



IDFC

IDFC : Investor Presentation (FY2014)

April 25, 2014



1. Snapshot

2. Balance Sheet & Financials

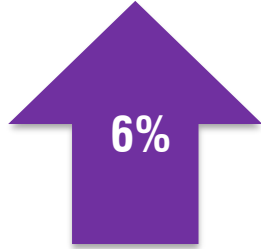
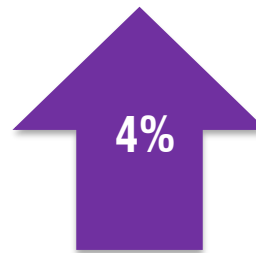
3. Concentration and product analysis

4. Borrowings

5. Shareholding

6. Highlights

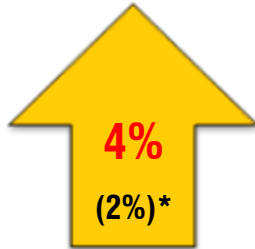
Balance Sheet
₹ 75,163 cr

Loan Book*
₹ 59,829 cr

Borrowings
₹ 56,565 cr

Networth
₹ 15,040 cr

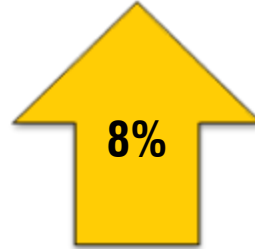
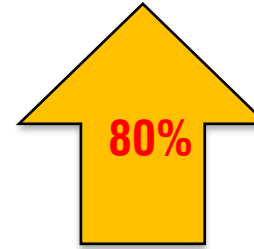

*Excluding ST Loans, Gross Loans decreased by 1.4%

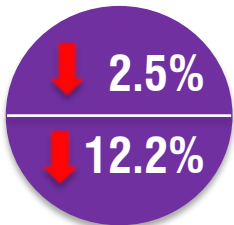
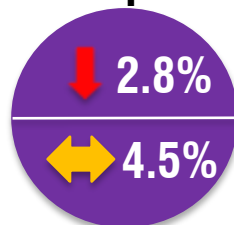
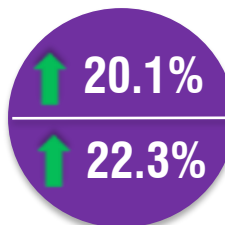
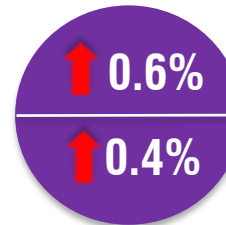
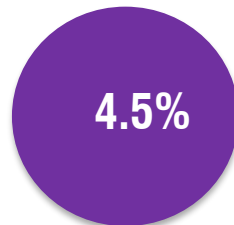
NII
₹ 2,704 cr

Non-Int Income
₹ 1,003 cr

Op. Expenses
₹ 544 cr


*Adjusted Opex decreased by 2% to ₹ 511 cr

Pre-Prov Op Profit
₹ 3,191 cr

Provisions
₹ 628 cr

PAT
₹ 1,803 cr

RoA*

RoE
14.6%
Cost / Income
5.0x
Leverage (Closing)
Loan Spreads

Loan NIMs
Tier I

Cap Adeq
Gross NPL

Net NPL
RL #


Restructured Loans

Business Highlights

Project Finance

- Approvals : ₹ 25,683 crore (1% YoY decrease – FY13 : ₹ 25,976 crore)
- Disbursements : ₹ 16,296 crore (8% YoY decrease – FY13 : ₹ 17,695 crore)
- Cumulative OS Approvals : ₹ 77,621 crore (7% YoY increase)
- Loan Book : ₹ 59,829 crore (6% YoY increase , 10% Q-o-Q increase)
- NII Loan Book : ₹ 2,488 crore (5% YoY increase, 1% Q-o-Q decrease)
- Loan Related Fees : ₹ 115 crore (39% YoY decrease)
- Loan Provisions : ₹ 604 crore (194% YoY increase)
- Loan Loss Provision Ratio : 2.4%

Fixed Income & Treasury

- NII Treasury : ₹ 216 crore (8% YoY increase)
- Fixed Income : ₹ 102 crore (FY13 – ₹ 119 crore)
- Treasury Assets : ₹ 9,181 crore (1% increase)

- Overall Spreads FY14 : 2.3% (FY13 : 2.5%)
- Capital Adequacy : 22.3% (of which Tier I : 20.1%) vs 22.2% as on Mar'13

Resources :

- IDFC contracted a 10 year ECB for USD 90 million loan @ L+1.50% with JBIC for investment into clean energy
- IDFC inked bilateral bond deal (₹ 1,165 crore) with Coal Mines Provident Fund and SBI Provident Fund as investors.
- S&P reaffirmed international rating of “BBB-“ (in line with the country rating) for IDFC Limited in Q4FY14.

Business Highlights

Investment Banking & Broking

- Institutional Broking and Investment Banking income : ₹ 77 crore (2% YoY decrease)

Alternatives

- Average AUM : ₹ 12,522 crore
 - Private Equity : ₹ 3,866 crore
 - Project Equity : ₹ 8,363 crore
 - Real Estate: ₹ 293 crore (Capital commitments received ₹750 cr)
- Asset management fees from alternatives : ₹ 111 crore (3% YoY decrease – FY13: ₹ 114 crore)
- Capital Gains & Carry : ₹ 25 crore (FY13: ₹ 15 crore)

Public Market AMC

- Average AUM FY14 : ₹ 41,636 crore (Debt : Equity – 82:18)
- 8th Rank AMC
- Market Share (Q4FY14) : 4.6%
- Asset management Fees from AMC : ₹ 280 crore (56% YoY increase – FY13: ₹ 180 crore)

Operating Expenses :

- HR expenses : ₹ 288 crore (1% YoY decrease)
- Non HR expenses : ₹ 256 crore (10% YoY increase). Adjusted for Fungibility Non HR Expenses decreased by 1%
- Cost / Income : 14.6% (FY13 : 15.1%). Adjusted for Fungibility Cost / Income ratio 13.7% vs FY13 15.0%

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2. Balance Sheet & Financials

3. Concentration and product analysis

4. Borrowings

5. Shareholding

6. Highlights

Consol Financials : Balance Sheet

₹ crore

Particular	Mar-14	Mar-13	% Growth	Dec-13	% Growth
Shareholders' Funds	15,040	13,683	10%	15,250	-1%
Borrowings	56,565	54,227	4%	51,630	10%
Current Liabilities	3,557	3,149	13%	3,192	11%
TOTAL LIABILITIES	75,163	71,059	6%	70,073	7%
Net Loans	58,546	55,736	5%	53,565	9%
Gross Loans*	59,829	56,595	6%	54,552	10%
Less Provisions	1,284	858	50%	987	30%
Treasury ¹	9,181	9,094	1%	9,015	2%
Equity ^{1,2}	3,222	3,142	3%	2,978	8%
Other Assets	4,215	3,087	37%	4,515	-7%
TOTAL ASSETS	75,163	71,059	6%	70,073	7%

¹ Net of provision

² Goodwill of Subsidiaries on account of consolidation as of Mar 31, 2014 - 957 crore

* Excluding ST Loans, Gross Loans decreased by 1.4%

Consol Financials : Profit & Loss Account

₹ crore

Particular	FY14	FY13	% Growth (Y - O - Y)	Q4FY14	Q4FY13	% Growth (Q4 vs Q4)	Q3FY14	% Growth (Q4 vs Q3)
OPERATING INCOME	3,735	3,468	8%	972	1,009	-4%	852	14%
NII	2,704	2,564	5%	668	643	4%	664	1%
Loans	2,488	2,365	5%	605	603	0%	610	-1%
Treasury	216	199	8%	63	40	58%	54	16%
NON-INTEREST INCOME	1,003	883	14%	285	363	-22%	187	53%
Principal Gains & Carry	318	202	57%	58	132	-56%	89	-35%
Asset Management Fees	390	294	33%	117	87	35%	87	34%
IB & Broking	77	78	-2%	37	39	-6%	19	98%
Fixed Income	102	119	-14%	11	57	-81%	-29	na
Loan Related Fees	115	189	-39%	61	48	28%	21	200%
Other Income	29	21	37%	19	3	614%	1	na
OPERATING EXPENSES*	544	525	4%	138	151	-8%	129	7%
HR	288	292	-1%	64	78	-17%	77	-16%
Non-HR	256	233	10%	74	73	1%	52	42%
PRE-PROV OP PROFIT (PPOP)	3,191	2,943	8%	834	858	-3%	723	15%
Provisions	628	350	80%	483	165	193%	37	1221%
Loans	604	206	194%	452	106	328%	47	860%
Investments	25	144	-83%	31	59	-48%	-11	-390%
PBT	2,563	2,593	-1%	351	693	-49%	687	-49%
Tax, Minority Int, Asso co PAT	760	757	0%	93	167	-44%	186	-50%
PAT	1,803	1,836	-2%	258	526	-51%	501	-48%

* Opex adjusted for fungibility expenses was flat around ₹ 520 cr

Consol Financials : RoA Tree

% of Avg Total Assets

Particular	FY14	Jan13 - Dec13	Oct12 - Sep13	Jul12 - Jun13	FY13	Jan12 - Dec12	Oct11 - Sep12
OPERATING INCOME	5.1%	5.2%	5.3%	5.3%	5.2%	5.0%	5.1%
NII	3.7%	3.7%	3.8%	3.8%	3.8%	3.9%	3.9%
Loans	3.4%	3.4%	3.5%	3.5%	3.5%	3.6%	3.6%
Treasury	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%
NON-INTEREST INCOME	1.4%	1.5%	1.5%	1.5%	1.3%	1.0%	1.2%
Principal Gains & Carry	0.4%	0.5%	0.5%	0.4%	0.3%	0.2%	0.3%
Asset Management Fees	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
IB & Broking	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Fixed Income	0.1%	0.2%	0.3%	0.4%	0.2%	0.1%	0.1%
Loan Related Fees	0.2%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%
Other Income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OPERATING EXPENSES	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%
PRE-PROV OP PROFIT (PPOP)	4.4%	4.5%	4.5%	4.6%	4.4%	4.4%	4.3%
Provisions	0.9%	0.4%	0.5%	0.4%	0.5%	0.4%	0.5%
PBT	3.5%	4.0%	4.0%	4.1%	3.9%	3.5%	3.8%
Tax, Minority Int, Asso co PAT	1.0%	1.2%	1.2%	1.2%	1.1%	1.2%	1.2%
PAT	2.5%	2.9%	2.9%	2.9%	2.8%	2.5%	2.6%

Consol Financials : Ratios

Particular	FY14	Jan13 - Dec13	Oct12 - Sep13	Jul12 - Jun13	FY13	Jan12 - Dec12	Oct11 - Sep12
RoA	2.5%	2.9%	2.9%	2.9%	2.8%	2.5%	2.6%
RoE	12.2%	14.4%	14.5%	14.9%	14.0%	12.8%	12.5%
EPS (₹)	11.9	13.7	13.4	13.3	12.1	10.9	10.4
Leverage (Closing)	5.0 x	4.6 x	4.7 x	5.0 x	5.2 x	5.1 x	5.3 x
Book Value (₹)	99.2	100.6	97.3	94.1	90.3	89.9	86.9
Cost / Income	14.6%	14.8%	15.0%	14.7%	15.1%	16.5%	16.7%
HR / Operating Income	7.7%	7.9%	8.1%	7.9%	8.4%	9.5%	9.6%
Gross NPL (% of Loans)	0.6%	0.6%	0.3%	0.3%	0.2%	0.3%	0.3%
Net NPL (%)	0.4%	0.5%	0.2%	0.2%	0.1%	0.1%	0.1%
Total Loans Prov (% of Loans)	2.4%	2.0%	2.0%	1.9%	1.8%	1.8%	1.7%
Average Spreads	2.3%	2.3%	2.4%	2.4%	2.5%	2.5%	2.5%
<i>of which Loan spreads</i>	2.8%	2.8%	2.9%	2.8%	2.9%	2.8%	2.8%
NIMs	4.0%	4.0%	4.1%	4.1%	4.1%	4.2%	4.3%
<i>of which Loan NIMs</i>	4.5%	4.5%	4.5%	4.5%	4.5%	4.6%	4.6%

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Concentration Analysis *(Sector)*

(Amounts in ₹ crore)

Cumulative OS Approvals

Particular	Mar-14	% of Total	Dec-13	% of Total	Mar-13	% of Total
Energy	28,587	37%	27,127	33%	29,234	40%
Transportation	17,194	22%	18,823	23%	18,210	25%
Telecom	22,075	28%	22,718	28%	14,927	21%
Others	9,765	13%	12,396	15%	10,226	14%
TOTAL	77,621	100%	81,064	100%	72,597	100%

- Top 20 Companies : 41% of total (Dec'13: 42%, Mar'13: 39%)
- Top 20 Industrial Groups : 65% of total (Dec'13: 64%, Mar'13: 58%)

(Amounts in ₹ crore)

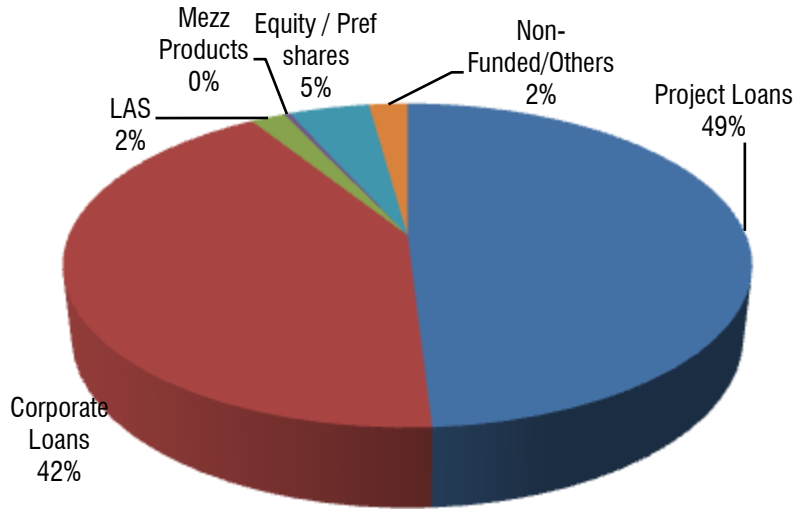
Outstanding Disbursement

Particular	Mar-14	% of Total	Dec-13	% of Total	Mar-13	% of Total
Energy	25,206	40%	24,089	41%	25,212	41%
Transportation	13,715	22%	14,341	24%	14,365	24%
Telecom	16,882	26%	11,768	20%	13,772	23%
Others	7,938	12%	8,351	14%	7,433	12%
TOTAL	63,741	100%	58,549	100%	60,782	100%

- Top 20 Companies : 44% of total (Dec'13: 41%, Mar'13: 40%)
- Top 20 Industrial Groups : 65% of total (Dec'13: 62%, Mar'13: 58%)

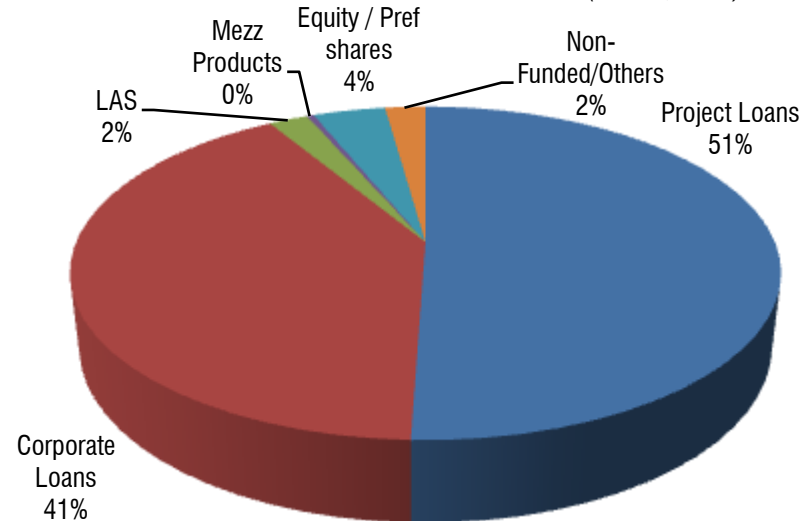
Concentration Analysis (Product)

Product wise Cum OS Approvals (Mar 31, 2014)



Product type	Amount in ₹ crore			% of total		
	Mar-14	Dec-13	Mar-13	Mar-14	Dec-13	Mar-13
Loans / Debentures	72,425	74,749	67,711	93.3%	92.2%	93.3%
Project Loans	38,078	39,523	41,103	49.1%	48.8%	56.6%
Corporate Loans	32,596	33,377	24,465	42.0%	41.2%	33.7%
LAS	1,505	1,601	1,870	1.9%	2.0%	2.6%
Mezz Products	246	248	272	0.3%	0.3%	0.4%
Equity / Pref shares	3,516	4,008	2,661	4.5%	4.9%	3.7%
Non-Funded/Others	1,680	2,306	2,226	2.2%	2.8%	3.1%
TOTAL	77,621	81,064	72,597	100.0%	100.0%	100.0%

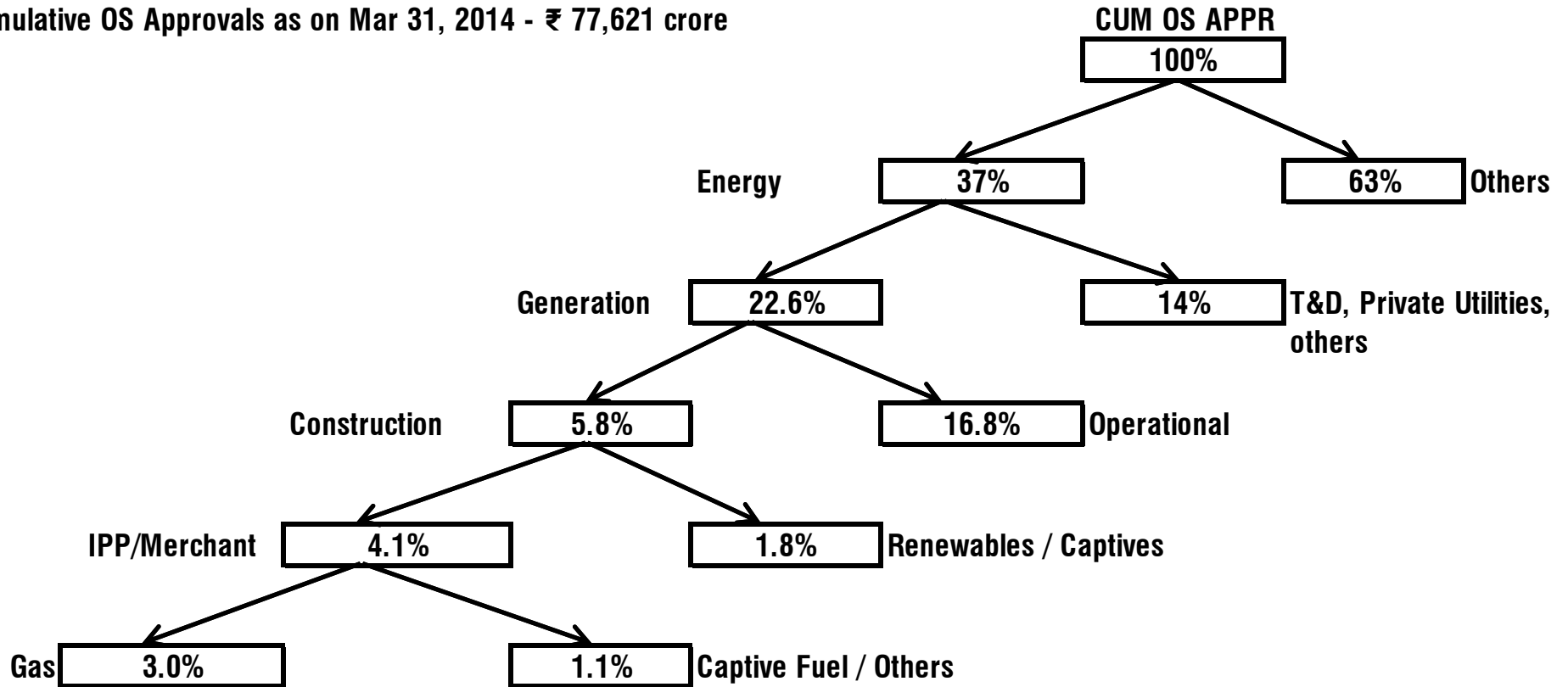
Product wise OS Disbursements (Mar 31, 2014)



Product type	Amount in ₹ crore			% of total		
	Mar-14	Dec-13	Mar-13	Mar-14	Dec-13	Mar-13
Loans / Debentures	59,829	54,552	56,595	93.9%	93.2%	93.1%
Project Loans	32,219	31,981	32,766	50.5%	54.6%	53.9%
Corporate Loans	26,009	20,853	21,769	40.8%	35.6%	35.8%
LAS	1,363	1,477	1,790	2.1%	2.5%	2.9%
Mezz Products	239	240	269	0.4%	0.4%	0.4%
Equity / Pref shares	2,513	2,294	2,264	3.9%	3.9%	3.7%
Non-Funded/Others	1,399	1,704	1,923	2.2%	2.9%	3.2%
TOTAL	63,741	58,549	60,782	100.0%	100.0%	100.0%

Energy Sector Cumulative OS Approvals

Total Cumulative OS Approvals as on Mar 31, 2014 - ₹ 77,621 crore



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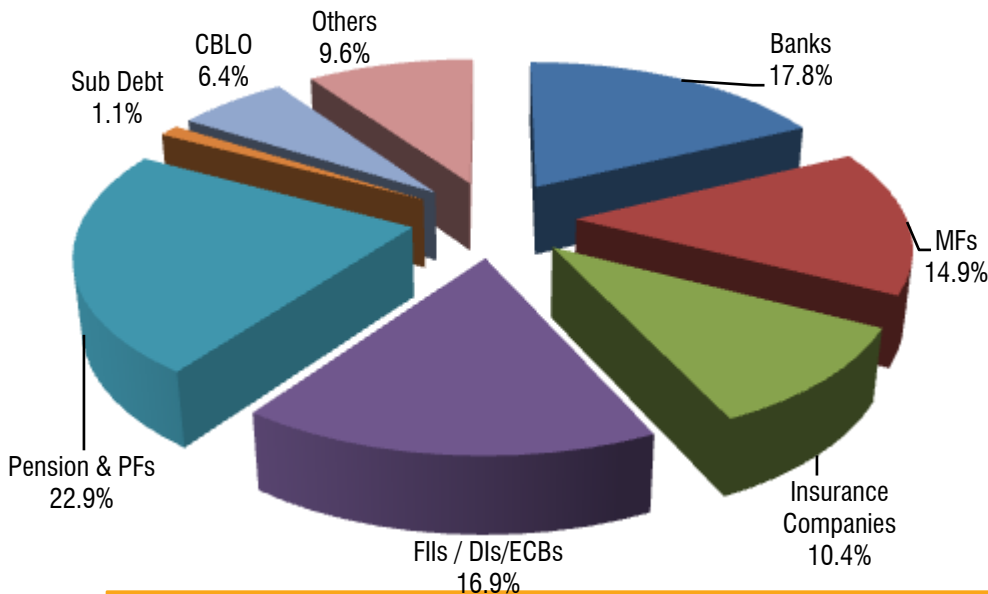
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Borrowings Analysis

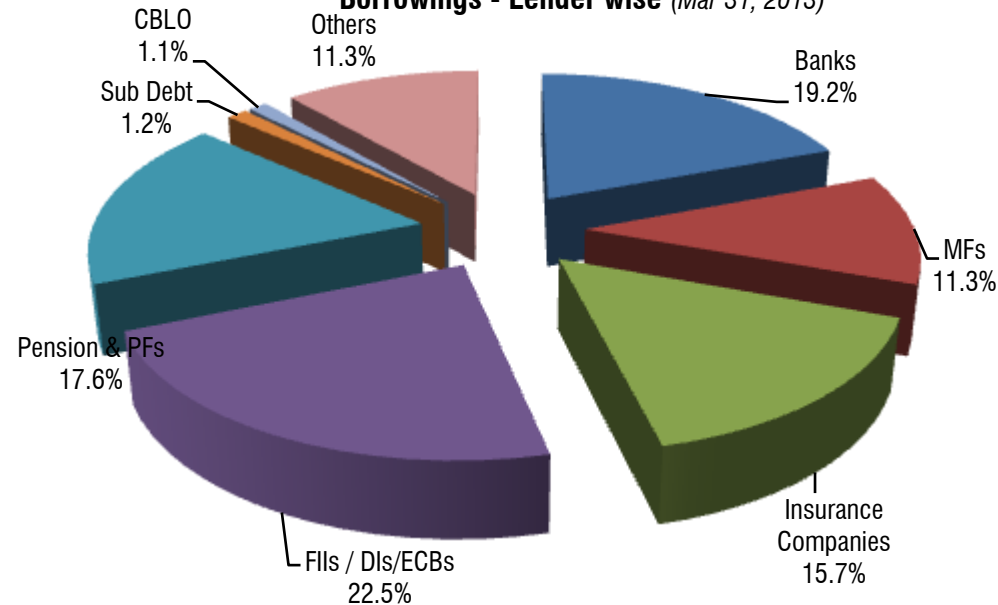
(Amounts in ₹ crore)

Particular	Amount			% of total			% Growth	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Dec-13	31-Mar-13	Y-o-Y	Q-o-Q
LT Rupee Loans	6,336	5,404	4,527	11%	10%	8%	40%	17%
LT Bonds / Debentures	34,552	34,163	38,821	61%	66%	72%	-11%	1%
Sub Debt	650	650	650	1%	1%	1%	0%	0%
Foreign Currency Loans	7,201	7,158	6,160	13%	14%	11%	17%	1%
Short Term	7,826	4,254	4,069	14%	8%	8%	92%	84%
TOTAL	56,565	51,630	54,227	100%	100%	100%	4%	10%

Borrowings - Lender wise (Mar 31, 2014)



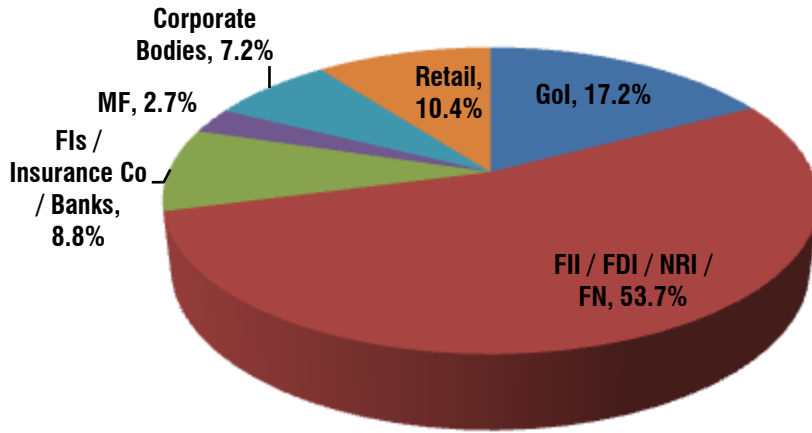
Borrowings - Lender wise (Mar 31, 2013)



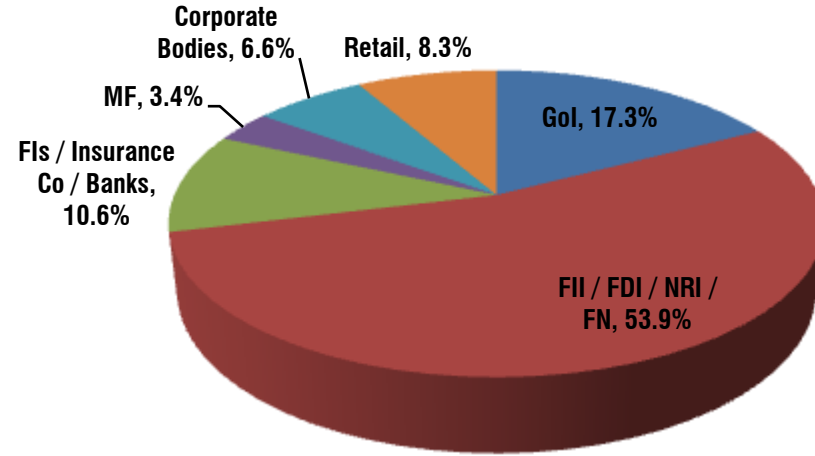
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Shareholding

Shareholding : 31-Mar-14



Shareholding : 31-Mar-13



% of Top 10 shareholders

Sr No	Name	Category	Mar-14	Mar-13
1	Government Of India	Gol	17.2%	17.3%
2	Sipadan Investments (Mauritius)	FII	10.0%	10.0%
3	The Royal Bank Of Scotland	FII	6.8%	2.9%
4	Life Insurance Corporation Of India	IFI	6.8%	7.9%
5	Actis Hawk Limited	FII	2.4%	2.0%
6	Platinum Investment Management	FII	2.4%	0.8%
7	J.P. Morgan	FII	2.3%	3.4%
8	Orbis Sicav - Asia Ex-Japan Equity Fund	FII	2.1%	0.0%
9	ICICI Prudential Life Insurance Company Ltd	CB	1.8%	1.3%
10	HSBC Global Investment Funds	FII	1.7%	1.3%

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Other Highlights

■ Adjusted Duration :

- Assets : 1.3 years (Dec 31, 2013 : 1.3 years)
- Liabilities : 1.6 years (Dec 31, 2013 : 1.6 years)

■ Assets Under Management :

Fund Name	AUM (March 31, 2014)	
	₹ Crore	USD* (bn)
IDFC Private Equity**	3,866	0.9
<i>Fund II</i>	1,421	0.3
<i>Fund III</i>	2,445	0.5
IDFC Project Equity Fund**	8,363	1.6
<i>India Infrastructure Fund</i>	3,683	0.9
<i>India Infrastructure Fund II</i>	4,680	0.8
IDFC Real Estate Yield Fund [#]	293	0.0
IDFC Mutual Fund (AAUM)	41,636	6.9
<i>Equity</i>	7,895	1.3
<i>Debt</i>	33,742	5.6
Total	54,158	9.5

**Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close;
Others 1 USD = ₹ 60.10 as on Mar 31, 2014

[#]Commitments received - ₹750 cr