

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED**

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of **INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") and its share of the profit of associate companies for the quarter and the nine months ended 31st December, 2011 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an opinion.
3. The Statement includes the results of the following entities:

Subsidiaries: IDFC Private Equity Company Limited, IDFC Finance Limited, IDFC Projects Limited, IDFC PPP Trusteeship Company Limited, IDFC Securities Limited, IDFC Capital Limited, IDFC Distribution Company Limited, IDFC Project Equity Company Limited, IDFC Investment Advisors Limited, IDFC Trustee Company Limited, IDFC Asset Management Company Limited, IDFC AMC Trustee Company Limited, IDFC Pension Fund Management Company Limited, Dheeru Powergen Limited, IDFC General Partners Limited - Guernsey, IDFC Fund of Funds Limited - Guernsey, Emerging Markets Private Equity Fund LP - Guernsey, IDFC Capital (USA) Inc. - USA, IDFC Investment Managers (Mauritius) Limited – Mauritius and IDFC Capital (Singapore) Pte. Limited - Singapore.

Associate Companies: Feedback Infrastructure Services Private Limited and Jetpur Somnath Tollways Limited.

4. The Statement reflects the Group's share of Revenue of ₹ 4,271.83 lakhs and Profit after Tax (net) ₹ 886.05 lakhs for the quarter ended 31st December, 2011 and Revenue of ₹ 13,903.96 lakhs and Profit after Tax of (net) ₹ 3,268.41 lakhs for the nine months

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Deloitte Haskins & Sells

ended 31st December, 2011 relating to six subsidiaries and financial results of one associate which reflect the Group's share of Profit after Tax of ₹ 5.40 lakhs for the quarter ended 31st December, 2011 and Profit after Tax ₹ 9.16 lakhs for the nine months ended 31st December, 2011 whose results have been reviewed by other auditors. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of these subsidiaries and associate is based solely on the reports of such other auditors which have been furnished to us.

5. The financial results of six subsidiaries which reflect the Group's share of Revenue of ₹ 23.48 lakhs and Loss after Tax (net) of ₹ 400.01 lakhs for the quarter ended 31st December, 2011 and Revenue of ₹ 214.39 lakhs and Loss after Tax (net) of ₹ 731.81 lakhs for the nine months ended 31st December, 2011 and the financial results of one associate which reflect the Group's share of Profit after Tax of ₹ 52.74 lakhs for the quarter ended 31st December, 2011 and Profit after Tax ₹ 112.40 lakhs for the nine months ended 31st December, 2011 which have not been reviewed by their auditors.
6. Based on our review and read with our comments in paragraph 4 above and subject to our comments in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of the aggregate amount of public shareholdings in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to the undisputed investor complaints from the details furnished by the Registrars. We are informed that there is no promoter or promoter group of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)



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

HYDERABAD, ¹⁰ February, 2012
PRR/PG

	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Quarter ended 31.12.2010	Nine months ended 31.12.2011	Nine months ended 31.12.2010	Year ended 31.03.2011
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1 Income from Operations (See Note 3)	163,917.62	171,492.80	130,625.60	470,544.53	361,440.23	491,673.94
2 Expenditure						
(a) Employees Cost	7,264.10	7,704.02	8,763.58	21,460.06	21,142.16	29,559.22
(b) Other Expenditure	4,431.43	4,467.62	6,617.11	12,772.50	17,121.74	19,628.53
(c) Provisions and Contingencies (Net)	9,777.07	6,312.91	4,797.58	20,082.70	14,218.10	23,461.38
(d) Depreciation and Amortisation	963.55	965.82	1,026.46	2,876.30	3,031.44	4,017.26
Total	22,436.15	19,450.37	21,204.73	57,191.56	55,513.44	76,666.39
3 Profit from Operations before Other Income & Interest (1) -(2)	141,481.47	152,042.43	109,420.87	413,352.97	305,926.79	415,007.55
4 Other Income	69.10	110.95	375.35	844.09	1,197.77	1,628.93
5 Profit before Interest (3)+(4)	141,550.57	152,153.38	109,796.22	414,197.06	307,124.56	416,636.48
6 Interest and Other Charges	88,021.30	82,597.16	65,001.87	246,012.29	170,402.06	238,752.66
7 Profit from ordinary activities before Tax (5)-(6)	53,529.27	69,556.22	44,794.35	168,184.77	136,722.50	177,883.82
8 Tax expense (net)	15,366.40	17,145.56	12,723.88	46,289.97	37,451.43	49,975.42
9 Net Profit after tax (before Share of profit of Associates and Share of Minority Interest) (7) - (8)	38,162.87	52,410.66	32,070.47	121,894.80	99,271.07	127,908.40
10 Share of profit of Associates (Equity method)	58.14	11.46	51.87	121.56	140.23	222.74
11 Share of profit / (loss) of Minority Interest	99.39	(5.19)	(24.94)	97.90	(86.67)	(34.18)
12 Net Profit after tax for the period (9)+(10)-(11)	38,121.62	52,427.31	32,147.28	121,918.46	99,497.97	128,165.32
13 Paid-up Equity Share Capital (See Note 4) (Face Value ₹ 10)	146,353.73	146,332.70	146,076.54	146,353.73	146,076.54	146,094.75
14 Reserves						894,335.28
15 Earnings per Share (EPS)						
(a) Basic (₹) (See Note 4)	2.50	3.48	2.08	8.03	6.92	8.77
(b) Diluted (₹) (See Note 4)	2.50	3.47	2.06	8.01	6.87	8.71
16 Public shareholding						
(a) Number of Equity shares (See Note 4)	146,35,37,336	146,33,27,000	146,07,65,398	146,35,37,336	146,07,65,398	146,09,47,548
(b) Percentage of shareholding	100%	100%	100%	100%	100%	100%
17 Promoter and promoter group shareholding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Notes:

1 The disclosure in terms of Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006.

(' in lakhs)

Particulars	Consolidated					
	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Quarter ended 31.12.2010	Nine months ended 31.12.2011	Nine months ended 31.12.2010	Year ended 31.03.2011
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
Segment Revenue						
Infrastructure operations	158,189.71	165,117.89	118,423.44	452,908.00	328,622.79	452,328.49
Others *	7,149.12	8,788.78	12,554.18	24,342.50	33,406.77	45,408.07
	165,338.83	173,906.67	130,977.62	477,250.50	362,029.56	497,736.56
Less: Inter Segment Revenue	1,421.21	2,413.87	352.02	6,705.97	589.33	6,062.62
Income from Operations	163,917.62	171,492.80	130,625.60	470,544.53	361,440.23	491,673.94
Segment Results						
Infrastructure operations	52,395.94	67,663.65	41,418.40	162,583.91	124,774.79	165,826.20
Others *	1,133.17	1,892.57	3,305.24	5,472.97	11,362.54	11,465.53
Unallocated	0.16	-	70.71	127.89	585.17	592.09
Profit Before Tax	53,529.27	69,556.22	44,794.35	168,184.77	136,722.50	177,883.82
Capital Employed (Segment Assets - Segment Liabilities)						
Infrastructure operations	1,068,127.55	1,018,432.78	945,971.15	1,068,127.55	945,971.15	938,243.12
Others *	127,827.20	144,932.42	150,916.28	127,827.20	150,916.28	145,386.57
Unallocated	49,020.27	43,939.14	42,700.84	49,020.27	42,700.84	41,231.93
Total Capital Employed	1,244,975.02	1,207,304.34	1,139,588.27	1,244,975.02	1,139,588.27	1,124,861.62

* Others comprise asset management, investment banking and institutional broking.

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2 The Analytical Ratios and key data relating to Standalone results of Infrastructure Development Finance Company Limited are as under:

(₹ in lakhs)

Particulars	Standalone					
	Quarter ended 31.12.2011	Quarter ended 30.09.2011	Quarter ended 31.12.2010	Nine months ended 31.12.2011	Nine months ended 31.12.2010	Year ended 31.03.2011
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
(i) Capital Adequacy Ratio	21.89%	22.87%	24.93%	21.89%	24.93%	24.48%
(ii) Earnings per Share (EPS)						
(a) Basic (₹) (See Note 4)	2.55	3.51	1.97	8.22	6.46	8.74
(b) Diluted (₹) (See Note 4)	2.54	3.51	1.94	8.19	6.41	8.68
(iii) NPA Ratio						
(a) Amount of Gross Non Performing Assets	14,832.45	7,754.95	7,973.43	14,832.45	7,973.43	7,973.43
(b) Amount of Net Non Performing Assets	9,643.45	3,615.25	3,890.52	9,643.45	3,890.52	3,890.52
(c) % of Gross Non Performing Assets to Gross Assets	0.33%	0.19%	0.22%	0.33%	0.22%	0.21%
(d) % of Net Non Performing Assets to Net Assets	0.22%	0.09%	0.11%	0.22%	0.11%	0.10%
(iv) Return on Assets (annualised)	2.79%	4.05%	2.54%	3.17%	2.94%	2.92%
(v) Turnover (Income from Operations)	158,223.11	165,144.10	116,214.62	453,067.73	324,766.58	454,595.53
(vi) Profit Before Tax	53,428.43	69,280.58	41,782.55	168,526.39	126,039.16	173,044.85
(vii) Profit After Tax	38,708.43	52,920.58	30,422.55	124,606.10	93,059.16	127,714.85

3 Income from Operations for the quarter and nine months ended 31st December, 2011 includes profit on sale of 25% equity shares in IDFC Asset Management Company Limited and IDFC AMC Trustee Company Limited amounting to ₹ 8,378.27 lakhs.

4 During the nine months ended 31st December, 2011, the Company issued 25,89,788 equity shares of face value of ₹ 10 each pursuant to exercise of stock options by employees under the employee stock option scheme.

5 (a) The status of Shareholders' complaints received during the quarter ended 31st December, 2011 is as under:

Complaints pending as at 1st October, 2011	Nil
Complaints received during the quarter ended 31st December, 2011	112
Complaints resolved during the quarter ended 31st December, 2011	112
Complaints pending as at 31st December, 2011	Nil

(b) The status of Infrastructure Retail Bondholders' complaints received during the quarter ended 31st December, 2011 is as under:

Complaints pending as at 1st October, 2011	1
Complaints received during the quarter ended 31st December, 2011	3,616
Complaints resolved during the quarter ended 31st December, 2011	3,617
Complaints pending as at 31st December, 2011	Nil

6 The above results were reviewed by the Audit Committee on 8th February, 2012 and approved by the Board of Directors on 10th February, 2012 and have been subjected to a "Limited Review" by the Statutory Auditors.

7 The standalone financial results are available on the Company's website (www.idfc.com) and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

8 Figures for the previous periods / year have been regrouped wherever necessary, in order to make them comparable.

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

sd/-
P. R. Ramesh
Partner

Hyderabad, 10th February, 2012

For and on behalf of the Board

sd/-
Rajiv B. Lall
Managing Director & CEO

Hyderabad, 10th February, 2012

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**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED**

We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED** ("the Company") for the quarter and the nine months ended 31st December, 2011 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to the undisputed investor complaints from the details furnished by the Registrars. We are informed that there is no promoter or promoter group of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.117366W)



P. R. Ramesh
Partner

(Membership No. 70928)

HYDERABAD, 10th February, 2012
PRR/PG/SCR

Infrastructure Development Finance Company Limited

Unaudited Standalone Financial Results for the quarter and nine months ended 31st December, 2011

(₹ in lakhs)

	Quarter ended 31.12.2011 (Reviewed)	Quarter ended 30.09.2011 (Reviewed)	Quarter ended 31.12.2010 (Reviewed)	Nine months ended 31.12.2011 (Reviewed)	Nine months ended 31.12.2010 (Reviewed)	Year ended 31.03.2011 (Audited)
1 Income from Operations (See Notes 1 & 2)	158,223.11	165,144.10	116,214.62	453,067.73	324,766.58	454,595.53
2 Expenditure						
(a) Employees Cost	4,572.79	4,339.87	2,569.73	11,707.17	7,633.10	10,652.07
(b) Other Expenditure	1,743.52	1,943.46	1,585.63	5,214.28	5,280.33	6,922.90
(c) Provisions and Contingencies (Net)	9,764.45	6,295.40	4,822.00	19,992.94	14,014.19	23,493.66
(d) Depreciation and Amortisation	785.41	785.76	819.51	2,345.20	2,427.30	3,269.77
Total	16,866.17	13,364.49	9,796.87	39,259.59	29,354.92	44,338.40
3 Profit from Operations before Other Income & Interest (1)-(2)	141,356.94	151,779.61	106,417.75	413,808.14	295,411.66	410,257.13
4 Other Income	65.57	67.14	323.73	641.40	924.92	1,439.81
5 Profit before Interest (3)+(4)	141,422.51	151,846.75	106,741.48	414,449.54	296,336.58	411,696.94
6 Interest and Other Charges	87,994.08	82,566.17	64,958.93	245,923.15	170,297.42	238,652.09
7 Profit from Ordinary Activities before Tax (5)-(6)	53,428.43	69,280.58	41,782.55	168,526.39	126,039.16	173,044.85
8 Tax expense (net)	14,720.00	16,360.00	11,360.00	43,920.29	32,980.00	45,330.00
9 Net Profit after tax for the period (7)-(8)	38,708.43	52,920.58	30,422.55	124,606.10	93,059.16	127,714.85
10 Paid-up Equity Share Capital (See Note 4) (Face Value ₹ 10)	146,353.73	146,332.70	146,076.54	146,353.73	146,076.54	146,094.75
11 Reserves						876,506.06
12 Analytical Ratios						
(i) Capital Adequacy Ratio	21.89%	22.87%	24.93%	21.89%	24.93%	24.48%
(ii) Earnings Per Share (EPS)						
(a) Basic (₹) (See Note 4)	2.55	3.51	1.97	8.22	6.46	8.74
(b) Diluted (₹) (See Note 4)	2.54	3.51	1.94	8.19	6.41	8.68
(iii) NPA Ratio						
(a) Amount of Gross Non Performing Assets	14,832.45	7,754.95	7,973.43	14,832.45	7,973.43	7,973.43
(b) Amount of Net Non Performing Assets	9,643.45	3,615.25	3,890.52	9,643.45	3,890.52	3,890.52
(c) % of Gross NPAs to Gross Assets	0.38%	0.19%	0.22%	0.38%	0.22%	0.21%
(d) % of Net NPAs to Net Assets	0.22%	0.09%	0.11%	0.22%	0.11%	0.10%
(iv) Return on Assets (annualised)	2.79%	4.05%	2.54%	3.17%	2.94%	2.92%
13 Public shareholding						
(a) Number of Equity Shares (See Note 4)	146,35,37,336	146,33,27,000	146,07,65,398	146,35,37,336	146,07,65,398	146,09,47,548
(b) Percentage of shareholding	100%	100%	100%	100%	100%	100%
14 Promoter and promoter group shareholding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Notes:

- Income from Operations for the nine months ended 31st December, 2011 includes Dividend of ₹ 5,927.44 lakhs (Previous Year ₹ Nil) received from Subsidiary Companies.
- Income from Operations for the quarter and nine months ended 31st December, 2011 includes profit on sale of 25% equity shares in IDFC Asset Management Company Limited and IDFC AMC Trustee Company Limited amounting to ₹ 8,900.16 lakhs.
- The Company's main business is infrastructure operations. All other activities revolve around the main business. As such, there are no reportable segments as per Accounting Standard 17 on 'Segment Reporting' as notified by Companies (Accounting Standards) Rules, 2006.
- During the nine months ended 31st December, 2011, the Company issued 25,89,788 equity shares of face value of ₹ 10 each pursuant to exercise of stock options by employees under the employee stock option scheme.
- Key data relating to the consolidated results of Infrastructure Development Finance Company Limited are as under:

	Quarter ended 31.12.2011 (Reviewed)	Quarter ended 30.09.2011 (Reviewed)	Quarter ended 31.12.2010 (Reviewed)	Nine months ended 31.12.2011 (Reviewed)	Nine months ended 31.12.2010 (Reviewed)	Year ended 31.03.2011 (Audited)
Income from Operations	163,917.62	171,492.80	130,625.60	470,544.53	361,440.23	491,673.94
Net Profit for the Period	38,121.62	52,427.31	32,147.28	121,918.46	99,497.97	128,165.32
Earnings per Share (EPS)						
(a) Basic (₹)	2.50	3.48	2.08	8.03	6.92	8.77
(b) Diluted (₹)	2.50	3.47	2.06	8.01	6.87	8.71

- The status of Shareholders' complaints received during the quarter ended 31st December, 2011 is as under:
Complaints pending as at 1st October, 2011 Nil
Complaints received during the quarter ended 31st December, 2011 112
Complaints resolved during the quarter ended 31st December, 2011 Nil
Complaints pending as at 31st December, 2011 Nil
 - The status of Infrastructure Retail Bondholders' complaints received during the quarter ended 31st December, 2011 is as under:
Complaints pending as at 1st October, 2011 1
Complaints received during the quarter ended 31st December, 2011 3,616
Complaints resolved during the quarter ended 31st December, 2011 3,617
Complaints pending as at 31st December, 2011 Nil
- The above results were reviewed by the Audit Committee on 8th February, 2012 and approved by the Board of Directors on 10th February, 2012 and have been subjected to a "Limited Review" by the Statutory Auditors.
- Figures for the previous periods / year have been regrouped wherever necessary, in order to make them comparable.

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

sd/
P. R. Ramesh
Partner

Hyderabad, 10th February, 2012

For and on behalf of the Board

sd/
Rajiv B. Lall
Managing Director & CEO

Hyderabad, 10th February, 2012

certified true copy

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