

FUTURE ON TRACK



Indian Railway Finance Corporation Limited

Performance Highlights

For the Half year ended 30th September, 2024

04.11.2024

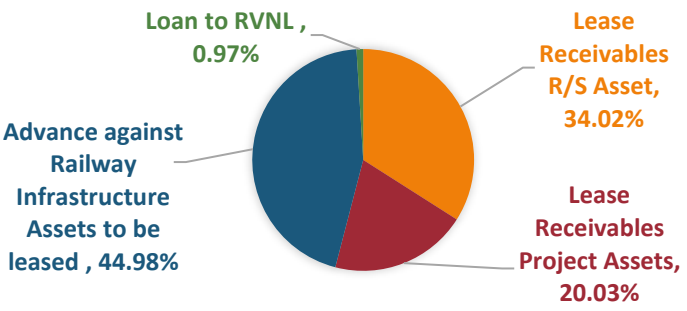
Snapshot of the Company

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 (HY1 FY 25)

Minimal credit risk : 99.03% of AUM is exposure to MoR



AUM (HY1 FY 25)
 INR 4,62,282.60 Cr

Net worth (HY1 FY 25)
 INR 51,464.12 Cr

RoE / RoA (HY1 FY 25)
 12.97% / 1.29%
 Annualized

GNPA
 NIL

Tax Liability
 NIL

Total Debt (HY1 FY 25)
 INR 4,03,106.24 Cr

NIM (HY1 FY 25)
 1.39%

Ratings
 CRISIL AAA | CRISIL A1+
 ICRA AAA | ICRA A1+
 CARE AAA | CARE A1+

Net Gearing Ratio (HY1 FY 25)
 7.83x

CRAR % (HY1 FY 25)
 722.89 %

All numbers are as on 30th September, 2024



Key Strengths

1

Strategic role in growth of Indian Railways

AUM CAGR (FY19 - HY1 FY 25)

19.12%

- Dedicated market borrowing arm for the Indian Railways (IR)
- AUM as on 30th September 2024 stands at INR 4,62,282.60 Crore

2

Low risk, Cost -Plus business model

GNPA (Upto HY1 FY 25)

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 (Upto HY1 FY 25)

INR 51,464.12 Cr

- Profit upto HY1 FY 25 stands at Rs. 3,189.47 crore
- Revenue from operations grew by 1.71% as compared to the corresponding previous HY1 FY 24.
- Low overheads, administrative costs and high operational efficiency
- Healthy return ratios - RoA at 1.29% and RoE at 12.97% for H1 FY 2024-25 (Annualised)

6

Enjoys Regulatory Exemptions

Tax Liability

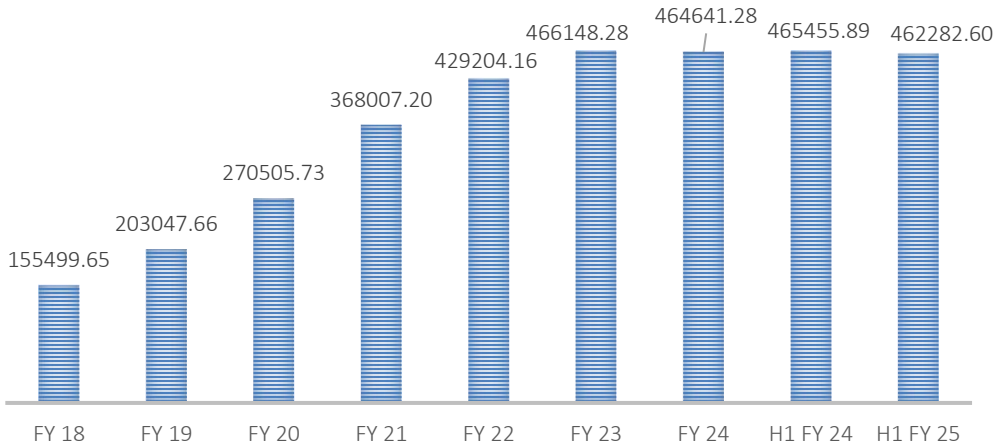
NIL

- 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 under section 115BAA of Income Tax Act

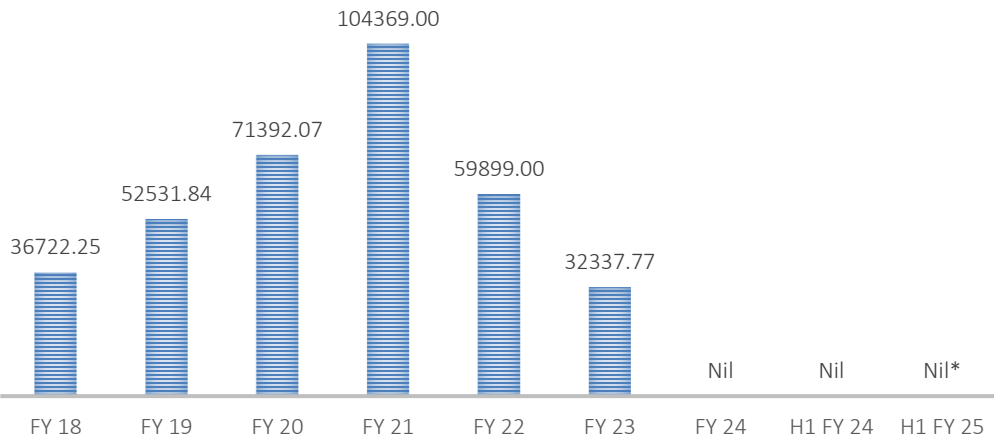
Strategic role in financing growth of Indian Railways

Assets Under Management

(All Figures in INR crore)



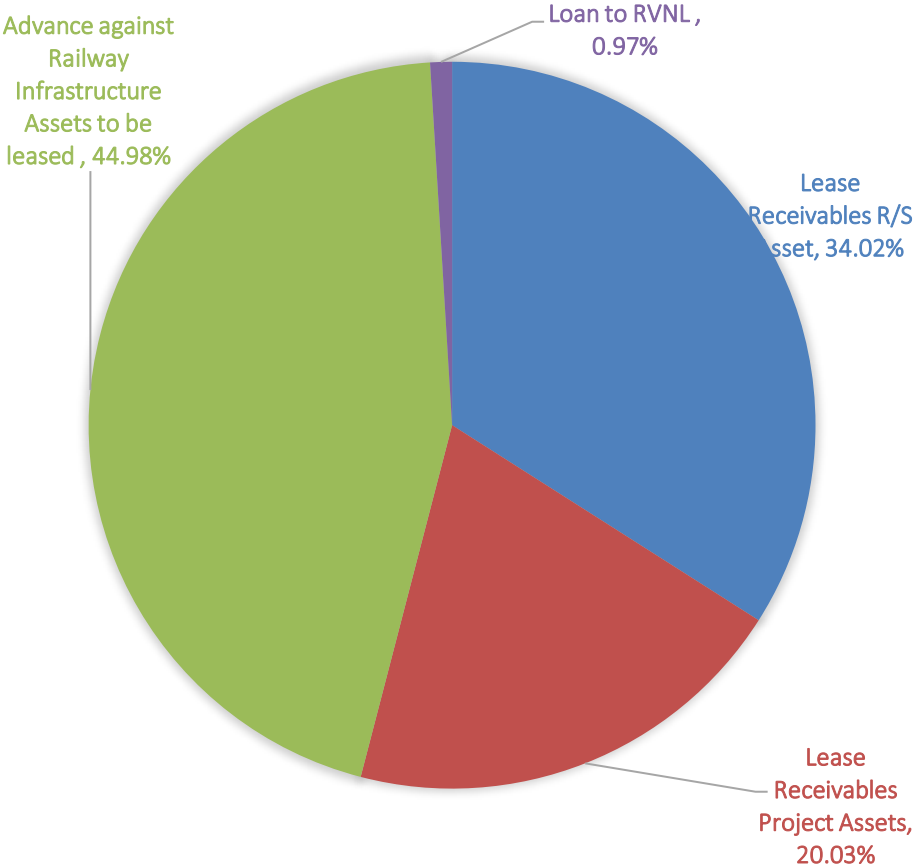
Disbursements



* MoR has not assigned target for the FY 2024-25.

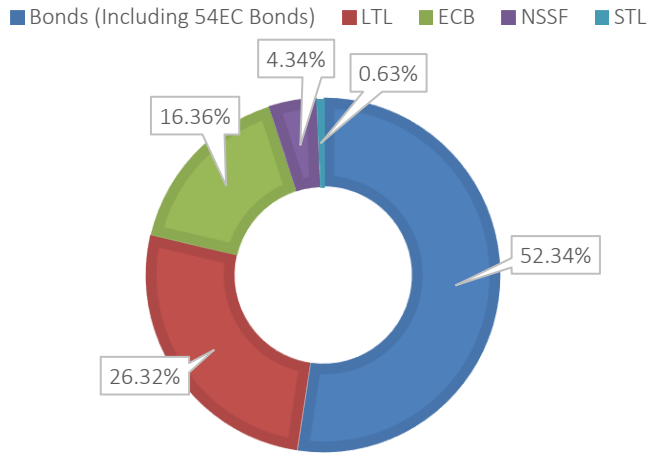
AUM Break-Up (HY1 FY 25)

Minimal credit risk : 99.03% of AUM is exposure to MoR

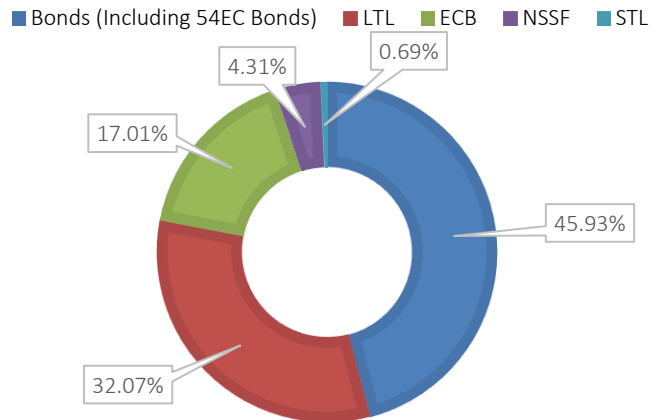


Competitive cost of borrowings based on strong credit ratings in India and diversified sources of funding

Borrowing Mix as on 30th Sept, 2024



Borrowing Mix as on 30th Sept, 2023



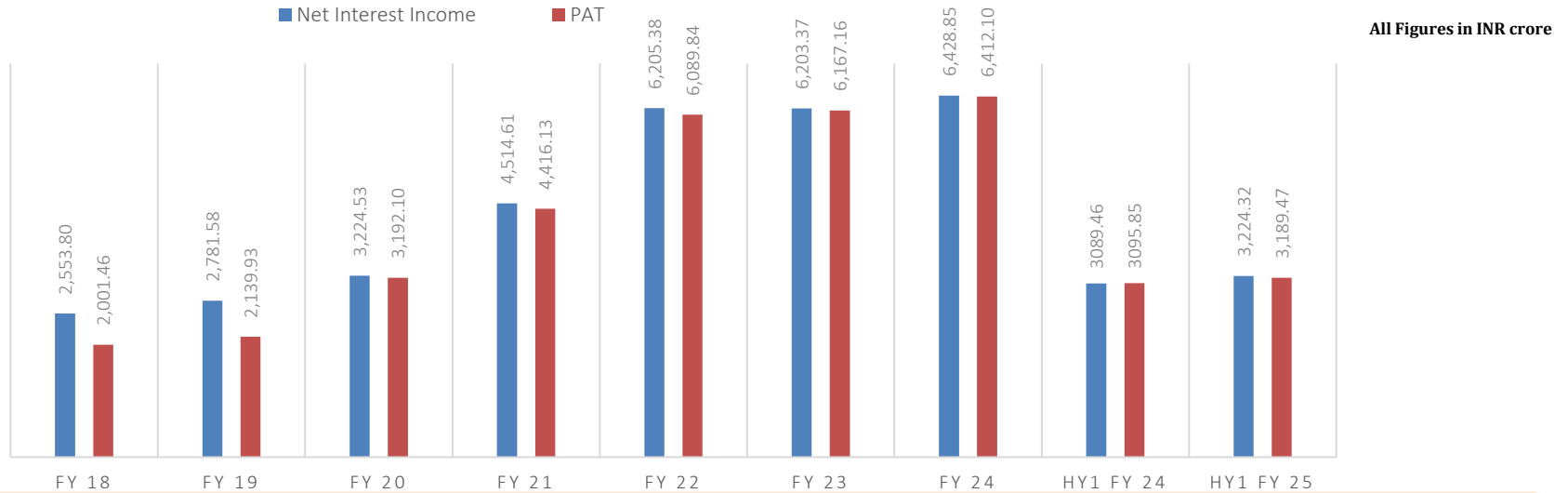
Particulars (30 th Sept, 2024)	Rating	Outlook
Domestic:		
Long term rating		
CRISIL	CRISIL AAA	Stable
ICRA	ICRA AAA	Stable
CARE	CARE AAA	Stable
Short term rating		
CRISIL	CRISIL A1+	-
ICRA	ICRA A1+	-
CARE	CARE A1+	-
International **		
Moody's	Baa3	Stable
Standard and Poor's	BBB-	Stable
Fitch	BBB-	Stable
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

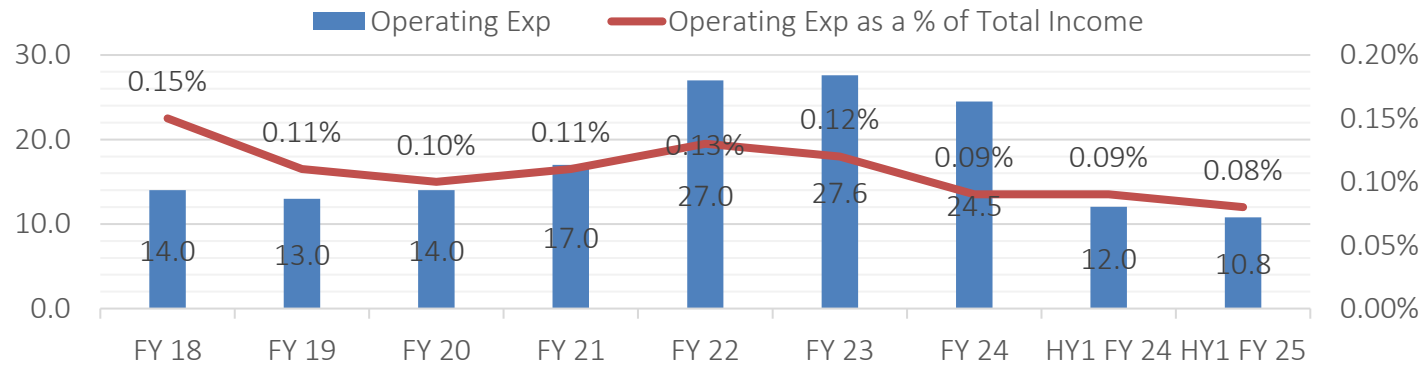
■ **At par with India's sovereign ratings;

Consistent Financial Performance

Net Interest Income & PAT



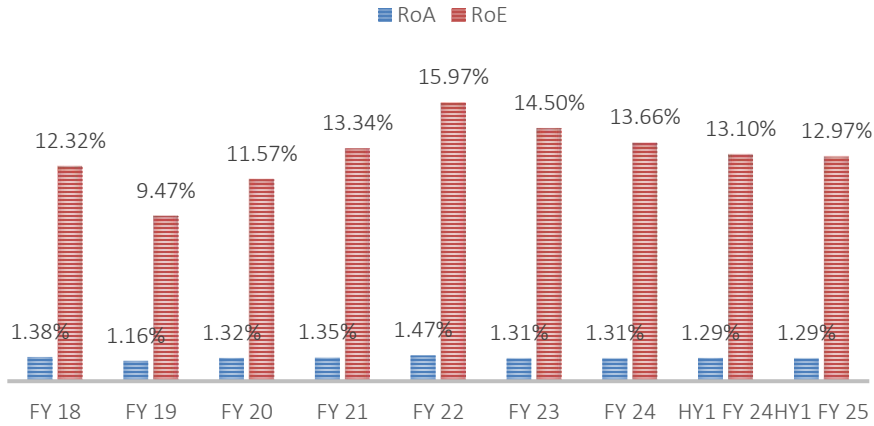
Negligible Operating Expenses



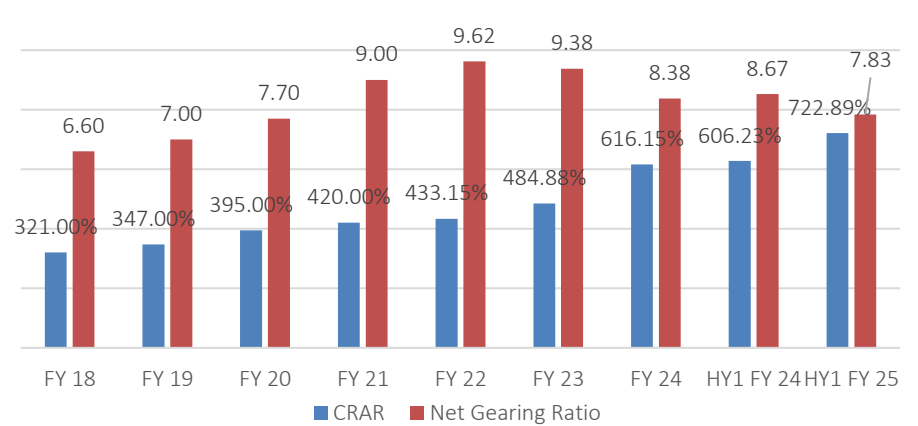
All figures are in INR Crore, unless specified otherwise

Consistent Financial Performance

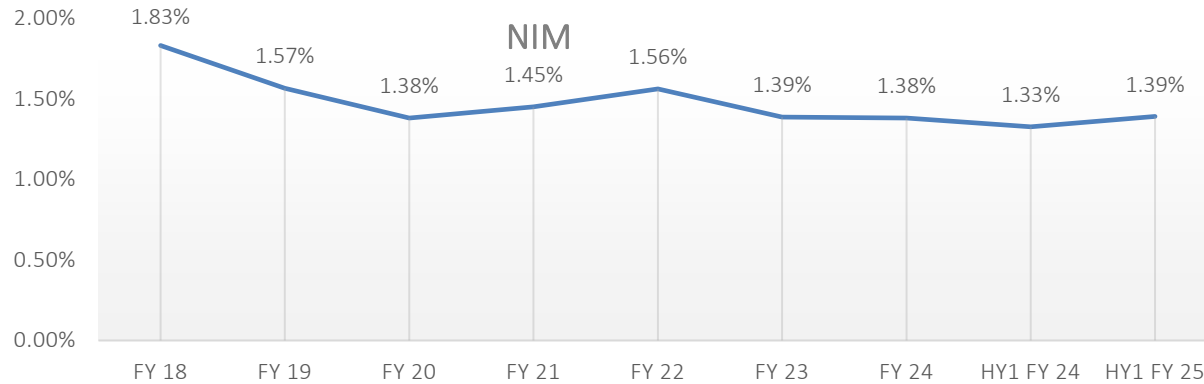
Return Ratios



CRAR and Net Gearing Ratio



Net Interest Margin



Key Ratios- FY 2024-25

Particulars	HY1 FY 2024-25
Net Interest Margin	1.39% (Annualized)
Return on Equity	12.97% (Annualized)
Net Gearing Ratio	7.83x
CRAR	722.89%
EPS	4.88(Annualized)
Total Dividend Paid for the FY 2023-24 is Rs. 1.50 per share:	
▪ Final Dividend	Rs. 0.70 per share
▪ Interim dividend	Rs. 0.80 per share
Interim Dividend Declared for FY 2024-25	Rs. 0.80 per share

Snapshot of Key Financials

All figures are in INR Crore

Particulars	HY Ended 30 th Sept. 2024	HY Ended 30 th Sept.2023	Growth in %	Year-Ended 31 st March 2024
Revenue from Operations	13,664.97	13,434.90	1.71%	26,644.58
Finance Cost	10,403.66	10,272.46	1.28%	20,101.47
Net Interest Income	3,224.32	3,089.46	4.37%	6,428.85
Profit Before Tax	3,189.47	3,095.85	3.02%	6,412.10
Profit After Tax	3,189.47	3,095.85	3.02%	6,412.10
Total Comprehensive Income	3,191.71	3,117.83	2.37%	6,452.48

- ❖ 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
- ❖ The Board has approved financing of 20 Bogie Open Bottom Rapid (BOBR) rakes under General-Purpose Wagon Investment Scheme (GPWIS) of MoR to NTPC for an amount up to Rs. 700 Cr under Finance Lease.
- ❖ 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 half year ended 30th September 2024.
- * 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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Financials- P & L Statement

Statement of Profit and Loss			
<i>(All amounts in INR Crore, unless stated otherwise)</i>			
Particulars	Half Year Ended 30th Sept., 2024	Half Year Ended 30th Sept., 2023	Year Ended March 2024
Revenue From Operations			
Interest Income	3,739.54	4,347.95	8,823.83
Lease Income	9,925.43	9,086.96	17,820.75
Total Revenue From Operations	13,664.97	13,434.90	26,644.58
Other Income	0.93	2.71	10.56
Dividend Income	0.32	0.31	0.78
Total Income	13,666.22	13,437.91	26,655.92
Expenses			
Finance Costs	10,403.66	10,272.46	20,101.47
Impairment on Financial Instruments	(3.17)	(4.93)	(3.93)
Employee Benefit Expense	5.54	5.48	11.17
Depreciation, Amortization and Impairment	2.68	6.38	9.44
Other Expenses	68.04	62.68	125.65
Total Expenses	10,476.75	10,342.06	20,243.81
Profit Before Exceptional Items and Tax	3189.47	3095.85	6,412.10
Exceptional Items	-	-	-
Profit Before Tax	3,189.47	3,095.85	6,412.10
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
Profit for the Period from Continuing Operations	3,189.47	3,095.85	6,412.10



Financial-Balance Sheet -1/2

Particulars	Half Year Ended 30th Sept., 2024	Half Year Ended 30th Sept., 2023	Year Ended March 2024 (Audited)
ASSETS			
Financial Assets			
Cash And Cash Equivalents	12,064.14	9702.05	22.77
Bank Balance Other Than Above	302.57	1091.59	444.60
Derivative Financial Instruments	400.34	519.89	489.79
Receivables			
- Lease Receivables	2,49,853.29	2,34,391.73	2,59,690.60
Loans	4,474.39	4,944.51	4,944.51
Investments	55.62	35.34	53.60
Other Financial Assets	2,15,336.32	2,33,183.94	2,07,255.00
Total Financial Assets	4,82,486.66	4,83,869.05	4,72,900.87
Non-financial assets			-
Current Tax Assets (Net)	378.97	368.95	344.12
Property, Plant And Equipment (incl. Right of Use Assets)	18.56	20.99	21.07
Intangible assets under development	3.78	-	3.78
Other Intangible Assets	0.98	4.83	0.98
Other Non-Financial Assets	11,459.41	11,949.52	11,811.61
Total Non-Financial Assets	11,861.71	12,344.29	12,181.56
Total Assets	4,94,348.38	4,96,213.34	4,85,082.43

Financials – Balance sheet (2/2)

LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	1,750.20	1,561.54	1,853.19
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	1.11
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9.98	11.22	14.54
Debt Securities	2,34,117.59	2,13,855.41	2,25,094.23
Borrowings (Other Than Debt Securities)	1,68,988.65	1,92,577.23	1,86,937.87
Other Financial Liabilities (incl. Lease Liability)	34,200.05	38,493.57	21,456.85
Total Financial Liabilities	4,39,066.47	4,46,499.26	4,35,357.79
Non-Financial Liabilities			-
Current Tax Liabilities (Net)			-
Provisions	209.06	145.64	162.77
Deferred Tax Liabilities (Net)	-	-	-
Other Non-Financial Liabilities	3,608.73	2,685.22	383.30
Total Non-Financial Liabilities	3,817.78	2,830.86	546.07
Total Liabilities	4,42,884.25	4,49,330.12	4,35,903.86
Equity			
Equity Share Capital	13,068.51	13,068.51	13,068.51
Other Equity	38,395.61	33,814.71	36,110.06
Total Equity	51,464.12	46,883.22	49,178.57
Total Liabilities And Equity	4,94,348.37	4,96,213.34	4,85,082.43

