

We bring
Life To Power

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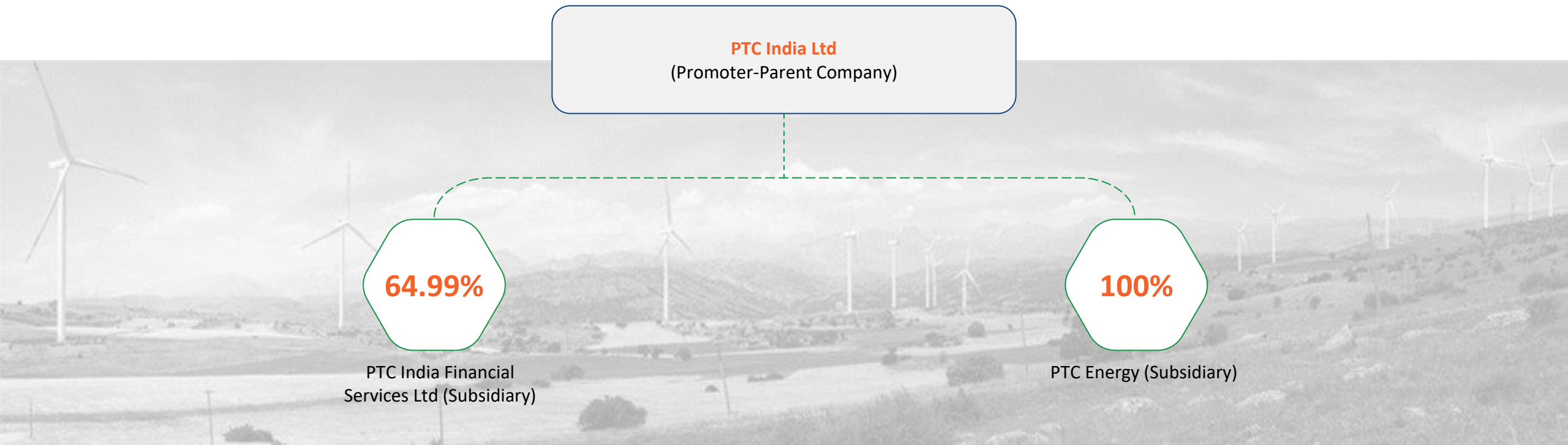
Company Name	PTC India Financial Services Limited ('PFS')
Industry	Financial Industry / NBFC – Infrastructure Finance Company
Activity	Investment and Financing to Power and other Infra Projects
Registered office	7th Floor, Telephone Exchange Building, 8 Bhikaji Cama Place, New Delhi 110066
Type of Organization	Public Limited Company (Listed on BSE & NSE)
Date of Incorporation	September 08, 2006
Promoter/Parent Company	PTC India Limited (formerly known as “Power Trading Corporation of India”)
CIN	L65999DL2006PLC153373
Authorized Capital	Rs. 2,000 crore
Paid up Capital	Rs. 642.28 crore
Website	www.ptcfinancial.com

What rating agencies say

Facilities	CRISIL	ICRA	CARE
NCD / Bonds	CRISIL A+ / Stable	ICRA A+ /Stable	CARE A+ /Stable
Long Term Loan	CRISIL A+ / Stable	ICRA A+ /Stable	CARE A+ /Stable
Short Term Loan	-	ICRA A1+	CARE A1+
Commercial Paper	CRISIL A1+	ICRA A1+	-

CRISIL has provided CE AA+ rating for PFS proposed SBI PCE backed NCD of Rs.580 crore and reaffirmed the rating in June 2020.

- PTC India Ltd (formerly known as *Power Trading Corporation of India Limited*) is the main promoter and parent company which owns 64.99% in PTC India Financial Services Limited.



PFS incorporated as
a subsidiary of **PTC
India Limited**

2006

PFS classified as
**Infrastructure Finance
Company** by RBI

2010

PFS becomes the first
institution in India, to sign
**IFC's Master Cooperation
Agreement**

2015

First NBFC availed partial credit
enhancement

2019

2008

Goldman Sachs and
Macquarie acquired
stake in PFS

2011

PFS completes Initial
Public Offer (IPO), ECBs
from **DEG** and **IFC**

2017

Preferential allotment to
PTC India Limited

“To partner and forge strong relationships with credible stakeholders to provide complete financial solutions- equity, debt and other financial services for all links in the energy value chain and related infrastructure sectors”



Mission



Vision

“To be the most preferred financial partner in the entire energy value chain”



- PFS is positioned to cater the financial requirement of the companies of Power/Infra sector in the form of debt, equity or any other credit arrangement as a one stop shop. PFS offers structured finance, hybrid instruments, advisory services and other relevant supports to its clients to mitigate risks and effectively implement the project and generate higher returns.



- PFS has successfully funded around 153 projects from Renewable and Infra sectors since its inception in FY 2007. It is highly valued by the project developers and is considered as a preferred financial partner

PFS offers various investment and financing products/solutions to Infrastructure and Power projects, the details are illustrated in the graphic below:

Debt Financing

PFS provides debt finance in the form of Long Term Loan, Short Term Loan as well as Bridge Financing to the projects in the entire energy value chain i.e. from power generation projects to transmission and distribution projects, fuel sources and to the related infrastructure. There are various factors considered for the debt assistance to any particular project/borrowing company viz. market conditions, regulatory requirements, risk and reward from the projects etc.

Fee Based Services

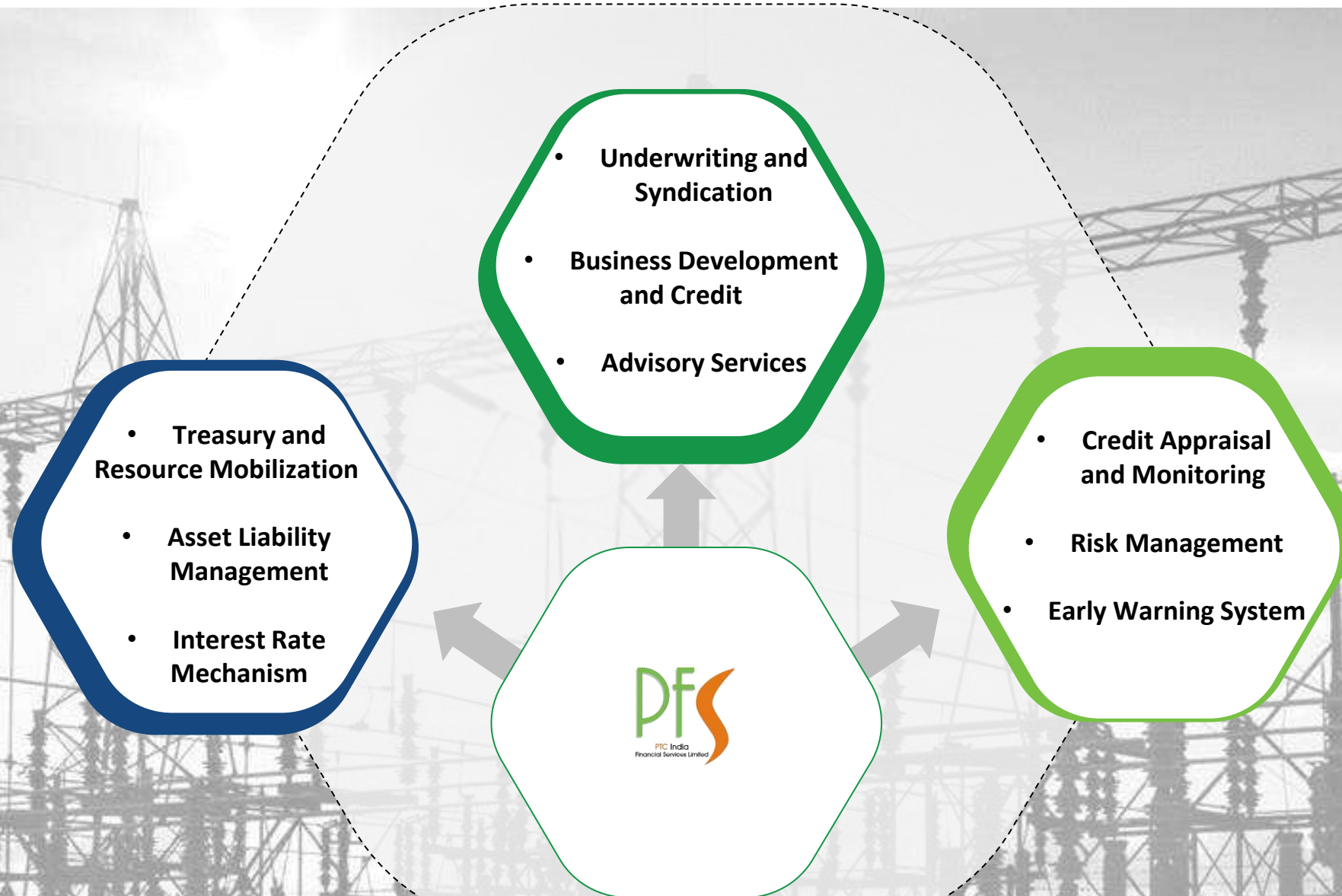
PFS team assists companies in structuring and raising debt and mezzanine capital tailored to their needs. Leveraging on its long term relationships with Banks and Financial Institutions and its experience in executing structured and vanilla debt transactions, PFS handholds companies in structuring and raising capital, which is optimal in terms of cost and structure. With an in house core team of professionals with sectoral as well cross-functional knowledge, PFS helps its clients to become competitive, effective and successful.



Advisory Services

PFS provides advisory services to the various infrastructure, renewable energy, energy efficiency projects and other projects for helping in efficient installation of these projects. The Advisory services are focused in the areas of finance and in the areas which lie at the intersection of finance and the energy sector.

The details of the key functions of the company are given below:





Shri Deepak Amitabh, Chairman

He is an former Indian Revenue Services (IRS) Officer. He also serves as Chairman and Managing Director of PTC India Limited. He has more than 35 years of experience in the field of auditing, financing and revenue mobilization.



Dr. Pawan Singh, MD & CEO

He is former Civil Officer and served as Director (Finance) of Delhi Power Company Ltd, Delhi Transco Ltd, Genco etc.. He was involved with power reforms in Delhi and served in various infrastructure sector organizations like Power grid, Indian Railways, Tata Steel. He has been on board of various companies/ institution including IIFCL (AMC),. presently also on Board of PTC Energy, MDI, Chairperson of Audit Committee



Shri Naveen Kumar, Whole Time Director

He has worked in power sector majors including BHEL, NTPC and PFC and has overall experience of about 39 years covering various areas including infrastructure projects formulation, technical and financial appraisal, monitoring and financing / consortium lending of power projects. He also possesses rich experience in area of erection, commissioning, O&M of power projects and setting up of UMPPs.



Mrs. Praveen Tripathi, Independent Director

She is from IA&AS of 1973 Batch (retired) and has worked at various senior positions in Govt. of India. She has served as member - Competition Appellate Tribunal, Member - Airport Economic Regulatory Authority Appellate Tribunal and as Deputy Comptroller & Auditor General of India



Shri Thomas Mathew T, Independent Director

He served as Managing Director and Interim Chairman of Life Insurance Corporation of India. He has also served as Managing Director and CEO of Reinsurance Group of America (RGA) for India Bangladesh and Sri Lanka. And also served on the board of leading companies like Tata Power, Voltas, Mahindra & Mahindra, Corporation Bank, IFCI Limited, MDI, Gurgaon, National Insurance Academy, Pune, Metropolitan Stock Exchange of India and L&T Capital Markets. Currently he is on board of Larsen & Turbo Limited, L&T Finance Holdings, L&T Infra Debt Fund. L&T Infrastructure Finance Limited, Canara HSBC OBC Life Insurance Company Limited, LIC (International) Bahrain, L&T Capital Markets, Dubai.



Shri Santosh B. Nayar, Independent Director

He has rich working experience of around 40 years in project finance and banking, including international & investment banking, and life insurance industry. He was the Chairman of India Infrastructure Finance Company Limited (IIFCL), a wholly-owned Government of India Enterprise with an asset size of USD 6.5 Bn.



Dr. Nagesh Singh, Independent Director

He is of Indian Economics Services of 1982 batch and worked in Planning Commission, Department of Industrial Policy and Promotion, Ministry of Social Justice and Empowerment, Ministry of Human Resources Development and Ministry of Rural Development. Dr. Singh retired as Additional Secretary from Government of India in January 2018.



Shri Kamlesh Shivji Vikamsey, Independent Director

He is chartered accountant and a Senior Partner of Khimji Kunverji & Co, Chartered Accountants since 1982. He has more than thirty five years of experience in Accounting and Finance, Taxation, Corporate and Advisory services. He is Chairperson of the External Audit Committee (EAC) of International Monetary Fund (IMF), Washington D.C., United States of America; Deputy Chairperson of the Audit Advisory Committee of United Nations Children's Fund (UNICEF), New York, United States of America; and Member of the Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU), Geneva, Switzerland.



Shri Rakesh Kacker, Nominee Director

He is a nominee director of PTC India Limited on the Board of the company and has earlier worked as Secretary to the Government of India and hold various posts at senior level in the Government. He has rich experience of India Power sector.



DR AJIT KUMAR, Nominee Director

He is Nominee Director of PTC India Ltd. on the Board of the Company. He has joined PTC India Limited as Director (Commercial & Operations) on 2nd April, 2015. Prior to joining PTC, he worked in NTPC for 35 years.



Rajiv Malhotra, Nominee Director

He is Nominee Director of PTC India Ltd. on the Board of the Company.. He is Executive Director & Group CRO, PTC India Ltd. His previous assignments include COO, Athena Energy Ventures and was part of the team that successfully completed PTC's IPO in 2004. .



- **Credit Risk Management**

- Implementation of Internal Credit Grading mechanism which captures sector specific risk related parameters during the entire loan-life cycle (i.e. pre-construction and post construction).
- Implementation of Early Warning System which has been integrated with internal credit grading mechanism to identify and closely monitor early warning signals to prevent slippages of performing loan accounts into NPA.
- Formulation of Corrective Action Plan for Loan accounts identified under EWS framework, and subsequently reviewing/monitoring on quarterly basis.
- Annual review of the entire portfolio through internal credit grading mechanism, wherein review of the security package, compliance of financial covenants is ascertained and assessed.

- **Market Risk Management**

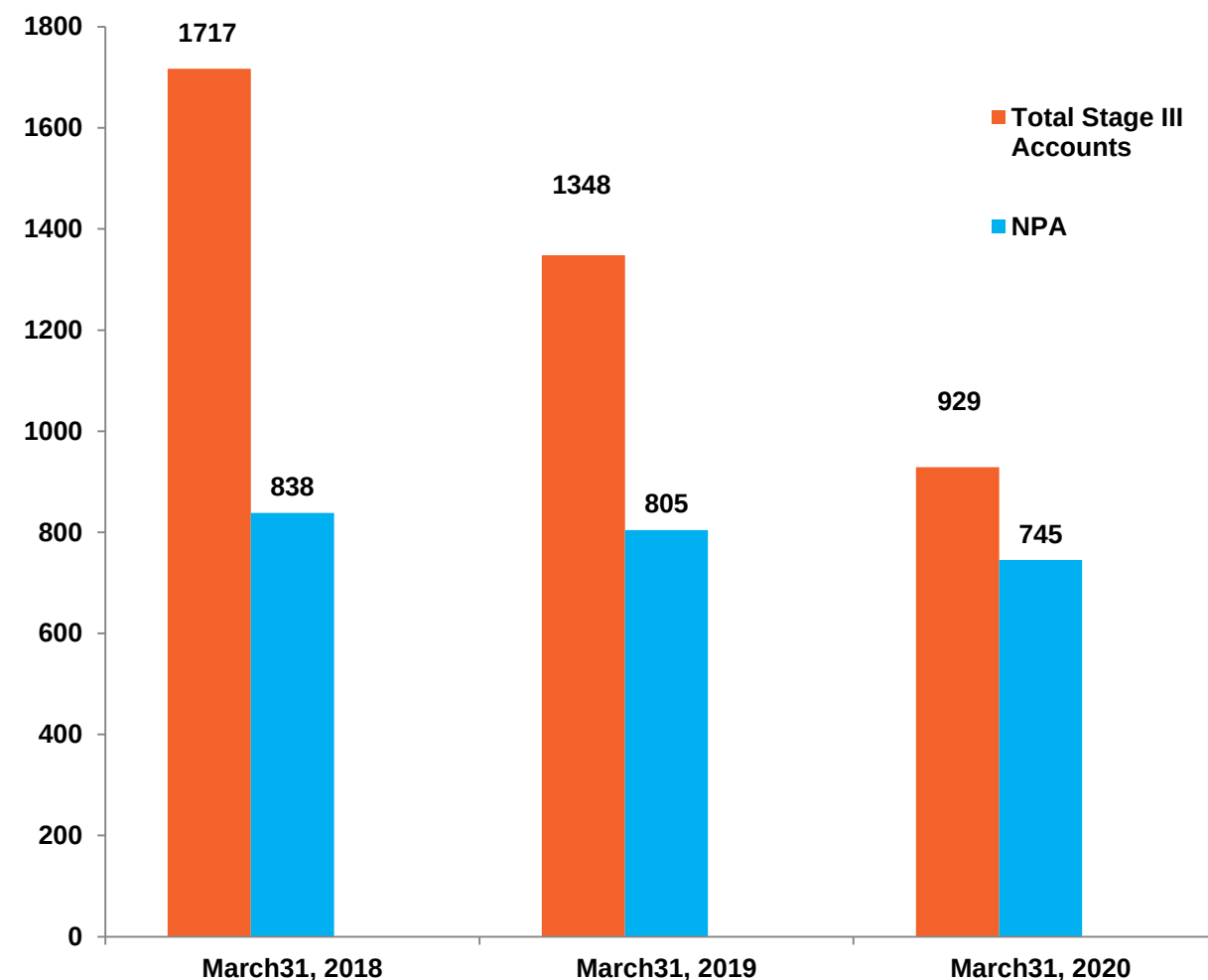
- Implemented the mechanism of Risk Based Pricing which has been integrated with internal credit grading mechanism.

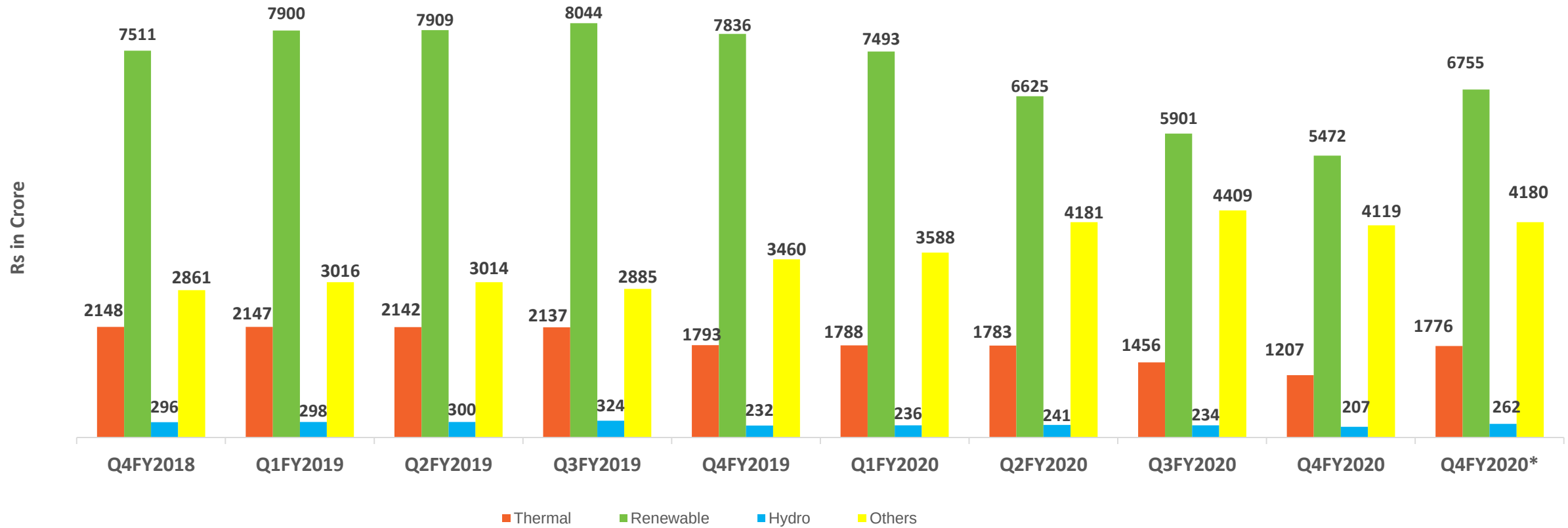
Our Marquee Clients



- Long Term Liability to Short Term Liability has improved to 91%:9% with adequate liquidity in the system.
- No Capital Market exposure and Nil Commercial Paper outstanding.
- Reducing trend of cost of funds with improvement in yields of earning portfolio.
- In discussion with additional credit lines of Rs.1,000 crore..
- Relationship enhanced with existing bankers and establishing with new lenders, domestic as well as international.
- Capital Adequacy at comfortable level with majority in form of Tier I capital.
- Improvement in leverage position with simultaneously improvement in portfolio quality.
- Majority of projects has been commissioned and hence nominal construction risk for projects.
- Stress / NPA accounts are on declining trend and focus is on improving operational performance.
- Company has shifted its pricing methodology from Reference Rate to Base Rate for higher yields in its business model.

Stress Account Update

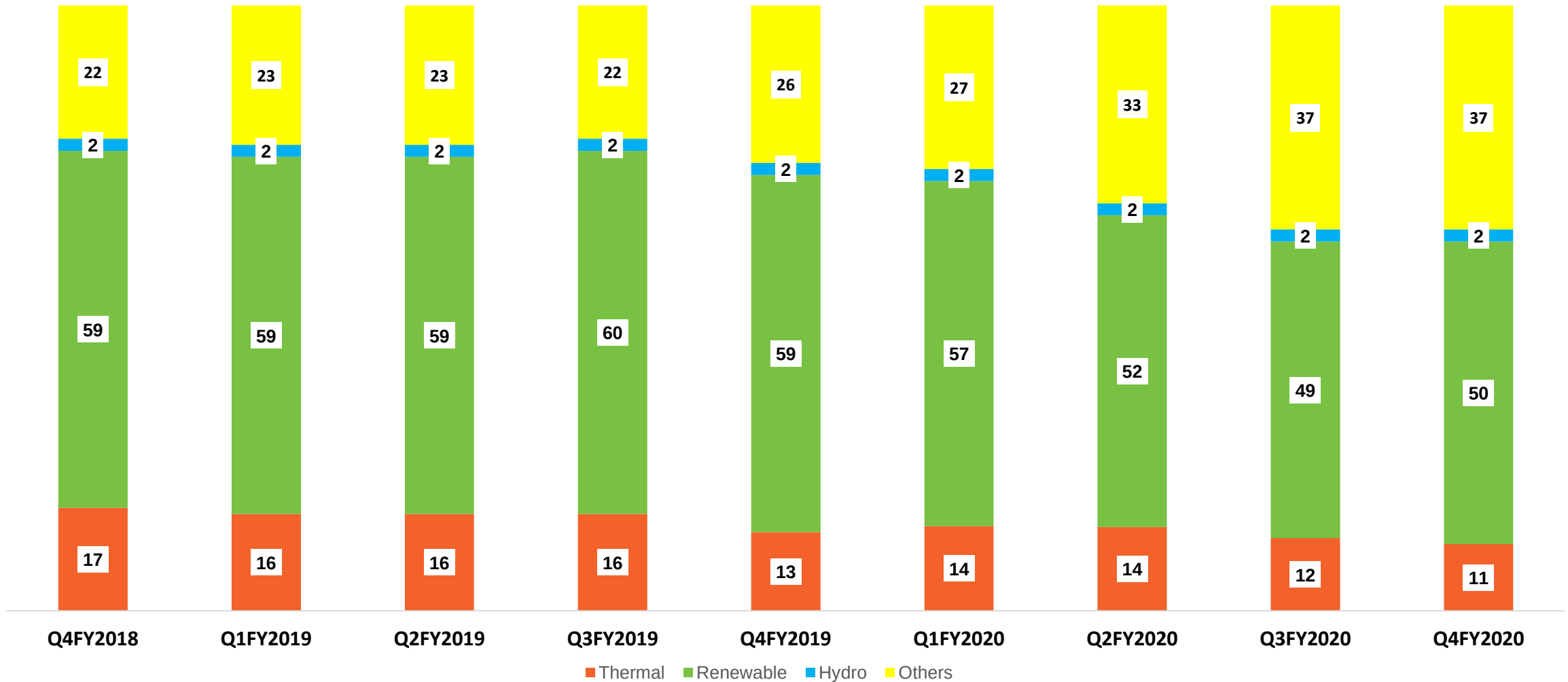




Total	12,816	13,361	13,366	13,390	13,321	13,105	12,830	12,000	11,005	12,973
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* Adjusted with Rs.1,283 crore of prepayment due to group exposure and resolution of NPA's of Rs.685 crores during the year

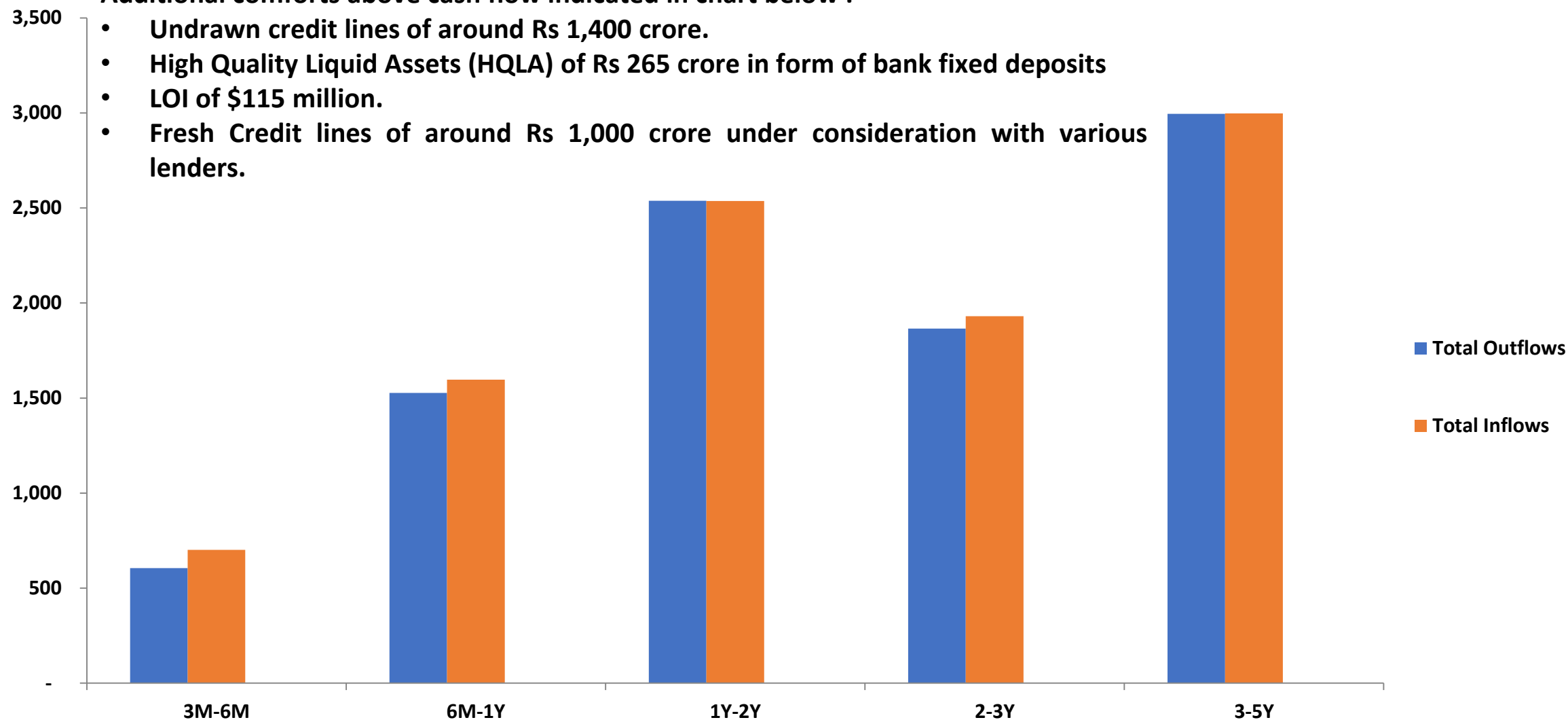
Portfolio Shift – Credit Portfolio %



Thermal Renewable Hydro Others

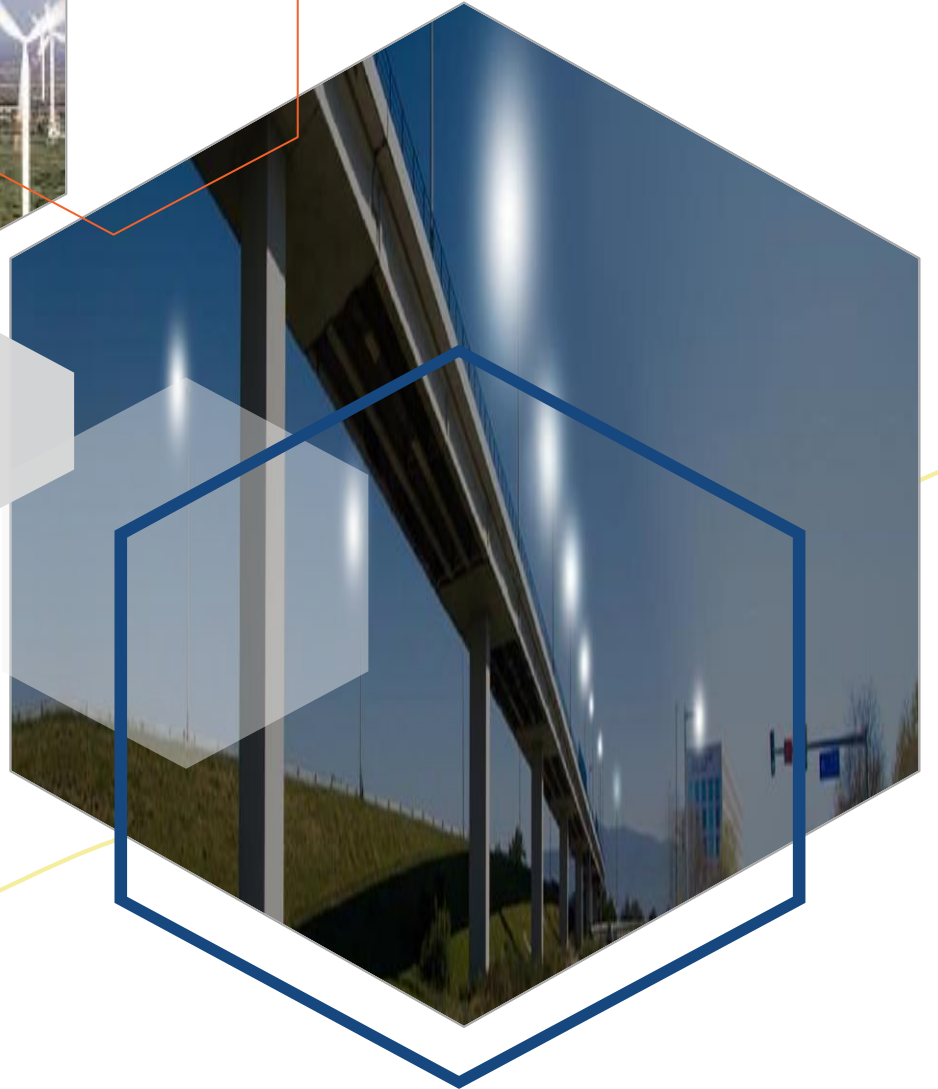
Additional comforts above cash flow indicated in chart below :

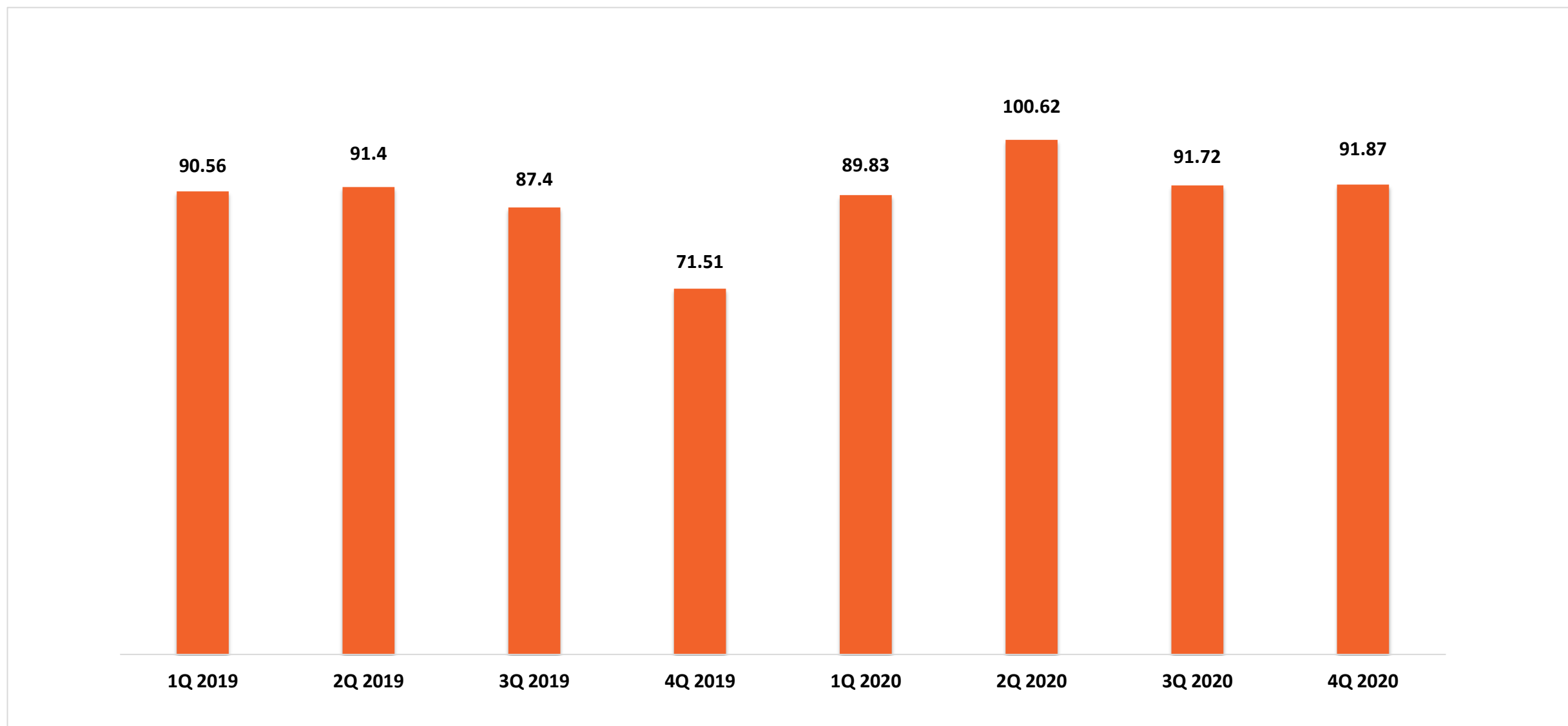
- Undrawn credit lines of around Rs 1,400 crore.
- High Quality Liquid Assets (HQLA) of Rs 265 crore in form of bank fixed deposits
- LOI of \$115 million.
- Fresh Credit lines of around Rs 1,000 crore under consideration with various lenders.



- Debt equity ratio has been improved to 4.43
- Capital adequacy is comfortable at 23.72 %
- Stress / NPA accounts of Rs.685 crore has been resolved during the year and further resolution is expected in current year
- Large pipe line of clean energy and sustainable infrastructure projects to support growth

Financials





Results Overview (Rs. In crore)

Qtr ended 31 st March 2020	Qtr ended 31 st December 2019	Qtr ended 31 st March 2019	Particulars (Rs. Crores)	Year ended 31 st March, 2020	Year ended 31 st March, 2019
316.61	322.11	316.67	Interest Income	1,324.26	1,285.17
332.88	331.70	331.05	Total Income	1,369.71	1,336.51
224.74	230.39	246.03	Interest and financial charges	950.35	945.48
73.78	23.17	8.81	Provision and contingencies	195.71	60.58
19.95	12.06	18.98	Other operating expenses	51.61	49.45
318.47	265.62	273.82	Total expenses	1,197.67	1,055.51
14.41	66.08	57.23	Profit before tax	172.04	281.00
7.36	23.02	20.47	Tax expense (including deferred tax)	62.04	96.86
7.05	43.06	36.76	Profit after tax	110.00	184.14

Key Indicators

Qtr ended 31 st March 2020	Qtr ended 31 st December 2019	Qtr ended 31 st March 2019	Particulars	Year ended 31 st Mar 2020	Year ended 31 st Mar 2019
884	956	1,352	Loan Sanctioned (Rs. Crs)	3,041	5,124
511	499	1,369	Loan Disbursed (Rs. Crs)	2,590	4,085
11,394	12,641	14,237	Outstanding Credit	11,394	14,237
11,005	12,003	13,321	Loan Assets (Rs. Crs)	11,005	13,321
389	638	916	Non fund based (Rs. Crs)	389	916
91.87	91.72	70.64	Net Interest Income (Rs. Crs)	373.90	339.70
11.66	11.86	11.03	Yield on Earning Loan (%)	11.73	11.13
8.98	9.20	9.23	Cost of borrowed funds (%)	9.12	8.61
2.68	2.66	1.80	Interest Spread (%)	2.61	2.52
3.38	3.38	2.46	Net Interest Margin (%)	3.31	2.99
0.11	0.67	0.57	Earnings Per Share (Rs.)	1.71	2.87
14.58	9.62	13.21	Cost to Income Ratio (%)	10.69	10.30
23.72	23.02	21.55	Capital Adequacy Ratio (%)	23.72	21.55
4.43	4.67	5.28	Debt Equity Ratio (%)	4.43	5.28
1.34	8.24	7.18	Return on Networth (%)	5.34	9.19
0.24	1.42	0.28	Return on Assets (%)	0.94	1.40

Rs. in crore

GROSS NPA

Sector/Particular	Q4 FY19	Q1FY20	Q2 FY20	Q3FY20	Q4FY20
Thermal	560.52	710.52	710.51	710.51	614.52
Hydro	116.88	116.88	116.88	106.25	79.25
Renewable	17.64	17.64	8.32	4.90	4.29
Others	109.64	107.63	107.63	44.39	47.04
Total	804.68	952.67	943.34	866.05	745.10
Gross NPA (%)	6.04	7.27	7.35	7.22	6.77

NET NPA

Sector/Particular	Q4 FY19	Q1FY20	Q2 FY20	Q3FY20	Q4FY20
Thermal	292.32	401.87	388.02	369.13	332.74
Hydro	47.41	47.41	43.58	49.20	23.98
Renewable	5.63	5.63	3.41	-	0.01
Others	57.86	53.66	49.47	25.99	28.61
Total	403.22	508.57	484.48	444.32	385.34
Net NPA (%)	3.12	4.04	3.92	3.84	3.62

NPA/Stressed accounts under resolution

Accounts under Special Assets Resolution Cell (SARC)	No. of accounts	Principal O/S (Rs Crs)	Amount Received under resolution (Rs Cr)
Resolved in FY 2018-19	5	609	338 (56%)
Resolved in FY 2019-20	6	685	223 (33%)
Total Resolved	11	1,294	561 (NA)

Provisioning on NPA Loan Account as on 31st March 2020

Loan Account (Rs. crore)	Gross Loan	Provision	Net Exposure	Impairment Reserve
Athena Chhattisgarh Power Limited	189.52	101.83	87.69	11.84
Dirang Energy Private Limited	74.25	54.14	20.11	1.87
Himagiri Hydro Energy Pvt Ltd	5.00	1.50	3.50	
ICOMM Tele Ltd	2.65	0.03	2.62	
Kohinoor Power Pvt Limited	50.00	43.34	6.66	3.08
Konaseema Gas Power Limited	100.00	75.18	24.82	24.82
KSK Mineral Resources Private Limited	44.39	18.40	25.99	
NSL Nagapatnam Power & Infratech Private Limited	125.00	37.50	87.50	
Meenakshi Energy Private Limited	150.00	23.93	126.07	
Varam Bio-energy Pvt Ltd	4.29	4.29	-	
NPA Accounts	745.10	360.14	384.96	41.61

COVID19, a global pandemic has affected the world economy including India leading to significant decline in economic activity and volatility in the financial market. Govt. announced various relief packages to support all segments of the economy. In line with Govt. initiative, RBI issued guidelines relating to COVID19 Regulatory package dated 27th March 2020, 17th April 2020 and 23rd May 2020. Accordingly we have granted moratorium of upto six months on the payment of all instalments and / or interest, as applicable, falling due between 1st March 2020 and 31st August 2020 to the eligible borrowers who have applied for moratorium and these borrowers constitute around 50% of our loan book. After allowing the moratorium, company is having sufficient liquidity in form of High Quality Liquid Assets (HQLA) and undrawn line of credit to meet all its obligations in near future.

We don't see any significant concern for projects which have been commissioned / completed. Around 50% of our loan book is of commissioned renewable projects which are having must run status. Projects under commissioning, where project activities have been halted, respective government has issued / is issuing extension of timelines for commissioning dates and we are continuously monitoring these projects to analyse the various developments.

Solar panels being installed by students who were given the Skill Training in Bhadla



Running 3 Mobile Health Clinics in Delhi NCR, in partnership with HLPPT for providing health care to the underprivileged areas of Delhi NCR



**Inaugurated by Shri A K Bhalla, then Secretary Power, GOI
In presence of Shri Deepak Amitabh, Chairman , PTC India Financial Services Limited and
Dr. Pawan Singh, Managing Director & CEO, PTC India Financial Services Limited**

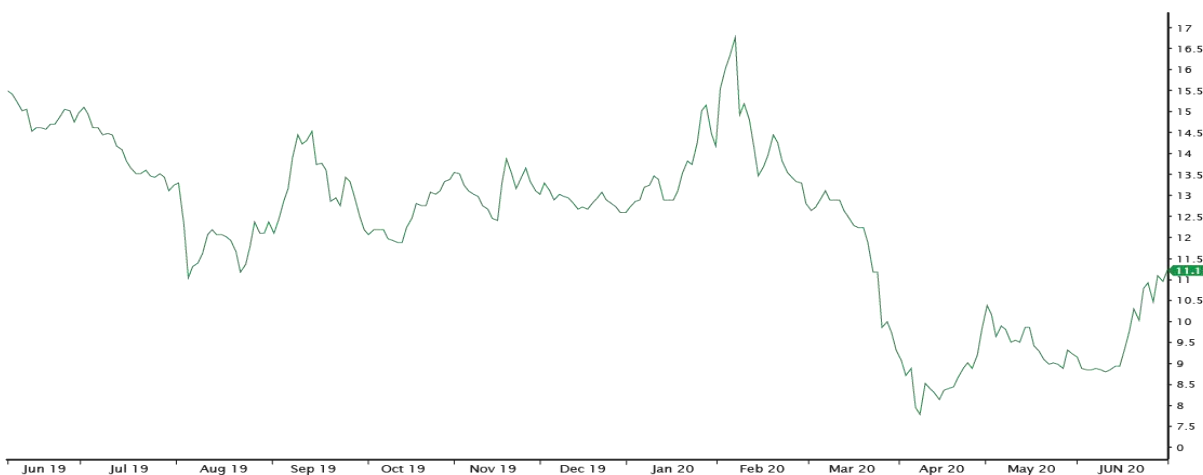
Our project on CRM (Crop Residue Management) in partnership with CII Foundation to reduce stubble burning in farms in Ludhiana.



Stock Information (As on 12th June, 2020)

₹	Market Cap	716.79 Cr
📈	Stock Price	11.16
↕	52 Week (High/Low)	17.58/6.78
📈	NSE/BSE Symbol	PFS/533344
📊	No of shares outstanding	64.22 Cr
📊	Average Daily Volume (3 months)	6,87,884

Stock Chart as on 12th June, 2020

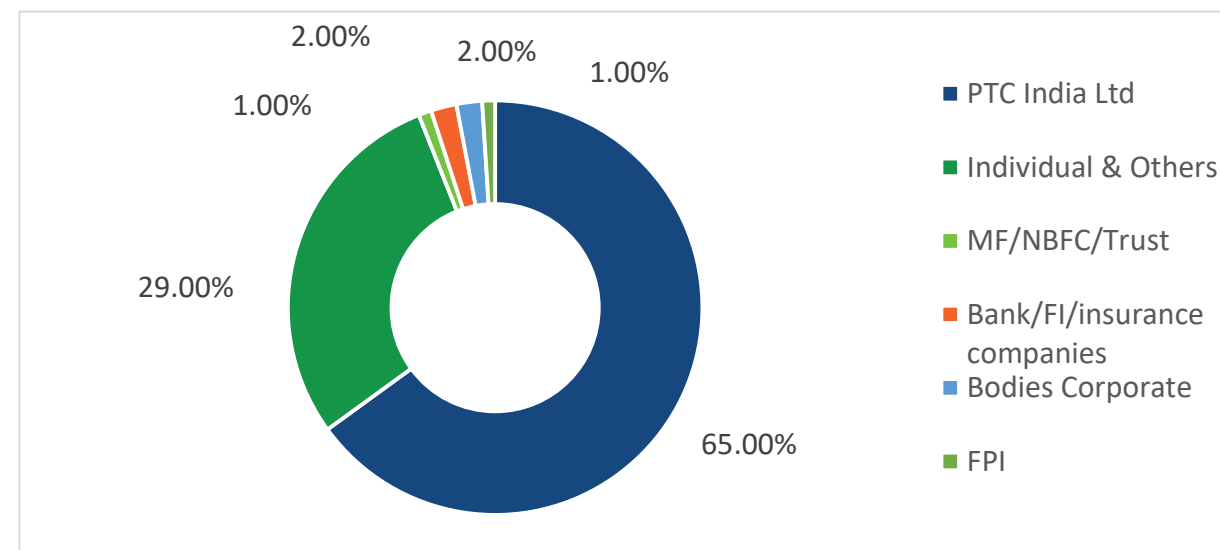


Source : Thomson Reuters

Top 5 Shareholders (As on 31st March, 2020)

	% of holding
PTC India Limited	64.99
Life Insurance Corporation of India	2.13
Dimensional Emerging Markets Value Fund	0.37
Emerging Markets Core Equity Portfolio	0.36
The Emerging Markets Small Cap Series	0.24

Shareholding Pattern as at 31st March, 2020



Rounded off to nearest multiple



Thank You

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