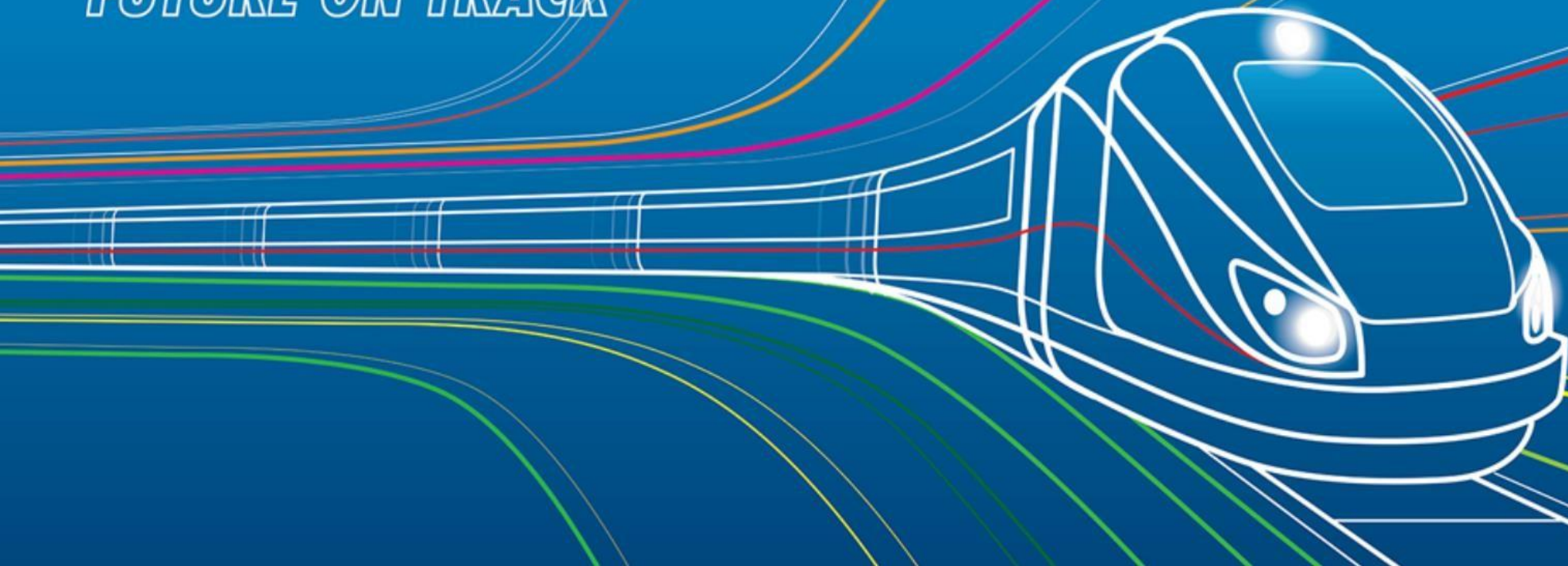


FUTURE ON TRACK



Indian Railway Finance Corporation Limited

Performance Highlights

For the Quarter ended 30th June 2024

14.08.2024

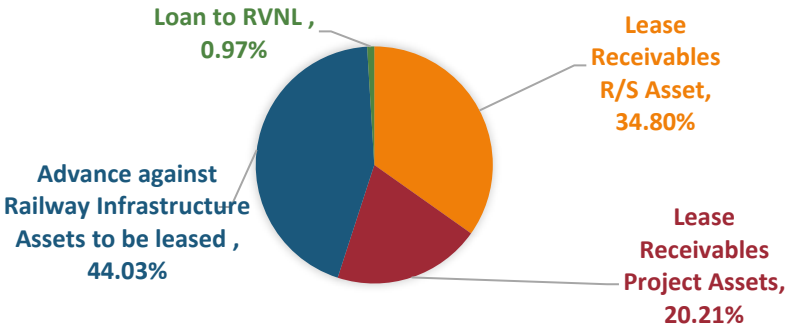
Snapshot of the Company

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 (Q1 FY 25)

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



AUM (Q1 FY 25)
 INR 4,63,181.05 Cr

Net worth (Q1 FY 25)
 INR 50,772.21 Cr

RoE / RoA (Q1 FY 25)
 12.62% / 1.31%
 Annualized

GNPA
 NIL

Tax Liability
 NIL

Total Debt (Q1 FY 25)
 INR 4,07,031.06 Cr

NIM (Q1 FY 25)
 1.37%

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

Net Gearing Ratio (Q1 FY 25)
 8.02x

CRAR % (Q1 FY 25)
 721.63 %

All numbers are as on 30th June, 2024



Key Strengths

1

Strategic role in growth of Indian Railways

AUM CAGR (FY19 - Q1 FY 25)

19.88%

- Dedicated market borrowing arm for the Indian Railways (IR)
- AUM as on 30th June 2024 stands at INR 4,63,181.05 Crore

2

Low risk, Cost -Plus business model

GNPA (Upto Q1 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 Q1 FY 25)

INR 50,772.21 Cr

- Profit upto Q1 FY 25 stands at Rs. 1,576.83 crore
- Revenue from operations grew by 1.37% as compared to the corresponding previous year quarter .
- Low overheads, administrative costs and high operational efficiency
- Healthy return ratios - RoA at 1.31% and RoE at 12.62% for Q1 FY 2024-25(Annualised)

6

Enjoys Regulatory Exemptions

Tax Liability

NIL

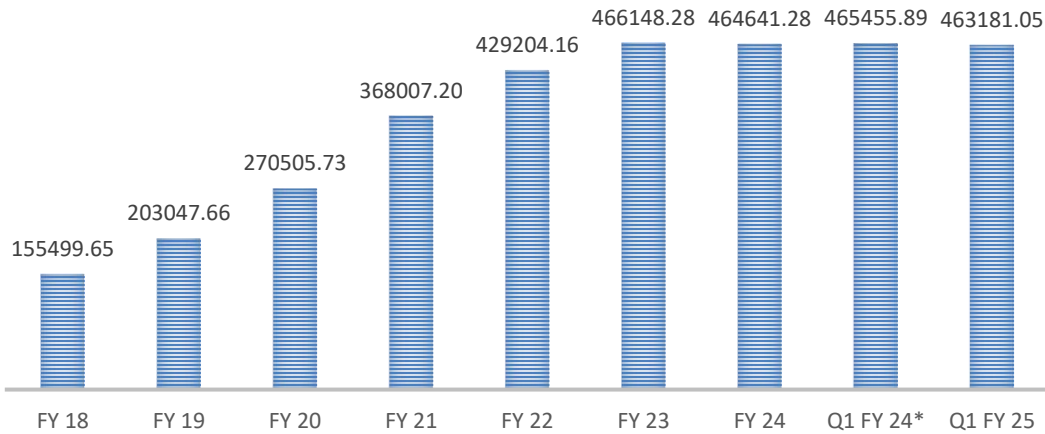
- Exempted from the RBI's asset classification norms, provisioning norms, exposure norms to the extent of direct exposure on MoR and is not required to pay 'minimum alternate tax' with effect from Fiscal 2020 under section 115BAA of Income Tax Act



Strategic role in financing growth of Indian Railways

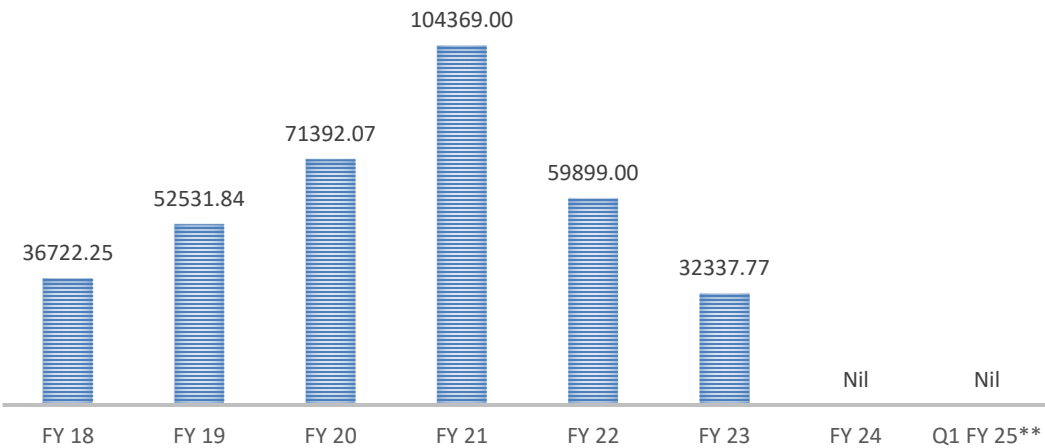
Assets Under Management

(All Figures in INR crore)



*Restated

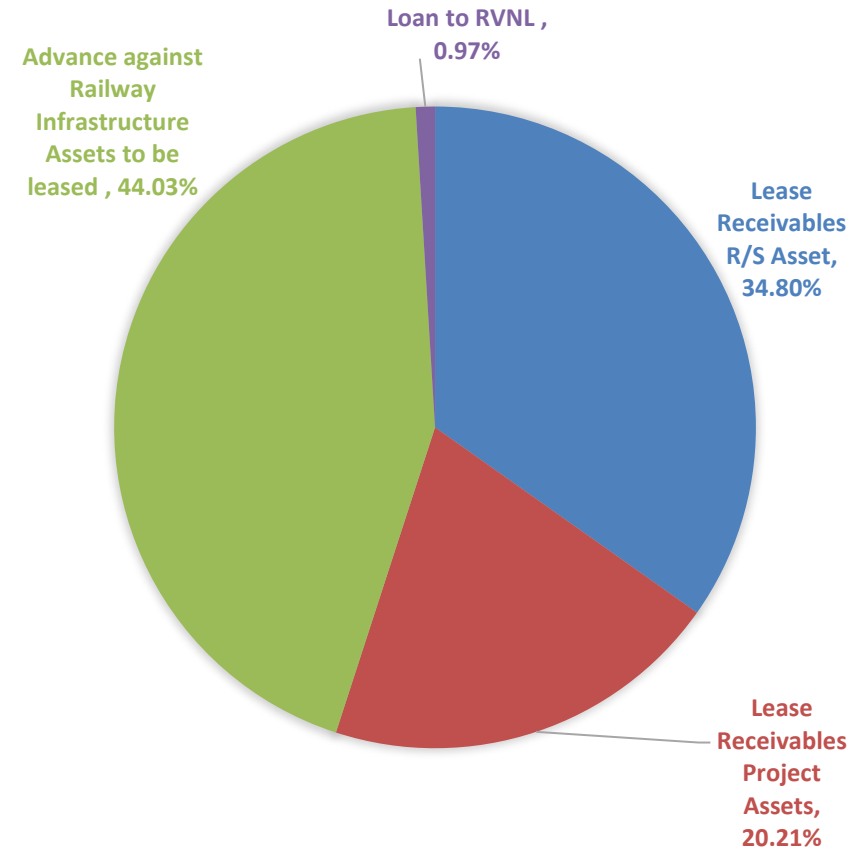
Disbursements



** No target has been assigned in the Budget for FY 2024-25.

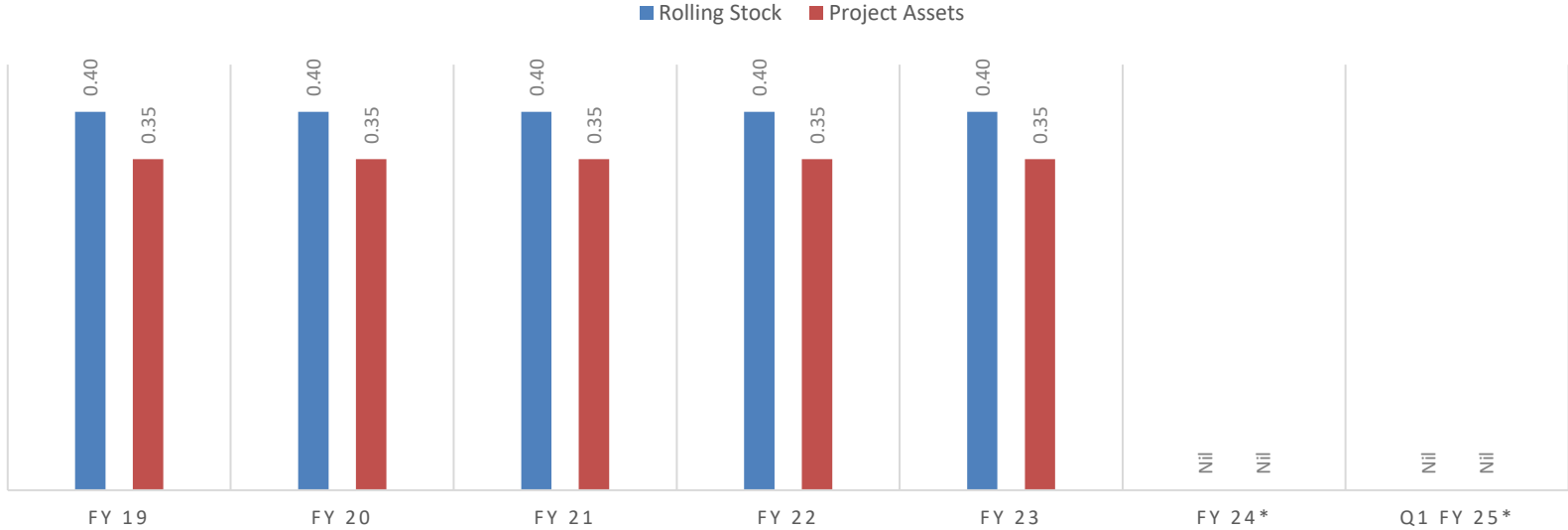
AUM Break-Up (Q1 FY 25)

Minimal credit risk : 99.03% 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

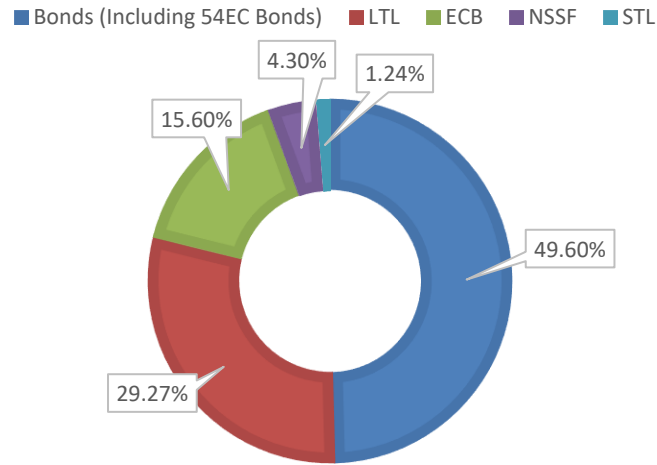
IRFC charges a minimal cost of margin (spread) over its already low-cost of borrowing, to MoR, but still exhibits consistent financial performance, owing to its robust business model

*Nil Disbursement

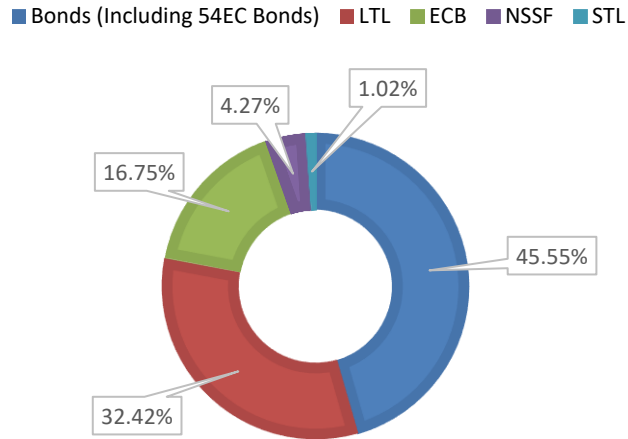


Competitive cost of borrowings based on strong credit ratings in India and diversified sources of funding

Borrowing Mix as on 30th June, 2024



Borrowing Mix as on 30th June, 2023



Particulars (30 th June, 2024)	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

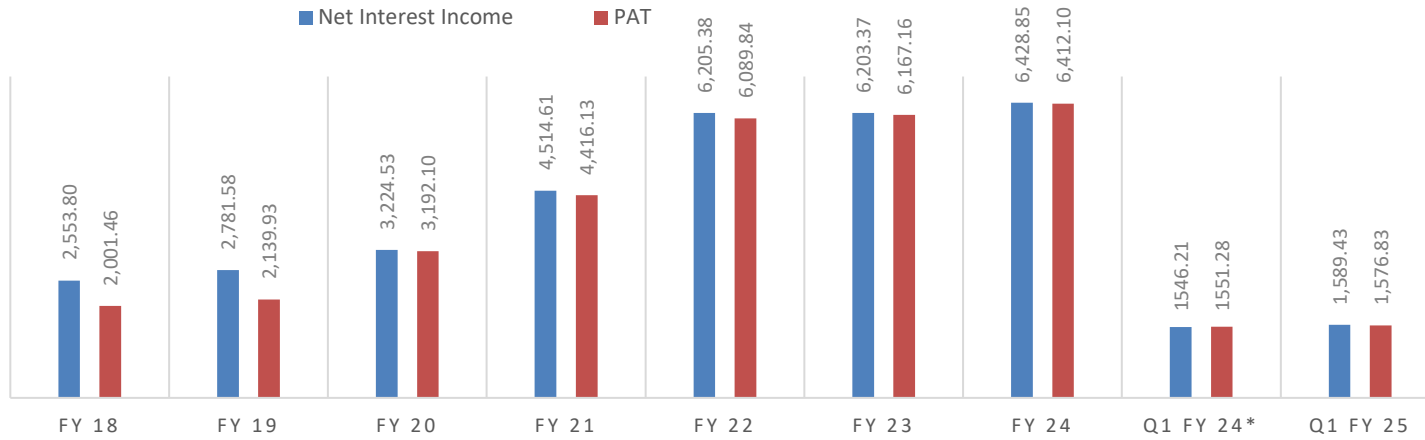
Diversified sources of funding, credit ratings and strategic relationship with the MoR, have enabled IRFC to keep costs of borrowing competitive

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



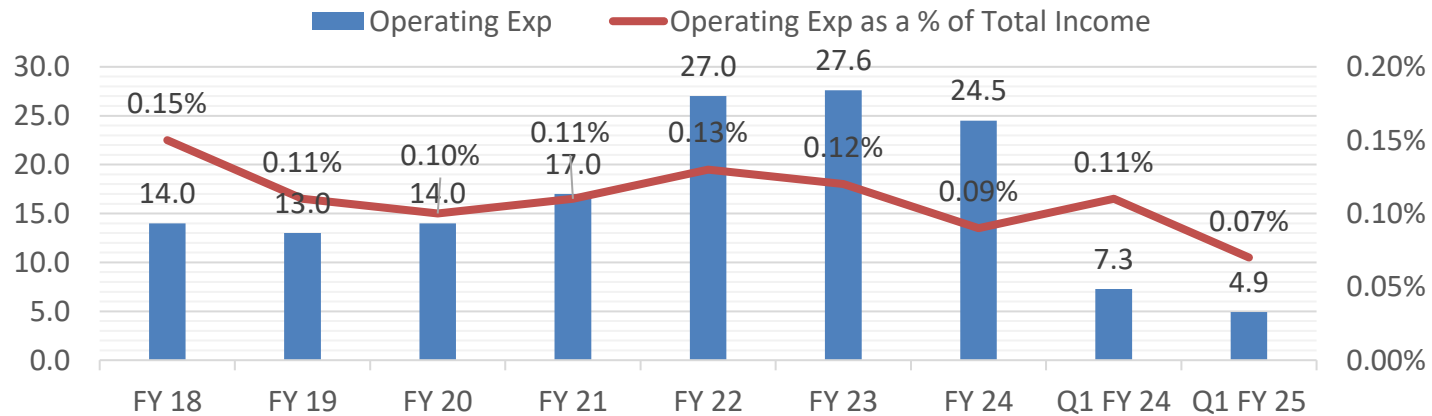
Consistent Financial Performance

Net Interest Income & PAT



*Restated

Negligible Operating Expenses

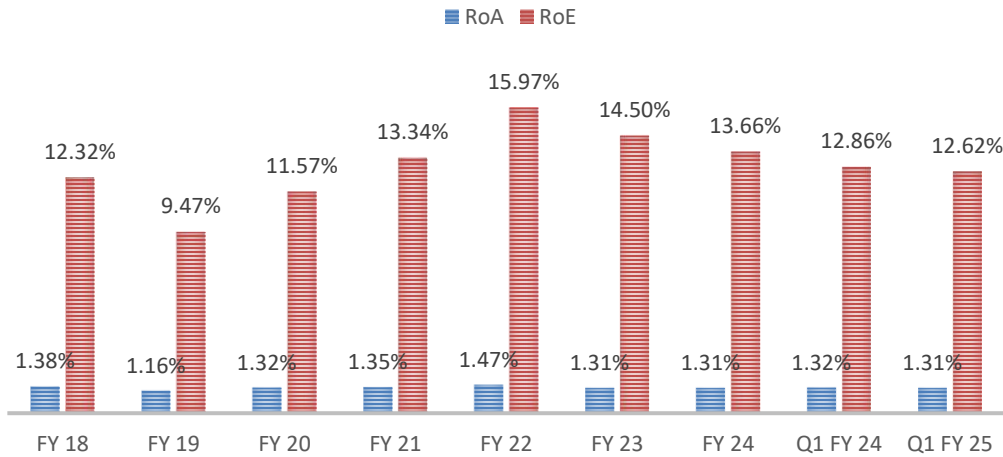


All figures are in INR Crore, unless specified otherwise

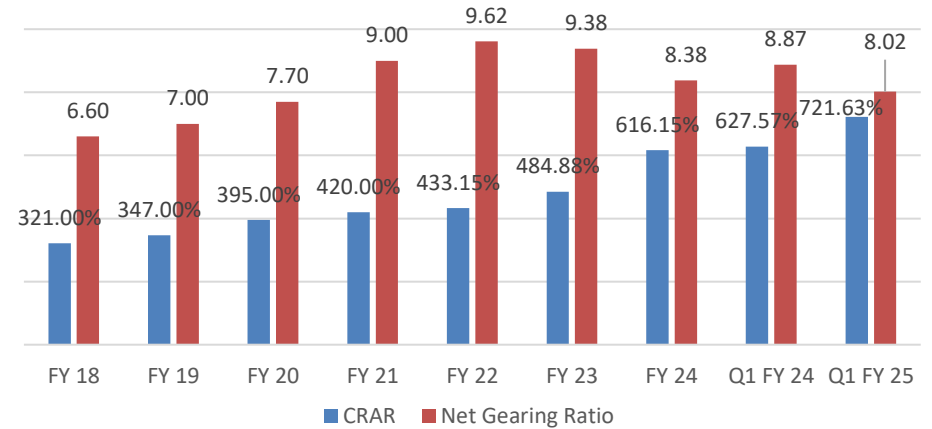


Consistent Financial Performance

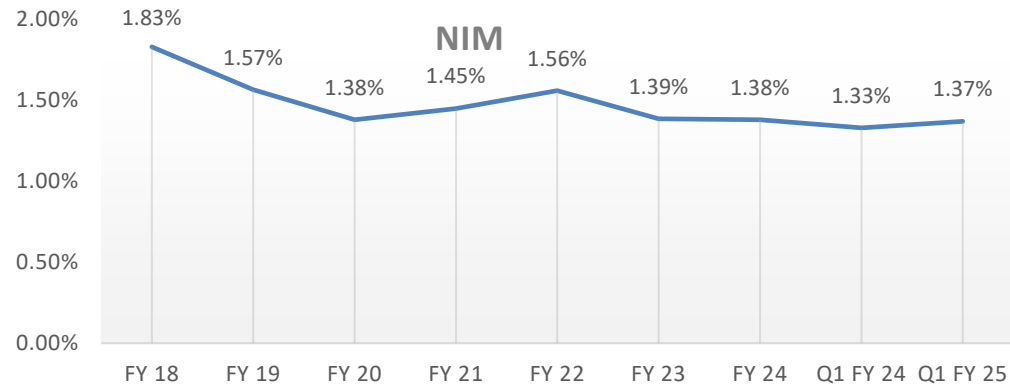
Return Ratios



CRAR and Net Gearing Ratio



Net Interest Margin



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



Key Ratios- FY 2024-25

Particulars	Q1 FY 2024-25
Net Interest Margin	1.37% (Annualized)
Return on Equity	12.62% (Annualized)
Net Gearing Ratio	8.02x
CRAR	721.63%
EPS	4.83(Annualized)
Dividend Paid	
▪ Final Dividend recommended by Board (Rs. per share) for FY 2023-24	0.70 per share
▪ Interim dividend paid for FY 2023-24	0.80 per share



Snapshot of Key Financials

All figures are in INR Crore

Particulars	Quarter-Ended 30 th June 2024	Quarter-Ended 30 th June 2023*	Growth in %	Year-Ended 31 st March 2024
Revenue from Operations	6,765.63	6,673.88	1.37%	26,644.58
Finance Cost	5,154.91	5,090.97	1.26%	20,101.47
Net Interest Income	1,589.43	1,546.21	2.80%	6,428.85
Profit Before Tax	1,576.83	1,551.28	1.65%	6,412.10
Profit After Tax	1,576.83	1,551.28	1.65%	6,412.10
Total Comprehensive Income	1,589.14	1,558.14	1.99%	6,452.48

*Restated



- ❖ 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
- ❖ As per the above mandate, the company is exploring business opportunities in the above areas to expand its lending portfolio and also in discussion with Infrastructure Finance Companies in the Government Sector for co-lending opportunities.





Thank You



Disclaimer

- * The presentation is prepared based on un-audited financial statements of IRFC for the quarter ended 30th June 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.
- * 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 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.
- * This presentation is for information purpose only and do not constitute an offer or recommendation to buy or sell any securities of IRFC. Any action taken by you on the basis of information contained in presentation is your responsibility alone and IRFC or its directors or employees will not be liable in any manner for the consequences of such actions taken by you.



Financials- P & L Statement

Statement of Profit and Loss			
<i>(All amounts in INR Crore, unless stated otherwise)</i>			
Particulars	Quarter Ended 30th June, 2024	Quarter Ended 30th June, 2023*	Year Ended March 2024
Revenue From Operations			
Interest Income	1,819.03	2,131.25	8,823.83
Lease Income	4,946.60	4,542.62	17,820.75
Total Revenue From Operations	6,765.63	6,673.88	26,644.58
Other Income	0.39	1.86	10.56
Dividend Income	-	-	0.78
Total Income	6,766.02	6,675.73	26,655.92
Expenses			
Finance Costs	5,154.91	5,090.97	20,101.47
Impairment on Financial Instruments	(3.63)	(5.43)	(3.93)
Employee Benefit Expense	2.62	2.77	11.17
Depreciation, Amortization and Impairment	1.59	4.23	9.44
Other Expenses	33.70	31.92	125.65
Total Expenses	5,189.19	5,124.46	20,243.81
Profit Before Exceptional Items and Tax	1,576.83	1,551.28	6,412.10
Exceptional Items	-	-	-
Profit Before Tax	1,576.83	1,551.28	6,412.10
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
Profit for the Period from Continuing Operations	1,576.83	1,551.28	6,412.10

*Restated



Financial-Balance Sheet -1/2

Particulars	Quarter Ended 30 th June, 2024	Quarter Ended 30 th June, 2023*	Year Ended March 2024 (Audited)
ASSETS			
Financial Assets			
Cash And Cash Equivalents	23.75	512.21	22.77
Bank Balance Other Than Above	355.70	124.21	444.60
Derivative Financial Instruments	485.93	461.13	489.79
Receivables			
- Lease Receivables	2,54,751.39	2,38,879.14	2,59,690.60
Loans	4,474.39	4,944.51	4,944.51
Investments	65.80	20.37	53.60
Other Financial Assets	2,09,216.64	2,28,183.76	2,07,255.00
Total Financial Assets	4,69,373.59	4,73,125.34	4,72,900.87
Non-financial assets			
Current Tax Assets (Net)	358.63	368.37	344.12
Property, Plant And Equipment (incl. Right of Use Assets)	19.58	22.99	21.07
Intangible assets under development	3.78	-	3.78
Other Intangible Assets	0.98	1.17	0.98
Other Non-Financial Assets	11,461.62	12,812.01	11,811.61
Total Non-Financial Assets	11,844.60	13,204.54	12,181.56
Total Assets	4,81,218.19	4,86,329.88	4,85,082.43

*Restated



Financials – Balance sheet (2/2)

LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	2,222.00	1,436.81	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			1.11
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	50.52	2.43	14.54
Debt Securities	2,24,900.70	2,13,585.91	2,25,094.23
Borrowings (Other Than Debt Securities)	1,82,130.36	1,96,513.99	1,86,937.87
Other Financial Liabilities (incl. Lease Liability)	20,970.22	28,373.53	21,456.85
Total Financial Liabilities	4,30,273.79	4,39,912.67	4,35,357.79
Non-Financial Liabilities			
Current Tax Liabilities (Net)			-
Provisions	162.02	120.51	162.77
Deferred Tax Liabilities (Net)	-	-	-
Other Non-Financial Liabilities	10.17	58.38	383.30
Total Non-Financial Liabilities	172.19	178.89	546.07
Total Liabilities	4,30,445.98	4,40,091.56	4,35,903.86
Equity			
Equity Share Capital	13,068.51	13,068.51	13,068.51
Other Equity	37,703.70	33,169.81	36,110.06
Total Equity	50,772.21	46,238.32	49,178.57
Total Liabilities And Equity	4,81,218.19	4,86,329.88	4,85,082.43

