



Power Finance Corporation Ltd.

A Maharatna PSU



☰ Performance Highlights

Quarter/Financial Year ended
31st March 2022



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1. Highlights



A. 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'

→ Highest Status of "Maharatana" for a CPSE conferred by Govt. on 12th October 2021

→ Largest Consolidated Balance Sheet among all CPSEs

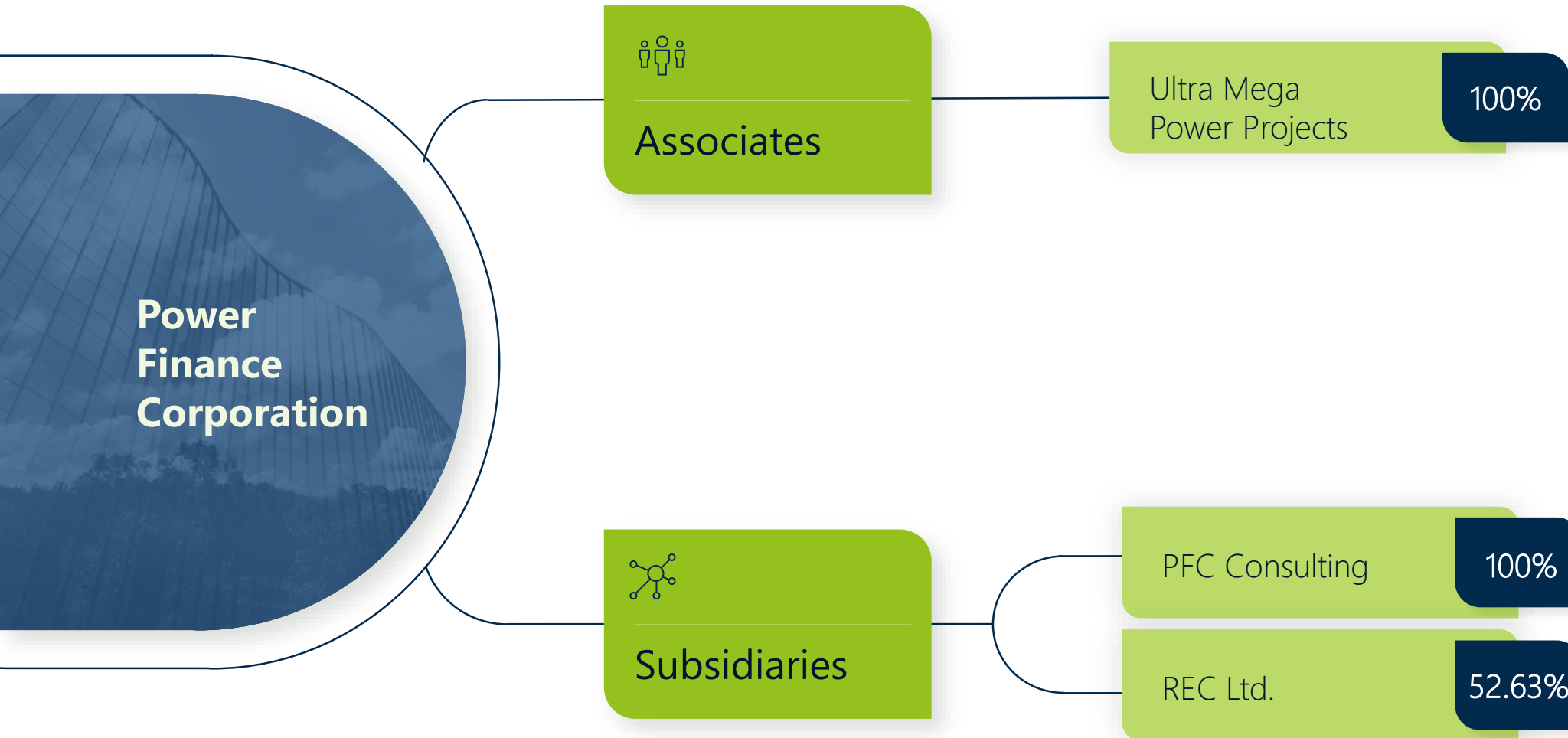


#365 in the world in terms of assets as per Forbes Global'2021



#29 in Fortune 500 India'2021

≡ PFC Group Structure





B. Stand Alone Performance



Stand Alone Performance



1.

Highlights

≡ FY'22 in Perspective

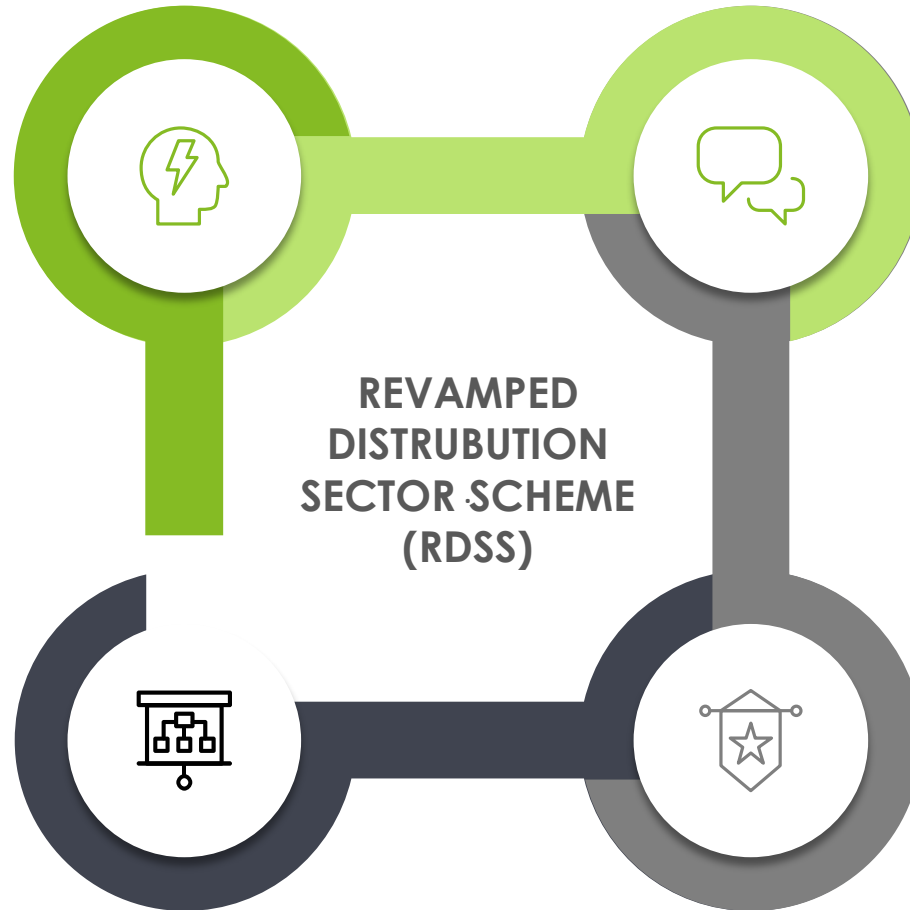


≡ Status Update – Revamped Distribution Sector Scheme

Objective

- Reduce AT&C losses to 12-15% by 2024-25
- Reduce ACS-ARR gaps to zero by 2024-25

1



Current Status

- States actively participating in formulating state specific Action Plan
- Projects sanctioned for 28 Discoms in 13 States by Monitoring Committee – 14 DISCOM each of PFC¹ and REC

2

Key Features

- Outlay of Rs. 3,03,758 cr.~ Govt. Grant Rs.97,631 cr.
- Action Plan customised for each state.
- PFC & REC appointed as Nodal Agency

3

Business Opportunity

- Potential counterparty lending opportunity for PFC in 14 Discoms sanctioned by Monitoring Committee

4

¹Fourteen DISCOMS in state of Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Madhya Pradesh & Uttarakhand



Stand Alone Performance



2.

Earning Update



Revenue & Growth



(Rs.'crore)

Particulars

| | Q4 FY 22 | Q4 FY 21 | FY 22 | FY 21 |
|----------------------------|----------|----------|--------|--------|
| Interest Income | 8,938 | 8,876 | 36,701 | 36,146 |
| Interest Expense | 5,572 | 5,804 | 22,671 | 23,194 |
| Net Interest Income | 3,366 | 3,072 | 14,030 | 12,951 |
| Profit After Tax | 2,609 | 2,327 | 10,022 | 8,444 |
| Total Comprehensive Income | 2,496 | 2,373 | 10,203 | 8,534 |

(Y/E- March)

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

≡ Key Ratios



(Ratios in %)

Particulars

| | Q4 FY 22 | Q4 FY 21 | FY 22 | FY 21 |
|--|---------------|---------------|----------------|----------------|
| Yield on Earning Assets | 9.90 | 10.28 | 10.22 | 10.58 |
| Cost of Funds | 7.05 | 7.25 | 7.30 | 7.48 |
| Interest Spread on Earning Assets | 2.85 | 3.03 | 2.92 | 3.10 |
| Net Interest Margin on Earning Assets | 3.55 | 3.30 | 3.62 | 3.54 |
| CRAR | 23.48 | 18.83 | 23.48 | 18.83 |
| Net Worth (Share Capital+ All Reserves) | Rs.59,350 cr. | Rs.52,393 cr. | Rs. 59,350 cr. | Rs. 52,393 cr. |

(Y/E- March)

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



Stand Alone Performance



3.

Asset Quality

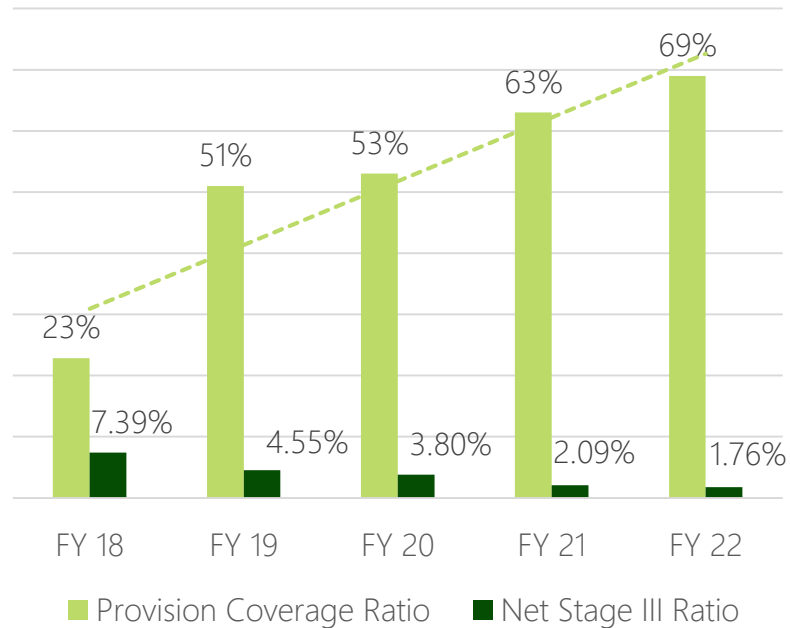


Asset Quality Snapshot

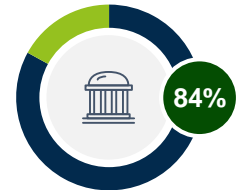


Rs.3,73,135 cr. loan book as on 31.03.2022

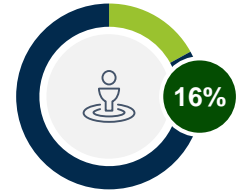
Lowest Net NPA in 5 years



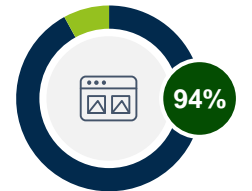
GOVERNMENT SECTOR



PRIVATE SECTOR



PERFORMING ASSET



Adequate Provision Levels leading to a Resilient Balance Sheet

≡ Provisioning Snapshot -31.03.2022



(Rs.'crore)



Provisioning Status as on 31.03.2022

69% provisioning against
Stage III Assets (NPA)

| | STAGE I & II | STAGE III | STAGE III as % of Gross Loan Assets | TOTAL |
|--------------------------------|--------------|-----------|---|----------|
| OUTSTANDING LOAN ASSETS | | | | |
| - Government Sector | 3,14,004 | - | - | 3,14,004 |
| - Private Sector | 38,215 | 20,915 | - | 59,130 |
| TOTAL OUTSTANDING | 3,52,219 | 20,915 | 5.61% | 3,73,135 |
| TOTAL PROVISIONING | 3,004 | 14,344 | - | 17,349 |
| NET ASSETS | 3,49,215 | 6,571 | 1.76% | 3,55,786 |

Note - Provision has been made in respect of all loans assets as per Expected Credit Loss (ECL) methodology under Ind As.

≡ Resolution Snapshot

Stage III Assets (1/5)

Active resolution efforts resulted in Lowest Net NPA Levels in 5 years



Assets Resolved

Rs.2,787 cr. Stressed Asset Resolved in FY 22
– Essar Power MP, RS India Wind Energy, GVK Ratle, Astonfield Solar & Krishna Godavari

Net NPA declined to 1.76% in FY 22 vs 2.09% in FY 21



Expected Resolution

2 projects under NCLT are Advance Stages of Resolution

– Rs. 2,263 cr. Loan of South East U.P. Power Transmission Co.
– Rs. 764 cr. of Jhabua Power Loan

Adequate Provisioning Available

≡ Resolution Snapshot

Stage III Assets (2/5)

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



Under NCLT



Rs.15,338 cr. in NCLT

14 projects

71% provision



Outside NCLT



Rs.5,578cr. resolution being
pursued outside NCLT

9 projects

62% provision

≡ Resolution Update

Stage III Assets (3/5)



Major projects being resolved through NCLT

Borrower Name

KSK Mahanadi Power

Outstanding Amount as on 31.03.022 (Rs.crore)

3,300

Capacity (in MW)

3,600

COD Status

3 units Commissioned (1,800 MW)

Lanco Amarkantak

2,376

1,920

2 units Commissioned (600 MW)

South East U.P. Power Transmission Co. Ltd.

2,263

N/A

Phase 1 Commissioned

Ind Barath Energy Utkal Ltd.

1,368

700

Not Commissioned

East Coast Energy Pvt. Ltd.

1,159

1,320

Not Commissioned

☰ Resolution Update

Stage III Assets (4/5)



Major projects being resolved through NCLT

Borrower Name

Shri Maheshwar Hydel Project

India Power Corporation (Haldia)

Outstanding Amount as on 31.03.022 (Rs.crore)

1,611

959

Capacity (in MW)

400

450

COD Status

Not Commissioned

2 units Commissioned (300 MW)

≡ Resolution Update

Stage III Assets (5/5)



Major projects being resolved Outside NCLT

Borrower Name

Outstanding Amount as on 31.03.22 (Rs.crore)

Capacity (in MW)

COD Status

Sinnar Thermal Power Ltd.

3,001

1,350

Commissioned

TRN Energy Pvt. Ltd.

1,139

600

Commissioned

Shiga Energy Pvt. Ltd

522

97

Commissioned

Dans Energy Pvt. Ltd

413

96

Commissioned



Stand Alone Performance



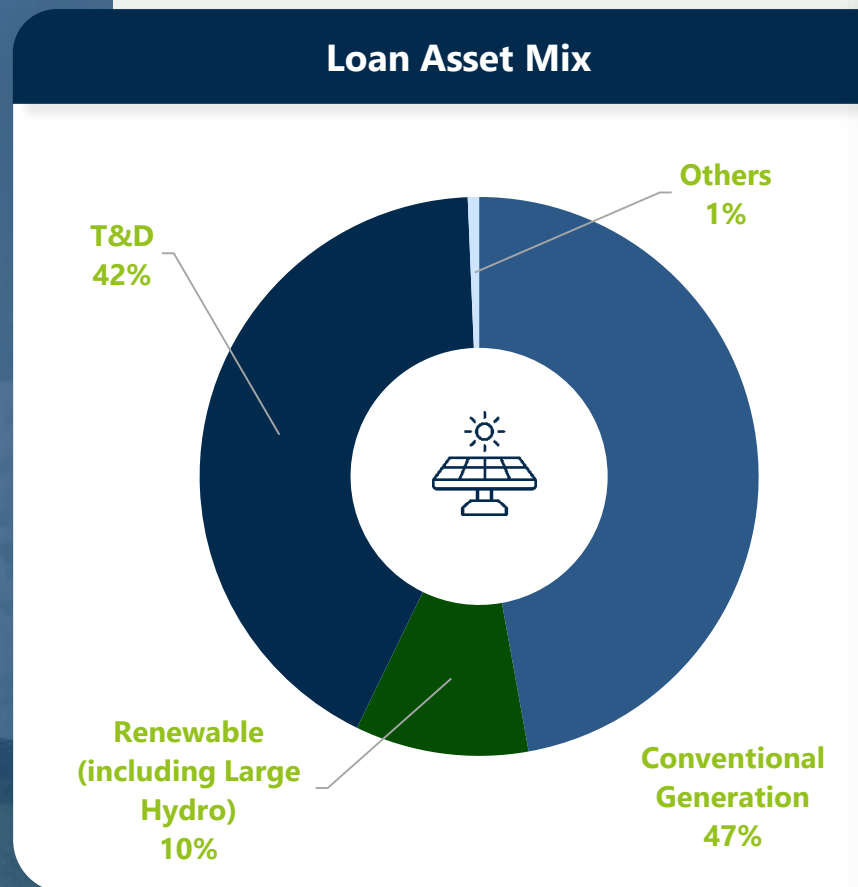
4.

Operational Performance



≡ Loan Asset - Composition

| | (Rs./crore) | |
|--|------------------|------------------|
| | As on 31.03.2022 | As on 31.03.2021 |
| Gross Loan Assets | 3,73,135 | 3,70,771 |
| Scheme Wise | | |
| Generation | 2,12,212 | 2,27,052 |
| - Conventional Generation | 1,75,434 | 1,89,578 |
| - Renewable Energy | 36,777 | 37,474 |
| • Renewable Energy – Large Hydro Projects (>25MW) | 16,610 | 16,734 |
| • Renewable Energy – Other than Large Hydro Projects | 20,167 | 20,741 |
| Transmission | 30,500 | 29,345 |
| Distribution | 1,28,007 | 1,12,299 |
| Others | 2,416 | 2,076 |
| Sector Wise | | |
| Government Sector | 3,14,005 | 3,11,387 |
| Private Sector | 59,130 | 59,384 |



Disbursement Composition

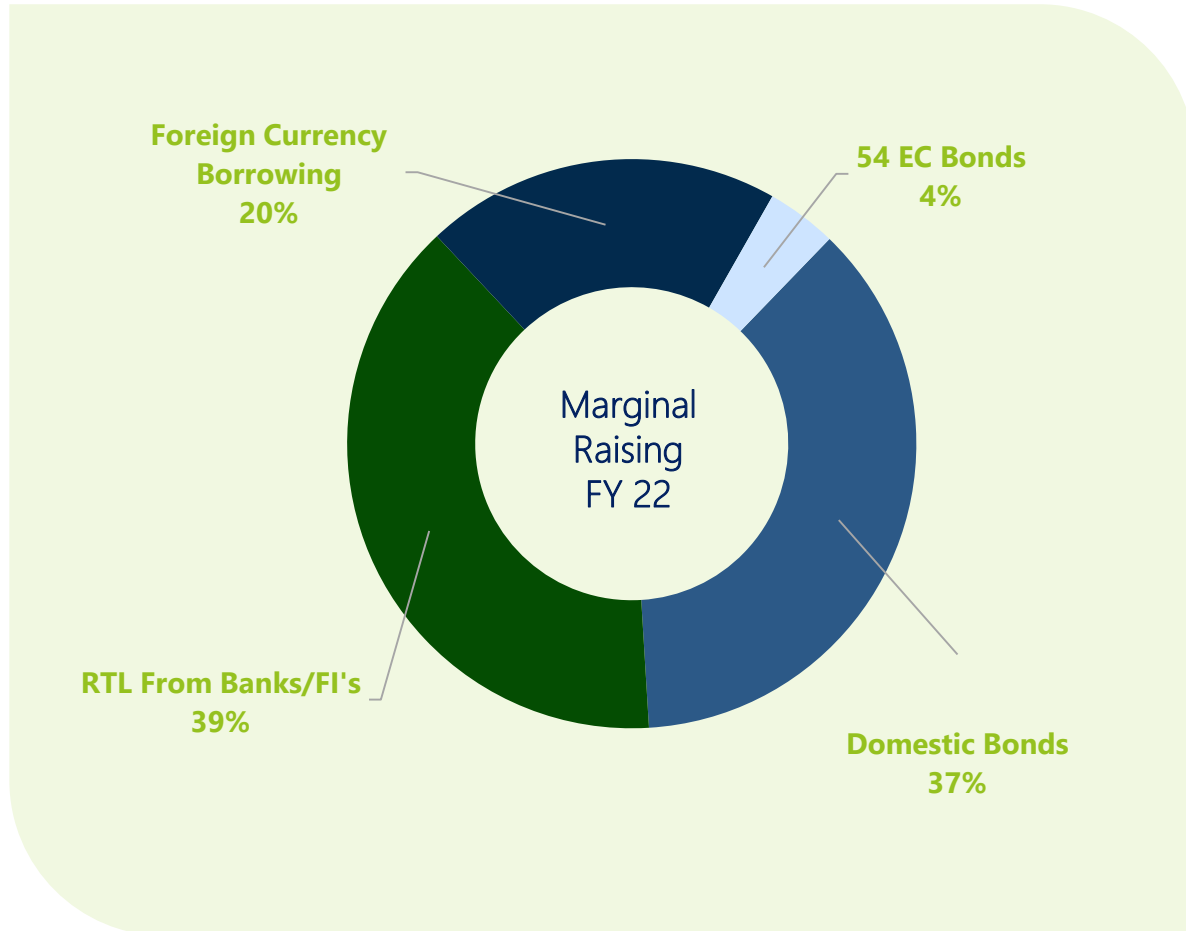


(Rs.'crore)

| | Q4 FY 22 | | Q4 FY 21 | | FY 22 | | FY 21 | |
|--------------------------|----------|------|----------|------|--------|------|--------|------|
| | Amt | % | Amt | % | Amt | % | Amt | % |
| Disbursements | 16,651 | 100% | 28,357 | 100% | 51,242 | 100% | 88,301 | 100% |
| Scheme Wise | | | | | | | | |
| Generation | 5,679 | 34% | 8,193 | 29% | 18,196 | 36% | 30,722 | 35% |
| Transmission | 2,126 | 13% | 1,351 | 5% | 4,636 | 9% | 5,495 | 6% |
| Distribution | 8,717 | 52% | 18,784 | 66% | 27,897 | 54% | 51,903 | 59% |
| Others | 129 | 1% | 29 | 0.1% | 512 | 1% | 182 | 0.2% |
| Sector Wise | | | | | | | | |
| Government Sector | 14,145 | 85% | 25,591 | 90% | 42,295 | 83% | 79,051 | 90% |
| Private Sector | 2,506 | 15% | 2,766 | 10% | 8,947 | 17% | 9,251 | 10% |

≡ Borrowing Snapshot

Leveraged Low Interest Rate Regime through Long Term Raising



Raised Rs.35,944 cr. in FY 22

@5.27% Weighted Average Marginal Cost

For 6.34 yrs Weighted Average Maturity

≡ Liability Mix as on 31.03.2022

92% exchange risk
hedged for FCL upto
5 years residual
maturity



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



Stand Alone Performance

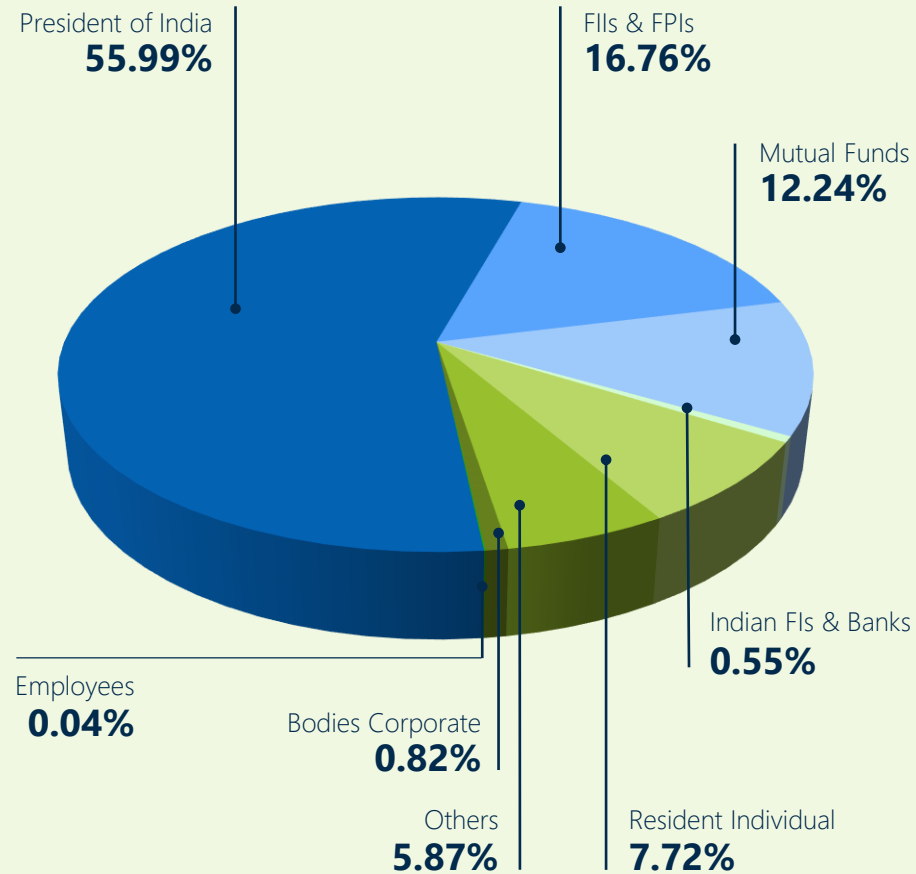


5.

Shareholder Outlook



Shareholder Outlook as on 31.03.2022



Equity Ratios Indicate Potential For Upside

EPS
(Annualized)

Rs.37.96

Book Value
Per Share

Rs.224.80

Price to
Earning Ratio

2.96

Price to Book
Value Ratio

0.50

Above ratios are for FY'22 & are based on the last available closing share price from BSE as on the end of reporting period i.e. Rs.112.45



C. Consolidated Performance



Consolidated Performance



1.

Highlights



☰ Consolidated Snapshot

Profit After Tax



→ Rs.18,768 cr. in FY'22 vs. Rs.15,716 cr. in FY'21

Total Income



→ Rs.76,345 cr. in FY'22 vs. Rs.71,701 cr. in FY'21

Net Interest Income



→ Rs.30,178 cr. in FY'22 vs. Rs.26,162 cr. in FY'21



Loan Assets

→ Rs.7,58,496 cr. in FY'22 vs. Rs.7,45,189 cr. in FY'21



Net NPA

→ 1.60% in FY'22 vs 1.91% in FY'21

≡ Key Consolidated Financials



(Rs.'crore)

Particulars

| | Q4 FY 22 | Q4 FY 21 | FY 22 | FY 21 |
|----------------------------|----------|----------|--------|--------|
| Interest Income | 18,261 | 17,728 | 74,887 | 70,845 |
| Interest Expense | 10,926 | 11,244 | 44,709 | 44,684 |
| Net Interest Income | 7,335 | 6,484 | 30,178 | 26,162 |
| Profit After Tax | 4,296 | 3,906 | 18,768 | 15,716 |
| Total Comprehensive Income | 3,919 | 3,955 | 18,890 | 16,264 |

(Y/E- March)

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



Thanks

For questions on PFC's financial performance, you can reach PFC Investor Relations Team at investorrelations@pfcindia.com



Contact Information for Investors

Investment in

54 EC Capital Gain Bonds



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For all

Bond Queries



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