BANSAL SINHA & CO.
CHARTERED ACCOUNTANTS

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REVIEW REPORT

The Board of Directors
Indian Railway Finance Corporation Limited
UG Floor, East Tower, NBCC Place,
BhishmPitamah Marg,
Lodhi Road,
New Delhi-110003

We have reviewed the accompanying statement of un-audited financial results of Indian Railway Finance Corporation Limited for the half year ended September 30,2015. This statement is the responsibility of the company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, except the observations/matters mentioned below, no other matter has come to our attention, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for Debt Securities including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has been prepared in accordance with relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters to the extent applicable.

1. Out of the Total lease income of Rs. 354304 lacs, a sum of Rs. 22574 lacs has been accrued for assets leased during the half year ended under review, on the basis of assumptions:

   a) The assets have been leased on monthly pro rata basis of the total mandated (Budgeted) amount of Rs.1727600 lacs for the financial year 2015-16; and
   b) The rate of lease rental as calculated by the company would be accepted by the lessee.

Bansal & Co. New Delhi Chartered Accountants

2. The interest payable to Ministry of Railways (MOR) on delayed payment during the half year ended under review amounting to Rs.15020 lacs, has been provided on the shortfall in funds transferred to MOR as compared to the assets assumed to be leased.

3. In absence of details and formal lease agreement with the MOR regarding assets procured under leases during the quarter under review, we are unable to comment on the impact of the same on lease income, interest expenditure for delayed payment.

For Bansal Sinha & Co.
Chartered Accountants
FRN- 06184N

(Tanupriya Gupta)
(Partner)
M.No. 511757

Place : New Delhi
Date : 26th October 2015

INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Govt. of India Enterprise)

Unaudited Financial Results for the Half Year ended 30th September 2015

(Rs. in Lakhs)

Particulars	6 months ended 30th Sept 2015 (Unaudited)	6 months ended 30th Sept 2014 (Unaudited)	Year ended 31st March 2015 Audited
1. Interest Earned (a)+(b)+(c)+(d)	**367586**	**346511**	**693734**
(a) Lease Income [Note No.2]	354304	314134	639466
(b) Income on Investments	47	55	103
(c) Interest on Deposits from Banks	985	20418	29836
(d) Interest on Loans	12250	11904	24329
2. Other Income	**71**	**92**	**279**
3. Total Income (1+2)	**367657**	**346603**	**694013**
4. Interest Expended	**266721**	**249911**	**498406**
(a) Sub-Lease Expenses	3464	3134	6429
(b) Interest on Bonds and Loans	263257	246777	491977
5. Operating Expenses	**2667**	**2062**	**4190**
(i) Employee Cost	152	139	310
(ii) Bond Servicing Expenses	240	225	485
(iii) Bond Issue Expenses & Expenses on Loans	341	105	293
(iv) Exchange Rate Variation Loss / (Gain)	15	-24	-5
(v) Other Operating Expenses	1919	1617	3107
6. Total Expenditure (4+5) excluding Provisions and Contingencies	**269388**	**251973**	**502596**
7. Operating Profit before Provisions and Contingencies (3-6)	**98269**	**94630**	**191417**
8. Provisions (other than tax) and Contingencies	-	-	-
9. Exceptional Items	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	**98269**	**94630**	**191417**
11. Tax Expenses	**54987**	**52457**	**115587**
Current Tax	20972	19835	40710
Tax for Earlier Years	-	-	-
Deferred Tax	34015	32622	74877
12. Net Profit from Ordinary Activities after tax (10-11)	**43282**	**42173**	**75830**
13. Extraordinary Items (Net of Tax Expenses)	-	-	-
14. Net Profit for the period (12-13)	**43282**	**42173**	**75830**
15. Paid-up equity share Capital (Face Value of Rs.1000/- per share)	**412646**	**358396**	**358396**
16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)			**455515**
17. Analytical Ratios			
(i) Capital Adequacy Ratio	319.93%	281.29%	293.05%
(ii) Earnings Per Share (EPS)			
- Basic	104.89	117.67	211.58
- Diluted	104.89	117.67	211.41
18. NPA Ratios			
a) Gross / Net NPA	-	-	-
b) % of Gross / Net NPA	-	-	-
c) Return on Assets (Net Profit After Tax/Avg. Total Assets)	0.46%	0.48%	0.88%

NOTES:

1) The Company is in the business of Leasing and Financing and there are no separate Reportable Segments as defined in Accounting Standard -17.

2) The rolling stock assets leased to the MOR for the half year ended 30th September, 2015 have been considered as acquired on monthly pro-rata basis of the total mandated amount towards rolling stocks Rs.1727600 lakhs for the year 2015-16. The lease agreement will be executed after receipt of complete list of assets acquired from the MOR, after the close of the year.

3) Investor complaints

Pending at the beginning of the Half Year	Nil
Received during the Half Year	912
Disposed off during the Half Year	912
Remaining unresolved at the end of the Half Year	Nil

4) Previous period figures have been regrouped / rearranged, wherever considered necessary.

5) The above financial results were taken on record by the Board of Directors in their meeting held on 26-10-2015 and are subject to limited review by the Statutory Auditors.

New Delhi
Dated:26-10-2015

Rajiv Datt
Managing Director