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**August 2014**

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  
30<sup>th</sup> June, 2014**

# Highlights – Q1 FY 15 vs. Q1 FY 14



- **Net Profit increased by 21% to ₹ 1,448 crores from ₹ 1,198 crores**
- **Comparable PAT increased by 13% to ₹ 1,537 crores from ₹ 1,365 crores**
- **Total Income increased by 18% to ₹ 5,924 crores from ₹ 5,017 crores**
- **Net Interest Income increased by 17% to ₹ 2,291 crores from ₹ 1,950 crores**

# Highlights – Q1 FY 15 vs. Q1 FY 14



■ **Loan Assets increased by 17% to ₹ 1,95,191 crores from ₹ 1,67,226 crores**

■ **Net worth (Share Capital + Free Reserves) increased by 18% to ₹ 26,472 crores from ₹ 22,402 crores**

■ **Net worth (Share Capital + All Reserves) increased by 19% to ₹ 28,917 crores from ₹ 24,228 crores**

# Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q1 FY 2015	Q1 FY 2014	% change	FY 2014	FY 2013	% change
<b>Reported PAT</b>	<b>1,448</b>	<b>1,198</b>	<b>21%</b>	<b>5,418</b>	<b>4,420</b>	<b>23%</b>
<b>Adjustments (post-tax):</b>						
Contingent Provision against standard assets	12	49		337	133	
Prior period Income Tax (incl. interest thereon) and DTL	-	(0.02)		9	33	
Translation / Actual Exchange Gain(-) / Loss(+) (including impact of DTL)	74	118		334	109	
CSR & SD expenses booked/(reversed) pertaining to Earlier years	-	-		14	(12)	
R-APDRP Expenses	2	-		31	-	
<b>Comparable PAT</b>	<b>1,537</b>	<b>1,365</b>	<b>13%</b>	<b>6,141</b>	<b>4,682</b>	<b>31%</b>

# Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement <sup>#</sup>	Q1 FY15	Q1 FY14	FY14	FY13
Interest Income	5,854	4,967	21,121	17,076
Interest Expense	(3,564)	(3,016)	(12,641)	(10,768)
Net Interest Income	2,291	1,950	8,480	6,308
Other Income <sup>*</sup>	6	2	34	23
Operating Costs	(54)	(32)	(231)	(145)
Provisions for contingencies	(129)	(91)	(470)	(81)
Profit Before Tax & Extra-ordinary Items	2,113	1,829	7,813	6,105
Extra-ordinary Items <sup>^</sup>	(109)	(107)	(255)	(138)
Tax Provisions	(585)	(334)	(2,086)	(1,415)
DTL(-) / DTA(+)	29	(189)	(54)	(132)
<b>Profit after Tax</b>	<b>1,448</b>	<b>1,198</b>	<b>5,418</b>	<b>4,420</b>

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

<sup>^</sup> Extraordinary Items includes translation/actual exchange gain/loss, prior period adjustments, prepayment premium etc..

**#All items of Income Statement have been regrouped for analysis**

# Balance Sheet



(Y/E – March, ₹ Crores)

Liabilities	30.06.2014	30.06.2013	31.03.2014	31.03.2013
Shareholders' Funds	28,917	24,228	27,375	23,576
Share Application Money pending allotment	-	0.02		
<b>Non-Current Liabilities</b>				
Long-term Borrowing	1,30,636	1,28,998	1,42,492	1,21,151
Deferred Tax Liabilities (net)	244	409	274	220
Other Liabilities	348	469	348	540
Long-term Provisions	583	224	473	162
<b>Current Liabilities</b>				
Current Maturity of Long-term Borrowing	23,130	7,183	15,409	9,612
Short- Term Borrowing	10,315	6,325	1,314	8,710
Other Liabilities	5,853	5,328	6,262	5,064
Short- Term Provisions	369	242	218	194
<b>Total Liabilities</b>	<b>2,00,395</b>	<b>1,73,405</b>	<b>1,94,164</b>	<b>1,69,229</b>

# Balance Sheet



(Y/E – March, ₹ Crores)

Assets	30.06.2014	30.06.2013	31.03.2014	31.03.2013
<b>Non-Current Assets</b>				
Fixed Assets	66	73	71	74
Non-Current Investments	348	226	348	158
Long-term Loans	1,72,810	1,46,637	1,68,792	1,42,524
Other Assets	215	397	210	376
<b>Current Assets</b>				
Current Investments	3	4	4	4
Cash & Bank Balances	103	1,820	60	4,754
Current Maturity Long-Term Loans	19,062	18,155	18,043	15,456
Short- Term Loans	3,319	2,434	2,396	2,416
Other Assets	4,468	3,660	4,240	3,467
<b>Total Assets</b>	<b>2,00,395</b>	<b>1,73,405</b>	<b>1,94,164</b>	<b>1,69,229</b>

# Key Indicators



(Y/E – March, ₹ Crores)

Key Indicators	Q1 FY15	Q1 FY14	FY14	FY13
Sanctions (excluding R-APDRP)	10,076	15,375	60,729	75,147
R-APDRP Scheme - Sanctions	-	-	4,331	3,728
Disbursements (excluding R-APDRP)	8,282	8,235	47,162	45,151
R-APDRP Scheme- Disbursements	33	280	640	1,217
Outstanding sanctions (excluding R-APDRP)	1,57,120	1,70,254	1,56,390	1,63,720
Loan Assets	1,95,191	1,67,226	1,89,231	1,60,396
Yield on Assets* #	12.25%	12.14%	12.31%	11.94%
Cost of Funds* #	8.95%	8.86%	8.85%	9.09%
Interest Spread* #	3.30%	3.28%	3.45%	2.86%
Net Interest Margin* #	4.79%	4.77%	4.94%	4.41%

\* Q1 FY 15 ratios annualised using actual number of days # Based on daily average



# Key Indicators



Key Indicators	Q1 FY15	Q1 FY14	FY14	FY13
Return on Average Assets*	2.94%	2.80%	2.98%	2.90%
Net worth (Share Capital + Free Reserves) (₹ in crores)	26,472	22,402	25,098	21,873
Net worth (Share Capital + All Reserves) (₹ in crores)	28,917	24,228	27,375	23,576
Return on Average Net worth (Share Capital + Free Reserves) *	22.47%	21.65%	23.07%	21.64%
Return on Average Net worth (Share Capital + All Reserves) *	20.58%	20.05%	21.27%	20.20%
Debt Equity Ratio ^	6.21	6.38	6.36	6.39
Capital Adequacy Ratio	20.55%	18.09%	20.10%	17.64%
Of which Tier I	16.93%	16.34%	16.42%	16.49%
Tier II	3.62%	1.75%	3.68%	1.15%
EPS (Weighted average)* (₹)	43.89	36.31	41.04	33.48
Book Value Per Share (₹) ^	200.54	169.71	190.13	165.71

\* Quarterly Ratios have been Annualised: ^ based on Net worth (Share Capital + Free Reserves) = Paid-up capital + Reserves & Surplus – Reserve for Bad & Doubtful Debts - Debenture Redemption Reserve;

# Sanctions – Composition



(Y/E – March, ₹ Crores)

Sanctions	Q1 FY15		Q1 FY14		FY14		FY13	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
<b>Generation</b>	6,533	65%	10,032	65%	42,206	69%	38,352	51%
<b>Transmission</b>	820	8%	2,451	16%	3,208	5%	8,278	11%
<b>Distribution #</b>	1,022	10%	2,428	16%	4,999	8%	1,350	2%
<b>Others*</b>	1,700	17%	465	3%	10,316	17%	27,167	36%
<b>Total</b>	<b>10,076</b>	<b>100%</b>	<b>15,375</b>	<b>100%</b>	<b>60,729</b>	<b>100%</b>	<b>75,147</b>	<b>100%</b>
<b><u>Borrower-wise</u></b>								
<b>State Sector #</b>	7,341	73%	11,103	72%	46,162	76%	55,410	74%
<b>Central Sector</b>	0	0%	43	0.3%	500	1%	475	0.6%
<b>Joint Sector</b>	0	0%	0	0%	1,058	2%	0	0%
<b>Private sector</b>	2,735	27%	4,229	28%	13,010	21%	19,263	26%
<b>Total</b>	<b>10,076</b>	<b>100%</b>	<b>15,375</b>	<b>100%</b>	<b>60,729</b>	<b>100%</b>	<b>75,147</b>	<b>100%</b>
<b>R-APDRP (Part A)</b>	-	-	-	-	246	6%	75	2%
<b>R-APDRP (Part B)</b>	-	-	-	-	4,085	94%	3,653	98%
<b>Total</b>	-	-	-	-	<b>4,331</b>	<b>100%</b>	<b>3,728</b>	<b>100%</b>

\* Includes Transitional Finance ,Computerisation, Studies, Short Term Loans, Buyer Line of Credit, Decentralised Management, funding of regulatory assets

# Includes counterparty funding of R-APDRP Part B by PFC of ₹ 701 cr, ₹ 186 cr , ₹ 599 cr and ₹ 890 cr for Q1FY 15, Q1FY 14, FY 14, & FY 13 respectively

**Cumulative Sanctions (excluding R-APDRP) till 30 Jun '14 ₹ 4,66,680 Crores**

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# Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q1 FY15		Q1 FY14		FY14		FY13	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
<b>Generation</b>	4,926	59%	5,348	65%	31,640	67%	25,582	57%
<b>Transmission</b>	1,349	16%	341	4%	2,046	4%	2,033	5%
<b>Distribution</b>	221	3%	188	2%	1,702	4%	1,280	3%
<b>Others*</b>	1,786	22%	2,359	29%	11,774	25%	16,256	36%
<b>Total</b>	<b>8,282</b>	<b>100%</b>	<b>8,235</b>	<b>100%</b>	<b>47,162</b>	<b>100%</b>	<b>45,151</b>	<b>100%</b>
<b><u>Borrower-wise</u></b>								
<b>State Sector</b>	5,182	63%	6,152	75%	32,791	70%	34,781	77%
<b>Central Sector</b>	224	3%	143	2%	919	2%	1,577	3%
<b>Joint Sector</b>	372	4%	453	5%	2,194	5%	2,062	5%
<b>Private sector</b>	2,504	30%	1,488	18%	11,259	24%	6,731	15%
<b>Total</b>	<b>8,282</b>	<b>100%</b>	<b>8,235</b>	<b>100%</b>	<b>47,162</b>	<b>100%</b>	<b>45,151</b>	<b>100%</b>
<b>R-APDRP (Part A)</b>	30	90%	280	100%	430	67%	393	32%
<b>R-APDRP (Part B) #</b>	3	10%	0	0%	210	33%	824	68%
<b>Total</b>	<b>33</b>	<b>100%</b>	<b>280</b>	<b>100%</b>	<b>640</b>	<b>100%</b>	<b>1,217</b>	<b>100%</b>

\* Includes Transitional Finance ,Computerisation, Studies, Short Term Loans, Buyer Line of Credit, Decentralised Management, funding of regulatory assets

# Gol portion

**Cumulative Disbursements (excluding R-APDRP) till 30 Jun '14 ₹ 3,09,560 Crores**

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# Outstanding Sanctions as on 30.06.2014



(Y/E – March, ₹ Crores)

	O/S Sanctions where			Total Outstanding Sanctions
	doc. executed & disb. commenced	doc. executed but disb. not commenced	doc. not executed	
<b><u>Discipline-wise</u></b>				
Generation	49,985	26,520	42,937	1,19,441
Transmission	12,291	3,346	2,198	17,835
Distribution #	5,381	337	6,338	12,057
Others*	2,634	830	4,324	7,788
<b>Total</b>	<b>70,290</b>	<b>31,033</b>	<b>55,797</b>	<b>1,57,120</b>
<b><u>Borrower-wise</u></b>				
State Sector #	50,794	17,501	47,632	1,15,928
Central Sector	1,935	0	224	2,159
Joint Sector	2,696	400	0	3,096
Private sector	14,865	13,132	7,940	35,937
<b>Total</b>	<b>70,290</b>	<b>31,033</b>	<b>55,797</b>	<b>1,57,120</b>

\* Includes Transitional Finance ,Computerisation, Studies, Short Term Loans, Buyer Line of Credit, Decentralised Management , funding of regulatory assets

# Includes counterparty funding of R-APDRP Part B by PFC of ₹ 4,823 cr

# Loan Assets – Composition



(Y/E – March, ₹ Crores)

Loan Assets*	30.06.2014		30.06.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Generation</b>	1,48,044	76%	1,30,911	78%	1,44,687	77%	1,26,802	79%
<b>Transmission</b>	12,823	7%	11,198	7%	11,822	6%	11,089	7%
<b>Distribution</b>	6,981	4%	6,122	4%	6,985	4%	6,144	4%
<b>Others**</b>	26,885	14%	18,642	11%	25,500	13%	16,447	10%
<b>Total</b>	<b>1,94,733</b>	<b>100%</b>	<b>1,66,872</b>	<b>100%</b>	<b>1,88,995</b>	<b>100%</b>	<b>1,60,482</b>	<b>100%</b>
<b>Borrower-wise</b>								
<b>State Sector</b>	1,30,849	67%	1,09,877	66%	1,27,428	67%	1,05,078	65%
<b>Central Sector</b>	20,166	10%	24,371	15%	20,433	11%	24,570	15%
<b>Joint Sector</b>	12,678	7%	11,183	7%	12,423	7%	10,869	7%
<b>Private Sector</b>	31,040	16%	21,441	13%	28,711	15%	19,965	12%

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

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

# Loan Quality & Provisions



(Y/E – March, ₹ Crores)

Particulars	30.06.2014	30.06.2013	31.03.2014	31.03.2013
<b>Gross NPAs</b>	1,974	1,150	1,228	1,135
<b>Less: Provisions</b>	(358)	(164)	(242)	(121)
<b>Net NPAs</b>	1,616	986	985	1,013
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	1.01%	0.69%	0.65%	0.71%
<i>Net NPAs</i>	0.83%	0.59%	0.52%	0.63%
Contingent Provision against Standard assets	482	182	469	133
Specific provisions for Loan Assets	358	164	242	121
Reserve for bad & doubtful debts (RBDD)	1,821	1,461	1,730	1,409
<b>Total</b>	<b>2,661</b>	<b>1,807</b>	<b>2,442</b>	<b>1,663</b>

# Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	30.06.2014		30.06.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Bonds</b>	1,24,454	76%	1,14,226	80%	1,27,594	80%	1,06,321	76%
<b>Term Loans</b>	29,312	18%	21,955	15%	30,307	19%	24,442	18%
<b>Short Term Loans</b>	10,315	6%	6,325	4%	1,314	1%	8,710	6%
<b>Borrowings O/s</b>	<b>1,64,082</b>	<b>100%</b>	<b>1,42,506</b>	<b>100%</b>	<b>1,59,215</b>	<b>100%</b>	<b>1,39,473</b>	<b>100%</b>
<i>Of which:</i>								
<i>Rupee Denominated</i>	1,55,150	95%	1,33,552	94%	1,50,289	94%	1,31,049	94%
<i>Foreign Currency Loans</i>	8,931	5%	8,955	6%	8,926	6%	8,424	6%

# Resource Profile



(Y/E – March, ₹ Crores)

Resources	30.06.2014		30.06.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Shareholders' Funds</b>	<b>28,917</b>	<b>15%</b>	<b>24,228</b>	<b>14%</b>	<b>27,375</b>	<b>15%</b>	<b>23,576</b>	<b>14%</b>
Reserve for bad & doubtful debts (included in Shareholder's Funds)	1,821		1,461		1,730		1,409	
<b>Deferred Tax Liability</b>	<b>244</b>	<b>0.1%</b>	<b>409</b>	<b>0.2%</b>	<b>274</b>	<b>0.1%</b>	<b>220</b>	<b>0.1%</b>
<b>Interest Subsidy Fund</b>	<b>117</b>	<b>0.1%</b>	<b>136</b>	<b>0.1%</b>	<b>124</b>	<b>0.1%</b>	<b>146</b>	<b>0.1%</b>
<b>Bonds (Domestic)</b>	<b>1,23,365</b>	<b>64%</b>	<b>1,13,142</b>	<b>68%</b>	<b>1,26,505</b>	<b>68%</b>	<b>1,05,334</b>	<b>64%</b>
<b>Rupee Term Loans</b>	<b>21,470</b>	<b>11%</b>	<b>14,085</b>	<b>8%</b>	<b>22,470</b>	<b>12%</b>	<b>17,005</b>	<b>10%</b>
<b>Short Term Loans</b>	<b>10,315</b>	<b>5%</b>	<b>6,325</b>	<b>4%</b>	<b>1,314</b>	<b>1%</b>	<b>8,710</b>	<b>5%</b>
<b>Foreign Currency Loans</b>	<b>8,931</b>	<b>5%</b>	<b>8,955</b>	<b>5%</b>	<b>8,926</b>	<b>5%</b>	<b>8,424</b>	<b>5%</b>
<b>Total</b>	<b>1,93,360</b>	<b>100%</b>	<b>1,67,280</b>	<b>100%</b>	<b>1,86,988</b>	<b>100%</b>	<b>1,63,415</b>	<b>100%</b>



# Major Loans Sanctioned in Q1 FY 2015

PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
<b>CENTRAL/ STATE/ JOINT SECTOR</b>	
1600 MW TPS of A. P. Power Development Corp. Ltd. at Krishnapatnam	1,606
660 MW TPS of Tamil Nadu Generation and Distribution Corporation Ltd at Ennore	1,456
93 MW Hydro Electric project of J&K State Power Dev. Corp. Ltd. at Ganderbal	734
R-APDRP PART 'B' counterpart funding to Madhyanchal Vidyut Vitran Nigam Ltd.	446
40 MW New Umtru Hydro Electric project of Meghalaya Power Generation Corporation Ltd.	346
<b>PRIVATE SECTOR</b>	
600 MW TPP of Jinbhuvish Power Generation Pvt. Ltd. at Yavatmal in Maharashtra	1,087
1200 MW TPP of Essar Power MP Ltd at Sidhi Dist in MP	370

# Shareholding Pattern



Category	Holding (%)			
	30.06.2014	30.06.2013	31.03.2014	31.03.2013
President of India	72.80%	73.72%	72.80%	73.72%
FIs	11.54%	12.56%	11.17%	12.46%
Indian FIs & Banks	7.52%	5.88%	7.92%	5.81%
Bodies Corporate	2.88%	2.70%	2.23%	2.45%
Resident Individuals	2.22%	2.61%	2.60%	2.47%
Mutual Funds	2.58%	2.09%	2.76%	2.70%
Employees	0.07%	0.08%	0.08%	0.08%
Others	0.39%	0.36%	0.44%	0.31%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

S No	Top 10 Shareholders (as on 30.06.2014)	Holding (%)	Category
1	PRESIDENT OF INDIA	72.80%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	4.37%	IFI
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	1.83%	IFI
4	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	0.99%	LTD
5	CPSE ETF	0.51%	MUT
6	GOVERNMENT PENSION FUND GLOBAL	0.50%	FII
7	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.44%	FII
8	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED	0.38%	FII
9	INDIA CAPITAL FUND LIMITED	0.36%	FII <sup>18</sup>
10	LIC OF INDIA MARKET PLUS 1 GROWTH FUND	0.34%	IFI



*Thank You!*