



Funding for a Brighter Tomorrow....

Power Finance Corporation Limited

A Navratna PSU

Performance Highlights
(Standalone, Un-Audited)

Quarter Ended
30th June, 2017

Highlights – Q1 FY18 vs. Q1 FY17



Sanctions increased by 47% to ₹ 50,922 crore from ₹ 34,613 crore

Disbursements increased by 66% to ₹ 12,849 crore from ₹ 7,754 crore

Loan Assets (Net) increased by 10% to ₹ 2,47,139 crore from ₹ 2,24,970 crore

Net Worth (Share Capital + All Reserves) increased by 2% to ₹ 37,978 crore from ₹ 37,141 crore

Profit & Loss Account



(Y/E – March, ₹ crore)

Income Statement [#]	Q1 FY18	Q1 FY17	FY17	FY16
Interest Income	6,897	7,152	26,688	27,288
Interest Expense	(4,133)	(4,169)	(16,326)	(16,091)
Net Interest Income	2,764	2,983	10,362	11,197
Other Income *	9	7	129	106
Operating Costs	(204)	(202)	(354)	(293)
Provisions for contingencies	(413)	(174)	(5,094)	(1,706)
Profit Before Tax & Extra-ordinary Items	2,156	2,614	5,043	9,305
Extra-ordinary Items ^	(3)	(124)	67	(244)
Tax Provisions	(737)	(662)	(3,074)	(2,834)
DTL(-) / DTA(+)	13	(116)	91	(113)
Profit after Tax	1,429	1,713	2,126	6,113

* Other Income includes Nodal agency fee, income from investments, interest on IT refunds etc.

^ Extraordinary Items includes exchange gain/loss, changes in fair valuation of derivatives, prior period adjustments, prepayment premium etc.

All items of Income Statement have been regrouped for analysis

Balance Sheet



(Y/E – March, ₹ crore)

Liabilities	30.06.2017	30.06.2016	31.03.2017	31.03.2016
Shareholders' Funds	37,978	37,141	36,470	35,766
Non-Current Liabilities				
Long-term Borrowing	1,72,306	1,60,741	174,841	172,550
Deferred Tax Liabilities (net)	238	418	251	302
Other Liabilities	5,988	524	6,143	549
Long-term Provisions	2,967	1,544	2,545	1,229
Current Liabilities				
Current Maturity of Long-term Borrowing	23,733	20,469	25,346	20,363
Short- Term Borrowing	8,726	13,271	2,401	7,572
Other Liabilities	9,058	8,614	8,420	7,501
Short- Term Provisions	772	978	1,927	805
Total Liabilities	2,61,766	2,43,700	258,344	246,637

Balance Sheet



(Y/E – March, ₹ crore)

Assets	30.06.2017	30.06.2016	31.03.2017	31.03.2016
Non-Current Assets				
Fixed Assets	63	63	63	64
Non-Current Investments	2,266	2,267	2,266	2,267
Long-term Loans	2,11,500	1,77,876	200,333	200,036
Other Assets	5,447	321	5,451	315
Current Assets				
Current Investments	1,305	1,071	1,326	411
Cash & Bank Balances	327	9,138	3,573	78
Current Maturity Long-Term Loans	25,786	40,952	33,877	33,622
Short- Term Loans	9,853	6,142	5,959	3,804
Other Assets	5,219	5,870	5,497	6,040
Total Assets	2,61,766	2,43,700	258,344	246,637

Key Indicators



(Y/E – March, ₹ crore)

Key Indicators	Q1 FY18	Q1 FY17	FY17	FY16
Sanctions (excluding R-APDRP)	50,922	34,613	100,603	65,042
R-APDRP Scheme – Sanctions	100	1,574	3,045	19,747
Disbursements (excluding R-APDRP)	12,849	7,754	62,798	46,588
R-APDRP Scheme- Disbursements	724	657	3,914	995
Outstanding sanctions (excluding R-APDRP)	1,84,324	1,55,142	150,509	136,792
Loan Assets (Net)	2,47,139	2,24,970	240,169	237,462
Yield on Assets* #	11.07%	11.93%	11.14%	12.06%
Cost of Funds* #	8.31%	8.46%	8.41%	8.62%
Interest Spread* #	2.76%	3.47%	2.73%	3.43%
Net Interest Margin* #	4.44%	4.98%	4.33%	4.95%

* Ratios are annualized using actual number of days # Based on daily average & excluding exchange/loss gain

Key Indicators



(Y/E – March, ₹ crore)

Key Indicators	Q1 FY18	Q1 FY17	FY17	FY16
Return on Average Assets *	2.20%	2.79%	0.84%	2.57%
Net worth (share capital + Free Reserves) (₹ in Crore)	33,344	33,268	32,021	32,046
Net worth (share capital + All Reserves) (₹ in Crore)	37,978	37,141	36,470	35,766
Return on Average Net worth (Share Capital + Free Reserves) *	17.48%	20.98%	6.64%	19.95%
Return on Average Net worth (Share Capital + All Reserves) *	15.35%	18.79%	5.89%	17.98%
Debt Equity Ratio ^	5.39	5.24	5.55	5.61
Capital Adequacy Ratio	19.54%	21.10%	19.28%	20.27%
Of which Tier I	16.50%	17.88%	16.20%	17.07%
Tier II	3.04%	3.22%	3.08%	3.20%
EPS (Weighted average) (₹) * #	21.64	25.95	8.05	23.16
Book Value Per Share (₹) (share capital + Free Reserves) #	126.30	126.01	121.29	121.38
Book Value Per Share (₹) (share capital + All Reserves) #	143.85	140.68	138.14	135.47

* Ratios are annualized ^ Based on Net worth (share capital + All Reserves) # After considering bonus share issue of 1:1 in Sep,16

Sanctions – Composition

(Y/E – March, ₹ crore)

Sanctions	Q1 FY18		Q1 FY17		FY17		FY16	
	Amount	%	Amount	%	Amount	%	Amount	%
Discipline-wise								
Generation	39,462	77%	27,929	81%	41,794	42%	38,235	59%
Transmission	1,225	2%	430	1%	16,666	17%	6,050	9%
Distribution #	4,100	8%	39	0%	5,697	6%	4,513	7%
Others*	6,135	12%	6,214	18%	36,446	36%	16,244	25%
Total	50,922	100%	34,613	100%	100,603	100%	65,042	100%
Borrower-wise								
State Sector #	31,154	61%	31,899	92%	82,263	82%	45,794	70%
Central Sector	-	-	1,599	5%	4,118	4%	6,179	10%
Joint Sector	16,000	31%	99	0%	2,760	3%	4,665	7%
Private sector	3,768	7%	1,016	3%	11,462	11%	8,403	13%
Total	50,922	100%	34,613	100%	100,603	100%	65,042	100%
R-APDRP (Part A)	-	-	-	-	28	1%	-	-
R-APDRP (Part B)	-	-	-	-	-	-	-	-
IPDS	100	100%	1,574	100%	3,018	99%	19,747	100%
Total	100	100%	1,574	100%	3,045	100%	19,747	100%

Includes counterparty funding of R-APDRP - Part B / IPDS by PFC.

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

Cumulative Sanctions (excluding R-APDRP) till 30.06.2017 - ₹ 6,52,528 crore

Outstanding Sanctions as at 30.06.2017

(Y/E – March, ₹ crore)

Particulars	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	50,064	38,845	38,196	1,27,105
Transmission	13,958	5,041	12,195	31,194
Distribution #	6,098	1,401	8,249	15,748
Others*	1,107	2,707	6,463	10,277
Total	71,227	47,993	65,103	1,84,324
<u>Borrower-wise</u>				
State Sector #	54,896	26,951	48,763	1,30,610
Central Sector	2,512	-	-	2,512
Joint Sector	751	7,526	10,592	18,869
Private sector	13,069	13,516	5,748	32,333
Total	71,227	47,993	65,103	1,84,324

Includes counterparty funding of R-APDRP Part B / IPDS by PFC of ₹ 4,628 cr

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

Disbursements – Composition



(Y/E – March, ₹ crore)

Disbursements	Q1 FY18		Q1 FY17		FY17		FY16	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%
Generation	5,850	46%	3,223	42%	25,767	41%	26,377	57%
Transmission	747	6%	665	9%	3,605	6%	2,160	5%
Distribution #	203	2%	173	2%	1,580	3%	1,546	3%
Others *	6,049	47%	3,693	48%	31,846	51%	16,504	35%
Total	12,849	100%	7,754	100%	62,798	100%	46,588	100%
<u>Borrower-wise</u>								
State Sector #	9,713	76%	5,923	76%	45,757	73%	32,354	69%
Central Sector	284	2%	368	5%	4,659	7%	4,660	10%
Joint Sector	304	2%	321	4%	4,730	8%	2,653	6%
Private sector	2,549	20%	1,143	15%	7,652	12%	6,920	15%
Total	12,849	100%	7,754	100%	62,798	100%	46,588	100%
R-APDRP (Part A)	45	6%	161	24%	655	17%	137	14%
R-APDRP (Part B)	8	1%	318	48%	926	24%	531	53%
IPDS	671	93%	178	27%	2,333	60%	327	33%
Total	724	100%	657	100%	3,914	100%	995	100%

Includes counterparty funding of R-APDRP - Part B / IPDS by PFC.

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

Cumulative Disbursements (excluding R-APDRP) till 30.6.2017 - ₹ 4,68,204 crore

Loan Assets – Composition



(Y/E – March, ₹ crore)

Loan Assets*	30.06.2017		30.06.2016		31.03.2017		31.03.2016	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	1,85,903	74%	1,72,977	76%	1,83,379	75%	171,740	72%
Transmission	17,077	7%	14,954	7%	16,607	7%	14,613	6%
Distribution	6,423	3%	6,743	3%	6,443	3%	7,387	3%
Others #	43,343	17%	31,864	14%	39,095	16%	45,180	19%
Total	2,52,746	100%	2,26,538	100%	245,525	100%	238,920	100%
Borrower - wise								
State Sector	1,67,022	66%	1,50,847	67%	161,137	66%	164,225	69%
Central Sector	22,744	9%	20,928	9%	22,931	9%	21,027	9%
Joint Sector	19,364	8%	15,713	7%	19,378	8%	15,545	7%
Private Sector	43,617	17%	39,050	17%	42,079	17%	38,123	16%
Total	2,52,746	100%	2,26,538	100%	245,525	100%	238,920	100%

* Loan Assets = Loans outstanding (Gross basis)

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

Loan Quality & Provisions - NPAs

(Y/E – March, ₹ crore)

Particulars	30.06.2017	30.06.2016	31.03.2017	31.03.2016
Gross NPAs	31,498	7,556	30,702	7,519
Less: Provisions	5,607	1,568	(5,356)	(1,458)
Net NPAs	25,892	5,989	25,346	6,061
As a % of Loan Assets:				
Gross NPAs	12.46%	3.34%	12.50%	3.15%
Net NPAs	10.48%	2.66%	10.55%	2.55%
As a % of Loan Assets (without impact of realignment with RBI norms):				
Gross NPAs	3.07%	3.34%	3.01%	3.15%
Net NPAs	1.81%	2.66%	1.68%	2.55%
Contingent Provision against Standard assets	604	580	558	597
Contingent Provision against Restructured Standard assets	2,451	1,237	2,356	1,129
Specific provisions for Loan Assets	5,607	1,568	5,356	1,458
Reserve for bad & doubtful debts (RBDD)	3,127	2,648	3,015	2,547
Total	11,789	6,032	11,285	5,732

Loan Quality & Provisions – Restructured Loan Assets

(Y/E – March, ₹ crore)

Particulars	30.06.2017	30.06.2016	31.03.2017	31.03.2016
Restructured Loan assets	54,595	33,540	55,441	32,263
<i>State sector *</i>	<i>36,505</i>	<i>10,786</i>	<i>35,995</i>	<i>10,784</i>
<i>Private Sector</i>	<i>18,090</i>	<i>22,754</i>	<i>19,446</i>	<i>21,479</i>
Provisions on Restructured Loan Assets	2,451	1,237	2,356	1,129
<i>State sector *</i>	<i>1,620</i>	<i>398</i>	<i>1,530</i>	<i>377</i>
<i>Private sector</i>	<i>831</i>	<i>839</i>	<i>826</i>	<i>752</i>

* PFC has been following MoP, GoI approved prudential norms for loans sanctioned till 31.3.2015. In Q4-FY17, PFC has realigned with RBI prudential norms for these loans w.e.f. 1.4.2015 and made provisioning accordingly.

Borrowing Profile



(Y/E – March, ₹ crore)

Borrowings	30.06.2017		30.06.2016		31.03.2017		31.03.2016	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	1,88,799	92%	1,71,176	88%	190,911	94%	172,339	86%
Term Loans	7,240	4%	10,035	5%	9,277	5%	20,574	10%
Short Term Loans	8,726	4%	13,271	7%	2,401	1%	7,572	4%
Total	2,04,765	100%	1,94,482	100%	202,588	100%	200,484	100%
of which:								
Rupee Denominated	1,96,362	96%	1,83,223	94%	194,144	96%	189,709	95%
Foreign Currency Loans	8,402	4%	11,259	6%	8,444	4%	10,776	5%

Resource Profile



(Y/E – March, ₹ crore)

Resources	30.06.2017		30.06.2016		31.03.2017		31.03.2016	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	37,978	16%	37,141	16%	36,470	15%	35,766	15%
<i>Reserve for bad & doubtful debts (included in Shareholder's Funds)</i>	3,127		2,648		3,015		2,547	
Deferred Tax Liability	238	0.1%	418	0.2%	251	0.1%	302	0%
Interest Subsidy Fund	109	0.04%	105	0.05%	110	0.05%	107	0.05%
Bonds (Domestic)	1,87,636	77%	1,69,952	73%	189,743	79%	171,137	72%
Rupee Term Loans	-	-	-	-	2,000	0.8%	11,000	5%
Short Term Loans	8,726	4%	13,271	6%	2,401	1%	7,572	3%
Foreign Currency Loans	8,402	3%	11,259	5%	8,444	4%	10,776	5%
Total	2,43,089	100%	2,32,146	100%	239,418	100%	236,660	100%

Shareholding Pattern



Holding (%)

Category	30.06.2017	30.06.2016	31.03.2017	31.03.2016
President of India	66.35%	67.80%	66.35%	67.80%
FIs & FPIs	15.65%	13.18%	15.51%	13.34%
Indian FIs & Banks	8.39%	12.76%	9.51%	12.74%
Bodies Corporate	1.42%	1.24%	1.44%	1.39%
Resident Individuals	3.31%	2.76%	3.19%	2.68%
Mutual Funds	4.24%	1.71%	3.25%	1.50%
Employees	0.05%	0.06%	0.06%	0.06%
Others	0.59%	0.49%	0.70%	0.49%
Total	100%	100%	100%	100%

Sl. No.	Top 10 Shareholders (as on 30.06.2017)	Holding (%)	Category
1	President of India	66.35	POI
2	Life Insurance Corporation of India	6.46	INS
3	HDFC Trustee Company Limited - HDFC Prudence Fund	0.99	MUT
4	CPSE ETF	0.98	MUT
5	Morgan Stanley Mauritius Company Limited	0.77	FPI
6	Life Insurance Corporation of India P&Gs Fund	0.61	IFI
7	HDFC Trustee Company Ltd - a/c HDFC Mid-cap opportunities Fund	0.51	MUT
8	BNP Paribas Arbitrage	0.46	FPI
9	Morgan Stanley (France) S.A.	0.44	FPI
10	Vanguard Emerging Markets Stock Index Fund	0.43	FPI



Thank You!