



BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-Fourth Annual Report on the business and operations of the Company together with the audited financial statements, prepared under Ind-AS, for the financial year ended March 31, 2021.

OPERATIONS REVIEW

Effective October 1, 2015 post demerger of Financing Undertaking into IDFC FIRST Bank Limited (earlier known as IDFC Bank), IDFC Limited ("IDFC" or "the Company") is operating as an NBFC – Investment Company mainly holding investment in IDFC Financial Holding Company Limited ("IDFC FHCL") which is a non-operative financial holding company. IDFC FHCL in turn holds investments in IDFC FIRST Bank and IDFC Asset Management Company Limited. During the year, Balance Sheet size decreased from Rs. 9,331.88 crore as on March 31, 2020 to Rs. 9,303.78 crore as on March 31, 2021. Profit after tax and other comprehensive income was lower at Rs. 8.87 crore for FY 2020-21 as compared to Rs. 64.22 crore in FY 2019-20. Net worth of the Company increased from Rs. 9,255.56 crore as on March 31, 2020 to Rs. 9,261.10 crore as on March 31, 2021. During the year, the Company transferred Rs. 1.80 crore to Special Reserve u/s 45-IC of Reserve Bank of India ("RBI") Act, 1934. Details of business overview and outlook

of the Company and its subsidiaries are appearing in the chapter Management Discussion and Analysis which forms part of this report.

DIVIDEND

The Board of Directors has not recommended any dividend for FY21.

DIVIDEND DISTRIBUTION POLICY

In accordance with the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), IDFC had formulated a Dividend Distribution Policy. The policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its Shareholders and / or retaining profits earned by the Company. The said policy is hosted on the website of the Company and can be viewed at http://www.idfc.com/investor_relations/corporate_governance_policies.htm.

SUBSIDIARY COMPANIES

The Company has seven domestic direct indirect subsidiaries, one foreign indirect Subsidiary, Four Associate Companies and two Joint Ventures as on March 31, 2021 which are given in **Table 1**.

IDFC SECURITIES LIMITED

During FY20, IDFC & IDFC FHCL had entered into an understanding with Mr. Dharmesh Mehta along with other investors ("Acquirers") to sale its entire equity stake (100%) held in IDFC Securities Limited after obtaining the necessary regulatory approvals. IDFC Securities was an indirect subsidiary company of IDFC Limited as on March 31, 2020. During the year, on June 10, 2020, IDFC transferred equity stake in IDFC Securities Limited to the Acquirers, after obtaining all necessary regulatory approvals, at a consideration of Rs. 86 crore. The same was informed to the stock exchanges. Accordingly, as on March 31, 2021, IDFC Securities Limited ceased to be subsidiary company of IDFC FHCL.

Consequently, IDFC Securities Singapore Pte. Ltd and IDFC Capital USA which were subsidiaries of IDFC Securities Limited also ceased to be subsidiaries of the group.

IDFC Capital(Singapore) Pte. Ltd.

During the year, an application was filed for liquidation of IDFC Capital (Singapore) Pte Ltd, which has since been liquidated on February 24, 2021 after obtaining all necessary regulatory approvals and completing all necessary formalities.

CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of IDFC reviews the affairs of its subsidiary companies regularly. In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ("the act"), the Company has prepared Consolidated Financial Statements including requisite details of all the subsidiaries. Further, a statement containing the salient features of performance and financial positions of all the subsidiary companies / associates/ joint ventures in the format AOC-I is appended as **Annexure 1**.

In accordance with Section 136 of the Act, the Audited Financial Statements

together with the Consolidated Financial Statements and related information of the Company and audited accounts of each subsidiary company are available on the website of the Company: www.idfc.com. Detailed analysis of the performance of IDFC and its businesses, including initiatives in the areas of Risk Management, Human Resources and IDFC Foundation activities, have been presented in the section on Management Discussion & Analysis which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

IDFC had 6 employees as on March 31, 2021 and 336 employees at the group level. In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in this Annual Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Shareholders of the Company. The said information is available for inspection at

the Registered Office and Corporate Office of the Company during working hours and any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Disclosure pertaining to remuneration & other details as required under section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are appended as **Annexure 2**.

SHARE CAPITAL UPDATE

There was no change in the share capital of the Company during FY21. As on March 31, 2021, the total paid up capital of IDFC was 1,596,358,316 equity shares of Rs. 10 each.

MANAGEMENT DISCUSSION ANALYSIS AND REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34 of SEBI LODR Regulations, separate detailed chapters on Management Discussion & Analysis, Report on Corporate Governance and Additional Shareholder Information forms part of this Annual Report.

01 SUBSIDIARY COMPANIES

SR. NO.	NAME OF THE SUBSIDIARY	DIRECT / INDIRECT SUBSIDIARY	% OF SHAREHOLDING
Domestic Subsidiaries			
i.	IDFC Financial Holding Company Limited ("IDFC FHCL")	Direct	100%
ii.	IDFC Foundation (a Company within the meaning of section 8 of the Act)	Direct	100%
iii.	IDFC Projects Limited	Direct	100%
iv.	IDFC Alternatives Limited	Direct	100%
v.	IDFC Trustee Company Limited	Direct	100%
vi.	IDFC AMC Trustee Company Limited	Indirect through IDFC FHCL	100%
vii.	IDFC Asset Management Company Limited ("IDFC AMC")	Indirect through IDFC FHCL	99.96%
Foreign Subsidiaries			
i.	IDFC Investment Managers (Mauritius) Ltd.	Indirect through IDFC AMC	99.96%
Associate			
i.	Novopay Solutions Private Limited	Direct	23.83%
ii.	IDFC FIRST Bank Limited	Indirect through IDFC FHCL	39.98%
iii.	IDFC FIRST Bharat Limited	Indirect through IDFC FIRST Bank	39.98%
iv.	Jetpur Somnath Tollways Private Limited	Indirect through IDFC Projects Limited	26%
Joint Ventures			
i.	Delhi Intigrated Multi - Modal Transit System Limited	Indirect through IDFC Foundation	50%
ii.	Infrastructure Development Corporation (Karnataka) Limited ("iDeck")	Indirect through IDFC Foundation	49.49%

BUSINESS RESPONSIBILITY REPORT

As per Regulation 34(2)(f) of SEBI LODR Regulations and Notifications issued from time to time, a separate report called Business Responsibility Report (“BRR”) describing the initiatives taken by IDFC from an environmental, social and governance perspective is hosted on the Company’s website: www.idfc.com which forms part of this Annual Report.

PUBLIC DEPOSITS

During FY21, your Company has not accepted any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 or under Chapter V of the Act.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Post demerger of financing undertaking into IDFC Bank w.e.f. October 1, 2015, IDFC is registered with RBI as NBFC – Investment Company. Being an investment company, the provisions of Section 186 of the Act are not applicable to IDFC. Hence, the requisite details of loans, guarantees and investments are not given.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

IDFC has put in place a Whistle Blower Policy, which includes reporting to the Management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct. The Audit Committee directly oversees the Vigil Mechanism. The provisions of the policy are also in line with the provisions of Section 177 (9) & (10) of the Act. The details of Whistle Blower Policy /Vigil Mechanism are posted on the website of the Company: www.idfc.com.

FOREIGN EXCHANGE

There were no foreign exchange earnings or expenditure during the year under review.

PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Since the Company does not carry out any manufacturing activity, the particulars regarding conservation of energy, technology absorption and other particulars as required by Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014 are not applicable to IDFC.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Government of India, Ministry of Finance, Department of Financial Services withdrew nominations of Mr. Anshuman Sharma (DIN: 07555065) and Mr. Soumyajit Ghosh (DIN: 07698741) as Nominee Directors from the Board of IDFC Limited vide its letter dated March 25, 2021 with immediate effect.

The Board places on record its sincere appreciation for the valuable contribution and services rendered by them.

The Shareholders of the Company vide a special resolution passed at its 23rd AGM held on September 25, 2020, reappointed Mr. Sunil Kakar (DIN: 03055561) as Managing Director & Chief Executive Officer of IDFC Limited wef July 16, 2020 till September 30, 2022.

The Shareholders of the Company at its 23rd AGM held on September 25, 2020 approved the appointment of Mr. Ajay Sondhi (DIN: 01657614), as an Independent Director of the Company for a period of 3 (three) consecutive years, from w.e.f. November 08, 2019 to November 07, 2022.

The Shareholders of the Company, at its 21st AGM held on July 31, 2018, appointed Mr. Vinod Rai (DIN : 00041867) as an Independent Non-executive Chairman for the second term for a period of 3 (three) consecutive years, from July 31, 2018 to July 30, 2021. The Nomination and Remuneration Committee and Board of Directors of IDFC Limited, at its respective meetings held on May 25, 2021 proposed the appointment of Mr. Vinod Rai as a Non-Executive Director (Non-Independent) on the Board of IDFC Limited with immediate effect up to May 22, 2023.

The Nomination and Remuneration Committee and Board of Directors of IDFC Limited, at its respective meetings held on May 25, 2021 also proposed the appointment of Dr. Jaimini Bhagwati (DIN: 07274047) and Mr. Anil Singhvi (DIN: 00239589) as Additional Directors in the category of Independent Director of the Company with immediate effect for a consecutive period of 3 (three) years.

The Company has only 6 (six) directors out of which 4 (four) are Independent Directors. Apart from Managing Director whose term is upto September 2022, only Non-Independent Director is Mr. Rai whose appointment will be considered by shareholders at this AGM. Accordingly, there is no Director who is liable to retire by rotation at this AGM.

The Shareholders of the Company are requested to approve the appointment of Mr. Vinod Rai, Dr. Jaimini Bhagwati and Mr. Anil Singhvi which forms part of the Notice for convening the ensuing AGM.

FRAMEWORK FOR APPOINTMENT OF DIRECTORS

The Company has in place a framework for Board Diversity, Fit & Proper Criteria and Succession Planning for appointment of Directors on the Board of the Company.

DECLARATION OF INDEPENDENCE

The Company has received a declaration from all IDs that they meet the criteria of independence specified under Section 149 of the Act, read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI LODR Regulations for holding the position of ID and that they shall abide by the "Code for Independent Directors" as per Schedule IV of the Act. Pursuant to IICA, Companies (Accounts) Amendments Rules, 2019 Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 dated 22nd October, 2019, all Independent Directors on the Board of the Company completed registration on Data Bank.

SPECIAL BUSINESS

The Board of Directors recommends the following items under special business

for approval of the Shareholders at the ensuing AGM:

- i. Appointment of Mr. Vinod Rai
- ii. Appointment of Dr. Jaimini Bhagwati as an Independent Director
- iii. Appointment of Mr. Anil Singhvi as an Independent Director
- iv. Payment of commission to Non-Executive Directors

SHAREHOLDERS' UPDATE BOARD AND ITS COMMITTEES

During the year, 9 (Nine) Board Meetings and 4 (four) Audit Committee Meetings were held. The Audit Committee was reconstituted on June 09, 2021. The Committee is chaired by Mr. Anil Singhvi (DIN: 00239589) and has Ms. Ritu Anand (DIN: 05154174), Mr. Vinod Rai (DIN: 00041867) and Mr. Ajay Sondhi (DIN: 01657614) as its Members All the recommendations made by the Audit Committee during the year were accepted by the Board. The details of the constitution and meetings of the Board, Audit Committee and other Committees held during the year are provided in the Corporate Governance Report which forms part of this Annual Report.

BOARD EVALUATION

Pursuant to SEBI LODR Regulations and the Act, the process indicating the manner in which formal annual evaluation of the Chairman, Directors, Board as a whole and Board level committees is given in the Corporate Governance Report, which forms part of this Annual Report.

NOMINATION & REMUNERATION COMMITTEE / REMUNERATION POLICY

The Company has a policy in place for identification of independence, qualifications and positive attributes of Directors. IDFC has put in place a Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and Other Employees.

The remuneration of the Executive Director and KMPs is recommended by NRC to the Board for its approval.

AUDITORS

STATUTORY AUDITORS

At the 20th AGM of the Company held on July 28, 2017, the Shareholders

had approved the appointment of Price Waterhouse & Co, Chartered Accountants LLP (FRN 304026E/E300009) ("PWC") as Statutory Auditors for a period of 5 years to hold office from the conclusion of the 20th AGM till the conclusion of the 25th AGM of the Company.

As per the guidelines issued by RBI vide RBI/ 2020-21/25 ref no. DOS.CO.ARG/ SEC.01/08.091.001/2021-22 dated April 27, 2021 for appointment/reappointment Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks excluding Regional Rural Banks (RRBs), United Co-operative Banks (UCBs) and NBFCs including Housing Finance Companies (HFCs) entities regulated by the Reserve Bank of India have to mandatorily rotate Statutory Auditors at the end of 3 (three) years. The said guidelines would be applicable for FY 2021-22 and onwards. NBFCs shall have flexibility to adopt these guidelines from H2(second half) of FY 2021-22. Accordingly, The Audit Committee and Board of Directors of IDFC Limited, at its respective meeting held on July 28, 2021 and August 11, 2021 proposed the appointment of Khimji Kunverji Co LLP as Statutory Auditors of the IDFC Limited for a period of 3 years'. The Shareholders of the Company are requested to approve the appointment of Khimji Kunverji Co LLP which forms part of the Notice for convening the ensuing AGM.

COST AUDIT

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company is not required to undertake cost audit.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. BNP & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for FY21. The Secretarial Audit Report is appended as **Annexure 3**. There are no qualifications or observations or adverse remarks made by the Statutory Auditors and Secretarial Auditors in their respective reports.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the Secretarial Standard-I issued by the Institute of Company Secretaries of India pertaining to Board of Directors, the Company confirms that all applicable Secretarial Standards have been duly complied with during the period under review.

INTERNAL CONTROL SYSTEMS

The Company has in place, adequate systems of Internal Control to ensure compliance with policies and procedures. It is being constantly assessed and strengthened with new / revised standard operating procedures and tighter Information Technology controls. Internal Audit of the Company is regularly carried out. The Audit Reports of Internal Auditors i.e. M/s Grant Thornton India LLP ("GT"), along with their recommendations and implementation contained therein are regularly reviewed by the Audit Committee.

GT verified the key Internal Financial Control by reviewing key controls impacting financial reporting and overall risk management procedures of the Company and found the same satisfactory. Subsequently, it was placed before the Audit Committee of the Company.

RISK MANAGEMENT POLICY

IDFC as a group, has a robust risk management practice that enables it to book, manage and mitigate risks in all its businesses. The Company has a comprehensive Enterprise Risk Management framework which has been adopted across all entities in the group and covers all three types of risks—credit, market and operational risks. The Board through its Risk Management Committee monitors and reviews risk management of the group on a regular basis. The details of Risk Management Framework are provided in Management Discussion and Analysis.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial

position of IDFC which has occurred between the end of FY21 and the date of this Board's report.

INSTANCES OF FRAUD REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators / Courts / Tribunals.

ANTI SEXUAL HARASSMENT POLICY

The Company has in place the policy on Anti Sexual Harassment. The Company undertakes ongoing trainings to create awareness on this policy. There were no instances of Sexual Harassment that were reported during the period under review. The Company has constituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

- In that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- In that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the Profit of the Company for the year ended on that date;
- In that proper and sufficient care has been taken for the

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 fraud and other irregularities;

- In that the annual financial statements have been prepared on a going concern basis;
- In that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- In that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

GREEN INITIATIVE

In accordance with the 'Green Initiative', the Company has been sending the Annual Report / Notice of AGM in electronic mode to those Shareholders whose e-mail Ids are registered with the Company and / or the Depository Participants.

Your Directors are thankful to the Shareholders for their active participation in this Green Initiative.

ANNUAL RETURN

An Annual Return of the Company is available on the website: www.idfc.com

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ("CSR") was re-constituted on June 09, 2021. Dr. Jaimini Bhagwati was inducted as the Chairman of the CSR Committee wef June 09, 2021. The CSR Committee consists of three Directors:

- i. Dr. Jaimini Bhagwati (DIN: 07274047), Chairman
- ii. Mr. Ajay Sondhi (DIN: 01657614)
- iii. Mr. Sunil Kakar (DIN: 03055561)

The disclosure of contents of the Corporate Social Responsibility Policy of the Company as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of the Board's Report and appended as **Annexure 4**.

Pursuant to MCA circular read with The Companies (amendment) Act, 2020 the Company had made contribution of Rs. 0.55 crore to PM CARES fund as CSR activities in addition to the minimum prescribed requirement for FY20, which was offset against the CSR obligation arose in FY21.

RELATED PARTY TRANSACTIONS

The Company has in place the policy on Related Party Transactions and the same has been uploaded on the website of the Company i.e. www.idfc.com. In all related party transactions that were entered into during the financial year, an endeavour was made consistently that they were on an arm's length basis and were in the ordinary course of business. IDFC has always been committed to good corporate governance practices, including matters relating to Related Party Transactions.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover of the Company as per the last audited financial statements, were entered during the year by your Company.

EMPLOYEE STOCK OPTION SCHEME

Pursuant to the resolution passed by the Members through Postal Ballot dated June 25, 2016, IDFC introduced IDFC Employee Stock Option Scheme, 2016 ("IDFC ESOS 2016") to enable the employees of IDFC and its subsidiaries to participate in the future growth and financial success of the Company. The Scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014.

The Company determines the fair value of options using the black shoes model which takes into account the exercise price, the term of the option, share price at grant date, expected price volatility, dividend yield and risk free interest rate for the term of the option.

The fair value so determined is charged to profit & loss account as employee benefit expense over the vesting period of the grant.

Disclosures as required under the SEBI (Share Based Employee Benefits) Regulations, 2014, are hosted on the Company's website: www.idfc.com which forms part of this Annual Report.

ACKNOWLEDGEMENTS

We are grateful to the Government of India, State Governments, RBI, SEBI, Stock Exchanges, various Ministries and other domestic and overseas regulatory bodies for their continuous collaboration and support. We would like to thank all our Shareholders, Banks for their co-operation and assistance during the year under review.

We would like to express our deep sense of appreciation for the hard work and efforts put in by the employees at all levels of the Group.

FOR AND ON BEHALF OF THE BOARD

Vinod Rai

Non-Executive Chairman

New Delhi

Date: June 14, 2021

ANNEXURE 1 AOC - I STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES
[Pursuant to first proviso to sub-section 3 of Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rules 2014]

PART A SUBSIDIARIES

SR NO.	NAME OF SUBSIDIARY COMPANIES	CAPITAL	RESERVES	TOTAL ASSETS	TOTAL LIABILITIES
1	IDFC Alternatives Limited	0.22	273.35	273.96	0.39
	(Previous Year)	0.22	269.78	276.42	6.42
2	IDFC AMC Trustee Company Limited	0.05	0.28	0.38	0.05
	(Previous Year)	0.05	0.22	0.31	0.04
3	IDFC Asset Management Company Limited	2.68	376.81	488.96	109.47
	(Previous Year)	2.68	289.94	401.26	108.64
4	IDFC Capital (Singapore) Pte. Ltd.# (till February 24, 2021)	-	-	-	-
	(Previous Year)	21.60	(17.82)	4.03	0.25
5	IDFC Capital (USA) Inc.* (till June 10, 2020)	-	-	-	-
	(Previous Year)	4.62	2.82	7.52	0.08
6	IDFC Foundation	13.00	32.98	57.23	11.25
	(Previous Year)	13.00	42.16	71.91	16.75
7	IDFC Investment Managers (Mauritius) Limited ^	4.31	(3.48)	0.87	0.05
	(Previous Year)	3.20	(3.02)	0.28	0.10
8	IDFC Projects Limited	85.55	(179.60)	0.39	94.44
	(Previous Year)	85.55	(179.47)	0.43	94.35
9	IDFC Securities Limited (till June 10, 2020)	-	-	-	-
	(Previous Year)	14.14	59.62	118.82	45.06
10	IDFC Securites Singapore Pte. Ltd* (till June 10, 2020)	-	-	-	-
	(Previous Year)	19.68	(19.38)	0.59	0.29
11	IDFC Trustee Company Limited	0.05	0.49	0.56	0.01
	(Previous Year)	0.05	0.52	0.58	0.01
12	IDFC Financial Holding Company Limited	9,029.24	127.53	9,251.54	94.77
	(Previous Year)	9,029.24	83.73	9,128.93	15.96
13	IDFC IEH Tactical Fund (till March 16, 2021)	-	-	-	-
	(Previous Year)	28.05	(3.53)	24.63	0.11
14	IDFC IEH Conservative Fund	32.75	(1.13)	32.09	0.47
	(Previous Year)	41.00	(1.30)	40.27	0.57

* Exchange rates:

* Exchange rate as on June 10, 2020

Closing Rate : 1 USD = Rs. 75.53

Average Rate : 1 USD = Rs. 75.42

Exchange rate as on November 20, 2020

Closing Rate : 1 USD = Rs. 73.56

Average Rate : 1 USD = Rs. 74.71

^ Exchange rate as on March 31, 2021

Closing Rate : 1 USD = Rs. 75.39

Average Rate : 1 USD = Rs. 71.07

Figures of Rs. 50,000 or less have been denoted by B.

Rs. IN CRORE

INVESTMENTS	TURNOVER	PROFIT BEFORE TAX	PROVISION FOR TAX	OTHER COMPREHENSIVE INCOME	TOTAL COMPREHENSIVE INCOME	PROPOSED DIVIDEND (%)	% OF SHAREHOLDING	
							PREFERENCE	EQUITY
130.85	-	16.86	13.29	-	3.57	-	-	100%
115.35	-	2.24	4.11	-	(1.87)	-	-	100%
-	0.30	0.09	0.02	(0.01)	0.06	-	-	100%
-	0.30	0.02	β	-	0.02	-	-	100%
379.83	347.84	190.99	47.96	0.99	144.02	-	-	99.96%
263.09	305.79	108.29	28.24	(0.65)	79.40	-	-	100.00%
-	β	(0.05)	-	-	(0.05)	-	-	0%
-	11.95	9.25	-	-	9.25	-	-	100%
-	0.42	0.03	-	-	0.03	-	-	0%
-	1.44	0.09	0.01	-	0.08	-	-	100%
38.84	9.53	(5.81)	3.50	0.12	(9.19)	-	-	100%
42.11	7.74	(7.98)	-	0.04	(8.02)	-	-	100%
-	-	(0.46)	-	-	(0.46)	-	-	99.96%
-	-	(0.65)	-	-	(0.65)	-	-	100%
-	-	(0.11)	0.02	-	(0.13)	-	-	100%
-	-	(0.90)	(0.03)	-	(0.87)	-	-	100%
-	6.19	(4.12)	(0.29)	-	(3.82)	-	-	0%
4.62	39.82	(7.92)	0.43	1.12	(7.23)	-	-	100%
-	-	(0.13)	-	-	(0.13)	-	-	0%
-	-	(2.81)	-	-	(2.81)	-	-	100%
-	-	(0.03)	β	-	(0.03)	-	-	100%
-	0.20	0.40	0.10	-	0.30	-	-	100%
9,245.81	61.62	55.74	11.94	-	43.80	-	-	100%
8,519.66	120.34	119.78	13.68	-	106.10	-	-	100%
-	0.35	(2.57)	-	-	(2.57)	-	-	0%
11.25	(2.82)	(3.58)	(0.01)	-	(3.57)	-	-	71%
11.56	1.11	(0.12)	0.40	-	(0.52)	-	-	91.60%
15.09	2.54	1.25	2.00	-	(0.75)	-	-	73%

For and on behalf of the Board of Directors of

IDFC Limited

CIN: L65191TN1997PLC037415

Vinod Rai

Non-Executive Chairman
(DIN: 00041867)
New Delhi: June 14, 2021

Sunil Kakar

Managing Director & CEO
(DIN: 03055561)
Mumbai: June 14, 2021

Bipin Gemani

Chief Financial Officer
(PAN: AACPG6412A)
Mumbai: June 14, 2021

Mahendra N. Shah

Company Secretary
(ACS: 4222)
Mumbai: June 14, 2021

ANNEXURE 1 **AOC - I STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES**
 [Pursuant to first proviso to sub-section 3 of Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rules 2014]

Part B ASSOCIATES AND JOINT VENTURES

SL. NO.	NAME OF ASSOCIATES/JOINT VENTURES	IDFC FIRST BANK LIMITED	IDFC FIRST BHARAT LIMITED
1	Latest audited Balance Sheet Date	March 31, 2021	March 31, 2021
2	The date since when Associate/Joint Ventures was acquired	October 21, 2014	October 13, 2016
3	Shares/Units of Associate/Joint Ventures held by the company on the year end		
	Numbers of shares/units	2,268,937,489	2,231,998
	Amount of Investment in Associates/Joint Venture	8,354.46	232.40
	Extend of Holding %	39.98%	39.98%
4	Description of how there is significant influence	Associate (see note 1)	Associate (see note 1)
5	Reason why the associate/joint venture is not consolidated	NA	NA
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	6,555.56	36.96
7	Profit / (Loss) for the year		
	i. Considered in Consolidation	(253.13)	12.15
	i. Not Considered in Consolidation	-	-

(i) Names of associates or joint ventures which have been liquidated or sold during the year.

- Uttarakhand Infrastructure Development Company Limited (Under Liquidation) - joint venture of IDFC Foundation is under liquidation.

Note 1: IDFC FIRST Bank Limited and IDFC FIRST Bharat Limited are Associates of IDFC Financial Holding Company Limited. Under Ind-AS 110, IDFC FIRST Bank Limited does not qualify to be a subsidiary as the Group fails to demonstrate control over it due to restricted voting rights as per the prevailing legal framework coupled with the absence of de-facto control. However, this does not preclude the Group from exercising significant influence over IDFC FIRST Bank Limited. Accordingly, IDFC FIRST Bank Limited is considered as an associate under IndAS 28. Further, IDFC FIRST Bharat Limited is a 100% subsidiary of IDFC FIRST Bank Limited.

Note 2: Delhi Integrated Multi Modal Transit System Limited and Infrastructure Development Corporation (Karnataka) Limited are Joint Ventures of IDFC Foundation.

Note 3: Jetpur Somnath Tollways Private Limited is an Associate Company of IDFC Projects Limited.

Note 4: Losses to the extent of investment in Associate have already been fully absorbed, so entity is no more consolidated.

Rs. IN CRORE

JETPUR SOMNATH TOLLWAYS PRIVATE LIMITED	NOVOPAY SOLUTIONS PRIVATE LIMITED	DELHI INTEGRATED MULTI - MODAL TRANSIT SYSTEM LIMITED	INFRASTRUCTURE DEVELOPMENT CORPORATION (KARNATAKA) LIMITED ("IDECK")
March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
January 11, 2011	March 6, 2017	March 23, 2011	March 23, 2011
42,637,400	227,145	73,045	4,948,505
132.19	35.62	14.73	15.48
26.00%	23.83%	50.00%	49.49%
Associate (see note 3)	Associate	Associate (see note 2)	Associate (see note 2)
See note 4	NA	NA	NA
7.13	2.43	60.30	45.30
-	(0.44)	0.84	(3.04)
(1.58)	-	-	-

For and on behalf of the Board of Directors of

IDFC Limited

CIN: L65191TN1997PLC037415

Vinod Rai

Non-Executive Chairman
(DIN: 00041867)
New Delhi: June 14, 2021

Sunil Kakar

Managing Director & CEO
(DIN: 03055561)
Mumbai: June 14, 2021

Bipin Gemani

Chief Financial Officer
(PAN: AACPG6412A)
Mumbai: June 14, 2021

Mahendra N. Shah

Company Secretary
(ACS: 4222)
Mumbai: June 14, 2021

RATIO OF DIRECTOR REMUNERATION TO EMPLOYEE MEDIAN REMUNERATION

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended from time to time

i. The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year.

The ratio of the remuneration of MD & CEO to the median remuneration of the employees of IDFC Limited for FY21 was 19x.

ii. The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year

MD & CEO - NIL
CFO - NIL
CS - NIL

iii. The percentage increase in the median remuneration of employees in the financial year

The median pay increase for eligible employees was NIL.

iv. The number of permanent employees on the rolls of the Company.

There were 6 employees of the Company as on March 31, 2021.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentile increase for Managerial Personnel for the last financial year was NIL. Average percentile increase for employees other than the Managerial Personnel for the last financial year was NIL. The average percentile increase in the remuneration of employees compared to increase in remuneration of Key

Managerial Personnel as per the Act is in line with the compensation benchmark study and the performance of the Company over a period of time. There is no exceptional increase in the Managerial Remuneration.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company.

We confirm.

Note: The Non-Executive Directors of the Company are entitled for sitting fee and commission as per the statutory provisions and within the limits approved by the Shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
IDFC Limited
4th Floor, Capitale Tower,
555 Anna Salai,
Thiru Vi Ka Kudiyiruppu,
Teynampet,
Chennai-600018Tamil Nadu

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IDFC Limited having **CIN No - L65191TN1997PLC037415** (hereinafter called the 'Company') for the financial ended on 31st March 2021 ('the Year' / 'Audit Period' / 'Period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts /statutory compliances and expressing our opinion thereon.

We are issuing this report based on :

- (i) Our **verification** of the Company's books, papers, soft copies of various records, scanned copies of minutes of the Board, its Committees, forms and returns filed and other records maintained by the Company and furnished to us compliance related action taken by the company during the financial year ended 31st March 2021 as well as before the date of issue of this report;
- (ii) **Compliance Certificates** confirming Compliance with all laws applicable to the company given by Key Managerial Personnel / senior managerial Personnel of the company and taken on record by the Audit Committee / Board of Directors, and
- (iii) **Representations** made, documents produced and information provided by the Company, its officers, agents, and authorised representatives during our conduct of Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March 2021, the Company has:

- i. Complied with the statutory provisions listed hereunder, and
- ii. Board-processes and compliance mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this Report, along with our letter of even date annexed to this report as Annexure- A.

1. Compliance with specific statutory provisions**We further report that:**

- 1.1 We have examined soft copies of the various records sent over mail as provided by the Company and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the Company during the year according to the applicable provisions/ clauses of:
 - (i) The Companies Act, 2013 and the Rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations, Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (v) Secretarial Standards issued by The Institute of Company Secretaries of India .
- 1.2 During the period under review, and also considering the compliance

related action taken by the company after 31st March 2021 but before the date of issue of this report, the company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us :

- (i) **Complied with** the applicable provisions/clauses of the Act, Rules and SEBI Regulations mentioned under of paragraph 1.1
- (ii) **Generally complied** with the applicable provisions/ clauses of :
 - (a) The Act and rules mentioned under paragraph 1.1 (i);
 - (b) The Secretarial Standards on meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above applicable to meetings of the Board, Committees constituted by the Board held during the year, the 23rd Annual General Meeting held on 25th September 2020 and circular resolutions passed by the Board during the year. The Compliance of the provisions of the Rules made under the Act with regard to the Board meetings and Committee meetings held through video conferencing were verified based on the minutes of the meetings provided by the company.
- 1.3 We are informed that, during the year, the company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:
 - a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

SECRETARIAL AUDIT REPORT (contd.)

For the Financial Year Ended 31st March 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- d) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;
- e) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 1.4 We have also examined, on test check basis, the relevant documents and records maintained by the Company with respect to Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and circulars issued by the Reserve Bank of India from time to time and to the extent of capital adequacy norms and periodic reporting to be done by the Company
- 2. Board processes:**
- We further report that:
- 2.1 The Board of Directors of Company as on 31st March 2021 comprised of:
- (i) One Managing Director, and
- (ii) Three Non- Executive Independent Directors (including one Woman Independent Director).
- Prior to 25th March 2021, the Company had six Directors on the Board, which was in compliance with Regulation 17(1)(c) of SEBI LODR Regulations 2015 and all committees of the Company were duly constituted as per the relevant provisions of SEBI LODR Regulations and the Companies Act 2013.
- On 25th March 2021, the Company received a letter from the Government of India, Ministry of Finance, Department of Financial Services intimating the withdrawal of nomination of Mr. Anshuman Sharma (DIN:- 07555065) and Mr. Soumyajit Ghosh (DIN:- 07698741) as Nominee Directors from the Board of Directors of the Company with immediate effect.
- Pursuant to the immediate withdrawal of nomination of two Directors on March 25, 2021, the number of directors on the Board of the Company reduced from six directors to four directors, which is not in accordance with the requirements of Regulation 17(1)(c) of the SEBI(LODR) Regulations, 2015 as on March 31, 2021. However, the Board of Directors at its meeting held on 25th May 2021 have appointed Dr. Jaimini Bhagwati (DIN: 07274047) and Mr. Anil Singhvi (DIN:-00239589) as Additional Directors in the category of Independent Directors, subject to receipt of other regulatory approvals. Hence, the Company has complied with the requirements of Regulation 17(1)(c) of SEBI LODR Regulations, 2015 within the prescribed timelines and the composition of the Board is in compliance with the said SEBI LODR Regulations, 2015 as on the date of this Report.
- 2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act :
- (i) Re-appointment of Mr. Soumyajit Ghosh (DIN:- 07698741) as a director of the Company by the Shareholders at the 23rd AGM held on 25th September 2020.
- (ii) Regularization of appointment of Mr Ajay Sondhi (DIN:01657614) as an Independent Director of the Company w.e.f. 08th November 2019 for a period of three consecutive years by the Shareholders at the 23rd AGM held on 25th September 2020.
- (iii) Re-appointment of Mr. Sunil Kakar (DIN:-03055561) as Managing Director and Chief Executive Officer, designated as Key Managerial Personnel of the Company w.e.f. 16th July 2020 till 30th September 2022, by the Shareholders at the 23rd AGM held on 25th September 2020.
- (iv) The Board of Directors of the Company at its meeting held on 25th June 2020 had approved the extension in the terms of Mr. Bipin Gemani (Chief Financial Officer) and Mr. Mahendra Shah (Company Secretary) till 30th September 2022.
- (v) Cessation of Mr. Soumyajit Ghosh (DIN:- 07698741) and Mr. Anshuman Sharma (DIN:- 07555065) as Nominee Directors of the Government of India, Ministry of Finance, Department of Financial Services, from the Board of Directors of the Company w.e.f. 25th March 2021.
- 2.3 Adequate notices were given to all the directors to enable them to plan their schedule for the Board meetings.
- 2.4 Notice for the Board meetings was sent to directors at least seven days in advance, as required under Section 173(3) of the Act and SS-1.
- 2.5 Agenda and detailed notes on agenda were sent to the directors at least seven days before the board meetings.
- 2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for circulating them so was duly obtained as required under SS-1:
- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers, and
- (ii) Additional subjects/ information/ presentations and supplementary notes.
- 2.7 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- 2.8 We note from the minutes verified that, at the Board meetings held during the year:
- (i) Decisions were carried through; the majority of the Board and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be captured and recorded as part of the minutes.

SECRETARIAL AUDIT REPORT (contd.)

For the Financial Year Ended 31st March 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

3. Compliance mechanism

There are reasonably adequate systems and processes prevalent in the company, which are commensurate with the company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Mehta along with other investors on 10th June 2020.

Consideration of Rs. 86 crores was received by IDFC FHCL against disposal of its 100% shareholding in IDFC Securities Limited.

stated above, post which the balance Rs. 2.34 crore would be received. However, as on year end on March 31, 2021, the approval in respect of the transfer application is still pending with RRECL.

4. Specific events/ actions

We further report that during the audit period, the following specific events / actions having a major bearing on the Company's affairs took place :-

- a) Pursuant to Share Purchase Agreement dated 07th November 2019, the Company through its wholly owned subsidiary i.e. IDFC Financial Holding Company Limited (IDFC FHCL) has completed the transaction involving sale of its 100% equity stake held in the IDFC Securities Limited to Mr. Dharmesh

- b) The Company has sold 25 Nos. Wind Power Plants of 20MW capacity commissioned at village Bairu, Indroka and Salodi, Dist. Jodhpur, Rajasthan ("windmills") to M/s Champak Pragathi Foundation ("Acquirers"/ "buyers") for a consideration of Rs. 20.34 crore, of which Rs. 18 crore was received in advance.

Transfer application was made with the Rajasthan Renewable Energy Corporation (RRECL) for approval of transfer of Power Purchase Agreement in favour of the buyers

For BNP & Associates

Company Secretaries
[Firm Regn. No.:P2014MH037400]
PR No.:637/2019

Kalidas Ramaswami

Partner
FCS No. 2440
COP No. 22856
UDIN: F002440C000459578

Mumbai | June 14, 2021

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE A - TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To,
The Members,
IDFC Limited

Secretarial Audit Report of even date is to be read along with this letter.

- The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
- We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
- While forming an opinion on compliance and issuing this report, we have also considered compliance

related actions taken by the Company after 31st March 2021 but before the date of issue of this report.

- We have considered compliance related actions taken by the company based on independent legal / professional opinions obtained as being in compliance with law.
- We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- We have obtained the management's representation about the compliance

of laws, rules and regulations and happening of events, wherever required.

- Our Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates

Company Secretaries
[Firm Regn. No.:P2014MH037400]
PR No.:637/2019

Kalidas Ramaswami

Partner
FCS No. 2440
COP No. 22856
UDIN: F002440C000459578

Mumbai | June 14, 2021



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

To

The Members

IDFC Limited

4th Floor, Capitale Tower,
555 Anna Salai,
Thiru vi kudiyiruppu,
Teynampet, Chennai,
Tamil Nadu 600018.

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the Directors for the financial year 2020-2021 and other records maintained by the Company and also the information provided by the officers, agents and authorised representatives of **IDFC Limited** having **CIN No. L65191TN1997PLC037415** (hereinafter referred to as the ‘Company’) having its Registered office at 4th Floor, Capitale Tower, 555 Anna Salai, Thiru vi ka kudiyiruppu, Teynampet, Chennai 600018, Tamil Nadu for the purpose of issue of this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification no. SEBI/LAD/ NRO/GN/2018/10 dated 09th May 2018 issued by SEBI.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e. www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Designation	Date of Appointment*
1	Mr. Vinod Rai	00041867	Independent Non-Executive Chairman	30/06/2015
2	Mr. Ajay Sondhi	01657614	Independent Director	08/11/2019
3	Ms. Ritu Anand	05154174	Independent Director	16/08/2019
4	Mr. Sunil Kakar	03055561	Managing Director	16/07/2017

*Dates of appointment of Directors as stated above are based on information appearing on the MCA Portal.

Ensuring the eligibility of every director for appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates

Company Secretaries
[Firm Regn. No.:-P2014MH037400]
PR No.:-637/2019

Kalidas Ramaswami

Partner
FCS No. 2440
COP No. 22856
UDIN No: F002440C000459591

Mumbai | June 14, 2021



SECRETARIAL COMPLIANCE REPORT

For the financial year ended March 31, 2021

In terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by the Securities & Exchange Board of India

To,
The Board of Directors
IDFC Limited

We, BNP & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **IDFC Limited (“the listed entity”)**,
- (b) the filings / submissions made by the listed entity to the Stock Exchanges,
- (c) website of the Company,
- (d) any other documents / filings , as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 (**“Review Period”**) compliance with respect to provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 and circulars/ guidelines issued thereunder;
- and based on the above examination, We hereby report that, during the Review Period:
- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

SR. NO	COMPLIANCE REQUIREMENT (REGULATIONS/ CIRCULARS / GUIDELINES INCLUDING SPECIFIC CLAUSE)	DEVIATIONS	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY
1.	Regulation 17 (1) (c) of SEBI LODR Regulations 2015	<p>Prior to 25th March 2021, the Company had six Directors on the Board, which was in compliance with Regulation 17(1)(c) of SEBI LODR Regulations 2015 and all committees of the Company were duly constituted as per the relevant provisions of SEBI LODR Regulations and the Companies Act 2013. On 25th March 2021, the Company has received a letter from the Government of India, Ministry of Finance, Department of Financial Services intimating the withdrawal of nomination of Mr. Anshuman Sharma (DIN:- 07555065) and Mr. Soumyajit Ghosh (DIN:- 07698741) as Nominee Directors from the Board of Directors of the Company with immediate effect.</p> <p>Pursuant to the immediate withdrawal of nomination of two Directors, the number of directors on the Board of the Company has reduced from six directors to four directors. Pursuant to Regulation 17(1)(c) of the SEBI (LODR) Regulations, the Board shall comprise of not less than six directors.</p>	<p>The Board of Directors at its meeting held on 25th May 2021 have appointed Dr. Jaimini Bhagwati (DIN:- 07274047) and Mr. Anil Singhvi (DIN:-00239589) as Additional Directors in the category of Independent Directors, subject to receipt of other regulatory approvals. Hence, the Company has complied with the requirements of Regulation 17(1)(c) of SEBI LODR Regulations, 2015 within the prescribed timelines and the composition of the Board is in compliance with the said SEBI LODR Regulations, 2015 as on the date of this Report.</p>

SECRETARIAL COMPLIANCE REPORT (contd.)

For the financial year ended March 31, 2021

In terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by the Securities & Exchange Board of India

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the Company/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

SR. NO.	ACTION TAKEN BY	DETAILS OF VIOLATION	DETAILS OF ACTION TAKEN E.G. FINES, WARNING LETTER, DEBARMENT, ETC.	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY, IF ANY.
NIL				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

SR. NO	OBSERVATIONS OF THE PRACTICING COMPANY SECRETARY IN THE PREVIOUS REPORTS	OBSERVATIONS MADE IN THE SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED	ACTIONS TAKEN BY THE LISTED ENTITY, IF ANY	COMMENTS OF THE PRACTICING COMPANY SECRETARY ON THE ACTIONS TAKEN BY THE LISTED ENTITY
NA				

For BNP & Associates

Company Secretaries
[Firm Regn. No.:-P2014MH037400]
PR No.:-637/2019

Kalidas Ramaswami

Partner
FCS No. 2440
COP No. 22856
UDIN: F002440C000459666

Mumbai | June 14, 2021

1. Brief outline on CSR Policy of the Company.

The CSR policy is to ensure that CSR activities are not performed in silos and that it be skillfully and inextricably woven into the fabric of the Company's business strategy for overall value creation for all stakeholders. IDFC believes that profitability must be complemented by a sense of responsibility towards all stakeholders with a view to make a material, visible and lasting difference to the lives of disadvantaged sections of the people, preferably in the immediate vicinity in which the Company operates but at the same time ensure widespread spatial distribution of its CSR activities Pan-India befitting its status as a conscientious corporate citizen.

Section 135 of Companies Act, 2013 ("the Act") read with Companies (Corporate Social Responsibility Policy) Rules 2014 requires IDFC to mandatorily spend on CSR activities.

During the year, IDFC carried out CSR activities through its wholly owned subsidiary company, namely, IDFC Foundation, a not-for-profit Company within the meaning of Section 8 of the Act, 2013 (erstwhile Section 25 of the Companies Act, 1956).

The object of the CSR activities would seek to -

- serve the poor, marginalised and underprivileged
- promote inclusion
- be sustainable
- meet needs of the larger community and society

IDFC Foundation, as implementing agency on behalf of IDFC Limited and its group companies, undertook the following CSR activities which fall within the ambit of the activities listed in Schedule VII of the Act for promoting the development of -

- research and studies in all or any of the activities mentioned in Schedule VII

2. Composition of CSR Committee:

SL. NO.	NAME OF DIRECTOR	DESIGNATION / NATURE OF DIRECTORSHIP	NUMBER OF MEETINGS OF CSR COMMITTEE HELD DURING THE YEAR	NUMBER OF MEETINGS OF CSR COMMITTEE ATTENDED DURING THE YEAR
1.	Sunil Kakar	Chairman	1	1
2.	Vinod Rai*	Member	1	1
3.	Anshuman Sharma**	Member	1	1

* the Corporate Social Responsibility (CSR) Committee was re-constituted on June 09, 2021. As on date, the CSR Committee consists of three Directors, Dr. Jaimini Bhagwati as the Chairman Mr. Ajay Sondhi and Mr. Sunil Kakar as its Members.

** Ceased to be Director of the Company wef March 25, 2021.

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.
www.idfc.com
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable as the Company's average CSR obligation has not more than 10 Cr. in the three immediately preceding financial year as per Section 135 (5) of the Act.

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

SL. NO.	FINANCIAL YEAR	AMOUNT AVAILABLE FOR SET-OFF FROM PRECEDING FINANCIAL YEARS (IN RS. CR.)	AMOUNT REQUIRED TO BE SETOFF FOR THE FINANCIAL YEAR, IF ANY (IN RS. CR.)
1	NA	NA	NA
TOTAL			

- Average net profit of the company as per section 135(5): - Rs. 45.32 Crore
- Two percent of average net profit of the company as per section 135(5): - Rs. 0.91 Crore
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - Nil
 - Amount required to be set off for the financial year, if any: 0.55 Crore*
 - Total CSR obligation for the financial year (7a+7b-7c):. Rs. 0.36 Crore **

* The Company had additionally contributed Rs. 0.55 Crore towards Prime Minister's CARES fund in the previous year which the Company desires to offset against the CSR obligation arising in the current year.

** Amount spent towards CSR related activities during the year.

8. (a) CSR amount spent or unspent for the financial year:

TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR. (IN ₹ CR.)	AMOUNT UNSPENT (IN ₹ CR.)				
	TOTAL AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT AS PER SECTION 135(6).		AMOUNT TRANSFERRED TO ANY FUND SPECIFIED UNDER SCHEDULE VII AS PER SECOND PROVISIO TO SECTION 135(5).		
	AMOUNT	DATE OF TRANSFER	NAME OF THE FUND	AMOUNT	DATE OF TRANSFER
0.91	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1) SL. NO.	(2) NAME OF THE PROJECT	(3) ITEM FROM THE LIST OF ACTIVITIES IN SCHEDULE VII TO THE ACT.	(4) LOCAL AREA (YES/ NO).	(5) LOCATION OF THE PROJECT.		(6) PROJECT DURATION	(7) AMOUNT ALLOCATED FOR THE PROJECT (IN ₹ CR.)	(8) AMOUNT SPENT IN THE CURRENT FINANCIAL YEAR (IN ₹ CR.)	(9) AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT FOR THE PROJECT AS PER SECTION 135(6) (IN ₹ CR.).	(10) MODE OF IMPLEMENTATION - DIRECT (YES/NO).	(11) MODE OF IMPLEMENTATION - THROUGH IMPLEMENTING AGENCY	
				STATE.	DISTRICT.						NAME	CSR REGISTRATION NUMBER
1.	Research & studies on various social and economic issues directly impacting welfare of people	Various clauses of Schedule VII	No	All India Coverage	All India Coverage	Cont.	0.35	0.35	Nil	No	IDFC Foundation	CSR00001386
TOTAL							0.35	0.35				

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) SL. NO.	(2) NAME OF THE PROJECT	(3) ITEM FROM THE LIST OF ACTIVITIES IN SCHEDULE VII TO THE ACT.	(4) LOCAL AREA (YES/ NO).	(5) LOCATION OF THE PROJECT.		(6) AMOUNT SPENT FOR THE PROJECT (IN ₹ CR.)	(7) MODE OF IMPLEMENTATION - DIRECT (YES/NO).	(8) MODE OF IMPLEMENTATION - THROUGH IMPLEMENTING AGENCY	
				STATE.	DISTRICT.			NAME	CSR REGISTRATION NUMBER
1.	Improving the competitiveness of Indian economy through jobs and livelihood creation.	Cl.(ii) livelihood enhancement projects,	No	All India Coverage	All India Coverage	0.01	No	IDFC Foundation	CSR00001386
2.	PM Care Fund		Yes	Maharashtra	Mumbai	0.55	Yes		
TOTAL						0.56			

(a) Amount spent in Administrative Overheads: - Nil

(b) Amount spent on Impact Assessment, if applicable: Nil

(c) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 0.91 Crore*

(d) Excess amount for set off, if any: Nil

SL. NO.	PARTICULAR	AMOUNT (IN RS. CR)
(i)	Two percent of average net profit of the company as per section 135(5)	0.91
(ii)	Total amount spent for the Financial Year	0.91*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

* Including Rs. 0.55 crore towards Prime Minister's CARES fund the Company had additionally contributed in the previous year.

9. (a) Details of Unspent CSR amount for the preceding the financial years:

SL. NO.	PRECEDING FINANCIAL YEAR	AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT UNDER SECTION 135 (6) (IN RS. CR.)	AMOUNT SPENT IN THE REPORTING FINANCIAL YEAR (IN RS. CR.)	AMOUNT TRANSFERRED TO ANY FUND SPECIFIED UNDER SCHEDULE VII AS PER SECTION 135(6), IF ANY.			AMOUNT REMAINING TO BE SPENT IN SUCCEEDING FINANCIAL YEARS. (IN RS. CR.)
				NAME OF THE FUND	AMOUNT (IN RS. CR.)	DATE OF TRANSFER	
1.	NA	NA	NA	NA	NA	NA	NA
TOTAL							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1) SL. NO.	(2) PROJECT ID.	(3) NAME OF THE PROJECT.	(4) FINANCIAL YEAR IN WHICH THE PROJECT WAS COMMENCED	(5) PROJECT DURATION.	(6) TOTAL AMOUNT ALLOCATED FOR THE PROJECT (IN ₹ CR.).	(7) AMOUNT SPENT ON THE PROJECT IN THE REPORTING FINANCIAL YEAR (IN ₹ CR.).	(8) CUMULATIVE AMOUNT SPENT AT THE END OF REPORTING FINANCIAL YEAR. (IN ₹ CR.)	(9) STATUS OF THE PROJECT - COMPLETED / ONGOING
1.	Institute	Research & studies on various social and economic issues directly impacting welfare of people	2014-15	Cont.	0.83	0.83	22.36	Ongoing
TOTAL					0.83	0.83	22.36	

*The excess spending of ₹ 0.83 Cr. has been made out of the previous year's CSR contribution available with the implementing agency i.e. IDFC Foundation.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**).

- (a) Date of creation or acquisition of the capital asset(s): NA
- (b) Amount of CSR spent for creation or acquisition of capital asset.: NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Mr. Sunil Kakar
Managing Director & CEO
Mumbai: June 14, 2021

Dr. Jaimini Bhagwati
Chairman of CSR Committee
New Delhi: June 14, 2021