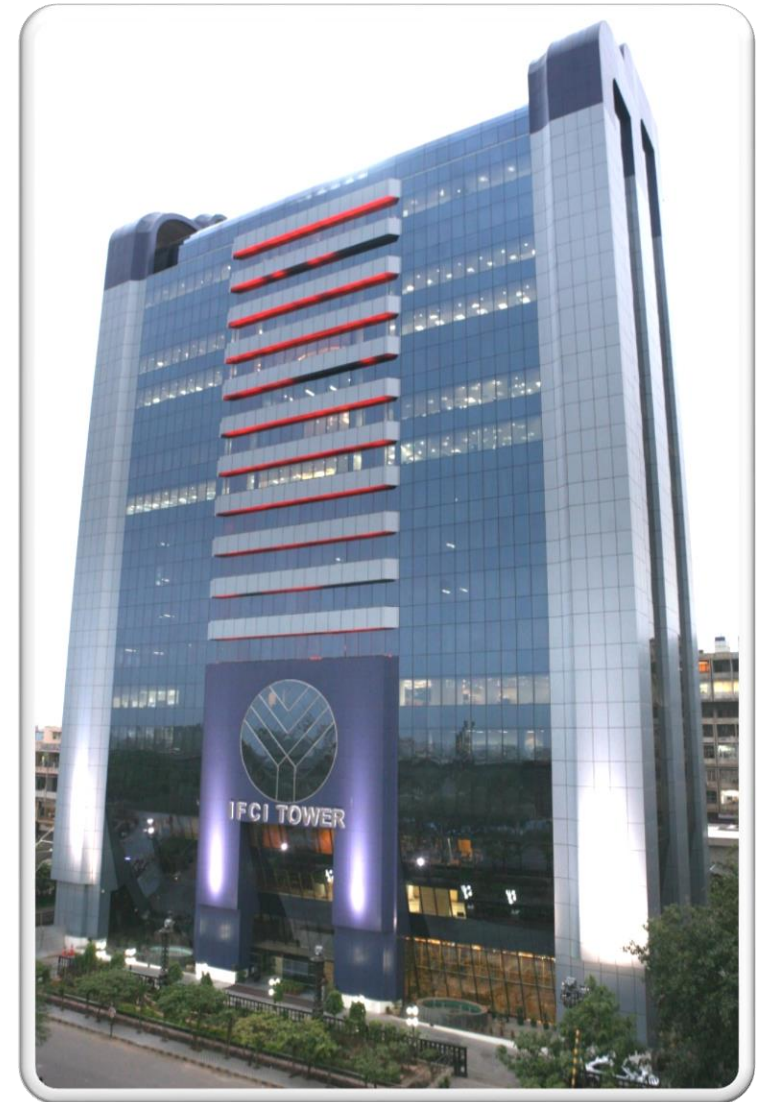


IFCI LIMITED

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January 2019

DISCLAIMER

- *Statements in this presentation describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied . Important factors that could make a difference to the Company's operations include, among others, Indian financial-economic environment, Regulatory guidelines and/or other incidental factors.*
- *No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied upon in connection with, any contract or commitment or investment decision whatsoever. For any investment decision, proper advice must be sought from well-informed legal, investment, tax, financial, and management professionals.*
- *This presentation does not constitute a recommendation regarding the securities of the Company.*

IFCI : 70 YEARS JOURNEY IN INDIAN ECONOMY

1948 – Set up as India's first DFI

1993 – Became a public limited company and was **Listed** on the Stock Exchanges

2001-02 – Deep restructuring of liabilities and Government support was provided to come out of the economic recession of late 1990s

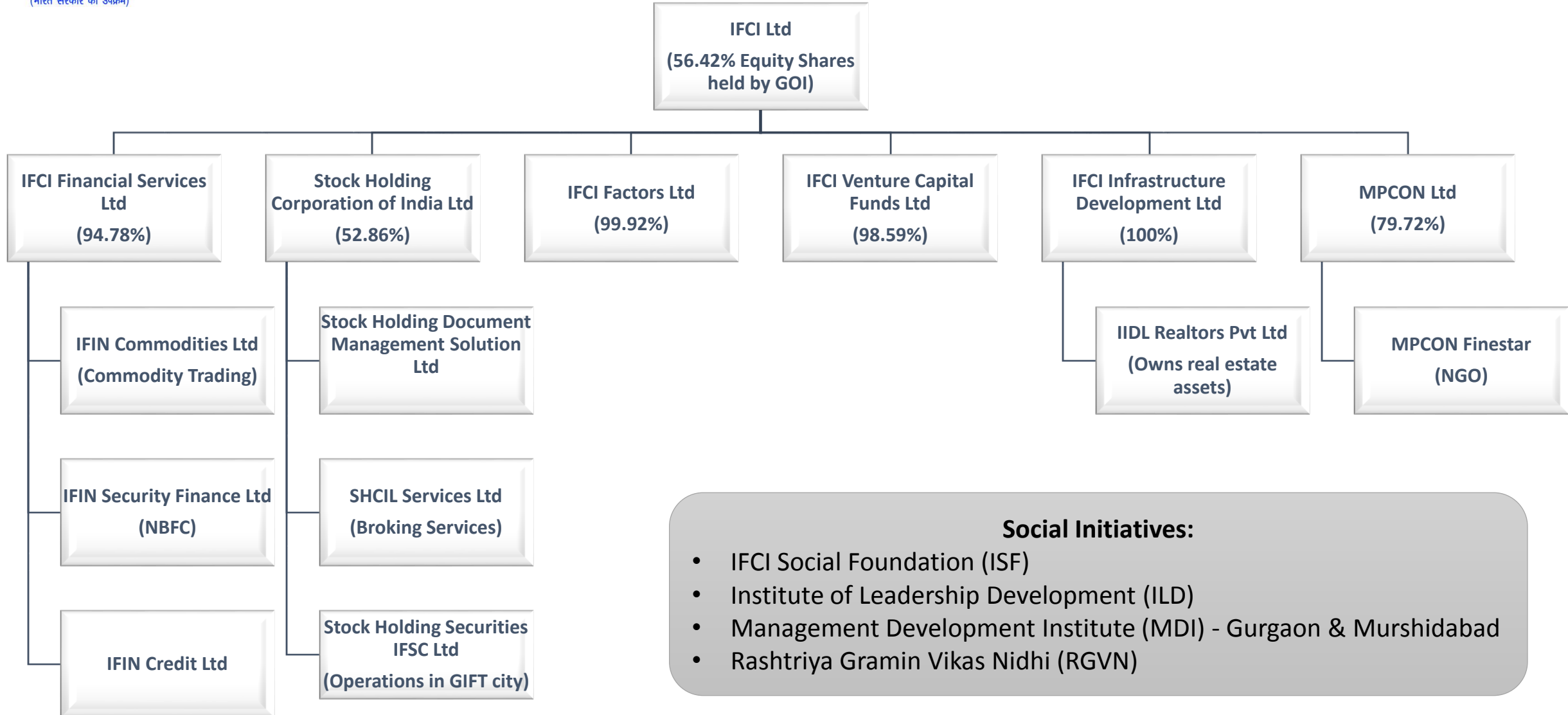
2006-07 – Earned net profits after six years. Did not avail Rs.2378 crore of grant approved by GOI for 2007-08 onwards.

2015 – Became a Government Company

Contributed to the Industrial and Infrastructural Development of the country and complimented the Indian Economy by Capital Formation in Various Industrial Sectors

Dividend including dividend tax of Rs.549 crore paid to Government in last 6 years

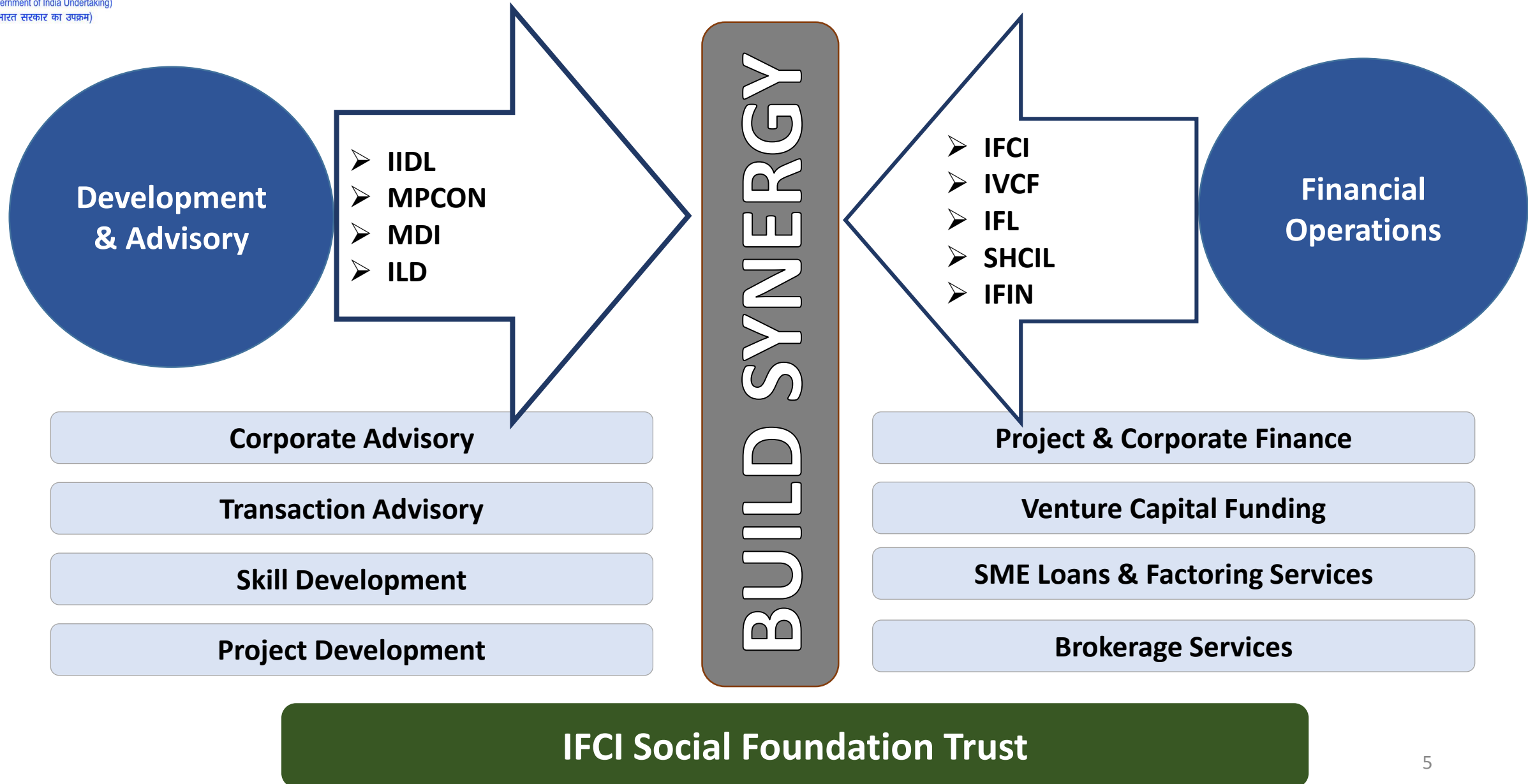
IFCI GROUP STRUCTURE



Social Initiatives:

- IFCI Social Foundation (ISF)
- Institute of Leadership Development (ILD)
- Management Development Institute (MDI) - Gurgaon & Murshidabad
- Rashtriya Gramin Vikas Nidhi (RGVN)

BUSINESS SPECTRUM OF IFCI GROUP



IFCI GROUP: SYNERGIES

SHCIL

- Largest Custodian & Leading Depository Participant of the country
- Consolidation with IFIN underway

MPCON

- Strong credentials for conducting techno-economic viability studies, CSR impact assessment Studies
- Executed advisory assignments for PSUs/others in various sectors including power, etc

IFL

- Registered as NBFC-Factor
- Cater to SME with Factoring & other financial assistance
- Authorised Dealer for Export Factoring

ISF

- Supported multiple CSR projects to promote inclusive growth and help the needy
- Expanded reach and touched lives in 19 states

IVCF

- Managing 5 Venture funds including 2 funds for GoI
- New funds - SME Advantage and Green India Venture Fund –II launched, Affordable Housing Fund being launched

ILD

- Trained over 2500 youths for skill development in FY-18
- Started new programmes in Solar Energy, Textiles and Management & Leadership

IIDL

- Developed residential projects at Ghaziabad & Kochi and operating one Service Apartment
- Monetisation of non-core real estate asset in progress

MDI

- Continues to be amongst top 10 Business Schools in India
- 100% placement achieved with average salary of Rs.20 lakh pa in PGP courses

CONTRIBUTION OF IFCI TO THE NATION



OPERATIONAL PERFORMANCE: KEY HIGHLIGHTS

Improvement in Quality of Loan Portfolio

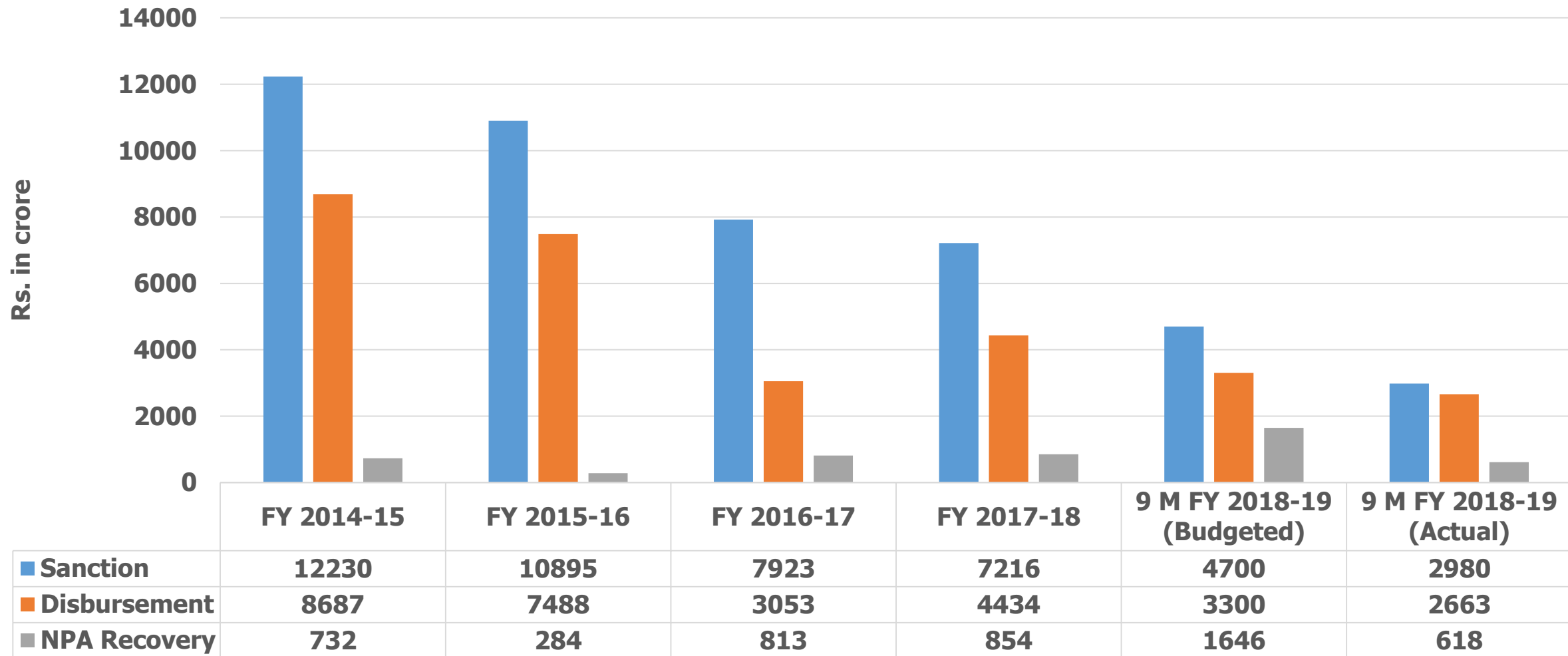
- Improved Credit Rating of fresh sanctions
- Intense Focus on Recovery from NPAs
- Early identification of stressed accounts and resolution thereof

Divestment of Non-Core Assets

Focus on enhancing fee based activities

Strategic alignment of business processes

OPERATIONAL PERFORMANCE: CREDIT PORTFOLIO

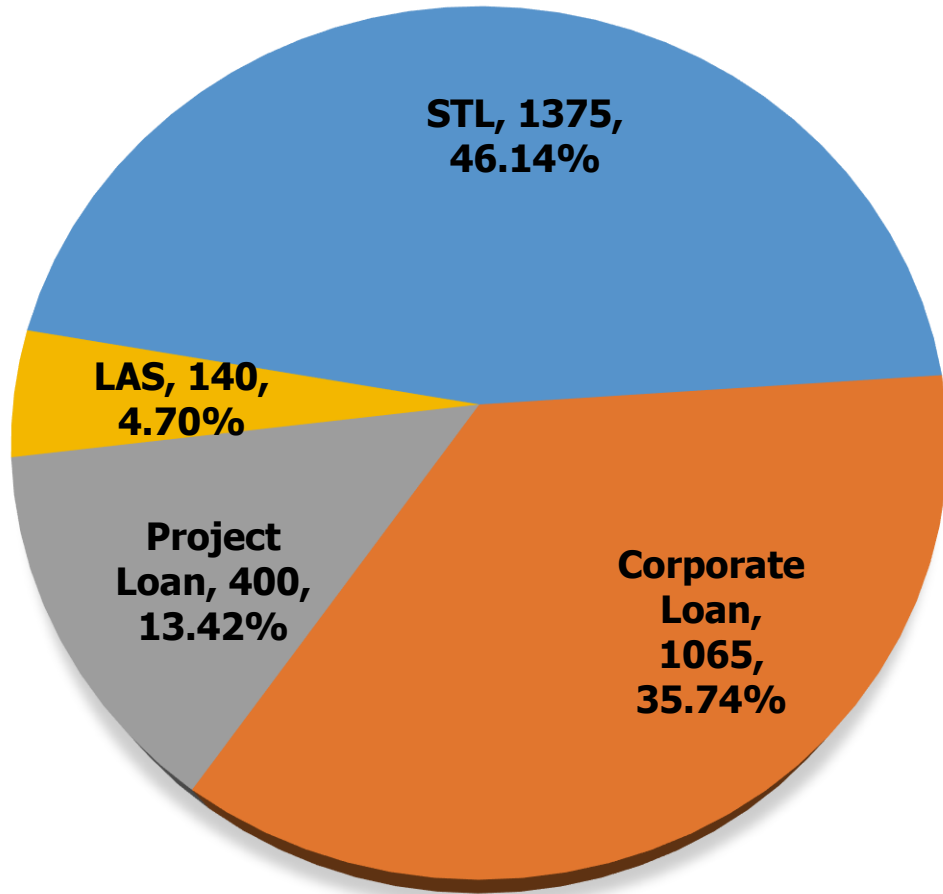


FY

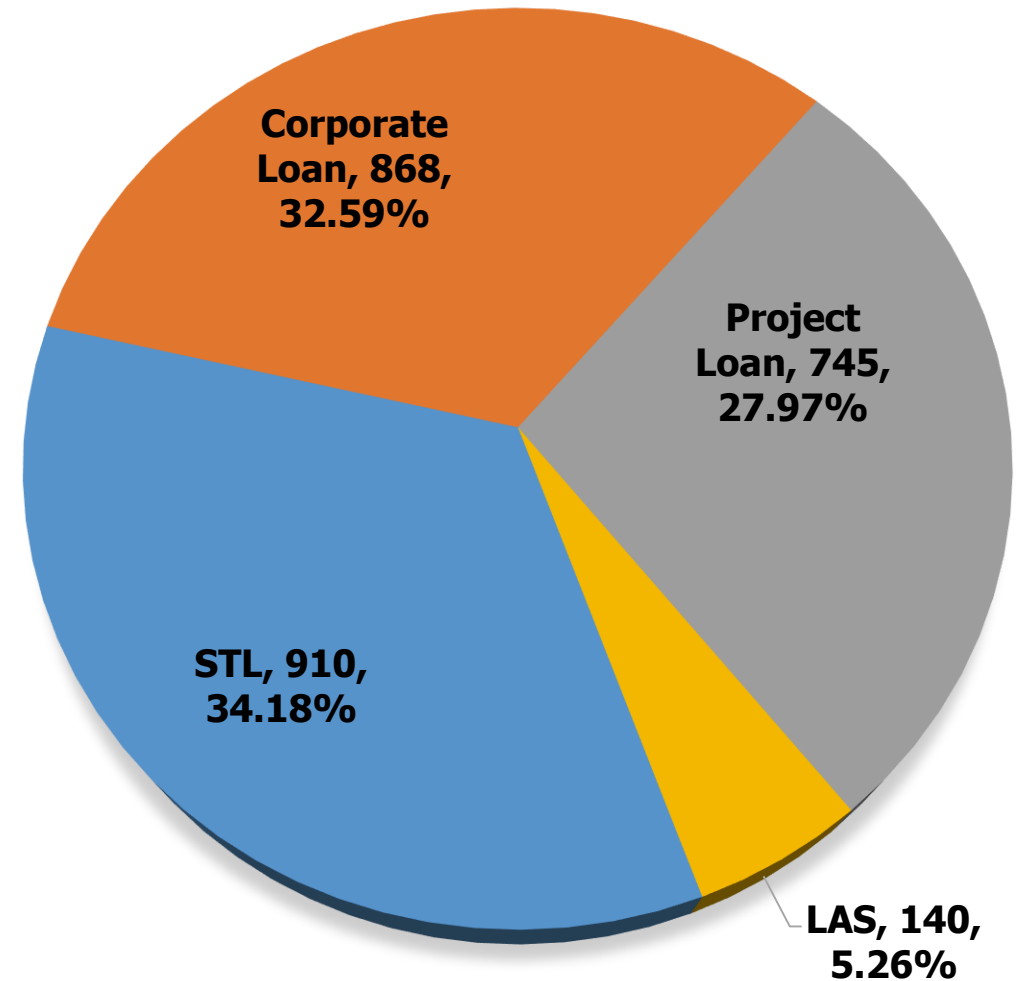
■ Sanction ■ Disbursement ■ NPA Recovery

APR-DEC 18: LOAN TYPE WISE SANCTIONS & DISBURSEMENTS

Gross Sanction during April-December, 2018 (Rs. in Crore & %)



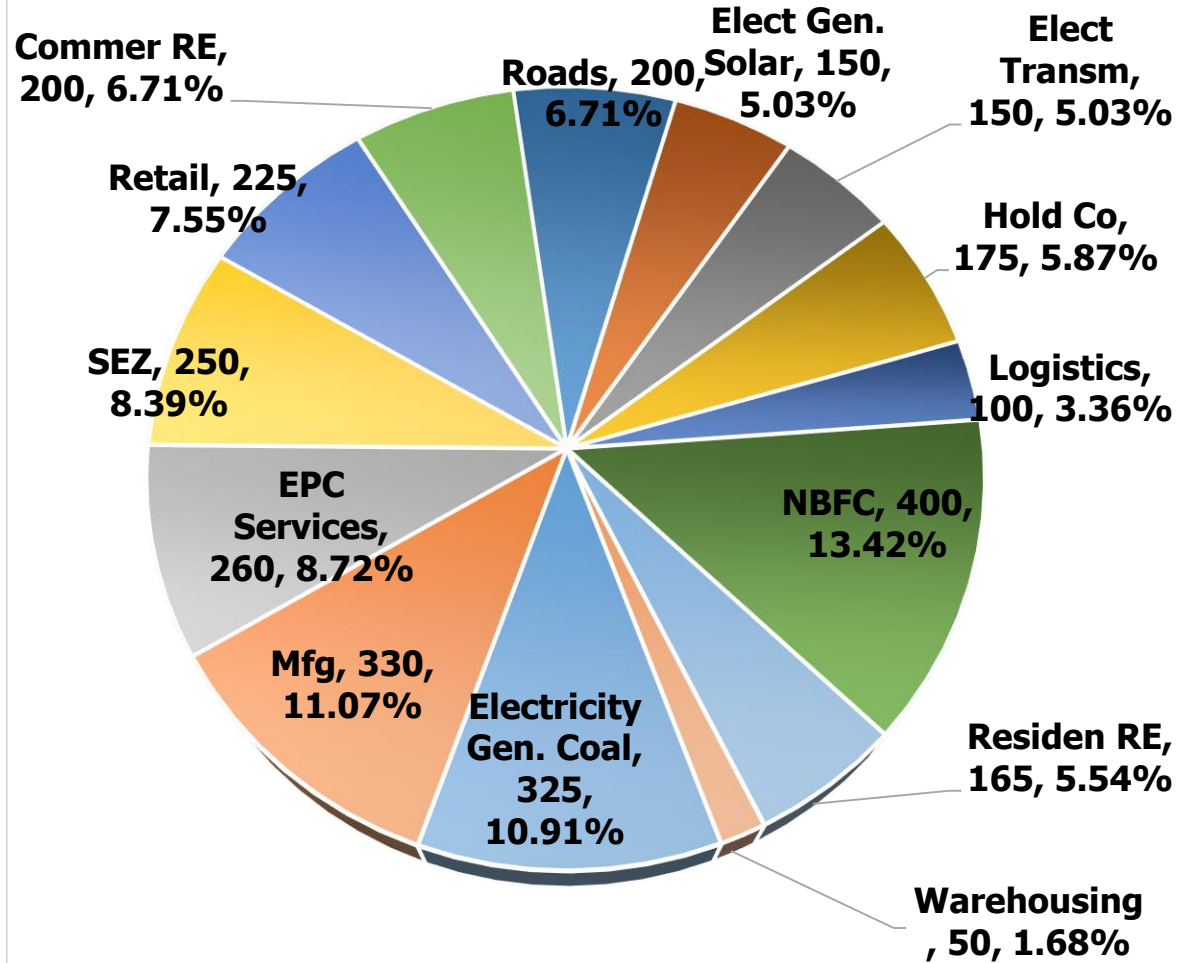
Disbursed during April-December 2018 (Rs. Crore & %)



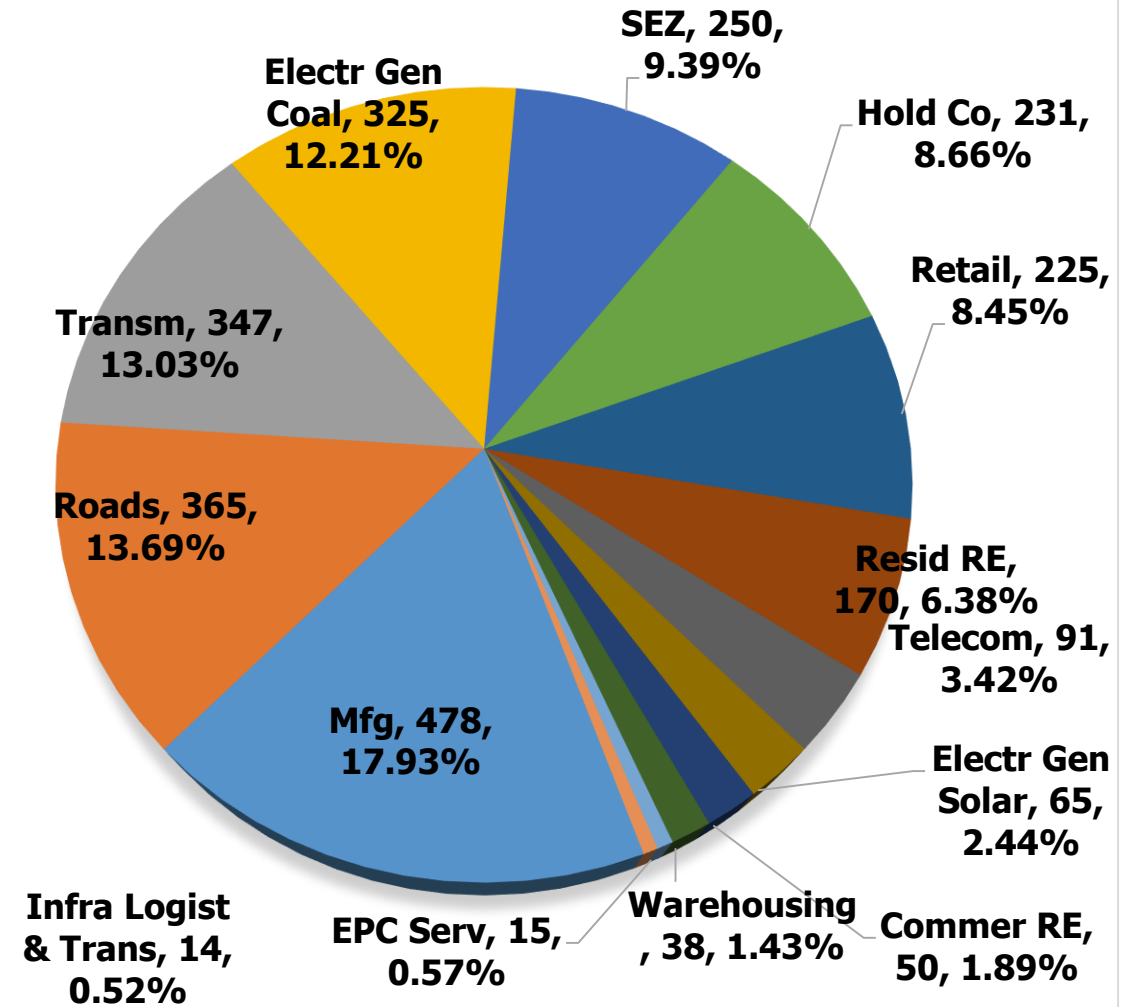
Gross Sanctions & Disbursements were to the Tune of ₹2,980 crore & ₹ 2,663 crore, respectively

APR-DEC 18 : SECTOR-WISE SANCTIONS & DISBURSEMENTS

Sector-wise Gross Loan Sanctioned During April-December, 2018 (Rs. in crore & %)

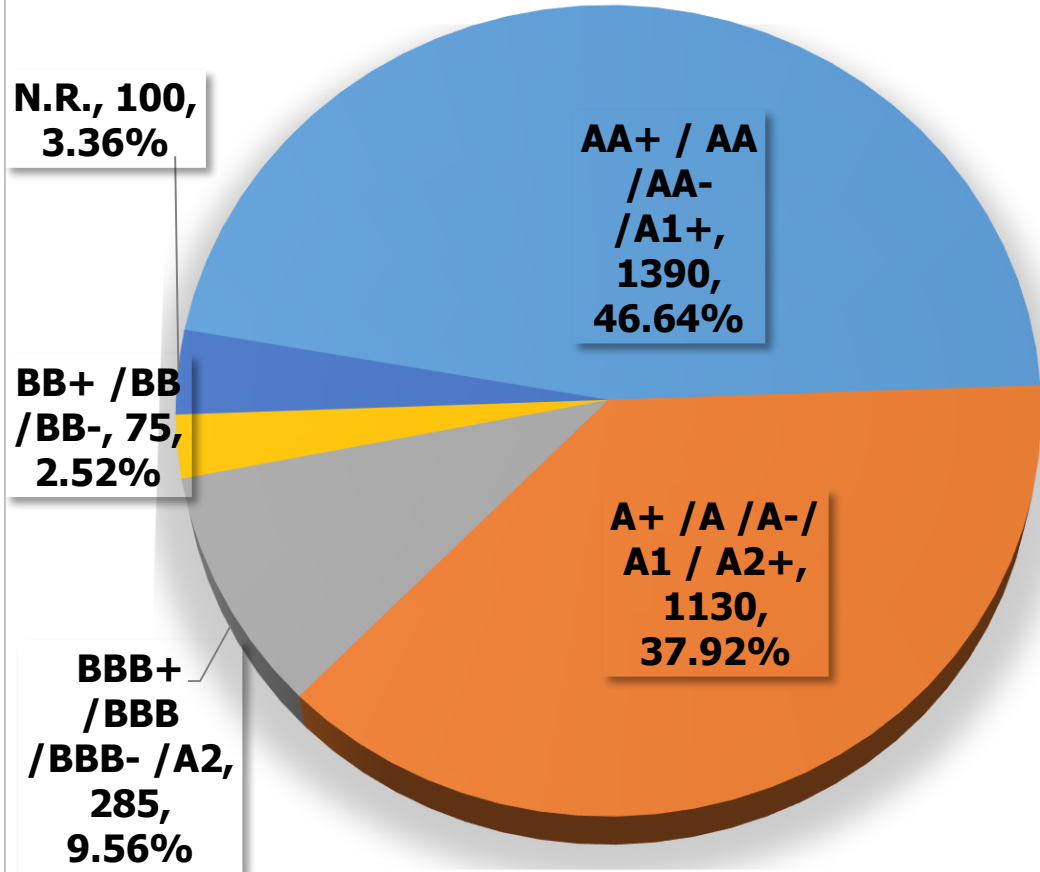


Sector-wise Disbursements during April-December, 2018 (Rs. in Crore & %)

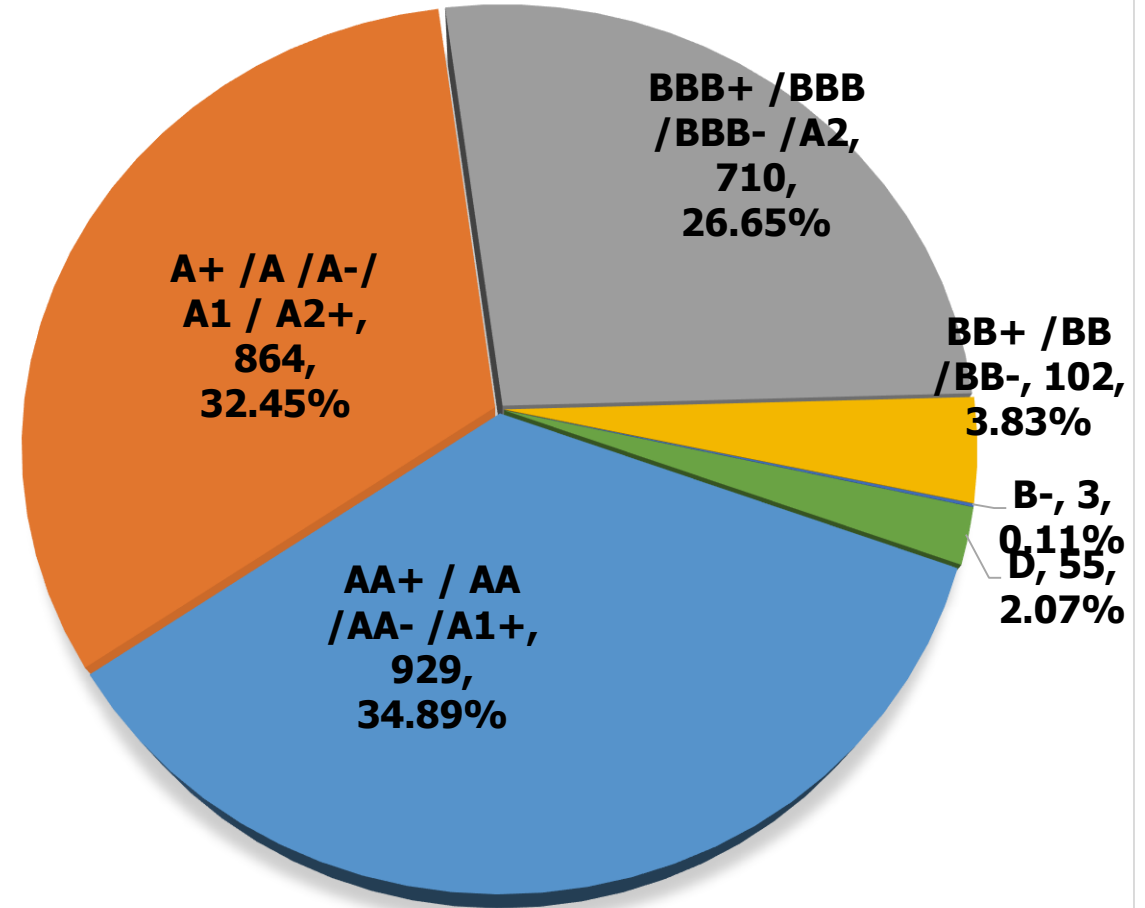


APR-DEC 18 : EXTERNAL RATING WISE SANCTIONS & DISBURSEMENTS

External Rating of Gross Sanctions during April-December, 2018 of FY 2018-19 (Rs. in crore & %)

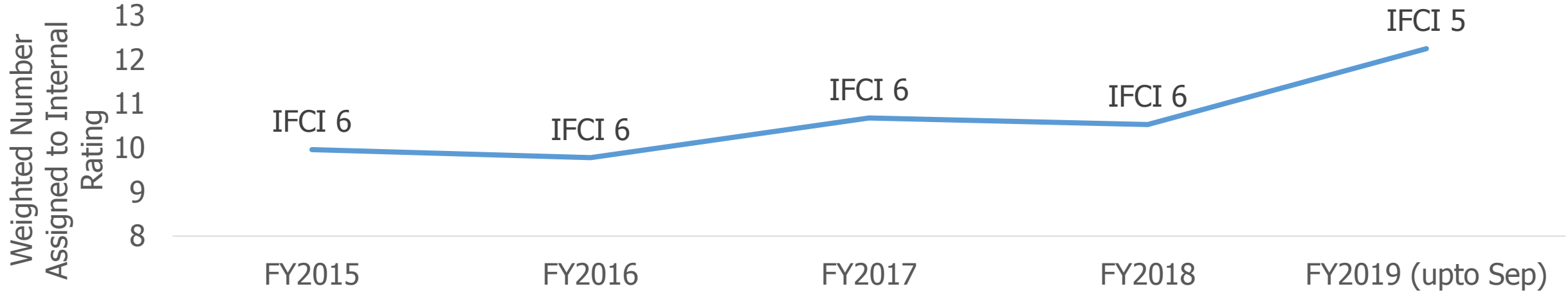


External Rating Wise Disbursed during April-December, 2018 (Rs. & %)

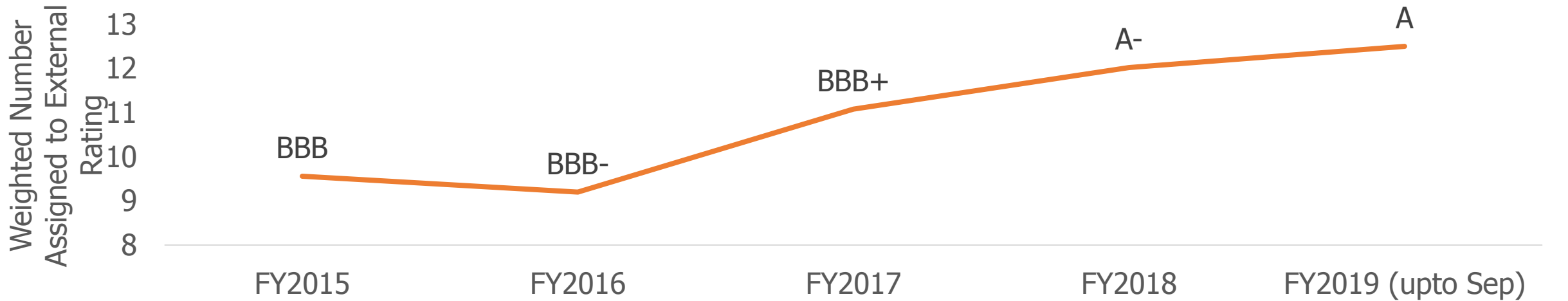


AVG INTERNAL AND EXTERNAL RATINGS OF SANCTIONS IN A YEAR (BY NUMBER OF CASES SANCTIONED)

Average Internal Rating

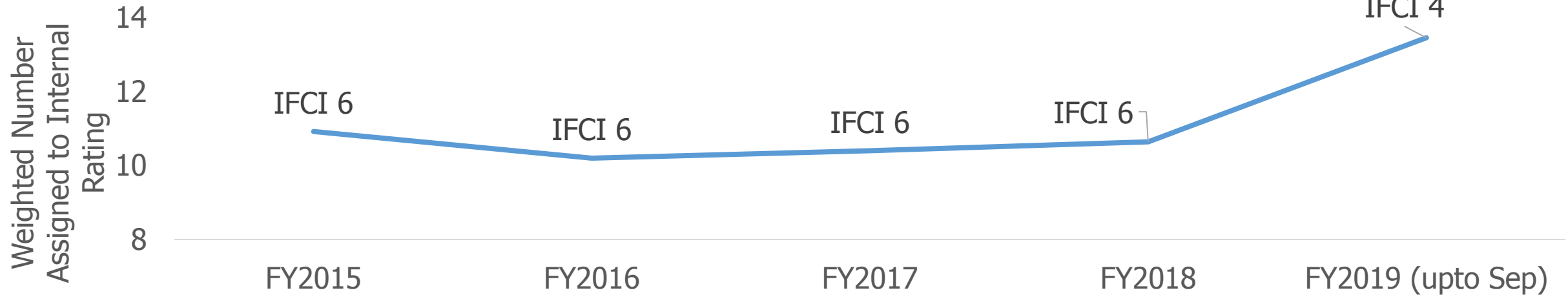


Average External Rating

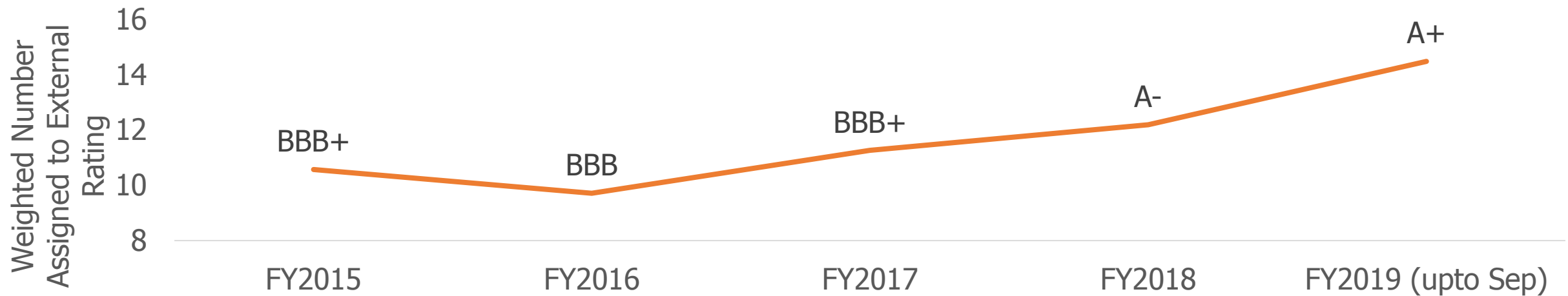


WTD. AVG. INTERNAL & EXTERNAL RATINGS OF SANCTIONS IN A YEAR (BY VOLUME OF ASSISTANCE SANCTIONED)

Weighted Average Internal Rating

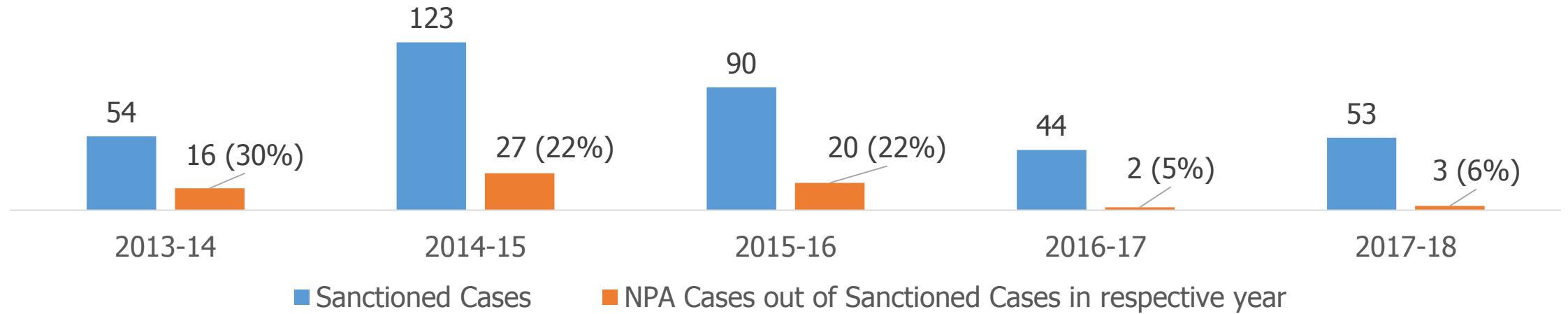


Weighted Average External Rating

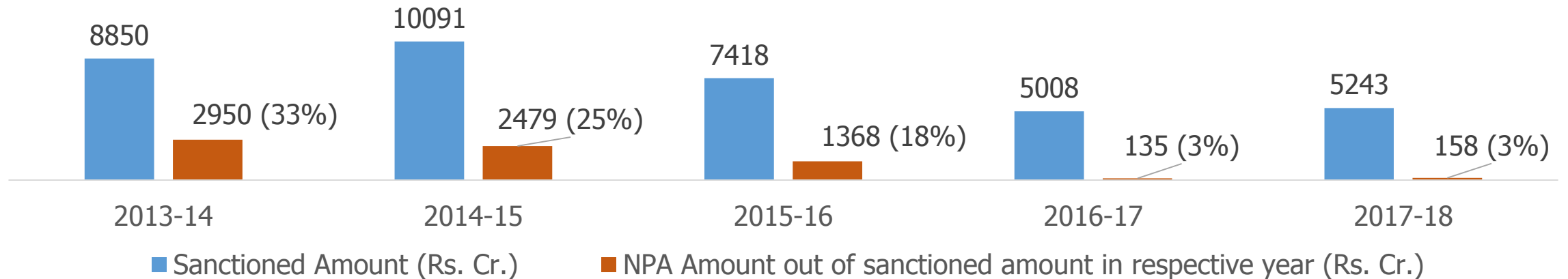


MOVEMENT OF SANCTIONS IN LAST 5 YEARS AND OUT OF THESE CASES SLIPPING TO NPA (UPTO SETP. 2018)

No. wise - Year wise sanction and NPAs



Amount Wise (Rs. Cr.) - Sanctions and NPAs



FINANCIAL RESULTS – IND AS

Particulars (₹ crore)	Sep 18 (Q2FY19)	June 18 (Q1FY19)	Sep 17 (Q2FY18)	Sep 18 (HYFY19)	Sep 17 (HYFY18)
Income from Operations	432.94	641.68	549.14	1,074.62	1,358.00
Net gain on fair value changes	-	-	214.35	-	306.06
Other Income	296.76	31.51	2.53	328.27	8.98
Total Income	729.69	673.20	766.02	1,402.89	1,673.04
Finance Costs	448.82	469.69	539.95	918.51	1,090.13
Net loss on fair value changes	81.60	18.46	-	100.06	-
Employee Cost	27.79	17.95	19.30	45.74	36.24
Administration Expenses	18.56	21.46	21.47	40.02	40.10
Total Expenses (excl. Impairment)	576.77	527.56	580.02	1,104.33	1,166.47
Profit/(Loss) before Impairment	152.93	145.63	185.30	298.56	506.57
Impairment on financial instruments	208.32	664.29	782.41	872.61	688.31
Profit/(Loss) before tax	(55.39)	(518.66)	(597.11)	(574.05)	(181.74)
Tax Expense	(38.84)	(177.89)	(303.45)	(216.73)	(165.14)
Net Profit/(Loss) for the period- (A)	(16.55)	(340.77)	(293.66)	(357.32)	(16.60)
-Fair value changes on FVTOCI - Equity securities	76.48	(68.86)	(4.31)	7.62	(33.14)
-Gain/(loss) on sale of FVTOCI - Equity securities	(90.37)	-	-	(90.37)	-
-Actuarial gain/(loss) on Defined benefit obligation	0.94	1.00	(0.13)	1.94	0.04
-Fair value changes on FVTOCI - Debt securities	21.98	(43.91)	(9.67)	(21.93)	(6.32)
-Tax Expense on OCI	(6.95)	18.18	3.40	11.22	2.18
Other Comprehensive Income – (B)	2.08	(93.60)	(10.73)	(91.52)	(37.25)
Total Comprehensive Income – (A+B)	(14.47)	(434.37)	(304.36)	(448.84)	¹⁶ (53.85)

BALANCE SHEET – IND AS

ASSETS (₹ Crore)	Sep-18	Sep-17
Financial Assets		
(a) Cash and cash equivalents	225.91	1,360.65
(b) Other Bank Balance	574.95	615.52
(c) Derivative financial instruments	35.70	31.64
(d) Receivables	4.05	343.18
(e) Loans	14,610.80	19,158.86
(f) Investments	4,325.93	4,392.98
(g) Other Financial assets	125.99	163.71
Non-financial Assets		
(a) Investment in subsidiaries	1,403.72	1,361.78
(b) Equity accounted investees	0.04	4.28
(c) Current tax assets (Net)	57.42	42.43
(d) Deferred tax Assets (Net)	1,619.94	978.01
(e) Property, Plant and Equipment	908.14	956.42
(f) Capital work-in-progress	0.31	0.64
(g) Other Intangible assets	1.79	2.22
(h) Assets held for sale	587.95	670.59
(i) Other non-financial assets	10.73	9.51
Total	24,493.38	30,092.43

BALANCE SHEET – IND AS

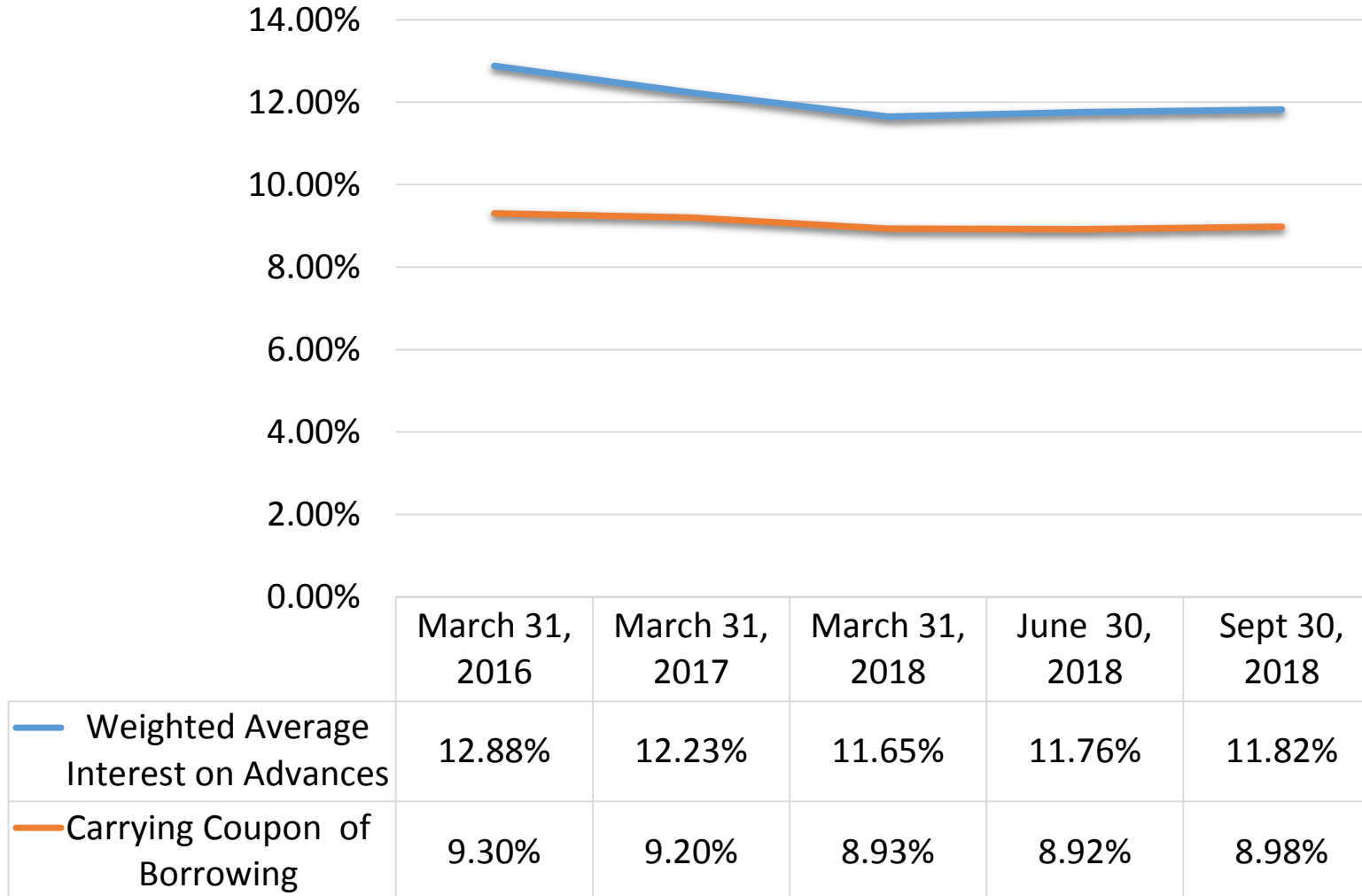
LIABILITIES AND EQUITY (₹ Crore)	Sep-18	Sep-17
Financial Liabilities		
(a) Trade Payables	75.60	77.16
(b) Debt Securities	9,426.08	9,781.78
(c) Borrowings (Other than Debt Sec)	7,173.90	10,845.81
(d) Subordinated Liabilities	1,305.22	1,495.56
(e) Other financial liabilities	1,789.11	1,908.89
Non-Financial Liabilities		
(a) Provisions	109.62	75.99
(b) Other non-financial liabilities	4.30	4.00
Equity		
(a) Equity Share capital	1,695.99	1,662.04
(b) Other Equity	2,913.56	4,241.20
Total	24,493.38	30,092.43

KEY OPERATIONAL & FINANCIAL PARAMETERS

Parameter	Sep 2018 (HY)	June 2018
	(₹ crore)	(₹ crore)
Sanctions	1,840	1,240
Disbursements	2,146	534
NPA Recovery	520	321
Fresh Slippages (As per RBI)	1,576	1,275
Gross Stage 3 Assets	14,807	13,089
Net Stage 3 Assets	5,755	6,965
Impairment Allowance on Stage 3 Assets	61%	47%
Net Worth as on date	4,609	5,608
Net Interest Income (NII)	108	157
Capital to Risk weighted Assets Ratio (CRAR)	10.27%	19.50%
Debt to Equity Ratio as on date	3.9	3.4
Cost to Total Income	80%	76%
Total Income	1403	673
Net Profit	(357)	(341)

IFCI YIELDS ON ADVANCES AND FINANCING COSTS

Movement in Weighted Average Interest on Advances and Carrying Cost of Borrowings



EXTERNAL RATINGS OF IFCI INSTRUMENTS

Instrument	Rating
Long Term Borrowing (NCDS/ Bonds/ Term Loans)	ICRA BBB+ CARE BBB+ BWR A-
Structured Secured NCDs	CARE A(SO) BWR AA-(SO)
Subordinate Bonds	CARE BBB ICRA BBB+
Short Term Borrowing (Incl. Commercial Paper)	BWR A1 ICRA A2+

RUPEE DEBT PROFILE – AS ON 30TH SEP, 2018

₹ in crore

Borrowings	Outstanding	Carrying Cost
Bank Loans	6,758	8.64%
Private Placement Bonds	4,254	9.40%
NCDs/Tax Free Bonds/ZCBs	1,344	8.24%
Infrastructure Bonds	777	8.58%
Subordinate Bonds	1,313	10.60%
Public NCDs	1,972	9.66%
SLR Bonds	1,147	7.44%
TOTAL	17,565	8.98%
Note : Rupee Debt constituted 98% of the total debt as on 30-Sep-2018		

STEPS FOR CONTAINING RISKS IN FRESH LOAN SANCTIONS

Enhancing qualitative Appraisal, Due-Diligence & Risk Management of Projects

Enhancing proportion of short and medium term loans in fresh business

Renewed focus on loans to manufacturing & service sector

Focus on financing brownfield projects and operating units

Higher threshold credit rating for mobilizing fresh business

Targeting sunrise sectors with double digit growth prospectus

INITIATIVES TAKEN BY MANAGEMENT

OPERATIONAL	Integrated Risk Management System	IMPLEMENTED
	Enhancement of Appraisal Skills & Capacity building	IN PROCESS
	Integrated IFCI Group Business Development	IMPLEMENTED
	Cost Reduction – Operational & Non-operational	IMPLEMENTED
	Revisiting policies of Lending, R&T, HR and other in line with present market conditions	IMPLEMENTED
	Corporate Planning & Policy Initiatives	IMPLEMENTED
STRATEGIC	Strategic Divestments & Monetisation of non-core Assets	IN PROCESS
	Effective Corporate Communications for Brand & Image building with stakeholders	IN PROCESS

THANK YOU