



Funding for a Better Tomorrow....

August 2015						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
30	31					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

Power Finance Corporation Limited

A Navratna PSU

**Performance Highlights
(Standalone, Un-Audited)**

**Quarter Ended
30th June, 2015**

Highlights – Q1 FY 16 vs. Q1 FY 15



- **Net Profit increased by 9% to ₹ 1,576 crores from ₹ 1,448 crores**
- **Comparable PAT increased by 30% to ₹ 2,006 crores from ₹ 1,546 crores**
- **Total Income increased by 15% to ₹ 6,759 crores from ₹ 5,862 crores**
- **Net Interest Income increased by 22% to ₹ 2,792 crores from ₹ 2,291 crores**

Highlights – Q1 FY 16 vs. Q1 FY 15



- **Sanctions increased by 95% to ₹ 19,638 crores from ₹ 10,076 crores**
- **Loan Assets increased by 13% to ₹ 2,21,333 crores from ₹ 1,95,191 crores**
- **Net worth (Share Capital + Free Reserves) increased by 15% to ₹ 30,564 crores from ₹ 26,472 crores**
- **Net worth (Share Capital + All Reserves) increased by 17% to ₹ 33,721 crores from ₹ 28,917 crores**

Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q1 FY 2016	Q1 FY 2015	% change	FY 2015	FY 2014	% change
Reported PAT	1,576	1,448	9%	5,959	5,418	10%
Adjustments (post-tax):						
Contingent Provision against standard assets	-	-		17	337	
Provision against restructured standard assets	201	-		564	-	
Prior period Income Tax (incl. interest thereon) and DTL	-	-		(0.6)	9	
Translation / Actual Exchange Gain(-) / Loss(+) (including impact of DTL)	83	74		343	334	
CSR & SD expenses (Excess Prov., Impact of earlier years and DTL)	146	21		9	(3)	
R-APDRP Expenses	-	2		(26)	27	
R-APDRP & IPDS Income	-	-		22	(13)	
Comparable PAT	2,006	1,546	30%	6,888	6,107	13%

Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement#	Q1 FY 2016	Q1 FY 2015	FY 2015	FY 2014
Interest Income	6,747	5,854	24,828	21,121
Interest Expense	(3,955)	(3,564)	(14,956)	(12,641)
Net Interest Income	2,792	2,291	9,872	8,480
Other Income*	4	6	15	34
Operating Costs	(181)	(54)	(217)	(231)
Provisions for contingencies	(248)	(129)	(844)	(470)
Profit Before Tax & Extra-ordinary Items	2,367	2,113	8,825	7,813
Extra-ordinary Items^	(73)	(109)	(447)	(255)
Tax Provisions	(693)	(585)	(2,503)	(2,086)
DTL(-) / DTA(+)	(24)	29	84	(54)
Profit after Tax	1,576	1,448	5,959	5,418

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

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

#All items of Income Statement have been regrouped for analysis

Funding for a Better Tomorrow....

Balance Sheet



(Y/E – March, ₹ Crores)

Liabilities	30.06.2015	30.06.2014	31.03.2015	31.03.2014
Shareholders' Funds	33,721	28,917	32,219	27,375
Non-Current Liabilities		-		
Long-term Borrowing	160,070	1,30,636	164,973	142,492
Deferred Tax Liabilities (net)	214	244	189	274
Other Liabilities	334	348	334	348
Long-term Provisions	1,368	583	964	473
Current Liabilities				
Current Maturity of Long-term Borrowing	17,687	23,130	18,735	15,409
Short- Term Borrowing	7,384	10,315	4,064	1,314
Other Liabilities	7,369	5,853	6,660	6,244
Short- Term Provisions	722	369	525	236
Total Liabilities	228,867	200,395	228,664	194,164

Balance Sheet



(Y/E – March, ₹ Crores)

Assets	30.06.2015	30.06.2014	31.03.2015	31.03.2014
Non-Current Assets				
Fixed Assets	65	66	66	71
Non-Current Investments	372	348	347	348
Long-term Loans	200,848	1,72,810	197,843	168,792
Other Assets	228	215	225	210
Current Assets				
Current Investments	504	3	504	4
Cash & Bank Balances	2	103	5,071	60
Current Maturity Long-Term Loans	17,628	19,062	16,312	17,565
Short- Term Loans	2,857	3,319	2,887	2,396
Other Assets	6,363	4,468	5,410	4,719
Total Assets	228,867	2,00,395	228,664	194,164

Key Indicators



(Y/E – March, ₹ Crores)

Key Indicators	Q1 FY 2016	Q1 FY15	FY 2015	FY 2014
Sanctions (excluding R-APDRP)	19,638	10,076	60,784	60,729
R-APDRP Scheme - Sanctions	-	-	1,558	4,331
Disbursements (excluding R-APDRP)	7,750	8,282	44,691	47,162
R-APDRP Scheme- Disbursements	400	33	578	640
Outstanding sanctions (excluding R-APDRP)	1,53,821	1,57,120	144,906	156,390
Loan Assets	221,333	1,95,191	217,042	188,753
Yield on Assets* #	12.35%	12.25%	12.41%	12.31%
Cost of Funds* #	8.72%	8.95%	8.99%	8.85%
Interest Spread* #	3.64%	3.30%	3.42%	3.45%
Net Interest Margin* #	5.11%	4.79%	4.93%	4.94%

* Q1 FY 15 & Q1 FY 16 ratios annualized using actual number of days # Based on daily average

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Key Indicators



Key Indicators	Q1 FY 2016	Q1 FY15	FY 2015	FY 2014
Return on Average Assets*	2.77%	2.94%	2.82%	2.98%
Net worth (Share Capital + Free Reserves) (₹ in crores)	30,564	26,472	29,245	25,098
Net worth (Share Capital + All Reserves) (₹ in crores)	33,721	28,917	32,219	27,375
Return on Average Net worth (Share Capital + Free Reserves) *	21.08%	22.47%	21.93%	23.07%
Return on Average Net worth (Share Capital + All Reserves) *	19.12%	20.58%	20.00%	21.27%
Debt Equity Ratio ^	6.07	6.21	6.43	6.36
Capital Adequacy Ratio	20.71%	20.55%	20.34%	20.10%
Of which Tier I	17.37%	16.93%	16.95%	16.42%
Tier II	3.34%	3.62%	3.39%	3.68%
EPS (Weighted average)* (₹)	48.02	43.89	45.15	41.04
Book Value Per Share (₹) ^	231.54	200.54	221.55	190.13

* Quarterly Ratios have been Annualized: ^ 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 FY16		Q1 FY15		FY15		FY14	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
Generation	18,518	94%	6,533	65%	31,318	52%	42,206	69%
Transmission	772	4%	820	8%	3,821	6%	3,208	5%
Distribution #	41	0.2%	1,022	10%	1,042	2%	4,999	8%
Others*	307	2%	1,700	17%	24,603	40%	10,316	17%
Total	19,638	100%	10,076	100%	60,784	100%	60,729	100%
<u>Borrower-wise</u>								
State Sector #	14,589	74%	7,341	73%	35,104	58%	46,162	76%
Central Sector	1,800	9%	0	0%	3,577	6%	500	1%
Joint Sector	1,185	6%	0	0%	5,086	8%	1,058	2%
Private sector	2,064	11%	2,735	27%	17,016	28%	13,010	21%
Total	19,638	100%	10,076	100%	60,784	100%	60,729	100%
R-APDRP (Part A)	-	-	-	-	151	10%	246	6%
R-APDRP (Part B)	-	-	-	-	1,407	90%	4,085	94%
Total	-	-	-	-	1,558	100%	4,331	100%

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

Includes counterparty funding of R-APDRP Part B by PFC of ₹ nil & ₹ 701 crs & in Q1 FY 16 & Q1 FY15, ₹ 717 crs & ₹ 599 crs in FY 15 & FY14 respectively.

Cumulative Sanctions (excluding R-APDRP) till 30 June '15 ₹ 5,07,541 Crores

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Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q1 FY16		Q1 FY15		FY15		FY14	
	Amount	%	Amount	%	Amount	%	Amount	%
Discipline-wise								
Generation	5,427	70%	4,926	59%	24,165	54%	31,640	67%
Transmission	356	5%	1,349	16%	3,063	7%	2,046	4%
Distribution	150	2%	221	3%	994	2%	1,702	4%
Others*	1,818	23%	1,786	22%	16,468	37%	11,774	25%
Total	7,750	100%	8,282	100%	44,691	100%	47,162	100%
Borrower-wise								
State Sector	5,027	65%	5,182	63%	31,964	72%	32,791	70%
Central Sector	186	2%	224	3%	1,084	2%	919	2%
Joint Sector	1,021	13%	372	4%	2,147	5%	2,194	5%
Private sector	1,517	20%	2,504	30%	9,496	21%	11,259	24%
Total	7,750	100%	8,282	100%	44,691	100%	47,162	100%
R-APDRP (Part A)	60	15%	30	90%	232	40%	430	67%
R-APDRP (Part B) #	340	85%	3	10%	347	60%	210	33%
Total	400	100%	33	100%	578	100%	640	100%

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

Gol portion

Cumulative Disbursements (excluding R-APDRP) till 31 Mar '15 ₹ 3,53,719 Crores

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Outstanding Sanctions as on 30.06.2015



(Y/E – March, ₹ Crores)

	O/S Sanctions where			Total Outstanding Sanctions
	doc. executed & disb. commenced	doc. executed but disb. not commenced	doc. not executed	
<u>Discipline-wise</u>				
Generation	46,770	24,189	45,810	1,16,768
Transmission	12,459	2,359	3,089	17,907
Distribution #	4,625	1,028	2,611	8,265
Others*	4,750	280	5,852	10,881
Total	68,604	27,856	57,361	1,53,821
<u>Borrower-wise</u>				
State Sector #	50,220	14,992	35,179	1,00,391
Central Sector	3,432	-	2,377	5,808
Joint Sector	2,993	400	3,178	6,572
Private sector	11,960	12,464	16,626	41,050
Total	68,604	27,856	57,361	1,53,821

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

Includes counterparty funding of R-APDRP Part B by PFC of ₹ 4,545 cr

Loan Assets – Composition



(Y/E – March, ₹ Crores)

Loan Assets*	30.06.2015		30.06.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	162,527	73%	1,48,044	76%	158,981	73%	1,44,687	77%
Transmission	13,661	6%	12,823	7%	13,538	6%	11,822	6%
Distribution	6,957	3%	6,981	4%	7,051	3%	6,985	4%
Others**	38,702	17%	26,885	14%	37,945	17%	25,500	13%
Total	221,847	100%	1,94,733	100%	217,516	100%	1,88,995	100%
Borrower-wise								
State Sector	152,411	69%	1,30,849	67%	149,248	69%	1,27,428	67%
Central Sector	17,657	8%	20,166	10%	17,870	8%	20,433	11%
Joint Sector	14,864	7%	12,678	7%	13,965	6%	12,423	7%
Private Sector	36,914	17%	31,040	16%	36,433	17%	28,711	15%

* Gross Loans = Loans outstanding + Provision for NPAs

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

Loan Quality & Provisions



(Y/E – March, ₹ Crores)

Particulars	30.06.2015	30.06.2014	31.03.2015	31.03.2014
Gross NPAs	2,764	1,974	2,364	1,228
Less: Provisions	(514)	(358)	(473)	(242)
Net NPAs	2,250	1,616	1,890	985
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	1.25%	1.01%	1.09%	0.65%
<i>Net NPAs</i>	1.02%	0.83%	0.87%	0.52%
Contingent Provision against Standard assets	493	482	487	469
Contingent Provision against Restructured Standard assets	766	-	564	-
Specific provisions for Loan Assets	514	358	473	242
Reserve for bad & doubtful debts (RBDD)	2,223	1,821	2,118	1,730
Total	3996	2,661	3,642	2,442

Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	30.06.2015		30.06.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	162,133	88%	1,24,454	76%	160,528	85%	1,27,594	80%
Term Loans	15,624	8%	29,312	18%	23,181	12%	30,307	19%
Short Term Loans	7,384	4%	10,315	6%	4,064	2%	1,314	1%
Borrowings O/s	185,141	100%	1,64,082	100%	187,773	100%	1,59,215	100%
Of which:								
<i>Rupee Denominated</i>	175,251	95%	1,55,150	95%	178,042	95%	1,50,289	94%
<i>Foreign Currency Loans</i>	9,890	5%	8,931	5%	9,731	5%	8,926	6%

Resource Profile



(Y/E – March, ₹ Crores)

Resources	30.06.2015		30.06.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	33,721	15%	28,917	15%	32,219	15%	27,375	15%
Reserve for bad & doubtful debts (included in Shareholder's Funds)	2223		1,821		2118		1,730	
Deferred Tax Liability	214	0.1%	244	0.1%	189	0.1%	274	0.1%
Interest Subsidy Fund	107	0.05%	117	0.1%	111	0.1%	124	0.1%
Bonds (Domestic)	160,977	73%	123,365	64%	159,393	72%	126,505	68%
Rupee Term Loans	6,890	3%	21,470	11%	14,585	7%	22,470	12%
Short Term Loans	7,384	3%	10,315	5%	4,064	2%	1,314	1%
Foreign Currency Loans	9,890	5%	8,931	5%	9,731	4%	8,926	5%
Total	219,182	100%	193,360	100%	220,293	100%	186,988	100%

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Major Loans Sanctioned in Q1 FY 2016



PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
CENTRAL/ STATE/ JOINT SECTOR	
2X660 MW ENNORE SEZ SUPERCRITICAL TPP OF TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED	7,669
MANUGURU TPS OF TELANGANA POWER GENERATION CORPORATION LIMITED	5,832
FINANCIAL ASSISTANCE FOR 2X660 MW TPP IN BUXAR OF SATLUJ JAL VIDYUT NIGAM THERMAL PVT LTD	1,800
2X500 MW TPS OF NLC TAMILNADU POWER LIMITED	1,185
PRIVATE SECTOR	
2X660 MW TPS OF NCC POWER PROJECTS LIMITED	699
350 MW TPP AT ODISHA (DOWN SELLING,K0701006) OF KVK NILANCHAL	638
350 MW TPP AT ODISHA (HOLD PORTION,K0701005) OF KVK NILANCHAL	425

Shareholding Pattern



Category	Holding (%)			
	30.06.2015	30.06.2014	31.03.2015	31.03.2014
President of India	72.80%	72.80%	72.80%	72.80%
FIs & FPIs	12.88%	11.54%	13.11%	11.17%
Indian FIs & Banks	7.95%	7.52%	7.07%	7.92%
Bodies Corporate	2.13%	2.88%	2.72%	2.23%
Resident Individuals	2.13%	2.22%	2.17%	2.60%
Mutual Funds	1.75%	2.58%	1.78%	2.76%
Employees	0.07%	0.07%	0.07%	0.08%
Others	0.31%	0.39%	0.29%	0.44%
Total	100%	100%	100%	100%

S No	Top 10 Shareholders (as on 30.06.2015)	Holding (%)	Category
1	PRESIDENT OF INDIA	72.80%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	5.78%	IFI
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	1.32%	IFI
4	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1.12%	LTD
5	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED	0.73%	FII
6	MORGAN STANLEY ASIA (SINGAPORE) PTE.	0.58%	FII
7	WISDOMTREE INDIA INVESTMENT PORTFOLIO INC.	0.53%	FII
8	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPOR	0.51%	MUT
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.44%	FII 18
10	CPSE ETF	0.38%	MUT



Thank You!