



**POWER FINANCE CORPORATION LIMITED'S  
Q-3 FY 17-18  
CONFERENCE CALL  
15 MARCH ,2018**



**MANAGEMENT: TEAM OF POWER FINANCE CORPORATION:-**

- **Mr. Rajeev Sharma** - Chairman and Managing Director,
- **Mr. D. Ravi** - Director (Commercial),
- **Mr. N.B. Gupta** - Director (Finance)

**MODERATOR: MR. KUNAL SHAH – EDELWEISS SECURITIES LIMITED**



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**Moderator:** Ladies and Gentlemen, Good Day and Welcome to the Power Finance Corporation management interaction with the investors hosted by Edelweiss Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '\*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Kunal Shah from Edelweiss Securities Limited. Thank you and over to you, Sir.

**Kunal Shah:** Thank you, Aniket, and Good Afternoon everyone. I Welcome you all to Power Finance Corporation's management interaction with the investors, so we have with us Mr. Rajeev Sharma – Chairman and Managing Director; Mr. N. B. Gupta – Director (Finance); and Mr. D. Ravi – Director (Commercial from PFC who will discuss the latest developments which are there in the power sector in general and updates pertaining to PFC in particular be it relating to the Ministry directives or some other news items which were there, so Sir, would request you to just give few opening remarks and post this we will take the Q&A session. Over to you, Sir.

**Rajeev Sharma:** Thank you very much for giving us this opportunity. Good Afternoon everyone, I welcome you all to this conference call. We called this conference call to share our views with you regarding PFC's Q3 FY '17-18 performance, PFC's asset quality in the context of new RBI norms and related media reports, outlook on power sector going forward.

First of all, I will share a few highlights on PFC's performance. On business growth front, we have shown about 10% loan growth. On NPA front, as we have indicated in our earlier conference calls about reversal of NPAs, I am happy to share that we have substantially reduced our NPAs this financial year. From net NPA of 10.55% in the beginning of the year to 4.23% in Q3 '17-



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18. We therefore reduced our net NPAs by a significant 6.32% this year. Out of current net NPAs of 4.23%, Government sector NPAs are 2.04% significant portion of this is likely to reverse next FY '18-19 as indicated earlier. Only 2.19% of net NPAs belong to private sector loans as on 31st December 2017.

In my earlier conference calls, I have also indicated that we are looking to diversify our borrowing portfolio.

Accordingly, during Q3 FY '17-18, we raised green bonds of US \$400 million which saw the tightest ever pricing for a 10-year inaugural bond issued by an Indian issuer. We also raised syndicated loan of US \$300 million. Additionally, we raised FCNR(B) loans of US \$100 million. During Q4 FY '18, we have further raised some foreign currency of US \$250 million syndicated loan and FCNR(B) loan of US \$100 million. Another US \$250 million of foreign currency loan is also in pipeline. Further, we are also looking to re-finance our existing foreign currency liabilities of US \$450 million by which the cost of funds will further be reduced. We are also raising funds through capital gain bonds which are at a coupon of 5.25% we have mobilized more than Rs. 200 crores under this instrument. Our average cost of funds decreased by 13 basis points from 8.23% to 8.10% in Q3 FY '18.

I will now share with you the new RBI norms on stress resolution and its impact on us. First, let me clarify that the new RBI norms are not directly applicable to us, PFC being an NBFC. However, as we are in consortium with banks for most of our private loan book, indirectly these RBI norms will affect us.

Let me now explain our loan asset book. We have a total loan asset portfolio of Rs.2,62,000 crores, out of which Government sector loans are Rs.2,18,000 crores that is roughly 83%. Private sector loans are Rs.44,000 crores (i.e.17%). Regarding Government loan book of 2,18,000 crores, all government sector borrowers are servicing our dues regularly and only negligible over dues are



there. Further, we are not envisaging any stress in respect of Government sector borrowers.

In case of private sector exposure of about Rs.44,000 crores, Rs. 14,000 crores private sector loans (i.e. 32%) are regular in servicing their dues and we see no issues in these loans. Balance private sector loans of Rs. 30,000 crores are either under NPA category or under restructured standard category or standard category. NPAs are roughly about Rs. 8500 crores, restructured standard assets are about Rs. 15,500 crores, and standard assets are about Rs. 6000 crores.

Now, in terms of revival measures, out of these loan assets of Rs. 30,000 crores, about seven projects worth Rs. 4250 crores with a capacity of 3335 megawatts are being resolved through NCLT under IBC. These seven projects are already in NPA category. The breakup is - In one project, resolution process under NCLT is already underway. In two projects, petition has been filed with NCLT. In four projects, we are in the process of filing with NCLT. For balance loans of Rs. 25,750 crores which are 22 projects of 16,000 megawatts, various resolution mechanisms are underway including earlier RBI schemes like SDR, outside SDR, S4A, 5/25, and other resolution mechanisms. Some of the projects are already under bidding for management takeover and some are about to be bid out for change in management. Some projects are already under other resolution actions like settlement or restructuring. We are therefore optimistic that we will be able to restructure or settle or bid out some of these loan assets before 180 days stipulation by RBI beyond which we have to approach NCLT. We are also optimistic that all these loan assets will be restructured or settled or bid out under NCLT with relatively lesser hit to lenders including PFC as more than 50% of these projects are commissioned roughly 10,000 megawatts. More than 50% of these projects have PPAs, more than 70% of these projects have FSA. I also would like to highlight that out of these total 29 projects of Rs.30,000 crores, 14 projects will have aggregate



exposure of less than 2000 crores, hence the RBI deadline of 180 days for resolution does not apply for such loans as of now.

Now, in terms of impact on provisioning and income loss is concerned, generally in power project financing 20% to 30% project cost is met out of equity and 70% to 80% is financed through debt. Therefore, even if we assume a haircut of 50% on these projects, despite the positives of these projects in terms of COD, PPA, FSA, the haircut by the lenders will be lesser to that extent. Majority of these projects are already in NPA category or where income is not being booked, therefore, no major impact is envisaged on the future profit or interest margins. Further, we have already made the provisions on NPAs, restructured, standard assets of about Rs.5000 crores for these projects of Rs.30,000 crores. The total provisioning on entire loan book stands at about Rs. 8500 crores. Also by the year-end, it is expected that the cumulative provisioning against these assets will be further enhanced. Therefore, PFC is gradually building its provisioning to take care of any hit on these projects. Thus no sudden and significant impact is envisaged on PFC.

Further, resolution under NCLT is required within the time span of 180 days. Considering these timelines, it is envisaged that the resolution of these projects will happen within FY '18-19. Once resolution process is complete, the funds realized from the sale of these assets will help in creating new income earning asset and will have a positive impact on PFCs financials going forward.

Further, to also avoid the distress sale of power project assets, we are exploring possibility of a joint-venture, which can bid for these projects and takeover these projects at a fair value. The objective of this JV is to take over these projects and execute or operate till the demand scenario improves and sell it out at a later stage for better valuation. This JV approach is at preliminary stage of discussions, which will be formed after due consideration to all aspects including RBI and legal framework.



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Now, let me share few thoughts on the concerns raised on Discom's financial health and our exposure to them and impact on PFC going forward. In this regard, we would like to state that as on December 31, 2017, Rs.24,000 crores of PFC assets are in distribution segment, which is roughly 9% of our loan book. Out of this 9%, about 3% to 4% will be CAPEX based and remaining would be non-CAPEX.

With regard to Discoms facing difficulty in repayment due to high AT&C losses, I would like to mention that to address this very situation, UDAY scheme was launched with the objective to have financial and operational turnaround of Distribution Company.

Under UDAY, the existing debt of the loss-making Discoms was to be taken over by the state. Further, the future losses are also to be taken over by the states. Thus, Discoms' current losses are being managed with the UDAY scheme. Further, on roadmap for AT&C losses, the UDAY scheme stipulates various measures to reduce AT&C losses for Discoms. Also UDAY scheme, restricts funding of banks and financial institution to only 25% of Discoms' previous year's annual revenue.

Thus, while extending non-CAPEX funding to Discoms, the reform parameters as per UDAY scheme is built in the terms and conditions of the sanction of loans. The funding for CAPEX purpose is against the CAPEX items approved by the regulator. Further, as on date, PFC is following RBI prudential norms for its entire loan portfolio. Also historically, Discoms have been regular in servicing, therefore, no default is envisaged in future.

Let me also share with you the outlook on distribution sector. Government of India has launched Deen Dayal Upadhyaya Gram Jyoti Yojana, an Integrated Power Development Scheme for development of rural and urban distribution sector. While Deen Dayal Upadhyaya Gram Jyoti Yojana will help in providing round-the-clock power to rural households and adequate power to



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agricultural consumers, IPDS will help in reducing AT&C losses in urban areas. Also Government of India has launched Saubhagya scheme which aims to ensure electrification of willing households in the country. Total investments envisaged in distribution sector through these Government schemes is roughly Rs.1,70,000 crores. With Government of India's push for reforming distribution sector and that substantial investments have been made. This has resulted in reduction in aggregate losses reduction in gap between ACS and ARR and reduction in AT&C losses.

There is a concern that distribution companies are not performing well especially with regard to the reduction in AT&C losses., But there are significant development in the sector which are good for all stakeholders. I will share some numbers with respect to 45 distribution utilities, which have furnished data for the Financial Year 2016-17. Aggregate losses have decreased by more than 20% primarily due to reduction in interest expenses under UDAY scheme -Rs. 36,047 crores in 2016-17 versus Rs. 45,394 crores in 2015-16. Revenue from sale of power has registered a growth of almost 8%-Rs. 4,09,703 crores in 2016-17 versus 3,80,510 crores in 2015-16. Gap on subsidy received has also reduced by 11 paisa per unit- 39 paisa per unit in 2016-17 versus 50 paisa per unit in 2015-16. Out of 1270 towns for which data is available under R-APDRP or IPDS 245 towns have AT&C losses of less than 10%, - 247 towns have AT&C losses between 10% and 15%, - 162 towns have AT&C losses between 15% and 20%. I firmly believe that with the continuing focus of Government of India on upgrading and strengthening of distribution sector in the country, the performance parameters are going to see a significant improvement in the coming times. Now, we are open to questions, thank you very much.

**Moderator:**

Thank you very much. We now begin with the question and answer session. The first question is from the line of Andrew Lundstrom from WindAcre. Please go ahead.



- Andrew Lundstrom:** Can we ask how much of your private sector stressed assets has accrued interest and how much is loan principal?
- Rajeev Sharma:** Total Private sector loans are roughly Rs.44,000 crores, that is, 17% of my loan asset book.
- Andrew Lundstrom:** How much of that is from accrued interest versus the loan principal that was originally given to these projects?
- N. B. Gupta:** It is loan asset. Being NPA (the assets under NPA), there is no accounting for the interest income, so nothing is outstanding on these accounts.
- Andrew Lundstrom:** You are not building interest during construction?
- N. B. Gupta:** Most of the projects are commissioned projects and even for the under construction projects, the accounts which become NPA, we are accounting for the income only on the basis of cash received, so wherever the cash has not been received that income has not been accounted for. These 44,000 crores are purely the loan outstanding, there is no interest component to it.
- Andrew Lundstrom:** Just curious, does the interest show up in some other account on the balance sheet or is there no accrual of interest other than these loans?
- PFC Official:** On the balance sheet, under loan assets the total 2,62,000 crores are again only the principal, the accrued interest would be in the current assets.
- Rajeev Sharma:** On the stressed assets, we are not getting any interest.
- Andrew Lundstrom:** For the commissioned private sector plants, can you share what the load factor or PLF is?
- Rajeev Sharma:** PLF varies from 55% in some cases to 60%/70% also .Because out of 44,000 crores assets, 14,000 crores private sector loans are regular in servicing their dues and we do not see any issues, but balance private sector 30,000 crores





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are either under NPA category or restructured standard category or standard category.

**Andrew Lundstrom:** Of the total stressed projects, you spoke about how much have a certain average PPA coverage, could you say how many projects have at least say 50% PPA or whatever level you think will let them service their debt?

**Rajeev Sharma:** More than 50% of these projects are commissioned, roughly 10,000 megawatt capacity is already commissioned. More than 50% of these projects are having PPAs and more than 70% of these projects are having FSAs.

**PFC Official:** In terms of megawatts, it is like 19,500 megawatts is the figure related to this 30,000 crores, out of which we are saying that 50% has PPAs.

**Andrew Lundstrom:** I saw those percentages are these for the NCLT restructurings?

**PFC official:** This is for the NPAs and restructured accounts, the 30,000 crores.

**Andrew Lundstrom:** The entire stress assets is more than 50% PPA, more than 50% FSA, and is that on a project by project basis or, I am wondering did they all have close to 50% or do you have some that are 100% and some that are 0?

**PFC official:** It is possible, that is on an overall basis, but there could be one project where there is no PPA at all and there could be another project which is 100 PPA, so project wise details at this moment we are not sharing.

**Andrew Lundstrom:** Can you share projects that do not have PPA, like what number of projects do not have PPA or how much megawatt are long enough?

**PFC official:** We can share that separately, but there will be a few projects which are not having PPAs & FSAs Very Few



**Andrew Lundstrom:** Do you have any expectation once we have passed all this asset stress, what your normalized spread or NIM could be in the very long term in terms of what you might target yourself?

**PFC official** Like we said, the private sector exposure right now is only 17% out of which, we are saying only 30,000 is stressed and if this stress gets resolved then, the impact will not be significant in the sense that this 30,000 crore projects does not form chunk of our loan asset.

**Andrew Lundstrom:** Why?

**Rajeev Sharma:** Because 83% of my total loan book exposure is to Government utilities where there is no financial stress, I am being paid regularly, so private sector exposure is very limited, that is only 17% out of which 14,000 crores is already performing well and we are getting regular servicing of dues by these private sector developers.

**Rajeev Sharma:** We are having only issues in 30,000 crores exposure, but there also some of these projects are already having PPA, some of them are having FSA. Even while reviving these projects, we do not expect a higher haircut.

**Andrew Lundstrom:** Why is it that you are fairly optimistic on the amount of haircuts relative to say the steel sector. Where it has been 50% haircuts?

**Rajeev Sharma:** We are very optimistic because the demand in the grid is not realistic today, it is a suppressed demand. If you look at the data of the power exchange, prices of power have doubled during last 10 to 15 days and now summer is coming, so demand will further increase. So there will be more demand in the system and peak hour rates have gone as high as Rs. 7 per unit So we are expecting that the stressed projects which are not having PPA can sell their power at a good rate in the market and we are likely to get benefited. And this scenario of low demand will not continue for long.



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Government also notified a new scheme of Shakti under which the plants which were not having FSA got FSA, they got coal under this scheme if they were having PPAs.

Now, Government is coming out with a new scheme under Shakti scheme. The auction is to just start for those projects which are not having PPAs, they can also have coal. So it will improve, further, scenario in the power sector. And demand is picking up because under Saubhagya scheme, Government of India is proposing to connect each and every household of this country whether rural or urban, they want to connect it with electricity. So further demand will increase in rural areas as well as urban areas because quality of life will improve, aspiration of people will increase, and further demand will come into the system. They (MoP) are coming up with the new scheme of 2500 megawatts sale of power from the stressed assets. Scheme has already been notified to the states. We are the nodal agencies and as I understand we have received request from Gujarat for 5000 megawatts, we have received request from Maharashtra for 500 megawatts, we have received request from UP for 1000 megawatts. Therefore, states are coming forward now and we are seeing a realistic assessment of demand in the states.

**Andrew Lundstrom:** Now, if you look at loans to the private sector stressed assets, do you know what the total amount of loan outstanding from all lenders in the consortium to those NPAs are or to those restructured projects, so how much total lending is being made to these projects?

**Rajeev Sharma:** On these details, we can revert back to you because right away we do not have that detail.

**Moderator:** Thank you. The next question is from the line of Bhavna Mohan from Birla Sun Life. Please go ahead.



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**Bhavna Mohan:** I have one question regarding the 14 projects under the 30,000 stressed private assets that we have, which you mentioned are less than 2000 crores in size, how much would these total amount to?

**PFC Official:** It would be about 4500 crores.

**Bhavna Mohan:** Just to clarify that, out of the total 30,000 crores, only 4500 crores is less than 2000 crores, so the balance would be greater than 2000 and hence would the September 1, 2018, timeline will apply to those?

**PFC Official:** Yes, correct.

**Moderator:** Thank you. The next question is from the line of Sangam Iyer from Subhkam Ventures. Please go ahead.

**Sangam Iyer:** Sir, just wanted to get a clarification. In the private sector exposure that we have got, other than the standard one, the 30,000 odd crore, you mentioned that 50% have PPAs currently available with them. Right? So from an outlook perspective in terms of the asset quality for these balance 30,000 crores, how should one be looking at these exposure here?

**Rajeev Sharma:** Actually, for the projects which are not having FSAs and the projects which are not having PPA, under Shakti scheme, there is a provision for participating in the auction of coal. First tranche has already gone into bidding. And the projects which were having PPAs, they got coal under the Shakti scheme. Next tranche is going to be auctioned for those projects, which are not having PPA's. so they will also get coal. So things are getting brighter around policy front., These issues are being addressed one by one. Moreover, Ministry of Power is bringing one new scheme of 2500 megawatt bidding of power for these stressed assets. Power Finance Corporation is a nodal agency. The document has already been approved by the Ministry. It is going to notify this scheme very soon. And we tried to aggregate the demand from the states and we have adequate demand from Maharashtra, UP, Gujarat. And they are very



keen to participate in this scheme. So it will further open up the sector and we will get more PPAs.

**Sangam Iyer:**

Sir, from an NPA recognition perspective incrementally from here on given that these various schemes are coming through, do we expect any deterioration whatsoever? Given the potentials of the scheme that are there, that have been announced, are being introduced in the sector how should one look at the asset quality perspective going forward?

**Rajeev Sharma:**

I think it is going to further improve because, the government sector NPA will reverse during next year. So we will be left with only 2.2% net NPA for private sector. And in that private sector also, issues of fuel, issues of PPA, they are being addressed. I am sure within next six months, the scenario in the power sector will change as further demand will be created. And you will see in the power exchange today, during last 10 to 15 days, rate of power has almost doubled and peak power rate is around Rs. 7 and further summer is coming through. So further demand will increase. I do not see any major stress and nor any major impact on my margins.

**Sangam Iyer:**

Sir, the Minister of State announcement that had come out wherein for stressed SEBs or stressed Discoms, no further advancement to be made by PFC, REC etc. How should one be looking at these. Because from an investor's outsiders perspective, it is very difficult to understand the gamut of impact that would come through given these kind of announcements that are coming out from the Power Ministry. So could you help us out in terms of the health of the Discoms that you are talking about. Because you did mention a lot of Discoms are still in a much better shape. But having said that, given the kind of announcement that we have been seeing over the last couple of weeks, it appears that there is a desperate call that the health of the Discoms have deteriorated significantly and hence the call to stop further lending or advances to these segments from PFC, REC has been administered. So can you help us with this regard to?



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**Rajeev Sharma:**

I will address this question like this, as you know Ministry of Power has taken various initiatives to restore the financial viability of state distribution companies, right from APDRP during 12<sup>th</sup> Plan, R-APDRP than IPDS for urban areas. Similarly, for rural areas, initially Rajiv Gandhi Grameen Vidyutikaran Yojana, then Deen Dayal Upadhyaya Gram Jyoti Yojana, now Saubhagya. So all these schemes aim at upgrading and strengthening sub transmission and distribution system and electricity infrastructure in rural areas as well as urban areas. In the power system as and when you upgrade and strengthen your sub transmission distribution system, it helps in reduction of Aggregate, Technical and Commercial losses. It helps in improving reliability and quality of power supply to the consumer, it can ensure 24/7 power to all the consumers. We are a listed company and are governed by the Board of Directors. We are taking all decisions of sanctions, and this was mentioned earlier as required by our borrowers in line with our policy guidelines and the permission of the Government. There is no issue at all, we do not face any problem.

As on date also in our Boards we are taking decision. And for reduction of AT&C losses of distribution companies, Ministry of Power in consultation with these distribution companies has already decided a trajectory of AT&C losses that up to which year they have to bring down these losses to 15%. And in my initial remarks, I informed you that some towns in the country are having less than 10% AT&C losses. There are some towns which are having losses of 10% to 15%. So it depends. So we have to see the sincerity of the Government and the initiatives of the Government, what steps are being taken by the Government to make these distribution companies financially viable. And we are an important part in this because we are nodal agencies for R-APDRP under which 1405 towns were taken up for setting up IT enabled system in these towns which ensures energy audit. Out of these 1405 towns, 1370 towns have gone live. You can see energy audit data, you can immediately get the



AT&C loss level and almost 80% of these towns has demonstrated reduction in the AT&C losses.

**Sangam Iyer:** Given this backdrop. Going into FY '19, where all these initiatives will also start bearing some kind of a fruit either in the second half or so, what is the kind of loan book growth that we are looking at then?

**Rajeev Sharma:** As I informed, it was around 10% growth. We expect that we will be able to maintain that or it may be higher also.

**Moderator:** Thank you. The next question is from the line of Vinod Malviya from Florintree Advisors. Please go ahead.

**Vinod Malviya:** Sir, can you just provide some detail about the stressed asset resolution which you talked about. The 2500 mw initial tender which you are going to come out. So couple of things on that. One you talked about some three states like Gujarat, Maharashtra, and UP have showed an interest, but from the other side, from the supply perspective, how much is the total stressed asset which can be solved under the new tender which we are looking at?

**PFC Official:** The stressed assets in our book are about 30,000 crores which is equivalent to about 19,000 megawatts.

**Vinod Malviya:** I guess this tender which would be floating would be applicable to the entire industry, so I am looking from an entire industry's perspective, how much the stressed assets would be bidding for this?

**Rajeev Sharma:** Initially, it will be for 2500 megawatts because it is a pilot scheme. Once we are successful in this, and PFC is the partner for trading so initially it will be for stressed assets and we are expecting good rates. So states are very keen to participate in this scheme. If, it is successful in the beginning, this megawatt may be increased further.



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**Vinod Malviya:** Can you provide some details regarding how the bidding will work, will it be purely based on the variable tariff or there would be some fixed?

**Rajeev Sharma:** There will be no fixed tariff, that is why this is a new scheme and I cannot share with you because it is being notified by the Ministry, it is under approval in the ministry, this is not the right time to share with you those details.

**Vinod Malviya:** The tender will be out by this month or it will be...?

**Rajeev Sharma:** They were earlier planning by February and but definitely by end of March we should be out because the standard bidding document was first approved by the expert committee. Then expert committee gave it back to the Ministry of Power. Now in the Ministry of Power, it is under approval stage, file will go right up to the minister. So we are expecting that this weekend, we should be able to get the notification and this will elaborate on details, what is the scheme of things and how it will be operated.

**Vinod Malviya:** Just wanted to clarify these numbers, you said Gujarat has showed interest of 5000 megawatts, Maharashtra...

**Rajeev Sharma:** I received letter from them. They are looking for 5000 megawatts long term purchase of power, and similarly, I received one letter from Maharashtra also and similarly from UP. Because I wrote letter to all the states that we are coming up with this new scheme whosoever wants to participate, please let us know, so majorly three to four states. I remember correctly UP, Maharashtra, Gujarat because they are expecting lower rates in this scheme.

**Moderator:** Thank you. The next question is from the line of Prashant Jain from HDFC. Please go ahead.

**Anand:** This is Anand here this side. Just wanted to understand on the 22 projects of 16,000 megawatts which we are trying to structure outside either in SDR or in S4A. Can you give some color like what are the top four, top five projects





and what could the quantum of those exposures and what is the status of those projects?

**Rajeev Sharma:** Projects names at this juncture we will not be able to share.

**Anand:** If you can give some color like there was one project?

**Rajeev Sharma:** In private sector our exposure is Rs. 44,000 crores out of which Rs. 14,000 crores are regularly servicing our dues and we see no issues at all. Balance Rs. 30,000 crores are either under NPA category or restructured standard category or standard category. And NPAs are about Rs. 8,500 crores, restructured standard assets are roughly Rs. 15,500 crores and standard assets are about Rs. 6,000 crores.

**Anand:** Sir, if you can give some color on some projects like KSK it was supposed to be commissioned by December if you can give some color like what is the status of this?

**Rajeev Sharma:** Yes, KSK third unit has been commissioned in December so three units are already commissioned and because 50% capacity is commissioned so deemed commissioning we will get. So we got another one year to complete fourth unit. Work is in full swing on the fourth unit. In the meantime, we had a meeting with the developer in which SBI Chairman and REC Chairman were there and appraised them about the new scheme of RBI. They are regularly working on this and they are supposed to come back to us with the solution very soon. So once we come to know the solutions then we will revert back to you. We will inform you.

**Anand:** And sir, about the interest rates. I think given that you could have lowered the interest rate post the third commissioning. So is it that we can lower it before that?

**Rajeev Sharma:** No chance.



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**Anand:** And if you can give some more color on RKM Power where we have I think large exposure?

**Rajeev Sharma:** RKM power last unit is getting commissioned this month and they are also getting their PPA back from Chhattisgarh which they were struggling earlier and they are supplying 375 megawatts to UP and I have written a letter to UP Chairman also to kindly reduce their outstanding because they were not paying on time. So I talked to Chairman UP Power Corporation also. So I think it is a good project and we are trying to resolve the issues and problems being faced by this project.

**Anand:** And we are receiving the interest from these projects?

**Rajeev Sharma:** We are not receiving interest.

**Anand:** And Indiabulls, Nasik if you can give some more details?

**Rajeev Sharma:** Nasik and Amaravati I think Amaravati is getting the schedule from Maharashtra. Maharashtra is passing through power crisis because some of their plants are not running. So rather they are taking power from Testa Urja from Sikkim and they have requested us also for they want 500 megawatts additional power. So this Amaravati is getting scheduled. I think their plant load factor may improve to 50% to 60%. We are expecting. On Nasik also, we invited the developer on 14<sup>th</sup> February, and the SBI Chairman and other lenders were also there.

And explained to him the latest circular of 12<sup>th</sup> February of RBI. Accordingly we asked him to come back with some solution. We are awaiting the solution from him. But his team is in constant touch with our officers. They are regularly in dialogue with us and very soon we will come up with the solution for these two projects also.

**Anand:** And sir, Lanco Amarkantak?



**Rajeev Sharma:** Lanco Amarkantak we had discussion with them yesterday, two units are already under operation and unit three and four we had invoked OSDR. But because this scheme has been withdrawn now, so we are working on a new solution with our lenders. We have called the lenders meet and we will also finalize this very soon.

**Anand:** Sir, regarding Lanco I think we believe that Lanco holding company is in NCLT. So by taking the holding company into NCLT how will the resolution happen?

**Rajeev Sharma:** Because it is a separate SPV and we are not the lenders in that holding company in LAPL. Because two units are under operation, already in this plant and we have to find a new EPC contractor. At this stage, I cannot tell you what will be the final solution. We have to discuss with the team of lenders and then we will come out with a solution.

**Anand:** Sir, last question. A few days back Adani got this order from MERC that they will be getting this coal differential of Rs. 1,200 crores. So do you think this can be a resolution for most domestic coal based projects?

**Rajeev Sharma:** Depends on the regulators because in many states these issues of IPPs are pending for quite long. Somewhere two years, somewhere three years. It will be good if they expedite their decision-making process and it will be good for all coal-based projects.

**Anand:** And sir, there was also some news that mainly Neyveli Lignite would be taking over one of the plant where SDR has been initiated likely the GMR Chhattisgarh. So any development on that sir?

**Rajeev Sharma:** Binding bids have been invited and we are planning to resolve it as soon as possible. I have been informed that, I think, we are expecting six binding bids and NLC is also one of the participants, I can say that much.



**Anand:** Okay and of these projects we discussed I think it is only KSK where we are accruing the interest. In rest of the projects we are not accruing the interest?

**Rajeev Sharma:** Yes, that is true, I think. Yes that is true.

**Anand:** Sir, if you can give some color like of the total loan book on the private sector, what proportion we are not accruing interest?

**Rajeev Sharma:** See as I told you, in private sector our exposure is Rs. 44,000 crores, on Rs. 14,000 crores that is roughly 32% we are regularly getting income and we are getting paid. No issues are there in Rs. 14,000 crores. Balance Rs. 30,000 crores are either under NPA category or restructured standard category or standard category. NPAs are roughly Rs. 8,500 crores. So now we are not getting anything on this Rs. 8,500 crores.

Standard assets are Rs. 6,000 crores wherever we are getting, we are accounting for income. Restructured standard assets are Rs. 15,500 crores. Out of which KSK is there we are getting on that. RKM we are not getting, so it is a mixed bag.

**Anand:** Okay. If you can give like of the Rs. 30,000 crores what proportion will be accruing the interest, sir?

**N.B.Gupta:** In fact, in around Rs. 24,000 crores we are not accruing any interest only Rs. 6,000 crores where we are accounting for.

**Anand:** Okay sir, this Moser Baer Anuppur is part of the portfolio where we are accruing interest?

**Rajeev Sharma:** Anuppur we are getting regularly paid, Hindustan Power. And in fact, it has got PPA also and as such there is no issue in the project.



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- Anand:** Sir, who are the likely buyers maybe in NCLT or otherwise. Who can come in and buy these projects or bid for these projects. Who are the buyers do you see?
- Rajeev Sharma:** Our joint venture will also bid may be. They are Adani, JSW then Torrent, Neyveli Lignite and some dark horses will also be there.
- Anand:** Sir, this JV which you are talking about if you can give some more details on it Sir. who is it going to be with?
- Rajeev Sharma:** See this is in very initial stage. We are discussing with NTPC, REC and even BHEL and other PSUs of power sector that it is a good opportunity to ensure a fair price in NCLT for these good projects and if we can warehouse them for a year or so, they will be gold mine in future. Because demand is being created in the sector very soon.
- Anand:** Sir, given that if it is only 180 days or 6 months left for the resolution, do you think that in the time frame we can form a JV and then bring the partners in and then bid before that?
- Rajeev Sharma:** Yes, we are very hopeful.
- Anand:** And sir, how much stake or how much large quantum of pool you are planning in the JV, is there any detail you can give?
- Rajeev Sharma:** We are under discussion. At this stage I cannot tell you what will be the final shape of the JV and how much equity participation of each partner would be there. I cannot tell.
- Anand:** Sir, if you can give ballpark?
- Rajeev Sharma:** Once it is finalized we will share with you.



- Moderator:** Thank you. The next question is from the line of Srijan Sinha from Future General Life Insurance. Please go ahead.
- Srijan Sinha:** I wanted to check do we have any exposure to either Tata or Adani at the Mundra Power projects?
- Rajeev Sharma:** No sir we do not have.
- Srijan Sinha:** And at the group levels do we have any exposure?
- Rajeev Sharma:** No Tata we do not have any exposure, Adani they prepaid to us. So we do not have any exposure as on date.
- Srijan Sinha:** Okay that is great. I also wanted some clarification on the stressed asset. So if I look at your GNPLs it is about Rs. 14,000 crores, Rs. 15,000 crores and restructured is about Rs. 56,000 crores. What is the quantum of the stressed asset outside this, any SDR, S4A or anything beyond this Rs. 70,000 crores, Rs. 71,000 crores?
- Rajeev Sharma:** No, just to clarify our private sector exposure is Rs. 44,000 crores out of which one fourth, Rs. 14,000 crores are regularly servicing our dues. And there are no issues. Remaining is Rs. 30,000 crores out of which out of this Rs. 30,000 crores Rs. 8,500 crores is NPA. Restructured standard assets are Rs. 15,500 crores and standard assets are Rs. 6,000 crores. This is the breakup.
- Srijan Sinha:** So is there any overlap between the SDR and the outside SDR or S4A and the restructured standard?
- Rajeev Sharma:** I think they could be under restructured standard assets.
- Srijan Sinha:** Outside the restructured standard, is there any SDR or S4A which is there?
- Rajeev Sharma:** I think all of them will be within this Rs. 15,500 crores to say.



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- Management:** Your question is whether any standard assets under SDR is that your question?
- Srijan Sinha:** That is right.
- Rajeev Sharma:** Indiabulls and Dans Energy.
- Srijan Sinha:** And what would be the quantum of that?
- Rajeev Sharma:** Quantum would be Rs. 2,500 crores.
- Srijan Sinha:** Okay Rs. 2,500 crores and my final question is on the interest reversal that you did in the quarter pertaining to the Rs. 10,000 crores of the SDR or S4A. It says it is Rs. 653 crores for the quarter and Rs. 794 crores for the nine months ended 31-12-2017. So Rs. 653 crores is this the interest for a quarter? I am referring to the notes.
- N. B. Gupta:** See out of this Rs. 653 crores, Rs. 450 crores is for earlier quarter, for this quarter it is only Rs. 203 crores.
- Srijan Sinha:** Okay Rs. 450 crores for the earlier quarter, so you have reversed it. So what is the policy for interest recognition in the SDR and the S4A?
- N.B.Gupta:** See it is the same, if I am getting the money within 90 days right now it is 120 days. So we recognize on actual basis. Once that period of 120 days is over it will be on cash basis. Even earlier interest cycle will be reversed.
- Moderator:** Thank you. The next question is from the line of Mahrukh Adajania from IDFC Securities. Please go ahead.
- Mahrukh Adajania:** In the list of 34 power projects in the parliamentary panel report, even Adani Purva West and Adani Maharashtra have been named. Are these really stressed at all and will they have to go to the parliamentary panel resolution process or?



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- Rajeev Sharma:** We are not there.
- Mahrukh Adajania:** Would you have an idea, sir?
- Rajeev Sharma:** No, I do not have any idea, I cannot comment on parliamentary panel's recommendations.
- Mahrukh Adajania:** Okay Sir. Off and on there are talks, you did cover this a while ago also, talks of NTPC acquiring some power plants even SBI has made a pitch to them again have been going on for a long time, so what is really holding it up?
- Rajeev Sharma:** I cannot comment. I think NTPC will be the right agency to comment on this because they are undertaking that process for quite long. So they have to answer.
- Mahrukh Adajania:** And sir in terms of?
- Rajeev Sharma:** It will be unfair for me to answer on this.
- Mahrukh Adajania:** Okay and in terms of Ratnagiri Power project?
- Rajeev Sharma:** Demerger has been approved by NCLT.
- Mahrukh Adajania:** Yes sir. So does it get upgraded?
- N.B.Gupta:** After one year. There is a specified period; once that period is over. So I think by next year it will be upgraded.
- Mahrukh Adajania:** So the demerger was approved now, so one year from now like that and the entire amount?
- Rajeev Sharma:** Yes, the entire amount.
- Moderator:** Thank you. The next question is from the line of Anand Laddha from HDFC. Please go ahead.





**Anand Laddha:** This quarter our NII was down very sharply. So could you give me some color what sort of interest reversal we had and what should be the steady state of NII for us, or you can guide on the margin side also?

**N.B.Gupta:** Can you repeat please?

**Anand Laddha:** This Q3 our NII has come down substantially very sharply from Rs. 2,700 crores to Rs. 1,800 crores. Can you give some color like what sort of interest reversal or non accrual has happened this quarter and what should be the steady state of NII for us?

**N.B. Gupta:** Rs. 653 crores have been reversed in this quarter Q3.

**Anand Laddha:** Rs. 653 crores?

**N.B.Gupta:** Yes, it has been reversed. Out of Rs. 653 crores, Rs. 450 crores approx pertains to previous quarter and for this quarter it is only Rs. 203 approx crores.

**Anand Laddha:** Sir, going forward what will be the steady state of NII for us?

**N.B.Gupta:** We mentioned most of the stressed assets are not earning income for us. We feel that we will be in a position to maintain the same NII in future also.

**Anand Laddha:** Okay our NII in this quarter was Rs. 1,800 crores and Rs. 450 crores of interest reversal pertains to previous quarter, so on a steady state basis at least we should do Rs. 2,200 crores to Rs. 2,300 crores of NII, if everything remains the same?

**N.B. Gupta:** In Q3 we had a NII net interest of Rs. 1,966 crores so I think we should be in a position to maintain the same in the Q4 also.



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**Anand Laddha:** No sir, of this Rs. 1,900 crores we had reversal of Rs. 650 crores this quarter. On that Rs. 450 crores pertains to previous quarter. So ideally our NII should be on a steady state basis should be around Rs. 2,300 crores?

**N.B.Gupta:** See these are mathematical figures, definitely it should go up then.

**Anand Laddha:** One last thing sir you mentioned that Ratnagiri Power project demerger is done. So whatever debt which you have will get transferred to power project or which will get transferred to LNG project?

**Rajeev Sharma:** We are in both I think

**Anand Laddha:** So sir both the companies will not be taking any hit?

**N.B.Gupta:** But we have already sufficient provisions. Yes, the hit will be there but we have already made a sufficient provision so we do not anticipate much hit on this Quarter 4 on this.

**Moderator:** Thank you. The next question is from the line of Rajat Sethia from Ridhi Capital. Please go ahead.

**Rajat Sethia:** Just one question, On the provisioning requirements, once loan exposure goes to NCLT as per the new norms?

**Management:** See the general NPA rules will apply on all the NCLT cases. There is no specific guidelines from the RBI for that higher provisioning or any other provisioning.

**Rajat Sethia:** So basically it is 50% provisioning?

**Management:** No, not 50%.

**Rajeev Sharma:** That was for those initial accounts which were specified by NCLT, 12 accounts. Not for other cases.



- Management:** General NPA rules would apply though, 10%, 20%, 30%, 50%.
- N.B.Gupta:** The normal asset classification rules would apply.
- Rajat Sethia:** Got it which is like 15%, 25%, 40%?
- N.B. Gupta:** Yes, 15% for banks; for NBFCs it is 10%, 20%, 30% and 50%.
- Moderator:** Thank you. The next question is from the line of Snehal Amin from WindAcre. Please go ahead.
- Snehal Amin:** What is your exposure to private sector plants that will not be commissioned until after the end of fiscal 2018-19?
- N.B.Gupta:** Our total exposure to private sector is Rs. 44,000 crores and 50% of these assets are commissioned roughly 10,000 megawatts. I think remaining 50% will be at various stages of execution.
- Snehal Amin:** Second, can you say how much will be commissioned within the next year and how much will be commissioned after one year from now?
- Rajeev Sharma:** Out of total generation assets of Rs 40,000 -Rs 18,600 crores is already commissioned, balance shall be commissioned in 2017-18, 2018-19.
- Snehal Amin:** And after 2018-19 how much is left?
- PFC Official:** See actually we are giving a breakup of about Rs. 40,000 crores of private generation projects wherein we are saying Rs. 19222 crores is already commissioned.
- PFC Official:** We are expecting all of them to be commissioned by 2018-19.
- Snehal Amin:** Okay, so all of your private sector plants will be commissioned by '18-19. So when you lend in a consortium to the private sector, are you usually the



largest lender in the consortium and typically what share of the consortium lending is power finance? Is it 10% or 30% of the consortium usually?

**Rajeev Sharma:** We do not sanction more than 50% of the project cost. But since we are the dominant player in the power sector, generally, we sanction the highest amount among the consortium partners. But it varies from project to project because in some cases we are not lead, somewhere SBI leads, somewhere REC is lead or some other banks are also leads.

**Snehal Amin:** Okay do you know on average what percentage of the consortium you would be, would you be 25% usually of the consortium on average?

**Rajeev Sharma:** Yes, I think 20%, 25% is a fair number.

**Snehal Amin:** And then you mentioned the joint venture, which sounds like a great idea. There you mentioned only other public sector lenders. Are you also negotiating with private sectors players to be partners in the joint venture?

**Rajeev Sharma:** We will see. Initially we want government companies to be joint venture partner. So we are in discussion with government companies, public sector undertakings only.

**Snehal Amin:** Okay and to be clear, this joint venture would allow you to bid on projects in the NCLT even where you are the lender in the consortium?

**Rajeev Sharma:** That is what we are working on. I have asked my legal team. We are discussing with our consultants on these legal aspects that it should not debar this JV. If we are also the lender in the projects in NCLT or in the bidding process before going to the NCLT. But as far as I had discussion with the legal team we are okay. We can participate.

**Snehal Amin:** Okay and then on your interest spreads, what interest spreads do you expect for fiscal 2018-19?



- Rajeev Sharma:** Difficult to say but we are trying to maintain the interest spread during the year.
- N.B.Gupta:** See right now we have a spread of around 2.81%, okay, and we expect that we should be in the range of 2.50% to 2.81%.
- Snehal Amin:** 2.5% to 2.81%? So you expect the spread will go down?
- N.B.Gupta:** Yes because there are a lot of competition in the power sector, lot of banks they have been funding at a cheaper rate to be competitive in the market. We have to definitely match that low rates.
- Rajeev Sharma:** And actually almost 70%, 80% of my loan book for government utilities we had to re-price after Uday.
- Snehal Amin:** Right, does your 2.5% to 2.8% include the benefit you are getting from the reduced financing cost already?
- N.B.Gupta:** In fact we have been passing that reduced cost to the borrowers also because one third of my loan portfolio had a reset. So we have been passing on these benefits to our existing borrowers also.
- Snehal Amin:** Is there a spread at which you will not lend, where you say it is just too low even if the market does?
- Rajeev Sharma:** Generally we try to maintain minimum 200 basis points.
- Snehal Amin:** Minimum 200 basis points?
- Rajeev Sharma:** If the borrower is the A plus quality, the best quality.
- Snehal Amin:** So I think a few years ago I think the minimum spread management talked about maintaining I think was 300 basis points?



**Rajeev Sharma:** Time has changed. Our volumes of business are also increasing, competition in the market is more because we have to align ourselves in line with the market practices. We cannot ignore that. 2% percentage is for the best borrower.

**Snehal Amin:** I understand that the market spreads have come down but the risk in the sector has not changed meaningfully, Right? So the market, maybe, at some point lends at a 100 basis point spread. It does not mean that it is the right thing to do, right from your own return and your own asset quality perspective. So that is why I am wondering why/ how do you determine that 200 basis points is right and if the market goes to a 100 you will you say then well the market is at a 100, so we lend at a 100 and then we will end up taking very big losses because of the risk of the projects is not improving. So why then only the market rate?

**Rajeev Sharma:** If we do with, like NTPC, we refinance the projects of 2x660 megawatts being put up by NTPC. If NTPC comes to us if I have to improve the quality of my assets it is good if NTPC is there in my portfolio. If some top renewable energy developers, they are approaching me, project is already commissioned, there is no risk, they have 25 years PPA with NTPC. They have 25% PPA with Solar Power Corporation. So in those cases I am trying to grab those good developers and to have in my portfolio to have a better quality asset.

**Management:** And mainly the repricing is on government sector loans only where my risk is very minimum.

**Moderator:** Thank you. The next question is from the line of Aditya Mundhra from High Temple Capital. Please go ahead.

**Aditya Mundhra:** Sir, what is the kind of loan growth that you are seeing for the next couple of years?



- Rajeev Sharma:** Last year our growth was 35%, we disbursed around Rs. 63,000 crores and as you see sub transmission distribution, upgradation and strengthening is in a big way under various flagship schemes of Government of India like Deen Dayal Upadhyaya Gram Jyoti Yojana, IPDS. Then under Saubhagya Scheme each and every household of rural as well as urban India is getting connected by March 2019. So there will be further demand in the system. So power sector is the most important infrastructure for our economic growth and we are a dominant player. So our share will continue to be in the range of more than 20%. So definitely I can see a growth of 5% to 10% minimum.
- Aditya Mundhra:** No sir, just that FY18 sanction is about 30% lower than 9 months FY17 sanctions so that was a concern?
- Rajeev Sharma:** It varies from year to year, it does not matter because we were not so much concentrating on sanctions this year because it is not in our MOU target. But we are concentrating more on disbursement which gives us the income.
- Aditya Mundhra:** And sir, the question is you had mentioned that about Rs. 2,500 crores of assets are in the standard category but they are in the restructured SDR or S4A. I think one of them was Indiabulls?
- Rajeev Sharma:** Yes, it is Dans Energy and Indiabulls.
- Aditya Mundhra:** Sir, so this Rs. 2,500 crores part of the Rs. 6,000 crores which is the standard asset out of the Rs. 30,000 crores?
- Rajeev Sharma:** It is part of Rs. 6,000 crores, yes.
- Aditya Mundhra:** So that is part of this Rs. 6,000 crores?
- Rajeev Sharma:** Yes.
- Aditya Mundhra:** And sir, so the yield on the asset in FY17 is 11.6% which now on quarter 3, it is about 10.95%. So do you see the yield under pressure further?



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**Rajeev Sharma:** No, whatever in fact was supposed to come it has already come. We will be able to maintain around that.

**Aditya Mundhra:** Okay and this yield had reduced just because of the competition pressure that you were mentioning and because of this there is lot of competition from the banks, was that the reason?

**N.B.Gupta:** It was because of repricing of Uday and if you see the notes on accounts, Rs. 450 crores of interest have been reversed which pertains to earlier quarters. So this is one of the reason of that.

**Aditya Mundhra:** And sir, this is my last question. What is the level of net interest income you are expecting? You were just saying that there are about Rs. 650 crores which was reversed this quarter, Rs. 450 crores of previous quarters and Rs. 200 crores of this quarter. So what is the kind of NII say, going forward, for every quarter. Will it be at the level of Rs. 2,700 crores which was in the previous year September quarter?

**N.B. Gupta:** See we expect it will be around Rs. 2,200 crores, Rs. 2,300 crores.

**Moderator:** Thank you. The next question is from the line of Piyush Goel from India Capital. Please go ahead.

**Piyush Goel:** Sir, one thing I wanted to understand is of the Rs. 30,000 crores of stressed private assets about Rs. 4,500 odd crores are of the category which is less than Rs. 2,000 crores aggregate exposure and another Rs. 4,500 crores are already in the NCLT. So of the remaining Rs. 21,000 crores do we have an option before the 1 September 2018 deadline to restructure them in anyway such that we they do not slip into NCLT or they do not go into NCLT? Can you share an idea as to of this how much we will be able to restructure? You had mentioned that for multiple projects we are already in talks but broadly if you can share an idea?





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**Rajeev Sharma:** Number I cannot tell you but we are making sincere efforts along with our consortium partners in these projects and in that line already we had a meeting on 14 February with Chairman SBI in which CMD REC was also there and we will have these regular dialogues on reviving these projects and whatever the s best option is there we will do. We will try to go on that path.

**Piyush Goel:** But sir, internally there is an option for us to find some sort of restructuring before deadline itself, right?

**Rajeev Sharma:** Yes, we are making sincere efforts. That much I can say.

**Piyush Goel:** Sir, just one final question from my side. The recent directives from the Ministry of Power which restrict us from lending to SEBs which are stressed how much of an impact would that have on our outstanding sanctions very roughly or would there be no impact on projects which are already sanctioned by us?

**Rajeev Sharma:** As you yourself said.No impact. We have not received any direction in writing. We are a board governed company and more over AT&C losses reduction is the ultimate objective of Ministry of Power in which PFC is an important instrument. We are nodal agency, for IPDS which ultimately aims at reduction in AT&C losses and we have been able to reduce AT&C losses in more than 90% of the towns in the country. So I cannot comment much on minister's statement. But our sanctions & disbursements are going as it is. There are no problem. Our board always takes very well informed, considered view after taking into consideration all pros and cons and loss reduction trajectory by state distribution companies.And it is properly recorded in our sanction letters and the roadmap is also taken from the state discoms. So it is ongoing process. We are also fully committed that state distribution company's financial health is restored back as fast as



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possible, in which we are participating along with Ministry of Power in various initiatives of Ministry of Power.

**Moderator:** Thank you. The next question is a follow up from the line of Srijan Sinha from Future Generali Life Insurance. Please go ahead.

**Srijan Sinha:** Sir, if I see your presentation the loan asset of Rs. 6,748 crores were upgraded from NPA to restructured standard category in Q3. But when I look at your restructured state sector asset that has actually declined quarter-on-quarter in the December quarter. So was there any upgrade from the restructured book as well?

**Rajeev Sharma:** Shall we get back to you on this? Meanwhile you can ask another question.

**Srijan Sinha:** No, this is the only question that I have.

**Moderator:** Thank you. The next question is a follow up from the line of Anand Laddha from HDFC. Please go ahead.

**Anand Laddha:** Sir, if you can tell us what is the average yields on the asset or the portfolio on which you are accruing interest on a steady state basis?

**Rajeev Sharma:** 10.95.

**Anand Laddha:** So sir, this 10.95 is post this Rs. 450 crores of reversal or this is steady?

**Rajeev Sharma:** Yes, after reversal.

**Anand Laddha:** And sir, this is calculated on the total loan portfolio or only on the assets which are accruing interest?

**N.B. Gupta:** Only assets which we are accruing the interest.

**Moderator:** Thank you. The next question is from the line of Rajkumar Singhal from Aspen Wealth Advisors. Please go ahead.



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- Rajkumar Singhal:** This is regarding Rs. 30,000 crores NPA of private sector wherein we have not booked the interest after it became NPA some part of that. What is the amount accumulated over there?
- Rajeev Sharma:** Readily it is not available but we can supply it later.
- Management:** This is the last question.
- Moderator:** The last question is from the line of Bunty Chawla from B&K Securities. Please go ahead.
- Bunty Chawla:** Just one clarification. You said Rs. 44,000 crores of private sector, out of which for Rs. 14,000 crores you are regularly receiving the income. And after Rs. 30,000 crores you said Rs. 6,000 crores are the standard. Are these under SDR, S4A being standard also but are under SDR and S4A, are these different from this Rs. 14,000 crores regular income receiving?
- Rajeev Sharma:** Yes, they are different from that.
- Bunty Chawla:** So these are under SDR and S4A, right but they are not under restructured?
- Rajeev Sharma:** Yes.
- Moderator:** Sir, we have one last question. The next question is from the line of Amit Rane from Quantum Securities. Please go ahead.
- Amit Rane:** All my questions have been answered.
- Rajeev Sharma:** Thank you so much.
- Moderator:** Thank you.
- Kunal Shah:** Thanks a lot for your time and for this detailed discussion. And all the best for the future quarters. Thank you.



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**Moderator:**

On behalf of Edelweiss Securities Limited, we conclude this conference.  
Thank you for joining us and you may now disconnect your lines.



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**Conference Name:** Power Finance Corporation Management Interaction with the Investors

**Time:** March 15, 2018 15:30 Hrs India Time

**Management Of Power Finance Corporation:**

Sh. Rajeev Sharma – CMD

Sh. N. B. Gupta, Director (Finance)

Sh. D. Ravi, Director (Commercial Division)

**Main Speaker(s):**

**Management Of Edelweiss Securities Limited:**

Mr. Kunal Shah

*Total 168 Participants including the Speakers.*

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33	Bunty Chawla	2240317276	B&K Securities
34	Chandana Jha	2267720576	Principal Mutual Fund
35	Darshan Dhodia	2267543643	Care Rating
36	Deepak Aggarwal	2243251126	Axis Mutual Fund
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49	Guru Prasad	9986039780	Individual Investor
50	Gurvinder Wasan	2267720569	Principal Mutual Fund
51	Harish Shiyad	9820793652	Individual Investor
52	Harish Subramanian	2267516103	HDFC Standard Life
53	Harshat Boravke	2267800358	Mirae Asset Management
54	Harshvardhan Agarwal	2266808326	Infina Finance
55	Himali Dhame	2240317134	B&K Securities
56	Himani SHah	2266907608	Infocus
57	Jai Mundhra	2240317106	B&K Securities
58	Jaideep Sampat	2226493663	Edelweiss
59	Jayant Mundra	9920578060	B&K Securities
60	Jenny Pacheco	0016325115200	S&P Global
61	Jigar Valia	2261325552	OHM Group
62	Kapil Sarda	2262296317	Individual Investor
63	Karan Singh	9920531069	JM Financial
64	Lalitabh	2267502310	Sharekhan
65	Love Shah	2262344616	Pinky Ventures
66	Mahavir Jain	9579033433	Proventus
67	Mahesh Darak	2261703710	Cigna TTK
68	Mahrugh Adajania	2242022574	IDFC Securities
69	Manan Jhaveri	9820386474	Individual Investor
70	Manish Agarwal	2262464125	PhillipCapital
71	Manish Karva	2271804212	Deutsche Bank
72	Manish Shah	006566727103	Comgest Singapore
73	Manish Sharma	1244589918	SBI Cards
74	Mayank Ojas	9928361787	Axis Bank
75	Megha Shah	2240976956	Future Generali Life Insurance
76	Meghna Luthra	2266221016	Daiwa Capital
77	Meheka Oberoi	2266242429	Emkay Global
78	Mehul Mehta	2267502356	Sharekhan
79	Mona Khaitan	2233423113	CRISIL
80	Namesh Chhangani	2266481474	Avendus Capital
81	Nemy Shah	9920047540	Virason Finserv
82	Nikhil Bhuvra	00918072828189	Retail Investor
83	Nikhil Jalan	2267196483	Barclays
84	Nikhil Valecha	2266303027	JM Financial
85	Nikunj Patel	8530980864	Power Finance Corporation
86	Nikunj Rohit	00919664032746	Individual Investor
87	Nilesh Shah	9038864569	Edelweiss Mutual Fund
88	Nilesh Surana	9820034482	Mirae Asset Management
89	Nisha Doshi	2267239172	Birla Sun Life Insurance
90	Nishit Shah	2240044744	V Solitec Investec
91	Nitin Gandhi	2261796401	KIFS Trade Capital
92	Parthiv Jhonsa	2261539136	NVS Brokerage
93	Pinak Prajapati	2267316000	Motilal Oswal
94	Piyush Goel	2243434818	India Capital
95	Poonam Sanghvi	9833406208	Progressive Stock Brokers
96	Pramod Pandey	2222864531	Reliance Treasury
97	Pranav Mehta	2224394476	Value Quest
98	Praneeth Acholu	4466959232	Arga Investment
99	Prashant Jain	2266316386	HDFC

**Thank You**  
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Sr. No.	Name	Phone	Company
100	Pritesh Chheda	2266121273	Lucky Investment Managers
101	Priyanka Nangalia	2267239244	Birla Sunlife Insurance
102	Puneet Saldanha	9972047182	Individual Investor
103	Punit Srivastava	2266221013	Daiwa Capital
104	Rahul Agarwal	3340115402	SMIFS
105	Rahul Jagwani	2262379135	SKS Capital
106	Rahul Singh	8369352604	Fiduciary Euromax
107	Rajat Sethia	1244965511	Vridhi Capital
108	Rajeev Mehta	2261793977	IIFL
109	Rajeev Pathak	2266708625	GC Ventures
110	Rajiv Aggarwal	0016469340564	DoorDarshi Value Advisors
111	Rajkumar Singhal	9967587783	Espen Wealth Advisors
112	Ram Khanna	2266892413	Ariston Capital
113	Ravi Kiran Surana	2266808327	Infina Finance
115	Rishendra Goswami	1143007471	Locus Investments
114	Rishi Sarda	2230298176	Systematix Shares & Stocks
116	Ritesh Chopra	2240233712	Enam
117	Ritika Dua	2261648526	Elara Capital
118	Rohit Gupta	1244545847	ICRA Limited
119	Rohit Gupta	9873392754	Individual Investor
120	Rohit Harlalka	2242496713	Bharti AXA
121	Roopa Nalla	4040138339	Individual Investor
122	Roshan Nagpal	2266203070	Edelweiss
123	Rukun Tarachandani	2262185294	Kotak Asset Management
124	Rupali Zade	2261047506	Research Bytes
125	Sachin Gamre	2241233447	Iden Advisors
126	Sagar Shah	7021208339	KSA Shares
127	Sahil Utreja	2261661364	Kotak Mahindra Bank
128	Saket Agarwal	2261412784	Edelweiss
10	Saket Yadav	8750033581	India Capital
129	Sandeep Jain	2267239379	Birla Sun Life Insurance
130	Sangam Iyer	2261572028	Subhkam Ventures
131	Sanket Cheddha	2242022565	IDFC Securities
132	Saral Sheth	2261760832	Karvy Stock
133	Satish Jain	2266316389	HDFC Mutual Fund
134	Satish Reddy	8067606609	Individual Investor
135	Satyam Shah	9038864569	Edelweiss
136	Saurabh Doshi	2261539117	NVS Brokerage
138	Shantanu Chaudhary	1166767721	Newsrise Financial Research
137	Shashank Pillai	2267316000	Motilal Oswal
139	Shilpa Samanth	1142201043	Cogencis
140	Shiv Kumar	9962776188	Unifi Capital
141	Shivraj Gupta	2267483352	Union Asset Management
142	Shweta Daptardar	2266322245	Prabhudas Lilladher
143	Shyam Kumar	9449154034	Individual Investor
144	Siddharth Grover	7961909590	Equirus Securities
145	SK Agarwal	9321144497	Individual Investor
146	Sneha Ganatra	9833825108	Subhkam Ventures
147	Snehal Amin	0017136237705	WindAcre
148	Sohail Halai	2267048066	Systematix Shares & Stocks
149	Spandan	2243603861	Canara Bank Securities
150	Srijan Sinha	2243410705	Future Generali Life Insurance
151	Sushil Kumar Aggarwal	2228234680	Individual Investor
152	Taniya Danani	2243217000	Laxmi Investments
153	Tejas Koradia	00919820438980	Virason Finserv
154	Tushar Sarda	9082386414	Athena Investments
155	Udit G	8061198124	Premji Invest
156	Varun Agarwal	2267526646	BOI AXA Mutual Fund
157	Veda Kaza	2261367463	Investec



Sr. No.	Name	Phone	Company
158	Venkat Subramanian	2266808305	Infina Finance
159	Venkatesh P.	2243331710	Optimum Securities
160	Venkatraman Ramados	8056385845	Individual Investor
161	Vijay Chabbaria	9820046687	Prudent Investments
162	Vijay G	7303680548	Capital Market
163	Vijay Sarda	2220880075	Crescita Investment
164	Vikram Joshi	00447741009172	Individual Investor
165	Vinay Saraogi	2042008221	CRISIL
166	Vinod Malviya	2261275422	Florintree Advisors
167	Vipin Kumar Agarwal	8800607639	Individual Investor
168	Yash Agarwal	2243347063	Crest Capital