

Performance Highlights

Quarter ended 30th September 2018



Foreign Borrowings



Renewables



54EC Bonds

Funding for a Brighter Tomorrow....

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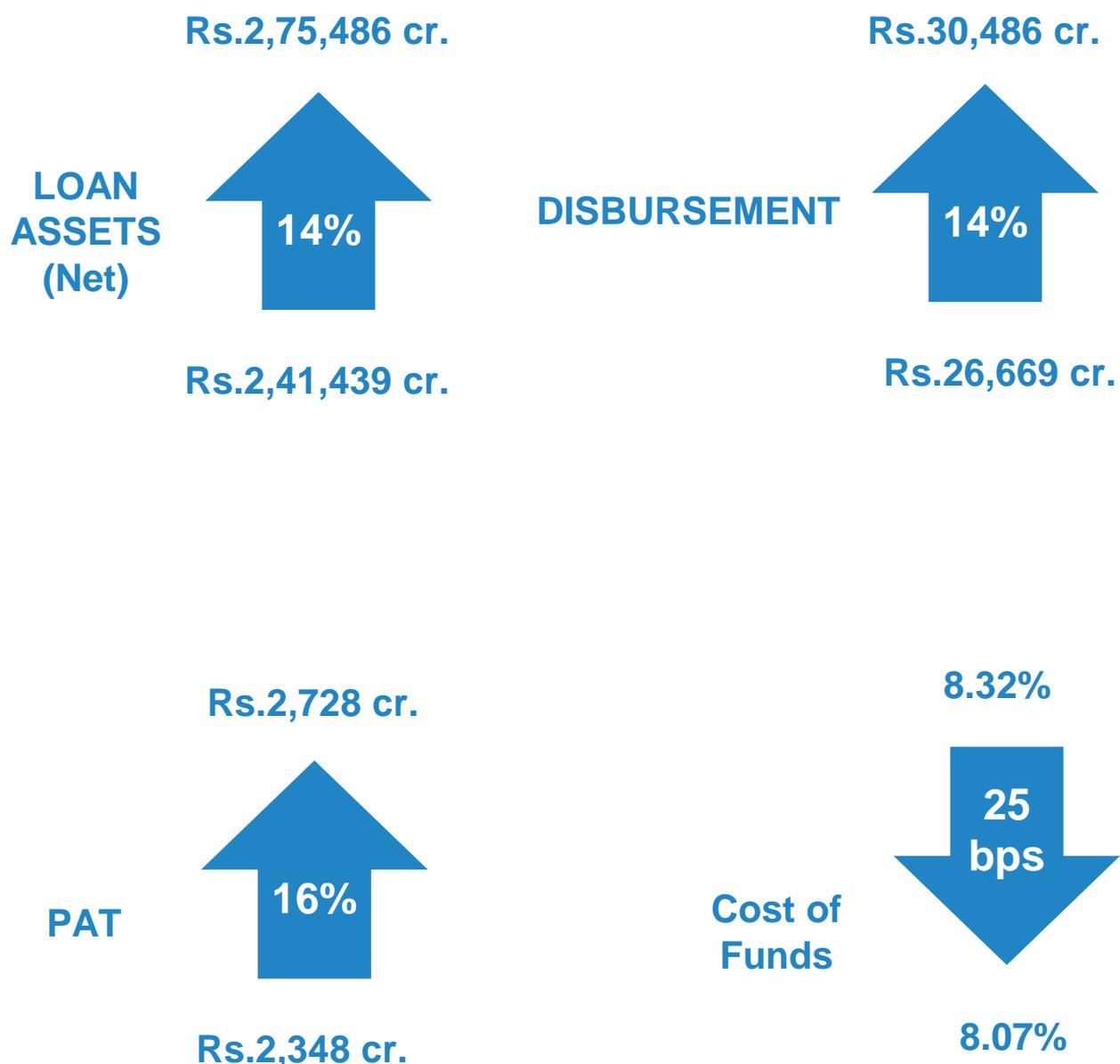
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1. HIGHLIGHTS

Highlights

H1 FY19 vs H1 FY18



SNAPSHOT – As on 30TH SEPTEMBER 2018

(Rs.'crore)

<i>Profit & Loss Highlights</i>	Q2'19	Q1'19
PAT	1,355	1,373
Interest Income	6,929	6,617
Interest Expense	4,749	4,624
Net Interest Income	2,180	1,993
Net Interest Margin on Earning Assets	3.33%	3.26%
Cost of Funds	8.09%	8.08%
Interest Spread on Earning Assets	2.50%	2.49%

<i>Balance Sheet Highlights</i>	As on 30.09.2018
Gross Loan Assets	2,92,648
Provisioning	17,162
Net Loan Assets	2,75,486
Stage III Assets - Govt. Sector	Nil
Stage III Assets - Pvt. Sector	28,287
Stage III Assets -% of Gross Loan Assets	9.67%
Net Stage III Assets - % of Gross Loan Assets	4.66%
Capital Adequacy Ratio	17.91%
of which Tier I	14.91%
of which Tier II	3.00%

2. EARNING UPDATES

Earning Updates

Revenue & Growth

(Rs.'crore)

	Q2 FY 19	Q1 FY 19	Q2 FY 18	H1 FY 19	H1 FY 18
Interest Income	6,929	6,617	6,747	13,546	13,492
Interest Expense	4,749	4,624	4,272	9,374	8,411
Net Interest Income	2,180	1,993	2,476	4,173	5,081
Profit After Tax	1,355	1,373	1,226	2,728	2,348
Cumulative Provisions	17,162	17,238	16,611	17,162	16,611
Reserve for Bad & Doubtful debts	3,502	3,447	3,237	3,502	3,237

Figures are based on Ind As and have been regrouped / reclassified to make them comparable. Therefore, the totals may not reconcile with the reported figures.

Earning Updates

Key Ratios

	Q2 FY 19	Q1 FY 19	Q2 FY 18	H1 FY 19	H1 FY 18
Yield on Earning Assets	10.60%	10.57%	11.05%	10.56%	11.12%
Cost of Funds	8.09%	8.08%	8.33%	8.07%	8.32%
Interest Spread on Earning Assets	2.50%	2.49%	2.72%	2.49%	2.80%
Net Interest Margin on Earning Assets	3.33%	3.26%	3.93%	3.28%	4.01%
Net worth (Share Capital + All Reserves)	Rs.38,274 cr.	Rs.37,571 cr.	Rs.37,571 cr.	Rs.38,274 cr.	Rs.37,571 cr.
Return on Average Net worth	14.29%	14.76%	13.25%	14.53%	12.88%
Return on Average Assets	1.86%	1.98%	1.90%	1.90%	1.83%

The figures are based on Ind As. Ratios are annualised & are based on daily average & excluding exchange/loss gain and rounded off.

3. ASSET QUALITY

Provisioning Snapshot – Total Portfolio

(Rs.'crore)

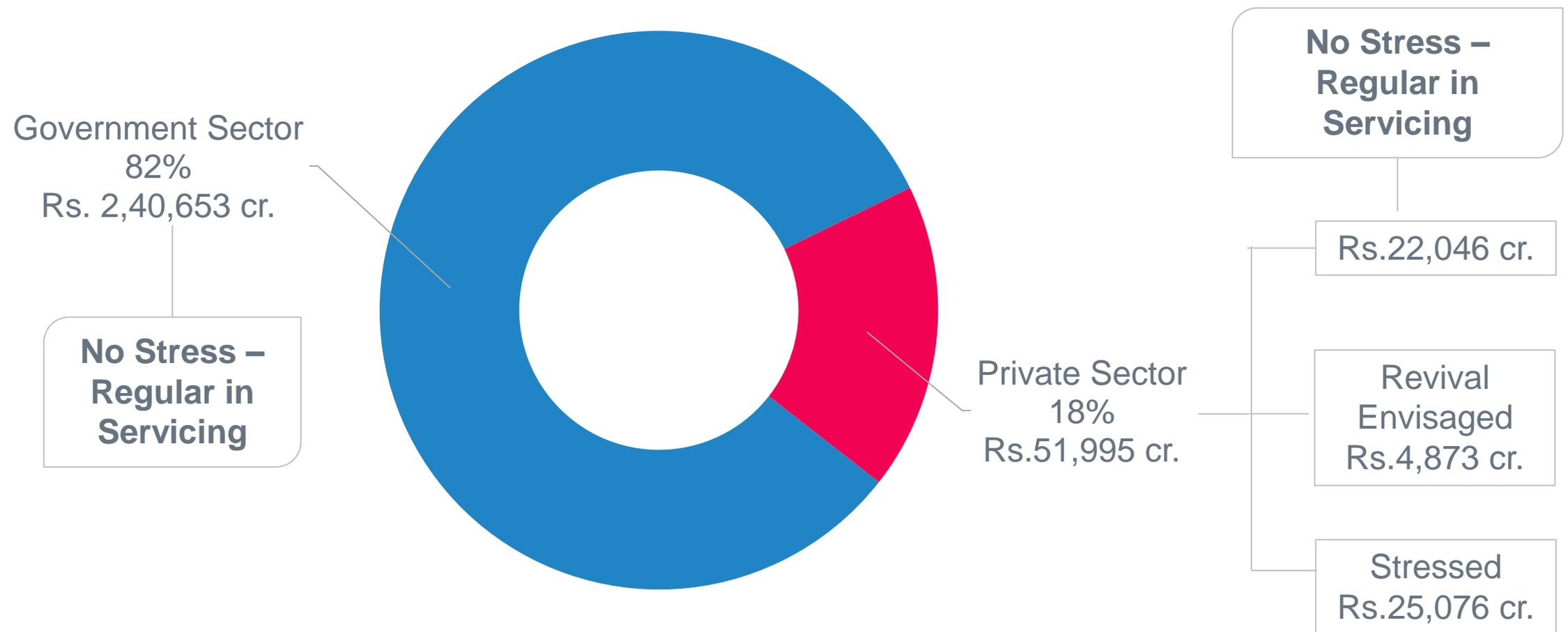
Status as on 30.09.2018

	Stage I & Stage II	Stage III	Stage III (NPA) as % of Total Loan Assets	Total
Outstanding Loan Assets				
Government Sector	2,40,653	-	Nil	2,40,653
Private Sector	23,708	28,287	9.67%	51,995
Total Outstanding Amount	2,64,361	28,287	9.67%	2,92,648
Total Provisioning amount	2,523	14,639	-	17,162
Net Assets	2,61,838	13,648	4.66%	2,75,486

52% provisioning against Stage III Assets (NPA) of Pvt. sector

Asset Quality Snapshot – Total Portfolio

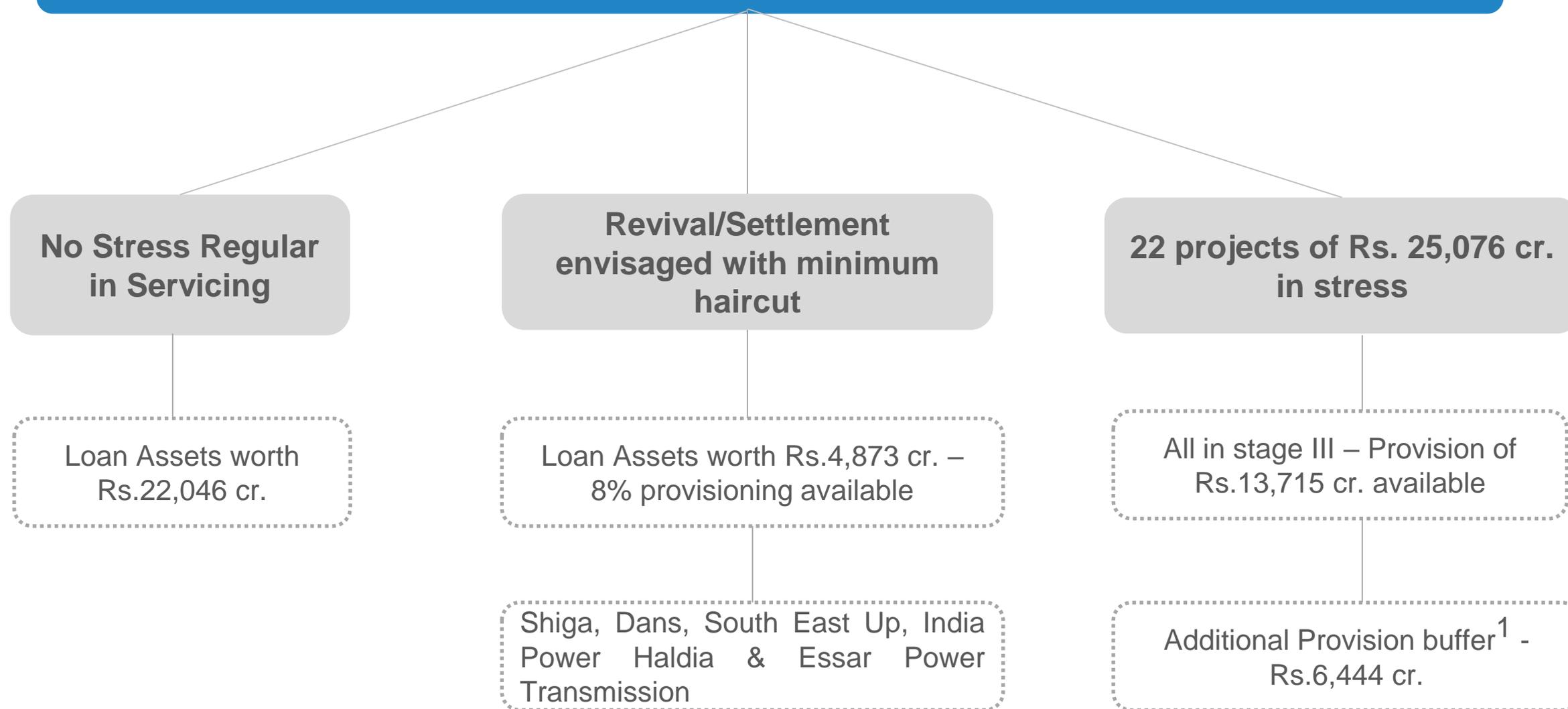
Loan Book of Rs.2,92,648 cr. as on 30.09.2018



90% of Loan Assets are regular in servicing & no stress is envisaged

Asset Quality Snapshot – Private Sector

Status of Rs.51,995 cr. of Private Sector Loans



80% provisioning/reserves (Rs.20,159 cr.) available against Stressed Assets of Rs.25,076 cr.

¹ Includes Stage I Provision + Reserve for Bad & doubtful debts + Sec 45 IC Reserve

4. OPERATIONAL PERFORMANCE

Loan Assets - Composition

(Rs.'crore)

	As on 30.09.2018		As on 30.09.2017	
	Amt.	%	Amt.	%
Gross Loan Assets	2,92,648	100%	2,58,050	100%
<u>Scheme Wise</u>				
Generation	2,05,608	70%	1,91,049	74%
Transmission	21,935	7%	17,706	7%
Distribution	42,820	15%	22,951	9%
Others	22,284	8%	26,344	10%
<u>Sector Wise</u>				
Government Sector	2,40,653	82%	2,15,545	84%
Private Sector	51,995	18%	42,505	16%

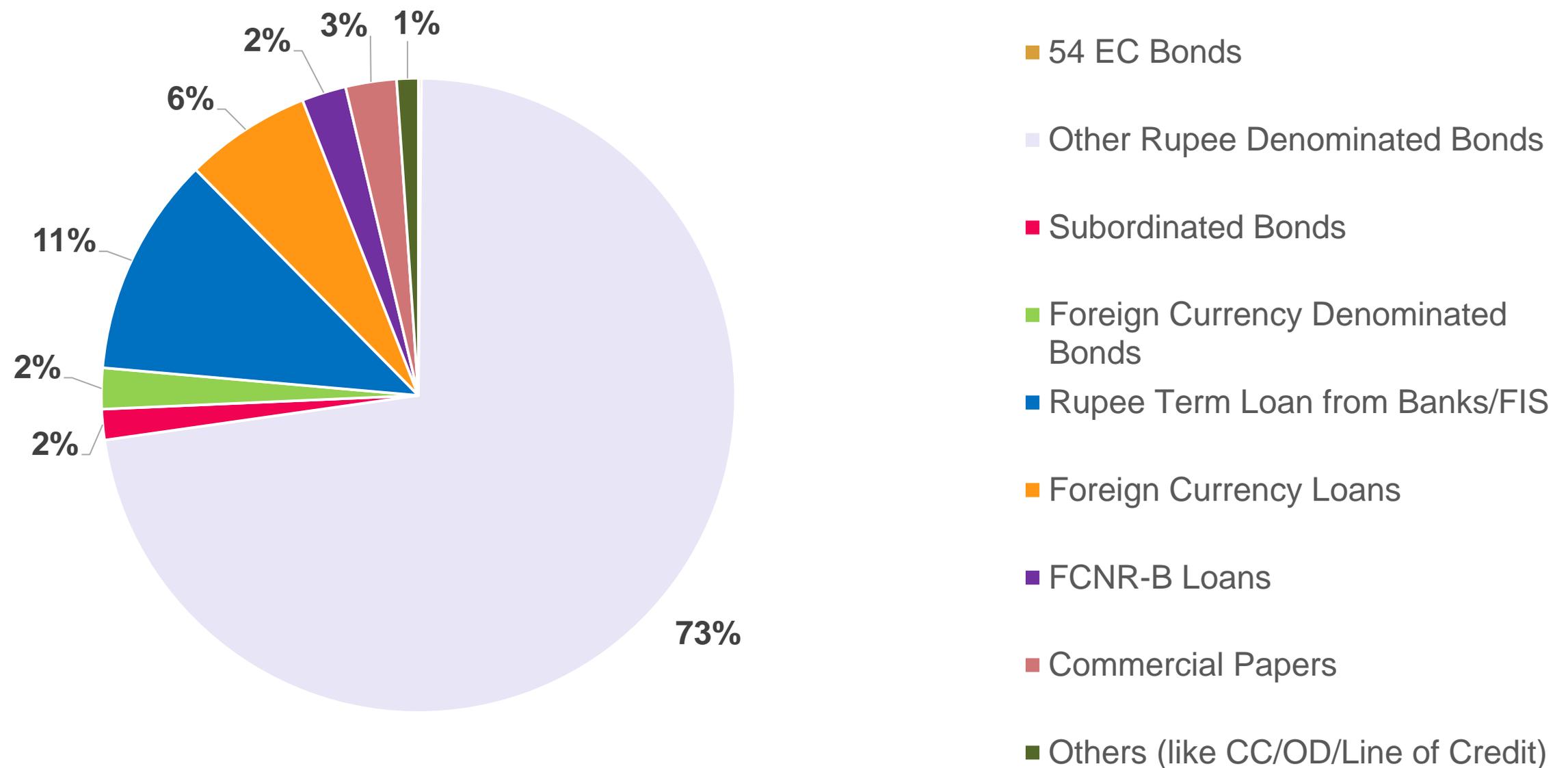
Disbursements - Composition

(Rs.'crore)

	Q2 FY 19		Q2 FY 18		H1 FY 19		H1 FY 18	
	Amt.	%	Amt.	%	Amt.	%	Amt.	%
Disbursements (excluding R-APDRP/IPDS)	17,505	100%	13,820	100%	30,486	100%	26,669	100%
<u>Scheme Wise</u>								
Generation	5,655	32%	8,090	59%	9,448	31%	13,940	52%
Transmission	2,397	14%	613	4%	2,774	9%	1,560	6%
Distribution	7,477	43%	2,511	18%	13,695	45%	3,314	12%
Others	1,977	11%	2,606	19%	4,570	15%	7,855	29%
<u>Sector Wise</u>								
Government Sector	16,524	94%	12,008	87%	28,442	93%	22,308	84%
Private Sector	981	6%	1,812	13%	2,045	7%	4,361	16%
<u>R-APDRP/IPDS</u>	569	100%	934	100%	1,780	100%	1,657	100%
R-APDRP (Part A)	25	4%	52	6%	105	6%	96	6%
R-APDRP (Part B)	275	48%	112	12%	338	19%	120	7%
IPDS	269	47%	769	82%	1,337	75%	1,440	87%

Liability Mix as on 30.09.2018

Maintaining a diversified funding profile



Borrowing Profile

(Rs.'crore)

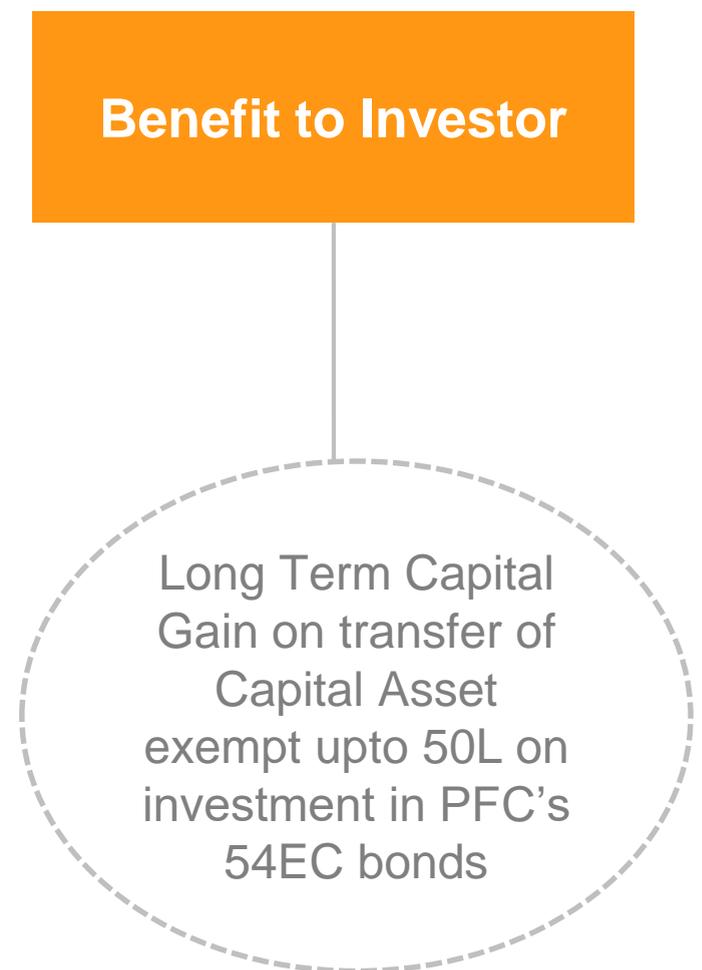
Borrowings	30.09.2018		30.09.2017	
	Amt.	%	Amt.	%
Bonds	1,86,003	76%	1,85,493	89%
Term Loans	48,483	20%	7,311	3%
Short Term Loans	8,999	4%	16,181	8%
Total	2,43,486	100%	2,08,985	100%
of which:				
Rupee Denominated	2,17,233	89%	2,01,674	97%
Foreign Currency Loans	26,253	11%	7,311	3%

PFC's access to low cost funds

54EC Resource Mobilization jumped by 2 times over previous quarter

54EC Salient Features

Eligible Investors	Individuals, HUF, NRI, FIs, LLP, Partnership, Banks, Mutual Funds, Insurance Co., PF funds
Tenor	5 years from deemed allotment date
Coupon Rate	5.75% per annum.



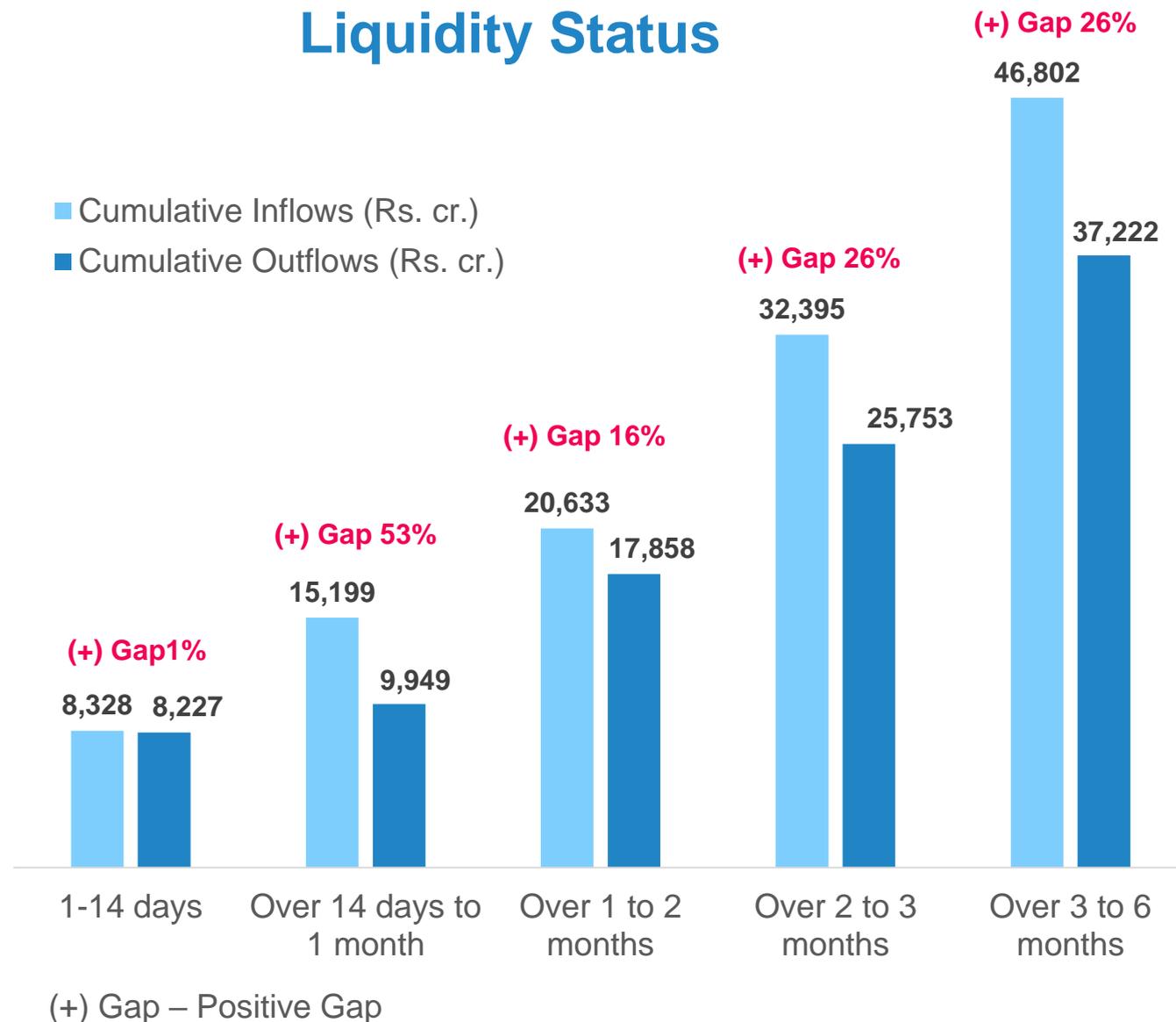
Details on 54EC bonds are available at <https://kosmic.karvy.com/pfc/>

5. ALM PERSPECTIVE

ALM Perspective for FY 19 – Oct to March 2019

Comfortable liquidity outlook

Liquidity Status



These cash flow projections will further improve on realisation of NPAs which are under various stages of resolution

Rs.9,750 cr. of additional liquidity in form of undrawn bank lines (CC/OD)

Surplus liquidity in all buckets

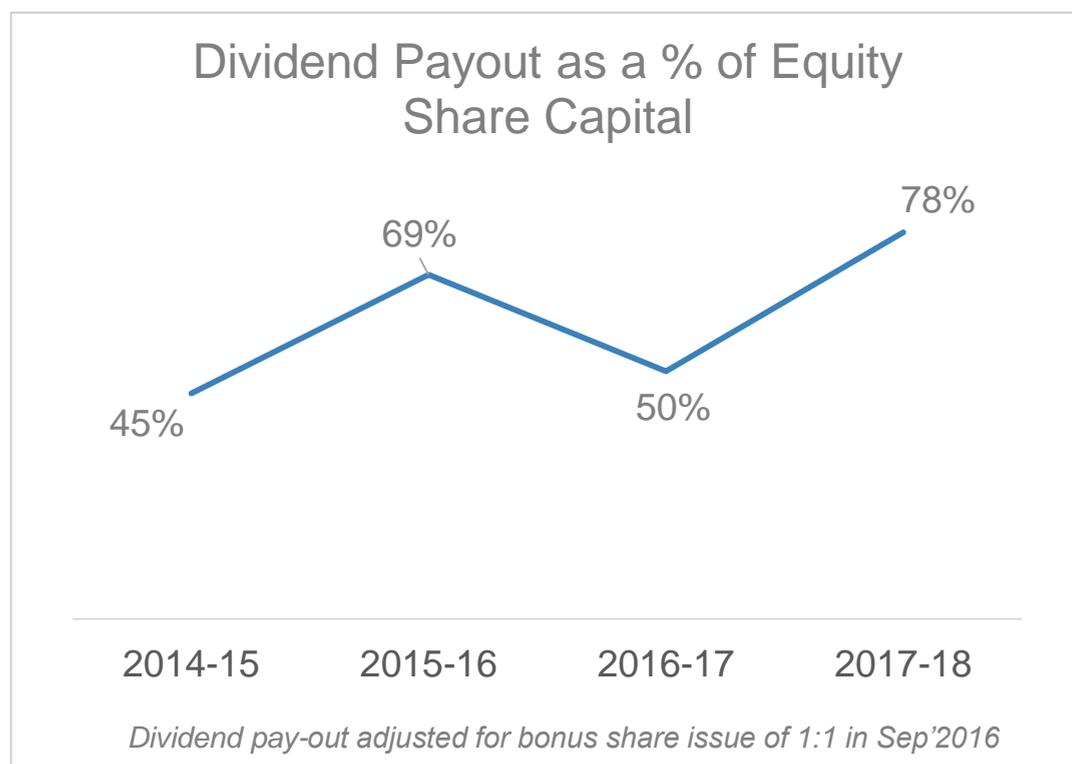
6. SHAREHOLDERS OUTLOOK

Shareholders Outlook

➔ Dividend Performance

➔ 66% GoI Shareholding

1 Consistent Dividend Pay out Track Record



Particulars	30.09.2018	30.09.2017
President of India	65.64%	66.35%
FII's & FPIs	11.34%	15.41%
Indian FI's & Banks	7.09%	8.23%
Bodies Corporate	1.15%	1.40%
Resident Individuals	5.28%	3.56%
Mutual Funds	8.55%	4.33%
Employees	0.05%	0.05%
Others	0.59%	0.68%
Total	100%	100%

2 Delivering 10% Dividend Yield*.

**Based on the last available closing share price from BSE as on the end of reporting period*

Shareholders Outlook

 **Equity market valuation ratios indicate potential for upside**

	Q2 FY 19	Q1 FY 19	Q2 FY 18	H1 FY 19	H1 FY 18
EPS (in Rs.)	20.53	20.81	18.57	20.67	17.79
Book Value Per Share (in Rs.)	144.97	142.31	142.31	144.97	142.31
Market price per Share (in Rs.)*	76.15	77.15	121.85	76.15	121.85
Price to Earnings ratio	3.71	3.71	6.56	3.68	6.85
Price to Book Value ratio	0.53	0.54	0.86	0.53	0.86

**The last available closing share price from BSE as on the end of reporting period*

Thanks!

Any questions?

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