.56</b>
<b>(a) Details of interest income</b>		
Interest on deposits	2.12	-
Interest on investments		
Current investments	0.89	-
<b>TOTAL</b>	<b>3.01</b>	<b>-</b>

**24 OTHER INCOME**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Profit on sale of long-term investments [see note (a)]	1.75	1.00
Miscellaneous income	β	-
<b>TOTAL</b>	<b>1.75</b>	<b>1.00</b>

(a) Profit on sale of long-term investments of ₹ 1.75 crore for the year ended March 31, 2016 is on sale of 100% stake in IDFC Finance Limited to IDFC Projects Limited and profit of ₹ 1.00 crore for the year ended March 31, 2015 was on sale of 100% stake in IDFC Primary Dealership Company Limited and IDFC Housing Finance Company Limited to IDFC Alternatives Limited, wholly-owned subsidiary of the Company.

**25 EMPLOYEE BENEFITS EXPENSE**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Salaries	9.16	5.27
Contribution to provident and other funds (see note 32)	0.70	0.25
Staff welfare expenses	0.01	0.15
<b>TOTAL</b>	<b>9.87</b>	<b>5.67</b>

**26 PROVISIONS AND CONTINGENCIES (SEE NOTE 42)**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Provision against advances	(53.22)	-
Provision for diminution in value of investments (net)	0.15	21.00
Bad debts written off	93.78	-
<b>TOTAL</b>	<b>40.71</b>	<b>21.00</b>

**27 OTHER EXPENSES**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Rent [see note 35 (i)]	0.01	-
Rates and taxes	0.01	-
Repairs and maintenance		
Buildings	0.03	-
Equipments	1.69	0.94
Others	0.01	-
Insurance charges	0.12	0.05
Travelling and conveyance	0.75	-
Printing and stationery	β	-
Communication costs	(0.05)	-
Advertising and publicity	0.07	-
Professional fees	0.38	β
Loss on foreign exchange fluctuation (net)	β	-
Directors' sitting fees	0.37	0.45
Commission to directors	0.27	1.89
Brokerage	0.01	-
Miscellaneous expenses	0.68	0.08
Auditors' remuneration [see note (a)]	1.43	1.98
Shared service costs [see note (b)]	0.31	-
<b>TOTAL</b>	<b>6.09</b>	<b>5.39</b>

(a) Break up of auditors' remuneration:

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Audit fees	0.25	0.50
Tax audit fees	0.10	0.15
Taxation matters	0.17	0.45
Other services	0.77	0.74
Out-of-pocket expenses	0.03	0.02
Service tax	0.19	0.23
	1.51	2.09
Less: Service tax set off claimed	0.08	0.11
<b>TOTAL</b>	<b>1.43</b>	<b>1.98</b>

(b) Shared service costs represents ₹ 0.31 crore paid to subsidiary companies under a shared service agreement.

**28 DISCONTINUING OPERATIONS**

The financials for the year ended March 31, 2016 and for the corresponding previous year includes the financials of Financing Undertaking that has been transferred to IDFC Bank Limited under the Scheme of Arrangement w.e.f October 1, 2015. Financing activity is a discontinued operation w.e.f October 1, 2015 in IDFC Limited. Information required under Accounting Standard 24 on Discontinuing Operations relating to Financing Undertaking is given below:

PARTICULARS	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>I. INCOME</b>		
<b>Revenue from operations</b>		
Interest	3,928.01	8,031.10
Other financial services	39.48	76.03
Dividend income	20.12	25.88
Net profit on sale of investments	348.75	900.14
Other operating income	-	0.11
	4,336.36	9,033.26
<b>Other Income</b>		
Interest on income tax refund	0.17	78.07
Other interest	0.03	0.06
Profit on sale of fixed assets (net)	-	1.28
Miscellaneous income	0.36	0.40
	0.56	79.81
<b>TOTAL INCOME (A)</b>	4,336.92	9,113.07
<b>II. EXPENSES</b>		
Employee benefits expenses	197.87	207.80
Finance costs	2,970.36	5,642.07
Other expenses	152.75	200.40
Provisions and contingencies	336.48	997.91
Depreciation and amortisation expense	10.23	(29.12)
<b>TOTAL EXPENSES (B)</b>	3,667.69	7,019.06
<b>Profit before tax before exceptional items (C= A-B)</b>	669.23	2,094.01
<b>Exceptional Items (D) (see note below)</b>	(2,638.72)	-
<b>Profit before tax after exceptional items (C-D)</b>	(1,969.49)	2,094.01
<b>Tax expense</b>		
- on ordinary activities attributable to the discontinuing operations		
- Current Tax	379.55	874.04
- Deferred Tax	(1,044.96)	(289.01)
- Tax adjustments for prior years	(0.24)	(109.51)
<b>TOTAL TAX EXPENSES</b>	(665.65)	475.52
<b>Profit after tax of discontinuing operations</b>	(1,303.84)	1,618.49
	AS AT	AS AT
	MARCH 31, 2016	MARCH 31, 2015
Carrying amount of assets as at the balance sheet date relating to the discontinued business to be disposed off	66,237.46	76,713.58
Carrying amount of liabilities as at the balance sheet date relating to the discontinued business to be settled	60,002.90	69,082.06
	FOR THE YEAR ENDED	FOR THE YEAR ENDED
	MARCH 31, 2016	MARCH 31, 2015
<b>Net cash flow attributable to the discontinued business</b>		
Cash flows from operating activities	8,608.30	-
Cash flows from investing activities	2,221.89	-
Cash flows from financing activities	(9,530.81)	-

Note: Exceptional Items

Pursuant to the approval granted by the Reserve Bank of India (“RBI”) vide letter no. DNBR.CO.PD.No. 295/03.10.001/2014-15 dated August 11, 2015 to utilise the balance in Statutory Reserves to create specific provision against identified advances, the Company has created specific provisions of ₹ 2,500.00 crore on such assets. This one time provision along with reversal of unrealised interest of ₹ 138.72 crore on identified advances have been charged to the Statement of Profit and Loss and classified as exceptional item. In accordance with the RBI approval, an amount equivalent to ₹ 1,634.80 crore (provisions of ₹ 2,500.00 crore net of deferred tax asset of ₹ 865.20 crore) is transferred from Special Reserve u/s 45IC of RBI Act, 1934 to the balance of the surplus in Statement of Profit and Loss in Reserves and Surplus.



**29 EXPENDITURE IN FOREIGN CURRENCIES**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Interest expense	-	0.01
Other borrowing costs	27.90	24.83
Travelling expenses	0.08	0.07
Legal & professional fees	1.54	0.50
Others	3.83	3.01

**30 EARNINGS IN FOREIGN CURRENCIES**

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Others	-	β

**31 REMITTANCE IN FOREIGN CURRENCIES FOR DIVIDENDS**

The Company has not remitted any amount in foreign currencies on account of dividends paid during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The particulars of dividends paid to non-resident shareholders which were declared during the year, are as under:

	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Number of non-resident shareholders	6,394	5,170
Number of equity shares held by them	770,525,689	780,513,315
Gross amount of dividend (₹ in crore)	200.34	202.93
Dividend relating to the year	2014-15	2013-14

**32** In accordance with Accounting Standards specified under Section 133 of the 2013 Act, the following disclosures have been made:

- i. The Company has recognised the following amounts in the Statement of Profit and Loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Provident fund	5.82	5.02
Superannuation fund	0.63	0.72
Pension fund	0.95	0.76

- ii. The details of the Company's post - retirement benefit plans for gratuity for its employees are given below which are certified by the actuary and relied upon by the auditors:

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>CHANGE IN THE DEFINED BENEFIT OBLIGATIONS:</b>		
Liability at the beginning of the year	22.17	17.73
Current service cost	4.80	2.42
Interest cost	2.04	1.67
Liabilities settled on divestiture (see note below)	(22.70)	(0.04)
Benefits paid	(1.51)	(1.85)
Actuarial loss / (gain)	(2.51)	2.24
Liability at the end of the year	2.30	22.17
<b>FAIR VALUE OF PLAN ASSETS:</b>		
Fair value of plan assets at the beginning of the year	22.37	16.66
Expected return on plan assets	1.98	1.32
Contributions	2.86	4.00

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Benefits paid	(1.51)	(1.85)
Distributed on Divestiture (see note below)	(22.19)	-
Actuarial gain / (loss) on plan assets	(1.26)	2.24
Fair value of plan assets at the end of the year	2.25	22.37
Total actuarial loss to be recognised	(1.25)	₹
<b>ACTUAL RETURN ON PLAN ASSETS:</b>		
Expected return on plan assets	1.98	1.32
Actuarial gain / (loss) on plan assets	(1.26)	2.24
Actual return on plan assets	0.72	3.56
<b>AMOUNT RECOGNISED IN THE BALANCE SHEET:</b>		
Liability at the end of the year	2.30	22.17
Fair value of plan assets at the end of the year	2.25	22.37
Amount recognised in the Balance Sheet under 'Provision for employee benefits' (see note 12)	0.05	-
Amount recognised in the Balance Sheet under 'Loans and Advances' (see note 18)	-	0.20
<b>EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:</b>		
Current service cost	4.80	2.42
Interest cost	2.04	1.67
Expected return on plan assets	(1.98)	(1.32)
Net actuarial loss to be recognised	(1.25)	₹
Liabilities settled on divestiture	(0.51)	(0.04)
Expense recognised in the Statement of Profit and Loss under 'Employee benefits expense' (see note 25)	3.10	2.73
<b>RECONCILIATION OF THE LIABILITY RECOGNISED IN THE BALANCE SHEET:</b>		
Opening net asset / (liability)	0.20	(1.07)
Expense recognised	3.10	2.73
Contribution by the Company	(2.86)	(4.00)
Expected employer's contribution next year	0.20	2.00

	For the year ended					(₹ in crore)
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	
<b>EXPERIENCE ADJUSTMENTS:</b>						
Defined benefit obligation	2.30	22.17	17.73	14.87	11.65	
Plan assets	2.25	22.37	16.66	14.73	11.75	
Surplus/(deficit)	(0.05)	0.20	(1.06)	(0.14)	0.10	
Experience adjustments on plan liabilities	(2.50)	0.91	2.12	0.19	1.38	
Experience adjustments on plan assets	(1.26)	2.24	0.08	0.10	(0.32)	

	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
	(%)	(%)
<b>INVESTMENT PATTERN:</b>		
<b>Insurer managed funds</b>	100.00	100.00
Government securities	46.58	49.67
Deposit and money market securities	9.38	6.25
Debentures / bonds	34.09	29.82
Equity shares	9.95	14.26
<b>PRINCIPAL ASSUMPTIONS:</b>		
Discount rate (p.a.)	8.00	7.95
Expected rate of return on assets (p.a.)	9.00	9.00
Salary escalation rate (p.a.)	8.00	8.00

The estimate of future salary increase, considered in the actuarial valuation takes account of inflation, seniority, promotion and other relevant factors.

Note:

From the effective date of demerger, all employees of the Transferor Company pertaining to the Financing Undertaking and who were in the employment of the Transferor Company are transferred to the Transferee Company. Consequently, the corresponding gratuity liability and plan assets have been transferred to the Transferee Company based on actuarial valuation.

**33** The Company's main business up to September 30, 2015 was financing by way of loans. Post Demerger of Financing Undertaking business of the Company into IDFC Bank Limited effective October 01, 2015, the Company is operating as NBFC - Investment Company. The Company does not have any geographic segments. As such, there are no separate reportable segments as per Accounting Standards 17 on 'Segment Reporting' under specified Section 133 of the 2013 Act.

**34** As per Accounting Standard 18 on 'Related Party Disclosures' as notified under the Accounting Standards specified under section 133 of the 2013 Act, the related parties of the Company are as follows:

**I. SUBSIDIARIES:**

**(a) Direct**

- IDFC Alternatives Limited (direct up to July 09, 2015)
- IDFC Asset Management Company Limited (direct up to July 09, 2015)
- IDFC AMC Trustee Company Limited (direct up to July 09, 2015)
- IDFC Bank Limited (Incorporated on October 21, 2014 and direct up to December 25, 2014)
- IDFC Infra Debt Fund Limited (direct up to August 11, 2014)
- IDFC Securities Limited (direct up to July 09, 2015)
- IDFC Trustee Company Limited (direct up to July 09, 2015)
- Galaxy Mercantiles Limited (w.e.f. December 6, 2013, up to September 28, 2014)
- IDFC Finance Limited (direct up to September 28, 2015)
- IDFC Foundation
- IDFC Financial Holding Company Limited (Incorporated on November 07, 2014)
- IDFC Housing Finance Company Limited (incorporated on March 4, 2014, direct up to August 27, 2014 )
- IDFC Primary Dealership Company Limited (direct up to August 27, 2014)
- IDFC Projects Limited
- Neopro Technologies Private Limited (direct up to September 28, 2014)

**(b) Through subsidiaries**

- IDFC Alternatives Limited (w.e.f July 10, 2015)
- IDFC Asset Management Company Limited (w.e.f July 10, 2015)
- IDFC AMC Trustee Company Limited (w.e.f July 10, 2015)
- IDFC Bank Limited (w.e.f December 26, 2014)
- IDFC Infra Debt Fund Limited (w.e.f August 12, 2014)
- IDFC Securities Limited (w.e.f July 10, 2015)
- IDFC Trustee Company Limited (w.e.f July 10, 2015)
- IDFC Capital (USA) Inc.
- IDFC Capital (Singapore) Pte. Ltd.
- IDFC Fund of Funds Limited (up to December 12, 2014)
- IDFC Housing Finance Company Limited (w.e.f from August 28, 2014 up to September 30, 2014)
- IDFC Investment Advisors Limited (up to March 31, 2015)
- IDFC Investment Managers (Mauritius) Limited
- IDFC Primary Dealership Company Limited (w.e.f August 28, 2014 up to September 30, 2014)
- IDFC Project Equity Company Limited (up to September 30, 2014)
- IDFC Securities Singapore Pte. Limited
- IDFC Finance Limited (w.e.f September 29, 2015)

**II. JOINTLY CONTROLLED ENTITIES:**

**(a) Through subsidiaries**

Delhi Integrated Multi-Modal Transit System Limited  
 Infrastructure Development Corporation (Karnataka) Limited  
 Uttarakhand Infrastructure Development Company Limited  
 Rail Infrastructure Development Company (Karnataka) Limited  
 Narayana Hrudayalaya Surgical Hospital Private Limited (upto January 31, 2016)

**III. ASSOCIATES:**

**(a) Direct**

Feedback Infra Private Limited (up to September 30, 2015)  
 Millennium City Expressway Private Limited (w.e.f. from May 19, 2014 & up to September 30, 2015)

**(b) Through subsidiaries**

Jetpur Somnath Tollways Private Limited  
 Feedback Infra Private Limited (w.e.f October 01, 2015)  
 Millennium City Expressway Private Limited (w.e.f October 01, 2015)

**IV. ENTITIES OVER WHICH CONTROL IS EXERCISED:**

**(a) Through subsidiaries**

India PPP Capacity Building Trust

**V. KEY MANAGEMENT PERSONNEL:**

(a) Dr. Rajiv B. Lall - Executive Chairman (up to September 30, 2015)  
 (b) Mr. Vikram Limaye - Managing Director & CEO

**VI. RELATIVES OF KEY MANAGEMENT PERSONNEL: (WHERE TRANSACTIONS EXIST).**

(a) Ms. Bunty Chand (Up to September 30, 2015)  
 (b) Mr. Bharat Mukund Limaye

I) The nature and volume of transactions of the Company with the above mentioned related parties are as summarised below:

PARTICULARS	(₹ IN CRORE)											
	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
<b>INCOME</b>												
Dividend	200.01	87.23	0.60	0.81	-	-	-	-	-	-	-	-
Interest	5.04	22.54	23.92	42.29	-	-	-	-	-	-	-	-
Profit on sale of investments	1.75	-	-	-	-	-	-	-	-	-	-	-
Fees	-	-	-	-	0.08	-	-	-	-	-	-	-
<b>EXPENDITURE</b>												
Remuneration paid	-	-	-	-	-	-	-	-	9.48	8.31	-	-
Shared service cost recovery	1.74	4.53	-	-	-	-	-	-	-	-	-	-
Shared service cost	0.31	-	-	-	-	-	-	-	-	-	-	-
Fees paid	-	1.47	-	-	-	0.52	-	-	-	-	-	-
Professional fees paid	-	14.18	-	-	-	-	-	-	-	-	-	-
CSR Contribution	23.40	46.50	-	-	-	-	-	-	-	-	-	-
Brokerage on sale of investments	0.05	0.22	-	-	-	-	-	-	-	-	-	-
Interest expense on 80CCF Bonds	-	-	-	-	-	-	-	-	-	-	β	β
Property tax paid	0.05	-	-	-	-	-	-	-	-	-	-	-
Office Maintenance paid	0.02	-	-	-	-	-	-	-	-	-	-	-
Rent paid	0.59	-	-	-	0.01	0.02	-	-	-	-	-	-
<b>ASSETS / TRANSACTIONS</b>												
Sale of investments in Subsidiary Company	1,444.48	213.05	-	-	-	-	-	-	-	-	-	-
Sale of investments in Other Company	35.62	0.05	-	-	-	-	-	-	-	-	-	-
Purchase / subscription of investments	8,784.95	340.10	17.39	176.61	-	-	-	-	-	-	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(₹ IN CRORE)

PARTICULARS	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Assignment of loans	494.40	-	-	-	-	-	-	-	-	-	-	-
Subscription of bonds	45.00	-	-	-	-	-	-	-	-	-	-	-
Repayment of OCDs	-	261.05	-	-	-	-	-	-	-	-	-	-
Buyback of OCD	-	125.00	-	-	-	-	-	-	-	-	-	-
Current account balance	1.07	-	-	-	-	-	-	-	-	-	-	-
Fixed deposits placed	665.50	-	-	-	-	-	-	-	-	-	-	-
Fixed deposits - Balance outstanding	217.90	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed assets	0.49	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed assets	-	8	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits (placed and matured)	155.19	1,513.50	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits (placed and outstanding)	-	150.00	-	-	-	-	-	-	-	-	-	-
Loans given	-	-	-	421.60	-	-	-	-	-	-	-	-
Advances given	71.94	35.76	-	-	-	-	-	-	-	-	-	-
Advances recovered	6.60	0.50	-	-	-	-	-	-	-	-	-	-
Advances recoverable - balance outstanding	90.22	123.76	-	-	-	-	-	-	-	-	-	-
Interest accrued on loans - balance outstanding	-	-	-	18.19	-	-	-	-	-	-	-	-
Interest accrued on bonds - balance outstanding	0.89	-	-	-	-	-	-	-	-	-	-	-
Interest accrued on ICD - balance outstanding	-	0.26	-	-	-	-	-	-	-	-	-	-
Interest accrued on fixed deposits - balance outstanding	0.87	-	-	-	-	-	-	-	-	-	-	-
Outstanding investments in Debentures	-	-	-	40.00	-	-	-	-	-	-	-	-
Outstanding Equity investment	8,832.07	1,489.86	-	196.70	-	-	-	-	-	-	-	-
Outstanding other receivables	-	-	-	0.17	-	-	-	-	-	-	-	-
<b>LIABILITIES / TRANSACTIONS</b>												
Trade payable- balance outstanding	-	0.13	-	-	1.76	0.60	-	-	-	-	-	-
Amount received in advance	-	-	-	0.84	-	-	-	-	-	-	-	-
80CCF Bonds outstanding	-	-	-	-	-	-	-	-	0.01	-	-	0.01

II) The nature and volume of transactions of the Company with the above mentioned related parties are as detailed below:

(₹ in crore)

PARTICULARS	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
<b>INCOME</b>												
<b>Dividend</b>												
IDFC Asset Management Company Limited	39.18	50.23	-	-	-	-	-	-	-	-	-	-
IDFC Primary Dealership Company Limited	-	37.00	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	148.44	-	-	-	-	-	-	-	-	-	-	-
IDFC Finance Limited	12.39	-	-	-	-	-	-	-	-	-	-	-
Feedback Infra Private Limited	-	-	0.60	0.81	-	-	-	-	-	-	-	-
<b>Interest income</b>												
IDFC Alternatives Limited	3.80	7.23	-	-	-	-	-	-	-	-	-	-
IDFC Bank Limited	1.24	-	-	-	-	-	-	-	-	-	-	-
IDFC Primary Dealership Company Limited	-	1.15	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	-	0.36	-	-	-	-	-	-	-	-	-	-
Feedback Infra Private Limited	-	-	2.61	6.67	-	-	-	-	-	-	-	-
Galaxy Mercantiles Limited	-	13.80	-	-	-	-	-	-	-	-	-	-
Millennium City Expressway Private Limited	-	-	21.31	35.62	-	-	-	-	-	-	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(₹ in crore)

PARTICULARS	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
<b>Profit on sale of investments</b>												
IDFC projects Limited	1.75	-	-	-	-	-	-	-	-	-	-	-
<b>Fees</b>												
Delhi Integrated Multi-Modal Transit System Limited	-	-	-	-	0.05	-	-	-	-	-	-	-
Infrastructure Development Corporation (Karnataka) Limited	-	-	-	-	0.03	-	-	-	-	-	-	-
<b>EXPENDITURE</b>												
<b>Remuneration paid</b>												
Dr. Rajiv B.Lall	-	-	-	-	-	-	-	-	4.32	4.40	-	-
Mr. Vikram Limaye	-	-	-	-	-	-	-	-	5.16	3.91	-	-
<b>Shared Service cost recovery</b>												
IDFC Alternatives Limited	0.39	0.98	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	1.02	2.17	-	-	-	-	-	-	-	-	-	-
IDFC Project Equity Company Limited	-	0.40	-	-	-	-	-	-	-	-	-	-
IDFC Infra Debt Fund Limited	0.02	-	-	-	-	-	-	-	-	-	-	-
IDFC Primary Dealership Company Limited	-	0.06	-	-	-	-	-	-	-	-	-	-
IDFC Asset Management Company Limited	0.31	0.92	-	-	-	-	-	-	-	-	-	-
<b>Shared Service cost</b>												
IDFC Bank Limited	0.31	-	-	-	-	-	-	-	-	-	-	-
<b>Fees paid</b>												
IDFC Foundation	-	0.44	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	-	1.03	-	-	-	-	-	-	-	-	-	-
Uttarakhand Infrastructure Development Company Limited	-	-	-	-	-	0.18	-	-	-	-	-	-
Delhi Integrated Multi-Modal Transit System Limited	-	-	-	-	-	0.02	-	-	-	-	-	-
Infrastructure Development Corporation (Karnataka) Limited	-	-	-	-	-	0.32	-	-	-	-	-	-
<b>Professional fees paid</b>												
IDFC Securities Limited	-	13.32	-	-	-	-	-	-	-	-	-	-
IDFC Investment Advisors Limited	-	0.86	-	-	-	-	-	-	-	-	-	-
<b>Interest expense on 80 CCF Bonds</b>												
Dr. Rajiv B. Lall	-	-	-	-	-	-	-	-	-	β	-	-
Mr. Vikram Limaye	-	-	-	-	-	-	-	-	-	β	-	-
Ms. Bunt Chand	-	-	-	-	-	-	-	-	-	-	-	β
Mr. Bharat Mukund Limaye	-	-	-	-	-	-	-	-	-	-	-	β
<b>CSR contribution</b>												
IDFC Foundation	23.40	46.50	-	-	-	-	-	-	-	-	-	-
<b>Brokerage on sale of investments</b>												
IDFC Securities Limited	0.05	0.22	-	-	-	-	-	-	-	-	-	-
<b>Property Tax paid</b>												
IDFC Alternatives Limited	0.05	-	-	-	-	-	-	-	-	-	-	-
<b>Office Maintenance paid</b>												
IDFC Alternatives Limited	0.02	-	-	-	-	-	-	-	-	-	-	-
<b>Rent paid</b>												
IDFC Alternatives Limited	0.59	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Development Corporation (Karnataka) Limited	-	-	-	-	0.01	0.02	-	-	-	-	-	-
<b>ASSETS / TRANSACTIONS</b>												
<b>Sale of investments in Subsidiary Company</b>												
IDFC Projects Limited	22.75	-	-	-	-	-	-	-	-	-	-	-
IDFC Alternatives Limited	-	213.00	-	-	-	-	-	-	-	-	-	-
IDFC Financial Holding Company Limited	1,421.73	0.05	-	-	-	-	-	-	-	-	-	-
<b>Sale of investments</b>												
IDFC Asset Management Company Limited	-	0.05	-	-	-	-	-	-	-	-	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(₹ in crore)

PARTICULARS	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
IDFC Projects Limited	35.62	-	-	-	-	-	-	-	-	-	-	-
<b>Subscription of Investments</b>												
IDFC Infra Debt Fund Limited	-	140.00	-	-	-	-	-	-	-	-	-	-
IDFC Alternatives Limited	-	200.00	-	-	-	-	-	-	-	-	-	-
IDFC Bank Limited	-	0.05	-	-	-	-	-	-	-	-	-	-
IDFC Financial Holding Company Limited	8,784.95	0.05	-	-	-	-	-	-	-	-	-	-
Millennium City Expressway Private Limited	-	-	17.39	176.61	-	-	-	-	-	-	-	-
<b>Subscription of Bonds</b>												
IDFC Infra Debt Fund Limited	45.00	-	-	-	-	-	-	-	-	-	-	-
<b>Assignment of Loans</b>												
IDFC Infra Debt Fund Limited	494.40	-	-	-	-	-	-	-	-	-	-	-
<b>Current account balance</b>												
IDFC Bank Limited	1.07	-	-	-	-	-	-	-	-	-	-	-
<b>Fixed deposits placed</b>												
IDFC Bank Limited	665.50	-	-	-	-	-	-	-	-	-	-	-
<b>Fixed deposits outstanding</b>												
IDFC Bank Limited	217.90	-	-	-	-	-	-	-	-	-	-	-
<b>Redemption receipt of OCDs</b>												
Galaxy Mercantiles Limited	-	261.05	-	-	-	-	-	-	-	-	-	-
<b>Buy back of OCDs</b>												
IDFC Securities Limited	-	125.00	-	-	-	-	-	-	-	-	-	-
<b>Loans Given</b>												
Millennium City Expressway Private Limited (net of repayments)	-	-	-	421.60	-	-	-	-	-	-	-	-
<b>Sale of fixed assets</b>												
IDFC Alternatives Limited	0.42	-	-	-	-	-	-	-	-	-	-	-
IDFC Infra Debt Fund Limited	0.07	-	-	-	-	-	-	-	-	-	-	-
IDFC Foundation Limited	β	-	-	-	-	-	-	-	-	-	-	-
IDFC Asset Management Company Limited	-	β	-	-	-	-	-	-	-	-	-	-
<b>Inter-corporate deposits (placed and matured)</b>												
IDFC Primary Dealership Company Limited	-	1,023.00	-	-	-	-	-	-	-	-	-	-
IDFC Alternatives Limited	155.00	290.00	-	-	-	-	-	-	-	-	-	-
IDFC Infra Debt Fund Limited	0.19	-	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	-	200.50	-	-	-	-	-	-	-	-	-	-
<b>Inter-corporate deposits (placed and outstanding)</b>												
IDFC Alternatives Limited	-	150.00	-	-	-	-	-	-	-	-	-	-
<b>Advances given</b>												
IDFC Financial Holding Company Limited	2.52	-	-	-	-	-	-	-	-	-	-	-
IDFC Bank Limited	2.58	-	-	-	-	-	-	-	-	-	-	-
IDFC Projects Limited	66.84	35.76	-	-	-	-	-	-	-	-	-	-
<b>Advances recovered</b>												
IDFC Financial Holding Company Limited	2.52	-	-	-	-	-	-	-	-	-	-	-
IDFC Bank Limited	2.58	-	-	-	-	-	-	-	-	-	-	-
IDFC Foundation	1.50	0.50	-	-	-	-	-	-	-	-	-	-
<b>Advances recoverable - balance outstanding</b>												
IDFC Bank Limited	-	2.58	-	-	-	-	-	-	-	-	-	-
IDFC Financial Holding Company Limited	-	2.52	-	-	-	-	-	-	-	-	-	-
IDFC Foundation	19.50	21.00	-	-	-	-	-	-	-	-	-	-
IDFC Projects Limited	70.72	97.66	-	-	-	-	-	-	-	-	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

(₹ in crore)

PARTICULARS	SUBSIDIARY COMPANIES		ASSOCIATES		JOINTLY CONTROLLED ENTITIES		ENTITIES OVER WHICH CONTROL IS EXERCISED		KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MANAGEMENT PERSONNEL	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
<b>Interest accrued on loans - balance outstanding</b>												
Feedback Infra Private Limited	-	-	-	14.52	-	-	-	-	-	-	-	-
Millennium City Expressway Private Limited	-	-	-	3.67	-	-	-	-	-	-	-	-
<b>Interest accrued on bonds - balance outstanding</b>												
IDFC Infra Debt Fund Limited	0.89	-	-	-	-	-	-	-	-	-	-	-
<b>Interest accrued on ICD - balance outstanding</b>												
IDFC Alternatives Limited	-	0.26	-	-	-	-	-	-	-	-	-	-
<b>Interest accrued on Fixed deposits - balance outstanding</b>												
IDFC Bank Limited	0.87	-	-	-	-	-	-	-	-	-	-	-
<b>Outstanding Investment in debentures</b>												
Feedback Infra Private Limited	-	-	-	40.00	-	-	-	-	-	-	-	-
<b>Outstanding Equity Investments</b>												
IDFC Financial Holding Company Limited	8,785.00	0.05	-	-	-	-	-	-	-	-	-	-
IDFC Alternatives Limited	-	200.05	-	-	-	-	-	-	-	-	-	-
IDFC Asset Management Company Limited	-	629.49	-	-	-	-	-	-	-	-	-	-
IDFC Infra Debt Fund Limited	-	152.00	-	-	-	-	-	-	-	-	-	-
IDFC Securities Limited	-	440.10	-	-	-	-	-	-	-	-	-	-
Feedback Infra Private Limited	-	-	-	20.09	-	-	-	-	-	-	-	-
Millennium City Expressway Private Limited	-	-	-	176.61	-	-	-	-	-	-	-	-
Others	47.07	68.17	-	-	-	-	-	-	-	-	-	-
<b>Outstanding other receivables</b>												
Millennium City Expressway Private Limited	-	-	-	0.17	-	-	-	-	-	-	-	-
<b>LIABILITIES / TRANSACTIONS</b>												
<b>Trade Payable- Balance outstanding</b>												
IDFC Foundation	-	0.13	-	-	-	-	-	-	-	-	-	-
Infrastructure Development Corporation (Karnataka) Limited	-	-	-	-	1.46	0.39	-	-	-	-	-	-
Uttarakhand Infrastructure Development Company Limited	-	-	-	-	-	0.15	-	-	-	-	-	-
Delhi Integrated Multi-Modal Transit System Limited	-	-	-	-	0.30	0.06	-	-	-	-	-	-
<b>Amount received in advance</b>												
Feedback Infra Private Limited	-	-	-	0.84	-	-	-	-	-	-	-	-
<b>80CCF Bonds outstanding</b>												
Dr. Rajiv B. Lall	-	-	-	-	-	-	-	-	-	β	-	-
Mr. Vikram Limaye	-	-	-	-	-	-	-	-	-	0.01	-	-
Ms. Bunty Chand	-	-	-	-	-	-	-	-	-	-	-	β
Mr. Bharat Mukund Limaye	-	-	-	-	-	-	-	-	-	-	-	0.01



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

**35** In accordance with Accounting Standard 19 on 'Leases' as notified under the Accounting Standards specified under Section 133 of the 2013 Act, the following disclosures in respect of operating leases are made:

- i The Company had taken office premises under operating leases, which expired in the Previous Year between March 2016 and March 2024. Rent includes gross rental expenses of ₹ 20.23 crore (Previous Year ₹ 8.90 crore). The committed lease rentals in the future are: (see note below)

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Not later than one year	-	19.84
Later than one year and not later than five years	-	86.33
Later than five years	-	9.95

All outstanding operating lease contracts have been transferred to IDFC Bank Limited on the demerger of Financing Undertaking under the Scheme of Arrangement.

**36** In accordance with Accounting Standard 20 on 'Earnings Per Share' as notified under the Accounting Standards specified under Section 133 of the 2013 Act:

### 1 Earnings per share of continuing operations

#### i. The basic earnings per share has been calculated based on:

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Net profit after tax	141.70	67.00
Weighted average number of equity shares	1,593,794,088	1,556,765,804

#### ii. The reconciliation between the basic and the diluted earnings per share is as follows:

	(₹)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Basic earnings per share	0.89	0.43
Effect of outstanding stock options	β	β
Diluted earnings per share	0.89	0.43

### 2 Earnings per share of total operations

#### i. The basic earnings per share has been calculated based on:

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Net profit / (loss) after tax	(1,162.14)	1,685.49
Weighted average number of equity shares	1,593,794,088	1,556,765,804

#### ii. The reconciliation between the basic and the diluted earnings per share is as follows:

	(₹)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Basic earnings per share	(7.29)	10.83
Effect of outstanding stock options	β	(0.06)
Diluted earnings per share	(7.29)	10.77

- iii. The basic earnings per share has been computed by dividing the net profit/(loss) after tax for the year available for equity shareholders by the weighted average number of equity shares for the respective years, whereas the diluted earnings per share has been computed by dividing the net profit/(loss) after tax for the year available for equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options for the respective years. The relevant details as described above are as follows: [see note 3(k)]

	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Weighted average number of shares for computation of basic earnings per share	1,593,794,088	1,556,765,804
Dilutive effect of outstanding stock options	1,011,998	7,731,566
Weighted average number of shares for computation of diluted earnings per share	1,594,806,086	1,564,497,370

**37 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>(A) CONTINGENT LIABILITIES [see note 1(c)]</b>		
<b>(i) Claims not acknowledged as debts in respect of :</b>		
<ul style="list-style-type: none"> <li>■ Income-tax demands disputed by the Company (net of amounts provided). The matters in dispute are under appeal. The demands have been partly paid / adjusted and will be received as refund if the matters are decided in favour of the Company.</li> </ul>	-	143.68
<ul style="list-style-type: none"> <li>■ Other claims</li> </ul>	-	0.55
<b>(ii) Guarantees issued:</b>		
As a part of project assistance, the Company has also provided the following guarantees:		
Financial guarantees	-	129.28
Performance guarantees	-	19.22
(iii) Other financial guarantees	-	0.01
<b>(B) CAPITAL COMMITMENTS</b>		
(i) Uncalled liability on shares and other investments partly paid	67.00	1,650.34
(ii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	69.43

**38** The Company has entered into interest rate swaps in the nature of 'fixed / floating' or 'floating / fixed' for notional principal of ₹ Nil outstanding as on March 31, 2016 (Previous Year ₹ 4,646.00 crore) for varying maturities linked to various benchmarks for asset liability management and hedging.

The Company has foreign currency borrowings equivalent to ₹ Nil (Previous Year ₹ 8,761.93 crore), against which the Company has undertaken currency interest rate swaps and forward contracts to fully hedge foreign currency risk.

The Company has also entered in to coupon only currency swaps for notional principal equivalent to ₹ Nil (Previous Year ₹ 314.53 crore) and forward contracts of ₹ Nil (Previous Year ₹ 22.85 crore) to hedge the foreign currency risk towards interest on the foreign currency borrowings.

All outstanding interest rate swaps, currency interest rate swaps, forward contracts and coupon only swaps have been transferred to IDFC Bank Limited upon demerger of Financing Undertaking w.e.f October 1, 2015.

**39** No principal and interest due thereon is outstanding and remaining unpaid to any 'Suppliers' registered under the Micro, Small and Medium Enterprises Development Act, 2006.

No amount is payable as interest in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 to any supplier beyond the appointed day during the year.

No amount is payable as interest for delay in making payment under the Micro, Small and Medium Enterprises Development Act, 2006.

No amount of interest has accrued and remained unpaid at the end of the year under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information takes into account only those suppliers who have responded to inquiries made by the Company for this purpose.

**40 IMPACT OF CHANGE IN ACCOUNTING POLICY - DEPRECIATION ON TANGIBLE FIXED ASSET**

As a result of change in the policy of depreciation from written down value method to straight line method, the charge in the Statement of Profit & Loss Account for the year ended March 31, 2015 is lower by ₹ 84.30 crore (including write back of depreciation of ₹ 78.87 crore for the previous year ended March 31, 2014). Deferred tax liability of ₹ 16.23 crore (including ₹ 14.75 crore for previous year ended March 31, 2014) has been created on account of depreciation timing differences.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

41 The following additional information is disclosed in terms of the RBI circular (Ref. No. DNBS (PD) CC No. 053 /03.10.119 / 2015-16 dated July 1, 2015):

	(₹ IN CRORE)			
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015		
<b>(A) CAPITAL TO RISK ASSETS RATIO (CRAR):</b>				
CRAR (%)	92.15	24.28		
CRAR - Tier I Capital (%)	92.15	23.03		
CRAR - Tier II Capital (%)	-	1.25		
Amount of Subordinated Debt considered as Tier-II Capital	-	-		
Amount raised by issue of Perpetual Debt Instruments	-	-		
<b>(B) DETAILS OF INVESTMENTS ARE SET OUT BELOW:</b>				
<b>1 VALUE OF INVESTMENTS</b>				
<b>(i) Gross Value of Investments</b>				
(a) In India	9,242.33	30,810.23		
(b) Outside India	-	-		
	9,242.33	30,810.23		
<b>(ii) Provision for Depreciation</b>				
(a) In India	13.15	311.95		
(b) Outside India	-	-		
	13.15	311.95		
<b>(iii) Premium amortised on debentures, bonds &amp; government securities</b>				
(a) In India	-	11.39		
(b) Outside India	-	-		
	-	11.39		
<b>(iv) Net Value of Investments</b>				
(a) In India	9,229.18	30,486.89		
(b) Outside India	-	-		
	9,229.18	30,486.89		
<b>2 MOVEMENT OF PROVISIONS HELD TOWARDS DEPRECIATION ON INVESTMENTS.</b>				
(i) Opening balance	323.34	350.67		
(ii) Add : Provisions made during the year	710.18	99.69		
(iii) Add : Premium amortised on debentures, bonds and government securities	5.45	9.96		
(iv) Less : Provisions transferred on demerger of Financing Undertaking	(886.10)	-		
(v) Less : write-back of excess provisions during the year	(139.72)	(136.98)		
(vi) Closing balance	13.15	323.34		
<b>(C) INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT AND NON-CURRENT) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED):</b>				
	(₹ IN CRORE)			
	AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
	MARKET VALUE / BREAK UP VALUE / FAIR VALUE / NAV	BOOK VALUE NET OF PROVISION	MARKET VALUE / BREAK UP VALUE / FAIR VALUE / NAV	BOOK VALUE NET OF PROVISION
1 Related parties				
(a) Subsidiaries	8,829.41	8,863.92	1,039.83	1,476.85
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	18.28	196.70
2 Other than related parties	249.68	365.26	29,581.93	28,813.34
<b>TOTAL</b>	<b>9,079.09</b>	<b>9,229.18</b>	<b>30,640.04</b>	<b>30,486.89</b>

**(D) DISCLOSURE ON RISK EXPOSURE ON DERIVATIVES**

**(A) QUALITATIVE DISCLOSURES:**

- (a) **Structure and organisation for management of risk in derivatives trading, the scope and nature of risk measurement, risk reporting and risk monitoring systems, policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:**

The Company undertakes transactions in interest rate swaps, cross currency swaps, principal only swaps, coupon only swaps and forward contracts for hedging the interest rate and/or exchange rate risks on the balance sheet. These include mainly the hedging of interest rate on fixed rate rupee denominated liabilities and currency & interest rate risk on the foreign currency borrowings.

The Company's derivative transactions are governed by the foreign exchange and interest rate risk management policy, as approved by the Board. The risk limits are set up and reviewed periodically and the actual exposures are monitored against the limits allocated to the various counterparties. These limits are set up taking into account counterparty assessment and market factors.

The derivative transactions are originated by treasury front office in compliance with the limits as per the Company's policy and the RBI guidelines. The risk group independently monitors the risk limits associated with the derivative transactions and appraises the Asset Liability Management Committee (ALCO) and the Risk Management Committee of the Board (RMC) for the compliance with the policy on derivatives. The treasury back office undertakes the activities of trade confirmation, settlement and accounting.

- (b) **Accounting policy for recording hedge transactions, recognition of income, premiums and discounts, valuation of outstanding contracts**

Interest rate swaps are booked with the objective of managing the interest rate risk on liabilities. Interest rate swaps in the nature of hedge are recorded on accrual basis and these transactions are not marked-to-market. Any resultant profit or loss on termination of the hedge swaps is amortised over the life of the swap or underlying liability, whichever is shorter.

Currency interest rate swaps in the nature of hedge, booked with the objective of managing the currency and interest rate risk on foreign currency liabilities are recorded on accrual basis and these transactions are not marked-to-market. Any resultant profit or loss on termination of hedge swaps is amortised over the life of swap or underlying liability, whichever is shorter. The foreign currency balances on account of principal of currency interest rate swaps outstanding as at the balance sheet date are revalued using the closing rate.

**(B) QUANTITATIVE DISCLOSURES:**

- (a) **Disclosure in respect of Interest Rate Swaps (IRS) and Forward Rate Agreement (FRA) outstanding is set out below:**

		(₹ IN CRORE)	
		AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
(i)	Notional principal of swap agreements	-	11,326.30
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	399.82
(iii)	Collateral required by the Company upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	Fair value of the swap book	-	299.66

- (b) **Disclosure on risk exposure in Derivatives**

- (i) Quantitative disclosure on risk exposure in derivatives

		(₹ IN CRORE)			
		AS AT MARCH 31, 2016			
SR. NO.	PARTICULARS	CURRENCY DERIVATIVES			INTEREST RATE DERIVATIVES
		FORWARD CONTRACTS	CCS	OPTIONS	
1	Derivatives (Notional Principal Amount)	-	-	-	-
	(a) For hedging	-	-	-	-
2	Marked to Market Positions	-	-	-	-
	(a) Asset (+)	-	-	-	-
	(b) Liability (-)	-	-	-	-
3	Credit Exposure	-	-	-	-
4	Unhedged Exposures	-	-	-	-

SR. NO.	PARTICULARS	AS AT MARCH 31, 2015			(₹ IN CRORE)
		CURRENCY DERIVATIVES			INTEREST RATE DERIVATIVES
		FORWARD CONTRACTS	CCS	OPTIONS	
1	Derivatives (Notional Principal Amount)				
	(a) For hedging	2,165.82	6,680.30	-	4,646.00
2	Marked to Market Positions				
	(a) Asset (+)	1.77	282.02	-	117.80
	(b) Liability (-)	(27.14)	(80.75)	-	(19.41)
3	Credit Exposure	45.09	680.38	-	184.51
4	Unhedged Exposures	-	-	-	-

**(E) SECURITISATION**

The Company sells loans through securitisation and direct assignment. The following table sets forth, the information on securitisation and direct assignment activity of the Company as an originator.

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>1 No of SPVs sponsored by the Company for securitisation transaction</b>	-	-
<b>2 Total amount of securitised assets as per books of the SPVs sponsored by the Company</b>	-	-
<b>3 Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet</b>		
(a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
(b) On-balance sheet exposures		
First loss	-	-
Others	-	-
<b>4 Amount of exposures to securitisation transactions other than MRR</b>		
(a) Off-balance sheet exposures		
Exposure to own securitisations		
First loss	-	-
Others	-	-
Exposure to third party securitisations		
First loss	-	-
Others	-	-
(b) On-balance sheet exposures		
Exposure to own securitisations		
First loss	-	-
Others	-	-
Exposure to third party securitisations		
First loss	-	-
Others	-	0.25

**(F) DETAILS OF FINANCIAL ASSETS TRANSFERRED TO SECURITISATION / RECONSTRUCTION COMPANIES:**

The Company has transferred certain assets to Asset Reconstruction Companies (ARC) for cash / security receipts. For the purpose of the valuation of the underlying security receipts issued by the underlying trusts managed by ARCs, the security receipts are valued in accordance with the RBI guidelines and provisioning policy of the Company.

	(₹ IN CRORE)	
	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
Number of accounts	5	1
Aggregate value (net of provisions) of accounts sold to ARC	0.75	53.88
Aggregate consideration :		
Security receipts	0.42	45.79
Cash	0.08	8.08
Aggregate gain over net book value not credited to the Statement of Profit and Loss	-	-
Aggregate loss over net book value credited to the Statement of Profit and Loss	(0.25)	-

**(G) DETAILS OF NON-PERFORMING FINANCIAL ASSETS TRANSFERRED PURCHASED:**

**A Details of non-performing financial assets purchased:**

		(₹ IN CRORE)	
		FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
1	(a) Number of accounts purchased during the year	-	-
	(b) Aggregate value (net of provision) outstanding	-	-
2	(a) Of these, number of accounts restructured during the year	NA	NA
	(b) Aggregate outstanding	NA	NA

**B Details of non-performing financial assets sold:**

		(₹ IN CRORE)	
		FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
1	Number of accounts sold during the year	-	-
2	Aggregate value (net of provisions) of accounts sold, excluding those sold to SC/RC	-	-
3	Aggregate consideration received	-	-

**(H) OTHER INFORMATION:**

		(₹ IN CRORE)	
		AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>1</b>	<b>Gross non - performing assets</b>		
	(a) Related parties	-	-
	(b) Other than related parties	-	357.57
<b>2</b>	<b>Net non - performing assets</b>		
	(a) Related parties	-	-
	(b) Other than related parties	-	119.57
<b>3</b>	<b>Assets acquired in satisfaction of debt</b>	-	-

**(I) MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES**

		(₹ IN CRORE)								
		1 DAY TO 30/31 DAYS (ONE MONTH)	OVER ONE MONTH TO TWO MONTHS	OVER TWO MONTHS TO THREE MONTHS	OVER THREE MONTHS TO SIX MONTHS	OVER SIX MONTHS TO ONE YEAR	OVER ONE YEAR TO THREE YEARS	OVER THREE YEARS TO FIVE YEARS	OVER FIVE YEARS	TOTAL
<b>Liabilities</b>										
	Borrowing from Banks	-	-	-	-	-	-	-	-	-
	Market Borrowing	-	-	-	-	-	-	-	-	-
<b>Assets</b>										
	Advances (net)	-	-	-	-	-	-	-	-	-
	Investments	269.38	-	-	-	-	-	-	8,959.80	9,229.18

		(₹ IN CRORE)								
		1 DAY TO 30/31 DAYS (ONE MONTH)	OVER ONE MONTH TO TWO MONTHS	OVER TWO MONTHS TO THREE MONTHS	OVER THREE MONTHS TO SIX MONTHS	OVER SIX MONTHS TO ONE YEAR	OVER ONE YEAR TO THREE YEARS	OVER THREE YEARS TO FIVE YEARS	OVER FIVE YEARS	TOTAL
<b>Liabilities</b>										
	Borrowing from Banks	50.00	-	25.00	150.00	2,032.73	4,758.18	2,811.71	-	9,827.62
	Market Borrowing	12,703.71	1,354.18	478.14	2,183.22	4,355.87	9,261.53	5,709.14	20,378.12	56,423.91
<b>Assets</b>										
	Advances (net)	1,033.17	679.83	691.86	2,603.21	3,554.74	2,384.43	20,618.99	22,941.13	54,507.36
	Investments	14,407.33	122.97	24.37	0.04	0.08	108.33	436.55	15,387.22	30,486.89

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

**(J) EXPOSURES TO REAL ESTATE SECTOR (BASED ON AMOUNTS SANCTIONED):**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>DIRECT EXPOSURE</b>		
(i) Residential Mortgages	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
(ii) Commercial Real Estate	-	2,959.49
Lending fully secured by mortgage (including securities in the process of being created) on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits.		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	0.25
b. Commercial Real Estate	-	-
<b>INDIRECT EXPOSURE</b>		
(i) Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	2,398.79
(ii) Investment in venture capital funds which primarily invests into commercial real estates	-	213.04

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

**(K) EXPOSURES TO CAPITAL MARKET**

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
(i) Direct investments in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	137.73	1,456.13
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds are taken as primary security	-	517.29
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity-oriented mutual funds i.e. where primary security other than shares/convertible bonds/convertible debentures/units of equity-oriented mutual funds does not fully cover the advances	-	108.25
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	2,738.77
(vii) Bridge loans to companies against expected equity flows/issues	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	70.00	1,482.11
<b>TOTAL EXPOSURE TO CAPITAL MARKET</b>	<b>207.73</b>	<b>6,302.55</b>

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

**(L) DETAILS OF SINGLE BORROWER LIMIT AND BORROWER GROUP LIMIT EXCEEDED BY THE COMPANY**

During the years ended March 31, 2016 and March 31, 2015, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

**(M) UNSECURED ADVANCES**

The Company has made advances against intangible collaterals of the borrowers, which are classified as 'unsecured' in its financial statements at March 31, 2016 of ₹ Nil (March 31, 2015 ₹ 5,317.79 crore) and the estimated value of the intangible collaterals was ₹ Nil at March 31, 2016 (March 31, 2015: ₹ 9,233.13 crore).

**(N) BORROWER GROUP-WISE CLASSIFICATION OF ASSETS FINANCED:**

		(₹ IN CRORE)	
		AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
		AMOUNT NET OF PROVISION *	AMOUNT NET OF PROVISION *
<b>1</b>	<b>Related parties</b>		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	461.60
<b>2</b>	<b>Other than related parties</b>	-	54,045.76
	<b>TOTAL</b>	-	54,507.36

\*excludes provision for contingencies and restructured loans

**(O) PENALTIES / FINES IMPOSED BY THE RBI**

During the year ended March 31, 2016 there was no penalty imposed by the RBI and other regulators (Previous Year Nil).

**42 ADDITIONAL DISCLOSURES**

**(a) Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the head expenditure in the Statement of Profit and Loss:

		(₹ IN CRORE)	
		AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
	Provisions for depreciation in value of investment	570.46	(37.54)
	Provision towards non performing advances	775.85	125.60
	Provision against restructured loans	77.38	368.21
	Specific provision against identified advances	432.77	-
	Provisions for contingencies	(1,587.49)	574.14
	Contingent provision against standard assets	65.70	(13.59)
	Provision for doubtful debts and others	(55.18)	1.73
	Bad debts written off	97.69	-
	Exceptional items (see note 28)	2,638.72	-
	<b>TOTAL</b>	<b>3,015.90</b>	<b>1,018.55</b>

**(b) Draw Down from Reserves**

During the current year, debenture redemption reserve has not been created as long term infrastructure bonds have been transferred to IDFC Bank Limited upon demerger of Financing Undertaking and as provided in the Scheme of Arrangement entire Debenture Redemption Reserve amount has been transferred to General Reserve. [see note 5(c)]

In accordance with the RBI approval, an amount equivalent to ₹ 1,634.80 crore is transferred from the non distributable Statutory Reserve to the balance of the Surplus in Statement of Profit and Loss in Reserves & surplus. [see note 5(e) & 28]



(c) (i) The information on concentration of advances\* is given below:

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Total Advances to twenty largest borrowers	-	25,506.85
Percentage of advances to twenty largest borrowers to total advances of the Company	-	46%

\* Advances represent credit exposure (funded and non-funded) including derivative exposure as defined by the RBI

(ii) The information on concentration of exposure\* is given below:

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Total Exposure customers to twenty largest borrowers/customers	-	34,739.13
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	-	46%

\* Exposure includes credit exposure (funded and non-funded), derivative exposure and investment exposure (including underwriting and similar commitments)

(d) (i) The information on concentration of Non Performing Advances (NPAs) is given below:

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
Total Exposure to top four NPA	-	289.13
	-	<b>289.13</b>

(ii) The information on sector-wise NPAs is given below:

Sr. No.	Sector	PERCENTAGE OF NPAS TO TOTAL ADVANCES IN THAT SECTOR	
		AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	100%
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

(iii) The information on movement of NPAs is given below:

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>1 Net NPAs to Net Advances (%)</b>	-	0.22%
<b>2 Movement of NPAs (Gross)</b>		
Opening balance	357.57	332.98
Additions during the year	1,162.34	37.23
Reductions during the year	52.61	12.64
Transferred on demerger of Financing Undertaking	1,467.30	-
CLOSING BALANCE	-	357.57
<b>3 Movement of Net NPAs</b>		
Opening balance	119.57	220.58
Additions during the year	379.35	(89.47)
Reductions during the year	45.46	11.54
Transferred on demerger of Financing Undertaking	453.46	-
CLOSING BALANCE	-	119.57

	(₹ IN CRORE)	
	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
<b>4 Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
Opening balance	238.00	112.40
Provisions made during the year	782.99	126.70
Write-back of excess provisions	(7.15)	(1.10)
Transferred on demerger of Financing Undertaking	1,013.84	-
<b>CLOSING BALANCE</b>	<b>-</b>	<b>238.00</b>

**(e) The information on Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) is given below:**

(₹ IN CRORE)			
AS AT MARCH 31, 2016			
NAME OF THE JOINT VENTURE/ SUBSIDIARY	OTHER PARTNER IN THE JV	COUNTRY	TOTAL ASSETS
	-	-	-
(₹ IN CRORE)			
AS AT MARCH 31, 2015			
NAME OF THE JOINT VENTURE/ SUBSIDIARY	OTHER PARTNER IN THE JV	COUNTRY	TOTAL ASSETS
	-	-	-

**(f) The information on off balance sheet SPV sponsored (which are required to be consolidated as per accounting norms):**

AS AT MARCH 31, 2016		AS AT MARCH 31, 2015	
1	Jetpur Somnath Tollways Private Limited	1	Jetpur Somnath Tollways Private Limited
2	Millennium City Expressway Private Limited	2	Millennium City Expressway Private Limited

**(g) Disclosure of complaints**

The following table sets forth, the movement and the outstanding number of complaints:

	FOR THE YEAR ENDED MARCH 31, 2016	FOR THE YEAR ENDED MARCH 31, 2015
<b>SHAREHOLDERS' COMPLAINTS:</b>		
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	1,187	668
No. of complaints disposed off during the year	1,187	668
No. of complaints remaining unresolved at the end of the year	Nil	Nil
<b>INFRASTRUCTURE RETAIL BONDHOLDERS' COMPLAINTS: (UPTO SEPTEMBER 30, 2015)</b>		
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	5,307	9,553
No. of complaints disposed off during the year	5,307	9,553
No. of complaints remaining unresolved at the end of the year	Nil	Nil

The above information is certified by management and relied upon by the auditors.

**43 DISCLOSURE ON ACCOUNTS SUBJECTED TO RESTRUCTURING**

(as required by RBI guidelines under reference RBI circular (Ref. No. DNBR (PD) CC No.043/03.10.119/2015-16 dated July 1, 2015)) :

(₹ IN CRORE)																						
SR. NO.	TYPE OF RESTRUCTURING ASSET CLASSIFICATION		UNDER CORPORATE DEBT RESTRUCTURING (CDR) MECHANISM					UNDER SME DEBT RESTRUCTURING MECHANISM					OTHERS					TOTAL				
			STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL
DETAILS																						
1	Restructured accounts as on April 1, 2015	No. of borrowers	-	-	-	-	-	-	-	-	-	-	23	2	-	-	25	23	2	-	-	25
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	4,743.86	105.98	-	-	4,849.84	4,743.86	105.98	-	-	4,849.84
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	64.66	-	-	-	64.66	64.66	-	-	-	64.66
		Provision thereon	-	-	-	-	-	-	-	-	-	-	492.75	50.00	-	-	542.75	492.75	50.00	-	-	542.75
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Increase / (decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2016	Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	213.10	-	-	-	213.10	213.10	-	-	-	213.10
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	1,695.35	-	-	-	1,695.35	1,695.35	-	-	-	1,695.35
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-	(1)	(1)	-	-	-	(1)
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	(123.68)	-	-	-	(123.68)	(123.68)	-	-	-	(123.68)
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(6.27)	-	-	-	(6.27)	(6.27)	-	-	-	(6.27)
6	Down gradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(6)	4	2	-	(6)	(6)	4	2	-	(6)
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	(1,085.56)	1,006.03	104.94	-	25.41	(1,085.56)	1,006.03	104.94	-	25.41
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	(64.66)	-	37.87	-	(26.79)	(64.66)	-	37.87	-	(26.79)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(94.29)	714.35	55.50	-	675.56	(94.29)	714.35	55.50	-	675.56
7	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured accounts transferred on pursuant to demerger (See note 1)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	16	6	2	-	24	16	6	2	-	24
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	3,747.72	1,112.01	104.94	-	4,964.67	3,747.72	1,112.01	104.94	-	4,964.67
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	37.87	-	37.87	-	-	37.87	-	37.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	2,087.54	764.35	55.50	-	2,907.39	2,087.54	764.35	55.50	-	2,907.39
9	Restructured accounts as on March 31, 2016	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

44 DISCLOSURE ON ACCOUNTS SUBJECTED TO RESTRUCTURING (PREVIOUS YEAR)

		(₹ IN CRORE)																				
SR. NO.	TYPE OF RESTRUCTURING	UNDER CORPORATE DEBT RESTRUCTURING (CDR) MECHANISM					UNDER SME DEBT RESTRUCTURING MECHANISM					OTHERS					TOTAL					
		STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	STANDARD	SUB STANDARD	DOUBTFUL	LOSS	TOTAL	
ASSET CLASSIFICATION																						
DETAILS																						
1	Restructured accounts as on April 1, 2014	No. of borrowers	-	-	-	-	-	-	-	-	-	-	16	2	-	-	18	16	2	-	-	18
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	2,699.41	106.04	-	-	2,805.45	2,699.41	106.04	-	-	2,805.45
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	60.00	-	-	-	60.00	60.00	-	-	-	60.00
		Provision thereon	-	-	-	-	-	-	-	-	-	-	158.03	46.60	-	-	204.63	158.03	46.60	-	-	204.63
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	9	-	-	-	9	9	-	-	-	9
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	2,288.59	-	-	-	2,288.59	2,288.59	-	-	-	2,288.59
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	256.70	-	-	-	256.70	256.70	-	-	-	256.70
3	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Movement for balance in account appearing in opening balance	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(2)	-	-	-	(2)	(2)	-	-	-	(2)
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	(254.29)	-	-	-	(254.29)	(254.29)	-	-	-	(254.29)
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	(46.00)	-	-	-	(46.00)	(46.00)	-	-	-	(46.00)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(12.72)	-	-	-	(12.72)	(12.72)	-	-	-	(12.72)
5	Increase / (decrease) in borrower level outstanding of existing restructured cases during the year ended March 31, 2015	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	10.15	(0.06)	-	-	10.09	10.15	(0.06)	-	-	10.09
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	50.66	-	-	-	50.66	50.66	-	-	-	50.66
		Provision thereon	-	-	-	-	-	-	-	-	-	-	90.74	3.40	-	-	94.14	90.74	3.40	-	-	94.14
6	Advances not shown as restructured standard advances at the beginning of the next year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Down gradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Write-offs restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Restructured accounts as on March 31, 2015 (see note 1 below)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	23	2	-	-	25	23	2	-	-	25
		Amount outstanding (restructured facility)	-	-	-	-	-	-	-	-	-	-	4,743.86	105.98	-	-	4,849.84	4,743.86	105.98	-	-	4,849.84
		Amount outstanding (other facility)	-	-	-	-	-	-	-	-	-	-	64.66	-	-	-	64.66	64.66	-	-	-	64.66
		Provision thereon	-	-	-	-	-	-	-	-	-	-	492.75	50.00	-	-	542.75	492.75	50.00	-	-	542.75

Note:

1. Excludes provision for net present value of ₹ 0.49 crore (Previous Year ₹ Nil) created on one loan account.

**45 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR**

	AS AT MARCH 31, 2016	AS AT MARCH 31, 2015
(i) Rating Assigned	Long Term 'AAA', Short Term 'A1+'	Long Term 'AAA', Short Term 'A1+'
(ii) Date of Rating	Long Term - 10-07-2015; Short term - 10-07-2015	Long Term - 04-03-2015; Short term - 04-03-2015
(iii) Rating Valid upto (see note below)	-	Short Term - 31-03-2016
(iv) Name of the Rating Agency	ICRA Limited	ICRA Limited

Note: Ratings are withdrawn effective October 1, 2015 on account of transfer of all liabilities pertaining to Financing Undertaking to IDFC Bank Limited pursuant to Scheme of Arrangement.

**46** The following additional information is disclosed in terms of the RBI circular (Ref. No. RBI/2009-2010/356/DMD/4135/11.08.43/2009-10) dated March 23, 2010:

**Repo Transactions (in face value terms)**

	YEAR ENDED MARCH 31, 2016				YEAR ENDED MARCH 31, 2015			
	MINIMUM OUTSTANDING DURING THE YEAR	MAXIMUM OUTSTANDING DURING THE YEAR	DAILY AVERAGE OUTSTANDING DURING THE YEAR	OUTSTANDING AS AT MARCH 31, 2016	MINIMUM OUTSTANDING DURING THE YEAR	MAXIMUM OUTSTANDING DURING THE YEAR	DAILY AVERAGE OUTSTANDING DURING THE YEAR	OUTSTANDING AS AT MARCH 31, 2015
	(₹ IN CRORE)							
<b>SECURITIES SOLD UNDER REPOS</b>								
(i) Government securities	-	5,410.72	2,416.17	-	1,401.67	9,874.78	6,528.35	5,889.14
(ii) Corporate debt securities	-	-	-	-	-	75.00	0.21	-
<b>SECURITIES PURCHASED UNDER REVERSE REPOS</b>								
(i) Government securities	-	551.34	3.70	-	-	421.36	1.15	-
(ii) Corporate debt securities	-	-	-	-	-	-	-	-

**47** The figures for the previous year have been reclassified, wherever necessary to conform with the current year's classification / disclosure.

**48** The figures of ₹ 50,000 or less have been denoted by β.

For and on behalf of the Board of Directors of  
**IDFC Limited**

**Vinod Rai**  
Non-Executive Chairman

**Vikram Limaye**  
Managing Director & CEO

**Bipin Gemani**  
Chief Financial Officer

**Ketan Kulkarni**  
Company Secretary

Mumbai, April 29, 2016