



पावर फाइनेंस कॉर्पोरेशन लिमिटेड POWER FINANCE CORPORATION LTD.

(भारत सरकार का उपक्रम)

(A Govt. of India Undertaking)

(आई एस ओ. 9001:2008 प्रमाणित)

(ISO 9001:2008 Certified)

Fax No.: 022-26598237/38, 022- 66418125/26/24

No:1:05:138:11:CS

Date: 28th May, 2015**National Stock Exchange of India Limited,****Listing Department**

Further to our earlier communication dated 20th May, 2015, we would like to inform you that, the Board of Directors of Power Finance Corporation Ltd. in its meeting held today have considered and approved the Audited Financial Results (Standalone and Consolidated) for the period ended 31st March, 2015 and has also recommended a final dividend of Rs 0.60 per share (face value of Rs. 10/- each), in addition to interim dividend of Rs 8.50 per share (face value of Rs. 10/- each) paid on 13th March, 2015, thereby making total dividend of Rs 9.10 per share (face value of Rs. 10/- each) for the financial year 2014-15.

The Final Dividend Rs 0.60 per share (face value of Rs. 10/- each), if declared at the ensuing 29th Annual General Meeting, would be paid to the shareholders within 30 days from the date of AGM.

Please find enclosed herewith the Audited Financial Results (Standalone and Consolidated) for the period ended 31st March, 2015 alongwith Auditors Report in prescribed format.

A presentation showing quarterly and year to date highlights of performance of the company is also being made available at the website of the company at the following link: PFC website (Home>>Investors>>Investor Presentation).

Thanking you,

Yours faithfully,

For Power Finance Corporation Ltd.

(Manohar Balwani)

Company Secretary

mb@pfcindia.com

Encl: As above

पंजीकृत कार्यालय : "ऊर्जानिधि", 1, बाराखम्बा लेन, कनॉट प्लेस, नई दिल्ली - 110001 दूरभाष : 23456000 फैक्स : 011-23412545

Regd. Office : "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi-110001 Phones : 23456000 Fax : 011-23412545

वेबसाइट / Website : www.pfcindia.com

CIN: L65910DL1986GOI024862

POWER FINANCE CORPORATION LIMITED

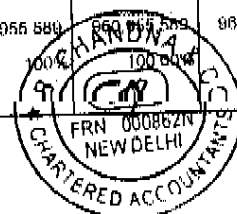
URJANIDHI, 1, BAHAKHAMBA LANE, CONNAUGHT PLACE, NEW DELHI Website: <http://www.pfcindia.com>

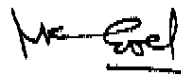
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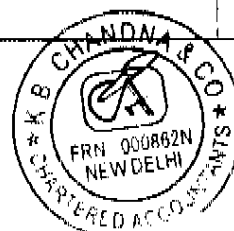
Part I: STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2015

(' in lac)

Sl. No	PARTICULARS	STANDALONE QUARTER ENDED			STANDALONE YEAR ENDED		CONSOLIDATED YEAR ENDED	
		31-03-2015	31-12-2014	31-03-2014	31-03-2015	31-03-2014	31-03-2015	31-03-2014
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)	(Audited)	(Audited)
1)	Income from Operations	633 118	628 428	644 051	2 458 561	2 077 281	2 458 949	2 077 455
	(a) Income from Operations	5 039	9 026	13 417	27 971	54 975	36 339	62 792
	(b) Other Operating Income	638 957	637 152	557 499	2 486 132	2 132 286	2 486 280	2 140 247
	Total Income from Operations							
2)	Expenses	419 763	414 681	350 011	1 631 139	1 354 827	1 632 367	1 355 672
	(a) Interest, Finance and Other Charges	1 942	2 100	2 197	8 581	8 511	10 147	9 656
	(b) Employee Benefit Expenses	180	146	122	609	493	792	523
	(c) Depreciation / Amortization	310	5 702	6 366	12 528	14 086	13 295	14 899
	(d) Other Expenses	422 155	422 529	356 696	1 662 067	1 377 929	1 656 801	1 380 650
	Total Expenses							
3)	Profit from Operations before Other Income and Exceptional Items (1-2)	216 792	214 223	198 792	833 275	764 327	838 687	760 687
4)	Other Income	3 182	370	373	4 548	1 504	5 800	2 746
5)	Profit from ordinary activities before Exceptional Items	219 984	216 293	199 165	837 023	765 831	844 587	782 442
6)	Exceptional Items							
8)	Tax Expense	63 006	71 783	199 165	837 023	765 831	844 587	782 442
	(a) Provision for Income Tax	68 509	61 887	68 043	250 208	208 613	252 520	210 821
	(b) Deferred Tax Liability / Deferred Tax Asset (-)	(4 601)	(767)	(8 019)	(8 396)	5 443	(8 373)	5 437
9)	Net Profit from Ordinary activities after tax (7-8)	156 076	154 173	141 141	595 933	541 775	600 440	548 184
10)	Extraordinary Items (Net of tax expense)							
11)	Net Profit for the period (9-10)	156 076	154 173	141 141	595 933	541 775	600 440	548 184
12)	Share of Profit / (loss) of associates							
13)	Minority Interest							
14)	Net Profit after taxes, minority interest and share of profit / (loss) of associates (11+12+13)	156 076	154 173	141 141	595 933	541 775	600 440	548 184
15)	Paid-up Equity Share Capital (Face value of share is ₹ 10)	132 004	132 004	132 004	132 004	132 004	132 004	132 004
16)	Reserves excluding Revaluation reserves (As per audited balance Sheet as at 31st March)				3 089 917	2 605 457	3 109 131	2 620 223
17)	Earnings Per Share (EPS) (In ₹)							
	(a) Basic and Diluted EPS (before Extraordinary Items)	11 83	11 88	10 69	45 15	41 04	45 49	41 38
	(b) Basic and Diluted EPS (after Extraordinary Items)	11 83	11 88	10 69	45 15	41 04	45 49	41 38
Part II - SELECT INFORMATION FOR THE YEAR ENDED 31st MARCH 2015								
A	Particulars of Shareholding							
1	Public Shareholding							
	Number of Shares	359 085 115	359 085 115	359 085 115	359 085 115	359 085 115	359 085 115	359 085 115
	Percentage of Shareholding	27 20%	27 20%	27 20%	27 20%	27 20%	27 20%	27 20%
n	Non-public Shareholding							
	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	960 955 589	960 955 589	960 955 589	960 955 589	960 955 589	960 955 589	960 955 589
	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)	100%	100%	100%	100%	100%	100%	100%



The Company vide its letter dated 20.07.2013 to RBI has been complying with prudential norms approved by RBI. The Company follows its own prudential norms approved by the Ministry of Power (MoP) Board of India (MoP) (Circular No. 367/03 dated 23.01.2014) subject to the approval of MoP which inter-alia includes norms for Restructuring / Rescheduling / Renegotiation (R/R/R) of loans which allows (i) two times restructuring before GDP, (ii) exemption to the loans having central / state government guarantee and loans to government department and (iii) dispensation not to consider extension of repayment schedule without sacrifice as restructuring for government sector borrowers. For R/R/R norms, RBI has advised the Company to follow the instructions contained in RBI circular DNBS CO PD No. 367/03 dated 23.01.2014 vide its letter dated 03.04.2014 inter-alia allowing maximum period of delay in DCCO for which a loan can be restructured. The matter regarding applicability of RBI's R/R/R norms was taken up with RBI. In this regard, RBI vide its letter dated 11.08.2014 has allowed exemption from application of its restructuring norms for Transmission & Distribution, Renovation & Modernization and Life Extension projects and also the hydro projects in Himalayan region or affected by natural disasters for a period of 3 years i.e. till 31.03.2017. Further, for new project loans to generating companies restructured w.e.f. 01.04.2015, the provisioning requirement would be 6% and for stock of such outstanding loans as on 31.03.2015 to all generating companies, the provisioning shall commence with a provision of 2.75% with effect from 31.03.2015 and reaching 5% by 31.03.2018. This provision is in addition to the provision for diminution in fair value.	The Company vide its letter dated 03.07.2014 has communicated the manner of its implementation to RBI further reiterated vide Company's letter dated 27.11.2014 inter-alia stating that all new project loans sanctioned with effect from 01.04.2015 to generating companies would be regulated by RBI norms on R/R/R. RBI vide its letter dated 04.02.2015 has informed that the Company's request is under examination.
Pending decision by RBI regarding implementation of R/R/R norms, the Company is following its own norms read with the manner of implementation as stated above.	Accordingly, the Accounting policy related to Prudential Norms on R/R/R has been amended during the year ended 31.03.2015 which inter-alia requires provision @ 2.75% on restructured standard assets. Thus, during the year ended 31.03.2015 a provision has been made amounting to ₹ 58,444 lac, on qualifying loans. As on 31.03.2015, these loans comprise of private sector loan ₹ 20,52,491 lac and Govt. sector loan Nil.
Consequently, profit for the quarter and year ended 31.03.2015 has been reduced by ₹ 19,545 lac and ₹ 51,312 lac respectively after considering the existing provision as standard loan on restructured loans. Effective from 1st April 2014, depreciation on assets is provided on original cost of the asset reduced by its residual value estimated from time to time as per written down value method over the useful lives of the assets as per Companies Act, 2013. In respect of life expired assets, an amount of ₹ 192 lac (net of deferred tax) has been charged to retained earnings as per Companies Act, 2013.	The Board of Directors in their 330th meeting held on 27.02.2015 declared interim dividend of @ 85% i.e. ₹ 8.50/- per equity share of ₹ 10/- each amounting to ₹ 1,12,204/- lac for the FY 2014-15. The interim dividend has been paid on 13.03.2015. The Board of Directors has recommended a final dividend of 8% i.e. ₹ 0.80 per equity share of ₹ 10 each amounting to ₹ 7,920 lac subject to shareholders' approval in Annual General Meeting.
Board of Directors of the Company, in its 322nd meeting held on 14th August, 2014, decided for winding up Tatiya Andhra Mega Power Limited (SPV held for transfer), subject to approval of Ministry of Power, Government of India.	The Group of Promoters (GoP) of National Power Exchange Limited (NPEL) comprising of NTPC, NHPC, TCS and PFC in their meeting dated 21.03.2014 decided to recommend voluntary winding up of NPEL to the Board of NPEL. The Board of Directors of the Company in its meeting held on 14th August, 2014 had approved the recommendation of the GoP. The voluntary winding up of NPEL is under process. The company as on 31.03.2015 has an investment of ₹ 219 lac (as on 31.03.2014 ₹ 219 lac) in the equity share capital of NPEL against which a provision for diminution in value amounting to ₹ 106 lac (previous year Nil) has been made during the quarter and year ended 31.03.2015.
Pursuant to the requirements of the Companies Act 2013, followed by clarification from Department of Public Enterprises (DPE), the Company amended its CSR and Sustainability policy during the year. Accordingly, during the quarter and year ending 31.03.2015, CSR provision amounting to ₹ 2,937 lac and ₹ 11,749 lac (previous year ₹ 6,323 lac including reversal of CSR and SD reserve amounting to ₹ 1,885 lac as on 31.03.2013) has been made respectively at the rate 2% of the average net Profit Before Tax (PBT) of the Company earned during the three immediately preceding financial years. During the quarter an amount of ₹ 2,525 lac and during the year ended 31.03.2015 ₹ 4,990 lac (previous year ₹ 4,652 lac) has been disbursed against CSR activities. As on 31.03.2015, the CSR and SD provisions stands at ₹ 11,430 lac (previous year ₹ 3,233 lac) after adjusting an amount of ₹ 3,294 lac (previous year ₹ 3,090 lac) during the year on account of CSR claims.	Tax Expenses includes current year tax provision and earlier years' tax expenses / adjustments.
Figures for the quarter ended 31.03.2015 are the balancing figures between unaudited figures for the nine months ended 31.12.2014 and audited figures for the year ended 31.03.2015.	Figures for the previous period have been regrouped / rearranged wherever necessary in order to make them comparable.
Place : New Delhi Date : 28.05.2015	 M.K. GOEL Chairman & Managing Director DIN - 00238813



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Chartered Accountants,
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**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement**

To,
The Board of Directors of Power Finance Corporation Ltd.

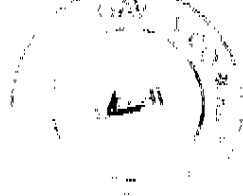
We have audited the financial results of Power Finance Corporation Ltd. which includes unaudited requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2015 and the published year to date figure upto December 31, 2014, being the date of the end of the third quarter of the current financial year. These quarterly financial results as well as year to date financial results have been prepared on the basis of interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 2013, Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, other accounting principles generally accepted in India, our audit of the annual financial statements as at and for the year ended March 31, 2015; and the relevant requirements of clause 41 of the Listing Agreement

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter and year ended as at March 31, 2015



Emphasis of Matter

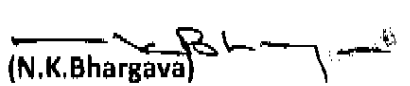
We draw attention to the following matters in the Notes to financial results:

Note No. 5 of financial results regarding application of prudential norms stipulated by Reserve Bank of India in respect of Restructuring / Reschedulement/ Renegotiation (R/R/R) for the financial year 2014-15 for reasons indicated therein.

Our opinion is not modified in respect of above matter.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

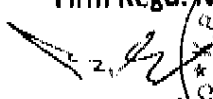
For N. K. Bhargava & Co.
Chartered Accountants
Firm Regd. No.: 000429N


(N.K. Bhargava)

Partner

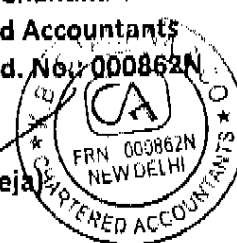
Membership No.080624

For K. B. Chandna & Co.
Chartered Accountants
Firm Regd. No.: 000862N


(V.K. Gureja)

Partner

Membership No - 016521



Place: New Delhi

Date: 28.05.2015

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Auditor's Report on Consolidated Financial Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement

To,
The Board of Directors of Power Finance Corporation Ltd.

We have audited the consolidated financial results of Power Finance Corporation Ltd. for the year ended 31st March, 2015, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The consolidated financial results have been prepared on the basis of interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such Consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS)-21 "Consolidated Financial Statements", Accounting Standard (AS) 27 "Financial reporting of interest in joint ventures" notified under Section 133 of the Companies Act, 2013, read with Rule / of the Companies (Accounts) Rules, 2014, other accounting principles generally accepted in India, our audit of the annual consolidated financial statements as at and for the year ended March 31, 2015; and the relevant requirements of clause 41 of the Listing Agreement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of four subsidiaries (Audited by other Auditors) and two Joint Venture entities (NPFL Audited, EESL Unaudited) included in the consolidated financial year to date results, whose opinion on the financial year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors (in case of subsidiaries and NPFL Joint Venture) and certification of management (in case of EESL-Joint venture).

In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial year to date results include the financial year to date results of the following entities:

- PFC Consulting Ltd.	Ownership – 100.00%
- PFC Green Energy Ltd	Ownership – 100.00%
- PFC Capital Advisory Services Ltd	Ownership – 100.00%
- Power Equity Capital Advisors Pvt. Limited	Ownership – 100.00%
- National Power Exchange Ltd.	Ownership – 16.66%

Opinion

In our opinion and to the best of our information and according to the explanations given to us the consolidated financial results

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard and

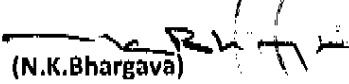
We draw attention to the following matters in relation to the consolidated financial information for the year ended

Note No. 5 of consolidated financial results regarding application of prudential norms stipulated by Reserve Bank of India in respect of Restructuring / Reschedulement/ Renegotiation (R/R/R) for the financial year 2014-15 for reasons indicated therein.

Our opinion is not modified in respect of above matter.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For N. K. Bhargava & Co.
Chartered Accountants
Firm Regd. No.: 000479N


(N.K. Bhargava)
Partner
Membership No. 080624

Place: New Delhi
Date: 28.05.2015

For K. B. Chandna & Co.
Chartered Accountants
Firm Regd. No.: 000862N


(V.K. Gureja)
Partner
Membership No - 016521

