



**IDFC**

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

April 29, 2011



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

## Consolidated Highlights (FY11 vs. FY10)

### Consolidated Balance Sheet

- Balance sheet increased by 42% from ₹ 33,562 cr to ₹ 47,554 cr
- Loan book increased by 50% from ₹ 25,031 cr to ₹ 37,552 cr
- Borrowed Funds increased by 37% from ₹ 26,544 cr to ₹ 36,304 cr
- Net NPAs – 0.1%
- Net worth - ₹ 11,248 cr

### Consolidated Income Statement

- Operating income increased by 21% from ₹ 2,107 cr to ₹ 2,547 cr
- Net interest income increased by 47% from ₹ 1,117 cr to ₹ 1,645 cr
- Non interest income decreased by 8% from ₹ 950 cr to ₹ 875 cr
- Operating expenses decreased by 3% from ₹ 549 cr to ₹ 533 cr
- Provisions increased by 81% from ₹ 130 cr to ₹ 235 cr
- PBT increased by 25% from ₹ 1,429 cr to ₹ 1,779 cr
- PAT increased by 21% from ₹ 1,062 cr to ₹ 1,282 cr

### Shareholding

- IDFC stock price moved from ₹ 182.6 (Dec 31) to ₹ 154.6 (March 31)
- Foreign holding (FII+FDI) - 51.1% (March 31), 51.3% (Dec 31)

## Consolidated Highlights (FY11 vs. FY10)

### Project Finance

- Loan book increased by 50% from ₹ 25,031 cr to ₹ 37,552 cr
- NII Infrastructure increased by 47% from ₹ 1,021 cr to ₹ 1,501 cr
- Gross Approvals increased by 40% from ₹ 30,442 cr to ₹ 42,716 cr
- Gross Disbursements increased 2.1 times from ₹ 12,962 cr to ₹ 26,702 cr

### Treasury

- NII Treasury increased by 50% from ₹ 96 cr to ₹ 144 cr

### Principal Investments

- Equity book increased by 6% from ₹ 2,000 cr to ₹ 2,119 cr (*excl strategic inv*)
- Principal investments income decreased by 27% from ₹ 261 cr to ₹ 191 cr

### Asset Management

- Income from Asset Management decreased by 20% from ₹ 362 cr to ₹ 291 cr
- AUM - ₹ 32,600 cr (USD 7.4 bn)

### IB & Broking

- Investment Banking & Institutional Broking income increased by 9% from ₹ 183 cr to ₹ 199 cr

### Loan related & other fees

- Loan related & other fees increased by 35% from ₹ 144 cr to ₹ 194 cr

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## Balance Sheet

₹ Crore

<i>Particulars</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>% Growth</i>
<b>Sources of Funds</b>			
<b>Shareholders' Funds</b>	<b>7,010</b>	<b>11,248</b>	<b>60%</b>
Capital*	1,301	2,305	77%
Reserves & Surplus	5,709	8,943	57%
<b>Loan Funds</b>	<b>26,544</b>	<b>36,304</b>	<b>37%</b>
Minority Interest	7	2	
<b>Sources of Funds</b>	<b>33,562</b>	<b>47,554</b>	<b>42%</b>
<b>Application of Funds</b>			
Goodwill	1,160	1,164	0%
Fixed Assets	442	447	1%
<b>Infrastructure Loans</b>	<b>25,031</b>	<b>37,552</b>	<b>50%</b>
Gross Loans	25,539	38,215	50%
Less provisions	508	663	30%
<b>Investments</b>	<b>7,043</b>	<b>8,303</b>	<b>18%</b>
Treasury	5,043	6,184	23%
Equity	2,000	2,119	6%
Deferred Tax Asset	177	250	41%
Net Current Assets	-290	-161	
<b>Applications of Funds</b>	<b>33,562</b>	<b>47,554</b>	<b>42%</b>

\* Includes CCCPS of ₹ 840 cr

## Consol Financials

₹ Crore

<b>Particulars</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>% Growth</b>
<b>Net Interest Income</b>	<b>1,117</b>	<b>1,645</b>	<b>47%</b>
Infrastructure	1,021	1,501	47%
Treasury	96	144	50%
<b>Non-Interest Income</b>	<b>950</b>	<b>875</b>	<b>-8%</b>
Principal Investment	261	191	-27%
Infrastructure	206	181	-12%
Financial	55	9	-83%
Asset management	362	291	-20%
Management Fees	290	248	-14%
Mutual Fund	132	110	-17%
Alternatives	157	138	-12%
Capital Gains & Carry	72	43	-40%
Investment Banking & Broking	183	199	9%
Investment Banking	111	146	32%
Institutional Broking	72	53	-27%
Loan related & other fees	144	194	35%
<b>Other Income</b>	<b>40</b>	<b>26</b>	<b>-34%</b>
<b>OPERATING INCOME</b>	<b>2,107</b>	<b>2,547</b>	<b>21%</b>
<b>OPERATING EXPENSES</b>	<b>549</b>	<b>533</b>	<b>-3%</b>
HR	308	296	-4%
Other than HR	241	238	-1%
<b>PRE-PROVISIONING PROFITS</b>	<b>1,559</b>	<b>2,013</b>	<b>29%</b>
Provisions	130	235	81%
<b>PBT</b>	<b>1,429</b>	<b>1,779</b>	<b>25%</b>
Less : Provision for Tax, Profit in associate co, Minority interest, etc	366	497	36%
<b>PAT</b>	<b>1,062</b>	<b>1,282</b>	<b>21%</b>



## RoA Tree (rolling 12 months)

(% of daily avg total assets)

<i>Particulars</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>Jul09 - Jun10</i>	<i>Oct09 - Sep10</i>	<i>Jan10 - Dec10</i>	<i>FY 2011</i>
<b>Net Interest Income</b>	<b>2.9%</b>	<b>3.1%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.8%</b>	<b>3.8%</b>
Infrastructure	2.3%	2.6%	3.3%	3.3%	3.4%	3.5%	3.5%
Treasury	0.6%	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>3.0%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>2.5%</b>	<b>2.0%</b>
Principal Investment	0.6%	0.6%	0.8%	0.9%	0.7%	0.5%	0.4%
Infrastructure	0.6%	0.6%	0.7%	0.8%	0.6%	0.5%	0.4%
Financial	0.0%	0.0%	0.2%	0.2%	0.2%	0.0%	0.0%
Asset management	0.6%	0.7%	1.2%	1.1%	1.0%	0.9%	0.7%
Management Fees	0.2%	0.7%	0.9%	0.9%	0.8%	0.7%	0.6%
Mutual Fund	0.0%	0.2%	0.4%	0.4%	0.3%	0.3%	0.3%
Alternatives	0.2%	0.5%	0.5%	0.5%	0.4%	0.4%	0.3%
Capital Gains & Carry	0.3%	0.0%	0.2%	0.2%	0.3%	0.2%	0.1%
Investment Banking & Broking	0.9%	0.4%	0.6%	0.5%	0.5%	0.5%	0.5%
Investment Banking	0.5%	0.2%	0.4%	0.3%	0.4%	0.4%	0.3%
Institutional Broking	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%
Loan related & other fees	0.5%	0.4%	0.5%	0.5%	0.6%	0.6%	0.5%
<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>OPERATING INCOME</b>	<b>5.6%</b>	<b>5.3%</b>	<b>6.7%</b>	<b>6.8%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>5.9%</b>
<b>OPERATING EXPENSES</b>	<b>1.1%</b>	<b>1.2%</b>	<b>1.8%</b>	<b>1.7%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.2%</b>
<b>HR</b>	<b>0.7%</b>	<b>0.6%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>0.7%</b>
<b>Other than HR</b>	<b>0.4%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.6%</b>
<b>PRE-PROVISIONING PROFITS</b>	<b>4.5%</b>	<b>4.0%</b>	<b>5.0%</b>	<b>5.1%</b>	<b>5.0%</b>	<b>4.8%</b>	<b>4.7%</b>
Provisions	0.3%	0.5%	0.4%	0.5%	0.6%	0.5%	0.5%
<b>PBT</b>	<b>4.2%</b>	<b>3.5%</b>	<b>4.6%</b>	<b>4.5%</b>	<b>4.4%</b>	<b>4.3%</b>	<b>4.1%</b>
Less : Provision for Tax, Profit in associate co, Minority interest, etc	1.1%	1.0%	1.2%	1.1%	1.2%	1.1%	1.2%
<b>PAT</b>	<b>3.1%</b>	<b>2.6%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>3.1%</b>	<b>3.0%</b>

## Key Indicators (rolling 12 months)

<b>Particulars</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Jul09 - Jun10</b>	<b>Oct09 - Sep10</b>	<b>Jan10 - Dec10</b>	<b>FY 2011</b>
Overall Spreads	2.1%	2.4%	2.7%	2.7%	2.4%	2.4%	2.2%
Cost / Income	19.2%	23.6%	26.0%	25.3%	24.5%	25.4%	20.9%
Effective tax rate	25.8%	27.6%	25.6%	25.1%	26.2%	26.7%	28.0%
Loan Loss Reserve	1.1%	1.8%	1.8%	1.7%	1.6%	1.7%	1.6%
Leverage (Closing)	5.0 x	4.8 x	4.8 x	5.3 x	4.2 x	4.2 x	4.2 x
RoE	15.7%	12.5%	15.8%	16.2%	14.9%	13.7%	12.9%

*Cost / Income : Operating cost / Operating income*

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

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## Concentration Analysis (March '11 vis-à-vis March '10)

### Exposure

Sector	March 31, 2010		March 31, 2011	
	₹ Crore	%	₹ Crore	%
Energy	16,800	38%	26,707	46%
Transportation	8,676	20%	16,717	29%
Telecom	10,705	24%	9,222	16%
Others	7,661	17%	5,626	10%
<b>Total</b>	<b>43,842</b>		<b>58,273</b>	

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

**33%**

### Outstanding Disbursements

Sector	March 31, 2010		March 31, 2011	
	₹ Crore	%	₹ Crore	%
Energy	10,342	37%	17,401	42%
Transportation	5,548	20%	10,537	25%
Telecom	5,725	21%	9,097	22%
Others	6,270	22%	4,788	11%
<b>Total</b>	<b>27,885</b>		<b>41,823</b>	

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

**50%**

## Concentration Analysis (March '11 vis-à-vis March '10)

- **Top Exposures**
  - **Top 20 Company exposures constitute 37% of total**
    - **March 31, 2010 : 38%**
  - **Top 20 Industrial Group exposures constitute 64% of total**
    - **March 31, 2010 : 62%**
  
- **Top Outstanding Disbursements**
  - **Top 20 Company outstanding disbursements constitute 44% of total**
    - **March 31, 2010 : 42%**
  - **Top 20 Industrial Group outstanding disbursements constitute 66% of total**
    - **March 31, 2010 : 58%**

## Product Analysis (March '11 vis-à-vis March '10)

### Exposure

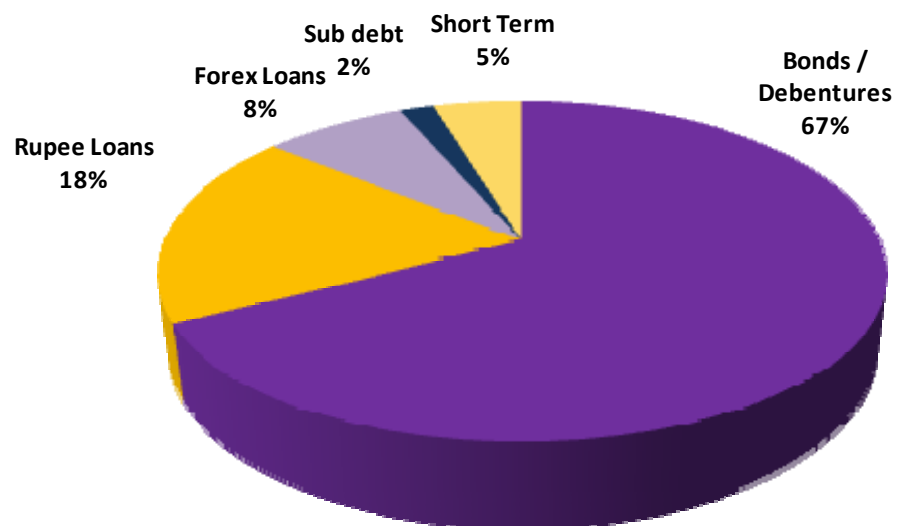
Sector	March 31, 2010		March 31, 2011	
	₹ Crore	%	₹ Crore	%
<b>Loans / Debentures</b>	<b>39,989</b>	<b>91%</b>	<b>53,428</b>	<b>92%</b>
Project Loans	23,999	55%	36,007	62%
Corporate Loans	14,540	33%	16,753	29%
Loan Against Shares	1,450	3%	667	1%
<b>Mezzanine Products</b>	<b>440</b>	<b>1%</b>	<b>330</b>	<b>1%</b>
<b>Equity / Pref Shares</b>	<b>2,905</b>	<b>7%</b>	<b>2,720</b>	<b>5%</b>
<b>Non-Funded</b>	<b>509</b>	<b>1%</b>	<b>1,796</b>	<b>3%</b>
<b>Total</b>	<b>43,842</b>		<b>58,273</b>	

### Outstanding Disbursements

Sector	March 31, 2010		March 31, 2011	
	₹ Crore	%	₹ Crore	%
<b>Loans / Debentures</b>	<b>25,174</b>	<b>90%</b>	<b>37,888</b>	<b>91%</b>
Project Loans	13,799	49%	22,313	53%
Corporate Loans	9,925	36%	14,907	36%
Loan Against Shares	1,450	5%	667	2%
<b>Mezzanine Products</b>	<b>362</b>	<b>1%</b>	<b>327</b>	<b>1%</b>
<b>Equity / Pref Shares</b>	<b>2,057</b>	<b>7%</b>	<b>2,042</b>	<b>5%</b>
<b>Non-Funded</b>	<b>291</b>	<b>1%</b>	<b>1,566</b>	<b>4%</b>
<b>Total</b>	<b>27,885</b>		<b>41,823</b>	

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## Borrowing Analysis (March 31, 2011)



Sector	March 31, 2010		March 31, 2011	
	₹ Crore	%	₹ Crore	%
<b>Long Term</b>	<b>22,760</b>	<b>86%</b>	<b>34,617</b>	<b>95%</b>
Bonds / Debentures	15,884	60%	24,501	67%
Rupee Loans	4,032	15%	6,676	18%
Forex Loans	2,194	8%	2,790	8%
Sub debt	650	2%	650	2%
<b>Short Term</b>	<b>3,784</b>	<b>14%</b>	<b>1,687</b>	<b>5%</b>
<b>Total</b>	<b>26,544</b>	<b>100%</b>	<b>36,304</b>	<b>100%</b>

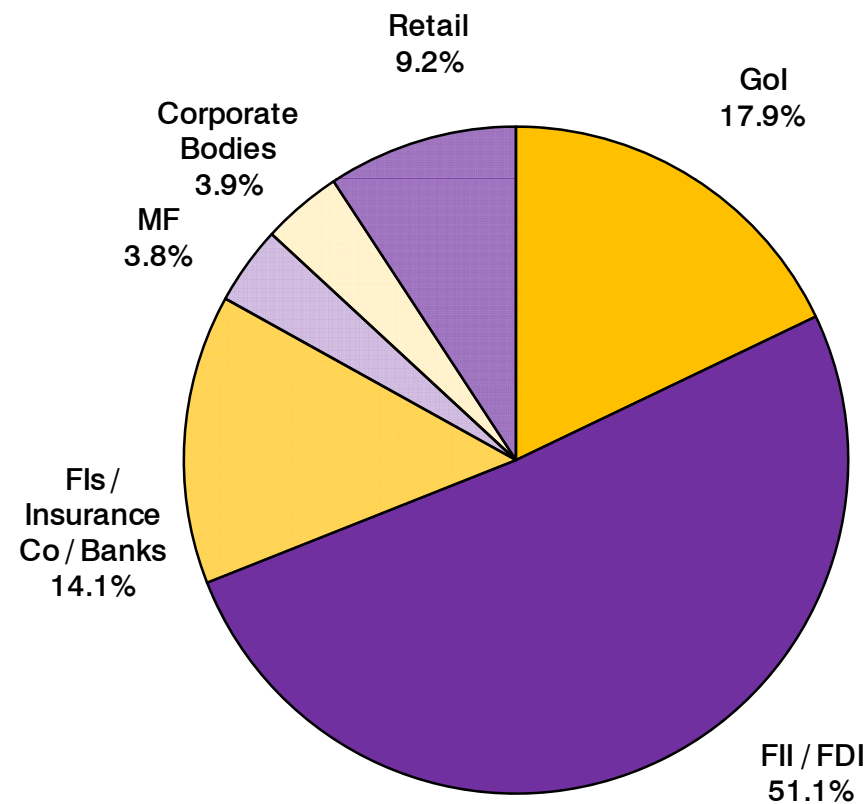
**Growth (Y-o-Y)**

**37%**



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## Shareholding Pattern (March 31, 2011)



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## Other Highlights

- Duration
  - Assets – 2.07 years (December 31, 2010 – 2.08 years)
  - Liabilities – 2.74 years (December 31, 2010 – 2.35 years)

### •Assets Under Management

Fund Name	AUM	
	₹ Crore	USD* (bn)
IDFC Private Equity**	4,457	1.0
Fund I	285	0.1
Fund II	1,269	0.3
Fund III	2,903	0.6
IDFC Project Equity Fund**	3,837	0.9
IDFC Mutual Fund	24,308	5.5
Investment Advisor	606	0.1
Equity	5,181	1.2
Debt	18,521	4.2
<b>Total</b>	<b>32,601</b>	<b>7.4</b>

\*\*Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close;  
Others 1USD = ₹ 44.59 as on March 31, 2013.



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**Thank you**