



IDFC

IDFC – Investor Presentation (H1FY2013)

October 26, 2012



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

Summary Highlights

- Balance Sheet as on Sept 30, 2012 at ₹ 69,831 crore : 32% YoY growth (Q-o-Q growth : 7%)
- Gross Loan book at ₹ 54,137 crore : 36% YoY growth (Q-o-Q growth : 6%)
 - ❑ Gross Approvals increased by 5% from ₹ 13,901 crore in H1FY12 to ₹ 14,527 crore in H1FY13
 - ❑ Gross Disbursements increased by 60% from ₹ 6,543 crore in H1FY12 to ₹ 10,487 crore in H1FY13
 - ❑ Cumulative Outstanding Approvals as on September 30, 2012 were ₹ 72,441 crore
- Capital Adequacy at 21.5% as on Sept 30, 2012 (*of which Tier I : 19.2%*) vs 21.8% as on June 30, 2012
- PAT increased by 2% from ₹ 838 crore in H1FY12 to ₹ 855 crore in H1FY13
 - ❑ PAT, net of principal gains, increased by 24% from ₹ 651 crore in H1FY12 to ₹ 805 crore in H1FY13
- Operating Income increased by 8% from ₹ 1,495 crore in H1FY12 to ₹ 1,622 crore in H1FY13 on account of NII and Loan related fees (net of principal gains, Op income increased by 24% from ₹1,265 crore in H1FY12 to ₹1,571 crore in H1FY13)
- NII increased by 31% from ₹ 981 crore in H1FY12 to ₹ 1,285 crore in H1FY13.
 - ❑ Overall rolling 12 months spreads increased from 2.52% for July'11 – June'12 to 2.58% for Oct'11 – Sep'12
 - ❑ NII Loan Book increased by 33% from ₹ 867 crore in H1FY12 to ₹ 1,151 crore in H1FY13
 - ✓ Sequentially the NII Loan Book increased by 8% from ₹ 555 crore in Q1FY13 to ₹ 596 crore in Q2FY13

Summary Highlights

- ❑ NII Treasury increased by 17% from ₹114 crore in H1FY12 to ₹134 crore in H1FY13
 - ✓ Sequentially the NII Treasury decreased by 19% from ₹ 74 crore in Q1FY13 to ₹ 60 crore in Q2FY13
- ❑ Income from principal gains was ₹ 51 crore in H1FY13 vs ₹ 231 crore in H1FY12
- ❑ Asset Management income decreased by 13% from ₹153 crore in H1FY12 to ₹133 crore in H1FY13
 - ✓ Public Markets
 - Average AUM decreased by 3% from ₹ 29,743 crore in H1FY12 to ₹ 28,983 crore to H1FY13
 - Market share decreased from 3.9% as on Jun'12 to 3.8% as on Sep'12
 - Debt Equity Fund Mix remained at 80:20 as of September 30, 2012
 - Asset Management Fees increased by 11% from ₹ 67 crore in H1FY12 to ₹ 75 crore in H1FY13
 - ✓ Alternatives
 - Average AUM stable at ₹ 8,172 crore
 - Asset Management Fees decreased by 3% from ₹ 59 crore in H1FY12 to ₹ 58 crore in H1FY13
 - VC gains & Carry : nil vs ₹ 27 crore in H1FY12
- ❑ Investment Banking & Broking income decreased by 6% from ₹38 crore in H1FY12 to ₹36 crore in H1FY13
 - ✓ Investment Banking income increased by 46% from ₹ 15 crore in H1FY12 to ₹ 23 crore in H1FY13
 - ✓ Institutional Broking income decreased by 41% from ₹ 23 crore in H1FY12 to ₹ 13 crore in H1FY13
- ❑ Loan related fee income increased by 38% from ₹ 77 crore in H1FY12 to ₹ 106 crore in H1FY13

Summary Highlights

- Operating Expenses decreased by 2% from ₹ 245 crore in H1FY12 to ₹ 240 crore in H1FY13
 - ❑ Cost to Income on a rolling 12 months basis unchanged at 16.7% in period ending Sep'12
 - ❑ HR expenses decreased by 6% from ₹ 142 crore in H1FY12 to ₹ 134 crore in H1FY13
 - ❑ Non-HR expenses increased by 3% from ₹ 103 crore in H1FY12 to ₹ 106 crore in H1FY13

- Provisions increased by 29% from ₹ 103 crore in H1FY12 to ₹ 133 crore in H1FY13 due to higher provisions on the investment portfolio made in Q1FY13
 - ❑ Provisions on Loans increased by 23% from ₹ 54 crore in H1FY12 to ₹ 66 crore in H1FY13
 - ❑ Provisions on Investments & others increased by 36% from ₹ 49 crore in H1FY12 to ₹ 67 crore in H1FY13

- Asset Quality
 - ❑ Gross NPAs : 0.28%, Net NPAs : 0.13%
 - ❑ Loan Loss Reserve Ratio as on Sept 30, 2012 : 1.5%

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

Balance Sheet

(Amounts in ₹ crore)

Particular	30-Sep-12	30-Jun-12	31-Mar-12	30-Sep-11	% Growth	
					Y-o-Y	Q-o-Q
Shareholders' Funds	13,152	12,683	12,285	12,073	9%	4%
Borrowings	53,680	50,012	46,435	39,576	36%	7%
Current Liabilities	2,998	2,321	2,259	1,391	115%	29%
TOTAL LIABILITIES	69,831	65,017	60,979	53,040	32%	7%
Net Loan Book	53,381	50,157	48,185	39,310	36%	6%
<i>Gross Loan Book</i>	54,137	50,892	48,888	39,923	36%	6%
<i>Less Provision</i>	756	734	704	614	23%	3%
Treasury ¹	9,014	8,249	6,612	7,149	26%	9%
Equity ^{1,2}	2,999	3,051	2,993	3,090	-3%	-2%
Current Assets	4,436	3,560	3,189	3,491	27%	25%
TOTAL ASSETS	69,831	65,017	60,979	53,040	32%	7%

¹ Net of provision

² Goodwill of Subsidiaries on account of consolidation as of Sept 30, 2012 - ₹957 crore

Consol Financials (P&L)

(Amounts in ₹ crore)

Particular	H1FY13	H1FY12	% Growth	Q2FY13	Q1FY13	Q2FY12	% Growth	
							Q2 Vs Q2	Q2 Vs Q1
Net Interest Income	1,285	981	31%	656	629	498	32%	4%
Loans	1,151	867	33%	596	555	438	36%	8%
Treasury	134	114	17%	60	74	59	1%	-19%
Non-Interest Income	325	499	-35%	189	137	389	-51%	38%
Principal Gains	51	231	-78%	49	2	232	-79%	na
Asset Management	133	153	-13%	69	64	91	-24%	8%
<i>Mutual Fund</i>	75	67	11%	40	35	35	15%	14%
<i>Alternatives</i>	58	86	-33%	29	29	57	-49%	1%
<i>Fees</i>	58	59	-3%	29	29	30	-4%	1%
<i>VC Gain & Carry</i>	0	27	na	0	0	27	na	na
Investment Banking & Broking	36	38	-6%	27	9	23	15%	182%
<i>Investment Banking</i>	23	15	46%	19	3	12	64%	448%
<i>Institutional Broking</i>	13	23	-41%	8	6	11	-35%	26%
Loan Related & Other Fees	106	77	38%	44	62	42	5%	-29%
Other Income	11	15	-27%	5	7	4	27%	-30%
OPERATING INCOME	1,622	1,495	8%	849	772	890	-5%	10%
OPERATING EXPENSES	240	245	-2%	124	117	132	-6%	6%
HR	134	142	-6%	68	66	77	-11%	3%
Non-HR	106	103	3%	55	51	55	1%	9%
Provisions	133	103	29%	30	103	63	-52%	-71%
<i>Loans</i>	66	54	23%	27	39	23	18%	-29%
<i>Investments</i>	67	49	36%	3	64	40	-93%	-96%
PBT	1,249	1,147	9%	696	553	696	0%	26%
Tax, Minority int, etc	393	309	27%	220	173	172	28%	27%
PAT	855	838	2%	476	380	524	-9%	25%
PAT (net of principal gains)	805	651	24%	427	378	335	27%	13%

RoA Tree (rolling 12 months)

(% of avg total assets)

Particular	Oct 11 - Sep12	Jul11 - Jun12	FY12	FY11
Net Interest Income	4.0%	4.0%	3.9%	3.8%
Loans	3.6%	3.5%	3.5%	3.5%
Treasury	0.4%	0.4%	0.4%	0.3%
Non-Interest Income	1.1%	1.5%	1.6%	2.0%
Principal Investments	0.3%	0.6%	0.7%	0.4%
Asset Management	0.4%	0.5%	0.5%	0.7%
Investment Banking & Broking	0.1%	0.1%	0.1%	0.5%
Loan Related & Other Fees	0.3%	0.3%	0.3%	0.5%
Other Income	0.0%	0.0%	0.0%	0.1%
OPERATING INCOME	5.1%	5.6%	5.6%	5.9%
OPERATING EXPENSES	0.9%	0.9%	1.0%	1.2%
HR	0.5%	0.5%	0.6%	0.7%
Non-HR	0.4%	0.4%	0.4%	0.6%
Provisions	0.5%	0.6%	0.5%	0.5%
PBT	3.8%	4.0%	4.1%	4.1%
Tax, Minority int, etc	1.2%	1.2%	1.2%	1.2%
PAT	2.6%	2.9%	2.9%	3.0%

Ratios (rolling 12 months)

Particular	Oct11- Sep12	Jul11 - Jun12	FY12	FY11
NII / Operating Income	78%	72%	71%	65%
Non-int income / Operating Income	22%	28%	28%	34%
HR / Operating Income	9.6%	9.7%	10.2%	11.6%
Cost / Income	16.7%	16.7%	17.5%	20.9%
RoE	12.5%	13.2%	13.0%	12.9%
Leverage (<i>Closing</i>)	5.3 x	5.1 x	5.0 x	4.4 x
Loan Loss Reserve (<i>Closing</i>)	1.5%	1.6%	1.5%	1.6%
Gross NPA	0.28%	0.30%	0.30%	0.21%
Net NPA	0.13%	0.14%	0.15%	0.10%
Average Spreads	2.6%	2.5%	2.4%	2.2%
NIMs	4.4%	4.4%	4.3%	4.2%

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

Concentration Analysis (Sept'12 vis-à-vis Jun'12)

(Amounts in ₹ crore)

Particular	Sep-12	% of Total	Jun-12	% of Total	Mar-12	% of Total
Energy	29,031	40%	31,388	41%	28,560	41%
Transportation	16,804	23%	18,119	24%	19,210	28%
Telecom	17,510	24%	17,696	23%	14,850	21%
Others	9,097	13%	9,209	12%	7,098	10%
Total	72,441	100%	76,412	100%	69,718	100%

➤ Top Cumulative OS Approvals

- ❑ Top 20 Company : 38% of total

✓ (June 30, 2012 : 36%)

- ❑ Top 20 Industrial Group : 58% of total

✓ (June 30, 2012 : 56%)

(Amounts in ₹ crore)

Particular	Sep-12	% of Total	Jun-12	% of Total	Mar-12	% of Total
Energy	25,076	42%	24,105	43%	22,765	43%
Transportation	13,318	23%	13,049	24%	12,611	24%
Telecom	14,092	24%	12,136	22%	12,263	23%
Others	6,596	11%	6,124	11%	5,883	11%
Total	59,083	100%	55,414	100%	53,522	100%

➤ Top OS Disbursements

- ❑ Top 20 Company : 41% of total

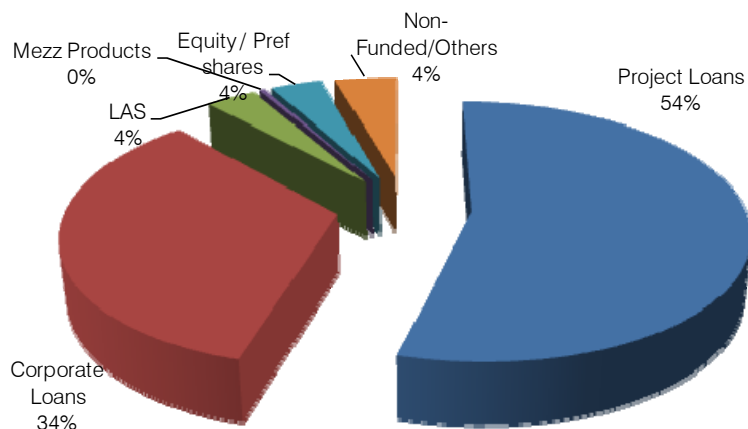
✓ (June 30, 2012 : 41%)

- ❑ Top 20 Industrial Group : 60% of total

✓ (June 30, 2012 : 63%)

Product wise concentration analysis

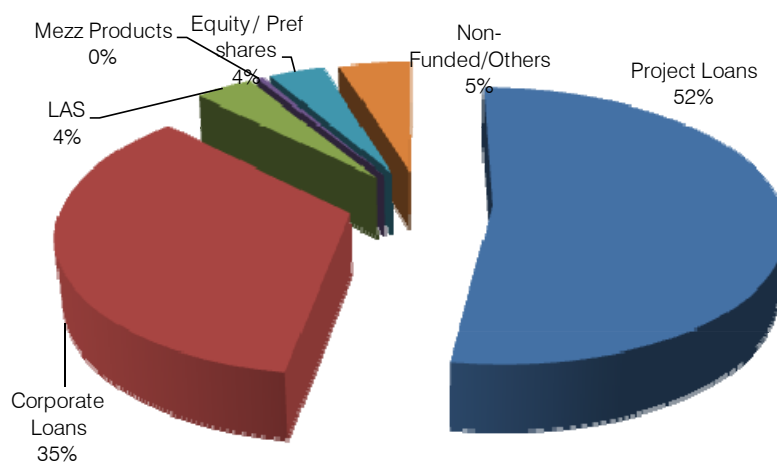
Product wise Cum OS Approvals (Sep 30, 2012)



(Amounts in ₹ crore)

Product type	Amount in ₹ crore			% of total		
	Sep-12	Mar-12	Sep-11	Sep-12	Mar-12	Sep-11
Loans / Debentures	66,691	64,099	56,874	92.1%	91.9%	90.6%
<i>Project Loans</i>	39,403	41,186	35,662	54.4%	59.1%	56.8%
<i>Corporate Loans</i>	24,482	19,705	19,326	33.8%	28.3%	30.8%
<i>LAS</i>	2,515	2,945	1,560	3.5%	4.2%	2.5%
<i>Mezz Products</i>	292	263	326	0.4%	0.4%	0.5%
Equity / Pref shares	2,569	2,708	3,215	3.5%	3.9%	5.1%
Non-Funded/Others	3,181	2,912	2,662	4.4%	4.2%	4.2%
TOTAL	72,441	69,718	62,752	100.0%	100.0%	100.0%

Product wise OS Disbursements (Sep 30, 2012)



(Amounts in ₹ crore)

Product type	Amount in ₹ crore			% of total		
	Sep-12	Mar-12	Sep-11	Sep-12	Mar-12	Sep-11
Loans / Debentures	54,141	48,888	39,927	91.6%	91.3%	90.0%
<i>Project Loans</i>	31,053	29,579	23,790	52.6%	55.3%	53.6%
<i>Corporate Loans</i>	20,608	16,695	14,307	34.9%	31.2%	32.3%
<i>LAS</i>	2,231	2,352	1,540	3.8%	4.4%	3.5%
<i>Mezz Products</i>	250	261	290	0.4%	0.5%	0.7%
Equity / Pref shares	2,127	2,150	2,037	3.6%	4.0%	4.6%
Non-Funded/Others	2,814	2,485	2,392	4.8%	4.6%	5.4%
TOTAL	59,083	53,522	44,357	100.0%	100.0%	100.0%

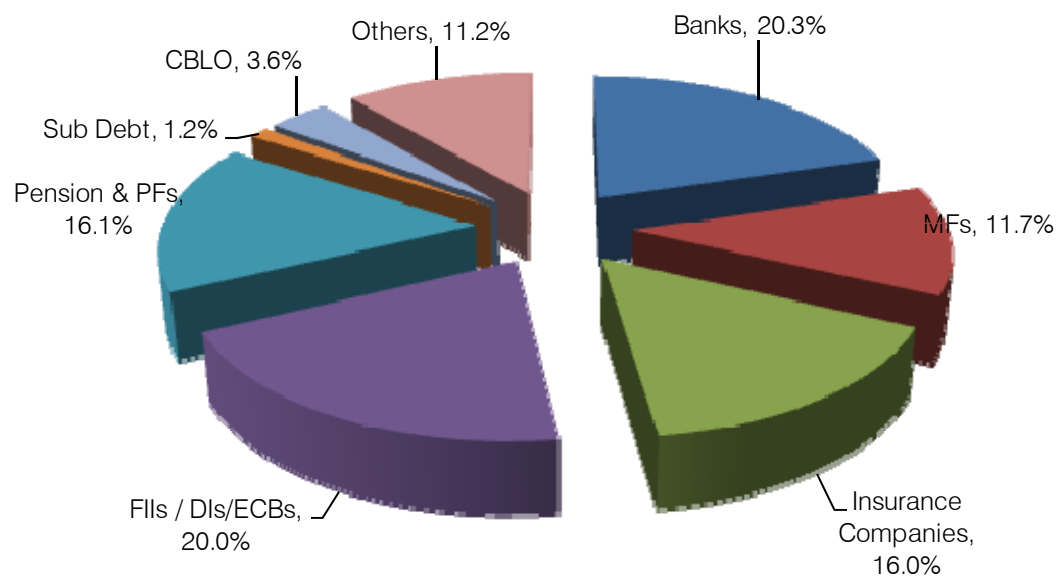
-
1. Snapshot
 2. Balance Sheet & Financials
 3. Concentration and product analysis
 4. Borrowings
 5. Shareholding
 6. Highlights

Borrowing Analysis

(Amounts in ₹ crore)

Particular	Amount			% of total		
	30-Sep-12	31-Mar-12	30-Sep-11	30-Sep-12	31-Mar-12	30-Sep-11
LT Rupee Loans	3,519	3,342	5,727	7%	7%	14%
LT Bonds / Debentures	36,852	30,940	25,042	69%	67%	63%
Sub Debt	650	650	650	1%	1%	2%
Foreign Currency Loans	3,282	4,153	4,131	6%	9%	10%
Short Term	9,378	7,351	4,025	17%	16%	10%
TOTAL	53,680	46,435	39,576	100%	100%	100%

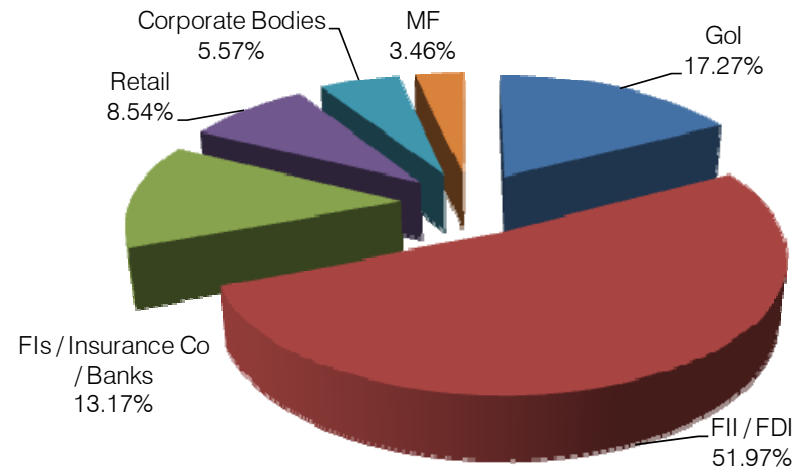
Borrowings - Lender wise (Sep30, 2012)



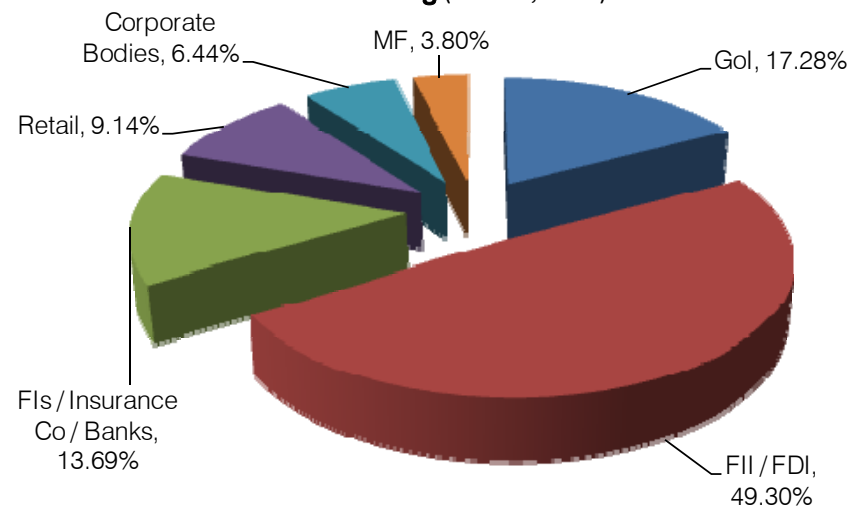
-
1. Snapshot
 2. Balance Sheet & Financials
 3. Concentration and product analysis
 4. Borrowings
 5. Shareholding
 6. Highlights

Shareholding

Shareholding (September 30, 2012)



Shareholding (Mar 31, 2012)



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

Other Highlights

- **Adjusted Duration**

- Assets – 1.8 years (June 30, 2012 – 1.5 years)
- Liabilities – 1.9 years (June 30, 2012 – 1.9 years)

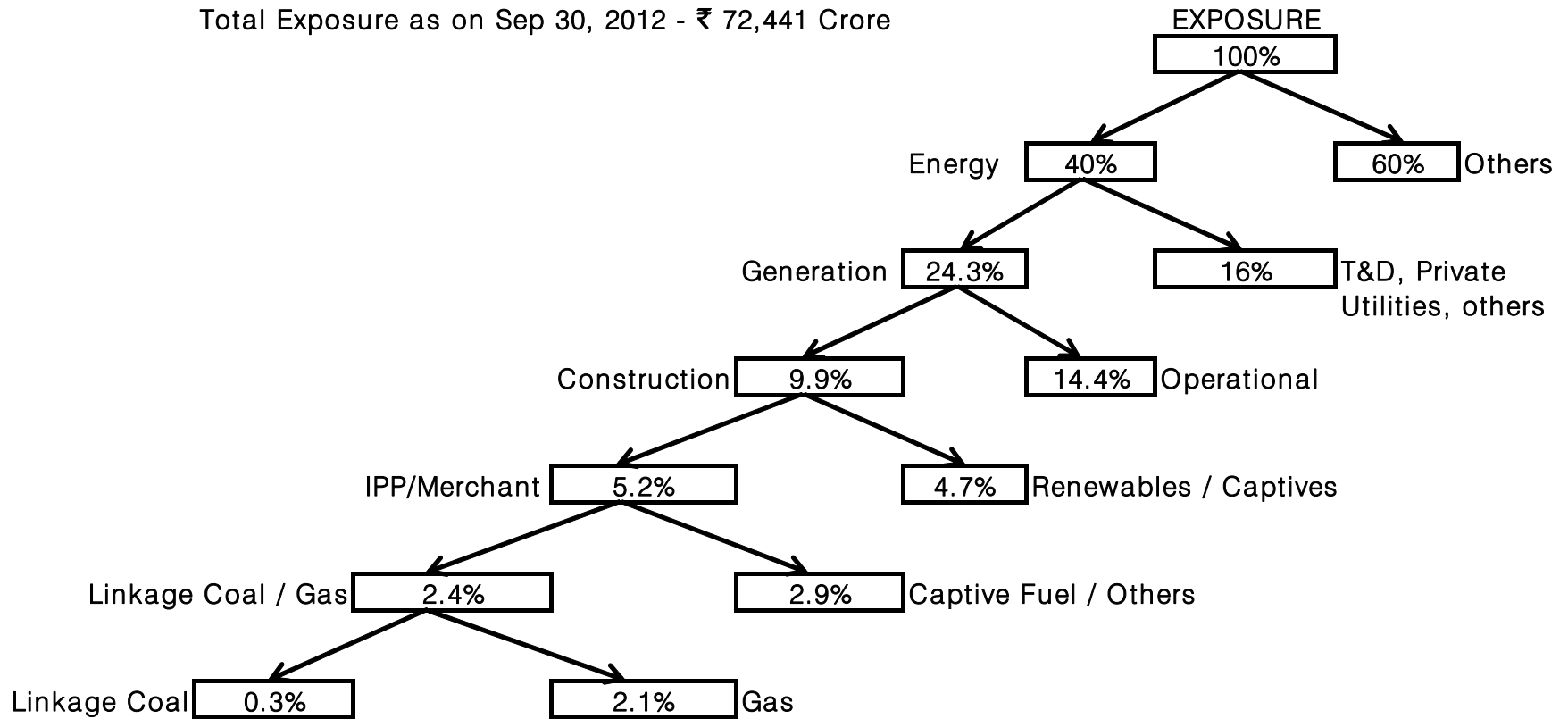
- **Assets Under Management**

Fund Name	AUM (Sep 30, 2012)	
	₹ Crore	USD* (bn)
IDFC Private Equity**	4,335	1.0
Fund I	204	0.0
Fund II	1,228	0.3
Fund III	2,903	0.6
IDFC Project Equity Fund**	3,837	0.9
IDFC Mutual Fund	28,983	5.5
Equity	6,640	1.3
Debt	22,343	4.2
Total	37,155	7.4

**Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close; Others 1 USD = ₹ 52.70 as on Sep 30, 2012.

Energy Exposure Tree

Total Exposure as on Sep 30, 2012 - ₹ 72,441 Crore



Thank You !!!!