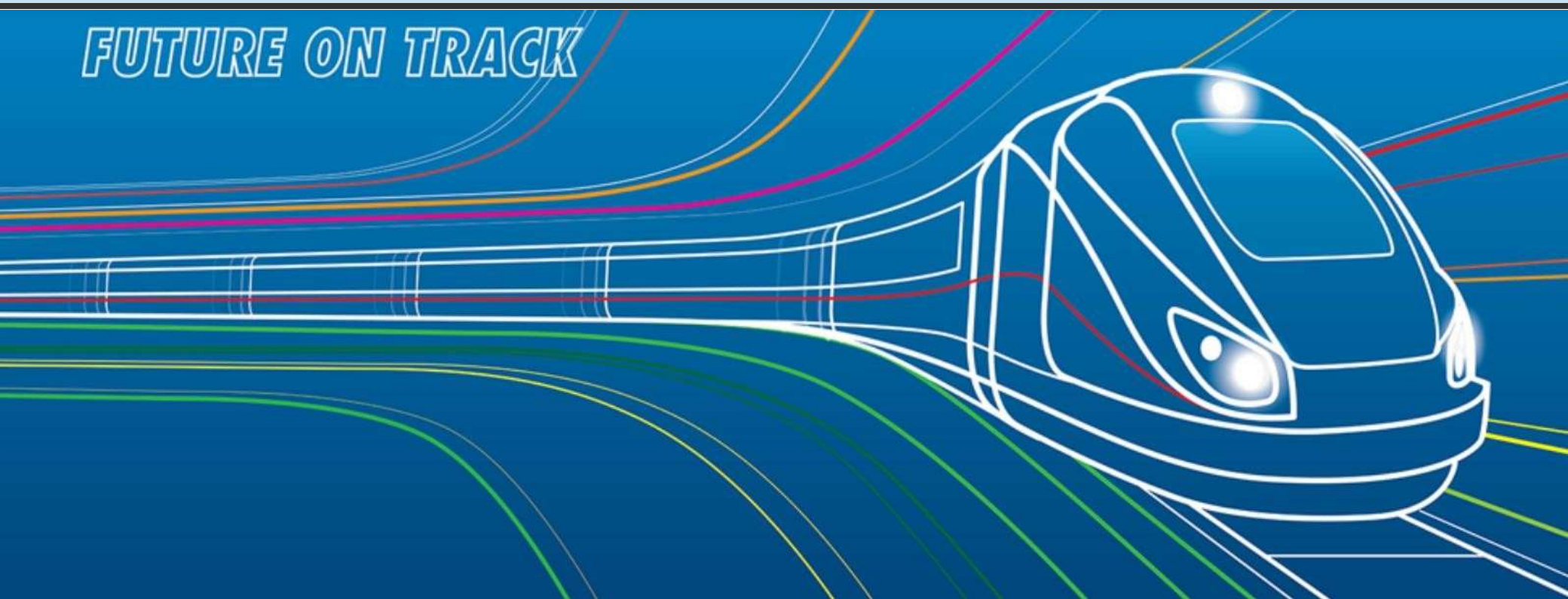


**FUTURE ON TRACK**



## **Indian Railway Finance Corporation Limited**

### **Performance Highlights**

**For Nine months ended 31<sup>st</sup> December 2024**

20.01.2025

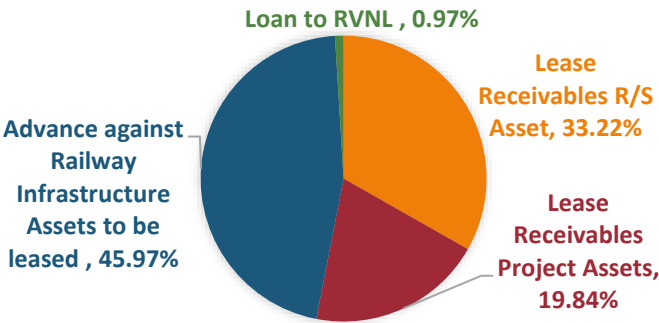
# Snapshot of the Company

## 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 25)

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



### AUM (Upto Q3 FY 25)

INR 4,61,251.34 Cr



### Net worth (Upto Q3 FY 25)

INR 52,046.26 Cr



### RoE / RoA (Upto Q3 FY 25)

12.92% / 1.33%  
Annualized



### GNPA

NIL



### Tax Liability

NIL



### Total Debt (Upto Q3 FY 25)

INR 4,06,523.94 Cr



### NIM (Upto Q3 FY 25)

1.40%



### Ratings

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

### Net Gearing Ratio (Upto Q3 FY 25)

7.81x



### CRAR % (Upto Q3 FY 25)

719.85%



All numbers are as on 31<sup>st</sup> December, 2024

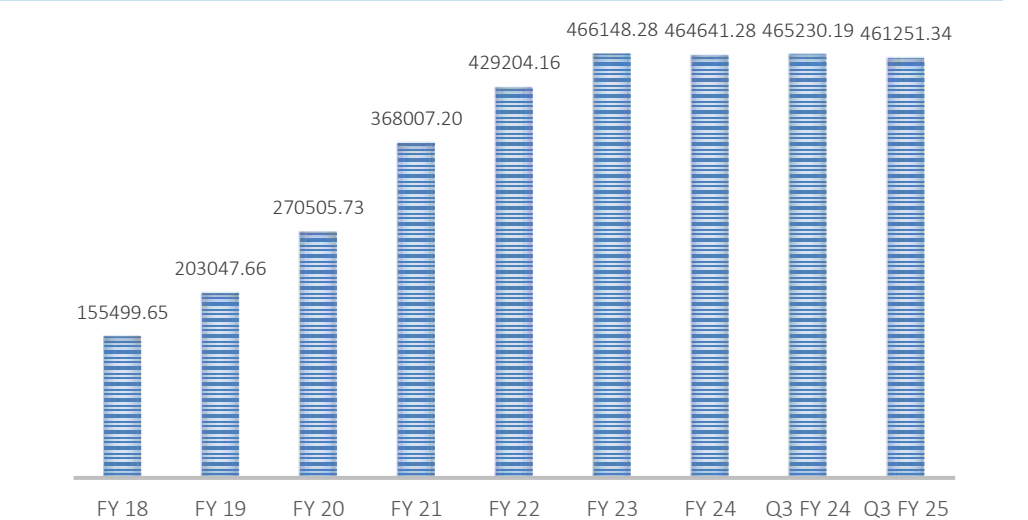


# Key Strengths

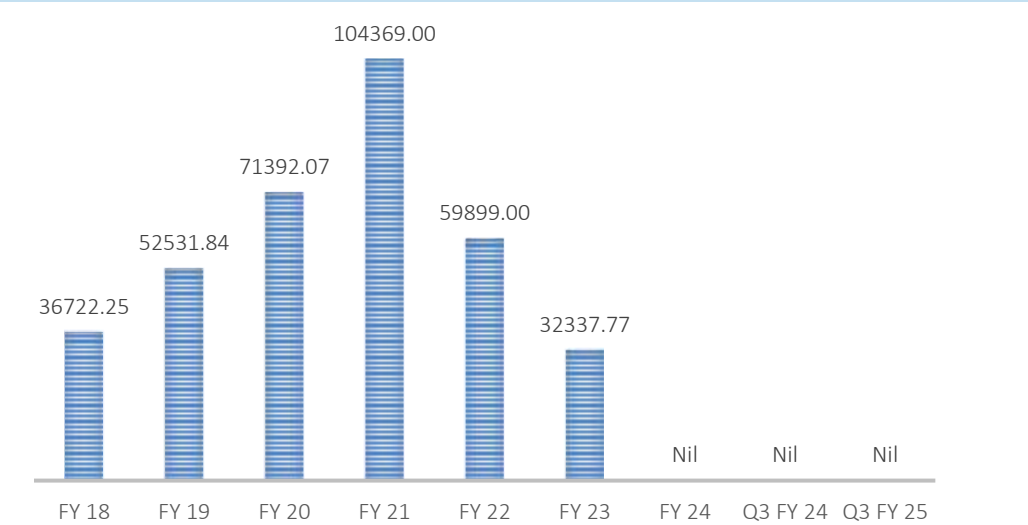
1	Strategic role in growth of Indian Railways	AUM CAGR (FY19 – Q3 FY 25) <b>18.37%</b>	<ul style="list-style-type: none"> <li>■ Dedicated market borrowing arm for the Indian Railways (IR)</li> <li>■ AUM as on 31<sup>st</sup> December 2024 stands at INR 4,61,251.34 Crore</li> </ul>
2	Low risk, Cost –Plus business model	GNPA ( Upto Q3 FY 25) <b>NIL</b>	<ul style="list-style-type: none"> <li>■ Strategic relationship with the MoR enables us to maintain a low risk profile</li> <li>■ Cost-Plus Standard Lease Agreements with MoR</li> <li>■ Consistent spreads on Rolling Stock and Project Assets over last five years</li> </ul>
3	Competitive Cost of Borrowings	Long term Ratings <b>AAA</b>	<ul style="list-style-type: none"> <li>■ Highest credit rating for an Indian Issuer from ICRA, CRISIL &amp; CARE</li> <li>■ Diversified funding sources of various maturities &amp; currencies</li> <li>■ Competitive cost of Borrowing to keep finance cost under check</li> </ul>
4	Strong Asset-Liability Management	Cumulative Gap over 5 yrs <b>NIL</b>	<ul style="list-style-type: none"> <li>■ IRFC borrows on a long-term basis to align with the long-term tenure of the assets financed</li> <li>■ MoR is required to provide for any shortfall in funding under the Standard Lease Agreement</li> </ul>
5	Consistent financial performance	Net Worth (Upto Q3 FY 25) <b>INR 52,046.26 Cr</b>	<ul style="list-style-type: none"> <li>■ Profit upto Q3 FY 25 stands at Rs. 4,820.13 Crore</li> <li>■ Revenue from operations grew by 1.27% as compared to the corresponding previous Q3 FY 24.</li> <li>■ Low overheads, administrative costs and high operational efficiency</li> <li>■ Healthy return ratios – RoA at 1.33% and RoE at 12.92% for 9M ended FY 2024-25 (Annualised)</li> </ul>
6	Enjoys Regulatory Exemptions	Tax Liability <b>NIL</b>	<ul style="list-style-type: none"> <li>■ 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</li> </ul>

# Strategic role in financing growth of Indian Railways

Assets Under Management (All Figures in INR crore)



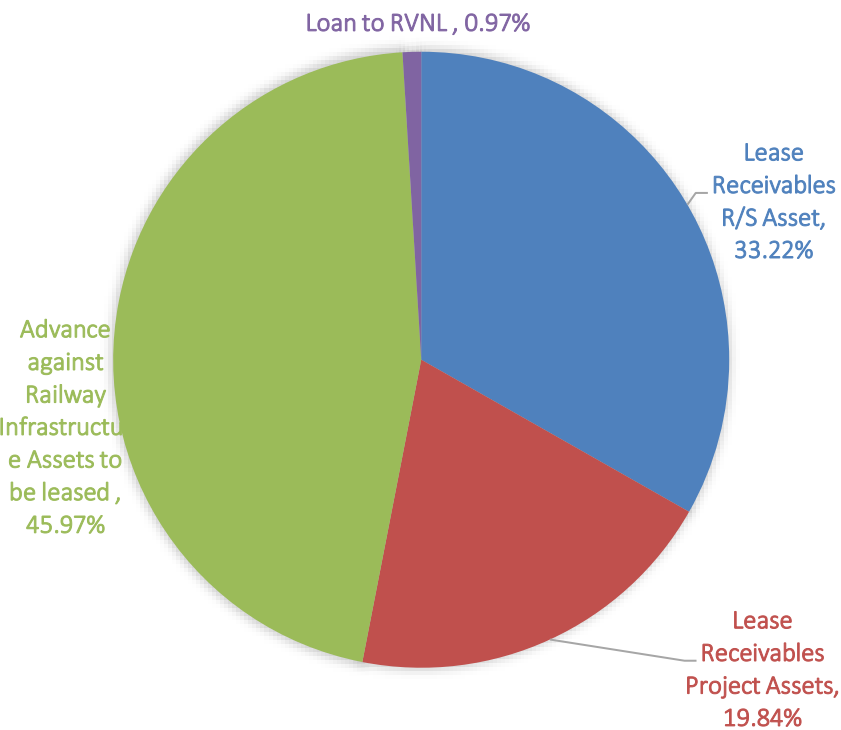
Disbursements



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

AUM Break-Up (Upto Q3 FY 25)

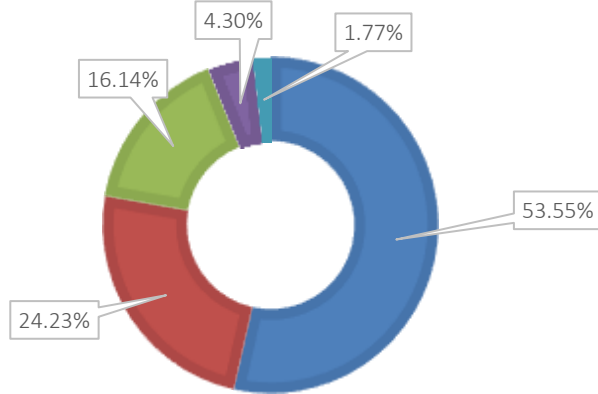
Minimal credit risk : 99.03% of AUM is exposure to MoR



# Diversified sources of funding based on strong credit ratings

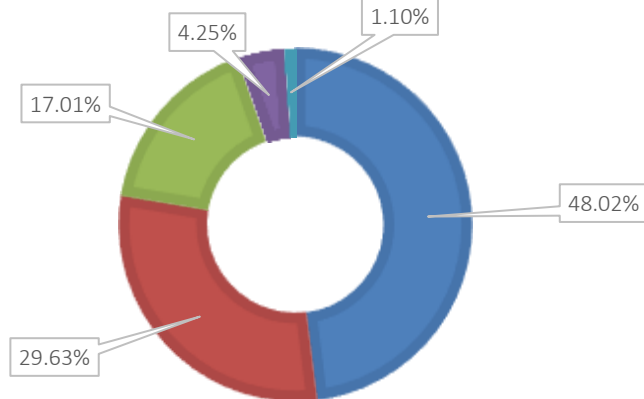
**Borrowing Mix as on 31st Dec, 2024**

■ Bonds (Including 54EC Bonds) ■ LTL ■ ECB ■ NSSF ■ STL (including CP)



**Borrowing Mix as on 31<sup>st</sup> Dec, 2023**

■ Bonds (Including 54EC Bonds) ■ LTL ■ ECB ■ NSSF ■ STL (including CP)

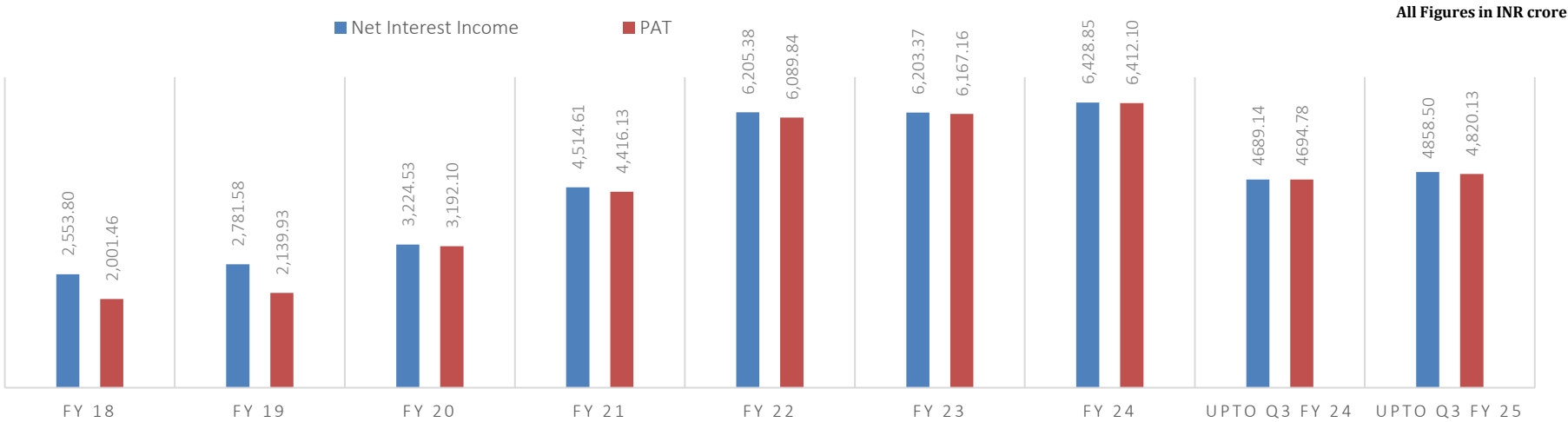


Particulars (31 <sup>st</sup> Dec, 2024)	Rating	Outlook
<b><u>Domestic:</u></b>		
<b>Long term rating</b>		
CRISIL	CRISIL AAA	Stable
ICRA	ICRA AAA	Stable
CARE	CARE AAA	Stable
<b>Short term rating</b>		
CRISIL	CRISIL A1+	–
ICRA	ICRA A1+	–
CARE	CARE A1+	–
<b><u>International **</u></b>		
Moody's	Baa3	Stable
Standard and Poor's	BBB-	Stable
Fitch	BBB-	Stable
Japanese Credit Rating Agency	BBB+	Stable

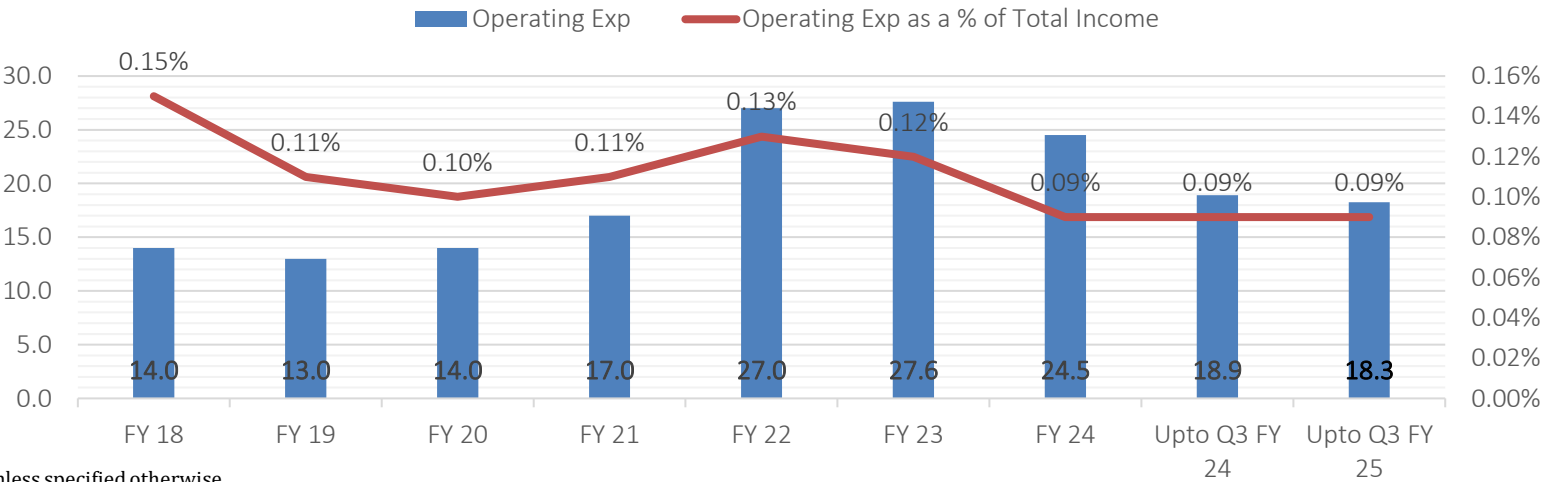
■ \*\*At par with India's sovereign ratings;

# Consistent Financial Performance

## Net Interest Income & PAT



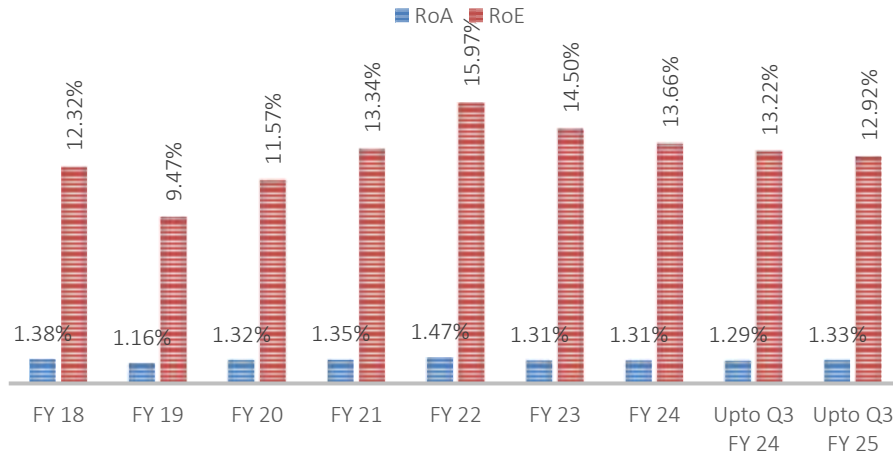
## Negligible Operating Expenses



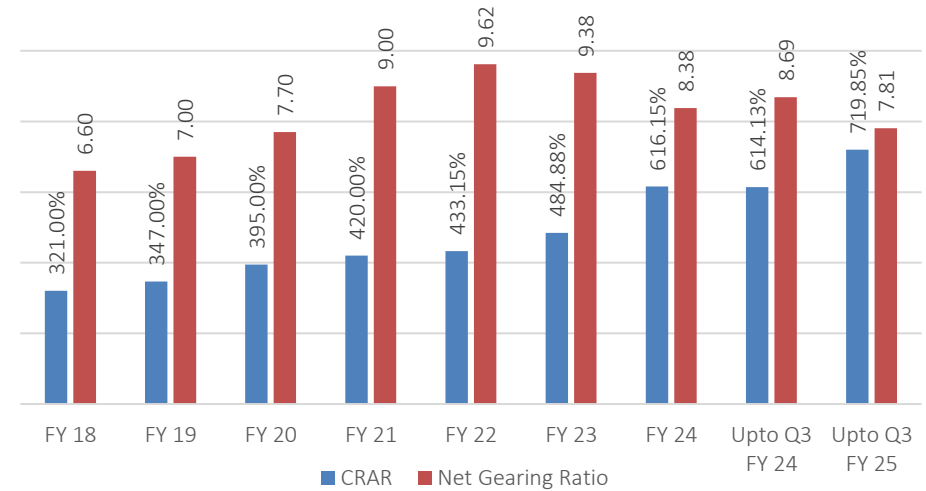
All figures are in INR Crore, unless specified otherwise

# Consistent Financial Performance

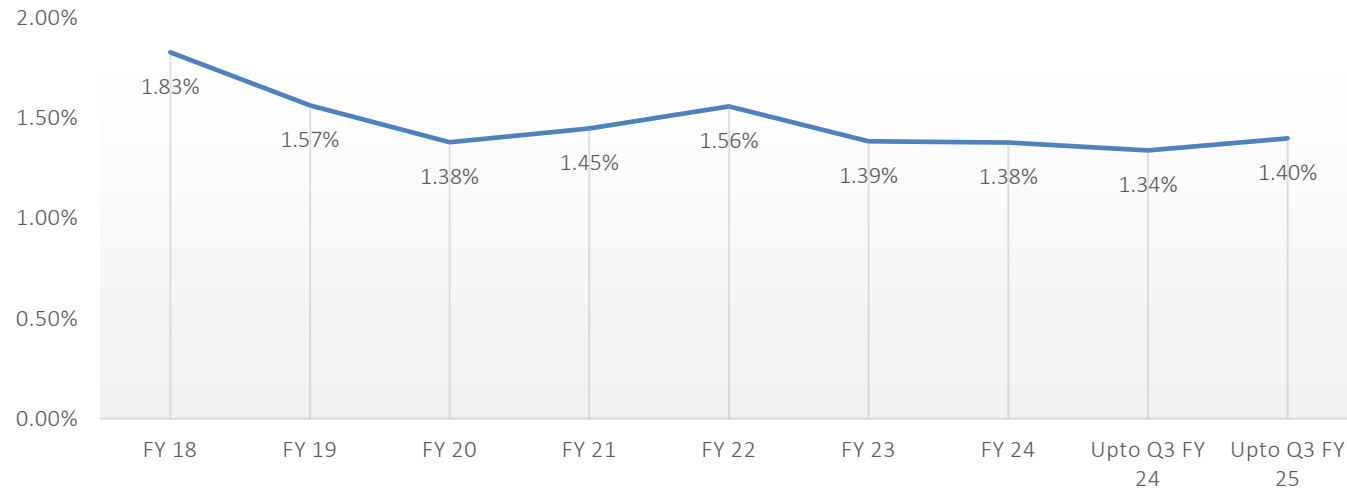
## Return Ratios



## CRAR and Net Gearing Ratio



## Net Interest Margin



## Key Ratios- 9M ended FY 2024-25

Particulars	9M ended FY 2024-25
Net Interest Margin	1.40% (Annualized)
Return on Equity	12.92% (Annualized)
Net Gearing Ratio	7.81x
CRAR	719.85%
EPS	4.92(Annualized)
<b>Total Dividend Paid for the FY 2023-24 is Rs. 1.50 per share:</b>	
▪ Final Dividend	Rs. 0.70 per share
▪ Interim dividend	Rs. 0.80 per share
<b>Interim Dividend Paid for FY 2024-25</b>	<b>Rs. 0.80 per share</b>



## Snapshot of Key Financials

All figures are in INR Crore

Particulars	9M Ended 31 <sup>st</sup> December 2024	9M Ended 31 <sup>st</sup> December 2023	Growth in %	Year Ended 31 <sup>st</sup> March 2024
Revenue from Operations	20,428.40	20,171.47	1.27%	26,644.58
Finance Cost	15,498.72	15,376.75	0.79%	20,101.47
Net Interest Income	4,858.50	4,689.14	3.61%	6,428.08
Profit Before Tax	4,820.13	4,694.78	2.67%	6,412.10
Profit After Tax	4,820.13	4,694.78	2.67%	6,412.10
Total Comprehensive Income	4,819.34	4,723.39	2.03%	6,452.48

## Steps taken by IRFC for Business Diversification

IRFC has taken various activities for the business diversification:

- ❖ IRFC has entered into MoUs with RITES, IIFCL and NTPC for strategic collaboration.
- ❖ IRFC has approved Financing of 20 BOBR Rakes procured under the General-Purpose Wagon Investment Scheme (GPWIS) of Ministry of Railways to NTPC for an amount up to INR 700 crore under Finance Lease. The lease agreement has been signed on 15<sup>th</sup> January 2025, for 8 BOBR Rakes.
- ❖ IRFC has successfully emerged as L1 Bidder for funding of a Rupee Term Loan of ₹3,167 crore for the capital expenditure funding of the Banhardih Coal Block of Patratu Vidyut Utpadan Nigam Limited (PVUNL).
- ❖ On 2nd Jan, 2025, a MoU is executed between IRFC and Railway Energy Management Company Ltd (REMCL), a JV of RITES LTD and Indian Railways to collaborate on financing Renewable Energy (RE) projects awarded by REMCL for supply to Indian Railways.



- ❖ 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 including special purpose Wagons
  - Funding of Railway Infrastructure being developed through State JV
  - Upcoming Dedicated Freight lines of Semi/High Speed Railway Corridors & High-speed train
  - Multi-Modal Logistics Parks
  - Non-conventional sources of energy including Renewable Energy for railway network
  - Financing Public-Private Partnership opportunities within the Railways sector including Re-financing

# Thank You

# Disclaimer

- \* The presentation is prepared based on un-audited financial statements of IRFC for the 9M ended 31<sup>st</sup> December 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			
(All amounts is INR Crore, unless stated otherwise)			
Particulars	Nine Months Ended 31 December 2024	Nine Months Ended 31 December 2023	Year Ended 31 March 2024
Revenue From Operations			
Interest Income	5,750.07	6,682.79	8,823.83
Lease Income	14,678.33	13,488.69	17,820.75
<b>Total Revenue from Operations</b>	<b>20,428.40</b>	<b>20,171.48</b>	<b>26,644.58</b>
Dividend Income	0.32	0.34	0.78
Other Income	3.89	6.12	10.56
<b>Total Income</b>	<b>20,432.61</b>	<b>20,177.94</b>	<b>26,655.92</b>
<b>Expenses</b>			
Finance Costs	15,498.72	15,376.76	20,101.47
Impairment on Financial Instruments	-2.70	-4.43	-3.93
Employee Benefit Expense	9.18	8.59	11.17
Depreciation, Amortization and Impairment	4.02	7.72	9.44
Other Expenses	103.26	94.52	125.66
<b>Total Expenses</b>	<b>15,612.48</b>	<b>15,483.16</b>	<b>20,243.81</b>
<b>Profit Before Exceptional Items and Tax</b>	<b>4,820.13</b>	<b>4,694.78</b>	<b>6,412.11</b>
Exceptional Items	-	-	-
<b>Profit Before Tax</b>	<b>4,820.13</b>	<b>4,694.78</b>	<b>6,412.11</b>
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
<b>Profit for the Period from Continuing Operations</b>	<b>4,820.13</b>	<b>4,694.78</b>	<b>6,412.11</b>



# Financials-Balance Sheet –1/2

Balance Sheet			
(All amounts is INR Crore, unless stated otherwise)			
Particulars	As at 31st December, 2024	As at 31st December, 2023	As at 31st March 2024 (Audited)
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash And Cash Equivalents	23.64	436.08	22.77
Bank Balance Other Than Cash and Cash Equivalents	301.12	273.61	444.60
Derivative Financial Instruments	436.39	455.27	489.79
Loans:			
- Loan to Railway Companies	4,474.39	4,944.51	4,944.51
- Lease Receivables	2,44,750.84	2,29,725.16	2,59,690.60
Investments	52.46	41.82	53.60
Other Financial Assets	2,19,577.11	2,38,681.30	2,07,255.00
<b>Total Financial Assets</b>	<b>4,69,615.95</b>	<b>4,74,557.75</b>	<b>4,72,900.87</b>
<b>Non-financial assets</b>			
Current Tax Assets (Net)	380.41	402.60	344.12
Property, Plant And Equipment	13.45	14.49	14.82
Right of Use Assets	3.91	8.55	6.25
Intangible assets under development	3.78	-	3.78
Other Intangible Assets	0.98	4.69	0.98
Other Non-Financial Assets	11,416.80	12,095.31	11,811.61
<b>Total Non-Financial Assets</b>	<b>11,819.33</b>	<b>12,525.64</b>	<b>12,181.56</b>
<b>Total Assets</b>	<b>4,81,435.28</b>	<b>4,87,083.39</b>	<b>4,85,082.43</b>

## Financials – Balance sheet (2/2)

LIABILITIES AND EQUITY			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Derivative Financial Instruments	2,264.13	1,509.62	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	0.31	0.29	1.11
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9.77	11.03	14.54
Debt Securities	2,43,337.89	2,18,815.30	2,25,094.23
Borrowings (Other Than Debt Securities)	1,63,186.05	1,93,272.55	1,86,937.87
Lease Liabilities	4.09	9.14	6.41
Other Financial Liabilities	20,341.34	25,814.89	21,450.44
<b>Total Financial Liabilities</b>	<b>4,29,143.58</b>	<b>4,39,432.82</b>	<b>4,35,357.79</b>
<b>Non-Financial Liabilities</b>			
Provisions	232.65	171.15	162.77
Other Non-Financial Liabilities	12.79	36.13	383.30
<b>Total Non-Financial Liabilities</b>	<b>245.44</b>	<b>207.28</b>	<b>546.07</b>
<b>Total Liabilities</b>	<b>4,29,389.02</b>	<b>4,39,640.10</b>	<b>4,35,903.86</b>
<b>Equity</b>			
<b>Equity Share Capital</b>	<b>13,068.51</b>	<b>13,068.51</b>	<b>13,068.51</b>
Other Equity	38,977.75	34,374.78	36,110.06
<b>Total Equity</b>	<b>52,046.26</b>	<b>47,443.29</b>	<b>49,178.57</b>
<b>Total Liabilities And Equity</b>	<b>4,81,435.28</b>	<b>4,87,083.39</b>	<b>4,85,082.43</b>

