

Performance Highlights

Quarter ended 30th June 2022



Power Finance Corporation Ltd.

A Maharatna PSU



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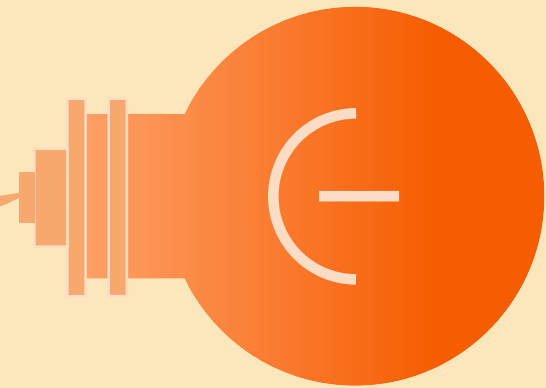
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PFC at a Glance



Leading Financer in Power Sector

Majority Owned by
Government of India

Key financial partner for
Government in Power Sector

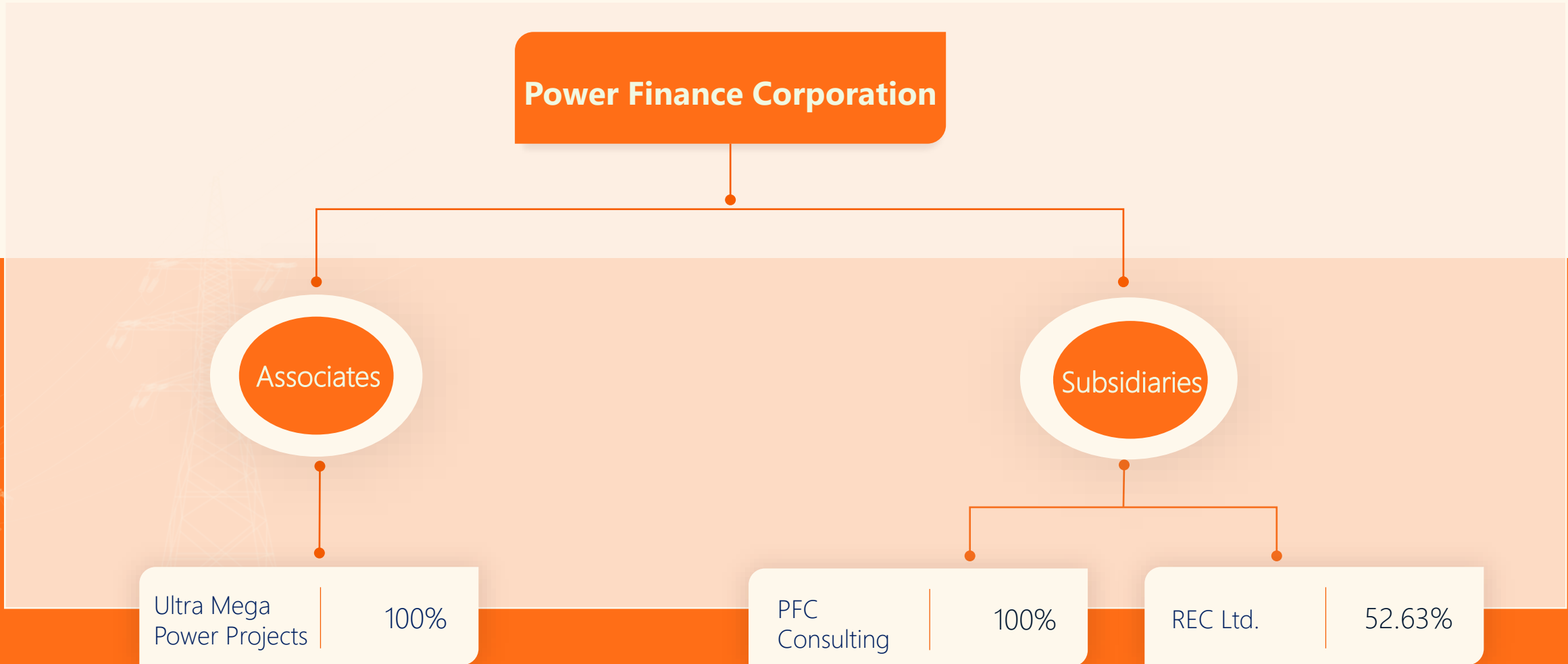
Highest Long Term
Domestic Rating of 'AAA'

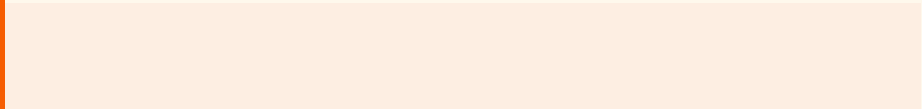
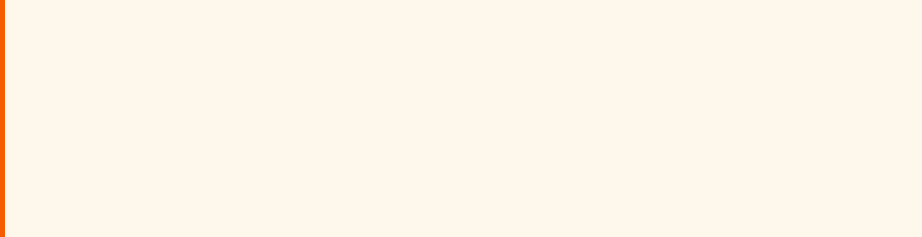


#365 in the world
in terms of assets
as per Forbes Global'2021

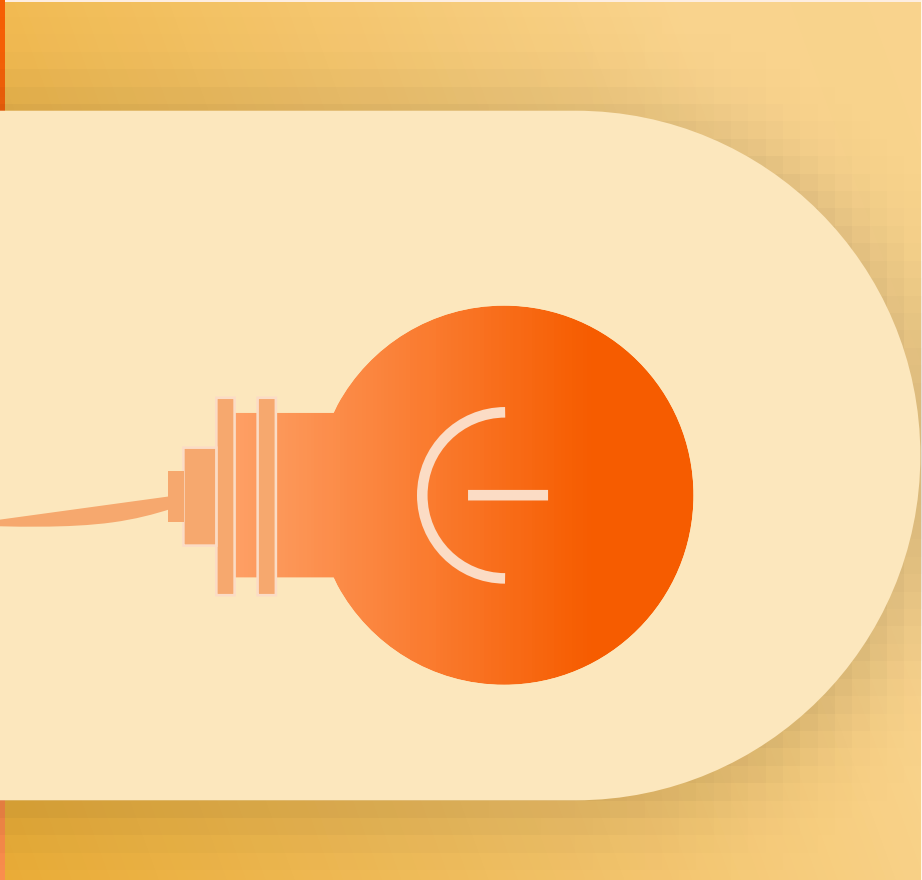
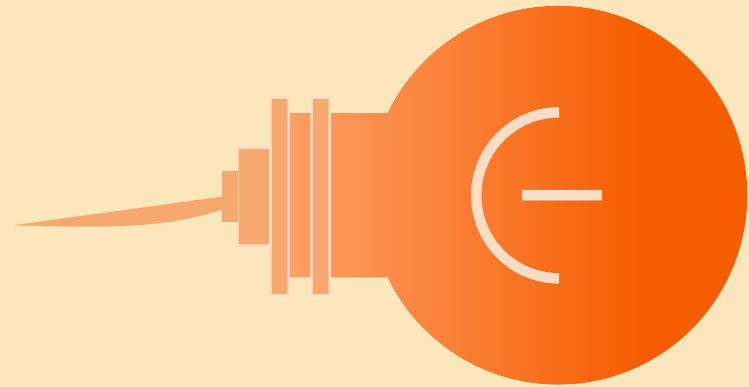
#29 in Fortune 500
India'2021

PFC Group Structure





Stand Alone Performance





1.

Highlights

Q1'23 in Perspective



Net worth crosses 60K mark

Net worth at Rs.61,060 cr. in Q1'23
viz-a-viz Rs.54,739 cr. in Q1'22

Project sanctioned in 2 new states under RDSS¹

Total 8 states with PFC - Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Madhya Pradesh, Uttarakhand, Haryana & Jharkhand

Late Payment Surcharge (LPS) Rules introduced by Ministry of Power

Purpose - To strengthen the regulatory mechanism for recovery of outstanding dues of GENCOs & TRANSCOs from Discoms

Rs.33,079 cr. worth of loans sanctioned by PFC under LPS

Landmark Transaction demonstrating QUAD unity.

Financing will be for PFC's renewable energy portfolio

PFC inks JPY 30 billion loan agreement with Japan Bank for International Co-operation (JBIC)

PFC list its existing Euro Bonds on Luxembourg's Stock Exchange – Green Bond Platform

Listing will give PFC opportunity to enhance its visibility in European Markets

¹Revamped Distribution Sector Scheme

2.

Earning Update

Revenue & Growth



5% reduction in Interest Expense



Rs.5,462 cr. in Q1'23 against Rs.5,739 cr. in Q1'22



(Rs.'crore)

	Q1 FY 23	Q1 FY 22	FY 22
INTEREST INCOME	8,929	9,264	36,701
INTEREST EXPENSE	5,462	5,739	22,671
NET INTEREST INCOME	3,467	3,525	14,030
PROFIT AFTER TAX	2,110	2,274	10,022
TOTAL COMPREHENSIVE INCOME	1,894	2,390	10,203

Some figures may have been regrouped / reclassified for analysis purpose. Therefore, they may not reconcile with the reported figures.

Key Ratios

Cost of funds reduces by 35 bps



7.08% for Q1'23 versus 7.43% in Q1'22



(Ratios in %)

	Q1 FY 23	Q1 FY 22	FY 22
YIELD ON EARNING ASSETS	10.01	10.39	10.22
COST OF FUNDS	7.08	7.43	7.30
INTEREST SPREAD ON EARNING ASSETS	2.93	2.96	2.92
NET INTEREST MARGIN ON EARNING ASSETS	3.69	3.70	3.62
CRAR	24.33	21.16	23.48
NET WORTH (SHARE CAPITAL+ALL RESERVES)	Rs.61,060 cr.	Rs.54,739 cr.	Rs.59,350 cr.

Ratios are annualised & are based on daily average and rounded off.

3.

Asset Quality

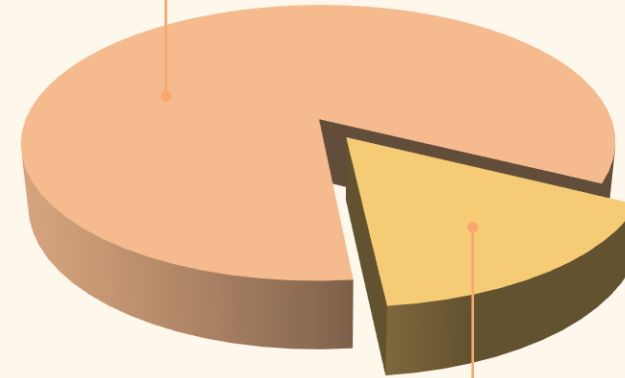
Asset Synopsis –Q1'23



**Powering Indian
Electricity Sector for
Growth**

**Government
Sector
84%**

**Majority Lending to Govt.
Sector**



**Private
Sector
16%**



Loan Assets

Rs.3,70,186 cr.



Disbursements

Rs.4,643 cr.



Sanctions

Rs.25,391 cr.



Net NPA Ratio

1.73%

Provisioning Snapshot -30.06.2022

**STAGE
I & II**

**STAGE
III**

TOTAL

OUTSTANDING LOAN ASSETS

Government Sector	3,11,742
Private Sector	37,529

TOTAL OUTSTANDING 3,49,271

TOTAL PROVISIONING 2,956

NET ASSETS 3,46,315

OUTSTANDING LOAN ASSETS

Government Sector	NIL
Private Sector	20,915

TOTAL OUTSTANDING 20,915

TOTAL PROVISIONING 14,506

NET ASSETS 6,409

OUTSTANDING LOAN ASSETS

Government Sector	3,11,742
Private Sector	58,445

TOTAL OUTSTANDING 3,70,186

TOTAL PROVISIONING 17,463

NET ASSETS 3,52,724

Provisioning Status as on 30.06.2022



69% provisioning against Stage III Assets (NPA)

STAGE III

(as % of Gross Loan Assets)

OUTSTANDING STAGE III (IN %)

Government Sector	NIL
Private Sector	5.65%

TOTAL STAGE III (IN %) 5.65%

TOTAL PROVISIONING (IN %) 69%

NET STAGE III ASSETS (IN %) 1.73%

Resolution Status – Stage III Assets

Resolution status of Rs.20,915 cr. of loan assets in Stage 3

NCLT Resolution

↓
14 Projects – Rs.15,338 cr.

↓
72% Provision

Outside NCLT Resolution

↓
9 Projects – Rs.5,578 cr.

↓
62% Provision

Lowest Net NPA Ratio of 1.73% in last 5 years

4.

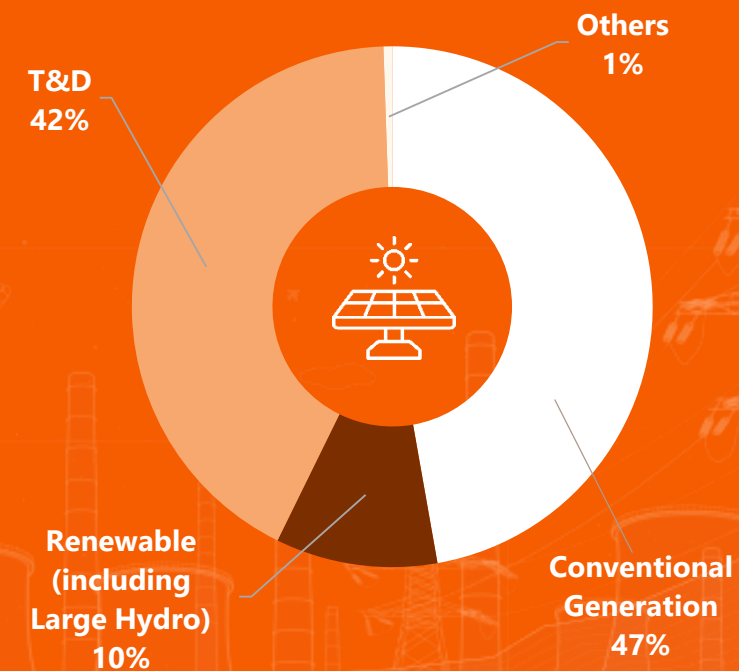
Operational Performance

Loan Asset - Composition

(Rs./crore)

	As on 30.06.2022	As on 30.06.2021
Gross Loan Assets	3,70,186	3,69,983
Scheme Wise		
Generation	2,10,924	2,26,166
- Conventional Generation	1,73,875	1,87,895
- Renewable Energy	37,049	38,271
- Large Hydro Projects (>25MW)	16,389	16,582
- Other than Large Hydro Projects	20,661	21,689
Transmission	30,416	28,472
Distribution	1,26,615	1,13,308
Others	2,231	2,037
Sector Wise		
Government Sector	3,11,742	3,08,834
Private Sector	58,445	61,149

Loan Asset Mix



Disbursement Composition

(Rs.'crore)

	Q1 FY 23		Q1 FY 22		FY 22	
	Amt	%	Amt	%	Amt	%
Disbursements	4,643	100%	11,332	100%	51,242	100%
Scheme Wise						
Generation	2,942	63%	6,356	56%	18,196	36%
Transmission	417	9%	507	5%	4,636	9%
Distribution	1,163	25%	4,465	39%	27,897	54%
Others	121	3%	4	0.04%	512	1%
Sector Wise						
Government Sector	2,978	64%	8,231	73%	42,295	83%
Private Sector	1,665	36%	3,101	27%	8,947	17%

Liability Mix as on 30.06.2022



93% exchange risk hedged for FCL up to 5 years residual maturity



Rs.3,14,470 cr. Outstanding Borrowings as on 30.06.2022

Commercial Papers

Nil



Domestic Bonds

Rs.1,80,913 cr. (58%)



RTL from Banks/FI's

Rs. 63,319cr. (20%)



Foreign Currency Borrowing

Rs. 55,899 cr. (18%)



Subordinated Bonds

Rs.9,212 cr. (3%)



54EC Bonds

Rs. 4,552 cr. (1.45%)



Others¹

Rs.576cr. (0.18%)

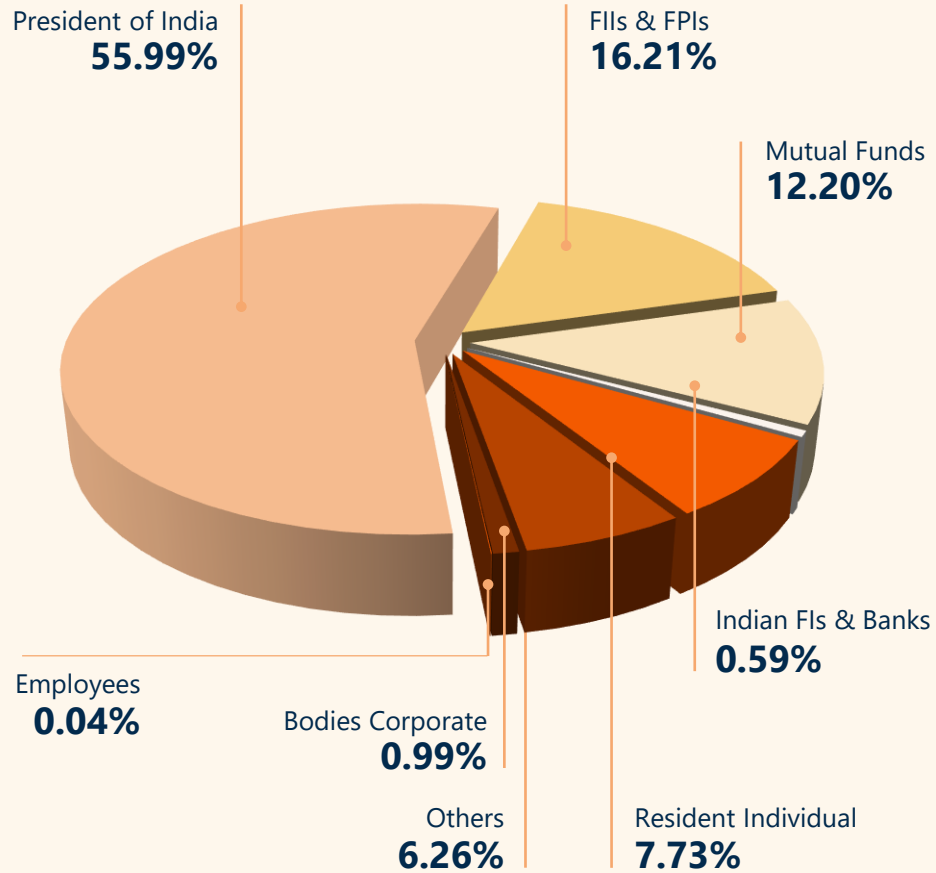


1. Like CC/OD/line of credit/LAFD.

5.

Shareholder Outlook

Shareholder Outlook as on 30.06.2022



PFC delivering Dividend Yield¹ more than Bank FD return

EPS
(Annualized)
Rs.31.96

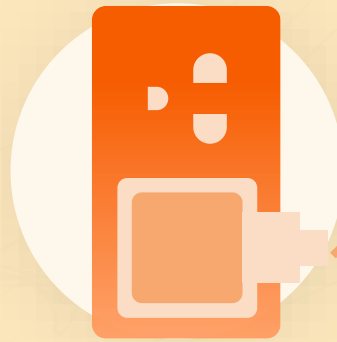
Book Value
Per Share
Rs.231

Price to
Earning Ratio
3.27

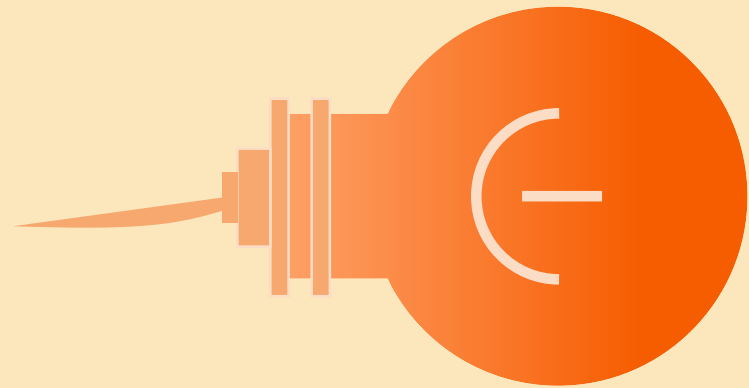
Price to Book Value
Ratio
0.45

¹ Dividend Yield as on 31.03.2022 is 10.67% based on the last available closing share price from BSE as on 31.03.2022 i.e. Rs.112.45

Above ratios are for Q1'23 & are based on the last available closing share price from BSE as on the end of reporting period i.e. Rs.104.60



Consolidated Performance



Q1'23 Synopsis



Profit After Tax

Rs.4,580 cr. in Q1'23 vs.
Rs.4,555 cr. In Q1'22



Loan Assets

Rs.7,58,074 cr. in Q1' 23 vs.
Rs.7,49,373 cr. In Q1' 22



Net Interest Income

Rs.7,469 cr. in Q1'23 vs.
Rs.7,377cr. In Q1'22



Gross NPA

5.02% in Q1'23 vs. 5.25% In
Q1'22



Net NPA

1.57% in Q1'23 vs. 1.80% in
Q1'22



Key Consolidated Financials

Largest Power Sector CPSE in India



Loan Asset Book of more than Rs.7.5 lakh cr.



(Rs.'crore)

	Q1 FY 23	Q1 FY 22	FY 22
INTEREST INCOME	18,306	18,690	74,887
INTEREST EXPENSE	10,837	11,313	44,709
NET INTEREST INCOME	7,469	7,377	30,178
PROFIT AFTER TAX	4,580	4,555	18,768
TOTAL COMPREHENSIVE INCOME	3,692	4,731	18,890

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