



INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED

Investors Presentation

April 25, 2007

- Consolidated Balance Sheet
 - Increased by 50% from Rs. 11,949 crore to Rs. 17,982 crore
 - Loan book increased by 37% from Rs. 10,321 crore to Rs. 14,150 crore
 - Gross Disbursements increased by 19% from Rs. 6,045 crore to Rs. 7,207 crore
 - Gross Approvals increased by 23% from Rs. 10,631 crore to Rs. 13,053 crore
 - Exposure increased by 26% from Rs. 17,492 crore to Rs. 22,038 crore
- Income Statement
 - NII Infrastructure increased by 33% from Rs. 294 crore to Rs. 392 crore
 - NII Treasury increased by 181% from Rs. 13 crore to Rs. 37 crore
 - Non Interest income increased by 18% from Rs. 227 crore to Rs. 267 crore
 - Profit After Tax increased by 29% from Rs. 391 crore to Rs. 504 crore
- IDFC stock price moved from Rs. 77.90 on Dec 31 to Rs. 83.70 on March 31 after reaching a high of Rs. 113
- FII holding as on March 31, 2007 - 32.8%
- FDI holding as on March 31, 2007 - 15.2%

Consolidated Balance Sheet

(FY 2007 vis-à-vis FY 2006)



- Balance Sheet increased by 50% from Rs. 11,949 crore to Rs. 17,982 crore
- Loan Book increased by 37% from Rs. 10,321 crore to Rs. 14,150 crore
- During FY 2007
 - Gross Approvals : increased by 23% to Rs. 13,053*crore for 105 projects (*Loans - Rs. 12,736 crore)
 - Gross Disbursements : increased by 19% to Rs. 7,207*crore for 109 projects (*Loans - Rs. 6,720 crore)
 - ❖ Net disbursements : increased by 21% to Rs. 4,037 crore from Rs. 3,341 crore
 - Gross Borrowings increased by 90% to Rs. 7,958 crore (FY 2006 Rs. 4,190 crore)
- Unrealized gains on equity book (as on March 31, 2007) : Rs. 219 crore excluding National Stock Exchange
- As on March 31, 2007, Capital Adequacy - 20.3% of which Tier I - 16.1%, Tier II - 4.3% (As against 25.6% on March 31, 2006)
- Leverage increased from 4.5x to 5.4x
- As on March 31, 2007,
 - Gross NPLs decreased to 0.2% from 0.5%
 - ❖ One time settlement of Asia Bioenergy (India) Limited Q2 FY 2007
 - Net NPLs 0% (March 31, 2006 - 0%)
 - Loan Loss Reserve Ratio 1.57% (March 31, 2006 - 2.36%)
 - Duration of Assets - 2.11 years (March 31, 2006 - 1.56 years)
 - Duration of Liabilities - 1.85 years (March 31, 2006 - 1.99 years)

Consolidated Financials (FY 2007 vis-à-vis FY 2006)



- Net Operating Income increased by 34% from Rs. 536 crore to Rs.716 crore
- Net Interest Income from infrastructure loans increased by 33% from Rs.294 crore to Rs. 392 crore
 - After adjusting for extra ordinary income of Rs. 15 cr in Q1 FY 07
- Net Interest Income from treasury operations increased by 181% from Rs. 13 crore to Rs. 37 crore.
- Non Interest Income increased by 18% from Rs. 227 crore to Rs. 267 crore
 - Profit on sale of equity investments decreased from Rs. 125 crore to Rs. 124 crore
 - Fees Income increased by 41% from Rs.95 crore to Rs.134 crore
 - ❖ Asset management fees increased by 84% from Rs. 29 crore to Rs. 53 crore
 - ❖ Other fees increased by 22% from Rs.67 crore to Rs. 82 crore
 - Share of fees income in non-interest income increased from 42% to 50%
 - Share of fees income in operating income increased from 18% to 19%
 - Share of non-interest income in Operating income decreased from 43% to 37%
- Other Miscellaneous income increased 10 times from Rs. 2 crore to Rs. 20 crore
 - One time income of Rs. 15 crore as a part of restructuring package in Q1 FY 2007
 - Interest on tax refund increased from Rs. 1.75 crore to Rs. 4.97 crore

Consolidated Financials (FY 2007 vis-à-vis FY 2006)



- Operating expenses increased by 51% from Rs. 55 crore to Rs. 82 crore
 - HR expenses increased by 53% from Rs. 31 crore to Rs. 48 crore
 - ❖ Net addition of 54 employees in FY 2007
 - Establishment, other expenses and depreciation increased by 54% from Rs. 19 crore to Rs. 30 crore
- PBT increased by 39% from Rs. 443 crore to Rs. 616 crore
- PAT increased by 29% from Rs. 391 crore to Rs. 504 crore
- Return on Equity at 18%

Financials (FY 2007 vis-à-vis FY 2006)



Details	FY 2006		FY 2007	
	(Rs. Crore)	Contribution to RoA@	(Rs. Crore)	Contribution to RoA@
Net Interest Income	307	3.0%	428	2.8%
<i>Infrastructure*</i>	294	2.9%	392	2.6%
<i>Treasury</i>	13	0.1%	37	0.2%
Non Interest Income	227	2.2%	267	1.7%
<i>Fees income</i>	95	0.9%	134	0.9%
<i>Dividend</i>	6	0.1%	9	0.1%
<i>Profit on sale of equity</i>	125	1.2%	124	0.8%
Miscellaneous income	2	0.0%	20	0.1%
OPERATING INCOME	536	5.2%	716	4.7%
OPERATING EXPENSE	55	0.5%	82	0.5%
Pre-Provisioning Profits	481	4.7%	634	4.1%
Provisions & Losses	39	0.4%	17	0.1%
PBT	443	4.3%	616	4.0%
Tax, Minority interest	52	0.5%	124	0.8%
Share of Associate Company	-	0.0%	12	0.1%
PAT	391	3.8%	504	3.3%

* Net Interest Income - Infrastructure for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

@ % of Daily Average Total Assets

Financials (Rolling 12 months)



Particular	FY 2005	FY 2006	Jul 05 - Jun 06	Oct -5 - Sep 06	Jan 06 - Dec 06	FY 2007
Net Interest Income *	3.7%	3.0%	2.9%	2.9%	2.9%	2.8%
Infrastructure*	3.7%	2.9%	2.8%	2.8%	2.7%	2.6%
Treasury	0.0%	0.1%	0.1%	0.2%	0.2%	0.2%
Non Interest Income	2.4%	2.2%	1.9%	1.9%	1.9%	1.7%
Fees income	0.6%	0.9%	0.9%	0.9%	0.8%	0.9%
Dividend	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
Profit on sale of equity	1.7%	1.2%	1.0%	1.0%	1.0%	0.8%
Miscellaneous income	0.1%	0.0%	0.2%	0.1%	0.1%	0.1%
OPERATING INCOME	6.2%	5.2%	5.0%	5.0%	4.9%	4.7%
OPERATING EXPENSE	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Pre-Provisioning Profits	5.7%	4.7%	4.4%	4.5%	4.4%	4.1%
Provisions & Losses	0.9%	0.3%	0.1%	0.1%	0.1%	0.1%
PBT	4.8%	4.3%	4.3%	4.4%	4.3%	4.0%
Tax, Minority interest	0.3%	0.5%	0.6%	0.8%	0.8%	0.8%
Share of Associate Company	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
PAT	4.5%	3.8%	3.7%	3.7%	3.6%	3.3%

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

Key Indicators (Rolling 12 months)



Ratios	FY 2005	FY 2006	Jul 05 - Jun 06	Oct -5 - Sep 06	Jan 06 - Dec 06	FY 2007
Yield on infrastructure assets*	9.4%	8.9%	8.9%	8.9%	9.1%	9.2%
Yield on treasury assets	5.0%	6.1%	6.2%	6.9%	7.5%	7.6%
Overall Yield	8.9%	8.5%	8.5%	8.6%	8.8%	9.0%
Cost to Income	4.7%	5.3%	5.3%	5.2%	5.2%	5.2%
Effective tax Rate	6.4%	11.7%	15.0%	18.3%	18.9%	20.1%
Leverage	3.8x	4.5x	4.6x	5.0x	5.2x	5.4x
RoE	17%	17%	17%	18%	18%	18%

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

Exposure and Outstanding Disbursements (FY 2007 vis-à-vis FY 2006)

Exposure

Sector	March 31, 2006		March 31, 2007	
	Rs. Crore	%	Rs. Crore	%
Energy	6,436	36.8%	8,497	38.6%
Transportation	4,970	28.4%	5,947	27.0%
Telecommunication & IT	3,140	17.9%	3,809	17.3%
Commercial & Industrial	2,110	12.1%	3,167	14.4%
Others	837	4.8%	620	2.8%
TOTAL	17,492		22,040	
Growth			26%	

Outstanding Disbursements

Sector	March 31, 2006		March 31, 2007		Sector	March 31, 2006		March 31, 2007	
	Rs. Crore	%	Rs. Crore	%		Rs. Crore	%	Rs. Crore	%
Energy	4,329	38.1%	6,631	43.1%	Loans / Debentures	10,313	90.8%	14,147	91.9%
Transportation	3,229	28.4%	4,272	27.7%	Equity / Pref Shares	368	3.2%	384	2.5%
Telecommunication & IT	2,532	22.3%	1,899	12.3%	Non-Funded	675	5.9%	871	5.7%
Commercial & Industrial	972	8.6%	2,265	14.7%	TOTAL	11,355		15,402	
Others	294	2.6%	335	2.2%	Growth			36%	
TOTAL	11,355		15,402						
Growth			36%						

* Excludes Strategic, Subsidiaries, Associates, JVs, Treasury & Other Investments

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■ Top Exposures -

- Top 20 company exposures constitute 42% of the total Exposure
 - ❖ March 31, 2006 - 41%
- Top 20 industrial group exposures constitute 59% of the total Exposure
 - ❖ March 31, 2006 - 63%

■ Top Outstanding Disbursements

- Top 20 company outstanding disbursements constitute 46% of the total outstanding disbursements
 - ❖ March 31, 2006 - 50%
- Top 20 industrial group outstanding disbursements constitute 67% of the total outstanding disbursements
 - ❖ March 31, 2006 - 73%

Cumulative Provision (March 31, 2007)

Sr No	Category	Schedule	Cumulative Provision	
			March 31, 2006	March 31, 2007
1	Infrastructure Portfolio		236	235
	<i>Equity Investments</i>	5	3	3
	<i>Doubtful Loans</i>	6	51	28
	<i>Repriced Assets</i>	6	79	51
	<i>Provision against standard assets</i>	6	104	154
2	Treasury Portfolio		4	5
	<i>GOI / Bonds Mark to Market</i>	5	4	5
3	Sundry Debtors	7	1	1
	TOTAL		241	242

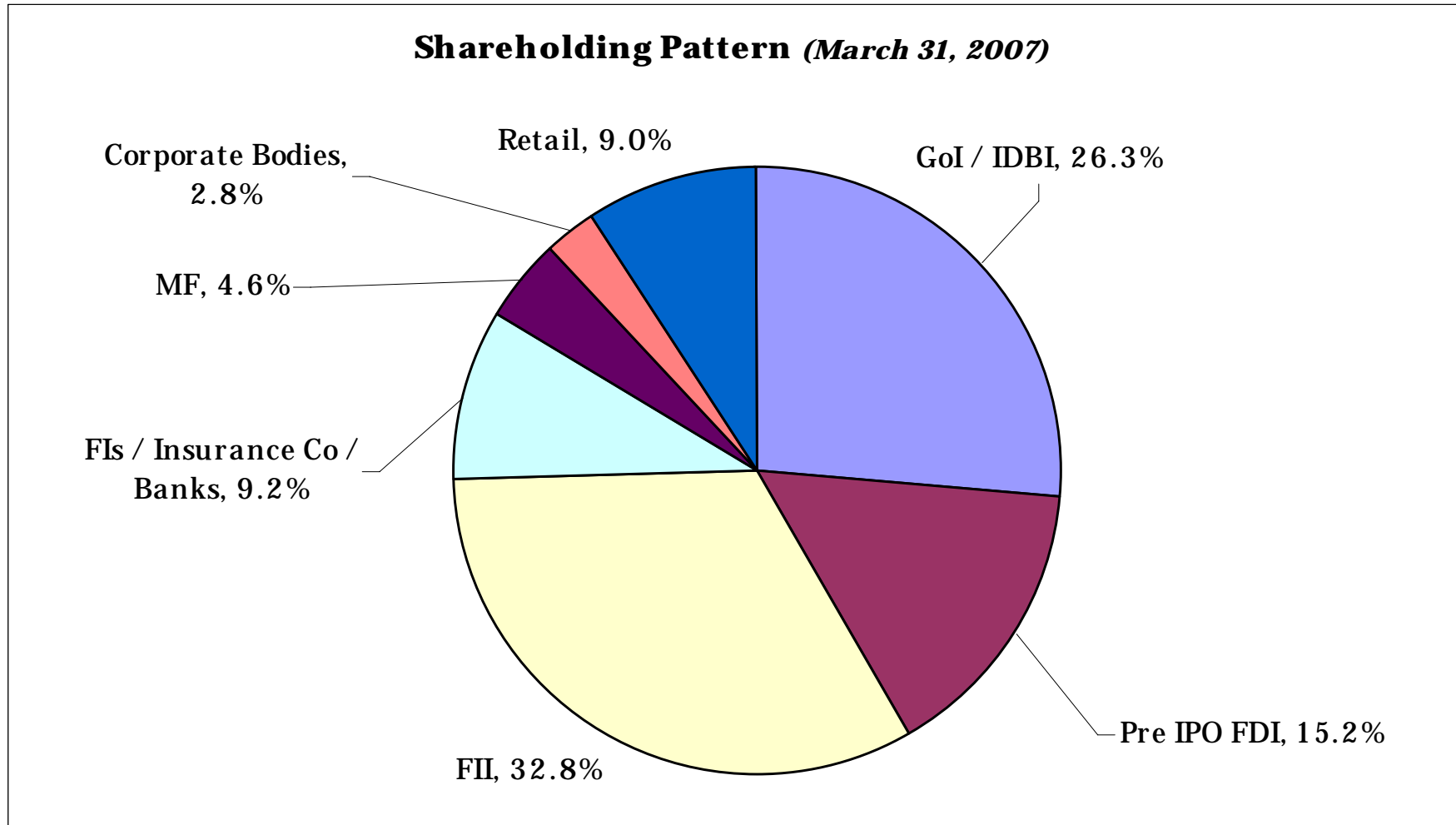
Bad Debts written off (Asia Bio Energy)

16.9

Net Debit to P&L account

17.4

Shareholding Pattern (March 31, 2007)



Major Disbursements (Q4 FY 2007)

- Energy -
 - Gati Infrastructure Limited (Rs. 140 crore) - Non Funded
 - Marudhar Power Private Limited (Rs. 40 crore)
- Transportation
 - Shriram Transport Finance Company Limited (Rs. 200 crore)
 - United Breweries (Holdings) Limited (Rs. 50 crore)
 - Shapoorji Pallonji Infrastructure Capital Company Limited (Rs. 35 crore)
- Telecommunications & IT
 - Dishnet Wireless Limited (Rs. 84 crore) - Non funded
 - Essar Telecom Infrastructure Private Limited (Rs. 55 crore)
 - Aster Teleservices Private Limited (Rs. 20 crore)
- Commercial & Industrial Infrastructure and Others
 - Unitech Limited (Rs. 300 crore)
 - DLF Commercial Developers Limited (Rs. 150 crore)
 - Indu Projects Limited (Rs. 150 crore)
 - Viceroy Hotels Limited (Rs. 76 crore)
 - Chalet Hotels Private Limited (Rs. 50 crore)

Major Assignments (Q4 FY 2007)



■ Debt Syndication

- Deals closed during the quarter -
 - ❖ Chemplast Sanmar Limited (Rs. 90 crore)
 - ❖ Gayatri - Jhansi Roadways Limited (GJRL) / UP2 - Sole Lead Arranger (Rs. 316 crore Sr Debt, Rs. 25 crore sub-debt)
 - ❖ Gayatri - Lalitpur Roadways Limited (GLRL) / UP3 - Sole Lead Arranger (Rs. 234 crore Sr Debt, Rs. 19 crore sub-debt)
- Sell Down
 - ❖ Emas Expressways Private Limited (Rs. 186 crore) - Punjab National Bank
 - ❖ Mapex Infrastructure Private Limited (Rs. 138 crore) - Punjab National Bank

■ Equity Syndication

- Total Environment Building Systems Private Limited (Rs. 100 crore)
- Sterling Urban Developments Private Limited (Rs. 113.5 crore)