



We Create Possibility of a Better Tomorrow....

November 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	

Power Finance Corporation Limited

A Navratna PSU

Performance Highlights
(Standalone, Audited)

Half year and
Quarter Ended
30th September 2012

Highlights – H1 FY 13 vs. H1 FY 12



- **Net Profit increased by 82% from ₹ 1,106 crore to ₹ 2,008 crore**
- **Comparable PAT increased by 37% from ₹ 1,537 crore to ₹ 2,113 crore**
- **Total Income increased by 34% from ₹ 6,069 crore to ₹ 8,136 crore**
- **Net Interest Income increased by 39% from ₹ 2,069 crore to ₹ 2,869 crore**

Highlights – H1 FY 13 vs. H1 FY 12 (contd.)



- Interest Spread increased by 42 bps from 2.26% to 2.68%
- Sanctions_(excl. R-APDRP) increased by 47% from ₹ 28,398 crore to ₹ 41,732 crore
- DisbursementS_(excl.R-APDRP) increased by 23% from ₹ 14,234 crore to ₹ 17,555 crore
- Loan Assets increased by 28% from ₹ 1,10,421 crore to ₹ 1,40,819 crore
- Networth increased by 14% from ₹ 18,645 crore to ₹ 21,291 crore

Highlights – Q2 FY 13 vs. Q2 FY 12



- **Net Profit increased by 147% from ₹ 419 crore to ₹ 1,036 crore**
- **Comparable PAT increased by 33% from ₹ 812 crore to ₹ 1,084 crore**
- **Total Income increased by 33% from ₹ 3,145 crore to ₹ 4,191 crore**
- **Net Interest Income increased by 37% from ₹ 1,079 crore to ₹ 1,475 crore**

Highlights – Q2 FY 13 vs. Q2 FY 12 (contd.)



- **Interest Spread increased by 53 bps from 2.21% to 2.74%**
- **Sanctions_(excl. R-APDRP) increased by 101% from ₹ 15,163 crore to ₹ 30,550 crore**
- **Disbursement_{S(excl.R-APDRP)} increased by 19% from ₹ 8,135 crore to ₹ 9,672 crore**

Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q2 FY 2013	Q2 FY 2012	% change	H1 FY 2013	H1 FY 2012	% change	FY 12
Reported PAT	1036	419	147%	2008	1106	82%	3032
Adjustments (post-tax):							
Prior period Income Tax (incl. interest thereon) and DTL	25	(2)		25	(16)		(15)
Translation / Actual Exchange Gain(-) / Loss(+)	22	395		79	447		113
Comparable PAT	1,084	812	33%	2,113	1,537	37%	3,130

Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement#	Q2 FY13	Q2 FY12	H1 FY13	H1 FY12	FY12
Interest Income	4,130	3,074	8,030	5,922	12,724
Interest Expense	(2,655)	(1,994)	(5,161)	(3,853)	(8,329)
Net Interest Income	1,475	1,079	2,869	2,069	4,395
Other Income*	16	8	25	43	120
Operating Costs	(35)	(33)	(64)	(60)	(129)
Provisions	3	-	1	(7)	(143)
Profit Before Tax & Extra-ordinary Items	1,458	1,055	2,831	2,046	4,242
Extra-ordinary Items^	(24)	(504)	(101)	(579)	(138)
Tax Provisions	(191)	(135)	(520)	(366)	(1,068)
DTL(-) / DTA(+)	(207)	3	(202)	5	(4)
Profit after Tax	1,036	419	2,008	1,106	3,032

* 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, Q2 FY 2013 & H1 FY 2013, are as per para 46A of Accounting Standard (AS) 11.

#All items of Income Statement have been regrouped for analysis

Balance Sheet



(Y/E – March, ₹ Crores)

Liabilities #	30.09.2012	30.09.2011	31.03.2012	31.03.2011
Shareholders' Funds	22,718	19,702	20,708	15,182
Share application Money Pending Allotment	0.01	-	-	-
Non-Current Liabilities				
Long-term Borrowing	1,05,581	79,259	95,867	69,984
Deferred Tax Liabilities (net)	290	78	87	83
Other Liabilities	559	622	551	678
Provisions	30	26	29	25
Current Liabilities				
Current Maturity of Long-term Borrowing	7,695	10,251	10,188	9,324
Short- Term Borrowing	4,688	1,552	4,071	6,291
Other Liabilities	4,139	2,913	3,800	2,783
Provisions	268	270	275	284
Total Liabilities	1,45,967	1,14,675	1,35,575	1,04,634

As per revised schedule 6

8

Balance Sheet



(Y/E – March, ₹ Crores)

Assets #	30.09.2012	30.09.2011	31.03.2012	31.03.2011
Non-Current Assets				
Fixed Assets	75	75	76	77
Non-Current Investments	55	50	55	50
Long-term Loans	1,23,287	99,043	1,12,017	87,424
Other Assets	239	127	101	157
Foreign Currency Monetary Item Translation Difference A/c*	749	-	515	-
Current Assets				
Current Investments	4	4	4	4
Cash & Bank Balances	603	1,483	1,988	2,350
Current Maturity Long-Term Loans	14,546	8,121	11,877	10,041
Short- Term Loans	2,987	3,258	6,178	2,106
Other Assets	3,423	2,515	2,763	2,426
Total Assets	1,45,967	1,14,675	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	Q2 FY13	Q2 FY12	H1 FY13	H1 FY12	FY12
Sanctions (excluding R-APDRP)	30,550	15,163	41,732	28,398	59,429
R-APDRP Scheme - Sanctions	909	-	909	3,706	9,596
Disbursements (excluding R-APDRP)	9,672	8,135	17,555	14,234	39,818
R-APDRP Scheme- Disbursements	541	529	802	650	1,600
Outstanding sanctions (excluding R-APDRP)	1,68,891	1,60,529	1,68,891	1,60,529	1,61,976
R-APDRP Scheme - Outstanding sanctions	26,020	20,974	26,020	20,974	25,913
Loan Assets	1,40,819	1,10,421	1,40,819	1,10,421	1,30,072
Yield on Assets* #	11.98%	11.29%	11.84%	11.19%	11.25%
Cost of Funds* #	9.24%	9.08%	9.16%	8.93%	9.00%
Interest Spread* #	2.74%	2.21%	2.68%	2.26%	2.25%
Net Interest Margin* #	4.28%	3.97%	4.23%	3.91%	3.89%

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

Key Indicators



Key Indicators	Q2 FY13	Q2 FY12	H1 FY13	H1 FY12	FY12
Return on Average Assets*	2.89%	1.49%	2.85%	2.02%	2.52%
Networth (₹ in crores)	21,291	18,645	21,291	18,645	19,493
Return on Average Networth*	19.91%	9.09%	19.70%	13.46%	18.00%
Return on Average Networth* (before exchange gain/loss)	20.30%	17.44%	20.38%	18.65%	18.60%
Debt Equity Ratio	5.59	4.85	5.62	5.42	5.85
Leverage (Average assets / Average net worth)	6.89	6.09	6.90	6.68	7.13
Capital Adequacy Ratio	17.69%	18.22%	17.69%	18.22%	16.29%
EPS (Weighted average)* (₹)	31.41	12.71	30.43	17.41	23.41
EPS (Weighted average)* (₹) (before exchange gain/loss)	32.08	24.67	31.63	24.45	24.29
Book Value Per Share (₹)	161.30	141.26	161.30	141.26	147.68
Book Value Per Share (₹) (before exchange gain/loss)	161.46	144.25	161.89	144.65	148.54

* Quarterly Ratios have been Annualised

Sanctions – Composition

(Y/E – March, ₹ Crores)

Sanctions	Q2 FY13		Q2 FY12		H1 FY13		H1 FY12		FY12	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	6,623	22%	9,981	66%	14,969	36%	21,232	75%	42,298	71%
Transmission	2,974	10%	127	1%	4,064	10%	1,292	5%	2,678	5%
Distribution #	122	0.4%	4,426	29%	1,028	2%	4,445	16%	6,937	12%
Others*	20,831	68%	629	4%	21,671	52%	1,429	5%	7,517	13%
Total	30,550	100%	15,163	100%	41,732	100%	28,398	100%	59,429	100%
<u>Borrower-wise</u>										
State Sector #	23,038	75%	13,900	92%	28,017	67%	23,667	83%	42,663	72%
Central Sector	0	0%	179	1%	0	0%	179	1%	811	1%
Joint Sector	0	0%	0	0%	0	0%	832	3%	1,061	2%
Private sector	7,511	25%	1,084	7%	13,715	33%	3,720	13%	14,894	25%
Total	30,550	100%	15,163	100%	41,732	100%	28,398	100%	59,429	100%
R-APDRP (Part A)	0	0.0%	-	-	0	0%	313	8%	794	8%
R-APDRP (Part B)	909	100%	-	-	909	100%	3,393	92%	8,802	92%
Total	909	100%	-	-	909	100%	3,706	100%	9,596	100%

* Includes Transitional Finance, 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 H1 FY 13 & FY 12 respectively

Cumulative Sanctions (excluding R-APDRP) till 30 Sep '12 ₹ 3,95,411 Crores

Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q2 FY13		Q2 FY12		H1 FY13		H1 FY12		FY12	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	5,983	62%	5,984	74%	13,169	75%	10,765	76%	27,749	70%
Transmission	449	5%	712	9%	735	4%	1,254	9%	3,271	8%
Distribution	325	3%	252	3%	661	4%	666	5%	1,667	4%
Others*	2,915	30%	1,186	15%	2,990	17%	1,549	11%	7,132	18%
Total	9,672	100%	8,135	100%	17,555	100%	14,234	100%	39,818	100%
<u>Borrower-wise</u>										
State Sector	7,163	74%	5,196	64%	12,830	73%	9,231	65%	24,601	62%
Central Sector	423	4%	794	10%	621	4%	1,254	9%	5,393	14%
Joint Sector	408	4%	356	4%	1,280	7%	786	6%	1,619	4%
Private sector	1,678	17%	1,788	22%	2,825	16%	2,964	21%	8,205	21%
Total	9,672	100%	8,135	100%	17,555	100%	14,234	100%	39,818	100%
R-APDRP (Part A)	149	28%	86	16%	161	20%	105	16%	395	25%
R-APDRP (Part B)	392	72%	443	84%	641	80%	545	84%	1,205	75%
Total	541	100%	529	100%	802	100%	650	100%	1,600	100%

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

Cumulative Disbursements (excluding R-APDRP) till 30 Sep '12 ₹ 2,26,520 Crores

13

Outstanding Sanctions as on 30.09.2012



(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	53,305	33,715	35,626	1,22,645
Transmission	10,626	1,674	4,764	17,064
Distribution #	3,844	1,103	4,153	9,100
Others*	5,066	10,460	4,555	20,081
Total	72,842	46,951	49,097	1,68,891
<u>Borrower-wise</u>				
State Sector #	49,755	31,970	29,690	1,11,415
Central Sector	3,103	181	132	3,416
Joint Sector	4,987	400	0	5,387
Private sector	14,997	14,400	19,275	48,673
Total	72,842	46,951	49,097	1,68,891
<u>R-APDRP</u>				
Part A	4,312	50	55	4,417
Part B	9,627	1,746	10,230	21,603
Total	13,939	1,796	10,285	26,020

* Includes Transitional Finance , 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*	30.09.2012		30.09.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	1,18,223	84%	92,890	84%	1,07,426	83%	84,294	85%
Transmission	10,232	7%	8,308	8%	9,922	8%	7,596	8%
Distribution	5,943	4%	5,028	5%	5,667	4%	4,701	5%
Others**	5,977	4%	4,151	4%	7,195	6%	3,010	3%
Total	1,40,376	100%	1,10,377	100%	1,30,209	100%	99,601	100%
Borrower-wise								
State Sector	88,428	63%	70,911	64%	81,480	63%	64,509	65%
Central Sector	24,397	17%	21,188	19%	24,691	19%	20,300	20%
Joint Sector	10,427	7%	8,622	8%	9,302	7%	7,991	8%
Private Sector	17,123	12%	9,655	9%	14,737	11%	6,801	7%

* 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	30.09.2012	30.09.2011	31.03.2012	31.03.2011
Gross NPAs	1,362	238	1,358	231
Less: Provisions & write-offs	(144)	(32)	(144)	(36)
Net NPAs	1,217	206	1,215	195
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	<i>0.97%</i>	<i>0.22%</i>	<i>1.04%</i>	<i>0.23%</i>
<i>Net NPAs</i>	<i>0.86%</i>	<i>0.19%</i>	<i>0.93%</i>	<i>0.20%</i>
Specific provisions for Loan Assets	144	32	144	36
Reserve for bad & doubtful debts (RBDD)	1,264	1,045	1,159	985
Total	1,408	1,077	1,302	1,021

Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	30.09.2012		30.09.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	91,334	77%	69,503	76%	84,847	77%	56,950	67%
Term Loans	21,942	19%	20,036	22%	21,207	19%	22,358	26%
Short Term Loans	4,688	4%	1,524	2%	4,071	4%	6,291	7%
Borrowings O/s	1,17,964	100%	91,063	100%	1,10,126	100%	85,599	100%
<i>Of which:</i>								
<i>Rupee Denominated</i>	1,10,730	94%	85,485	94%	1,04,536	95%	80,636	94%
<i>Foreign Currency Loans</i>	7,234	6%	5,579	6%	5,590	5%	4,963	6%

Resource Profile



(Y/E – March, ₹ Crores)

Resources	30.09.2012		30.09.2011		31.03.2012		31.03.2011	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	22,718	16%	19,702	18%	20,708	16%	15,182	15%
Reserve for bad & doubtful debts (included in Shareholder's Funds)	1264		1045		1159		985	
Deferred Tax Liability	290	0.2%	78	0.1%	87	0.1%	83	0.1%
Interest Subsidy Fund	149	0.1%	409	0.4%	376	0.3%	452	0%
Bonds (Domestic)	90,377	64%	68,616	62%	83,920	64%	56,137	55%
Rupee Term Loans	15,665	11%	15,345	14%	16,545	13%	18,208	18%
Short Term Loans	4,688	3%	1,524	1%	4,071	3%	6,291	6%
Foreign Currency Loans	7,234	5%	5,579	5%	5,590	4%	4,963	5%
Total	1,41,120	100%	1,11,252	100%	1,31,297	100%	1,01,316	100%

Major Projects Sanctioned in H1 FY 2013

PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
Transitional Loan to Tamil Nadu Generation and Distribution Corporation Limited	5,000
800 MW TPS of AP Power Development Corporation at Krishnapatnam, AP	3,542
Improvement of 765 KV S/C lines with 765/400 KV S/S - Western UP Power Transmission Company Limited	2,514
Transitional Loan to Uttar Haryana Bijli Vitran Nigam Ltd.	2,300
Development of overseas Oil & Gas assets in Mozambique to Videocon Industries Limited	2,200
Transitional Loan to Dakshin Haryana Bijli Vitran Nigam Ltd.	2,000
1320 MW coal based TPS of NSL Nagapatnam Power and Infratech Pvt Ltd. in Odisha	1,950
Transitional Loan to U.P .Power Corporation Ltd.	1,830
Baglihar Hydroelectric Project - stage II of J&K State Power Dev. Corp. Ltd in Jammu & Kashmir	1,679
1350 MW (5X270 MW) TPP Phase- II of Indiabulls Realtech Ltd in Maharashtra	1,600

Shareholding Pattern



Category	Holding (%)			
	As on 30.09.12	As on 30.09.2011	As on 31.03.2012	As on 31.03.2011
President of India	73.72%	73.72%	73.72%	89.78%
FIs	10.25%	6.47%	9.85%	3.62%
Indian FIs & Banks	6.77%	5.52%	5.91%	2.45%
Bodies Corporate	3.67%	6.16%	4.63%	2.09%
Resident Individuals	2.76%	3.16%	2.88%	1.32%
Mutual Funds	2.40%	4.59%	2.51%	0.55%
Employees	0.08%	0.08%	0.08%	0.07%
Others	0.35%	0.30%	0.42%	0.12%
Total	100%	100%	100%	100%

S No	Top 10 Shareholders (as on 30.09.2012)	Holding (%)	Category
1	PRESIDENT OF INDIA	73.72%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	4.39%	IFI
3	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1.17%	LTD
4	MORGAN STANLEY ASIA (SINGAPORE) PTE.	1.02%	FII
5	LIC OF INDIA MARKET PLUS 1 GROWTH FUND	0.99%	IFI
6	GOVERNMENT PENSION FUND GLOBAL	0.77%	FII
7	BIRLA SUN LIFE INSURANCE COMPANY LIMITED	0.57%	LTD
8	MACQUARIE BANK LIMITED	0.41%	FII
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.41%	FII
10	LIFE INSURANCE CORPORATION OF INDIA - ULIF00420091	0.32%	LTD ²⁰



Thank You!