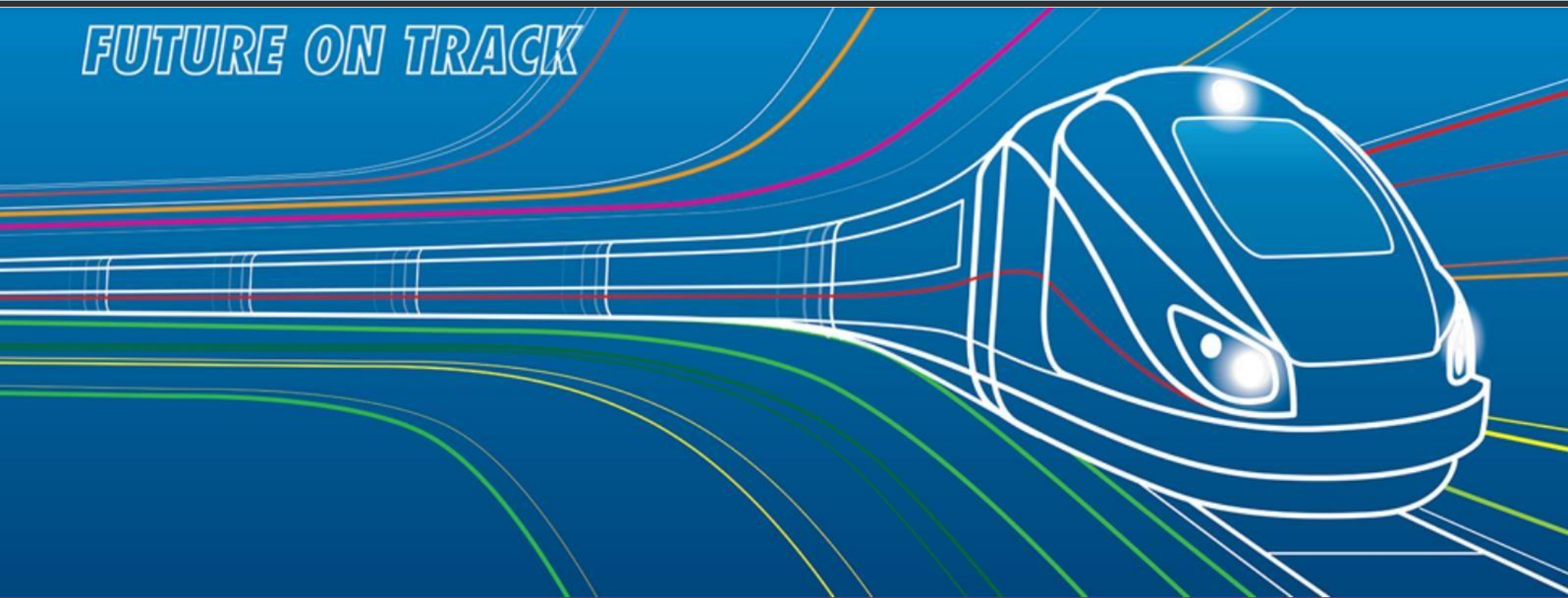


FUTURE ON TRACK



Indian Railway Finance Corporation Limited

Performance Highlights

For Nine months ended 31st December 2023

13th February 2024

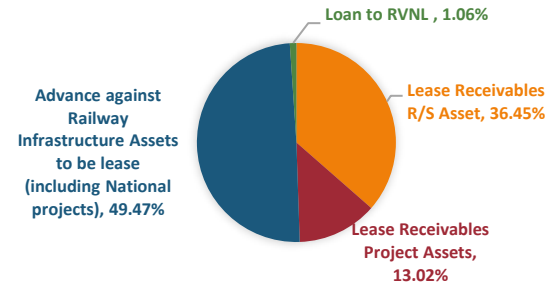
Snapshot of the Company

Company Overview

- IRFC is registered with RBI as a systemically important NBFC-ND-IFC, Majorly owned by the GoI acting through Ministry of Railways (MoR)
- It is the dedicated market borrowing arm for the Indian Railways
- Primary business:
 - financing the acquisition of rolling stock assets;
 - leasing of railway infrastructure assets and national projects of the Government of India and
 - lending to other entities under the MoR

AUM Break-Up (Upto Q3 FY 24)

Minimal credit risk : 98.94% of AUM is exposure to MoR



AUM / CAGR (FY 19- Q3 FY 24) INR 4,66,036.21 Cr 21.75% 	Net worth (Upto Q3 FY 24) INR 48,249.33 Cr 	RoE / RoA (Upto Q3 FY 24) 13.15% / 1.31% Annualized 	GNPA NIL 	Tax Liability NIL
Total Debt (Upto Q3 FY 24) INR 4,12,087.84 Cr 	NIM (Upto Q3 FY 24) 1.34% 	Ratings CRISIL AAA CRISIL A1+ ICRA AAA ICRA A1+ CARE AAA CARE A1+	Net Gearing Ratio (Upto Q3 FY 24) 8.54x 	CRAR % (Upto Q3 FY 24) 614.13 %

All numbers are as on 31st December, 2023



Key Strengths

1

Strategic role in growth of Indian Railways

AUM CAGR (FY19-Upto Q3 FY24)

21.75%

- Dedicated market borrowing arm for the Indian Railways (IR)
- AUM as on 31st December 2023 stands at INR 4,66,036.21 crore

2

Low risk, Cost -Plus business model

GNPA (Q3 FY24)

NIL

- Strategic relationship with the MoR enables us to maintain a low risk profile
- Cost-Plus Standard Lease Agreements with MoR
- Consistent spreads on Rolling Stock and Project Assets over last five years

3

Competitive Cost of Borrowings

Long term Ratings

AAA

- Highest credit rating for an Indian issuer from ICRA, CRISIL & CARE
- Diversified funding sources of various maturities & currencies
- Competitive cost of Borrowing to keep finance cost under check

4

Strong Asset-Liability Management

Cumulative Gap over 5 yrs

NIL

- IRFC borrows on a long-term basis to align with the long-term tenure of the assets financed
- MoR is required to provide for any shortfall in funding under the Standard Lease Agreement.

5

Consistent financial performance

Net Worth (Q3 FY24)

INR 48,249.33 Cr

- Profit upto Q3 FY24 stands at Rs. 4,710.67 crore.
- Revenue from operations grew by 14.34% on 9M basis for FY 2023-24.
- Low overheads, administrative costs and high operational efficiency
- Healthy return ratios - RoA at 1.31% and RoE at 13.15% upto Q3 FY24 (Annualised)

6

Enjoys Regulatory Exemptions

Tax Liability

NIL

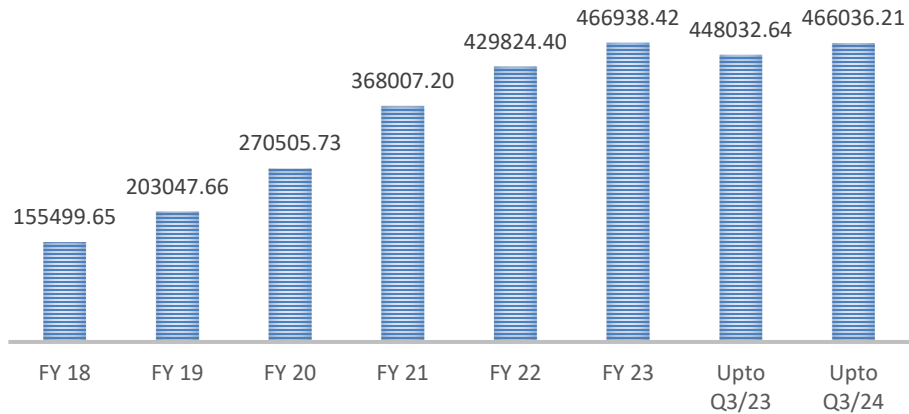
- Exempted from the RBI's asset classification norms, provisioning norms, exposure norms to the extent of direct exposure on MoR and is not required to pay 'minimum alternate tax' with effect from Fiscal 2020



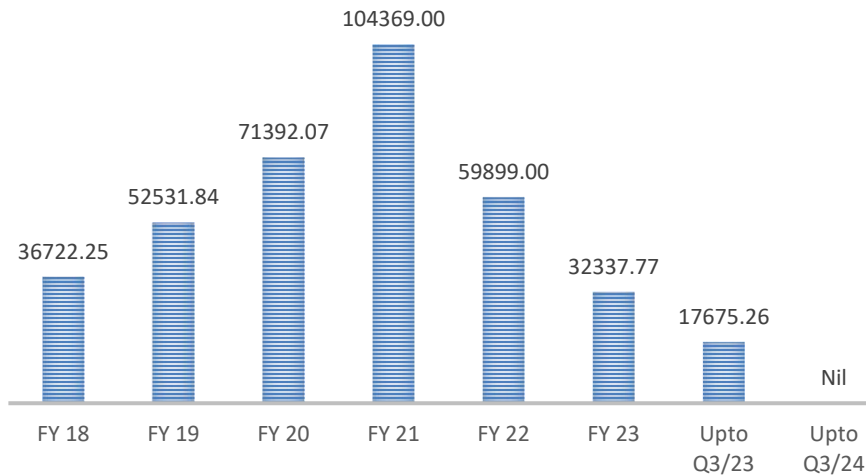
Strategic role in financing growth of Indian Railways

Assets Under Management

(Figures in INR crore)

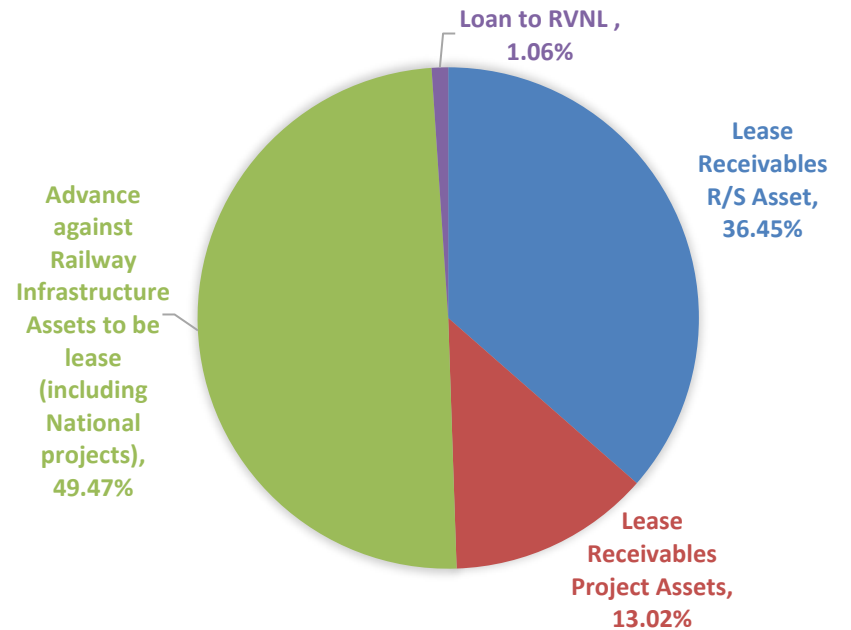


Disbursements



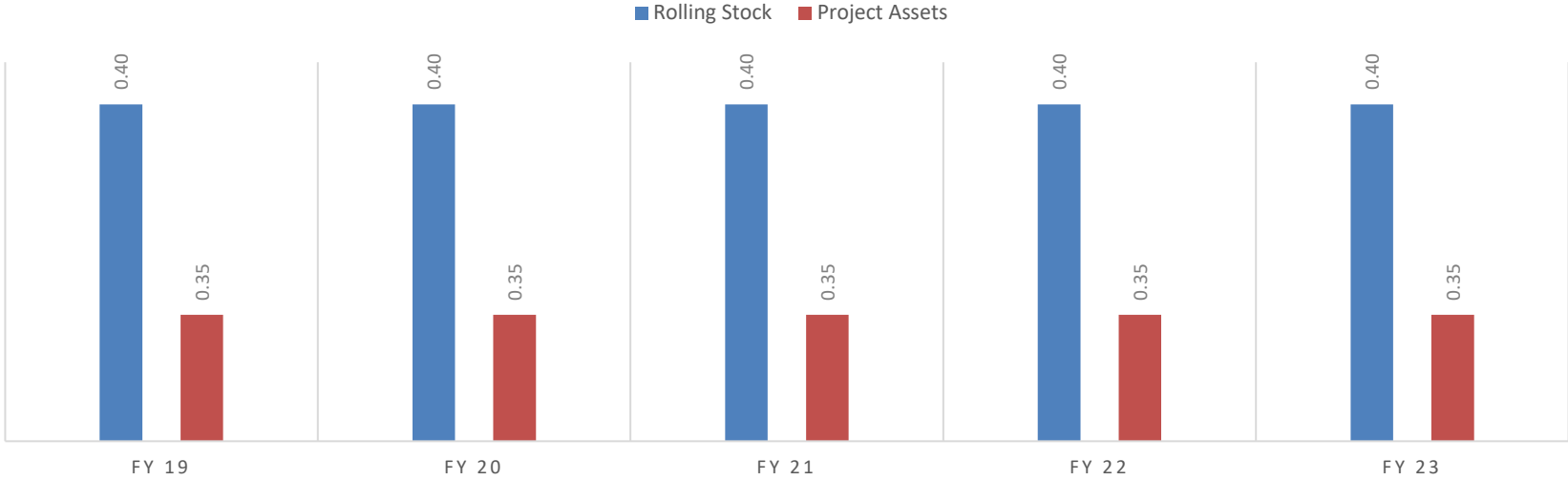
AUM Break-Up (Upto Q3 FY 24)

Minimal credit risk : 98.94% of AUM is exposure to MoR



Low risk, cost-plus business model

Spreads Charged by IRFC



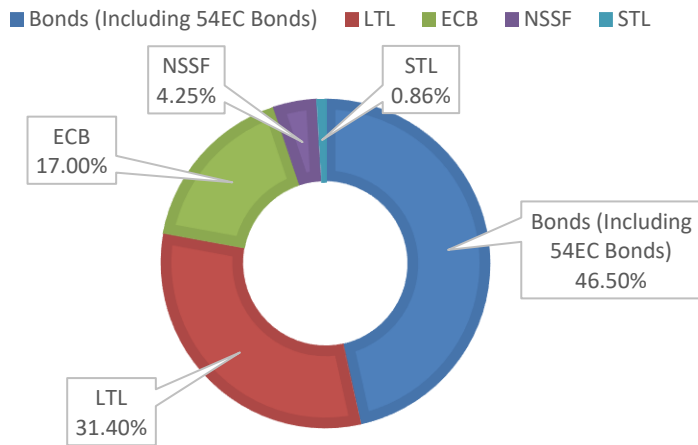
IRFC raises funds at lowest possible cost amongst the Term Lending Institutions in India.
This directly benefits the IR in terms of saving in finance cost

IRFC charges a minimal cost of margin (spread) over its already low-cost of borrowing, to MoR, but still exhibits consistent financial performance, owing to its robust business model

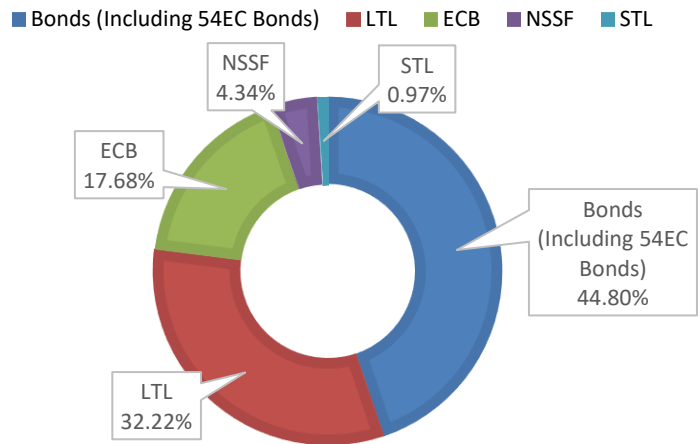


Competitive cost of borrowings based on strong credit ratings in India and diversified sources of funding

Borrowing Mix as on 31st December 2023



Borrowing Mix as on 31st December 2022



Particulars (31 st December 2023)	Rating	Outlook
Domestic:		
Long term rating		
CRISIL	CRISIL AAA	Stable
ICRA	ICRA AAA	Stable
CARE	CARE AAA	Stable
Short term rating		
CRISIL	CRISIL A1+	-
ICRA	ICRA A1+	-
CARE	CARE A1+	-
International **		
Moody's	Baa3	Stable
Standard and Poor's	BBB-	Stable
Fitch	BBB-	Stable
Japanese Credit Rating Agency	BBB+	Stable

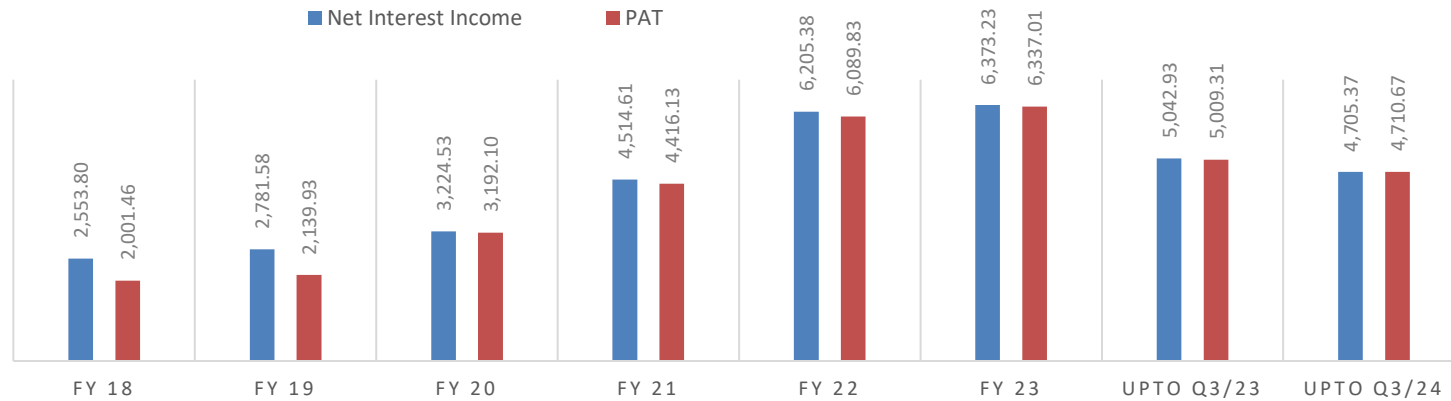
Diversified sources of funding, credit ratings and strategic relationship with the MoR, have enabled IRFC to keep costs of borrowing competitive

■ **At par with India's sovereign ratings;

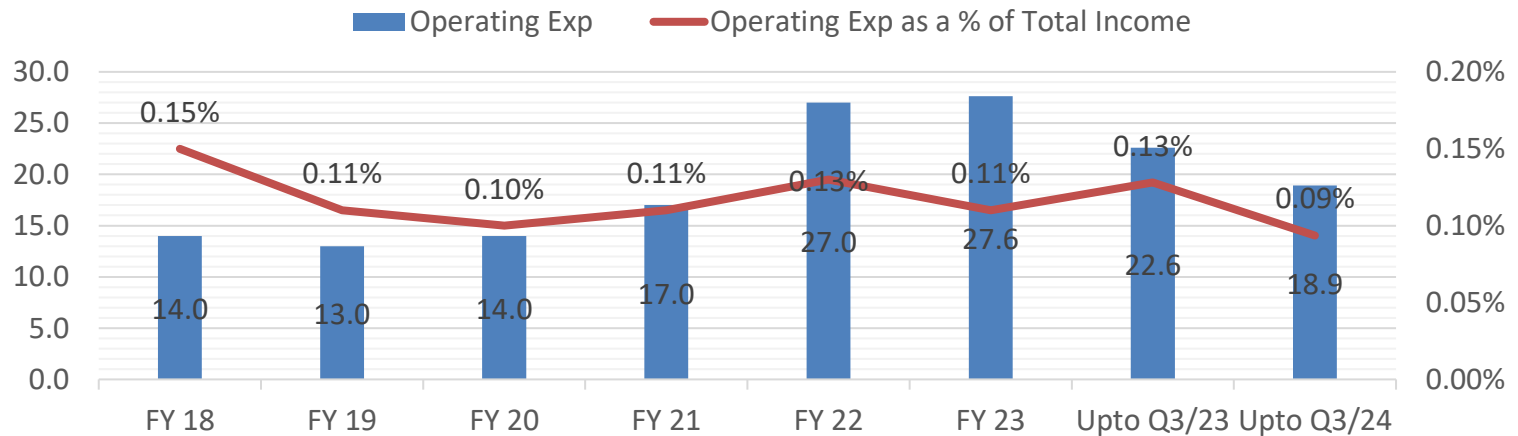


Consistent Financial Performance

Net Interest Income & PAT



Negligible Operating Expenses

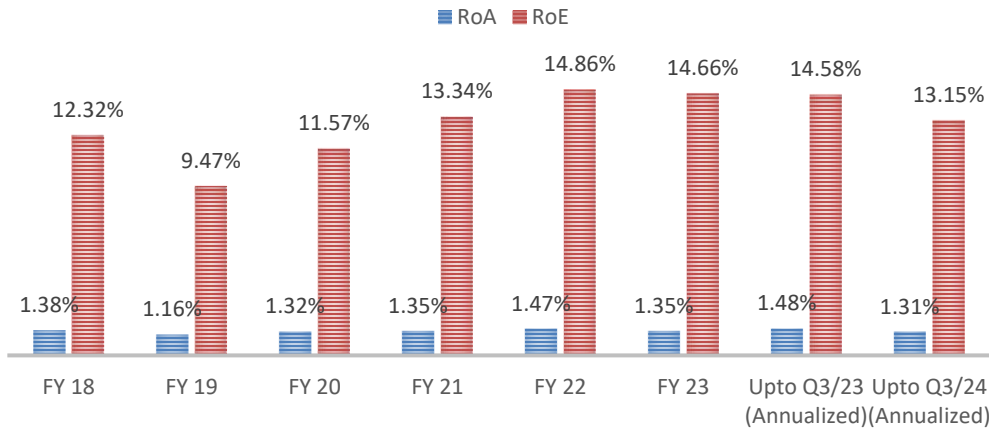


All figures are in INR Crore, unless specified otherwise

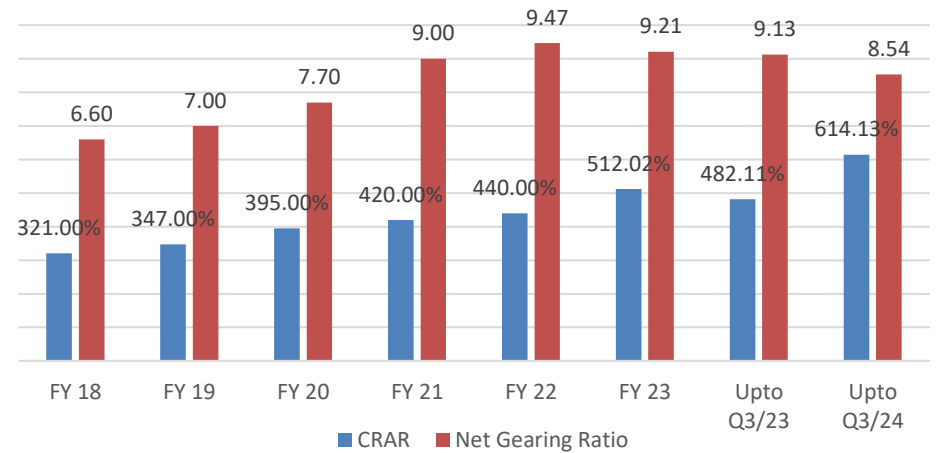


Consistent Financial Performance

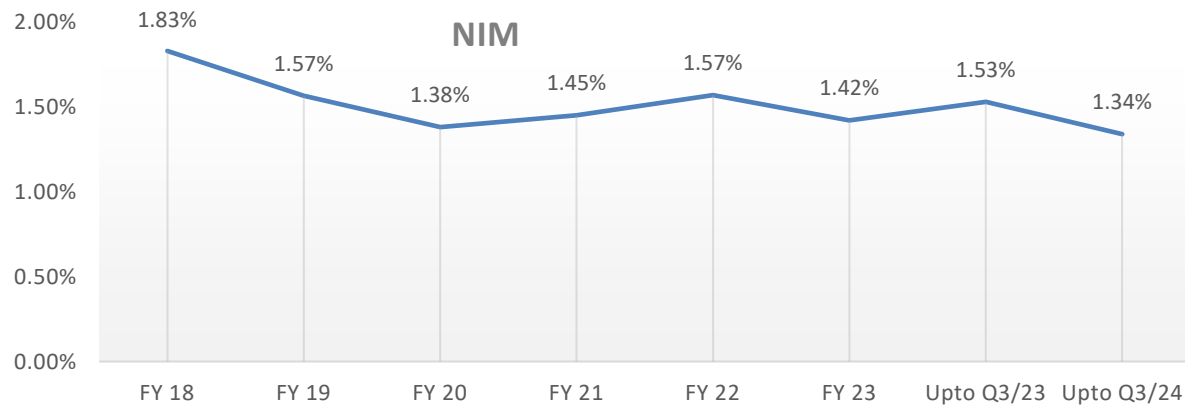
Return Ratios



CRAR and Net Gearing Ratio



Net Interest Margin



■ (*) All figures are in INR Crore, unless specified otherwise



Key Ratios- Q3 of FY 2023-24

Particulars	9 Months ended 31 st December 2023
Net Interest Margin	1.34% (Annualized)
Return on Equity	13.15% (Annualized)
Net Gearing Ratio	8.54x
CRAR	614.13%
EPS	4.81(Annualized)
Dividend Paid	
▪ Final (FY 2022-23) (Rs. per share)	0.70 per share
▪ Interim (FY 2023-24) (Rs. per share)	0.80 per share



Snapshot of Key Financials

Particulars	9 Month Ended			Year-Ended
	31 st Dec. 2023	31 st Dec. 2022	Growth in %	31 st March 2023
Revenue from Operations	20,187.36	17,655.20	14.34	23,891.28
Finance Cost	15,376.75	12,552.51	22.50	17,447.21
Net Interest Income	4,705.37	5,042.93	-6.69	6,373.23
Profit Before Tax	4,710.67	5,009.31	-5.96	6,337.01
Profit After Tax	4,710.67	5,009.31	-5.96	6,337.01
Total Comprehensive Income	4,739.29	5,014.60	-5.49	6,341.57

All figures are in INR Crore



- ❖ As per charter company can fund any entity which has backward or forward linkage with Indian Railways, viz-
 - Leasing of Rolling stock other than MoR
 - Funding of Railway Infrastructure being developed through State JV
 - Upcoming Dedicated Freight lines
 - Semi/High Speed Railway Corridors & High-speed train
 - Multi-Modal Logistics Parks
 - Non-conventional sources of energy including Renewable Energy for railway network
- ❖ In continuation of the above, an in-principle approval from Board has been obtained for:
 - Finance lease of rolling stock for NTPC under General Purpose Wagon Investment Scheme (GPWIS) of MoR
 - Term Loan for Haryana Orbital Rail Corridor (HORC), a railway line from Palwal to Sonipat, being promoted by Haryana Rail Infrastructure Development Corporation Limited (HRIDC) (a JV of Government of Haryana (GoH) and MoR)
- ❖ IRFC has also entered into MoUs with RITES and IIFCL for strategic collaboration.





Thank You



Disclaimer

- * The presentation is prepared based on un-audited financial statements of IRFC for the Nine months ended 31st December 2023.
- * There is a possibility of Ind As financial results and the additional disclosures to be updated, modified or amended because of adjustments which may be required to be made on account of introduction of new Standards or its interpretation, receipt of guidelines or circulars from regulatory bodies and/or Reserve Bank of India.
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- * We do not update forward looking statements retrospectively. Such statements are valid on the date of publication and can be superseded.
- * Figures are regrouped / reclassified to make them comparable.
- * Analytical data are best estimates to facilitates understanding of business and not meant to reconcile reported figures.
- * Answers will be given only to non price sensitive questions.
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Financials- P & L Statement

Statement of Profit and Loss			
(All amounts in INR Crore, unless stated otherwise)			
Particulars	For Nine Months ended		Year Ended
	31 st Dec, 2023 (Un-audited)	31 st Dec, 2022 (Un-audited)	March 2023 (Audited)
Revenue From Operations			
Interest Income	6,682.79	5,548.80	7547.28
Lease Income	13,504.57	12,106.41	16,344.00
Total Revenue From Operations	20,187.36	17,655.21	23,891.28
Other Income	6.12	4.54	40.80
Dividend Income	0.34	0.14	0.55
Total Income	20,193.82	17,659.89	23,932.63
Expenses			
Finance Costs	15,376.75	12,552.51	17,447.21
Impairment on Financial Instruments	(4.43)	(3.53)	(2.91)
Employee Benefit Expense	8.60	8.84	13.10
Depreciation, Amortization and Impairment	7.71	10.74	14.06
Other Expenses	94.52	82.02	124.16
Total Expenses	15,483.15	12,650.58	17,595.62
Profit Before Exceptional Items and Tax	4,710.67	5,009.31	6,337.01
Exceptional Items	-	-	0.00
Profit Before Tax	4,710.67	5,009.31	6,337.01
Current Tax	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00
Adjustment for Earlier Years	0.00	0.00	0.00
Profit for the Period from Continuing Operations	4,710.67	5,009.31	6,337.01



Financial-Balance Sheet -1/2

Particulars	For Nine Months ended 31 st Dec. 2023 (Un-audited)	For Nine Months ended 31 st Dec. 2022 (Un-audited)	Year Ended March 2023 (Audited)
ASSETS			
Financial Assets			
Cash And Cash Equivalent	520.42	652.81	206.02
Bank Balance Other Than Above	189.27	156.75	335.63
Derivative Financial Instruments	455.27	519.97	495.23
Receivables			
- Lease Receivables	2,30,531.19	2,18,927.56	2,44,147.01
Loans	4,944.51	5,933.13	5,933.13
Investments	41.82	14.58	13.66
Other Financial Assets	2,38,681.30	2,30,270.65	2,25,272.67
Total Financial Assets	4,75,363.78	4,56,475.44	4,76,403.36
Non-financial assets			
Current Tax Assets (Net)	402.60	629.20	368.02
Property, Plant And Equipment (incl. Right of Use Assets)	23.04	26.29	17.93
Other Intangible Assets	4.69	1.44	1.26
Other Non-Financial Assets	12,095.31	12,474.10	14,356.17
Total Non-Financial Assets	12,525.64	13,131.03	14,743.39
Total Assets	4,87,889.41	4,69,606.47	4,91,146.75



Financials – Balance sheet (2/2)

LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	1,509.62	866.23	907.28
Payables			-
- Trade payables	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
- Other payables			-
(i) Total outstanding dues of micro enterprises and small enterprises	0.29	0.19	0.98
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	11.02	75.77	11.65
Debt Securities	2,18,815.29	2,07,702.52	2,16,094.23
Borrowings (Other Than Debt Securities)	1,93,272.55	1,95,508.84	2,02,835.03
Other Financial Liabilities (incl. Lease Liability)	25,824.03	21,220.92	25,637.38
Total Financial Liabilities	4,39,432.80	4,25,374.47	4,45,486.55
Non-Financial Liabilities			
Current Tax Liabilities (Net)	-	-	-
Provisions	171.15	44.94	104.80
Deferred Tax Liabilities (Net)	-	-	-
Other Non-Financial Liabilities	36.13	44.92	85.08
Total Non-Financial Liabilities	207.28	89.86	189.88
Total Liabilities	4,39,640.08	4,25,464.33	4,45,676.43
Equity			
Equity Share Capital	13,068.51	13,068.51	13,068.51
Other Equity	35,180.82	31,073.63	32,401.81
Total Equity	48,249.33	44,142.14	45,470.32
Total Liabilities And Equity	4,87,889.41	4,69,606.47	4,91,146.75

