



Funding for a Better Tomorrow....

February 2015						
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

Power Finance Corporation Limited

A Navratna PSU

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

**9 months and
Quarter Ended
31st December, 2014**

Highlights – 9M FY 15 vs. 9M FY 14



- **Net Profit increased by 10% to ₹ 4,399 crores from ₹ 4,006 crores**
- **Comparable PAT increased by 14% to ₹ 5,099 crores from ₹ 4,470 crores**
- **Total Income increased by 17% to ₹ 18,671 crores from ₹ 15,901 crores**
- **Net Interest Income increased by 17% to ₹ 7,327 crores from ₹ 6,238 crores**

Highlights – 9M FY 15 vs. 9M FY 14



■ **Loan Assets increased by 16% to ₹ 2,05,211 crores from ₹ 1,77,529 crores**

■ **Net worth (Share Capital + Free Reserves) increased by 23% to ₹ 29,143 crores from ₹ 23,642 crores**

■ **Net worth (Share Capital + All Reserves) increased by 24% to ₹ 31,934 crores from ₹ 25,742 crores**

■ **Sanctions increased by 16% to ₹ 60,261 crores from ₹ 52,054 crores**

Highlights – Q3 FY 15 vs. Q3 FY 14



■ Comparable PAT increased by 13% to ₹ 1,848 crores from ₹ 1,628 crores

■ Total Income increased by 16% to ₹ 6,438 crores from ₹ 5,547 crores

■ Net Interest Income increased by 17% to ₹ 2,545 crores from ₹ 2,168 crores

■ Sanctions increased by 13% to ₹ 27,813 crores from ₹ 24,629 crores

Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q3 FY 2015	Q3 FY 2014	% change	9M FY 2015	9M FY 2014	% change	FY 2014
Reported PAT	1,542	1,534	0.5%	4,399	4,006	10%	5,418
Adjustments (post-tax):							
Contingent Provision against standard assets	7	54		(8)	157		337
Provision against restructured standard assets	146	-		362	-		-
Prior period Income Tax (incl. interest thereon) and DTL	-	(2)		(0.1)	(4)		9
Translation / Actual Exchange Gain(-) / Loss(+) (including impact of DTL)	150	47		331	315		334
CSR & SD expenses (Impact of earlier years and DTL)	-	(5)		9	(3)		(3)
R-APDRP Expenses	3	-		8	-		31
Comparable PAT	1,848	1,628	13%	5,099	4,470	14%	6,125

Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement#	Q3 FY 2015	Q3 FY 2014	9M FY 2015	9M FY 2014	FY14
Interest Income	6,326	5,425	18,403	15,623	21,121
Interest Expense	(3,781)	(3,257)	(11,076)	(9,385)	(12,641)
Net Interest Income	2,545	2,168	7,327	6,238	8,480
Other Income*	4	7	19	23	34
Operating Costs	(79)	(40)	(193)	(144)	(231)
Provisions for contingencies	(154)	(51)	(567)	(279)	(470)
Profit Before Tax & Extra-ordinary Items	2,315	2,084	6,587	5,838	7,813
Extra-ordinary Items^	(162)	(29)	(409)	(271)	(255)
Tax Provisions	(619)	(632)	(1,818)	(1,426)	(2,086)
DTL(-) / DTA(+)	8	112	38	(135)	(54)
Profit after Tax	1,542	1,534	4,399	4,006	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

Balance Sheet



(Y/E – March, ₹ Crores)

Liabilities	31.12.2014	31.12.2013	31.03.2014	31.03.2013
Shareholders' Funds	31,934	25,742	27,375	23,576
Non-Current Liabilities				
Long-term Borrowing	145,115	131,685	142,492	121,151
Deferred Tax Liabilities (net)	235	354	274	220
Other Liabilities	322	341	348	540
Long-term Provisions	718	329	473	162
Current Liabilities				
Current Maturity of Long-term Borrowing	21,656	11,856	15,409	9,612
Short- Term Borrowing	4,185	7,126	1,314	8,710
Other Liabilities	6,449	6,016	6,262	5,064
Short- Term Provisions	355	1,441	218	194
Total Liabilities	210,970	184,890	194,164	169,229

Balance Sheet



(Y/E – March, ₹ Crores)

Assets	31.12.2014	31.12.2013	31.03.2014	31.03.2013
Non-Current Assets				
Fixed Assets	64	72	71	74
Non-Current Investments	348	348	348	158
Long-term Loans	185,631	158,678	168,792	142,524
Other Assets	225	303	210	376
Current Assets				
Current Investments	3	4	4	4
Cash & Bank Balances	268	2,545	60	4,754
Current Maturity Long-Term Loans	17,065	16,967	18,043	15,456
Short- Term Loans	2,515	1,883	2,396	2,416
Other Assets	4,851	4,090	4,240	3,467
Total Assets	210,970	184,890	194,164	169,229

Key Indicators



(Y/E – March, ₹ Crores)

Key Indicators	Q3 FY 2015	Q3 FY 2014	9M FY 2015	9M FY 2014	FY14
Sanctions (excluding R-APDRP)	27,813	24,629	60,261	52,054	60,729
R-APDRP Scheme - Sanctions	-	339	1,483	3,427	4,331
Disbursements (excluding R-APDRP)	10,197	12,215	26,840	30,227	47,162
R-APDRP Scheme- Disbursements	-	55	380	352	640
Outstanding sanctions (excluding R-APDRP)	1,69,702	172,168	1,69,702	172,168	1,56,390
Loan Assets	205,211	177,529	205,211	177,529	1,89,231
Yield on Assets* #	12.51%	12.37%	12.40%	12.33%	12.31%
Cost of Funds* #	9.03%	8.94%	8.98%	8.89%	8.85%
Interest Spread* #	3.47%	3.43%	3.42%	3.43%	3.45%
Net Interest Margin* #	5.03%	4.94%	4.94%	4.92%	4.94%

* 9M FY 15 & Q3 FY 15 ratios annualized using actual number of days

Based on daily average

Key Indicators



Key Indicators	Q3 FY 2015	Q3 FY 2014	9M FY 2015	9M FY 2014	FY14
Return on Average Assets*	2.96%	3.39%	2.90%	3.02%	2.98%
Net worth (Share Capital + Free Reserves) (₹ in crores)	29,143	23,642	29,143	23,642	25,098
Net worth (Share Capital + All Reserves) (₹ in crores)	31,934	25,742	31,934	25,742	27,375
Return on Average Net worth (Share Capital + Free Reserves) *	21.68%	26.12%	21.62%	23.47%	23.07%
Return on Average Net worth (Share Capital + All Reserves) *	19.80%	24.06%	19.78%	21.66%	21.27%
Debt Equity Ratio ^	5.88	6.39	5.88	6.39	6.36
Capital Adequacy Ratio	21.05%	18.21%	21.05%	18.21%	20.10%
Of which Tier I	17.57%	16.41%	17.57%	16.41%	16.42%
Tier II	3.48%	1.80%	3.48%	1.80%	3.68%
EPS (Weighted average)* (₹)	46.72	46.49	44.43	40.47	41.04
Book Value Per Share (₹) ^	220.77	179.10	220.77	179.10	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	Q3 FY15		Q3 FY14		9MFY15		9M FY14		FY14	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	15,959	57%	16,242	66%	37,779	63%	35,924	69%	42,206	69%
Transmission	1,672	6%	420	2%	3,608	6%	3,052	6%	3,208	5%
Distribution #	16	0.1%	1,445	6%	2,601	4%	4,449	9%	4,999	8%
Others*	10,165	37%	6,522	26%	16,273	27%	8,629	17%	10,316	17%
Total	27,813	100%	24,629	100%	60,261	100%	52,054	100%	60,729	100%
<u>Borrower-wise</u>										
State Sector #	15,922	57%	19,598	80%	35,616	59%	39,647	76%	46,162	76%
Central Sector	0	0%	500	2%	5,377	9%	543	1%	500	1%
Joint Sector	5,033	18%	1,058	4%	5,086	8%	1,058	2%	1,058	2%
Private sector	6,858	25%	3,473	14%	14,182	24%	10,806	21%	13,010	21%
Total	27,813	100%	24,629	100%	60,261	100%	52,054	100%	60,729	100%
R-APDRP (Part A)	-	-	0	0%	145	10%	104	3%	246	6%
R-APDRP (Part B)	-	-	339	100%	1,339	90%	3,323	97%	4,085	94%
Total	-	-	339	100%	1,483	100%	3,427	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 ₹ 717 crs & ₹ 16 crs in 9M & Q3 FY15, ₹ 449 crs & ₹ 262 crs in 9M & Q3 FY14 and ₹ 599 crs in FY14 respectively

Cumulative Sanctions (excluding R-APDRP) till 31 Dec '14 ₹ 4,97,820 Crores

Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q3 FY15		Q3 FY14		9MFY15		9MFY14		FY14	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	5,419	53%	6,599	54%	15,743	59%	19,438	64%	31,640	67%
Transmission	528	5%	267	2%	2,328	9%	1,412	5%	2,046	4%
Distribution	346	3%	712	6%	678	3%	1,198	4%	1,702	4%
Others*	3,904	38%	4,637	38%	8,091	30%	8,180	27%	11,774	25%
Total	10,197	100%	12,215	100%	26,840	100%	30,227	100%	47,162	100%
<u>Borrower-wise</u>										
State Sector	7,592	74%	9,356	77%	18,302	68%	21,492	71%	32,791	70%
Central Sector	414	4%	157	1%	790	3%	535	2%	919	2%
Joint Sector	467	5%	585	5%	1,262	5%	1,572	5%	2,194	5%
Private sector	1,724	17%	2,117	17%	6,486	24%	6,628	22%	11,259	24%
Total	10,197	100%	12,215	100%	26,840	100%	30,227	100%	47,162	100%
R-APDRP (Part A)	-	-	0	0%	191	50%	297	84%	430	67%
R-APDRP (Part B) #	-	-	55	100%	189	50%	55	16%	210	33%
Total	-	-	55	100%	380	100%	352	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 Dec '14 ₹ 3,28,118 Crores

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Outstanding Sanctions as on 31.12.2014



(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	47,197	29,934	46,020	123,151
Transmission	13,365	1,396	3,696	18,458
Distribution #	4,903	300	7,858	13,061
Others*	1,700	480	12,853	15,032
Total	67,165	32,109	70,427	169,702
<u>Borrower-wise</u>				
State Sector #	45,031	20,379	48,973	114,383
Central Sector	4,368	-	2,601	6,970
Joint Sector	3,714	400	3,178	7,292
Private sector	14,052	11,330	15,674	41,056
Total	67,165	32,109	70,427	169,702

* 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 ₹ 4,675 cr

Loan Assets – Composition



(Y/E – March, ₹ Crores)

Loan Assets*	31.12.2014		31.12.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	153,082	75%	136,599	77%	1,44,687	77%	1,26,802	79%
Transmission	13,151	6%	11,423	6%	11,822	6%	11,089	7%
Distribution	6,974	3%	6,702	4%	6,985	4%	6,144	4%
Others**	30,705	15%	22,639	13%	25,500	13%	16,447	10%
Total	203,913	100%	177,363	100%	1,88,995	100%	1,60,482	100%
Borrower-wise								
State Sector	138,563	68%	118,462	67%	1,27,428	67%	1,05,078	65%
Central Sector	17,974	9%	20,574	12%	20,433	11%	24,570	15%
Joint Sector	13,267	7%	11,983	7%	12,423	7%	10,869	7%
Private Sector	34,109	17%	26,343	15%	28,711	15%	19,965	12%

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

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

Loan Quality & Provisions



(Y/E – March, ₹ Crores)

Particulars	31.12.2014	31.12.2013	31.03.2014	31.03.2013
Gross NPAs	1,979	1,156	1,228	1,135
Less: Provisions	(435)	(236)	(242)	(121)
Net NPAs	1,544	920	985	1,013
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	0.96%	0.65%	0.65%	0.71%
<i>Net NPAs</i>	0.75%	0.52%	0.52%	0.63%
Contingent Provision against Standard assets	461	290	469	133
Contingent Provision against Restructured Standard assets	362	-	-	-
Specific provisions for Loan Assets	435	236	242	121
Reserve for bad & doubtful debts (RBDD)	2,012	1,630	1,730	1,409
Total	3,270	2,155	2,442	1,663

Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	31.12.2014		31.12.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	142,849	84%	123,244	82%	1,27,594	80%	1,06,321	76%
Term Loans	23,922	14%	20,297	13%	30,307	19%	24,442	18%
Short Term Loans	4,185	2%	7,126	5%	1,314	1%	8,710	6%
Borrowings O/s	170,956	100%	150,668	100%	1,59,215	100%	1,39,473	100%
Of which:								
<i>Rupee Denominated</i>	160,531	94%	141,495	94%	1,50,289	94%	1,31,049	94%
<i>Foreign Currency Loans</i>	10,425	6%	9,173	6%	8,926	6%	8,424	6%

Resource Profile



(Y/E – March, ₹ Crores)

Resources	31.12.2014		31.12.2013		31.03.2014		31.03.2013	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	31,934	16%	25,742	15%	27,375	15%	23,576	14%
Reserve for bad & doubtful debts (included in Shareholder's Funds)	2,012		1,630		1,730		1,409	
Deferred Tax Liability	235	0.1%	354	0.2%	274	0.1%	220	0.1%
Interest Subsidy Fund	107	0.1%	120	0.1%	124	0.1%	146	0.1%
Bonds (Domestic)	141,701	70%	122,124	69%	1,26,505	68%	1,05,334	64%
Rupee Term Loans	14,645	7%	12,245	7%	22,470	12%	17,005	10%
Short Term Loans	4,185	2%	7,126	4%	1,314	1%	8,710	5%
Foreign Currency Loans	10,425	5%	9,173	5%	8,926	5%	8,424	5%
Total	203,232	100%	176,884	100%	1,86,988	100%	1,63,415	100%

Major Loans Sanctioned in 9M FY 2015

PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
CENTRAL/ STATE/ JOINT SECTOR	
1320 MW TPP Of Tamil Nadu Generation and Distribution Corporation Ltd.	7,669
660 MW TPS Of U.P. Rajya Vidyut Utpadan Nigam Ltd. At Panki Extn.	3,770
1000 MW Hydro Electric Project of Chenab Valley Power Projects Pvt. Ltd.	3,178
1000 MW TPP Of Neyveli Lignite Corporation Limited At Neyveli, Tamil Nadu	3,000
Financial Assistance For 1320 MW Of Satluj Jal Vidyut Nigam Thermal Pvt Ltd At Buxar	1,977
PRIVATE SECTOR	
Regulatory Assets Loan of BSES Rajdhani Power Ltd., Delhi	3,008
Regulatory Assets Loan of BSES Yamuna Power Ltd., Delhi	1,897
3960 MW TPP Of KSK Mahanadi Power Company Limited At Chattisgarh	1,647
1050 MW Coal Based TPP Of Monnet Power Company Ltd At Angul Dist, Odisha	1,418
600 MW TPP of Jinbhuvish Power Generation Pvt. Ltd. at Yavatmal in Maharashtra	1,087

Shareholding Pattern



Category	Holding (%)			
	31.12.2014	31.12.2013	31.03.2014	31.03.2013
President of India	72.80%	73.71%	72.80%	73.72%
FIs & FPIs	12.26%	11.19%	11.17%	12.46%
Indian FIs & Banks	7.56%	7.59%	7.92%	5.81%
Bodies Corporate	2.81%	2.55%	2.23%	2.45%
Resident Individuals	2.17%	2.71%	2.60%	2.47%
Mutual Funds	2.07%	1.94%	2.76%	2.70%
Employees	0.07%	0.08%	0.08%	0.08%
Others	0.26%	0.23%	0.44%	0.31%
Total	100%	100%	100%	100%

S No	Top 10 Shareholders (as on 31.12.2014)	Holding (%)	Category
1	PRESIDENT OF INDIA	72.80%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	5.09%	IFI
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	1.52%	IFI
4	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1.16%	LTD
5	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED	0.91%	FII
6	GOVERNMENT PENSION FUND GLOBAL	0.48%	FII
7	CPSE ETF	0.48%	MUT
8	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPOR	0.48%	MUT
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.46%	FII 19
10	WISDOMTREE TRUST A/C WISDOMTREE INDIA INVESTMENT P	0.44%	FII



Thank You!