



We Create Possibility of a Better Tomorrow....

August 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Power Finance Corporation Limited

A Navratna PSU

Performance Highlights

(Standalone, Un-Audited)

Quarter Ended

30th June, 2012

Highlights – Q1 FY 13 vs. Q1 FY 12



- **Net Profit increased by 42 % from ₹ 686 crore to ₹ 972 crore**
- **Comparable PAT increased by 41% from ₹ 728 crore to ₹ 1,029 crore**
- **Total Income increased by 35% from ₹ 2,924 crore to ₹ 3,945 crore**
- **Net Interest Income increased by 41% from ₹ 990 crore to ₹ 1,394 crore**

Highlights – Q1 FY 13 vs. Q1 FY 12 (contd.)



- **Interest Spread increased by 35 bps from 2.28% to 2.63%**
- **Disbursements_(excl. R-APDRP) increased by 29% from ₹ 6,099 crore to ₹ 7,884 crore**
- **Loan Assets increased by 29% from ₹ 1,04,050 crore to ₹ 1,34,742 crore**
- **Networth increased by 12% from ₹ 18,250 crore to ₹ 20,359 crore**

Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q1 FY13	Q1 FY12	% change	FY 12
Reported PAT	972	686	42%	3032
Adjustments (post-tax):				
Prior period Income Tax incl. interest thereon	0.07	(14)		(15)
Translation / Actual Exchange Gain(-) / Loss(+)	57	56		113
Comparable PAT	1,029	728	41%	3,130

Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement#	Q1 FY13	Q1 FY12	FY12	FY11
Interest Income	3,900	2,848	12,724	9,835
Interest Expense	(2,506)	(1,858)	(8,329)	(6,312)
Net Interest Income	1,394	990	4,395	3,523
Other Income*	9	35	120	142
Operating Costs	(29)	(27)	(129)	(98)
Provisions	(2)	(7)	(143)	(32)
Profit Before Tax & Extra-ordinary Items	1,373	991	4,242	3,536
Extra-ordinary Items^	(77)	(75)	(138)	8
Tax Provisions	(329)	(232)	(1,068)	(889)
DTL(-) / DTA(+)	5	2	(4)	(36)
Profit after Tax	972	686	3,032	2,620

* Other Income includes Nodal agency fee income, lease income and other income given in P&L account

^ Extraordinary Items includes translation/actual exchange gain/loss, prior period adjustments, restructuring / prepayment premium etc. Exchange gain/ loss of FY2012 & Q1 FY 2013, are as per para 46A of Accounting Standard (AS) 11.

#All items of Income Statement have been regrouped for analysis

Return on Average Assets



Dupont Analysis	Q1 FY13	Q1 FY12	FY12	FY11
Net Interest Income	1.01%	0.92%	3.66%	3.75%
Other Income	0.01%	0.03%	0.10%	0.15%
Operating Expenses	-0.02%	-0.03%	-0.11%	-0.10%
Operating Profit	0.99%	0.93%	3.65%	3.79%
Provisions	0.001%	-0.01%	-0.12%	-0.03%
Profit Before Tax & Extra-ordinary items	0.99%	0.92%	3.53%	3.76%
Extra-ordinary items	-0.06%	-0.07%	-0.11%	0.01%
Tax Provision	-0.24%	-0.22%	-0.89%	-0.94%
Provision for DTL(-) /DTA(+)	0.003%	0.002%	0.00%	-0.04%
Profit after Tax (ROA)	0.70%	0.64%	2.52%	2.79%
Operating Profit (Annualised)	3.98%	3.72%	3.65%	3.79%
Profit after Tax (ROA) (Annualised)	2.81%	2.56%	2.52%	2.79%

Balance Sheet



(Y/E – March, ₹ Crores)

Liabilities #	30.06.2012	30.06.2011	31.03.2012	31.03.2011
Shareholders' Funds	21,679	19,278	20,708	15,182
Non-Current Liabilities				
Long-term Borrowing	1,02,591	73,373	95,867	69,984
Deferred Tax Liabilities (net)	83	81	87	83
Other Liabilities	539	737	551	678
Provisions	30	26	29	25
Current Liabilities				
Current Maturity of Long-term Borrowing	10,343	9,492	10,188	9,324
Short- Term Borrowing	1,021	3,635	4,071	6,291
Other Liabilities	4,373	2,930	3,800	2,783
Provisions	404	346	275	284
Total Liabilities	1,41,063	1,09,898	1,35,575	1,04,634

As per revised schedule 6

Balance Sheet



(Y/E – March, ₹ Crores)

Assets #	30.06.2012	30.06.2011	31.03.2012	31.03.2011
Non-Current Assets				
Fixed Assets	75	76	76	77
Non-Current Investments	55	50	55	50
Long-term Loans	1,20,102	94,493	1,12,017	87,424
Other Assets	126	110	101	157
Foreign Currency Monetary Item Translation Difference A/c*	1,049	-	515	-
Current Assets				
Current Investments	4	4	4	4
Cash & Bank Balances	2,016	3,252	1,988	2,350
Current Maturity Long-Term Loans	10,647	7,247	11,877	10,041
Short- Term Loans	3,993	2,310	6,178	2,106
Other Assets	2,995	2,357	2,763	2,426
Total Assets	1,41,063	1,09,898	1,35,575	1,04,634

As per revised schedule 6

* As per paragraph 46A of AS 11

Key Indicators



(Y/E – March, ₹ Crores)

Key Indicators	Q1 FY13	Q1 FY12	FY12	FY11
Sanctions (excluding R-APDRP)	11,182	13,235	59,429	61,532
R-APDRP Scheme - Sanctions	-	3,706	9,596	13,665
Disbursements (excluding R-APDRP)	7,884	6,099	39,818	31,864
R-APDRP Scheme- Disbursements	261	121	1,600	2,257
Outstanding sanctions (excluding R-APDRP)	1,58,919	1,50,051	1,61,976	1,53,459
R-APDRP Scheme - Outstanding sanctions	25,652	21,503	25,913	17,918
Loan Assets	1,34,742	1,04,050	1,30,072	99,571
Yield on Assets* #	11.71%	11.08%	11.25%	11.02%
Cost of Funds* #	9.08%	8.80%	9.00%	8.53%
Interest Spread* #	2.63%	2.28%	2.25%	2.49%
Net Interest Margin* #	4.19%	3.85%	3.89%	3.95%

* Quarterly Ratios have been Annualised . # Based on daily average

Key Indicators



Key Indicators	Q1 FY13	Q1 FY12	FY12	FY11
Return on Average Networth*	19.51%	16.92%	18.00%	19.68%
Return on Average Networth* (before exchange gain/loss)	20.56%	18.26%	18.60%	19.84%
Debt Equity Ratio	5.66	5.35	5.85	5.80
Leverage (Average assets / Average net worth)	6.94	6.61	7.13	7.07
Capital Adequacy Ratio	18.55%	18.90%	16.29%	15.71%
EPS (Weighted average)* (₹)	29.45	22.50	23.41	22.82
EPS (Weighted average)* (₹) (before exchange gain/loss)	31.18	24.34	24.29	22.95
Book Value Per Share (₹)	154.24	138.26	147.68	123.70
Book Value Per Share (₹) (before exchange gain/loss)	154.67	138.69	148.54	123.82

* Quarterly Ratios have been Annualised

Sanctions – Composition

(Y/E – March, ₹ Crores)

Sanctions	Q1 FY13		Q1 FY12		FY12		FY11	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
Generation	8,346	75%	11,001	83%	42,298	71%	51,855	84%
Transmission	1,090	10%	1,165	9%	2,678	5%	4,172	7%
Distribution #	906	8%	19	0.1%	6,937	12%	216	0.4%
Others*	840	8%	1,050	8%	7,517	13%	5,289	9%
Total	11,182	100%	13,235	100%	59,429	100%	61,532	100%
<u>Borrower-wise</u>								
State Sector #	4,979	45%	9,767	74%	42,663	72%	42,345	69%
Central Sector	-	-	-	-	811	1%	2,500	4%
Joint Sector	-	-	832	6%	1,061	2%	-	-
Private sector	6,203	55%	2,637	20%	14,894	25%	16,687	27%
Total	11,182	100%	13,235	100%	59,429	100%	61,532	100%
R-APDRP (Part A)	-	-	313	8%	794	8%	750	5%
R-APDRP (Part B)	-	-	3,393	92%	8,802	92%	12,915	95%
Total	-	-	3,706	100%	9,596	100%	13,665	100%

* Includes Computerisation, Studies, Short Term Loans, Buyer Line of Credit and Decentralised Management

Includes counterparty funding of R-APDRP Part B by PFC of ₹ 890 cr and ₹ 4,273 cr for Q1 FY 13 & FY 12 respectively

Cumulative Sanctions (excluding R-APDRP) till 30 Jun '12 ₹ 3,75,767 Crores

Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q1 FY13		Q1 FY12		FY12		FY11	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
Generation	7,187	91%	4,781	78%	27,749	70%	22,389	70%
Transmission	286	4%	542	9%	3,271	8%	2,615	8%
Distribution	336	4%	414	7%	1,667	4%	1,825	6%
Others*	75	1%	362	6%	7,132	18%	5,035	16%
Total	7,884	100%	6,099	100%	39,818	100%	31,864	100%
<u>Borrower-wise</u>								
State Sector	5,667	72%	4,034	66%	24,601	62%	20,399	64%
Central Sector	198	3%	459	8%	5,393	14%	5,944	19%
Joint Sector	872	11%	429	7%	1,619	4%	1,775	6%
Private sector	1,147	15%	1,176	19%	8,205	21%	3,746	12%
Total	7,884	100%	6,099	100%	39,818	100%	31,864	100%
R-APDRP (Part A)	12	5%	19	16%	395	25%	217	10%
R-APDRP (Part B)	249	95%	102	84%	1,205	75%	2,040	90%
Total	261	100%	121	100%	1,600	100%	2,257	100%

* Includes Computerisation, Studies, Short Term Loans, Buyer Line of Credit and Decentralised Management

Cumulative Disbursements (excluding R-APDRP) till 30 June '12 ₹ 2,16,848 Crores

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Outstanding Sanctions as on 30.06.2012



(Y/E – March, ₹ Crores)

	doc. executed & disb. commenced	O/S Sanctions where doc. executed but disb. not commenced	doc. not executed	Total Outstanding Sanctions
<u>Discipline-wise</u>				
Generation	48,907	30,931	52,004	1,31,842
Transmission	11,757	1,908	1,828	15,493
Distribution #	4,170	815	4,319	9,304
Others*	590	621	1,069	2,280
Total	65,424	34,275	59,220	1,58,919
<u>Borrower-wise</u>				
State Sector #	43,153	21,599	41,759	1,06,511
Central Sector	3,526	181	132	3,839
Joint Sector	5,394	400	0	5,794
Private sector	13,350	12,095	17,329	42,774
Total	65,424	34,275	59,220	1,58,919
<u>R-APDRP</u>				
Part A	4,116	57	393	4,566
Part B	8,636	1,581	10,870	21,086
Total	12,752	1,638	11,263	25,652

* Includes Computerisation, Studies, Short Term Loans, Buyer Line of Credit and Decentralised Management

Includes counterparty funding of R-APDRP Part B by PFC of ₹ 4,666 cr

Loan Assets – Composition



(Y/E – March, ₹ Crores)

Loan Assets*	30.06.2012		30.06.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	1,13,602	85%	87,987	85%	1,07,426	83%	84,294	85%
Transmission	10,002	7%	7,945	8%	9,922	8%	7,596	8%
Distribution	5,820	4%	4,940	5%	5,667	4%	4,701	5%
Others**	5,004	4%	3,209	3%	7,195	6%	3,010	3%
Total	1,34,428	100%	1,04,082	100%	1,30,209	100%	99,601	100%
Borrower-wise								
State Sector	84,147	63%	67,195	65%	81,480	63%	64,509	65%
Central Sector	24,469	18%	20,595	20%	24,691	19%	20,300	20%
Joint Sector	10,130	7%	8,377	8%	9,302	7%	7,991	8%
Private Sector	15,682	12%	7,916	8%	14,737	11%	6,801	7%

* Gross Loans = Loans outstanding + Provision for NPAs – Income accrued & due on loans

** Includes Computerisation, Studies, Short Term Loans, Buyer Line of Credit and Decentralised Management

Loan Quality



(Y/E – March, ₹ Crores)

Particulars	30.06.2012	30.06.2011	31.03.2012	31.03.2011
Gross NPAs	1,375	238	1,358	231
Less: Provisions & write-offs	(145)	(32)	(144)	(36)
Net NPAs	1,230	206	1,215	195
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	<i>1.02%</i>	<i>0.23%</i>	<i>1.04%</i>	<i>0.23%</i>
<i>Net NPAs</i>	<i>0.91%</i>	<i>0.20%</i>	<i>0.93%</i>	<i>0.20%</i>

Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	30.06.2012		30.06.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	92,036	81%	61,723	71%	84,847	77%	56,950	67%
Term Loans	20,898	18%	21,142	24%	21,207	19%	22,358	26%
Short Term Loans	1,021	1%	3,635	4%	4,071	4%	6,291	7%
Borrowings O/s	1,13,955	100%	86,500	100%	1,10,126	100%	85,599	100%
<i>Of which:</i>								
<i>Rupee Denominated</i>	1,07,697	95%	81,503	94%	1,04,536	95%	80,636	94%
<i>Foreign Currency Loans</i>	6,259	5%	4,997	6%	5,590	5%	4,963	6%

Resource Profile



(Y/E – March, ₹ Crores)

Resources	30.06.2012		30.06.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	21,679	16%	19,278	18%	20,708	16%	15,182	15%
Reserve for bad & doubtful debts (included in Shareholder's Funds)	1212		1023		1159		985	
Deferred Tax Liability	83	0.1%	81	0.1%	87	0.1%	83	0.1%
Interest Subsidy Fund	362	0.3%	429	0%	376	0.3%	452	0%
Bonds (Domestic)	91,011	67%	60,910	57%	83,920	64%	56,137	55%
Rupee Term Loans	15,665	12%	16,958	16%	16,545	13%	18,208	18%
Short Term Loans	1,021	1%	3,635	3%	4,071	3%	6,291	6%
Foreign Currency Loans	6,259	5%	4,997	5%	5,590	4%	4,963	5%
Total	1,36,080	100%	1,06,289	100%	1,31,297	100%	1,01,316	100%

Major Projects Sanctioned in Q1 FY 2013

PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
1320 MW coal based TPS of NSL Nagapatnam Power and Infratech Pvt Ltd. in Odisha	1950
Baglihar Hydroelectric Project - stage II of J&K State Power Dev. Corp. Ltd in Jammu & Kashmir	1679
1350 MW (5X270 MW) TPP Phase- II of Indiabulls Realtech Ltd in Maharashtra	1600
100 MW Solar thermal power project of KVK Energy Ventures Pvt. Ltd. in Rajasthan	700
100 MW Solar thermal power project of Diwakar Solar Projects Limited in Rajasthan	700
600 MW TPP of Jinbhuvish Power Generation Pvt. Ltd at Yavatmal in Maharashtra	638
250MW TPS- of Durgapur Projects Ltd Unit-8 in West Bengal	410
60MW Tillari Hydro Electric Project stg.-II of Irrigation Deptt. Govt. of Maharashtra	303

Shareholding Pattern



Category	Holding (%)			
	As on 30.06.12	As on 30.06.11	As on 31.03.2012	As on 31.03.2011
President of India	73.72%	73.72%	73.72%	89.78%
FIs	9.76%	6.04%	9.85%	3.62%
Indian FIs & Banks	6.63%	5.49%	5.91%	2.45%
Bodies Corporate	4.07%	7.35%	4.63%	2.09%
Resident Individuals	2.89%	3.27%	2.88%	1.32%
Mutual Funds	2.55%	3.66%	2.51%	0.55%
Employees	0.08%	0.08%	0.08%	0.07%
Others	0.30%	0.39%	0.42%	0.12%
Total	100%	100%	100%	100%

S No	Top 10 Shareholders (as on 30.06.2012)	Holding (%)	Category
1	PRESIDENT OF INDIA	73.72%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	4.01%	IFI
3	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1.18%	LTD
4	MORGAN STANLEY ASIA (SINGAPORE) PTE.	1.15%	FII
5	LIC OF INDIA MARKET PLUS 1 GROWTH FUND	0.99%	IFI
6	GOVERNMENT PENSION FUND GLOBAL	0.50%	FII
7	BIRLA SUN LIFE INSURANCE COMPANY LIMITED	0.48%	LTD
8	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	0.44%	LTD
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.41%	FII
10	NOMURA INDIA INVESTMENT FUND MOTHER FUND	0.38%	FII 19



Thank You!