



Funding for a Better Tomorrow....

November 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
29	30					

Power Finance Corporation Limited

A Navratna PSU

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

**Quarter Ended
30th September, 2015**

Highlights – H1 FY 16 vs. H1 FY 15



- **Sanctions increased by 31% to ₹ 42,837 crores from ₹ 32,748 crores**
- **Disbursements increased by 7% to ₹ 17,727 crores from ₹ 16,643 crores**
- **Loan Assets increased by 13% to ₹ 2,23,804 crores from ₹ 1,98,629 crores**
- **Net Worth (Share Capital + All Reserves) increased by 16% to ₹ 35,267 crores from ₹ 30,373 crores**

Highlights – H1 FY 16 vs. H1 FY 15



- **Net Profit increased by 15% to ₹ 3,272 crores from ₹ 2,857 crores**
- **Comparable PAT increased by 26% to ₹ 4,122 crores from ₹ 3,281 crores**
- **Total Income increased by 14% to ₹ 13,783 crores from ₹ 12,107 crores**
- **Net Interest Income increased by 20% to ₹ 5,733 crores from ₹ 4,783 crores**

Highlights – Q2 FY 16 vs. Q2 FY 15



■ Disbursements increased by 19% to ₹ 9,977 crores from ₹ 8,361 crores

■ Net Profit increased by 20% to ₹ 1,695 crores from ₹ 1,409 crores

■ Comparable PAT increased by 24% to ₹ 2,130 crores from ₹ 1,723 crores

■ Net Interest Income increased by 18% to ₹ 2,941 crores from ₹ 2,492 crores

Comparable Profit



(Y/E – March, ₹ Crores)

Comparable Profit	Q2 FY 2016	Q2 FY 2015	% change	H1 FY 2016	H1 FY 2015	% change	FY 2015
Reported PAT	1,695	1,409	20%	3,272	2,857	15%	5,959
Adjustments (post-tax):							
Contingent Provision against standard assets	304	(28)		310	(16)		17
Provision against restructured standard assets	16	215		217	215		564
Prior period Income Tax (incl. interest thereon) and DTL	-	(0.1)		-	(0.1)		(0.6)
Translation / Actual Exchange Gain(-) / Loss(+) (including impact of DTL)	118	107		180	181		343
CSR & SD expenses (Excess Prov., Impact of earlier years and DTL)	-	21		146	43		9
R-APDRP Expenses	-	3		-	5		(26)
R-APDRP & IPDS Income	(2)	(4)		(2)	(4)		22
Comparable PAT	2,130	1,723	24%	4,122	3,281	26%	6,888

Profit & Loss Account



(Y/E – March, ₹ Crores)

Income Statement#	Q2 FY 2016	Q2 FY 2015	H1 FY 2016	H1 FY 2015	FY 2015
Interest Income	6,932	6,223	13,679	12,077	24,828
Interest Expense	(3,991)	(3,731)	(7,946)	(7,295)	(14,956)
Net Interest Income	2,941	2,492	5,733	4,783	9,872
Other Income*	14	10	18	15	15
Operating Costs	(39)	(59)	(220)	(114)	(217)
Provisions for contingencies	(381)	(284)	(629)	(412)	(844)
Profit Before Tax & Extra-ordinary Items	2,536	2,159	4,902	4,272	8,825
Extra-ordinary Items^	(73)	(137)	(147)	(247)	(447)
Tax Provisions	(716)	(614)	(1,409)	(1,199)	(2,503)
DTL(-) / DTA(+)	(51)	1	(75)	30	84
Profit after Tax	1,695	1,409	3,272	2,857	5,959

* 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	30.09.2015	30.09.2014	31.03.2015	31.03.2014
Shareholders' Funds	35,267	30,373	32,219	27,375
Non-Current Liabilities				
Long-term Borrowing	165,336	137,579	164,973	142,492
Deferred Tax Liabilities (net)	265	243	189	274
Other Liabilities	373	322	334	348
Long-term Provisions	1,664	680	964	473
Current Liabilities				
Current Maturity of Long-term Borrowing	20,002	25,961	18,735	15,409
Short- Term Borrowing	-	3,476	4,064	1,314
Other Liabilities	7,917	6,622	6,660	6,244
Short- Term Provisions	498	374	525	236
Total Liabilities	231,321	205,630	228,664	194,164

Balance Sheet



(Y/E – March, ₹ Crores)

Assets	30.09.2015	30.09.2014	31.03.2015	31.03.2014
Non-Current Assets				
Fixed Assets	66	65	66	71
Non-Current Investments	372	348	347	348
Long-term Loans	201,895	179,387	197,843	168,792
Other Assets	238	222	225	210
Current Assets				
Current Investments	461	3	504	4
Cash & Bank Balances	90	1,014	5,071	60
Current Maturity Long-Term Loans	18,831	16,145	16,312	17,565
Short- Term Loans	3,079	3,097	2,887	2,396
Other Assets	6,290	5,348	5,410	4,719
Total Assets	231,321	205,630	228,664	194,164

Key Indicators



(Y/E – March, ₹ Crores)

Key Indicators	Q2 FY 2016	Q2 FY 2015	H1 FY 2016	H1 FY 2015	FY 2015
Sanctions (excluding R-APDRP)	23,198	22,673	42,837	32,748	60,784
R-APDRP Scheme - Sanctions	1,123	1,483	1,133	1,483	1,558
Disbursements (excluding R-APDRP)	9,977	8,361	17,727	16,643	44,691
R-APDRP Scheme- Disbursements	-	347	400	380	578
Outstanding sanctions (excluding R-APDRP)	157,622	165,206	157,622	165,206	144,906
Loan Assets	223,804	198,629	223,804	198,629	217,042
Yield on Assets* #	12.41%	12.45%	12.38%	12.35%	12.41%
Cost of Funds* #	8.68%	8.97%	8.70%	8.96%	8.99%
Interest Spread* #	3.73%	3.47%	3.69%	3.39%	3.42%
Net Interest Margin* #	5.27%	4.98%	5.19%	4.89%	4.93%

* Q2 / H1 FY 15 & Q2 / H1 FY 16 ratios annualized using actual number of days # Based on daily average & excluding exchange loss & gain

Key Indicators



Key Indicators	Q2 FY 2016	Q2 FY 2015	H1 FY 2016	H1 FY 2015	FY 2015
Return on Average Assets*	2.95%	2.78%	2.84%	2.86%	2.82%
Net worth (Share Capital + Free Reserves) (₹ in crores)	31,923	27,755	31,923	27,755	29,245
Net worth (Share Capital + All Reserves) (₹ in crores)	35,267	30,373	35,267	30,373	32,219
Return on Average Net worth (Share Capital + Free Reserves) *	21.70%	20.78%	21.39%	21.62%	21.93%
Return on Average Net worth (Share Capital + All Reserves) *	19.66%	19.01%	19.39%	19.79%	20.00%
Debt Equity Ratio ^	5.82	6.03	5.82	6.03	6.43
Capital Adequacy Ratio	21.23%	21.10%	21.23%	21.10%	20.34%
Of which Tier I	17.92%	17.51%	17.92%	17.51%	16.95%
Tier II	3.31%	3.59%	3.31%	3.59%	3.39%
EPS (Weighted average)* (₹)	51.37	42.68	49.57	43.28	45.15
Book Value Per Share (₹) ^	241.83	210.26	241.83	210.26	221.55

* 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	Q2 FY16		Q2 FY15		H1 FY16		H1 FY15		FY15	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	16,342	70%	15,286	67%	34,860	81%	21,820	67%	31,318	52%
Transmission	1,088	5%	1,116	5%	1,859	4%	1,936	6%	3,821	6%
Distribution #	1,632	7%	1,562	7%	1,674	4%	2,585	8%	1,042	2%
Others*	4,137	18%	4,708	21%	4,444	10%	6,408	20%	24,603	40%
Total	23,198	100%	22,673	100%	42,837	100%	32,748	100%	60,784	100%
<u>Borrower-wise</u>										
State Sector #	21,641	93%	12,653	56%	36,230	85%	19,995	61%	35,104	58%
Central Sector	49	0.2%	5,377	24%	1,849	4%	5,377	16%	3,577	6%
Joint Sector	-	0%	53	0.2%	1,185	3%	53	0.2%	5,086	8%
Private sector	1,508	7%	4,589	20%	3,572	8%	7,323	22%	17,016	28%
Total	23,198	100%	22,673	100%	42,837	100%	32,748	100%	60,784	100%
R-APDRP (Part A)	-	-	145	10%	-	-	145	10%	151	10%
R-APDRP (Part B)	-	-	1,339	90%	-	-	1,339	90%	1,407	90%
IPDS	1123	100%	-	-	1133	100%	-	-	-	-
Total	1123	100%	1,483	100%	1133	100%	1,483	100%	1,558	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 in H1 & Q2 FY 16, ₹ 701 crs in & H1 & Q2 FY15, ₹ 717 crs in FY 15 respectively.

Cumulative Sanctions (excluding R-APDRP) till 30 Sep '15 ₹ 5,21,318 Crores

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Disbursements – Composition



(Y/E – March, ₹ Crores)

Disbursements	Q2 FY16		Q2 FY15		H1 FY16		H1 FY15		FY15	
<u>Discipline-wise</u>	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Generation	4,473	45%	5,398	65%	9,900	56%	10,324	62%	24,165	54%
Transmission	593	6%	451	5%	949	5%	1,800	11%	3,063	7%
Distribution	422	4%	111	1%	572	3%	332	2%	994	2%
Others*	4,489	45%	2,401	29%	6,306	36%	4,187	25%	16,468	37%
Total	9,977	100%	8,361	100%	17,727	100%	16,643	100%	44,691	100%
<u>Borrower-wise</u>										
State Sector	8,467	85%	5,528	66%	13,494	76%	10,710	64%	31,964	72%
Central Sector	182	2%	152	2%	368	2%	376	2%	1,084	2%
Joint Sector	161	2%	423	5%	1,182	7%	795	5%	2,147	5%
Private sector	1,167	12%	2,257	27%	2,683	15%	4,762	29%	9,496	21%
Total	9,977	100%	8,361	100%	17,727	100%	16,643	100%	44,691	100%
R-APDRP (Part A)			161	46%	60	15%	191	50%	232	40%
R-APDRP (Part B) #			185	54%	340	85%	189	50%	347	60%
IPDS	-	-	-	-	-	-	-	-	-	-
Total			347	100%	400	100%	380	100%	578	100%

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

Gol portion

Cumulative Disbursements (excluding R-APDRP) till 30 Sep '15 ₹ 3,63,697 Crores

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Outstanding Sanctions as on 30.09.2015



(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	43,203	24,185	52,728	120,116
Transmission	12,032	2,444	3,895	18,370
Distribution #	5,190	1,147	3,062	9,400
Others*	3,551	290	5,896	9,736
Total	63,975	28,065	65,581	157,622
<u>Borrower-wise</u>				
State Sector #	46,977	15,201	44,296	106,474
Central Sector	3,298	-	2,377	5,675
Joint Sector	2,832	400	3,178	6,411
Private sector	10,868	12,464	15,730	39,062
Total	63,975	28,065	65,581	157,622

* 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 ₹ 4,434 cr

Loan Assets – Composition



(Y/E – March, ₹ Crores)

Loan Assets*	30.09.2015		30.09.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Generation	161,444	72%	150,945	76%	158,981	73%	1,44,687	77%
Transmission	14,013	6%	13,047	7%	13,538	6%	11,822	6%
Distribution	7,143	3%	6,859	3%	7,051	3%	6,985	4%
Others**	41,726	19%	28,212	14%	37,945	17%	25,500	13%
Total	224,327	100%	199,064	100%	217,516	100%	1,88,995	100%
State Sector	156,429	70%	133,653	67%	149,248	69%	1,27,428	67%
Central Sector	17,471	8%	19,831	10%	17,870	8%	20,433	11%
Joint Sector	14,431	6%	12,917	6%	13,965	6%	12,423	7%
Private Sector	35,996	16%	32,663	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	30.09.2015	30.09.2014	31.03.2015	31.03.2014
Gross NPAs	2,768	1,977	2,364	1,228
Less: Provisions	(523)	(435)	(473)	(242)
Net NPAs	2,245	1,543	1,890	985
<i>As a % of Loan Assets:</i>				
<i>Gross NPAs</i>	1.23%	0.99%	1.09%	0.65%
<i>Net NPAs</i>	1.00%	0.77%	0.87%	0.52%
Contingent Provision against Standard assets	797	454	487	469
Contingent Provision against Restructured Standard assets	781	215	564	-
Specific provisions for Loan Assets	523	435	473	242
Reserve for bad & doubtful debts (RBDD)	2,332	1,916	2,118	1,730
Total	4,433	3,020	3,642	2,442

Borrowing Profile



(Y/E – March, ₹ Crores)

Borrowings	30.09.2015		30.09.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Bonds	173,931	94%	135,473	81%	160,528	85%	1,27,594	80%
Term Loans	11,407	6%	28,067	17%	23,181	12%	30,307	19%
Short Term Loans	0	0%	3,476	2%	4,064	2%	1,314	1%
Borrowings O/s	185,338	100%	167,016	100%	187,773	100%	1,59,215	100%
Of which:								
<i>Rupee Denominated</i>	177,245	96%	158,354	95%	178,042	95%	1,50,289	94%
<i>Foreign Currency Loans</i>	8,092	4%	8,663	5%	9,731	5%	8,926	6%

Resource Profile



(Y/E – March, ₹ Crores)

Resources	30.09.2015		30.09.2014		31.03.2015		31.03.2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Shareholders' Funds	35,267	16%	30,373	15%	32,219	15%	27,375	15%
Reserve for bad & doubtful debts (included in Shareholder's Funds)	2332		1916		2118		1,730	
Deferred Tax Liability	265	0.1%	243	0.1%	189	0.1%	274	0.1%
Interest Subsidy Fund	104	0.05%	112	0.1%	111	0.1%	124	0.1%
Bonds (Domestic)	172,738	78%	134,357	68%	159,393	72%	126,505	68%
Rupee Term Loans	4,508	2%	20,520	10%	14,585	7%	22,470	12%
Short Term Loans	0	0%	3,476	2%	4,064	2%	1,314	1%
Foreign Currency Loans	8,092	4%	8,663	4%	9,731	4%	8,926	5%
Total	220,973	100%	197,744	100%	220,293	100%	186,988	100%

Major Loans Sanctioned in H1 FY 2016

PROPOSAL DISCRIPTION	Sanctions (₹ in crores)
CENTRAL/ STATE/ JOINT SECTOR	
1856 MW SAWALKOTE HEP OF J&K STATE POWER DEV. CORP. LTD.	12,812
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
PRIVATE SECTOR	
2X660 MW TPS OF NCC POWER PROJECTS LIMITED	699
350 MW TPP AT ODISHA (DOWN SELLING,K0701006) OF KVK NILANCHAL	638
FINANCIAL ASSISTANCE FOR 140.1MW WIND POWER PROJ IN RAJ & MP OF MYTRAH VAYU (SOM) PRIVATE LIMITED	554

Shareholding Pattern



Category	Holding (%)			
	30.09.2015	30.09.2014	31.03.2015	31.03.2014
President of India	67.80%	72.80%	72.80%	72.80%
FIs & FPIs	13.28%	11.79%	13.11%	11.17%
Indian FIs & Banks	12.29%	7.75%	7.07%	7.92%
Bodies Corporate	2.10%	2.89%	2.72%	2.23%
Resident Individuals	2.36%	2.47%	2.17%	2.60%
Mutual Funds	1.62%	1.87%	1.78%	2.76%
Employees	0.07%	0.07%	0.07%	0.08%
Others	0.48%	0.36%	0.29%	0.44%
Total	100%	100%	100%	100%

S No	Top 10 Shareholders (as on 30.09.2015)	Holding (%)	Category
1	PRESIDENT OF INDIA	67.80%	POI
2	LIFE INSURANCE CORPORATION OF INDIA	8.74%	IFI
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	1.32%	IFI
4	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1.03%	LTD
5	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED	0.84%	FII
6	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPOR	0.51%	FII
7	MORGAN STANLEY ASIA (SINGAPORE) PTE.	0.48%	FII
8	STATE BANK OF INDIA	0.48%	MUT
9	PUNJAB NATIONAL BANK	0.45%	FII 19
10	VANGUARD EMERGING MARKETS STOCK INDEX FUND ASERIE	0.41%	MUT

Loan Assets – Composition as on 30.09.2015



(Y/E – March, ₹ Crores)

Loan Assets*		30.09.2015	
<u>Discipline-wise</u>		Amount	%
Generation		161,444	72%
Transmission		14,013	6%
Distribution		7,143	3%
Others**	→ DISCOMS	36,271	19%
	→ Others	5,456	
Total		224,327	100%

* Gross Loans = Loans outstanding + Provision for NPAs

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

DISCOMS - LOAN ASSETS



(₹ Crores)

States	Project	APDRP	Transitional Finance	Non Project	Total
Andhra Pradesh	27	66	2500	2	2594
Bihar	56				56
Chattisgarh		144		2	145
Gujarat	4				4
Himachal Pradesh*		27			27
Haryana	3		4125		4128
Jharkhand	18				18
Karnataka	43	203		85	330
Madhya Pradesh	171				171

States	Project	APDRP	Transitional Finance	Non Project	Total
Maharashtra	3778				3778
Punjab	1		1160	933	2094
Rajasthan	1354	348	7500	605	9808
Telangana	44		500		544
Tamil Nadu*	211	288	8711		9210
Uttarakhand		3			3
Uttar Pradesh	248	50	8038		8337
West Bengal	1			2167	2168
Total	5960	1128	32533	3793	43414

* Does not include Generation, Transmission and R & M Scheme loans of integrated SPUs/SEBs



Thank You!