

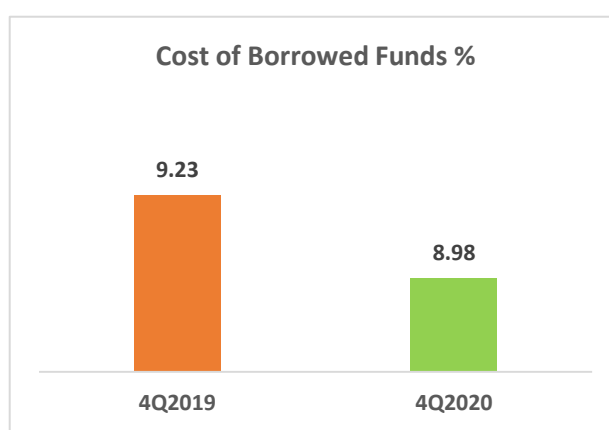
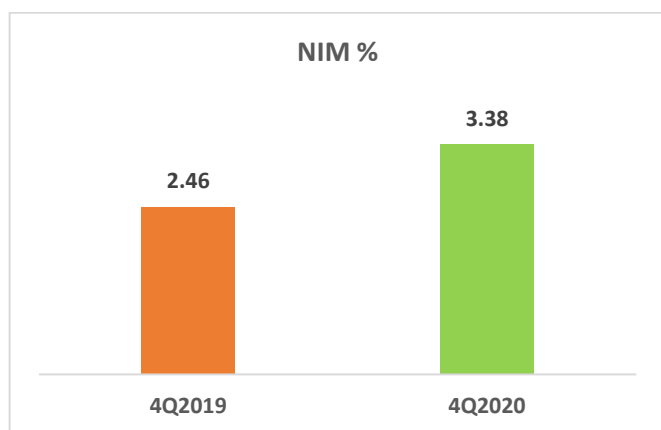
Press Release

New Delhi, 14th June, 2020

Financial Performance for the Quarter & Year ended 31st March, 2020.

- Fresh Loans of Rs 884 crore sanctioned and further disbursements of around Rs 511 crore has been made during the quarter.
- Existing credit lines of Rs 800 crore renewed, Fresh long term credit lines of Rs 600 crore received and in-principle / LOI for credit lines of \$115 million received during Q4FY20.
- The Long Term to Short Term Liability ratio of the company has been improved to 91 %: 9% and Debt Equity ratio have been improved to 4.43 as on 31st March 2020.
- Stress / NPA accounts of around Rs 144 crore have been resolved during Q4FY20.
- Gross Non Performing Accounts (GNPA) stood at 6.77% in Q4FY20 as compared to 7.22% in Q3FY20. Net NPA stood at 3.62% in FY20 as compared to 3.84% in Q3FY20.
- Capital Adequacy ratio stood at 23.72% as on 31st March 2020.

Q4 – Key Performance Variables:





Management Commentary:

We have reported a favorable financial performance for the year ended FY20 with adequate liquidity in our system so as to face all expected challenges and to meet all potential opportunities. Liberal provisioning of INR 195 crores on our stress / NPA assets were made this year leading to improvement in our portfolio quality.

With the challenges prevailing in the economy globally and countrywide , PFS lending is mostly to the highly resilient sectors such as renewable , transmission, road HAM and other annuity projects. This lending has kept PFS assets insulated from the risk in current economic environment and PFS has been able to demonstrate stable and robust business model. We have focused on clean balance sheet both in context of nature of business and quality of assets. The focus has been again to bring improvement in NIM and Spreads, Cost of Borrowings and all Operating Margins, making the company well positioned in terms of sustainability and growth.

Q4FY20 VS Q4FY19

- Net Interest Income (NII) for Q4FY20 stood at Rs 91.87 crore compared to Rs 70.64 crore in Q4FY19.
- Total Income for Q4FY20 stood at Rs 332.88 crore.
- Profit before Tax (PBT) for Q4FY20 stood at Rs 14.41 crore and Profit after Tax (PAT) for Q4FY20 stood at Rs 7.05 crore.
- Yield on Earning Assets has improved to 11.66% in Q4FY20 compared to 11.03% in Q4FY19 (Up by 5.7%).
- Net Interest Margin (NIM) stood at 3.38% in Q4FY20 compared to Net Interest Margin of 2.46% in Q4FY19 (Up by 37.4%).
- The asset quality has been improved with resolution of Stress / NPA assets of around Rs 144 crore during the quarter ended 31st March 2020.

Q4FY20 VS Q3FY20

- Net Interest Income (NIM) for Q4FY20 stood at Rs 91.87 crore compared to Rs 91.72 crore in Q3FY20.
- Debt Equity Ratio improved to 4.43 in Q4FY20 compared to 4.67 in Q3FY20.
- Net Interest Margin witnessed no change Q-o-Q and stood at 3.38% in Q4FY20
- Additional business (disbursements) of around Rs 511 crore has been made in Q4FY20.

FY20 VS FY19

- Total Income for FY20 increased to Rs 1,369.71 crore compared to Rs 1,336.51 crore in FY19 (up by 2.5%).
- Net Interest Income (NII) for FY20 increased to Rs 373.90 crore as compared to Rs 339.69 crore in FY19 (up by 10%).
- Profit before Tax (PBT) for FY20 stood at Rs 172.04 crore and Profit after Tax (PAT) stood at Rs 110.00 crore in FY20.
- Yield on Earning Assets improved to 11.73% in FY20 compared to 11.13% in FY19.
- Net Interest Margin stood at 3.31% in FY20 compared to Net Interest Margin of 2.99% in FY19 (Up by 11%).
- Businesses (disbursements) of Rs 2,590 crore have been made in FY20.

As at 31st March, 2020

- The total outstanding credit i.e. aggregate of loan assets and non-fund based commitments against sanctioned loans, stood at Rs 11,394 crore as on 31st March, 2020. Loan assets aggregated to Rs 11,005 crore and outstanding non-fund based commitments aggregated to Rs 389 crore.
- Gross Non Performing Accounts (GNPA) stood at 6.77% and Net NPA at 3.62% as on 31st March, 2020. Company is expecting further reduction in its NPA level in coming quarters with resolution of few of its stress accounts.
- Capital Adequacy Ratio as on 31st March, 2020 stood at 23.72% comprising Tier I at 23.14% and Tier II at 0.58%.
- Debt to equity ratio has improved to 4.43.

Impact of Covid 19:

- 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.

About PFS

PFS is a non-banking finance company promoted by PTC India Limited. PFS has been granted the status of an Infrastructure Finance Company ("IFC") by the Reserve Bank of India. The Company offers an array of financial products to infrastructure companies in the entire energy value chain and other infrastructure industries. PFS also provides fee based services viz loan syndication and underwriting etc.

For more updates and information on the Company, please log on to <http://www.ptcfinancial.com>

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