



**IDFC**

# IDFC : Investor Presentation (FY2013)

May 01, 2013



**1. Snapshot**

**2. Balance Sheet & Financials**

**3. Concentration and product analysis**

**4. Borrowings**

**5. Shareholding**

**6. Highlights**

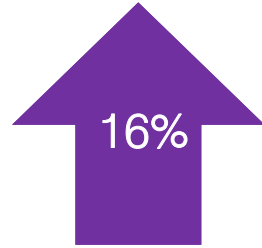
Balance Sheet

₹71,059 crore



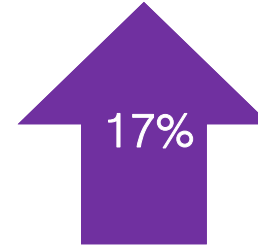
Gross Loans

₹56,595 crore



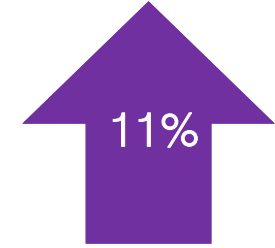
Borrowings

₹54,227 crore



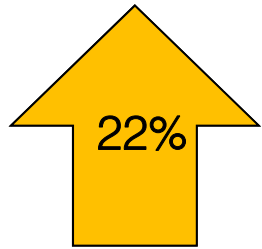
Networth

₹13,683 crore



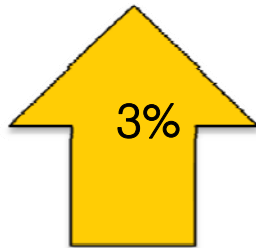
NII

₹2,564 crore



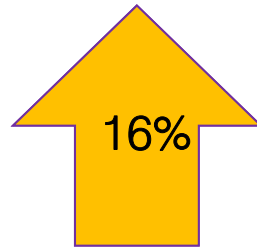
Non-Int Income

₹883 crore



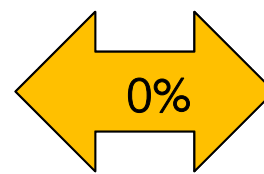
Op. Income

₹3,468 crore



Op. Expenses

₹525 crore



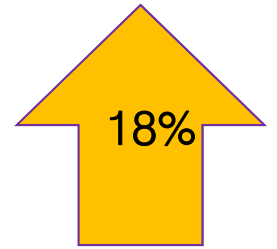
Provisions

₹350 crore

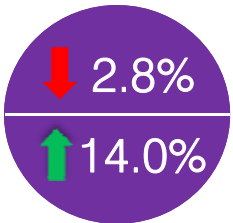


PAT

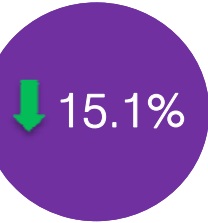
₹1,836 crore



RoA



RoE

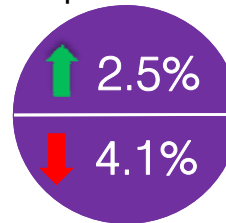


Cost / Income

5.2x

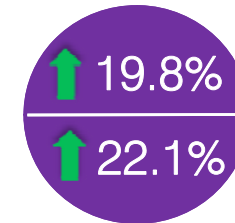
Leverage

Spreads



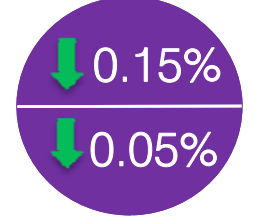
NIMs

Tier I

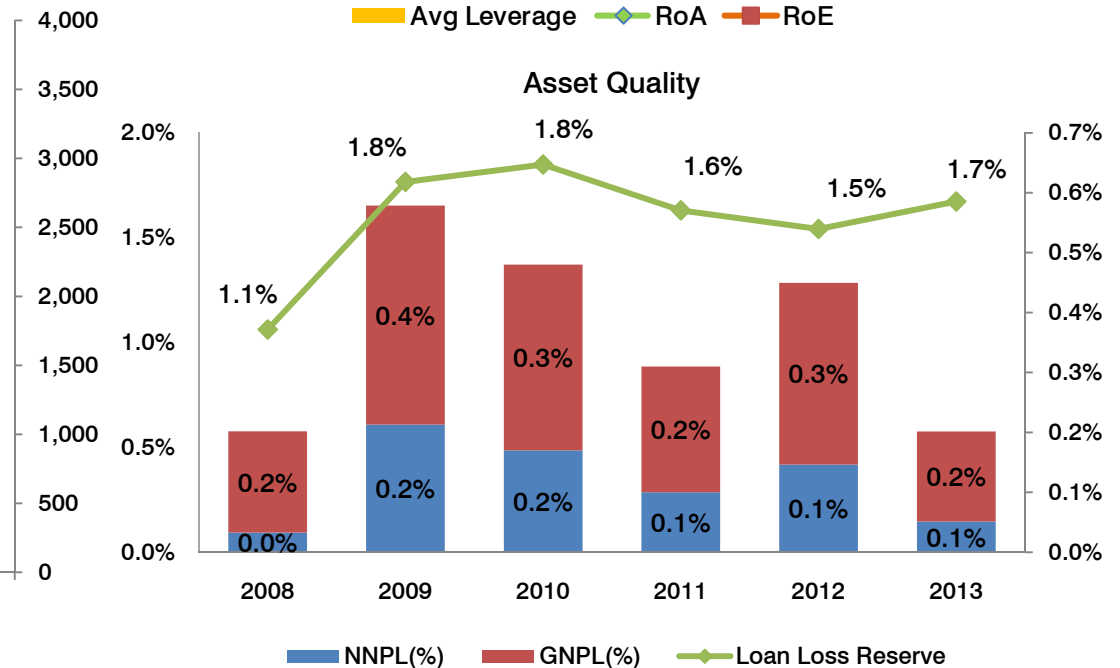
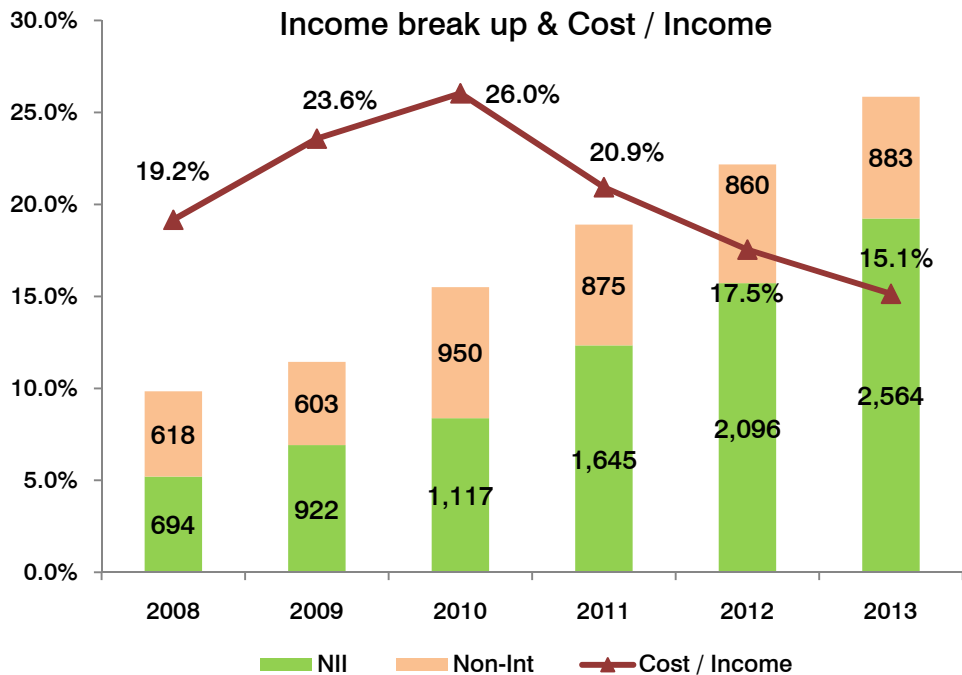
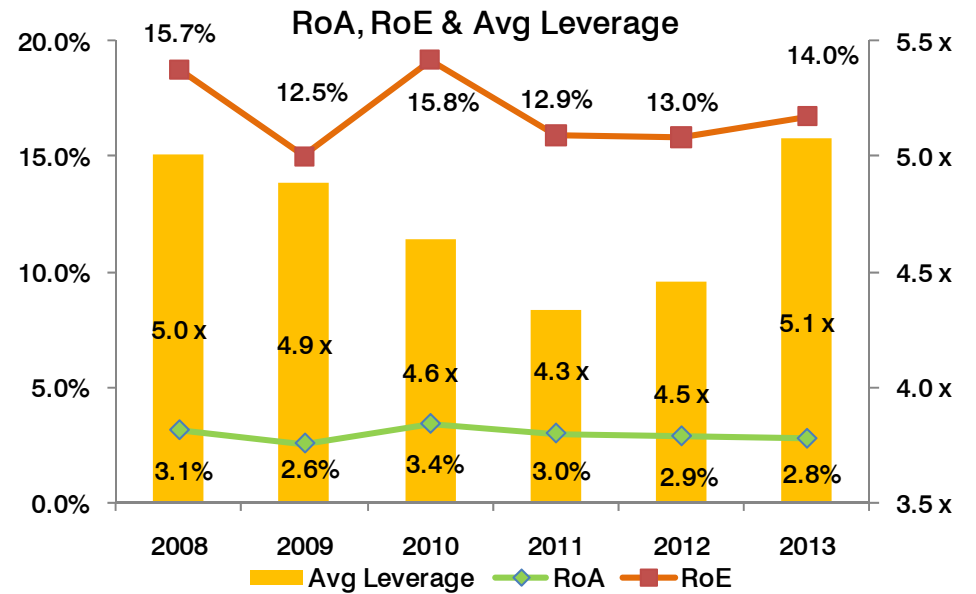
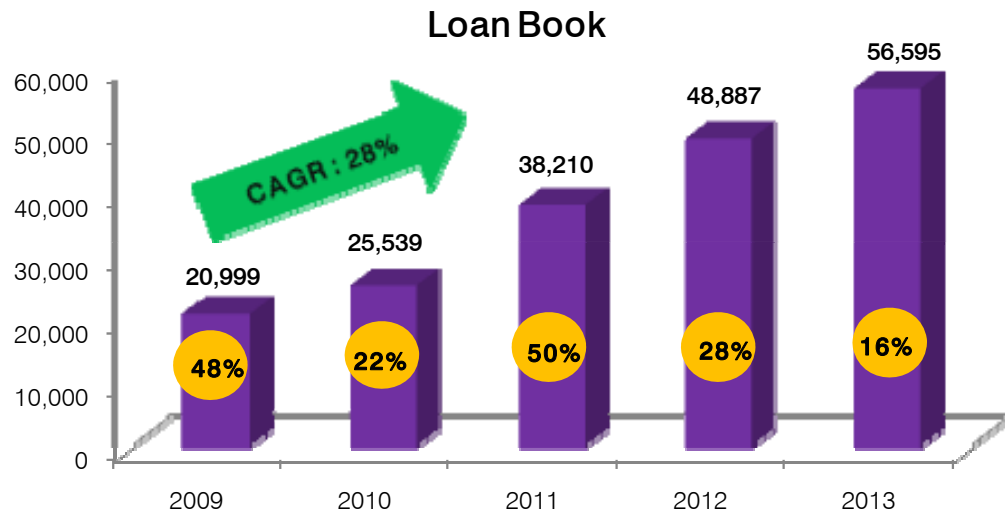


Cap Adeq

Gross NPL



Net NPL



## Business Highlights

### Project Finance

- Approvals : ₹26,576 crore (17% YoY decrease – FY12 : ₹31,868 crore )
- Disbursements : ₹17,695 crore (4% YoY decrease – FY12 : ₹18,404 crore )
- Cumulative OS Approvals : ₹72,597 crore (4% YoY increase)
- NII Loan Book : ₹2,365 crore (26% YoY increase)
  - Q4FY13 : ₹603 crore
- Loan Related Fees : ₹189 crore (53% YoY increase)
- Loan Provisions : ₹206 crore (11% YoY increase)
- Loan Loss Reserve Ratio : 1.7%

### Fixed Income & Treasury

- NII Treasury : ₹199 crore (8% YoY decrease)
- Fixed Income : ₹119 crore (128% YoY increase)
- Treasury Assets : ₹9,219 crore (39% increase)

- Overall Spreads : 2.5% (FY12 : 2.3%)
- Capital Adequacy : 22.1% (of which Tier I : 19.8%) vs 20.8% as on Mar'12

### Resources :

- IDFC is the 2<sup>nd</sup> highest private issuer of domestic debt (FM's address in Global Road show) & 5<sup>th</sup> highest overall.
- Largest borrowings through ECB in a single year - \$525 mn
- Focused diversification amongst institutional investor base with almost 1,000 PF investors
- Borrowings outstanding : ₹54,227 crore (17% YoY increase)

## Business Highlights

### Investment Banking & Broking

- Institutional Broking income : ₹36 crore (13% YoY decrease)
- Investment Banking income : ₹43 crore (215% YoY increase)

### Alternatives

- Average AUM : ₹8,041 crore
  - Private Equity : ₹4,204 crore
  - Project Equity : ₹3,837 crore
- Asset management fees from alternatives : ₹130 crore (18% YoY decrease)
- Capital Gains & Carry : ₹15 crore (60% YoY decrease)

### Public Market AMC

- Average AUM FY13 : ₹30,928 crore (Debt : Equity – 80:20)
- 9th Rank AMC
- Market Share : 4.0%
- Asset management Fees from AMC : ₹180 crore (48% YoY increase)

- Principal Gains (excluding cap gains and carry) : ₹187 crore (47% YoY decrease)

### Operating Expenses :

- HR expenses : ₹299 crore (5% YoY decrease)
- Non HR expenses : ₹226 crore (9% YoY increase)
- Cost / Income : 15.1% (FY12 : 17.5%)

1. Snapshot

2. Balance Sheet & Financials

3. Concentration and product analysis

4. Borrowings

5. Shareholding

6. Highlights



## Consol Financials : Balance Sheet

(Amounts in ₹ crore)

Particular	31-Mar-13	31-Dec-12	31-Mar-12	% Growth	
				Y-o-Y	Q-o-Q
Networth	13,683	13,614	12,285	11%	1%
Borrowings	54,227	51,634	46,435	17%	5%
Current Liabilities	3,149	3,675	2,282	38%	-14%
<b>TOTAL LIABILITIES</b>	<b>71,059</b>	<b>68,923</b>	<b>61,003</b>	<b>16%</b>	<b>3%</b>
Net Loan Book	55,736	53,325	48,185	16%	5%
<i>Gross Loan Book</i>	56,595	54,104	48,887	16%	5%
<i>Less Provision</i>	858	779	704	22%	10%
Treasury <sup>1</sup>	9,219	8,265	6,612	39%	12%
Consol Equity <sup>1,2</sup>	3,124	3,029	2,993	4%	3%
Current Assets	2,980	4,304	3,214	-7%	-31%
<b>TOTAL ASSETS</b>	<b>71,059</b>	<b>68,923</b>	<b>61,003</b>	<b>16%</b>	<b>3%</b>

<sup>1</sup> Net of provision

<sup>2</sup> Goodwill on consolidation as of Mar 31, 2013 - ₹ 957 crore

## Consol Financials : Profit & Loss Account

( ₹ crore)

Particular	FY13	FY12	% Growth	Q4FY13	Q3FY13	Q4FY12	% Growth	
							Q4 Vs Q4	Q4 Vs Q3
<b>Net Interest Income</b>	<b>2,564</b>	<b>2,096</b>	<b>22%</b>	<b>643</b>	<b>656</b>	<b>585</b>	<b>10%</b>	<b>-2%</b>
Loans	2,365	1,880	26%	603	611	540	12%	-1%
Treasury	199	216	-8%	40	45	45	-12%	-12%
<b>Non-Interest Income</b>	<b>883</b>	<b>860</b>	<b>3%</b>	<b>363</b>	<b>171</b>	<b>134</b>	<b>171%</b>	<b>112%</b>
Principal Gains	187	350	-47%	129	7	29	na	na
Asset Management	309	280	10%	89	87	60	50%	2%
<i>Mutual Fund</i>	180	122	48%	60	45	28	110%	32%
<i>Alternatives</i>	130	159	-18%	30	42	31	-5%	-29%
Fees	114	120	-5%	27	29	30	-8%	-7%
VC Gain & Carry	15	39	-60%	3	13	2	57%	-80%
Investment Banking & Broking	78	54	44%	39	8	10	na	na
<i>Investment Banking</i>	43	14	215%	26	1	0	na	na
<i>Institutional Broking</i>	36	41	-13%	14	7	10	30%	96%
Fixed Income	119	52	128%	57	30	7	na	93%
Loan Book Related fees	189	124	53%	48	39	29	65%	24%
Other Income	22	23	-7%	3	7	5	-38%	-53%
<b>OPERATING INCOME</b>	<b>3,468</b>	<b>2,980</b>	<b>16%</b>	<b>1,009</b>	<b>834</b>	<b>725</b>	<b>39%</b>	<b>21%</b>
<b>OPERATING EXPENSES</b>	<b>525</b>	<b>523</b>	<b>0%</b>	<b>151</b>	<b>134</b>	<b>150</b>	<b>1%</b>	<b>13%</b>
HR	299	314	-5%	85	80	100	-15%	7%
Non-HR	226	208	9%	66	54	50	31%	22%
Provisions	350	285	23%	165	52	84	97%	216%
<i>Loans</i>	206	186	11%	106	20	75	41%	na
<i>Investments</i>	144	99	46%	59	32	9	na	83%
PBT	2,594	2,173	19%	693	648	491	41%	7%
Tax, Minority int, etc	757	619	22%	168	196	156	7%	-15%
<b>PAT</b>	<b>1,836</b>	<b>1,554</b>	<b>18%</b>	<b>526</b>	<b>452</b>	<b>335</b>	<b>57%</b>	<b>16%</b>
<b>PAT (net of principal gains)</b>	<b>1,676</b>	<b>1,251</b>	<b>34%</b>	<b>423</b>	<b>445</b>	<b>308</b>	<b>37%</b>	<b>-5%</b>

## Consol Financials : RoA Tree

(% of avg total assets)

Particular	FY13	Jan12 - Dec12	Oct11 - Sep12	Jul11 - Jun12	FY12
<b>Net Interest Income</b>	<b>3.8%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>3.9%</b>
Loans	3.5%	3.6%	3.6%	3.5%	3.5%
Treasury	0.3%	0.3%	0.3%	0.4%	0.4%
<b>Non-Interest Income</b>	<b>1.3%</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.6%</b>	<b>1.6%</b>
Principal Investments	0.3%	0.2%	0.3%	0.7%	0.7%
Asset Management	0.5%	0.4%	0.4%	0.4%	0.5%
Investment Banking & Broking	0.1%	0.1%	0.1%	0.1%	0.1%
Fixed Income	0.2%	0.1%	0.1%	0.1%	0.1%
Loan Related & Other Fees	0.3%	0.3%	0.3%	0.3%	0.2%
Other Income	0.0%	0.0%	0.0%	0.0%	0.0%
<b>OPERATING INCOME</b>	<b>5.2%</b>	<b>5.0%</b>	<b>5.1%</b>	<b>5.6%</b>	<b>5.6%</b>
<b>OPERATING EXPENSES</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>1.0%</b>
HR	0.4%	0.5%	0.5%	0.5%	0.6%
Non-HR	0.3%	0.3%	0.4%	0.4%	0.4%
Provisions	0.5%	0.4%	0.5%	0.6%	0.5%
PBT	3.9%	3.7%	3.8%	4.0%	4.1%
Tax, Minority int, etc	1.1%	1.2%	1.2%	1.2%	1.2%
<b>PAT</b>	<b>2.8%</b>	<b>2.6%</b>	<b>2.6%</b>	<b>2.9%</b>	<b>2.9%</b>

## Consol Financials : Ratios

Particular	FY13	Jan12 - Dec12	Oct11 - Sep12	Jul11 - Jun12	FY12
NII / Operating Income	74%	78%	76%	71%	70%
Non-int income / Operating Income	25%	21%	23%	29%	29%
HR / Operating Income	9%	10%	10%	10%	10%
Cost / Income	15.1%	16.5%	16.7%	16.7%	17.5%
RoA	2.8%	2.6%	2.6%	2.9%	2.9%
RoE	14.0%	12.8%	12.5%	13.2%	13.0%
Leverage ( <i>Closing</i> )	5.2 x	5.1 x	5.3 x	5.1 x	5.0 x
Loan Loss Reserve Ratio*	1.7%	1.6%	1.5%	1.6%	1.5%
Gross NPL	0.15%	0.26%	0.28%	0.30%	0.30%
Net NPL	0.05%	0.12%	0.13%	0.14%	0.15%
Average Spreads	2.5%	2.5%	2.5%	2.5%	2.3%
NIMs	4.1%	4.2%	4.3%	4.3%	4.3%

\*Standard Assets Provision / Standard Assets

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## Concentration Analysis (Sector)

### Cumulative OS Approvals

(Amounts in ₹ crore)

Particular	Mar-13	% of Total	Dec-12	% of Total	Mar-12	% of Total
Energy	29,234	40%	28,533	39%	28,560	41%
Transportation	18,210	25%	17,137	23%	19,210	28%
Telecom	14,927	21%	18,414	25%	14,850	21%
Others	10,226	14%	9,928	13%	7,098	10%
<b>TOTAL</b>	<b>72,597</b>	<b>100%</b>	<b>74,012</b>	<b>100%</b>	<b>69,718</b>	<b>100%</b>

- Top 20 Companies : 39% of total (Dec'12 : 38%)
- Top 20 Industrial Groups : 58% of total (Dec'12 : 57%)

### Outstanding Disbursement

(Amounts in ₹ crore)

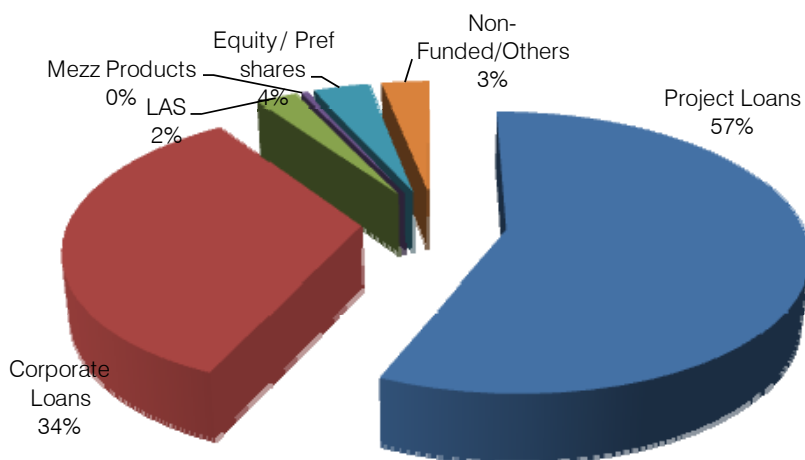
Particular	Mar-13	% of Total	Dec-12	% of Total	Mar-12	% of Total
Energy	25,212	41%	24,516	42%	22,765	43%
Transportation	14,365	24%	13,420	23%	12,611	24%
Telecom	13,772	23%	13,578	23%	12,263	23%
Others	7,433	12%	7,258	12%	5,883	11%
<b>TOTAL</b>	<b>60,782</b>	<b>100%</b>	<b>58,771</b>	<b>100%</b>	<b>53,522</b>	<b>100%</b>

- Top 20 Companies : 40% of total (Dec'12 : 41%)
- Top 20 Industrial Groups : 58% of total (Dec'12 : 59%)

## Concentration Analysis (Product)

**Product wise Cum OS Approvals (Mar 31, 2013)**

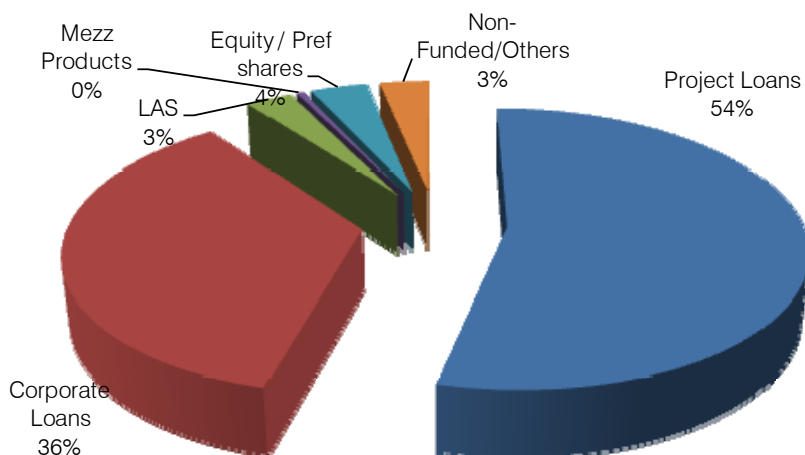
(Amounts in ₹ crore)



Product type	Amount in ₹ crore			% of total		
	Mar-13	Dec-12	Mar-12	Mar-13	Dec-12	Mar-12
Loans / Debentures	67,711	68,373	64,099	93.3%	92.4%	91.9%
Project Loans	41,103	39,918	41,186	56.6%	53.9%	59.1%
Corporate Loans	24,465	25,870	19,705	33.7%	35.0%	28.3%
LAS	1,870	2,305	2,945	2.6%	3.1%	4.2%
Mezz Products	272	281	263	0.4%	0.4%	0.4%
Equity / Pref shares	2,661	2,743	2,708	3.7%	3.7%	3.9%
Non-Funded/Others	2,226	2,896	2,912	3.1%	3.9%	4.2%
<b>TOTAL</b>	<b>72,597</b>	<b>74,012</b>	<b>69,718</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Product wise OS Disbursements (Mar 31, 2013)**

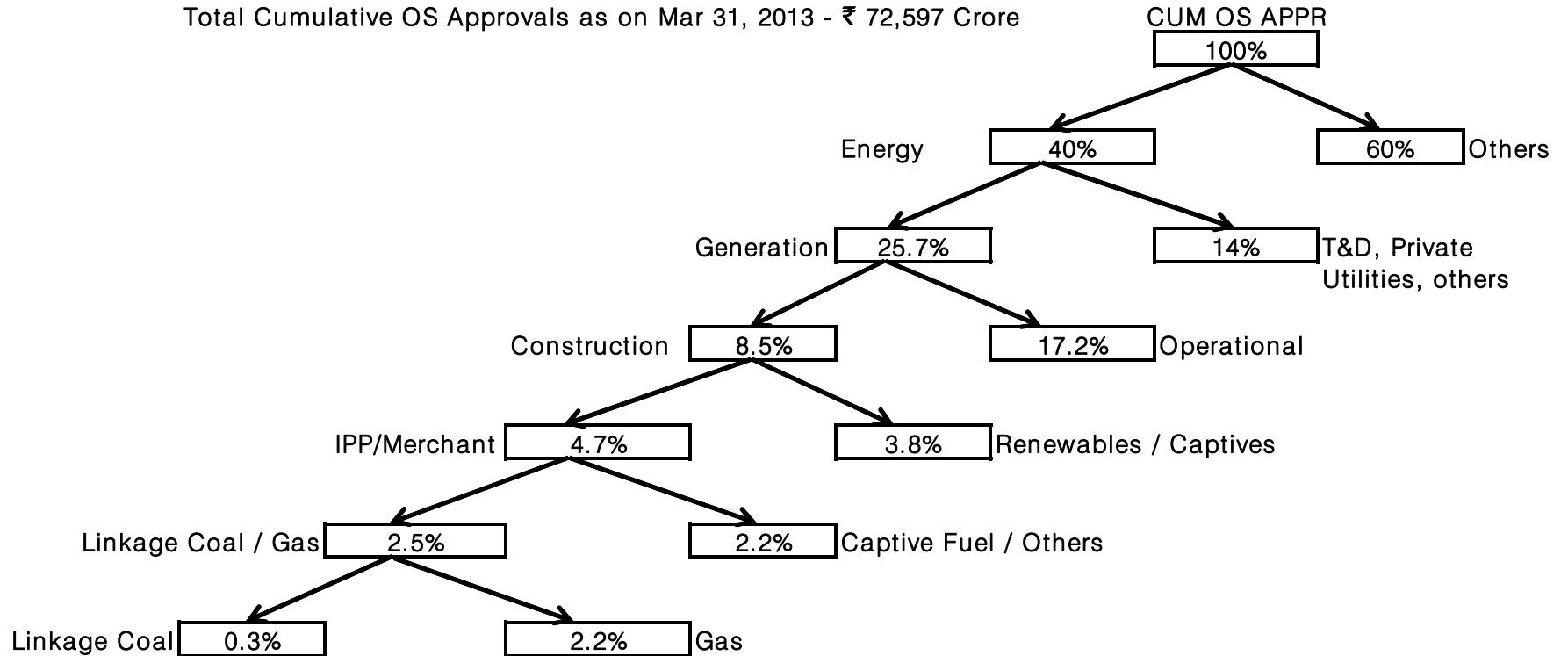
(Amounts in ₹ crore)



Product type	Amount in ₹ crore			% of total		
	Mar-13	Dec-12	Mar-12	Mar-13	Dec-12	Mar-12
Loans / Debentures	56,595	54,104	48,888	93.1%	92.1%	91.3%
Project Loans	32,766	30,980	29,579	53.9%	52.7%	55.3%
Corporate Loans	21,769	20,759	16,695	35.8%	35.3%	31.2%
LAS	1,790	2,087	2,352	2.9%	3.6%	4.4%
Mezz Products	269	278	261	0.4%	0.5%	0.5%
Equity / Pref shares	2,264	2,138	2,150	3.7%	3.6%	4.0%
Non-Funded/Others	1,923	2,529	2,485	3.2%	4.3%	4.6%
<b>TOTAL</b>	<b>60,782</b>	<b>58,771</b>	<b>53,522</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## Energy Cum OS Approvals Tree

Total Cumulative OS Approvals as on Mar 31, 2013 - ₹ 72,597 Crore





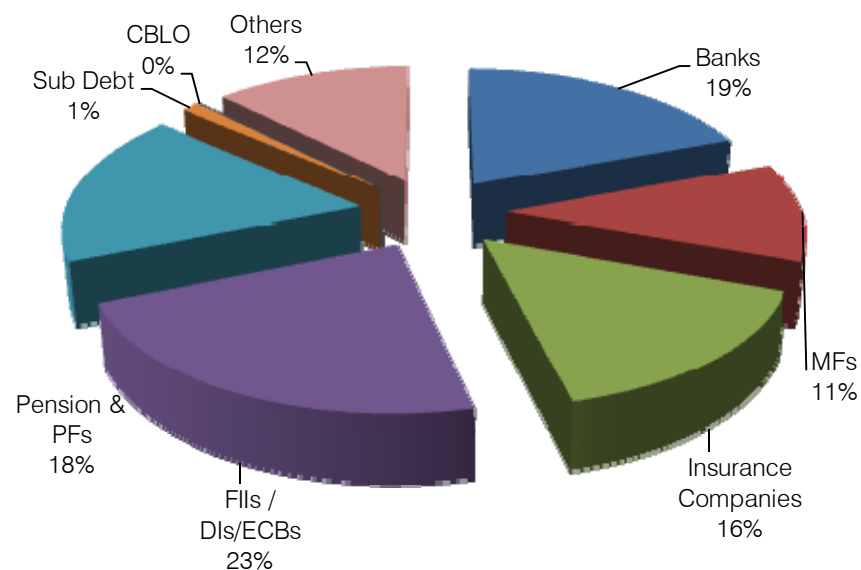
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## Borrowings Analysis

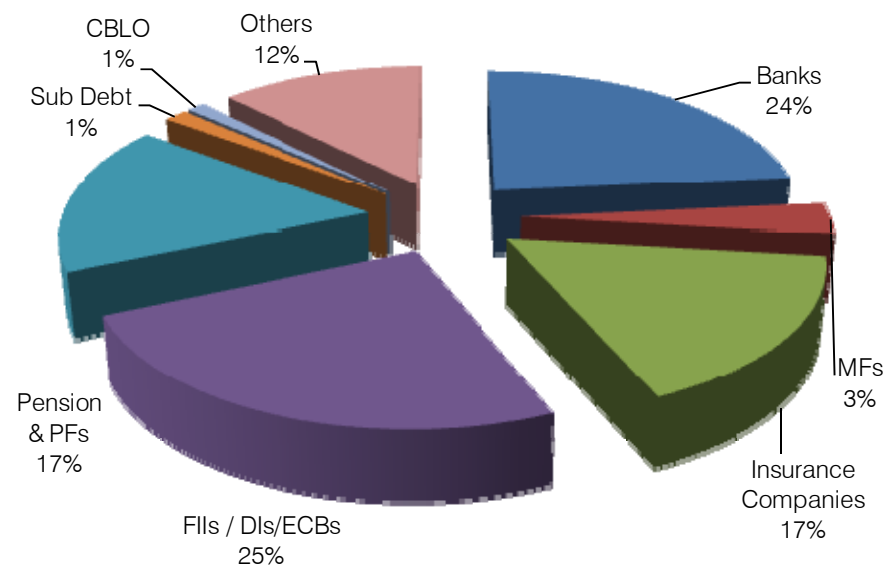
(Amounts in ₹ crore)

Particular	Amount			% of total			% Growth	
	31-Mar-13	31-Dec-12	31-Mar-12	31-Mar-13	31-Dec-12	31-Mar-12	Y-o-Y	Q-o-Q
LT Rupee Loans	4,527	3,848	3,342	8%	7%	7%	35%	18%
LT Bonds / Debentures	38,821	37,575	30,940	72%	73%	67%	25%	3%
Sub Debt	650	650	650	1%	1%	1%	0%	0%
Foreign Currency Loans	6,160	3,374	4,153	11%	7%	9%	48%	83%
Short Term	4,069	6,187	7,351	8%	12%	16%	-45%	-34%
<b>TOTAL</b>	<b>54,227</b>	<b>51,634</b>	<b>46,435</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>17%</b>	<b>5%</b>

Borrowings - Lender wise (Mar 31, 2013)



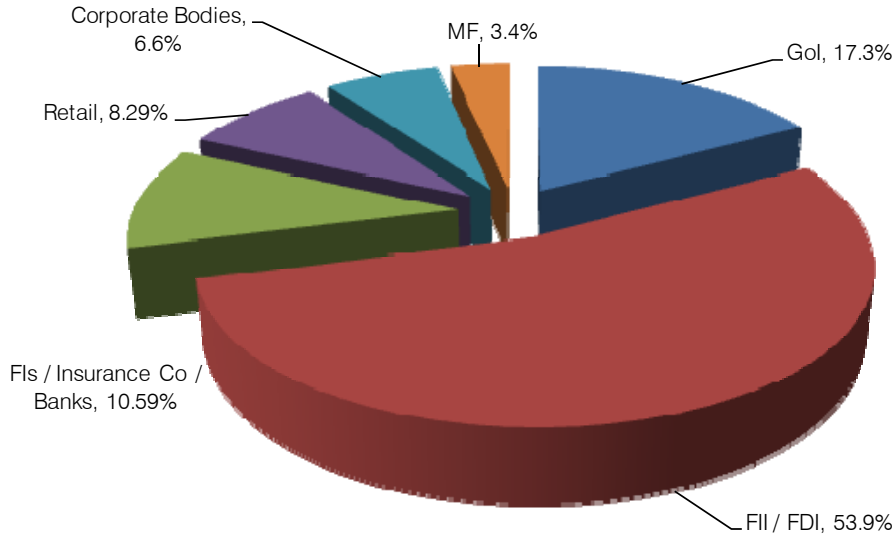
Borrowings - Lender wise (Mar 31, 2012)



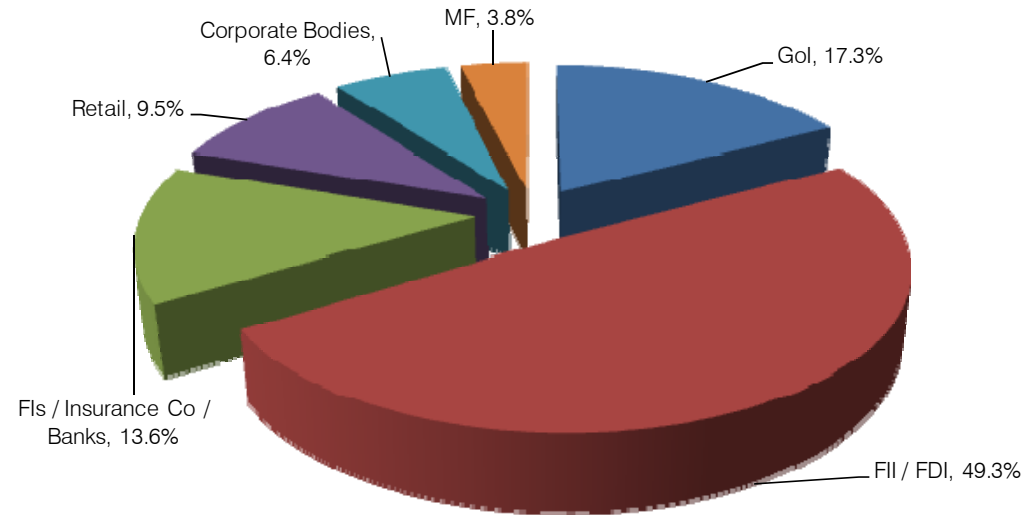
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# Shareholding

**Shareholding (Mar 31, 2013)**



**Shareholding (Mar 31, 2012)**



**% of Top 10 shareholders**

Sr No	Name	Category	Mar-13	Dec-12
1	Government of India	Promoter	17.3%	17.3%
2	Sipadan Investments (Mauritius) Ltd.	FII	10.0%	10.0%
3	Life Insurance Corporation of India	FI	7.9%	9.4%
4	J.P. Morgan Asset Management	FII	3.4%	3.0%
6	The Royal Bank of Scotland	FII	2.9%	2.9%
5	Abu Dhabi Investment Authority	FII	2.6%	2.4%
7	Vanguard	FII	2.1%	1.9%
8	Actis Hawk Ltd	FII	2.0%	2.0%
9	Flagship Indian Investment Company (Mauritius) Ltd	FII	2.0%	1.8%
10	Government of Singapore	FII	1.5%	1.7%

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## Other Highlights

- Adjusted Duration :
  - Assets : 1.8 years (Dec 31, 2012 : 2.0 years)
  - Liabilities : 1.7 years (Dec 31, 2012 : 1.6 years)
  
- Assets Under Management :

Fund Name	AUM (March 31, 2013)	
	₹Crore	USD* (bn)
IDFC Private Equity**	4,204	0.9
Fund I	160	0.0
Fund II	1,141	0.3
Fund III	2,903	0.6
IDFC Project Equity Fund**	3,837	0.9
IDFC Mutual Fund	30,928	5.7
Equity	6,979	1.3
Debt	23,949	4.4
<b>Total</b>	<b>38,969</b>	<b>7.5</b>

*\*\*Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close; Others 1 USD = ₹54.39 as on Mar 31, 2013.*