



“Power Finance Corporation Limited

Q3 9M FY '25 Earning Call”

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**MANAGEMENT:** **MRS. PARMINDER CHOPRA – CHAIRMAN AND  
MANAGING DIRECTOR**  
**MR. RAJIV RANJAN JHA – DIRECTOR PROJECT**  
**MR. MANOJ SHARMA – DIRECTOR COMMERCIAL**  
**MR. SANDEEP KUMAR – DIRECTOR, FINANCE**

**MODERATOR:** **MR. SHREEPAL DOSHI – EQUIRUS SECURITIES**



**MODERATOR:** **MR. SHREEPAL DOSHI – EQUIRUS SECURITIES**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Power Finance Corporation Limited 3Q FY '25 Conference Call hosted by Equirus Securities. 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 star then zero on your touch-tone phone.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Shreepal Doshi from Equirus Securities. Thank you, and over to you, sir.

**Shreepal Doshi:** Thank you, Steve. Good afternoon, everyone. I welcome you all to the earnings conference call of Power Finance Corporation to discuss the 3Q performance of the company. Today, we have the senior management of the company represented by Ms. Parminder Chopra, Chairman and Managing Director; Mr. Rajiv Ranjan Jha, Director Projects; Mr. Manoj Sharma, Director Commercial; and Mr. Sandeep Kumar, Director Finance.

I will now hand over the call to Parminder ma'am for her opening remarks post which we can open the forum for question and answer. Over to you, ma'am.

**Parminder Chopra:** Thank you. Good evening, and a warm welcome to all of you. We have declared our Q3 and 9 months FY '25 results today, and I'm happy to connect with all our investors to discuss the performance. For 9 months '25, the consolidated profit after tax stood at INR22,157 crores, that is 17% increase



year-on-year. The consolidated loan asset book stood at INR1,069,436 crores, a 12% year-on-year growth.

On the asset quality front, the consolidated gross NPA has reached below 3% 2.30% in 9 months FY '25. The consolidated net NPA ratio is at 0.73% for the 9 months of the current financial year.

Now turning on to PFC's standalone performance. For 9 months, for the current financial year, the net profit stands at INR12,243 crores, that is a 20% increase from the previous 9 months. On the dividend front, the Board has declared an interim dividend of INR3.50 per share, bringing the cumulative interim dividend for FY '25 to INR10.25 per share. If we talk of the ratios for 9 months '25, that continue to be within our expected range. The yield is at 10.07%. The cost of funds is at 7.47%. The spread and the NIM continue to be range bound at 2.60% and 3.65%.

Now coming on PFC's foreign currency portfolio, which is around US dollar equivalent \$9 billion. As you may all know, that forex markets have been witnessing volatility since January 2025, particularly with respect to USD/INR exchange rate movements. So considering this changing scenario, I want to share that the USD/INR closing rate for 31st December 2024 is INR85.62. If the depreciation trend continues, there would be some additional impact on the profit and loss in quarter 4.

However, we are expecting some provision reversals on account of stressed asset resolution, which would provide sufficient cushion to set off the effect of exchange rate variation. Now if we talk on the asset quality front. This quarter, we saw no major changes. The gross NPA ratio for 9 months '25 is at 2.68%, and the net NPA ratio is at 0.71%. We continue to maintain 73% provisioning on our NPA portfolio. Talking about NPA assets, as shared in previous quarters, we are envisaging resolution in 3 projects of around INR4,961 crores.



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As we have earlier shared also, first is the KSK Mahanadi project of INR3,300 crores. It's a 6x600 megawatt partially commissioned project. The resolution plan submitted by JSW Energy Limited has been unanimously approved by CoC. Thereafter, the resolution plan application has been filed in NCLT on 17th of January 2025 for approval. We expect more than 100% recovery against the project basis the current bids received. We have maintained around 55% provisioning on the project.

The other 2 projects are Shiga Energy loan of INR522 crores and TRN energy loan of INR1,139 crores. Both these projects are being resolved outside NCLT. Being a regulatory process, there have been certain delays in these resolutions. However, we are expecting some of these resolutions to come through in this quarter.

So now coming on to the disbursement and loan asset growth. This quarter, we have disbursed INR34,151 crores and cumulative disbursement for the 9 months in FY '25 is at INR100,297 crores. This translates to a year-on-year loan growth of approximately 10.24%. I would also like to share that PFC's disbursement typically ramps up in the last quarter of the financial year. Considering this, we maintain our guidance and expect to achieve similar growth levels as last financial year.

Before I close, I would like to share that our renewable book has been growing steadily. Our renewable energy portfolio saw 28% year-on-year growth and is currently around INR69,500 crores. We continue to have the largest renewable book in the country. Also, to further expand this portfolio, we have recently entered into largest green loan agreements and were executed by JBIC of JPY 120 billion. This further solidifies our position as a key financing partner for India's energy transition.

Thank you very much. And now we are open for questions.

**Moderator:**

The first question is from the line of Avinash Singh from Emkay Global.



**Avinash Singh:**

Two questions from my side. The first one is, ma'am, on growth front, if I were to look at the kind of whole growth drivers, the conventional generation, renewables, loan to state utilities and the non-power infra. Now renewables and non-power infra, of course, on a smaller base seems to be doing fine, yet the challenge is more on the conventional generation and state utilities front. Now incrementally, there is certain noise on renewables PPA getting stuck and also, I mean, a bit look that the optimism could be kind of at least in the near term under cloud.

So in all this kind of backdrop, not just for Q4, for Q4 and FY '26, if you were to kind of highlight or provide some kind of guidance about growth in these four separate growth drivers that your conventional generation is over to pick up in say FY '26 or so, how is the renewables and even the loan to state utilities panning out, particularly state utilities because, I mean, the RDSS project progress has been slower than what one would have expected earlier.

So I mean, how do you -- and when do you see that RDSS-related disbursement to pick up? So that's the more broader question on growth. And a second on your NPA side. If you can just quantify the kind of recoveries and resolutions that happened in this quarter that, if at all, that has kind of resulted in write-back and all? And how do you see the write-back panning out in Q4 and FY '26?

**Parminder Chopra:**

Okay. Let me talk first on the growth front. You said that I think from the news, we have heard that there has been some PPA in the renewable front, which has not been entered into and there is a capacity which is not supported by the PPA. But let me assure you that we we have not funded any such asset. And if you see during the current quarter, our our disbursements are primarily, one on the renewable front and the other is on the distribution side what we have experienced.

So the disbursement, renewable, we have disbursed around INR6,000 crores. And out of the total, 28% disbursement on the generation side, the balance 63% is on the renewable and 37% is on the conventional side. Distribution still



accounts for the major disbursement during the quarter at around 60% and the transmission and infrastructure at 7% and 4%.

So going forward also, in the next quarter, we are looking majorly on the distribution side that our disbursements are going to be there and followed by on the generation side. We have in pipeline good disbursement planned out for the current quarter for the financial year FY '25. So we are quite hopeful that this quarter also, we are going to have a disbursement on distribution as well as on the renewable side.

And yes, on the conventional side also we have certain sanctions on which the disbursements are ongoing. So you talked about the RDSS slowdown also. RDSS, as everybody knows that during the initial phase of RDSS scheme, the scheme was being conceptualized. There were a lot of modalities, which are required to be put in place. So at that point of time, there was a slow pace for the RDSS.

But now since most of the sanctions have already been done, and 94% of the sanctioned work under reduction and 90% of the works under smart metering has already been awarded, so we are expecting that now onwards, it's going to pick up for the disbursement as the execution is going to happen, contracting state has been over. So on that front also, we are seeing a positive momentum on implementation of the scheme.

On the NPA front, this quarter, we don't have any upgradation of any of the NPA asset as we have already shared that KSK we have filed final resolution plan in January 2025 in NCLT; Shiga and TRN is in advanced stage. So wherever we are doing outside NCLT, we are expecting that Shiga and TRN, we will be able to conclude in this financial year. And for KSK since now the plan has been submitted to NCLT, once we receive approval, then we will be able to implement it.

**Avinash Singh:**

so I mean you expect AUM growth of about 12%, 13% for this year and next?



**Parminder Chopra:** Yes. For the current financial year, we are expecting that we will be able to maintain the similar level as was done in the previous year.

**Moderator:** The next question is from the line of Raghu from Travest Capital.

**Raghu:** I have 2 questions. One regarding the foreign currency borrowings what we have. In the presentation, it was written 95% of the book is hedged, so something around INR4,000 crores will be unhedged. So what will be the rough provision we're going to make on the INR4,000 crores in Q4, if you can give us an idea based on the current rupee value?

**Parminder Chopra:** See the current rupee value, as on 31st of December, dollar closed at INR85.62, and now it is at around INR86.5. So maybe if you take INR 1, so unhedged portion, if it is at -- with INR1, out of \$9 billion, I say \$900 million is unhedged, so you can work out maybe around INR90 crores. It will be around INR90 crores for each INR1 for depreciation in rupee.

**Raghu:** Okay. No, because it was 5%, right? So it will be INR450 million, right? Because 95% effective is what...

**Parminder Chopra:** If at any -- what I have worked out is 10%. So it will be INR45 crores, as you rightly said.

**Raghu:** Okay, INR45 crores. So not that much of a material impact it's going to be, okay. And the second question is..

**Parminder Chopra:** It is for each depreciation in rupee.

**Raghu:** Sure, I get it. The confirmation is clarified. The second question is in KSK Mahanadi, the lenders are going to get 26% equity stake, right? So what is the share of PFC's equity stake? And what is the value you're going to realize out, and the time line for that particular realization of the equity stake in the project?

**Parminder Chopra:** See, it will be too early to say anything in this regard. Lenders in total are going to get 26%, and proportionate to last year, we will also be getting. But initially,



I don't think that it will be valued at any substantial amount. It will be at a negligible amount as far as RBI guidelines for accounting of the same. And in future, it's very difficult to predict the valuation as on date.

**Raghu:** So I think we own 10% of the loan book, right, of the INR30,000 crore claims, so it's around 2.6. Can I expect that is the equity stake we're going to receive? Is my calculation correct?

**Parminder Chopra:** Yes, we have around 12%.

**Raghu:** 12%, yes. Thank you so much for the clarification.

**Moderator:** The next question is from the line of Shreya Shivani from CLSA.

**Shreya Shivani:** Ma'am, I have 2 questions. First is on the transmission book. I know it's a relatively smaller portion, but it seems like your repayments over there were a little elevated this quarter. Any color on that? And also, while we are talking about the repayment trend, would the repayments in fourth quarter be substantially lower because that could be one of the ways of you managing to achieve 13%, 14% loan growth. So I wanted a color on that.

My second question is on gross Stage 3. See the absolute amount, there's some slight increase in the GS3 between 2Q to 3Q, INR133 billion to INR135 billion. Any color on that? Any understanding you can help us on that bit.

**Parminder Chopra:** So the reduction -- to your first question about the transmission loan book, so there is some reduction, which is in the normal course of business, one, the repayments, which we are getting on a regular basis. So I think majorly it is on account of that only. And there is one loan, which has been prepaid also in case of transmission. So the net impact you must be seeing in the books.

And with respect to your other question about the slight increase in the Stage 3 asset, there has been one promoter for the waste-to-energy project. So that has slipped in the Stage 3, and it has a small amount of around INR130 crores, which has been categorized as stage 3 assets.





- Shreya Shivani:** Okay. And this asset, which has slipped, this is from biomass waste energy project, is it?
- Parminder Chopra:** No, no. It's a waste-to-energy project.
- Shreya Shivani:** Waste to energy, okay, okay. Got it.
- Parminder Chopra:** There are some technological issues in the project, which is how we have seen that the slippage into the Stage 3 account.
- Shreya Shivani:** That helps. Ma'am, just one follow-up question. One of your peer had indicated that though it's a small amount there disbursement on RDSS loss and loss reduction plan has started. So you also mentioned that the work there has been quite complete. So have we started disbursements on the RDSS loss reduction bit? Or is that something we should expect from fourth quarter onwards?
- Parminder Chopra:** We have till now -- under RDSS, we have cumulatively disbursed around INR2,500 crores. And during the current quarter maybe around INR600 crores was the disbursement amount.
- Moderator:** The next question is from the line of Suraj Das from Sundaram Mutual Funds.
- Suraj Das:** My questions have been partly answered. Just a follow-up to Shreya's question, ma'am. That slippages, I mean, one project slipping into NPA. Was it 1 project or 3 projects because the number of outside NCLT cases has increased by 3 this quarter versus last quarter?
- Parminder Chopra:** It was 1 promoter, 3 projects.
- Moderator:** The next question is from the line of Shweta from Elara Capital.
- Shweta:** Ma'am, I have 2 questions. One is, can you provide some color on the yields in the backdrop of 2, 3 loans. So one, you had given one infra loan to BEML last quarter. So what could be the rate there? Second, you also extended loans just, I think, a couple of days ago to ACME Renewables. And given the



fact that there has been quite competitive intensities on the renewable side, so what is the range of yields looking like there?

So against this backdrop, wherein we are seeing competitive intensity flaring up both on the plant renewable side, how are the yield is shaping up going forward? That's question number one. Question number 2. So partially you answered this question, so you are maintaining full year growth targets at 14%, which is similar to FY '24 levels. But to achieve that 14% both target sequentially, next quarter, you should grow at 9%.

And does it mean then that -- and for that, your repayments also have to be substantially lower in Q4, but apparently historically, I see Q4 has been traditionally slightly heavier on repayments. So what gives you confident or what are the levers to growth immediately in Q4 for achieving that 14% growth?

**Parminder Chopra:** I couldn't get your first borrower name, what you said, BEML or what it is?

**Shweta:** Yes, BEML on the infra side and ACME Renewables on the renewables side. So what are the yields looking like for these kind of projects, say infra and renewables? And how then do you expect the yields to shape up going forward?

**Parminder Chopra:** See, BEML, we have not sanctioned any loan. It was an MoU, which we have entered into with BEML, so there was no sanctions. And with respect to the ACME Renewable, which project you're referring to because it will depend on the rating of the project that whatever is the rate of interest is being charged. For the renewable, our interest rates are starting from at around 9% and going forward.

And we are seeing -- slightly, we are seeing the mix disbursement or our loan book change -- mix is being changed. You must have seen from conventional generation, we are moving to renewable as well as the higher outstanding on the distribution sector also. But still, we are able to maintain our yield and spread as you are seeing.



**Shweta:** Sorry, I'll correct myself. So you had extended loan to Juniper Green Energy couple of days ago. So what are the ways looking at now on the renewable side? So I think you answered that. That's around 9%, right?

**Parminder Chopra:** It starts at around 9%. I don't know about the rating of the project. So depending on the risk profile, it is slightly increasing. So that you can -- I don't know about exact rating of the Juniper Green, which you are referring to.

**Shweta:** No problem, ma'am. Ma'am, on the first question on the loan growth?

**Parminder Chopra:** Yes, growth front, whatever your question was. See, in Q3, we have grown on a 10% basis year-on-year, which is, I think, better than last year. And if you see that generally, our disbursements are more happening in the Q4, and you must have seen from the past trend that our growth is generally higher in the Q4. So if we compare on a year-on-year basis that we have disbursed 25% more in the -- as compared to the previous corresponding period.

If you see the last year trend, 37% of our total disbursement is happening in the Q4. So on that basis, we are expecting that we will be able to maintain our guidance, which we have given for the loan growth. The second thing you have talked about the repayments during Q4. What I can see is the expected repayment, which is there in the normal course of business is -- on quarter-on-quarter basis is lesser if we see this particular Q4 for FY '25.

So on an average around INR24,000 crores to INR25,000 crores of repayment we receive on a quarterly basis. However, against that, this quarter, it is somewhere around INR18,000 crores to INR19,000 crores. So it is there. So accordingly, you can work out whatever you were already working out repayment and disbursement taken together, what I can say that we will be able to maintain the target given by us.

**Shweta:** Sure, ma'am, just a follow-up question there. So which product segment particularly in Q4 is going to aid this kind of 9% and 14% growth?



**Parminder Chopra:** See, we have done around INR252,000 crores sanctions during FY '24-'25, so this is nearly 62% for generation projects. So we are expecting that both on the generation as well as on the distribution front, we will be working during FY -- the last quarter.

**Shweta:** Okay, okay, so generation and distribution. Thank you so much.

**Moderator:** The next question is from the line of Sarvesh Gupta from Maximal Capital.

**Sarvesh Gupta:** Just a clarification. So on the unhedged forex exposure, you are saying that given the current exposure, we will leave around INR45 crores for every INR1 of unhedged depreciation, so this has been around INR1 in this quarter. So as things stand now, it would be a INR45 crore hit to the P&L. Is that the right understanding?

**Parminder Chopra:** See, the question was specifically with respect to the unhedged portfolio. So unhedged portfolio for each INR1, as we have said, that considering our loan book of \$9 billion, so it is going to have an impact of INR45 crores. But there are certain other things that has an impact as the net impact on the profitability is change in the exchange rate less the mark-to-market valuation.

And you know that mark-to-market valuation when we go for the hedged portfolio depends on lot many things, because of the forward premiums, because of the exchange rate, current exchange rate and the protection, so lot many other things are factored into mark-to-market. And that is how we will be seeing that how going forward it's going to impact during the current quarter.

**Sarvesh Gupta:** And on this \$9 billion book, how much is unhedged as of now?

**Parminder Chopra:** On the unhedged book it's going to be the similar way because there will not be any mark-to-market losses. So everything is going to the profit and loss account, whatever is the exchange rate, into the unhedged exposure.

**Sarvesh Gupta:** Understood. And for FY '26, I mean, given our current disbursement mix, do we expect to maintain the NIMs as it is? Or we see some decrease given that



renewables are gathering momentum in terms of the total percentage mix or in favor of renewable?

**Parminder Chopra:** See, definitely, when we talk of the renewable, then we are earning slightly, our spreads are slightly lower. But as the profit increases and loan growth continues at the same pace, we are expecting that NIM will be revolving in the similar range. However, in quarters, there is an accelerated loan growth. So it all depends, so there could be some impact on the NIM.

**Sarvesh Gupta:** And ma'am, REC in its con call had given one number which was basically these resolutions, which were basically in advanced phases. They were expecting around INR2,200 crores of recoveries net of the provisions, excess recoveries. So what would be the figure in your case? What is basis the advanced cases, how much net recovery or net addition to the P&L we'll get because of provisions being higher than the recovery. What is that net figure from the advanced projects which are under resolution?

**Parminder Chopra:** See, the main is under the KSK where we have provided for around 55%. And as per the current resolution plan, which has been submitted to NCLT, we are expecting to recover more than 100%. So there, we are expecting that there may be reversals. And similarly, on the Shiga, in case of Shiga also, we are expecting that whatever resolution plan is under discussion, we may have 100% recovery.

**Sarvesh Gupta:** Do you have the absolute amount, ma'am?

**Parminder Chopra:** See, right now, I don't think that we should discuss any absolute amount because let all those things let come to a final conclusion, only then we will be able to share the absolute amount.

**Moderator:** The next question is from the line of Romil Oza, an Individual Investor.

**Romil Oza:** Ma'am, based on the exchange rate movement from last quarter, we haven't had an impact on the profit and loss statement. Whereas this quarter, there's -- with the RBI's, Reserve Bank of India's, interventions, the rupee has



appreciated and there's only a INR1 difference. So you have to start explaining better not only in terms of foreign exchange, not only in terms of your non-performing assets, recoveries because what you guys are doing is, first of all, with NCLT, you should be -- we've already discussed this offline before.

You have to talk to the government and say, "Hey, this is for the energy security of the country, right? This is a basic need." And you guys are getting projects stuck in NCLT. We don't know which projects to greenlight, which are brownfield, et cetera, et cetera. So why is there no coordinated effort in telling the power ministry and the finance ministry and the law ministry that this is needed for the energy security of the nation.

And why are you guys not able to tell us what the recovery amounts are when the newspapers are telling us that this is the recovery amount. You guys have made the loan, so it's your loan, you guys are negotiating. We are the investors, it's our money, which we are investing. Tell us what the recovery amounts are, tell us what you are provisioned, tell us what is under liquidation and how much -- you are putting 100% liquidation, 100% provisioning out there.

You are not going to recover anything on those assets. So it's becoming -- you have to report stuff in a better manner because even you are reporting stand-alone earnings, then consolidated earnings, you are giving stand-alone book value, the consolidated book value matters. Why is it taking you guys so long to disclose stuff? It is -- forget me, it's the President of India who has invested 52% in you.

So you owe it to the public, you owe it to the population of India to report properly. Why are you not reporting stuff properly?

**Parminder Chopra:** See, I don't know that from where have you gathered that we are not disclosing the numbers.

**Romil Oza:** You're not. You're not disclosing the numbers. We are asking you what is the recovery amount on KSK Mahanadi, you don't have an answer. Rural



Electrification Corporation is a subsidiary of yours. They are talking about Hiranmaye and Sinnar, where you are a lender too. They are reporting those numbers, you are not reporting those numbers. Like why is there no coordination?

I believe you're on the Board of -- at least you used to be on the Board of Rural Electrification Corporation, it's a subsidiary of yours. Why is there no coordination, and I know there is coordination between you guys. So why is it that there is no coordination in reporting the numbers? Why are you not giving me the Hiranmaye numbers? Why you're not giving me the Sinnar energy numbers?

Sinnar is being bought out by NTPC, which is Maharatna that you guys are. And you guys have no coordination when -- I know you guys are working extremely hard towards the energy needs of the country. And you guys can't tell us that, okay, we will get it done in 1 month, 2 months, 3 months. This is a Maharatna company.

**Parminder Chopra:**

See, I think you have some misunderstanding about the thing. You might not have heard it properly. What we said that these are the resolutions we are targeting in this quarter. So we have never said that Sinnar is not there or any other project is not there. What we were talking, you have to listen it properly that this is only that these resolutions we are looking at in the current quarter.

And we have clearly told you that we have 55% provisioning in KSK. We have provisioning. We have been sharing the number of provisioning for other assets on one-to-one basis also and in the falls also. I don't know why you are not aware of all these things, whereas PFC has always been telling all these things in the open forum. So this is what we said that exact number, what is there, we have said that we are expected to receive more than 100%.

So I don't know from where this disconnect is coming. So this, if you want, I think we can talk separately and you need to correct your numbers first.



- Moderator:** Mr. Romil, please fall back in the question queue for further questions. The next question is from the line of Nishant Shah from Millennium.
- Nishant Shah:** Ma'am, just one question. I wanted a clarification. You've discussed adequately about the unhedged portion of the foreign currency borrowings. Is there any at all kind of like expense that we can expect or forex currency translation loss that we can expect from the hedged book as well, like do our hedges only protect us up to a certain level of currency depreciation? Or is it covered no matter where the currency goes? That's my only question.
- Parminder Chopra:** Yes, it's a mix. We have taken some cost-effective instruments also for the hedging, where we have an upper cap of the protection. And in that case, it all depends on the closing rate of exchange about the protection.
- Nishant Shah:** Okay. As a follow-up, if, say, theoretically the rupee goes to INR90, what kind of like total losses that we can expect on the hedged and the unhedged combined? It's a very theoretical -- yes, yes.
- Parminder Chopra:** It's very theoretical, and we have to see that in each individual case up to what level is the protection involved. But on a broad figure, if rupee is ranging somewhere around INR88, so we may have around additional maybe INR400 crores to INR500 crores of impact, which is going to be there on the P&L.
- Nishant Shah:** Okay. INR400 crores to INR500 crores of impact if the rupee goes up to INR88-ish.
- Parminder Chopra:** Yes, probably. It's a very rough figure.
- Nishant Shah:** Understood. This is useful. Just one small follow-up again. Would REC be similar like in their hedging strategies? Since it's your subsidiary, would you have any insight?
- Parminder Chopra:** I'm sorry, I don't have any figures for the REC in this regard.
- Moderator:** The next question is from the line of Ashish Sharma from Oaklane Capital.





**Ashish Sharma:** Just wanted some color. We haven't shared the sanctions number in the presentation. If you can give some color on the sanctions part how they are trending? And then also, we used to give the exposure on the electricity board also, I mean even that is not in the presentation. Also one more question was on the rating upgrades for -- rating upgrades expected, would that lead to a provision release in Q4?

**Parminder Chopra:** See, on the sanction number for the year, we have sanctioned INR252,662 crores, of which INR93,000 crores was during the current quarter. So if we bifurcate INR252,000 crores, around 62% is towards generation, including renewable and conventional, around 16% is towards distribution, around 7% in the transmission and around 9% in the infrastructure. On your another question on the rating upgrade about the state utilities DISCOMs, which I understand that this is what you are asking.

**Ashish Sharma:** Yes, ma'am.

**Parminder Chopra:** So that, I think we will be coming out -- completing the rating exercise for FY '24 soon, and maybe in another 10, 15 days, we will come out with that exercise. And what was your third question?

**Ashish Sharma:** The question was, say, if there is a rating upgrade, do we see any substantial write-back of provisions on these -- is there a write-back possibility if the rating is upgraded?

**Parminder Chopra:** See, the integrated rating when it comes only then we will be able to know that what is their rating and what is the likely impact because it varies with each individual utility and then the exposure which is there with that utility.

**Ashish Sharma:** I was just also referring that we used to provide the top 10 exposures in the presentation. It's not there in this Q3 presentation. And also, we have mentioned that if you can give some granularity on the private sector exposure, which is now close to INR100,000 crore, it would be great if you can provide it quarterly some granularity on the private sector exposure.



- Parminder Chopra:** Okay. That we will keep in mind for the next quarter.
- Moderator:** The next question is from the line of Punit from Macquarie.
- Punit:** Just two questions from my side. One is on the NPA, the marginal increase you highlighted in the waste to energy account. What is the total exposure in this account? And are we seeing any like you mentioned, a technological issue is there. And anything we are seeing with respect to other players or any qualitative color on that? That's one.
- And second, on the repayments bit, have we seen any balance transfers or anything to banks or any other such peers or anything? Because the repayment rates have been pretty high, not just this quarter, I'm talking like over the 9 months as well. So any comment on that?
- Parminder Chopra:** See, on the NPA account, the total exposure is only INR130 crores. And it's, I think, unique to that project. We are not seeing any other project, which is going to be impacted by this type of issues. So it is specific to this project only. And taken together, all the 3 projects, INR130 crores is the total exposure.
- The other issue is about the prepayment thing. I think this is in the normal course of business. It's a common risk, which is in the financing sector. And this financial year, we have in total of around INR13,000 crores of prepayments during the current 9 months.
- Punit:** Okay. And just on the waste to energy, what is your exposure to a total book, if you could let us know?
- Parminder Chopra:** INR130 crore out of INR500,000 crores.
- Punit:** Okay. So that is this INR130 crores is also for the entire waste to energy book or there are more accounts like...
- Parminder Chopra:** I mean, there are more accounts. I don't have that breakup right now.
- Punit:** Okay. Got it. Got it.



- Moderator:** Yes, Punit, does that answer your question?
- Punit:** Yes, yes. That does.
- Moderator:** The next question is from the line of Alok Srivastava from UBS.
- Alok Srivastava:** So ma'am, firstly, there has been some news article that there has been delay in PSA signing between SECI and certain DISCOMs, which is leading to overall renewable disbursements being slower, since are we ma'am seeing something of that kind on the ground? And secondly, in context to that, what will be our undisbursed portion of sanctioned loan book in renewable, if you can give some idea around that?
- Parminder Chopra:** See, what you are saying, we also have read in the newspaper, but we are not seeing right now in PFC any slowdown in the renewable disbursement. During the financial year, we have sanctioned around INR90,000 crores towards the renewable generation, I think out of which around 50% is during the current quarter itself.
- And on the disbursement side, also, we have disbursed INR6,000 crores during the current quarter. And in the financial year, INR16,000 crores, we have disbursed during the financial year. So if we compare it with the previous year, it's more or less in line with the previous years. So we are not seeing, as of now, any stress on that.
- Alok Srivastava:** That's fair, ma'am. And just another one. In terms of REPO rate change, is there any portion of our liability or asset, which gets repriced in the near term?
- Parminder Chopra:** Around INR25,000 crores of our borrowing is linked to the REPO rate. And I think timing may be either it's a reset on a monthly or on a quarterly basis.
- Alok Srivastava:** Okay. And it's only on the liability side, not on the asset side?
- Parminder Chopra:** Yes, it's only on the liability side.



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**Moderator:** Ladies and gentlemen, that was the last question for today's conference call. I now hand the conference over to Mr. Shreepal Doshi for closing comments.

**Shreepal Doshi:** Thank you, Steve. Thank you, everyone, for being part of the call. And special thanks to the management of the company for giving us opportunity to host the call. Thank you, ma'am.

**Parminder Chopra:** Thank you. Thank you very much.

**Moderator:** On behalf of Equirus Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.