

**POWER FINANCE CORPORATION LIMITED, NEW DELHI.**

**Part I: STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2013**

(₹ in Lac)

Sl. No.	PARTICULARS	STANDALONE QUARTER ENDED			STANDALONE YEAR ENDED		CONSOLIDATED YEAR ENDED	
		31-03-2013	31-12-2012	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)	(Audited)	(Audited)
1)	Income from Operations							
	(a) Income from Operations	465,263	446,489	367,798	1,724,375	1,297,570	1,725,687	1,298,509
	(b) Other Operating Income	1,089	48	495	1,652	3,915	4,574	8,708
	<b>Total Income from Operations</b>	<b>466,352</b>	<b>446,537</b>	<b>368,293</b>	<b>1,726,027</b>	<b>1,301,485</b>	<b>1,730,261</b>	<b>1,307,217</b>
2)	Expenses							
	(a) Interest, Finance and Other Charges	290,178	291,683	247,958	1,116,045	880,349	1,116,213	880,736
	(b) Employee Benefit Expenses	2,342	1,930	1,752	8,094	7,208	9,091	8,168
	(c) Depreciation / Amortization	145	153	162	570	542	596	554
	(d) Other Expenses	1,773	1,802	2,177	5,842	5,187	6,195	5,559
	<b>Total Expenses</b>	<b>294,438</b>	<b>295,568</b>	<b>252,049</b>	<b>1,130,551</b>	<b>893,286</b>	<b>1,132,095</b>	<b>895,017</b>
3)	Profit from Operations before Other Income and Exceptional Items (1-2)	171,914	150,969	116,244	595,476	408,199	598,166	412,200
4)	Other Income	682	82	136	1,228	2,226	1,186	2,385
5)	Profit from ordinary activities before Exceptional Items (3+4)	172,596	151,051	116,380	596,704	410,425	599,352	414,585
6)	Exceptional items	--	--	--	--	--	--	--
7)	Profit from Ordinary Activities before Tax (5+6)	172,596	151,051	116,380	596,704	410,425	599,352	414,585
8)	Tax Expense	43,183	39,341	34,550	154,744	107,251	155,578	108,700
	(a) Provision for Income Tax	47,355	42,163	32,397	141,508	106,805	142,390	108,319
	(b) Deferred Tax Liability / Deferred Tax Asset (-)	-4,172	-2,822	2,153	13,236	446	13,188	381
9)	Net Profit from Ordinary activities after tax (7-8)	129,413	111,710	81,830	441,960	303,174	443,774	305,885
10)	Extraordinary items (Net of tax expense)	--	--	--	--	--	--	--
11)	Net Profit for the period (9-10)	129,413	111,710	81,830	441,960	303,174	443,774	305,885
12)	Paid-up Equity Share Capital	132,002	132,001	131,993	132,002	131,993	132,002	131,993
13)	Reserves excluding Revaluation reserves	--	--	--	2,273,410	1,938,759	2,283,767	1,947,302
14)	Earnings Per Share (EPS) (in ₹)							
	(a) Basic and Diluted EPS (before Extraordinary items)	9.80	8.46	6.20	33.48	23.41	33.62	23.62
	(b) Basic and Diluted EPS (after Extraordinary items)	9.80	8.46	6.20	33.48	23.41	33.62	23.62

**Part II : SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH 2013**

A Particulars of Shareholding								
1	Public Shareholding :							
	Number of Shares	346,953,346	346,950,849	346,870,040	346,953,346	346,870,040	346,953,346	346,870,040
	Percentage of Shareholding	26.28%	26.28%	26.28%	26.28%	26.28%	26.28%	26.28%
2	Promoters Shareholding							
	(a) Pledged / Encumbered							
	Number of Shares	--	--	--	--	--	--	--
	Percentage of Shares (as a % of the total shareholding of Promoter)	--	--	--	--	--	--	--
	Percentage of Shares (as a % of Total Share capital of the Company)	--	--	--	--	--	--	--
	(b) Non - Encumbered							
	Number of Shares	973,061,665	973,061,665	973,061,665	973,061,665	973,061,665	973,061,665	973,061,665
	Percentage of Shares (as a % of the total shareholding of Promoter)	100%	100%	100%	100%	100%	100%	100%
	Percentage of Shares (as a % of Total Share capital of the Company)	73.72%	73.72%	73.72%	73.72%	73.72%	73.72%	73.72%
B Investor Complaints								
	Particulars	Equity Shares			Debt Securities			
	Pending at the beginning of the quarter	2			11			
	Received during the quarter	38			311			
	Disposed off during the quarter	37			316			
	Lying unresolved at the end of the quarter	3*			6#			
		* Since Settled (2)			# Since Settled (all)			



( ₹ in Lac)

## STANDALONE AND CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES (AUDITED)

A	EQUITY AND LIABILITIES	Standalone		Consolidated	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
1	<b>Shareholders' Funds</b>				
	(a) Share capital	132,002	131,993	132,002	131,993
	(b) Reserves and surplus	2,273,410	1,938,759	2,283,767	1,947,302
	<b>Sub total - Shareholders' Funds</b>	<b>2,405,412</b>	<b>2,070,752</b>	<b>2,415,769</b>	<b>2,079,295</b>
2	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	12,115,086	9,586,698	12,115,086	9,586,698
	(b) Deferred tax liabilities (net)	21,979	8,743	21,863	8,675
	(c) Other Long-term Liabilities	53,980	55,064	53,981	55,064
	(d) Long Term Provisions	16,233	4,198	16,235	4,198
	<b>Sub-total - Non-current liabilities</b>	<b>12,207,278</b>	<b>9,654,703</b>	<b>12,207,165</b>	<b>9,654,635</b>
3	<b>Current liabilities</b>				
	(a) Current maturity of long term borrowing	961,208	1,018,773	961,208	1,018,773
	(b) Short-term borrowing	881,977	407,120	881,977	407,120
	(c) Other Current Liabilities	506,382	379,968	506,891	380,646
	(d) Short Term Provisions	19,399	26,190	19,550	27,698
	<b>Sub-total - Current liabilities</b>	<b>2,368,966</b>	<b>1,832,051</b>	<b>2,369,626</b>	<b>1,834,237</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>16,981,656</b>	<b>13,557,506</b>	<b>16,992,560</b>	<b>13,568,167</b>
B	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Fixed assets	7,434	7,646	7,495	7,706
	(b) Non-current investments	18,718	5,534	5,255	2,300
	(c) Long-term loans and advances	14,249,464	11,201,692	14,249,464	11,201,692
	(d) Other Non Current Assets	85,404	64,893	87,742	66,245
	<b>Sub-total - Non-current assets</b>	<b>14,361,020</b>	<b>11,279,765</b>	<b>14,349,956</b>	<b>11,277,943</b>
2	<b>Current assets</b>				
	(a) Current investments	383	383	383	383
	(b) Cash and Bank Balances	475,381	198,820	495,747	208,771
	(c) Current Maturities of Long-term loans	1,545,585	1,187,703	1,545,585	1,187,703
	(d) Short-term loans	241,611	617,787	241,611	617,787
	(e) Other Current Assets	357,676	273,048	359,278	275,580
	<b>Sub-total - Current assets</b>	<b>2,620,636</b>	<b>2,277,741</b>	<b>2,642,604</b>	<b>2,290,224</b>
	<b>TOTAL - ASSETS</b>	<b>16,981,656</b>	<b>13,557,506</b>	<b>16,992,560</b>	<b>13,568,167</b>

## Notes :-

- 1 The above financial results for the quarter and year ended 31.03.2013 have been reviewed and recommended by the Audit committee of Directors and approved by the Board of Directors in their respective meetings held on 29.05.2013 and 30.05.2013. The same has been audited by the Statutory Auditors of the Company.
- 2 The Company's main business is to provide finance for power sector. As such, there is no other separate reportable segment as per the Accounting Standard 17 - 'Segment Reporting', issued by the Institute of Chartered Accountants of India.
- 3 In line with circular No. 6 / 3 / 2001 - CL.V dated 18.04.2002 of the Government of India, Ministry of Law, Justice Company Affairs, and Department of Company Affairs, the Company had been creating till FY 2011-12, Debenture Redemption Reserve (DRR) upto 50% of the value of debentures issued through public issue, over the maturity period of such debentures and no DRR in case of privately placed debentures.
- In recent circular no 11/02/2012-CL-V(A) dated 11.02.2013, MoCA (Ministry of Corporate Affairs) has prescribed that adequacy of DRR will be 25% of the value of debentures issued through public issue and no DRR is required in the case of privately placed debentures.
- In this regard, the Company has requested the MoCA for clarification, which is awaited. Pending receipt of clarification, the Company has created and maintained DRR in line with the circular dated 18.04.2002.
- 4 The Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) has given opinion that unspent expenditure on CSR activities should not be recognized as provision, but a reserve may be created as an appropriation of profits. In line with ICAI opinion, now a reserve has been created as an appropriation of profit as against earlier practice of recognizing it as provision.
- Accordingly, CSR provision of ₹ 1,639 Lacs (amount unspent as at 01.04.2012) has been reversed to the credit of the statement of profit & loss through prior period account and CSR reserve of ₹ 1,836 lacs has been created as appropriation of profit which includes unspent amount of ₹ 709 lacs against CSR allocation for earlier years and unspent amount of ₹ 1,127 lacs for the current year.
- 5 The Company has formulated a Sustainable Development (SD) policy in line with the guidelines issued by the Ministry of Heavy Industries and Public Enterprises (Department of Public Enterprises), vide Office Memorandum No.3(9)/2010 -DPE(MoU) dated 23.09.2011.
- As per the SD policy approved by the Company, a minimum of ₹ 50 lakh plus 0.1% of profit after tax (consolidated) exceeding ₹ 10,000 lacs of the previous year will be allocated every financial year for SD Projects / Activities. The unspent amount of ₹ 49 lacs has been appropriated from profits as SD reserve.
- 6 During the quarter ended 31.03.2013, the Company has invested ₹ 2,100 lacs in equity shares and ₹ 8,400 lacs in 10% fully convertible preference shares of PFC Green Energy Limited, which is a wholly owned subsidiary of the Company.
- 7 During the quarter ended 31.03.2013, Eenergy Efficiency Services Limited (EESL), which is a Joint Venture, has allotted 2,18,75,000 equity shares of ₹ 10/- each in favour of the Company. This investment does not change the share of holding of the Company in EESL.



8	<p>The Company had exercised the option under para 46A of the amended AS-11 'The Effects of Changes in Foreign Exchange Rates' to amortize the exchange differences on the long term foreign currency monetary items over their tenure. Consequently, as on 31.03.2013, ₹ 47,797 lacs (as on 31.03.2012 ₹ 51,541 lacs) has been carried forward in the Foreign Currency Monetary Item Translation Difference Account (FCMITDA) and shown on the asset side of the balance sheet, as a separate line item.</p> <p>As per the recent announcement dated 30.03.2013 of the ICAI, the debit or credit balance in FCMITDA should be shown on the "Equity and Liabilities" side of the balance sheet under the head "Reserve and Surplus", as a separate line item.</p> <p>The Company has requested (vide letter dated 09.05.2013) for clarification from the Government of India, Ministry of Corporate Affairs (MoCA) on the applicability of ICAI announcement. The clarification is awaited.</p> <p>Pending receipt of clarification from the MoCA, the FCMITDA is continued to be shown on the asset side of the balance sheet, in line with presentation made in the previous year.</p>
9	<p>The Board of Directors, in their meeting held on 09.11.2012, amended the prudential norms of the Company, subject to approval of Ministry of Power, and accorded approval to create provision on standard assets in phases with effect from FY 2012-13 in 3 year period (i.e. 0.0833% p.a.), in order to bring it to 0.25% by 31.03.2015.</p> <p>Accordingly, the Company has amended the accounting policy to this effect and has made a provision of ₹ 4,109 lac for the quarter ended 31.03.2013 and a provision of ₹ 13,279 lacs for the year ended 31.03.2013.</p> <p>If the company had followed the earlier policy, the net profit for the quarter and year ended 31.03.2013 would have been higher by ₹ 4,109 Lac (net of taxes) and ₹ 13,279 lacs (net of taxes), respectively.</p> <p>The approval for the change in prudential norms by the Ministry of Power, Government of India is under process.</p>
10	<p>RBI has exempted PFC from its prudential exposure norms in respect of lending to State / Central entities in Power Sector till March 2013, vide their letter dated 04.04.2012, subject to PFC submitting road map to them, which has been complied with. The matter of extending the exemption for further period is under consideration of RBI.</p>
11	<p>During the quarter ended 31.03.2013, the Company has allotted 2,497 nos. of equity shares upon exercising the stock option by the regular employees under the ESOP scheme resulting in increase in paid up equity share capital by ₹ 0.25 lac and securities premium reserve by ₹ 4.40 lac.</p>
12	<p>Tax Expenses includes current year tax provision and earlier years' tax expenses / adjustments.</p>
13	<p>The Board of Directors, in their meeting held on 30.01.2013, approved interim dividend of 60% i.e. ₹ 6/- per equity share of ₹ 10/- each amounting to ₹ 79,201 lac for the FY 2012-13. The interim dividend has been paid on 13.02.2013. The Board of Directors has recommended a final dividend of ₹ 1/- per equity share of ₹ 10/- each amounting to ₹ 13,200.41 lac (including final dividend on options granted to employee under the Company's employees stock option plan titled as "PFC-ESOP-2010" ) for the FY 2012-13, subject to shareholder's approval in the Annual General Meeting. The total dividend (including interim dividend) for the FY 2012-13 is ₹ 7/- per equity share of ₹ 10/- each.</p>
14	<p>Figures of the quarter ended March 31, 2013 are the balancing figures between audited figures for the year ended 31.03.2013 and un-audited figures for the nine months ended 31.12.2012.</p>
15	<p>Figures for the previous period have been regrouped / rearranged wherever necessary, in order to make them comparable.</p>
	<p style="text-align: right;"><i>Satnam Singh</i></p>
Place : New Delhi	( SATNAM SINGH )
Date : 30.05.2013	CHAIRMAN AND MANAGING DIRECTOR

