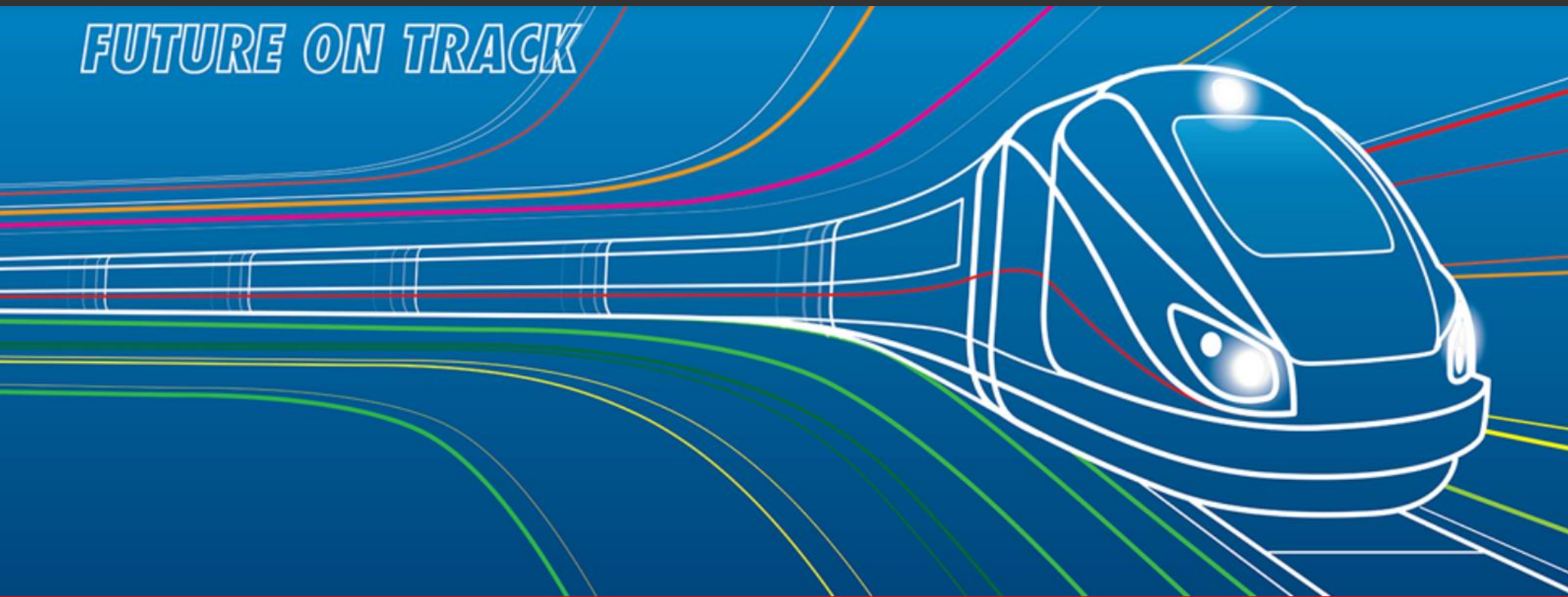


FUTURE ON TRACK



Indian Railway Finance Corporation Limited

For Half-Year ended: 30th September 2021

2nd November 2021

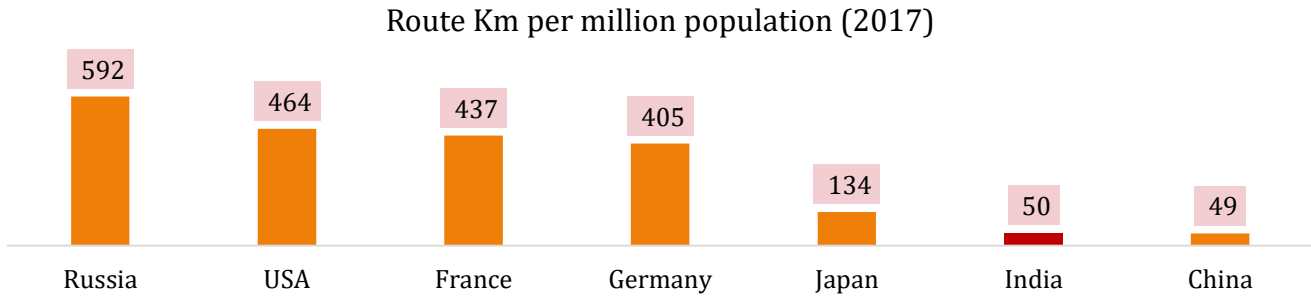
Key Strengths

1	Strategic role in growth of Indian Railways	AUM CAGR (FY19-21) 32.6%	<ul style="list-style-type: none"> ■ Dedicated market borrowing arm for the Indian Railways (IR) ■ Financed 67.3% of the capital outlay of the IR in FY 20-21 ■ Highest ever annual disbursement to MoR, at INR 1,04,369 crore during the FY 20- 21 ■ AUM has grown at 35.7% H1onH1 and stands at INR 3,82,172 crore
2	Low risk, Cost -Plus business model	GNPA (Q2FY22) NIL	<ul style="list-style-type: none"> ■ 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 three years
3	Competitive Cost of Borrowings	Long term Ratings AAA	<ul style="list-style-type: none"> ■ 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	<ul style="list-style-type: none"> ■ 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 (H1FY22) INR 38,917 Cr	<ul style="list-style-type: none"> ■ Profit growth of 59% on Half Yearly basis for FY 2021-22 ■ Revenue from operations grew by 26% on Half yearly basis for FY 2021-22 ■ Low overheads, administrative costs and high operational efficiency ■ Healthy return ratios – RoA at 1.47% and RoE at 15.4% for Q2FY22
6	Enjoys Regulatory Exemptions	Tax Liability NIL	<ul style="list-style-type: none"> ■ Exempted from the RBI's asset classification norms, provisioning norms, exposure norms to the extent of direct exposure on MoR and is , is not required to pay 'minimum alternate tax' with effect from Fiscal 2020

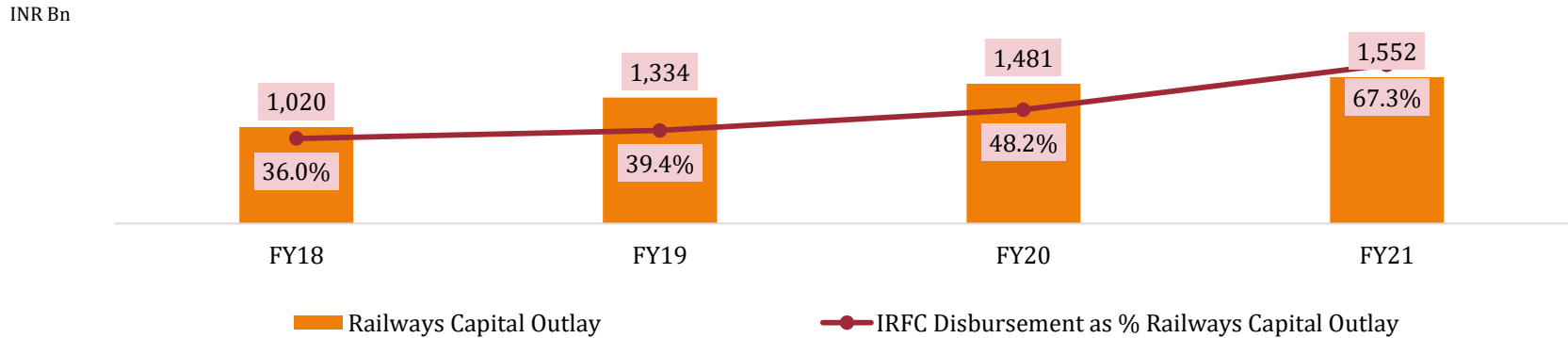


Strategic role in financing growth of Indian Railways

Indian Railways is fairly underpenetrated compared to the Global peers



MoR's increasing dependence on IRFC for financing

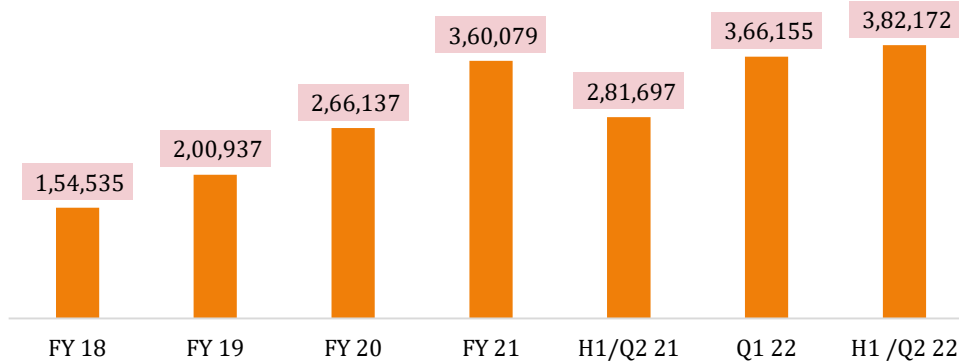


Source: National Infrastructure Pipeline , Report of the Task force , Department of Economic affairs , Ministry of Finance , GoI – Volume I

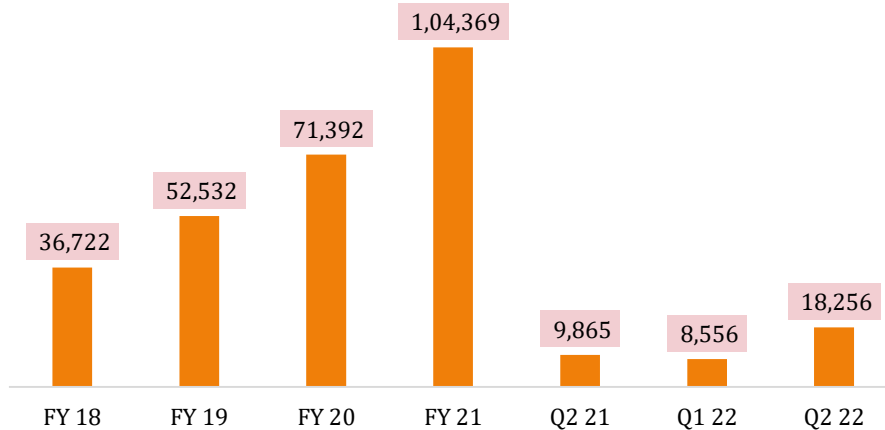


Strategic role in financing growth of Indian Railways

Assets Under Management

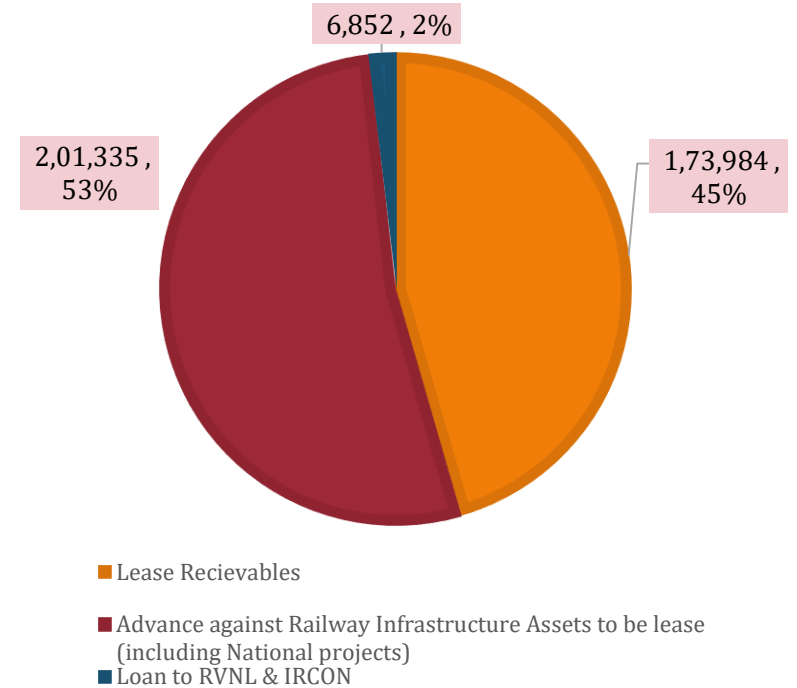


Disbursements



AUM Break-Up (Q2FY22)

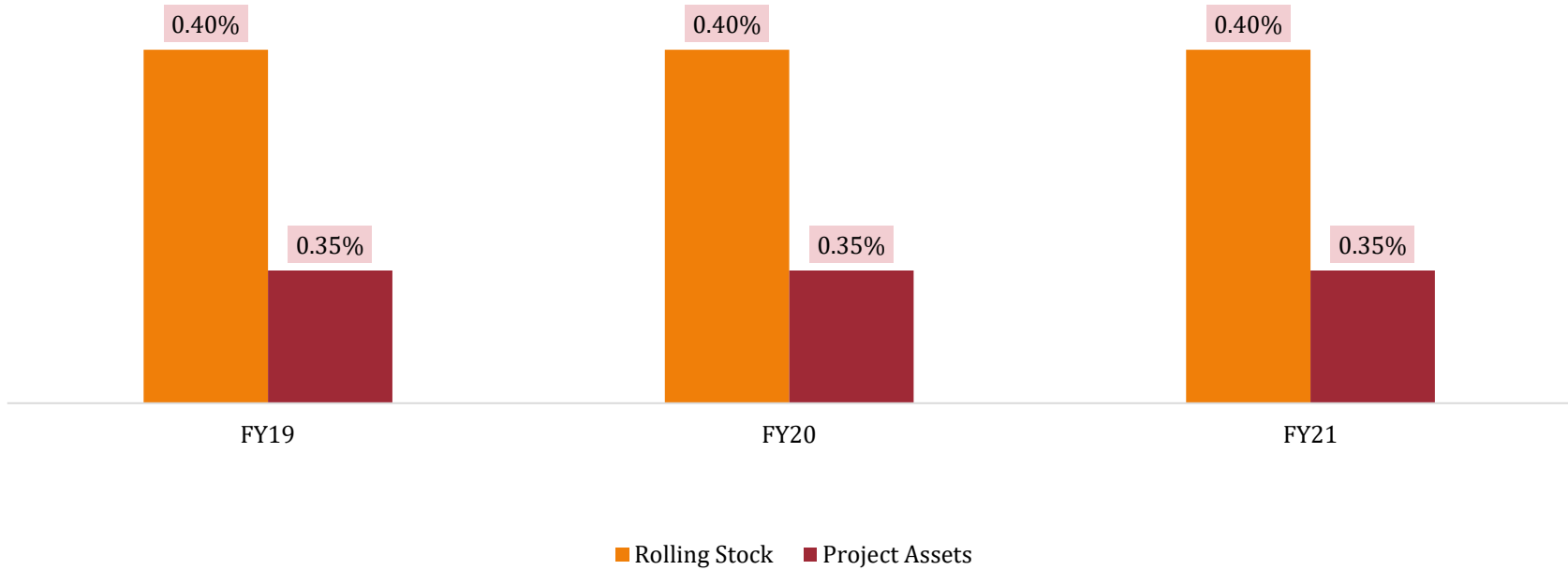
Minimal credit risk : 98% of AUM is exposure to MoR



All figures are in INR Crore, unless specified otherwise



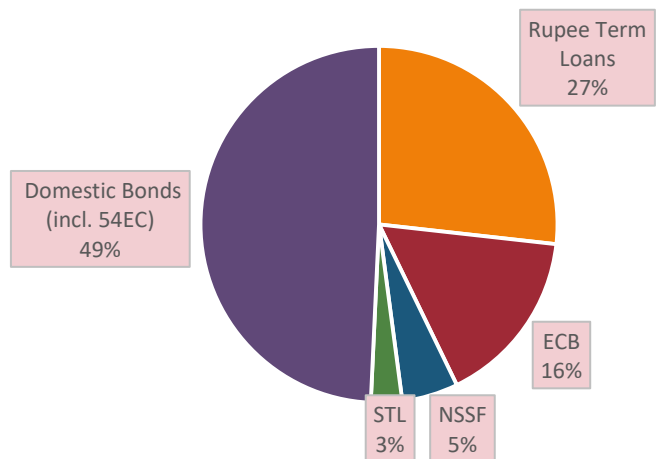
Spreads Charged by IRFC



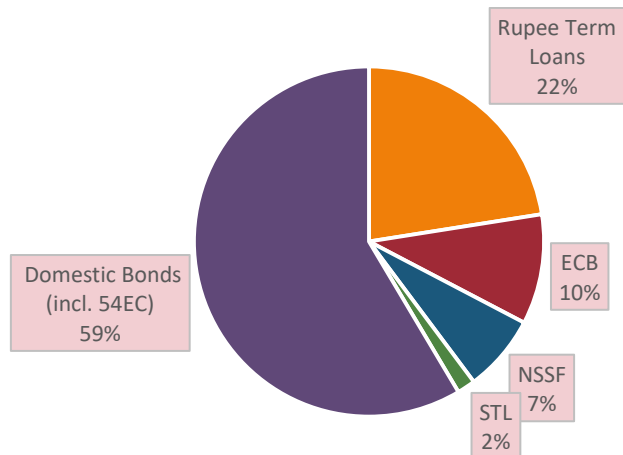
Competitive cost of borrowings based on strong credit ratings in India and diversified sources of funding

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

Borrowing Mix as on Sep 30, 2021



Borrowing Mix as on Sep 30, 2020



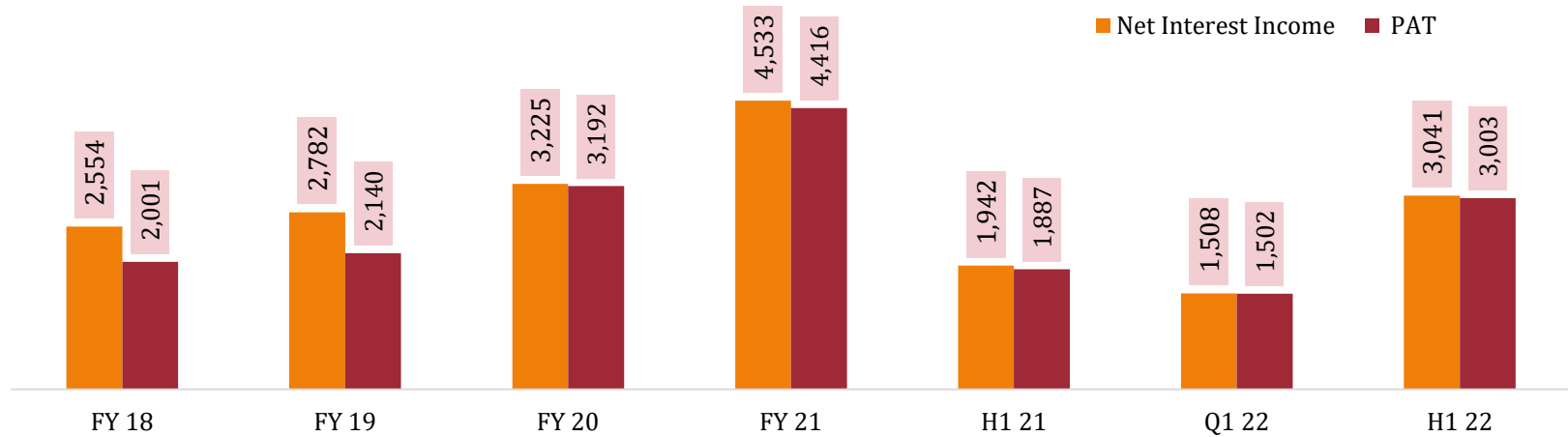
Particulars (30 th Sep 2021)	Rating	Outlook
<u>Domestic:</u>		
Long term rating		
CRISIL	CRISIL AAA	Stable
ICRA	ICRA AAA	Stable
CARE	CARE AAA	Stable
Short term rating		
CRISIL	CRISIL A1+	-
ICRA	ICRA A1+	-
CARE	CARE A1+	-
<u>International **</u>		
Moody's	Baa3	Stable
Standard and Poor's	BBB-	Stable
Fitch	BBB-	Stable
Japanese Credit Rating Agency	BBB+	Stable

**On par with India's sovereign ratings;

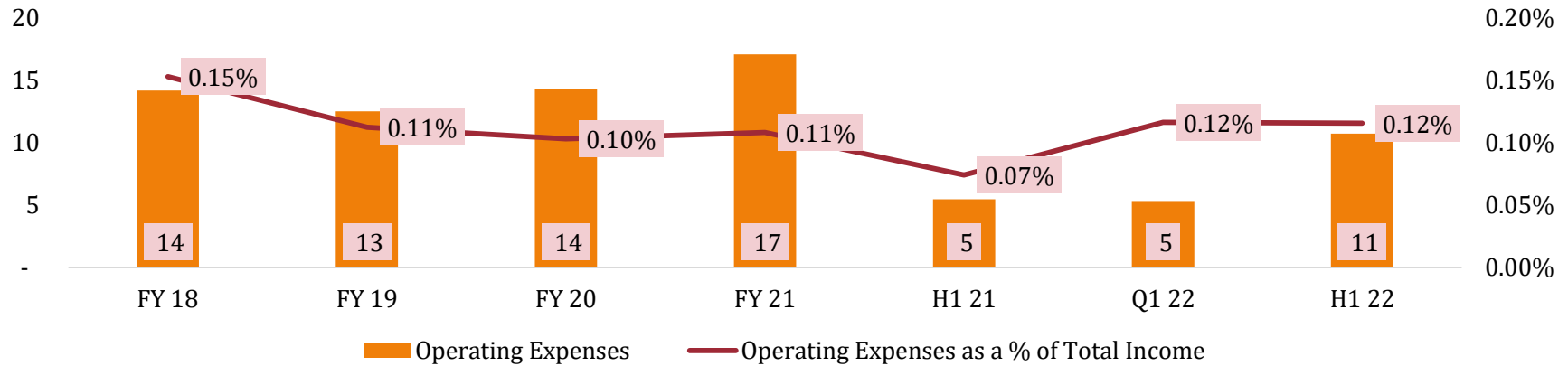


Consistent Financial Performance

Net Interest Income & PAT



Negligible Operating Expenses

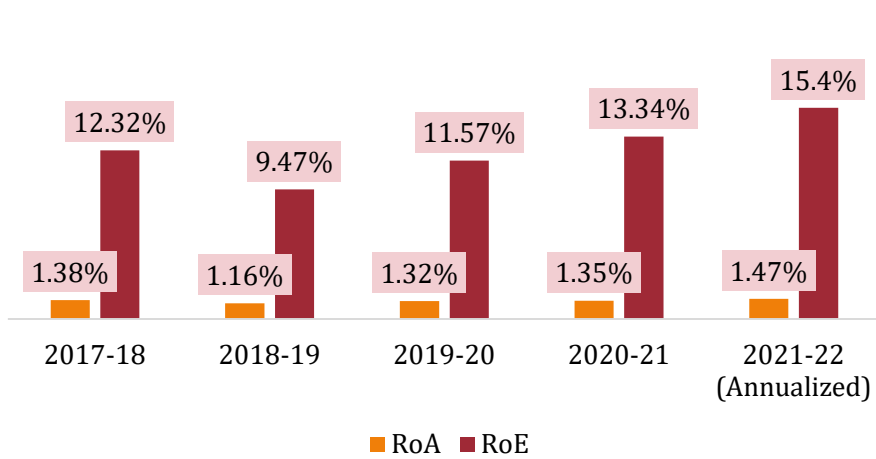


All figures are in INR Crore, unless specified otherwise

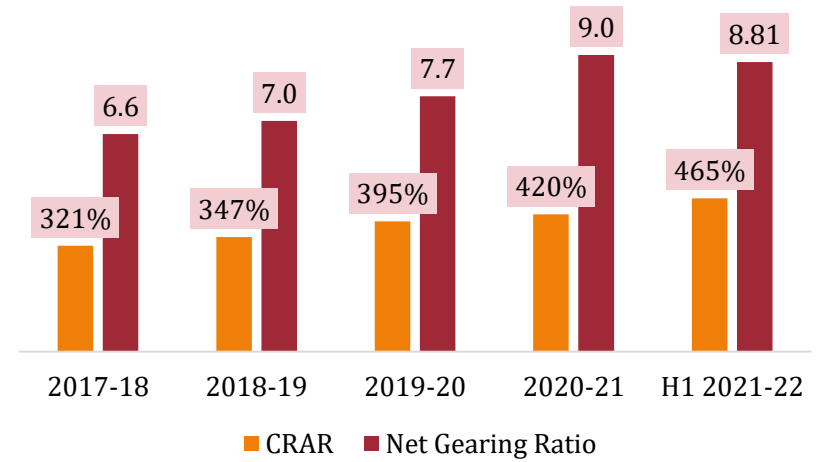


Consistent Financial Performance

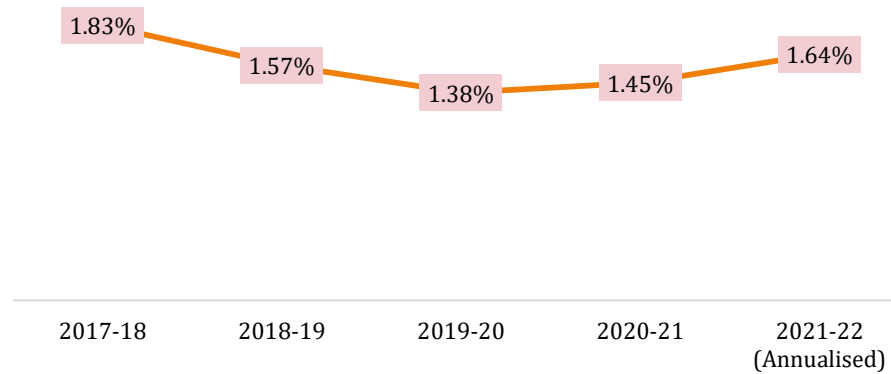
Return Ratios



CRAR and Net Gearing Ratio



Net Interest Margin



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



Key Ratios- Q2 of FY 2021-22

Particulars	Quarter-ended 30 th September 2021
Net Interest Margin	1 .64% (Annualized)
Return on Equity	15.4% (Annualized)
Net Gearing Ratio	8.81 x
CRAR	465 %



Snapshot of Key Financials

Particulars	Half-Year ended			Year-Ended
	30 th Sept 2021	30 th Sept 2020	Growth in %	31 st March 2021
Revenue from Operations	9,272	7,383	26%	15,770
Finance Cost	6,231	5,441	15%	11,237
Net Interest Income	3,041	1,942	57%	4,533
Profit Before Tax	3,003	1,887	59%	4,416
Profit After Tax	3,003	1,887	59%	4,416
Total Comprehensive Income	3,003	1,887	59%	4,418

All figures are in INR Crore





Thank You



Disclaimer

- * The presentation is prepared based on unaudited financial statements of IRFC the Half-year ended 30th September 2021
- * 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
- * This presentation may contain statements which reflects managements current views and estimates and may not be constructed as forward looking statements. The future involves uncertainties and risk that could cause actual results to differ materiality from the current views being expressed. Potential uncertainties and risk include factors such as general economic conditions, currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.
- * we do not update forward looking statements retrospectively. Such statements are valid on the date of publication and can be super ceded.
- * 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

(INR Crore)	Half-year/ Quarter- Ended			Year- Ended
	September FY22 [#]	September FY21 [*]	June FY 22 [#]	March 2021 [*]
Revenue from operations				
Interest income	3,311.76	1,716.77	1,660.14	3,943.66
Dividend income	0.24	0.23	0.15	0.25
Lease income	5,959.59	5,666.11	2,921.27	11,826.56
Total revenue from operations	9,271.58	7,383.12	4,581.56	15,770.47
Other income	0.06	0.27	0.87	0.39
9Total income	9,271.64	7,383.39	9,207.84	15,770.86
Finance costs	6,230.62	5,440.98	3,073.49	11,237.05
Impairment on financial instruments	(0.87)	(1.43)	(2.27)	2.72
Employee benefit expense	3.96	2.65	1.80	7.85
Depreciation, amortization and impairment	6.20	0.23	3.10	4.43
Other expenses	28.29	54.12	3.53	102.68
Total expenses	6,268.21	5,496.55	3,079.65	11,354.73
Profit before exceptional items and tax	3,003.43	1,886.84	1,501.95	44,16.13
Exceptional items	-	-	-	-
Profit before tax	3,003.43	1,886.84	1,501.95	4,416.13
Tax expense	-	-	-	-
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Total Tax Expenses	-	-	-	-
Profit for the period from continuing operations	3,003.43	1,886.84	1,501.95	4,416.13
Profit from discontinued operations	-	-	-	-
Tax expense of discontinued operations	-	-	-	-
Profit from discontinued operations (after tax)	-	-	-	-
Profit for the period	3,003.43	1,886.84	1,501.95	4,416.13

All figures are in INR Crore
[#]Unaudited
^{*}Audited



Financials – Balance sheet (1/2)

Particulars	September FY22 [#]	September FY21 [*]	As at 30 th June 2022 [#]	As at 31 st March 2021 [*]
ASSETS				
Financial assets				
Cash and cash equivalents	2,070.90	1.66	109.40	297.19
Bank balance other than above	76.24	94.21	93.04	161.73
Derivative financial instruments	93.63	-	82.28	76.01
Receivables				
- Lease receivables	1,73,984.28	1,53,846.81	1,68,382.56	1,65,568.99
Loans	6,824.80	6,243.04	6,625.61	6,969.81
Investments	11.76	11.40	12.65	11.98
Other financial assets	2,13,717.63	1,29,336.41	2,02,278.17	1,97,128.25
Total financial assets	3,96,779.27	2,89,533.55	3,77,583.71	3,70,213.97
Current tax assets (net)	930.77	863.05	930.77	930.32
Property, plant and equipment	39.59	10.92	42.34	45.32
Other Intangible assets	1.13	0.04	0.04	0.04
Other non-financial assets	10,916.65	1,579.00	7,463.16	6,862.06
Total non-financial assets	11,888.15	2,453.02	8,436.31	7,837.74
Total Assets	4,08,667.43	2,91,986.58	3,86,020.02	3,78,051.72

All figures are in INR Crore
[#]Unaudited
^{*}Audited



Financials – Balance sheet (2/2)

Particulars	September FY22	September FY21	As at 30 th June 2022	As at 31 st March 2021 [*]
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	380.96	388.34	368.79	360.13
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	0.20	0.15	0.39	0.38
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	25.08	43.99	32.70	50.38
Debt securities	1,93,709.14	1,61,258.66	1,75,654.65	1,78,574.79
Borrowings (other than debt securities)	1,48,988.46	84,090.65	1,52,692.70	1,44,535.89
Other financial liabilities	22,158.35	14,502.94	19,691.78	17,207.69
Total financial liabilities	3,65,262.21	2,60,284.75	3,48,441.03	3,40,729.25
Non-financial liabilities				
Current tax liabilities (net)	-	-	-	-
Provisions	29.15	9.29	29.01	29.12
Deferred tax liabilities (net)	-	-	-	-
Other non-financial liabilities	4,458.93	5.56	133.49	1,379.96
Total non-financial liabilities	4,488.09	14.86	162.50	1,409.08
Total liabilities	3,69,750.30	2,60,299.61	3,48,603.53	3,42,138.34
EQUITY				
Equity share capital	13,068.50	11,880.46	13,068.51	13,068.51
Other equity	25,848.61	19,806.50	24,347.99	22,844.88
Total equity	38,917.12	31,686.96	37,416.49	35,913.38
Total Liabilities and Equity	4,08,667.43	2,91,986.58	3,86,020.02	3,78,051.72

All figures are in INR Crore
#Unaudited
* Audited

