



**IDFC**

# **IDFC – Investor Presentation (9M FY2011)**

January 31, 2011



- 
1. Snapshot
  2. Balance Sheet & Financials
  3. Concentration and product analysis
  4. Borrowings
  5. Shareholding
  6. Highlights

## Consolidated Highlights (9M FY11 vs. 9M FY10)

### Consolidated Balance Sheet

- Balance sheet increased by 53% from ₹ 31,328 cr to ₹ 48,030 cr
- Loan book increased by 51% from ₹ 23,190 cr to ₹ 35,021 cr
- Borrowed Funds increased by 51% from ₹ 24,312 cr to ₹ 36,633 cr
- Net NPAs – 0.1%
- Net worth - ₹ 11,390 cr

### Consolidated Income Statement

- Operating income increased by 28% from ₹ 1,504 cr to ₹ 1,919 cr
- Net interest income increased by 47% from ₹ 797 cr to ₹ 1,171 cr
- Non interest income increased by 7% from ₹ 680 cr to ₹ 729 cr
- Operating expenses increased by 29% from ₹ 316 cr to ₹ 407 cr
- Provisions increased 2.4 times from ₹ 60 cr to ₹ 145 cr
- PBT increased by 21% from ₹ 1,128 cr to ₹ 1,367 cr
- PAT income increased by 19% from ₹ 834 cr to ₹ 995 cr

### Shareholding

- IDFC stock price moved from ₹ 202.7 (Sept 30) to ₹ 182.6 (Dec 31)
- Foreign holding (FII+FDI) - 51.3% (Dec 31), 52.2% (Sept 30)

## Consolidated Highlights (9M FY11 vs. 9M FY10)

### Project Finance

- Loan book increased by 51% from ₹ 23,190 cr to ₹ 35,021 cr
- NII Infrastructure increased by 47% from ₹ 731 cr to ₹ 1,076 cr
- Gross Approvals increased 2.2 times from ₹ 16,550 cr to ₹ 36,503 cr
- Gross Disbursements increased 2.8 times from ₹ 7,962 cr to ₹ 22,495 cr

### Treasury

- NII Treasury increased by 46% from ₹ 65 cr to ₹ 95 cr

### Principal Investments

- Equity book increased by 41% from ₹ 1,577 cr to ₹ 2,216 cr (*excl strategic inv*)
- Principal investments income decreased by 31% from ₹ 234 cr to ₹ 162 cr

### Asset Management

- Income from Asset Management decreased by 3% from ₹ 209 cr to ₹ 203 cr
- AUM - ₹ 26,408 cr (USD 6 bn)

### IB & Broking

- Investment Banking & Institutional Broking income increased by 22% from ₹ 132 cr to ₹ 161 cr

### Loan related & other fees

- Loan related & other fees increased 1.9 times from ₹ 105 cr to ₹ 203 cr

1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

## Balance Sheet

₹ Crore

Particulars	9M FY 10	9M FY 11	FY 2010	% Growth (Y-o-Y)
<b>Sources of Funds</b>				
<b>Shareholders' Funds</b>	<b>7,010</b>	<b>11,390</b>	<b>7,010</b>	<b>62%</b>
Capital*	1,297	2,301	1,301	77%
Reserves & Surplus	5,714	9,090	5,709	59%
<b>Loan Funds</b>	<b>24,312</b>	<b>36,633</b>	<b>26,544</b>	<b>51%</b>
Minority Interest	6	7	7	
<b>Sources of Funds</b>	<b>31,328</b>	<b>48,030</b>	<b>33,562</b>	<b>53%</b>
<b>Application of Funds</b>				
Goodwill	1,150	1,160	1,160	1%
Fixed Assets	439	450	442	3%
<b>Infrastructure Loans</b>	<b>23,190</b>	<b>35,021</b>	<b>25,031</b>	<b>51%</b>
Gross Loans	23,654	35,652	25,539	51%
Less provisions	464	631	508	36%
<b>Investments</b>	<b>6,354</b>	<b>11,038</b>	<b>7,043</b>	<b>74%</b>
Treasury	4,777	8,822	5,043	85%
Equity	1,577	2,216	2,000	41%
Deferred Tax Asset	162	224	177	38%
Net Current Assets	34	138	-290	
<b>Applications of Funds</b>	<b>31,328</b>	<b>48,030</b>	<b>33,562</b>	<b>53%</b>

\* Includes CCCPS of ₹ 840 cr

## Consol Financials

₹ Crore

Particulars	9M FY 10	9M FY 11	FY 2010	% Growth (Y-o-Y)
<b>Net Interest Income</b>	<b>797</b>	<b>1,171</b>	<b>1,117</b>	<b>47%</b>
Infrastructure	731	1,076	1,021	47%
Treasury	65	95	96	46%
<b>Non-Interest Income</b>	<b>680</b>	<b>729</b>	<b>950</b>	<b>7%</b>
Principal Investment	234	162	261	-31%
Infrastructure	180	152	206	-15%
Financial	55	9	55	-83%
Asset management	209	203	362	-3%
Management Fees	209	184	290	-12%
<i>Mutual Fund</i>	88	75	132	-14%
<i>Alternatives</i>	121	109	157	-11%
Capital Gains & Carry	0	19	72	na
Investment Banking & Broking	132	161	183	22%
Investment Banking	76	118	111	56%
Institutional Broking	56	43	72	-23%
Loan related & other fees	105	203	144	94%
<b>Other Income</b>	<b>28</b>	<b>20</b>	<b>40</b>	<b>-28%</b>
<b>OPERATING INCOME</b>	<b>1,504</b>	<b>1,919</b>	<b>2,107</b>	<b>28%</b>
<b>OPERATING EXPENSES</b>	<b>316</b>	<b>407</b>	<b>549</b>	<b>29%</b>
HR	168	211	308	25%
Other than HR	148	197	241	33%
<b>PRE-PROVISIONING PROFITS</b>	<b>1,188</b>	<b>1,512</b>	<b>1,559</b>	<b>27%</b>
Provisions	60	145	130	141%
<b>PBT</b>	<b>1,128</b>	<b>1,367</b>	<b>1,429</b>	<b>21%</b>
Less : Provision for Tax, Profit in associate co, Minority interest, etc	294	372	366	27%
<b>PAT</b>	<b>834</b>	<b>995</b>	<b>1,062</b>	<b>19%</b>



## RoA Tree (rolling 12 months)

(% of daily avg total assets)

Particulars	FY 2008	FY 2009	Oct 08 - Sep 09	Jan 09 - Dec 09	FY 2010	Jul 09 - Jun 10	Oct 09 - Sep 10	Jan 10 - Dec 10
<b>Net Interest Income</b>	<b>2.9%</b>	<b>3.1%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.8%</b>
Infrastructure	2.3%	2.6%	3.0%	3.2%	3.3%	3.3%	3.4%	3.5%
Treasury	0.6%	0.5%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%
<b>Non-Interest Income</b>	<b>2.6%</b>	<b>2.1%</b>	<b>2.3%</b>	<b>2.8%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>2.5%</b>
Principal Investment	0.6%	0.6%	0.5%	0.9%	0.8%	0.9%	0.7%	0.5%
Infrastructure	0.6%	0.6%	0.5%	0.7%	0.7%	0.8%	0.6%	0.5%
Financial	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%	0.0%
Asset management	0.6%	0.7%	0.9%	1.0%	1.2%	1.1%	1.0%	0.9%
Management Fees	0.2%	0.7%	0.9%	1.0%	0.9%	0.9%	0.8%	0.7%
<i>Mutual Fund</i>	0.0%	0.2%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
<i>Alternatives</i>	0.2%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
Capital Gains & Carry	0.3%	0.0%	0.0%	0.0%	0.2%	0.2%	0.3%	0.2%
Investment Banking & Broking	0.9%	0.4%	0.4%	0.5%	0.6%	0.5%	0.5%	0.5%
Investment Banking	0.5%	0.2%	0.2%	0.3%	0.4%	0.3%	0.4%	0.4%
Institutional Broking	0.4%	0.2%	0.3%	0.2%	0.2%	0.2%	0.1%	0.2%
Loan related & other fees	0.5%	0.4%	0.4%	0.4%	0.5%	0.5%	0.6%	0.6%
<b>Other Income</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>
<b>OPERATING INCOME</b>	<b>5.6%</b>	<b>5.3%</b>	<b>5.9%</b>	<b>6.4%</b>	<b>6.7%</b>	<b>6.8%</b>	<b>6.6%</b>	<b>6.4%</b>
<b>OPERATING EXPENSES</b>	<b>1.1%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>1.5%</b>	<b>1.8%</b>	<b>1.7%</b>	<b>1.6%</b>	<b>1.6%</b>
<b>HR</b>	<b>0.7%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.9%</b>	<b>0.9%</b>
<b>Other than HR</b>	<b>0.4%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.7%</b>
<b>PRE-PROVISIONING PROFITS</b>	<b>4.5%</b>	<b>4.0%</b>	<b>4.5%</b>	<b>4.9%</b>	<b>5.0%</b>	<b>5.1%</b>	<b>5.0%</b>	<b>4.8%</b>
Provisions	0.3%	0.5%	0.5%	0.6%	0.4%	0.5%	0.6%	0.5%
<b>PBT</b>	<b>4.2%</b>	<b>3.5%</b>	<b>4.0%</b>	<b>4.3%</b>	<b>4.6%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>
Less : Provision for Tax, Profit in associate co, Minority interest, etc	1.1%	1.0%	1.1%	1.2%	1.2%	1.1%	1.2%	1.1%
<b>PAT</b>	<b>3.1%</b>	<b>2.6%</b>	<b>2.9%</b>	<b>3.2%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>3.1%</b>

## Key Indicators (rolling 12 months)

Particulars	FY 2008	FY 2009	Oct 08 - Sep 09	Jan 09 - Dec 09	FY 2010	Jul 09 - Jun 10	Oct 09 - Sep 10	Jan 10 - Dec 10
Overall Spreads	2.1%	2.4%	2.7%	2.6%	2.7%	2.7%	2.4%	2.4%
Cost / Income	19.2%	23.6%	23.6%	23.4%	26.0%	25.3%	24.5%	25.4%
Effective tax rate	25.8%	27.6%	27.4%	26.6%	25.6%	25.1%	26.2%	26.7%
Loan Loss Reserve	1.1%	1.8%	1.8%	1.8%	1.8%	1.7%	1.6%	1.7%
Leverage (Closing)	5.0 x	4.8 x	4.7 x	4.5 x	4.8 x	5.3 x	4.2 x	4.2 x
RoE	15.7%	12.5%	13.7%	14.6%	15.8%	16.2%	14.9%	13.7%

*Cost / Income : Operating cost / Operating income*

*Loan Loss Reserve : Standard Assets provision / Standard Assets*

1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

## Concentration Analysis (December '10 vis-à-vis December '09)

### Exposure

Sector	Dec 31, 2009		Dec 31, 2010	
	₹ Crore	%	₹ Crore	%
Energy	13,875	40%	26,962	47%
Transportation	6,503	19%	15,884	28%
Telecom	6,416	18%	8,553	15%
Others	7,963	23%	6,160	11%
<b>Total</b>	<b>34,757</b>		<b>57,558</b>	

**Growth (Y-o-Y)**

**66%**

### Outstanding Disbursements

Sector	Dec 31, 2009		Dec 31, 2010	
	₹ Crore	%	₹ Crore	%
Energy	9,473	37%	16,691	42%
Transportation	5,510	22%	9,306	24%
Telecom	4,596	18%	8,462	21%
Others	6,000	23%	5,134	13%
<b>Total</b>	<b>25,579</b>		<b>39,593</b>	

**Growth (Y-o-Y)**

**55%**

## Concentration Analysis (December '10 vis-à-vis December '09)

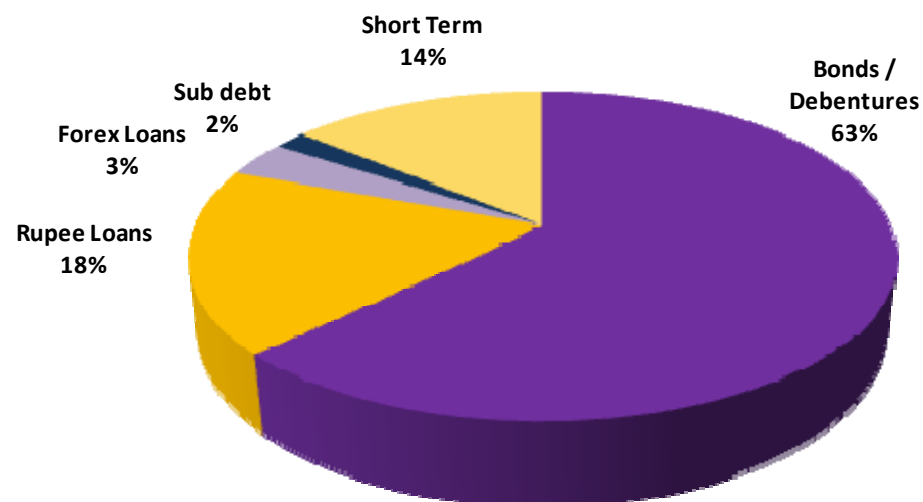
- **Top Exposures**
  - Top 20 Company exposures constitute 37% of total
    - December 31, 2009 : 37%
  - Top 20 Industrial Group exposures constitute 66% of total
    - December 31, 2009 : 56%
  
- **Top Outstanding Disbursements**
  - Top 20 Company outstanding disbursements constitute 43% of total
    - December 31, 2009 : 38%
  - Top 20 Industrial Group outstanding disbursements constitute 67% of total
    - December 31, 2009 : 52%

## Product Analysis (December '10 vis-à-vis December '09)

Exposure					Outstanding Disbursements				
Sector	Dec 31, 2009		Dec 31, 2010		Sector	Dec 31, 2009		Dec 31, 2010	
	₹ Crore	%	₹ Crore	%		₹ Crore	%	₹ Crore	%
<b>Loans / Debentures</b>	<b>30,829</b>	<b>89%</b>	<b>52,475</b>	<b>91%</b>	<b>Loans / Debentures</b>	<b>23,293</b>	<b>91%</b>	<b>35,290</b>	<b>89%</b>
Project Loans	17,822	51%	34,986	61%	Project Loans	12,466	49%	20,592	52%
Corporate Loans	11,509	33%	16,779	29%	Corporate Loans	9,340	37%	13,989	35%
Loan Against Shares	1,497	4%	710	1%	Loan Against Shares	1,487	6%	710	2%
<b>Mezzanine Products</b>	<b>440</b>	<b>1%</b>	<b>367</b>	<b>1%</b>	<b>Mezzanine Products</b>	<b>356</b>	<b>1%</b>	<b>359</b>	<b>1%</b>
<b>Equity / Pref Shares</b>	<b>2,971</b>	<b>9%</b>	<b>2,937</b>	<b>5%</b>	<b>Equity / Pref Shares</b>	<b>1,606</b>	<b>6%</b>	<b>2,283</b>	<b>6%</b>
<b>Non-Funded</b>	<b>518</b>	<b>1%</b>	<b>1,780</b>	<b>3%</b>	<b>Non-Funded</b>	<b>324</b>	<b>1%</b>	<b>1,660</b>	<b>4%</b>
<b>Total</b>	<b>34,757</b>		<b>57,558</b>		<b>Total</b>	<b>25,579</b>		<b>39,593</b>	

1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

## Borrowing Analysis (December 31, 2010)

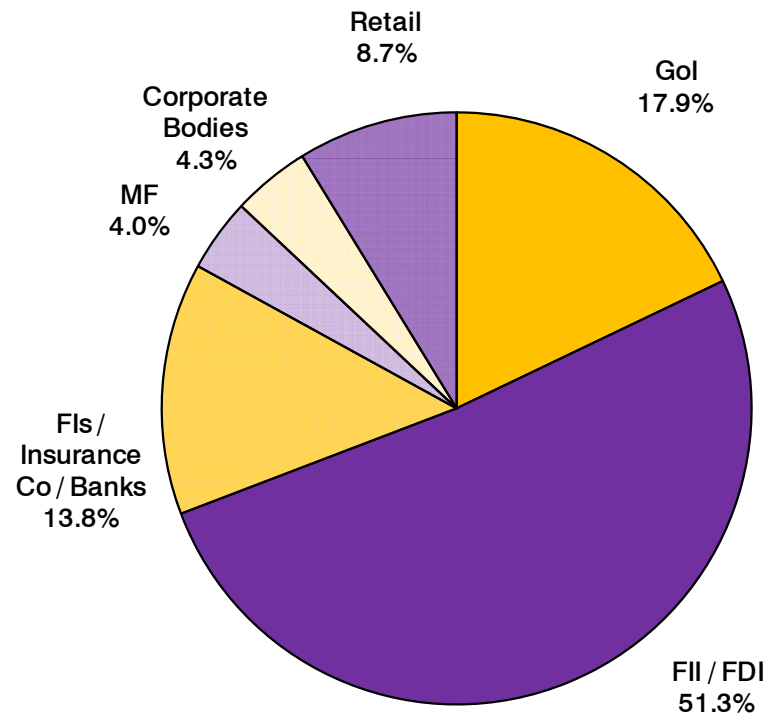


Sector	Dec 31, 2009		Dec 31, 2010	
	₹ Crore	%	₹ Crore	%
<b>Long Term</b>	<b>20,542</b>	<b>84%</b>	<b>31,496</b>	<b>86%</b>
Bonds / Debentures	13,546	56%	22,989	63%
Rupee Loans	3,928	16%	6,556	18%
Forex Loans	2,418	10%	1,301	4%
Sub debt	650	3%	650	2%
<b>Short Term</b>	<b>3,769</b>	<b>16%</b>	<b>5,137</b>	<b>14%</b>
<b>Total</b>	<b>24,312</b>	<b>100%</b>	<b>36,633</b>	<b>100%</b>
<b>Growth (Y-o-Y)</b>			<b>51%</b>	



1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

## Shareholding Pattern (December 31, 2010)



- 
1. Snapshot
  2. Balance Sheet & Financials
  3. Concentration and product analysis
  4. Borrowings
  5. Shareholding
  6. Highlights

## Other Highlights

- Duration
  - Assets – 2.08 years (September 30, 2010 – 2.11 years)
  - Liabilities – 2.35 years (September 30, 2010 – 2.36 years)

### •Assets Under Management

Fund Name	AUM	
	₹ Crore	USD* (bn)
IDFC Private Equity**	4,487	1.0
Fund I	335	0.1
Fund II	1,269	0.3
Fund III	2,884	0.6
IDFC Project Equity Fund**	3,837	0.9
IDFC Mutual Fund	18,084	4.0
Investment Advisor	824	0.2
Equity	5,528	1.2
Debt	11,732	2.6
<b>Total</b>	<b>26,408</b>	<b>6.0</b>

*\*\*Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close;  
Others 1USD = ₹ 44.7 as on Dec 31 2010.*



---

**Thank you**