



INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED

Investor Presentation

July 25, 2007

Highlights (Q1 FY 2008 vs Q1 FY 2007)



- Consolidated Balance Sheet
 - Increased by 50% from Rs. 13,825 crore to Rs. 20,673 crore
 - Loan book increased by 30% from Rs. 11,314 crore to Rs. 14,759 crore
 - Gross Approvals increased by 57% from Rs. 2,640 crore to Rs. 4,157 crore
 - Gross Disbursements increased by 83% from 1,332 crore to Rs. 2,444 crore
 - Exposure increased by 35% from Rs. 18,184 crore to Rs. 24,588 crore
- Income Statement
 - NII Infrastructure increased by 11% from Rs. 93 crore to Rs. 104 crore
 - NII Treasury increased 5 times from Rs. 6 crore to Rs. 30 crore
 - Non Interest income increased by 174% from Rs. 60 crore to Rs. 165 crore
 - Profit After Tax increased by 38% from Rs. 131 crore to Rs. 181 crore
- Raised Rs. 2100 crore through QIP @ Rs. 127 per share
- Exercised option to buy additional 33.3% in SSKI
- IDFC stock price moved from Rs. 83.70 on March 31 to Rs. 131.65 on June 30, after reaching all time high of Rs. 136.8
- Foreign institutional holding (FII+FDI) as on June 30 2007 – 49.7%

Capital Raising



- Raised Rs. 2,100 crore through QIP
 - No of shares issued – 16.5 crore
 - Issue Price – Rs. 127 per share
- Citi and UBS were Advisors and Book-Running Lead Managers to the transaction
- JM Financial and Kotak, were Book-Running Lead Managers to the transaction
- The proceeds of offering shall be used to
 - Augment its capital base, enhance the strength of its balance sheet for its lending operations,
 - Provide seed capital to some of the funds it manages,
 - To explore opportunities in principal investments and for general corporate purposes.
- Shares listed on BSE & NSE and started trading on July 17, 2007

Financials (Q1 FY 2008 vis-à-vis Q1 FY 2007)



Particulars	Q1 FY 2007		Q1 FY 2008		FY 2007	
	(Rs. Crore)	Contribution to RoA@	(Rs. Crore)	Contribution to RoA@	(Rs. Crore)	Contribution to RoA@
Net Interest Income	99	3.0%	133	2.8%	428	2.8%
<i>Infrastructure*</i>	93	2.9%	104	2.1%	392	2.6%
<i>Treasury</i>	6	0.2%	30	0.6%	37	0.2%
Non Interest Income	60	1.8%	165	3.4%	267	1.7%
<i>Fees income</i>	26	0.8%	87	1.8%	134	0.9%
<i>Dividend</i>	1	0.0%	0	0.0%	9	0.1%
<i>Profit on sale of equity</i>	34	1.0%	78	1.6%	124	0.8%
Miscellaneous income	16	0.5%	0	0.0%	20	0.1%
OPERATING INCOME	175	5.4%	299	6.2%	716	4.7%
OPERATING EXPENSE	14	0.4%	50	1.0%	82	0.5%
Pre-Provisioning Profits	161	4.9%	249	5.1%	634	4.1%
Provisions & Losses	0	0.0%	6	0.1%	17	0.1%
PBT	161	4.9%	242	5.0%	616	4.0%
Tax, Minority interest	30	0.9%	62	1.3%	124	0.8%
Share of Associate Company	0	0.0%	0	0.0%	12	0.1%
PAT	131	4.0%	181	3.7%	504	3.3%

* Nil Infrastructure for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

@ % of daily average total assets

Consolidated Balance Sheet

(June 07 vis-à-vis June 06)



- Balance Sheet Increased by 50% from Rs. 13,825 crore to Rs. 20,673 crore
- Loan Book increased by 30% from Rs. 11,314 crore to Rs. 14,759 crore
- During Q1 FY 2008
 - Gross Approvals : increased by 57% to Rs. 4,157*crore for 40 projects (*Loans - Rs. 3,821 crore)
 - Gross Disbursements : increased by 83% to Rs. 2,444*crore for 54 projects (*Loans - Rs. 1,761 crore)
 - ❖ Net disbursements : increased by 21% to Rs. 1,253 crore from Rs. 1,035 crore
 - Gross Borrowings increased by 85% to Rs. 3,641 crore
- Unrealized gains on equity book (as on June 30, 2007) : Rs. 244 crore (excluding National Stock Exchange)
- As on June 30, 2007, Capital Adequacy – 19.1% of which Tier I – 15.5%, Tier II – 3.6%
- Leverage (rolling 12 months basis) increased from 4.6x to 5.7x
- As on June 30, 2007,
 - Gross NPLs decreased to 0.2% from 0.5%
 - Net NPLs 0% (June 30, 2006 – 0%)
 - Loan Loss Reserve Ratio (rolling 12 months basis) 1.46% (June 30, 2006 – 2.14%)
 - Duration of Assets – 2.23 years (June 30, 2006 – 2.01 years)
 - Duration of Liabilities – 1.91 years (June 30, 2006 – 1.56 years)

Consolidated Financials

(Q1 FY 2008 vis-à-vis Q1 FY 2007)



- Net Operating Income increased by 70% from Rs. 175 crore to Rs.299 crore
- Net Interest Income from infrastructure loans increased by 11% from Rs.93 crore to Rs. 104 crore
 - After adjusting for extra ordinary income of Rs. 15 cr in Q1 FY 07
- Net Interest Income from treasury operations increased 5.2 times from Rs. 6 crore to Rs. 30 crore.
- Non Interest Income increased by 174% from Rs. 60 crore to Rs. 165 crore
 - Profit on sale of equity investments increased by 132% from Rs. 34 crore to Rs. 78 crore
 - Fees Income increased 3.4 times from Rs.26 crore to Rs.87 crore
 - ❖ Asset management fees decreased by 13% from Rs. 15 crore to Rs. 13 crore
 - ❖ Other fees increased 3.76 times from Rs.11 crore to Rs. 40 crore
 - Share of fees income in non-interest income increased from 42% to 53%
 - Share of non-interest income in Operating income increased from 34% to 55%
- Other Miscellaneous income decreased from Rs. 16 crore to Rs. 0.1 crore
 - One time income of Rs. 15 crore as a part of restructuring package in Q1 FY 2007

Consolidated Financials

(Q1 FY 2008 vis-à-vis Q1 FY 2007)



- Operating expenses increased 3.5 times from Rs. 14 crore to Rs. 50 crore
 - SSKI expenses consolidated in FY 2008
 - HR expenses increased 5 times from Rs. 7 crore to Rs. 35 crore
 - Establishment, other expenses and depreciation increased by 131% from Rs. 6.5 crore to Rs. 15 crore
 - Total No of employees as on June 30 2007 : 223
- PBT increased by 51% from Rs. 161 crore to Rs. 242 crore
- PAT increased by 38% from Rs. 131 crore to Rs. 181 crore

Financials (Rolling 12 months)



Particular	FY 2005	FY 2006	Jul 05 - Jun 06	Oct -5 - Sep 06	Jan 06 - Dec 06	FY 2007	Jul 06 - Jun 07
Net Interest Income *	3.7%	3.0%	3.0%	3.0%	2.9%	2.8%	2.7%
Infrastructure*	3.7%	2.9%	2.8%	2.8%	2.7%	2.6%	2.4%
Treasury	0.0%	0.1%	0.1%	0.2%	0.3%	0.2%	0.4%
Non Interest Income	2.4%	2.2%	1.9%	1.9%	1.9%	1.7%	2.2%
Fees income	0.6%	0.9%	0.9%	0.9%	0.8%	0.9%	1.2%
Dividend	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%
Profit on sale of equity	1.7%	1.2%	1.0%	1.0%	1.0%	0.8%	1.0%
Miscellaneous income	0.1%	0.0%	0.2%	0.1%	0.1%	0.1%	0.0%
OPERATING INCOME	6.2%	5.2%	5.0%	5.1%	5.0%	4.7%	5.0%
OPERATING EXPENSE	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.7%
Pre-Provisioning Profits	5.7%	4.7%	4.5%	4.5%	4.4%	4.1%	4.3%
Provisions & Losses	0.9%	0.4%	0.2%	0.1%	0.1%	0.1%	0.1%
PBT	4.8%	4.3%	4.3%	4.4%	4.3%	4.0%	4.1%
Tax, Minority interest	0.3%	0.5%	0.6%	0.8%	0.8%	0.8%	0.9%
Share of Associate Company	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
PAT	4.5%	3.8%	3.7%	3.7%	3.6%	3.3%	3.3%

* Ratios for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

@ % of daily average total assets

Key Indicators (Rolling 12 months)

Ratios	FY 2005	FY 2006	Jul 05 - Jun 06	Oct -5 - Sep 06	Jan 06 - Dec 06	FY 2007	Jul 06 - Jun 07
Yield on infrastructure assets*	9.4%	8.9%	8.9%	8.9%	9.1%	9.2%	9.5%
Yield on treasury assets	5.0%	6.1%	6.2%	6.9%	7.5%	7.6%	8.6%
Overall Yield	8.9%	8.5%	8.5%	8.6%	8.8%	9.0%	9.3%
Cost to Income	4.7%	5.3%	5.3%	5.2%	5.2%	5.2%	6.4%
Effective tax Rate	6.4%	11.7%	15.0%	18.3%	18.9%	20.1%	22.3%
Loan Loss Reserve Ratio	2.93%	2.36%	2.14%	1.76%	1.62%	1.57%	1.46%
Leverage	3.8x	4.5x	4.6x	5.0x	5.2x	5.4x	5.7x
RoE	17%	17%	17%	18%	18%	18%	19%

* Ratios for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

Exposure and Outstanding Disbursements (June 07 vis-à-vis June 06)



Exposure

Sector	June 30 2006		March 31 2007		June 30 2007	
	Rs. Crore	%	Rs. Crore	%	Rs. Crore	%
Energy	7,030	38.7%	8,516	38.6%	9,118	37.1%
Transportation	4,993	27.5%	5,927	26.9%	6,985	28.4%
Telecommunication & IT	3,682	20.3%	3,809	17.3%	3,856	15.7%
Industrial & Commercial	671	3.7%	1,940	8.8%	2,151	8.7%
Tourism	1,005	5.5%	1,227	5.6%	1,516	6.2%
Others	803	4.4%	621	2.8%	962	3.9%
Total	18,184		22,040		24,588	

Growth (YoY)

35.2%

Outstanding Disbursements

Sector	June 30 2006		March 31 2007		June 30 2007		Product	June 30 2006		March 31 2007		June 30 2007	
	Rs. Crore	%	Rs. Crore	%	Rs. Crore	%		Rs. Crore	%	Rs. Crore	%	Rs. Crore	%
Energy	4,728	38.1%	6,634	43.1%	6,758	40.6%	Loans / Debentures	11,314	91.3%	14,147	91.8%	14,759	88.6%
Transportation	3,587	28.9%	4,272	27.7%	4,932	29.6%	Equity / Pref Shares	452	3.6%	390	2.5%	1,051	6.3%
Telecommunication & IT	2,738	22.1%	1,899	12.3%	2,230	13.4%	Non-Funded	628	5.1%	870	5.6%	853	5.1%
Industrial & Commercial	382	3.1%	1,517	9.8%	1,472	8.8%	Total	12,394		15,407		16,663	
Tourism	652	5.3%	748	4.9%	891	5.3%	<small>Excludes investments in subsidiaries, JVs, Associates and Treasury assets</small>						
Others	306	2.5%	337	2.2%	380	2.3%							
Total	12,394		15,407		16,663								

Growth (YoY)

34.4%

Excludes investments in subsidiaries, JVs, Associates and Treasury assets

Top Exposures (June 30, 2007)



■ Top Exposures –

- Top 20 company exposures constitute 38% of the total Exposure
 - ❖ June 30, 2006 – 42%
- Top 20 industrial group exposures constitute 57% of the total Exposure
 - ❖ June 30, 2006 – 65%

■ Top Outstanding Disbursements

- Top 20 company outstanding disbursements constitute 46% of the total outstanding disbursements
 - ❖ June 30, 2006 – 48%
- Top 20 industrial group outstanding disbursements constitute 65% of the total outstanding disbursements
 - ❖ June 30, 2006 – 70%

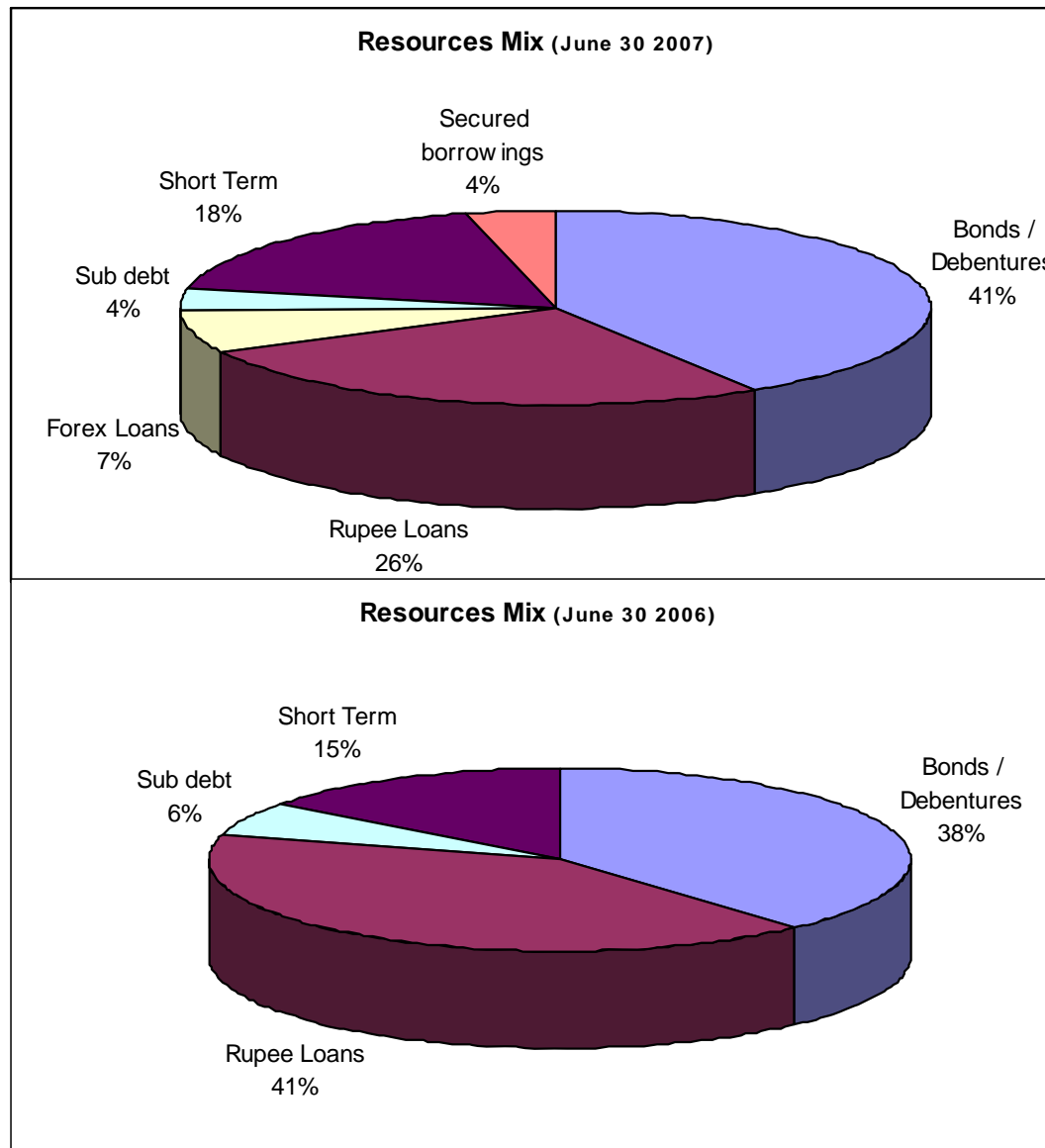
Provisions (June 07 vis-à-vis June 06)



Sr No	Category	Schedule	Cumulative Provision		
			June 30 2006	March 31 2007	June 30 2007
1	Infrastructure Portfolio		236	235	244
	<i>Equity Investments</i>	5	3	3	3
	<i>Doubtful Loans</i>	6	51	28	28
	<i>Repriced Assets</i>	6	73	51	48
	<i>Provision against standard assets</i>	6	111	154	166
2	Treasury Portfolio		4	5	4
	<i>GOI / Bonds Mark to Market</i>	5	4	5	4
3	Sundry Debtors	7	1	1	1
	TOTAL		241	242	248

- Cumulative provision increased from Rs. 241 crore to Rs. 248 crore
 - Provision on Infrastructure Portfolio
 - ❖ Provision on doubtful loans decreased from Rs. 51 crore to Rs. 28 crore
 - Reversal of provision on Closure of Asia Bio Energy loan Q2 FY 2007
 - ❖ Provision on re-pricing of loans decreased from 73 crore to Rs. 48 crore
 - Reversal of provision of Rs. 3.1 crore during the year
 - ❖ Provision against standard asset increased from 111 crore to Rs. 166 crore
 - Provision of Rs. 12.2 crore during the year @ 0.5% of incremental gross disbursement

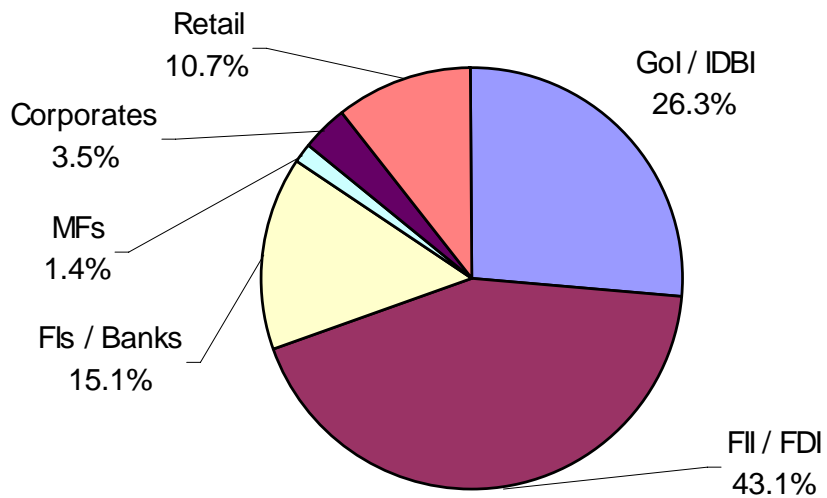
Borrowing Analysis (June 07 vis-à-vis June 06)



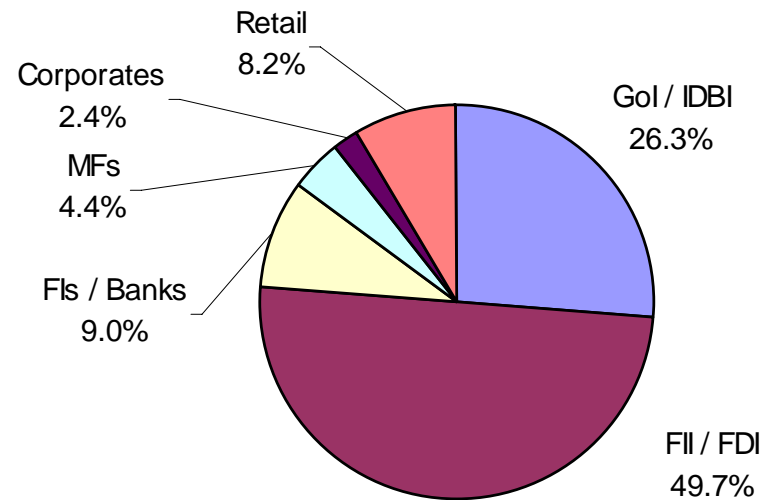
Shareholding Pattern



Shareholding - June 30 2006



Shareholding - June 30 2007



Major Disbursements (Q1 FY 2008)



■ Energy

- Torrent Private Limited (Rs. 100 crore)
- Enercon Windfarms (Tungabhadra) Private Limited (Rs. 71 crore)
- Torrent Power Limited (Rs. 67 crore)

■ Transportation

- GMR Holdings Private Limited (Rs. 425 crore)
- Kingfisher Radio Limited (Rs. 346 crore)
- Tata Motors Finance Securitisation Trust (Rs. 109 crore) – Pass Through Certificate

■ Telecommunications & IT

- SMMS Investments Private Limited (Rs. 504 crore)
- Quipo Telecom Infrastructure Limited (Rs. 45 crore)

■ Commercial & Industrial Infrastructure

- Aspen Infrastructures Limited (Rs. 125 crore)

■ Tourism

- Asian Hotels Limited (Rs. 90 crore)
- Neesa Leisure Limited (Rs. 21 crore)

■ Steel

- Prathyusha Associates Shipping Private Limited (Rs. 15 crore)

Major Assignments (Q1 FY 2008)



■ Debt Syndication

- Deals closed during the quarter -
 - ❖ Himachal Sorang Power Private Limited (Joint syndication) – Senior debt : Rs. 406 crore, Sub-debt : Rs. 58 crore),
- Primary issue managements
 - ❖ Issues completed – 6 issues totaling to Rs. 625 crore

■ Equity Syndication

- Deals closed during quarter
 - ❖ KMC Constructions (Rs. 150 crore)