POWER FINANCE CORPORATION LIMITED

(A Govt. of India Undertaking)

Registered & Corporate Office :
Urjanidhi Building, 1-Barakhamba Lane,
Connaught Place, New Delhi – 110001
Tel : (011) 23456000 **Fax :** (011) 23456293
E-mail : 54ECinvestorcell@pfcindia.com
Website : www.pfcindia.com
Date of Incorporation : 16th July 1986
CIN : L65910DL1986GOI024862

INFORMATION MEMORANDUM DATED MARCH 31, 2023
PRIVATE PLACEMENT OF SECURED, NON-CONVERTIBLE, NON-CUMULATIVE, REDEEMABLE, TAXABLE BONDS IN THE NATURE OF DEBENTURES OF Rs. 10,000/- EACH FOR CASH AT PAR "ON TAP" BASIS WITH BENEFITS UNDER SECTION 54EC OF THE INCOME TAX ACT, 1961, PFC CAPITAL GAIN TAX EXEMPTION BONDS – SERIES VI ("BONDS"), FOR Rs. 500 CRORE PLUS GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION

REGISTRAR TO THE ISSUE	TRUSTEE FOR THE BONDHOLDERS
KFIN TECHNOLOGIES LTD. **(formerly known as Karvy Fintech Pvt Ltd and KFIN Technologies Private Ltd)** Selenium Tower B, Plot Number 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telengana- 500 032 Tel: +91 40 67162222 Fax:+91 40 2343 1551	**BEACON TRUSTEESHIP LTD.** 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai, Maharashtra - 400051 Tel: +91 22 26558759

List of Arrangers to the Issue: Please visit our website: www.pfcindia.com

Bankers to the Issue:

Collection Bankers	
HDFC BANK LIMITED	INDUSIND BANK LIMITED
YES BANK LIMITED	ICICI BANK LIMITED
KOTAK MAHINDRA BANK LIMITED	CANARA BANK
UNION BANK OF INDIA	

For list of branches of the bankers to the issue, please visit our website: www.pfcindia.com

ISSUE SCHEDULE*	
Issue Opening Date	April 1, 2023
Issue Closing Date	March 31, 2024

The Issuer reserves its sole and absolute right to modify (pre-pone/ postpone) the above issue schedule without giving any reasons or prior notice.

Table of Contents

ABBREVIATIONS

BSE	Bombay Stock Exchange Limited
CIN	Corporate Identification Number
CDSL	Central Depository Services (India) Limited
CRAR	Capital to Risk weighted Asset Ratio
CMD	Chairman & Managing Director of the Company
DP	Depository Participant
DRR	Debenture Redemption Reserve
FIs	Financial Institutions
FIIs	Foreign Institutional Investors
GOI	Government of India
IPDS	Integrated Power Development Scheme
Issuer/ Company/ PFC/ Corporation	Power Finance Corporation Limited incorporated on 16th July 1986 under The Companies Act, 1956 and having its registered office at UrjaNidhi Building, 1-Barakhamba Lane, Connaught Place, New Delhi – 110001 and bearing CIN: L65910DL1986GOI024862
IFC	Infrastructure Finance Company, as defined under RBI guidelines
ITP	Independent Transmission Projects
MOP	Ministry of Power
NSDL	National Securities Depository Limited
NPAs	Non-Performing Assets
NBFC	Non-Banking Financial Company, as defined under RBI guidelines
NEFT	National Electronic Fund Transfer
PAN	Permanent Account Number
PFC	Power Finance Corporation Ltd
RBI	Reserve Bank of India
R-APDRP	Restructured Accelerated Power Development and Reforms Program
RDSS	Revamped Distribution Sector Scheme
RTGS	Real Time Gross Settlement
ROC	Registrar of Companies, National Capital Territory of Delhi & Haryana
RTA/R&TA	Registrar & Transfer Agent
SPVs	Special Purpose Vehicle
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
TDS	Tax Deducted at Source
UMPPs	Ultra Mega Power Projects
WDM	Wholesale Debt Market

CHAPTER I DISCLAIMER

This Information Memorandum dated 31st March 2023 is neither a Prospectus nor a statement in lieu of Prospectus. It does not and shall not deem to constitute an offer or an invitation to the Public to subscribe to the Capital Gain Bonds issued by Power Finance Corporation Limited ("PFC" or "Company" or "Issuer"). This Information Memorandum is not intended for distribution and is for the consideration of the person to whom it is addressed and should not be reproduced/redistributed by the recipient. It cannot be acted upon by any person other than to whom it has been specifically addressed. Multiple copies hereof given to the same entity shall be deemed to be offered to the same person. The bonds mentioned herein are being issued strictly on a private placement basis and this offer does not and shall not deem to constitute a public offer/invitation.

This Information Memorandum is not intended to form the basis of evaluation for the potential investors to whom it is addressed and who are willing and eligible to subscribe to these Bonds issued by PFC. This Information Memorandum has been prepared to give general information regarding PFC to parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require. PFC believes that the information provided in this Information Memorandum as of the date hereof is true and correct in all respects. PFC and the Arrangers do not undertake to update this Information Memorandum to reflect subsequent events and thus, it should not be relied upon without first confirming its accuracy with PFC.

Potential investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risks of investing in the Bonds. It is the responsibility of potential investors to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds. It is the responsibility of the potential investors to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Potential investors should conduct their own investigation, due diligence and analysis before applying for the Bonds. Potential investors should not rely solely on information provided in the Information Memorandum or by the Arrangers nor would providing of such information by the Arrangers be construed as advice or recommendation by the Issuer or by the Arrangers to subscribe to and purchase the Bonds. Potential investors also acknowledge that the Arrangers do not owe them any duty of care in respect of their offer to subscribe for and purchase of the Bonds. Potential investors should also consult their own tax advisors on the tax implications of the acquisition, ownership and redemption of Bonds and income arising thereon. PFC reserves the right to withdraw the Private Placement prior to the closing date at its discretion. In such an event, the Issuer may, at its sole discretion, make the allotment under the new series of PFC 54EC bonds, if open for subscription at that time.

For Power Finance Corporation Limited,

(Sanjay Mehrotra)
ED (Finance)
Power Finance Corporation Ltd

Place: New Delhi
Date: 31st March 2023

CHAPTER II ISSUE HIGHLIGHTS

PRIVATE PLACEMENT OF SECURED, NON-CONVERTIBLE, NON-CUMULATIVE, REDEEMABLE, TAXABLE BONDS IN THE NATURE OF DEBENTURES OF Rs. 10,000/- EACH FOR CASH AT PAR "ON TAP" BASIS WITH BENEFITS UNDER SECTION 54EC OF THE INCOME TAX ACT, 1961.

Security Name	PFC Capital Gain Tax Exemption Bonds –SERIES VII
Rating	'AAA/Stable' by CRISIL, 'AAA (Stable)' by ICRA, & 'AAA/Stable' by CARE
Issue size	Rs 500 crore + Green Shoe option to retain oversubscription
Face Value	Rs. 10,000 (Rupees Ten Thousand only) per bond
Issue Price	At par (Rs. 10,000/- per bond)
Coupon Rate	5.25% p.a.
Issue Opening & Closing Date	Issue Opening Date: April 1, 2023 Issue Closing Date: March 31, 2024 (at the close of the banking hours) or at a date / time as may be decided by PFC in its absolute discretion
Minimum application size and in multiple of thereafter	Application must be for a minimum size of Rs. 20,000/- (2 bonds) and then in multiple of Rs. 10,000/- (1 bond) thereafter
Maximum application size	500 bonds of Rs. 10,000/- each (Rs. 50,00,000/-) during this financial year
Mode of Issue	Private placement basis
Mode of Subscription	Applicants may make remittance of application money through electronic mode or cheque / draft drawn in favour of 'PFC Capital Gain Bonds'.
Deemed Date of allotment	Last day of each month in which the subscription money is received and credited to PFC Capital Gain Collection Account
Coupon payment date	Every year on 31st July till redemption and balance along with redemption
Tenor	5 years from the deemed date of allotment
Date of Redemption	At the end of 5 years from the Deemed Date of Allotment
Transferability	Non-transferable, Non-Marketable, Non-negotiable and cannot be offered as a security for any loan or advance
Listing	The Bonds will not be listed on any stock exchange due to non-transferability during the tenure of Bonds
Trustees	Beacon Trusteeship Limited
Bankers to Issue	HDFC Bank Ltd., IndusInd Bank Ltd., ICICI Bank Ltd., YES Bank Ltd., Kotak Mahindra Bank Ltd. , Canara Bank and Union Bank of India (For Designated Branches please visit our website: www.pfcindia.com)

Note:

1. Company reserves its sole & absolute right to modify (pre-pone/post pone) the issue opening/closing/pay-in-date(s) without giving any reasons or prior notice. In such case, Investors/Arrangers shall be intimated about the revised time schedule by Company. Company also reserves the right to keep multiple deemed date of allotment at its sole & absolute discretion without any notice. Consequent to change in Deemed Date of

Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Company.

2. PFC reserves the right to revise the coupon rate and/or close the issue by giving notice on its website. The investors are advised to consult PFC/Arrangers, before depositing the application with bank. It may be noted that rate of interest on the bond shall be as applicable on the date of credit of application money in PFC collection account. The applicable rate where application money is credited in PFC’s collection account on 01.04.2023 is 5.25% p.a. Change in interest rate, if any, for application money credited in PFC’s collection account thereafter shall be published on websites of PFC as well as of Registrar to the issue.

3. All applications submitted but rejected by PFC would be returned by PFC to the applicant/ collection banker, without any Interest.

4. Application for minimum Rs. 20,000/- (in multiples of Rs. 10,000/- thereafter) will be accepted, any amount received in fraction will be refunded to the investor without interest.

CHAPTER III - BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS AND SUBSIDIARIES

OVERVIEW

Power Finance Corporated Limited, incorporated in 1986, is a Schedule-A Maharatna Central Public Sector Enterprises (CPSE). Its portfolio includes financial products and services such as rupee term loans, short-term loans, equipment lease financing, transitional financing services, etc. for various power projects in the generation, transmission, and distribution sectors. It's clients mainly include central power utilities, state power utilities, private power sector utilities (including independent power producers), joint sector power utilities and power equipment manufacturers. Being a trusted partner of the government, PFC uses its expertise and experience in delivering customised and expansive suite of products and services to support India's power infrastructure ambitions.

The Issuer is a leading financial institution in India focused on the power sector. The Issuer plays a strategic role in the GoI's initiatives for the development of the power sector in India. The Issuer works closely with GoI state Governments and power sector utilities, other power sector intermediaries and private sector clients for the development and implementation of policies and structural and procedural reforms for the power sector in India. In addition, the Issuer is involved in various GoI programs for the power sector, including acting as the nodal agency for the UMPP program and the RDSS/IPDS/(R-APDRP subsumed in it) and as a bid process coordinator through its wholly owned subsidiary PFC Consulting Limited for the ITP scheme.

The Issuer provides a comprehensive range of financial products and related advisory and other services from project conceptualization to the post-commissioning stage to its clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernization projects. The Issuer provides various fund based financial assistance, including long-term project finance, short-term loans, buyer's line of credit, underwriting of debt and debt refinancing schemes as well as non-fund based assistance including credit enhancement guarantees and letters of comfort. The Issuer also provides various fee-based technical advisory and consultancy services for power sector projects through its wholly-owned subsidiary.

The focus areas of our Company have been strategically expanded to include projects that represent forward and backward linkages to core power sector projects, including procurement of capital equipment for the power sector, fuel sources for power generation projects and related infrastructure development. We also fund power trading initiatives.

PFC's primary sources of funds include equity capital, internal resources and domestic and foreign borrowings. The Issuer currently enjoy the highest credit ratings of 'CRISIL AAA/ Stable', 'ICRA AAA(Stable)' and 'CARE AAA/ Stable' for its long term borrowing programme and 'CRISIL A1+', 'ICRA A1+' and 'CARE A1+' for its short term borrowing programme for FY 2023-24. International credit rating agencies Moody's and Fitch have granted ratings of "Baa3" and "BBB(-)" respectively.

Our Company is a listed GoI company and a public financial institution under the Companies Act, 2013. Our Company is registered with the RBI as a non-deposit taking systemically important NBFC, and was classified as an IFC on July 28, 2010. We believe that our NBFC and IFC classifications enable us to effectively capitalize on available financing opportunities in the Indian power sector. With effect from April 1, 2016, our Company is required to follow the applicable provisions of RBI prudential norms for "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies", as notified from time to time. The latest prudential norms were notified in the RBI Master Direction dated September 1, 2016. In respect to exposure towards Central/State Government borrowers, the company had requested RBI to continue its exemption related to credit/investment concentration norms beyond 31st March 2022. RBI vide its letter dated 24th August 2022 has allowed the existing exposure of the company as on date of the letter to run off till maturity without invoking any regulatory violation and conform to RBI credit concentration norms with regard to new exposures.

Our Company was granted the "Maharatna" status by the GoI in 2021. Some of the key awards and recognitions received by our Company are:

- CBIP Award 2019 for 'Best Power Finance Company';
- 6th Governance Now Best PSU Award (Navratna) – 2019;
- Rajbhasha Kirti Pratham Puraskar Award (in category of Region 'A') for the year 2018-19;
- Construction Industry Development Council's (CIDC's) "Partners in Progress" Trophy for the year 2018;
- Amar Ujala "CSR Award" in 2018;
- First Prize in "Annual Report" category for Fiscal 2017 at the SCOPE CC Awards;
- One Globe Award for Excellence in Enabling a Mobile Economy for the URJA application at the 6th Annual One Globe Forum (2017);
- Featured in the 2017 Fortune India 500, a list of India's largest corporations;
- Dun & Bradstreet "India's Leading NBFC (2019) Award" in the "Infrastructure Financing";
- Dun & Bradstreet (D&B) Award for Best PSU in 'Financial Services';
- SCOPE Gold Trophy for Good Corporate Governance", 2017;
- Winner, Financial Services – NBFC category at the 2016 Dainik Bhaskar India Pride PSU Awards;
- SCOPE Corporate Communication Excellence Award 2019 in Best Annual Report category;
- Swachh Bharat Award 2019 for significant contribution under Swachh Bharat Kosh;
- Rajbhasha Kirti Pratham Puraskar for the year 2018-19;
- National CSR Award in the category of 'Environment, Sustainable Development & Solar Energy';
- Asia's Most Trusted Companies Award 2019 by IBC;
- Governance Now PSU Award in the category of Resilient Growth;
- Rajbhasha Kirti Pratham Puraskar Award (in category of Region 'A') 2019-20;
- Gold Award for "Best Performing PSU" at SKOCH Awards in the year 2020; and

- 'Beacons of Hope'- Certificate of Merit for its immense contribution on project for relief activities during COVID-19.
- Accorded 'Mahartana' Status by Government of India in October 2021.
- Ranked 29th in Fortune India 500 Companies : 2021
- Conferred ICAI Silver Award For Excellence in Financial Reporting FY 2020-21
- PFC is amongst the top 10 profit-making CPSEs as per "Public Enterprise Survey 2021-22".
- PFC has been conferred with "South Asian Federation of Accountants" Gold Award in Best Presented Accounts/Annual Report Awards for FY 2020-21 in 'Public Services Entity Category'.
- PFC has been awarded for second consecutive year by ICAI for excellence in Financial Reporting, in the category of 'Public Sector Entities'. Conferred with ICAI Gold shield award for FY 2021-22 and ICAI silver shield award for FY 2020-21.

Commencement
PFC was incorporated on July 16, 1986 under the Companies Act as a public limited company, registered with the RoC, National Territory of Delhi and Haryana and received the certificate for commencement of business on December 31, 1987.

Public Financial Institution
PFC was incorporated as a financial institution to finance, facilitate and promote India's power sector development and was notified as a public financial institution under Section 4A of the Companies Act 1956 (now section2(72) of Companies Act 2013) on August 31, 1990.

Infrastructure Finance Company
PFC is registered with RBI as a non-deposit taking systemically important NBFC ("NBFC") on February 10, 1998 and it was classified as an Infrastructure Finance Company ("**IFC**") on July 28, 2010.

Maharatna Company
PFC was conferred with the 'Mini Ratna' (Category – I) status in the year 1998, Navratna status on June 22, 2007 and Govt. of India accorded the prestigious 'Maharatna' status to the state-owned Power Finance Corporation Ltd (PFC) on October 12, 2021, thus giving PFC greater operational and financial autonomy. An order to this effect was issued by the Department of Public Enterprises, under the Ministry of Finance. The grant of 'Maharatna' status to PFC will impart enhanced powers to the PFC Board while taking financial decisions.

The Board of a 'Maharatna' CPSE can make equity investments to undertake financial joint ventures and wholly-owned subsidiaries and undertake mergers and acquisitions in India and abroad, subject to a ceiling of 15% of the Net Worth of the concerned CPSE, limited to Rs.5,000 crore in one project. The Board can also structure and implement schemes relating to personnel and Human Resource Management and Training. They can also enter into technology Joint Ventures or other strategic alliances among others.

Hon'ble Union Minister of Power and New & Renewable Energy, Shri R.K. Singh congratulated PFC and remarked that conferment of 'Maharatna' status is a reflection of the confidence of the Govt. of India on PFC's strategic role in the overall development of Indian Power Sector and an endorsement of its sterling performance. This new recognition will enable PFC to offer competitive financing for the power sector, which will go a long way in making available affordable & reliable 'Power For all 24x7'. The enhanced powers that come with Maharatna Status will also help PFC in pushing the Government's agenda of funding under the National Infrastructure Pipeline, national commitment of 50% green energy by 2030 and effective monitoring and implementation of the New Revamped Distribution Sector Scheme with an outlay of more than Rs.3 Lakh crore.

A. PFC's MAIN OBJECTS AS ON DATE

The main objects, as contained in Clause III A of the Memorandum of Association of PFC, are as herein under mentioned:

1. To finance projects, activities or works of creation, up-gradation, renovation, improvement, maintenance, repair, modernisation, modification, replacement, augmentation, etc. related to generation, transmission, distribution or supply of power of any form including power from sources of renewable energy.

2. To finance projects, activities or works including electrification works of creation, up-gradation, renovation, improvement, maintenance, repair, modernization, modification, replacement, augmentation, etc. of electrical and electromechanical system, standalone or that are part of large projects e.g. Projects of lift Irrigation, Sewage treatment plant, Smart City, Electrification of railway line, etc.

3. To finance projects, activities, schemes for energy conservation, energy efficiency and environmental aspects of power including cogeneration/tri-generation/combined heat and power waste heat recovery system(s), e-vehicle(s) and setting up of charging stations.

4. To finance projects for establishment, expansion, modernisation, operations, maintenance of units for manufacturing of capital equipment(s) required in power sector including renewable energy & allied sectors.

5. To finance projects, works and activities having a forward or backward linkage with power projects included in Clause A1, including but not limited to development of coal and other mining activity(ies) for use as fuel or other fuel supply arrangements for power sector, laying of railway line(s), road(s), bridge(s), port(s), jetty(ies) and harbor(s), gas pipeline(s), gas terminal(s) & to meet such other enabling infrastructure facility(ies) that may be required for a power project included in clause A1.

6. To finance studies, surveys, investigations, research on any project, activity, or work covered in clauses A1 to A4 and to carry out any activity including consultancy, training, etc. to promote the business interest of the company in any of the clauses A1 to A5.

*7. To lend to Logistics and Infrastructure sectors to the extent permitted by the Government of India.

Inserted vide Special Resolution passed at 36th AGM held on 21st September, 2022.

B. PRODUCTS

The Issuer provide a comprehensive range of fund based and non-fund based financial products and services from project conceptualization to the post-commissioning stage to its clients in the power sector.

Fund Based

The issuer's fund based products includes:

- Project term loans (Rupee and foreign currency)
- Grants/interest free loans for studies/consultancies
- Buyer's line of credit
- Lease financing for purchase of equipment
- Lease financing for wind power projects
- Corporate loan
- Debt refinancing
- Short/Medium term loan to equipment manufacturers
- Line of credit for import of coal
- Credit facility for purchase of power through power exchange

Non-Fund Based
The Issuer's non-fund basedproducts include:

- Deferred payment guarantee
- Guarantee for performance of contract/ obligations w.r.t Fuel Supply Agreement (FSA)
- Letter of comfort (LoC)
- Policy for guarantee of credit enhancement

C. PFC & GOVERNMENT PARTNERSHIP

a) Ultra Mega Power Projects (UMPP)

Development of Ultra Mega Power Projects (UMPPs), with a capacity of about 4,000 MW each, adopting super critical technology is the initiative of Ministry of Power (MoP), Government of India for which the issuer has been designated as the 'Nodal Agency' and Central Electricity Authority (CEA) as the Technical Partner by MoP.

PFC Consulting Limited (a wholly-owned subsidiary of PFC) along with MoP and CEA undertake preliminary site investigation activities, land acquisition activities, site specific studies to obtain appropriate regulatory and other approvals for land, water, coal block, environment etc. necessary to conduct catalyst of the bidding process. The successful bidder is then expected to develop and implement these projects.

The issuer incorporated a total of 19 wholly-owned Special Purpose Vehicles (SPVs) for the 14 UMPPs. Out of these, 4 UMPPs have been transferred to successful bidders and as per the direction of MoP and respective State Governments, PFC / PFCCL is in the process of closure of 4 UMPPs.

PFC initiated the process of closure of SPVs namely Tatiya Andhra Mega Power Limited (TAMPL), Coastal Maharashtra Mega Power Ltd (CMMPL) and Chhattisgarh Surguja Power Ltd (CSPL). Requisite documents for closure are filed in RoC. Further, PFC is intending to utilise the SPV namely Coastal Karnataka Power Ltd (CKPL) for bidding regarding stressed projects.

MoP has decided to defer any action on formulation of UMPPs Bidding framework as of now as the country is making energy transition from fossil fuel to non-fossil fuel. Further, in QPRM held on 16.12.2021, PFC was advised to review the status of UMPPs and take necessary action for closure wherever required, in consultation with stakeholders. Matter is under consideration.

b) Independent Transmission Projects (ITP)

Ministry of Power has also initiated Tariff Based Competitive Bidding (TBCB) Process for development and strengthening of Transmission system through private sector participation. The objective of this initiative is to develop transmission capacities in India and to bring in the potential investors after developing such projects to a stage having preliminary survey work, identification of route, preparation of survey report, initiation of process of land acquisition for sub-stations, if any, initiation of process of seeking forest clearance, if required etc. As on March 31, 2022, 40 Special Purpose Vehicles (SPVs), 2 by PFC and other 38 by PFC Consulting Limited (wholly-owned subsidiary) have been established for ITPs.

Further, during the FY 2021-22, following SPVs established for development of transmission projects has been transferred to the successful bidders selected through TBCB:

i. Khavda-Bhuj Transmission Limited
ii. Nangalbibra-Bongaigaon Transmission Limited
iii. Sikar-II Aligarh Transmission Limited
iv. Koppal-Narendra Transmission Limited
v. Karur Transmission Limited

c) Integrated Power Development Scheme ("IPDS") (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) Subsumed in it)

In order to provide impetus to strengthening of power distribution sector in urban areas and extend financial assistance against capital expenditure for addressing the gaps in sub transmission & distribution network and metering in urban areas to supplement the resources of DISCOMs/Power Departments, Ministry of Power, Government of India launched "Integrated Power Development Scheme" (IPDS) on December 3, 2014. Restructured Accelerated Power Development & Reforms Programme (R-APDRP) Scheme notified vide MoP order dated September 19, 2008 was subsumed into IPDS. PFC is the Nodal Agency for operationalisation of the IPDS/ R-APDRP Scheme. IPDS (including R-APDRP subsumed) Scheme had Sunset date of March 31, 2022 (excluding identified Projects).

Components of IPDS :

The major components envisaged under the Scheme and additional components included by Ministry of Power from time-to-time are as under:

i. Strengthening of sub-transmission and distribution networks in the urban areas;
ii. Metering of distribution transformers/ feeders/ consumers in the urban areas;
iii. Schemes for Enterprise Resource Planning (ERP) and IT enablement of balance urban towns are also included under IPDS. Scope of IT enablement has been extended to all urban towns as per Census 2011.
iv. Smart metering solution for performing UDAY States and Solar panels on Govt. buildings with net-metering are also permissible under the Scheme.
v. Gas Insulated Sub-stations (GIS) at locations where space constraint exists are also permissible

vi. Real Time-Data Acquisition System (RT-DAS) Projects for accurate measurement of power interruption parameters like SAIDI/ SAIFI at 11KV feeder level are also covered under the Scheme.
vii. IT enablement of distribution sector and strengthening of distribution network under R-APDRP for 12th and 13th Plans by carrying forward the approved outlay for R-APDRP to IPDS.

Outlay & Budgetary Support

- The estimated outlay of the scheme is Rs. 32,612 crore including a budgetary support of Rs. 25,354 crore from Government of India during the entire implementation period.
- R-APDRP scheme cost of Rs. 44,011 crore (with a budgetary support of Rs. 22,727 crore) as already approved by CCEA is also carried forward to IPDS in addition to the outlay of Rs. 32,612 crore.

Financial Assistance under IPDS / R-APDRP

(Rs. in crore)

Scheme	FY 2021-22		Cumulative up to March, 2022	
	Approved Cost	GoI Fund Disb.	Approved Cost	GoI Fund Disb.
R-APDRP	(1,987)*	385	29,978	13,580
IPDS	(2,428)*	1,977	28,886	17,638

*Negative figure is due to cancellation/ reduction in cost of Projects upon financial closure

In addition to above disbursement to Discoms for Projects, during FY 2021-22, MoP has also released GoI Grant of Rs. 67 crore (cumulative Rs. 284 crore) for IPDS other than Project head (e.g. nodal agency fee, re-imbursement of expenditure, Un-interrupted Direct Current (UDC), National Power Portal (NPP) etc.) and Rs. 29 crore (cumulative Rs. 563 crore) under Part-C of R-APDRP to PFC.

Moreover, MoP has also released GoI Grant of Rs. 350 crore during FY 2021-22 (cumulative Rs. 1,350 crore) for implementation of PMDP-2015 in J&K through PFC.

Progress of Implementation

<u>IPDS</u>

Under IPDS, inspite of a tough pandemic hit last 2 years, work in 546 out of 547 sanctioned Circles/Projects has been declared complete with overall physical progress achieved of 99% (timeline for completion of Ayodhya Circle is up to March, 2023). The Scheme is helping in making a difference in the lives of around 10 crore urban electricity consumers living in 3600 towns across the country where the Power Distribution infrastructure has been upgraded. IT enablement has been undertaken even in smaller towns of 34 Discoms. ERP system has been set up / upgraded in 32 Discoms.
Further, during the year, PFC also disbursed an amount of Rs. 440 crore (cumulative disbursement Rs. 3,755 crore) as counterpart loans to State Power Discoms under IPDS.

R-APDRP

With the measures taken so far, IT backbone has been established in the State Power Discoms which has aided the Discoms continue their operations during COVID-19 and consequent lockdown. All sanctioned 1,233 towns have been declared completed under Part A IT with all business process software modules are functional and energy audit reports being derived. SCADA Automation has been completed in 57 large towns to improve power reliability. Implementation work of distribution system strengthening has been completed in all sanctioned 1,227 towns.

Further, the Issuer has also disbursed an amount of Rs. 3,616 crore (cumulative) as counterpart loans to State Power Discoms under Part B of R-APDRP.

Other developments

- IT and Technical interventions undertaken under the scheme is helping in improvement of Billing/ Collection efficiency which will ultimately result in reduction in Aggregate Technical and Commercial (AT&C) losses. The reduction in AT&C loss is already visible in many R-APDRP towns because of establishment of IT system and Part-B completion coupled with administrative and other measures.
- There has been an increased in transparency by way of capturing of data from ≈ 36,000 urban feeders (11 kV) in IT enabled towns on Urban Distribution Monitoring System under National Power Portal.
- Real Time Data Acquisition System has been set up covering around 15,000 feeders for capturing data w.r.t. reliability indices at feeder level.
- 92 Gas Insulated Substations (GIS) & Hybrid PSS have been commissioned/upgraded. Such substations have been set up for the first time in Bihar, Karnataka, UP and NER States.
- Around 10 lakh Smart/Prepaid Meters have been installed in the country under IPDS.
- '1912' – Short-code for 'Complaints on Electricity' is now operational in all Discoms.
- Capacity building/training of Utility personnel has been carried out using Digital means under IPDS / R-APDRP to enhance their skill through workshops/ webinars on AT&C loss reduction, smart metering, project management, guidelines, best practices etc.

Thus, PFC is contributing towards improving operational efficiency and financial health of Distribution Utilities.

d) Revamped Distribution Sector Scheme (RDSS)

MoP/ GoI vide OM dated 20.07.2021 has conveyed sanction of President of India for implementation of "Revamped Distribution Sector Scheme (RDSS) – A Reforms-based and Results-linked, Distribution Sector Scheme" to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs for upgradation of the Distribution Infrastructure and Prepaid Smart Metering & System Metering based on meeting pre-qualifying criteria and achieving basic minimum benchmarks in reforms. PFC and REC (PFC's subsidiary) are the designated nodal agencies for operationalization of the Scheme, as per RDSS guidelines and directions of inter-ministerial Monitoring Committee/ MoP from time to time. Nodal agencies are eligible for 0.5% of the sum total of the Gross Budgetary Support (GBS) component of the various projects approved by Monitoring Committee as its fee. PFC is the nodal agency for 17 States/ UTs under the Scheme. The ongoing approved projects under IPDS/R-APDRP have been subsumed in RDSS. All State-owned distribution companies and State/ UT Power

Dept. excluding private sector companies are eligible for financial assistance under the Scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26).

Scheme Objectives

i. Improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

ii. Reduce AT&C losses to pan-India levels of 12-15% by 2024-25.

iii. Reduce ACS-ARR gap to zero by 2024-25.

Scope of Scheme

The Scheme has two parts:

Part A covers Metering works (prepaid smart metering for consumers and system metering) and distribution infrastructure works (loss reduction; modernization & system augmentation components).

Part B covers Training & Capacity Building and other Enabling & Supporting Activities.

Outlay and Budgetary Support

The Scheme has an outlay of Rs. 3,03,758 Cr. with an estimated gross budgetary support of Rs. 97,631 Cr. from the GoI.

Progress of implementation (as on 09.01.2023)

Based on the commitments of State cabinet w.r.t. Action plan for achieving outcomes and recommendations of PFC, GoI has approved projects worth Rs. 1,16,614 Cr. to DISCOMs of AP, Gujarat, Haryana, HP, Jharkhand, Kerala, Maharashtra, MP, Puducherry, Punjab and Uttarakhand under RDSS. Further, PFC has disbursed an amount of Rs. 1,562 Cr. to DISCOMs of AP, Gujarat, Haryana, HP, Jharkhand, Kerala, MP, Maharashtra and Uttarakhand towards GoI Grant Phase - I advance for implementation of Loss Reduction Projects, as per RDSS guidelines. In addition, MoP has also released nodal agency fee of Rs. 19.90 Cr. to PFC. PFC is also supporting the States by providing Model Standard Bidding Documents for Automation and ERP projects under RDSS.

Part-B component of RDSS focuses on the human resources and skill development interalia including capacity building initiatives on corporate governance, technical matters, advance technology intervention areas, new business processes etc. MoP has mandated PFC for taking-up skill development for Smart Metering works as well as training programme for DISCOMs' employees. Till date, total 141 training programs were conducted through NPTI covering 5,226 DISCOM personnel. PFC is also handholding the Discoms in incorporating better corporate governance practices.

D. SUBSIDIARIES

The following are the subsidiaries of PFC as on 30th Sept 2022:-

a) REC Limited (RECL)

During FY 2018-19, PFC has acquired 52.63% shareholding held by the President of India (103,93,99,343 equity shares of face value Rs. 10/- per share) in REC Limited (RECL) at Rs. 139.5036 per share for a total cash consideration of Rs. 14,500.00 crore on 28.03.2019. By virtue of this investment, PFC has become the holding company of

RECL. RECL is also engaged in extending financial assistance to power sector and is a Systemically Important (Non-Deposit Accepting or Holding) Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC).

b) PFC Consulting Limited (PFCCL)

PFCCL is a wholly owned subsidiary of our Company. PFCCL was incorporated on March 25, 2008 under the Companies Act, 1956 with an authorized share capital of Rs. 5,00,000 divided into 50,000 equity shares of Rs. 10 each. The Corporate Identification Number of PFCCL is U74140DL2008GOI175858. The registered office of PFCCL is located at First Floor, "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001, India. PFCCL has been incorporated to carry on, promote and organize consultancy services related to the power sector. Presently, the consultancy services being undertaken by PFCCL comprise of assignments from state power utilities, licensees/ IPPs, State Government, PSUs and state electricity regulatory commissions. As on 30.09.2021 our Company (including its nominees) holds 100% of the issued and paid up equity capital of PFCCL.

c) Subsidiaries incorporated under the programmes of Government of India

As on 31.03.2022, the following Special Purpose Vehicles (SPVs) have been incorporated as subsidiaries/deemed subsidiaries of the Company:

Subsidiaries of PFC (UMPPs)

1. Chhattisgarh Surguja Power Limited^
2. Coastal Karnataka Power Limited
3. Coastal Maharashtra Mega Power Limited^
4. Coastal Tamil Nadu Power Limited
5. Orissa Integrated Power Limited
6. Sakhigopal Integrated Power Company Limited
7. Ghogarpalli Integrated Power Company Limited
8. Tatiya Andhra Mega Power Limited^
9. Deoghar Mega Power Limited
10. Cheyyur Infra Limited
11. Odisha Infrapower Limited
12. Deoghar Infra Limited
13. Bihar Infrapower Limited
14. Bihar Mega Power Limited
15. Jharkhand Infrapower Limited

^ SPV under the process of striking-of

Subsidiaries through PFCCL (ITPs)

1. Tanda Transmission Company Limited ^
2. Bijawar-Vidarbha Transmission Limited
3. Shongtong Karcham-Wangtoo Transmission Limited^
4. Ananthapuram Kurnool Transmission Limited
5. Bhadla Sikar Transmission Limited
6. Khetri Narela Transmission Limited
7. Kishtwar Transmission Limited

8. Mohanlalganj Transmission Limited
9. Chhatarpur Transmission Limited

^ SPV under the process of striking-of

Subsidiaries through REC Ltd.

1. REC Power Development and Consultancy Limited
2. Chandil Transmission Limited
3. Dumka Transmission Limited
4. Koderma Transmission Limited
5. Mandar Transmission Limited
6. Bidar Transmission Limited
7. Rajgarh Transmission Limited
8. MP Power Transmission Package-I Limited
9. ER-NER Transmission Limited

E. OTHER MAJOR INVESTMENTS (as on 31.12.2022)

a) PTC India Limited (formerly known as Power Trading Corporation of India Limited)

The Company has jointly promoted Power Trading Corporation of India (PTC) with PGCIL, NTPC and NHPC, pursuant to a shareholders agreement dated 8 April 1999, as amended by an agreement dated 29 November 2002. As on 31.12.2022, we have invested Rs.12 crore in PTC. PTC provides power trading solutions in India in addition to power trading.

b) Power Exchange India Limited (PXIL)

We have made strategic investment in PXIL, which is promoted by the NSE and the National Commodity and Derivatives Exchange Limited (NCDEX). We entered into a share subscription and shareholders agreement with NSE and NCDEX on 24 February 2009. PXIL commenced operations in October 2008 and operates a national power exchange. Our investment in PXIL is Rs. 3.22 crore as of 31.12.2022. PFC has provided full provision against its investment in PXIL i.e. Rs. 3.22 Crore

c) Energy Efficiency Services Limited(EESL)

Energy Efficiency Services Limited (EESL) was incorporated on December 10, 2009. EESL was jointly promoted by Power Grid, NTPC, REC and PFC with 25% equity stake each for implementation of Energy Efficiency projects in India and abroad. During the FY 2021-22, amendments in the JV agreement were made vide Supplementary Agreement dated 01.09.2021, where by the substantive participative rights and privileges previously enjoyed by all the joint venture partners, through their right to affirmative vote on certain reserved matters which are in nature of relevant activities as per the requirements of Ind AS 110 ‘Consolidated Financial Statements’ stands withdrawn. Therefore, in absence of any joint control, EESL ceases to be a Joint Venture Company for the purpose of consolidation of financial statements.
Further, as on 31.12.2022, the Company along with its subsidiary RECL is holding 33.33 % stake in equity share capital of EESL .However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 27’Investment in Associates and Joint Ventures’, the Company does not have any significant influence and EESL has not

been considered as an associate company for purpose of consolidation of financial statements.

d) Coal India Limited :

PFC had invested ₹ 500.74 crore (purchase of 1,39,64,530 shares @ 358.58 share) in Coal India Limited in January 2015. As on 31.12.2022, PFC is holding 1,39,64,530 shares of Coal India Limited valued at ₹ 314.27 crore.

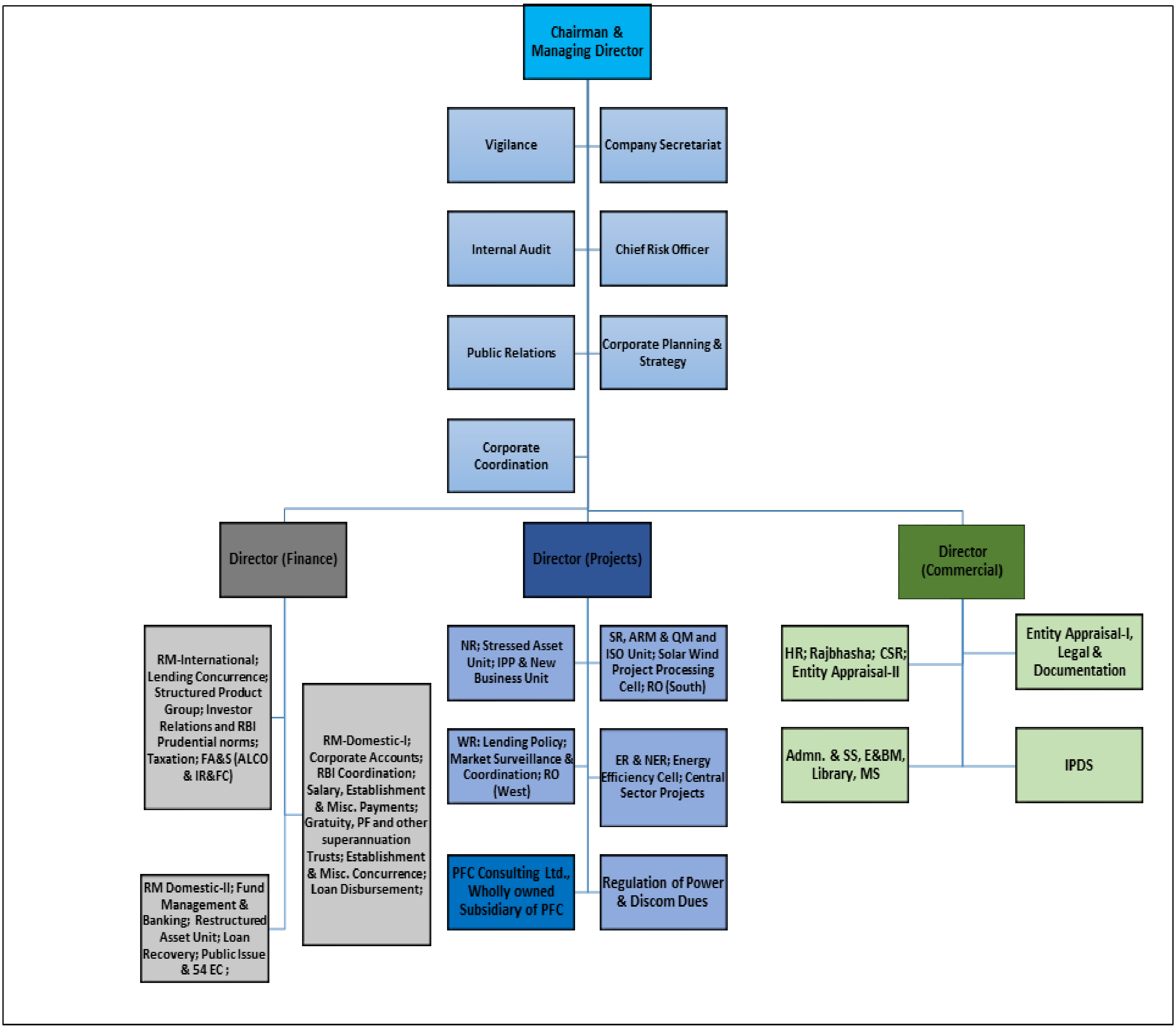
e) NHPC Limited:

PFC had invested ₹ 567.46 crore (purchase of 26,05,42,051 shares @ 21.78 per share) in NHPC Limited in April 2016. Up to 31.12.2022, PFC has sold 102,862,859 shares of NHPC Limited and as on 31.12.2022, PFC holds 15,76,79,192 shares of NHPC Limited valued at ₹ 626.77 crore.

For detailed list of investments of PFC as on 31.03.2022 kindly refer Note 11 of the Standalone financial Statements.

ORGANISATION STRUCTURE

The following chart presents the corporate structure of our Company:



CHAPTER IV MANAGEMENT OF THE COMPANY

A. Details of directors

	Name, Designation and DIN	Age (Completed Years)	Address	Director of the Company since	Other Directorships
1)	Shri. R. S. Dhillon Designation: Chairman and Managing Director DIN: 00278074 Nationality: Indian	59	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	01/06/2020	PFC Consulting Limited
2)	Shri. Ajay Tewari Designation: Govt. Nominee Director DIN: 09633300 Nationality: Indian	51	Ministry of Power, Shram Shakti Bhawan, Rafi Marg, New Delhi -1	09/06/2022	--
3)	Smt. Parminder Chopra Designation: Director (Finance) DIN: 08530587 Nationality: Indian	55	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	01/07/2020	• Coastal Tamil Nadu Power Ltd • Cheyyur Infra Ltd • PFC Consulting Limited • Bihar Mega Power Limited • Deoghar Mega Power Limited • Chhattisgarh Surguja Power Limited • PTC India Limited • REC Limited
4)	Shri Rajiv Ranjan Jha Designation: Director (Projects) DIN: 03523954 Nationality: Indian	56	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	28/10/2021	• PFC Consulting Limited • Orissa Integrated Power Limited
5)	Shri Manoj Sharma Designation: Director (Commercial)	56	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New	29/08/2022	• PFC Projects Limited • Jharkhand Infrapower Limited • PFC Consulting Limited

	Name, Designation and DIN	Age (Completed Years)	Address	Director of the Company since	Other Directorships
	DIN: 06822395 Nationality: Indian		Delhi DL 110001 IN		
6)	Shri. Bhaskar Bhattacharya Designation: Independent Director DIN: 09406292 Nationality: Indian	63	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	• --
7)	Smt. Usha Sajeev Nair Designation: Independent Director DIN: 09408454 Nationality: Indian	46	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	• --
8)	Shri Prasanna Tantri Designation: Independent Director DIN: 06471864 Nationality: Indian	40	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	• --

The information (other directorships) provided on the basis of MBP-1 submitted by the Directors.

B. Details of change in directors since last three years

(Including the directors ceased to be on the Board during last three years)

Name, Designation and DIN	Date of appointment	Date of Cessation, if applicable	Director of the Company since (in case of cessation)	Remarks
Shri. Rajeev Sharma Designation: Chairman and Managing Director DIN:00973413 Nationality: Indian	01 October, 2016	1 June, 2020	-	Superannuated

Name, Designation and DIN	Date of appointment	Date of Cessation, if applicable	Director of the Company since (in case of cessation)	Remarks
Dr. Arun Kumar Verma Designation: Govt. Nominee Director DIN: 02190047 Nationality: Indian	13 October, 2015	28 August,2019	-	Nomination changed by Government
Shri. Mritunjay Kumar Narayan Designation: Govt. Nominee Director DIN: 03426753 Nationality: Indian	28 August,2019	4 November, 2020	-	Nomination changed by Government
Shri. Tanmay Kumar Designation: Govt. Nominee Director DIN: 02574098 Nationality: Indian	4 November, 2020	07 September, 2021	-	Nomination changed by Government
Shri. Vishal Kapoor Designation: Govt. Nominee Director DIN: 02574098 Nationality: Indian	07 September, 2021	09 June, 2022	-	Nomination changed by Government
Shri. C. Gangopadhyay Designation: Director (Projects) DIN:02271398 Nationality: Indian	1 January, 2017	1 May, 2019	-	Superannuated
Shri. Sitaram Pareek Designation: Independent Director DIN: 00165036 Nationality: Indian	06 February, 2017	06 February, 2020	-	Completion of Tenure
Shri. N.B. Gupta Designation: Director (Finance)	18 August, 2017	1 July, 2020	-	Superannuated

Name, Designation and DIN	Date of appointment	Date of Cessation, if applicable	Director of the Company since (in case of cessation)	Remarks
DIN: 00530741 Nationality: Indian				
Smt. Gouri Chaudhury Designation: Independent Director DIN: 07970522 Nationality: Indian	3 November, 2017	3 November, 2020	-	Completion of Tenure
Shri. Praveen Kumar Singh Designation: Director (Commercial) DIN: 03548218 Nationality: Indian	10 August, 2018	01.02.2022	-	Superannuated
Shri. R. C. Mishra Designation: Independent DIN:02469982 Nationality: Indian	11 July, 2019	10 July, 2022	-	Completion of Tenure
Shri. R. S. Dhillon Designation: CMD DIN: 00278074 Nationality: Indian	01 June, 2020	Continuing	-	Appointment
Shri. Shri Ajay Tewari Designation: Govt. Nominee Director DIN: 09633300 Nationality: Indian	09 June, 2022	Continuing	-	Appointment

Name, Designation and DIN	Date of appointment	Date of Cessation, if applicable	Director of the Company since (in case of cessation)	Remarks
Smt. Parminder Chopra Designation: Director (Finance) DIN: 08530587 Nationality: Indian	01 July 2020	Continuing	-	Appointment
Shri Rajiv Ranjan Jha Designation: Director (Projects) DIN: 03523954 Nationality: Indian	28 October, 2021	Continuing	-	Appointment
Shri Manoj Sharma Designation: Director (Commercial) DIN: 06822395 Nationality: Indian	29 August, 2022	Continuing	-	Appointment
Shri. Bhaskar Bhattacharya Designation: Independent Director DIN: 09406292 Nationality: Indian	23 December, 2021	Continuing	-	Appointment
Smt. Usha Sajeev Nair Designation: Independent Director DIN: 09408454 Nationality: Indian	23 December, 2021	Continuing	-	Appointment
Shri Prasanna Tantri Designation: Independent Director DIN: 06471864 Nationality: Indian	23 December, 2021	Continuing	-	Appointment

CHAPTER V AUDITOR OF THE COMPANY

A. Auditors of the Company

Year	Name	Address	Auditor Since
2022-23	M/s Dass Gupta & Associates Chartered Accountants Registration No.: 000112N	B-4, Gulmohar Park, New Delhi – 110049 Tel No.: (011)46111000 E-mail: admin@dassgupta.com	Aug 01, 2019
	M/s Prem Gupta & Co Chartered Accountants Registration No.:000425N	T-2342, Faiz Road, Karol Bagh, New Delhi – 110005 Tel No.: (011) 25466394 E-mail: office@pguptaco.com	August 19, 2021

B. Details of change in auditor since last three years

S. No.	Financial Year	Name	Address	Date of Appointment/ Cessation	Auditor of the Company since (in case of Cessation)	Remark (if any)
1.	2021-22	M/s Prem Gupta & Company Chartered Accountants, ICAI Firm Registration: 000425N	2342, Faiz Road, Karol Bagh, New Delhi - 110005	August 19, 2021	-	Appointed by the CAG.
2.	2021-22	M/s Gandhi Minocha & Co. Chartered Accountants, ICAI Firm Registration: 000458N	B-6, Shakti Nagar Extension, New Delhi – 110052	Ceased to be the statutory auditor w.e.f. AGM for Fiscal 2021 i.e. September 21, 2021.	Auditors are appointed by CAG for a financial year and first time Gandhi Minocha & Co. was appointed PFC's auditors on July 11, 2017	Cessation after completing four years
3.	2019- 20	M/s Dass Gupta & Associates Chartered Accountants, ICAI Firm Registration: 000112N	NDG Center, B-4, Gulmohar Park, New Delhi 110049	August 1, 2019	-	Appointed by the CAG.

CHAPTER VI MANAGEMENT'S PERCEPTION OF RISK FACTORS

Prospective Investors should carefully consider the following investment considerations as well as the other information contained in this Offer Letter prior to making an investment in the bonds. In making an investment decision, each investor must rely on its own examination and the terms of the offering of the bonds, including the merits and risks involved. The risks described below are not the only ones that may affect the bonds. Additional risks not currently known to PFC, based on the information currently available to it, deems immaterial, may also impair its business, financial condition and results of operations. All of these risks are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. If any of the following or any other risks actually occur, the business, prospects, results and financial condition could be adversely affected and the price of and the value of investment in the bonds could decline and all or part of the investments in the bonds may be lost.

A. RISKS RELATING TO PFC's BUSINESS AND INDUSTRY

1. **The Issuer has a significant concentration of outstanding loans to certain borrowers, particularly public sector power utilities, many of which are historically loss-making, and if these loans become non-performing, the quality of the asset portfolio may be adversely affected.**

   The Issuer is a Public Financial Institutions ("PFI") focused on financing of the power sector in India, which has a limited number of borrowers, primarily comprising of state power utilities ("SPUs") and state electricity boards ("SEBs"), many of which have been historically loss making. The issuer's past exposure has been, and future exposure is expected to be, concentrated towards these borrowers. Historically, SPUs or SEBs have had a relatively weak financial position and have in the past delayed on their indebtedness. Consequently, the Issuer had to restructure some of the loans sanctioned to certain SPUs and SEBs, including rescheduling of repayment terms. In addition, many of its public sector borrowers, particularly SPUs, are susceptible to various operational risks including low metering at the distribution transformer level, high revenue gap, high receivables, low plant load factors and high AT&C losses, which may lead to further deterioration in the financial condition of such entities. Any negative trends, or financial difficulties, or inability on the part of such borrowers to manage operational, industry, and other risks applicable to such borrowers, could result in an increase in the issuer's non-performing assets ("NPAs") and adversely affect its business, financial condition and results of operations.

2. **The Issuer may not have obtained sufficient security or collateral in connection with its loans, or may be unable to recover, or experience delays in recovering, the expected value from such security or collateral.**

   Although the Issuer endeavour to obtain adequate security or implement quasi-security arrangements in connection with its loans, the Issuer has not obtained such security or collateral for all of its loans. In addition, in connection with certain of the Issuer's loans, the Issuer have been able to obtain only partial security or have made disbursements prior to adequate security being created or perfected. There can be no assurance that any security or collateral that the Issuer has obtained will be adequate to cover repayment of its loans or interest payments thereon or that the Issuer will be able to recover the expected value of such security or collateral in a timely manner, or recover at all.

The Issuer’s loans are typically secured by various movable and immovable assets and/ or other collaterals. The Issuer generally seeks a first ranking pari passu charge on the relevant project assets for loans extended on a senior basis, while for loans extended on a subordinated basis The Issuer generally seeks to have a second pari passu charge on the relevant project assets. In addition, some of the Issuer’s loans may relate to imperfect security packages or negative liens provided by its borrowers. The value of certain kinds of assets may decline due to operational risks that are inherent to power sector projects, the nature of the asset secured in the Issuer’s favour, and any adverse market or economic conditions in India or globally. The value of the security or collateral obtained may also decline due to an imperfection in the title or difficulty in locating movable assets. Although some parts of legislations in India provide for various rights of creditors for the effective realization of collateral in the event of default, there can be no assurance that the Issuer will be able to enforce such rights in a timely manner, or enforce them at all. There could be delays in implementing bankruptcy or foreclosure proceedings. Further, inadequate security documentation or imperfection in title to security or collateral, requirement of regulatory approvals for enforcement of security or collateral, or fraudulent transfers by borrowers may cause delays in enforcing such securities. Furthermore, in the event that any specialised regulatory agency assumes jurisdiction over a defaulting borrower, actions on behalf of creditors may be further delayed.

Certain of the Issuer’s loans have been granted as part of a syndicate, and joint recovery action implemented by a consortium of lenders may be susceptible to delay or not favourable to us. In this regard, RBI has also developed a resolution process to provide a framework for early recognition, reporting and time bound resolution of stressed assets in terms of circular dated June 7, 2019 (“Stressed Asset Framework”). The framework provides that lenders shall recognise incipient stress in loan accounts, immediately on default by classifying such assets as special mention accounts in various categories. It further provides that if 75% of creditors by value of total outstanding credit facilities (fund based as well as non-fund based) and 60% of the creditors by number agree to a restructuring package of an existing debt (i.e. an outstanding debt), the agreement is also binding on the remaining creditors.

The Stressed Asset Framework mandates higher provisioning if Resolution Plan is not implemented within a stipulated time period. Certain projects have been driven to NCLT, which may or may not require a significant hair-cut. The resolution under NCLT is required within a time span of 180 days, extendable further for 90 days. Considering these timelines, it is envisaged that the resolution of these stressed projects may not happen in the near future, and the Company may have to take haircuts at the time of resolution of these stressed assets. Once resolution process is complete, the funds realized from the sale of these assets will be reinvested at a lower rate, and will have an impact on the Company’s financials going forward. The Company faces the risk of higher provisioning and significant haircuts, wherever its projects fall under the ‘stressed assets’ category. Further, the Stressed Asset Framework has repealed the earlier issued instructions of the RBI on resolution of stressed assets such as the framework for revitalising distressed assets, corporate debt restructuring scheme, flexible structuring of existing long term project loans, strategic debt restructuring scheme (“SDR”), change in ownership outside SDR and scheme for sustainable structuring of stressed assets (“S4A”). Accordingly, the Stressed Assets Framework will impact the Issuer’s asset quality and profitability.

In circumstances where other lenders with such exposure / loan account by value and number and are entitled to determine corrective action plan for any of the issuer's borrowers, the issuer may be required by such other lenders to agree to such corrective action plan, irrespective of the Issuer's preferred mode of settlement of its loan to such borrower or subject its loan account to accelerated provisioning. Furthermore, with respect to any loans made as part of a consortium arrangement and multiple banking arrangement, a majority of the relevant lenders may elect to pursue a course of action that may not be favourable to us. Additionally, in the event that the Issuer dissents from a particular resolution plan, while under the Stressed Assets Framework the Issuer is entitled to receive liquidation value of the stressed asset, there can be no assurance that such liquidation value or any amount recovered pursuant to a resolution plan may be beneficial or in excess of amounts otherwise recoverable by the Issuer. Any such corrective action plan / accelerated provisioning could lead to an unexpected loss that could adversely affect the business, financial condition or results of operations.

3. **The Issuer's ability to compete effectively is dependent on its ability to maintain a low effective cost of funds**

The Issuer's ability to compete effectively is dependent on its timely access to capital, the costs associated with raising capital and its ability to maintain a low effective cost of funds in the future that is comparable or lower than that of its competitors. Historically, the Issuer has been able to reduce its cost of capital and reliance on commercial borrowings through the issuance of Rupee denominated bonds and loans guaranteed by the GoI. The Issuer also benefits from certain tax benefits extended by the GoI. In addition, in respect of certain of the Issuer's foreign currency borrowings guaranteed by the GoI, the Issuer has been exempted from guarantee fees payable to the GoI, which has also enabled the Issuer to reduce its costs of funds. Furthermore, with effect from fiscal 2018, the Issuer has been allowed to issue taxable bonds under Section 54EC of the Indian Income Tax Act, which shall also help it to reduce its cost of funds. However, there can be no assurance that the Issuer will continue to benefit from any direct or indirect support from the GoI and any adverse development in GoI policies may result in an increase in its cost of funds.

Following a general decrease in the level of direct and indirect financial support by the GoI to the Issuer in recent years, the Issuer is fundamentally dependent upon funding from the equity and debt markets and commercial borrowings and is particularly vulnerable in this regard given the growth of the business. The market for such funds is competitive and there can be no assurance that the Issuer will be able to obtain funds on acceptable terms, or at all. Many of the competitors have greater and cheaper sources of funding than the Issuer. Furthermore, many of the competitors may have larger resources or greater balance sheet strength than the Issuer and may have considerable financing resources. In addition, since the Issuer is a non-deposit taking NBFC, the Issuer may have restricted access to funds in comparison to banks and deposit taking NBFCs. While The Issuer has generally been able to pass any increased cost of funds onto its customers, the Issuer may not be able to do so in the future. If the financial products are not competitively priced, there is a risk of the Issuer's borrowers raising loans from other lenders and in the case of financially stronger SPUs and SEBs and private sector borrowers, the risk of their raising funds directly from the market. The Issuer's ability to raise capital also depends on its ability to maintain its credit ratings in order to access various cost competitive funding options. The Issuer is also dependent on its classification as an IFC which enables the Issuer, among other things, to diversify its borrowings through the issuance of

Rupee-denominated infrastructure bonds that offer certain tax benefits to bondholders as and when such schemes are notified by the GoI and to raise ECB under the automatic route subject to certain specified limits.

In addition, adverse developments in economic and financial markets or the lack of liquidity in financial markets could make it difficult for the Issuer to access funds at competitive rates.

These and other related events have resulted in increased borrowing costs and difficulty in accessing funds in a cost effective manner. If the Issuer is not able to maintain a low effective cost of funds, the Issuer may not be able to implement its growth strategy, competitively price its loans and, consequently, the Issuer may not be able to maintain the profitability or growth of its business, which could have a material adverse effect on its business, financial condition and results of operations.

4. **An increase in the level of the Issuer's NPAs could adversely affect its financial condition.**

In the past, the Issuer's gross NPAs have been as indicated below:

Particulars as of	(Rs. million)	As % of total loan assets
31 March 2014.............................	12,277	0.65%
31 March 2015.............................	23,636	1.09%
31 March 2016.............................	75,190	3.15%
31 March 2017.............................	307,022	12.50%
31 March 2018.............................	267,030	9.57%
31 March 2019……………………………	295,400*	9.39%
31 March 2020……………………………	278,680*	8.08%
31 March 2021……………………………	211,500*	5.70%
31 March 2022……………………………	209,152*	5.61%

*Stage III Assets as per Ind-AS accounting

The provisioning has been made in terms of prudential norms as notified by the RBI for "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies". As the Issuer is required to follow a borrower-wise NPA determination policy for its government sector borrowers, the Issuer's NPA levels may increase substantially, which may have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, the Issuer may, from time to time, amend its policies and procedures regarding asset classification or rescheduling of its loans, which may also increase the Issuer's level of NPAs. The Issuer's loans made to the private sector are generally consistent with the lending (exposure) norms stipulated by the RBI. As RBI provisioning norms have become applicable to the Issuer, the Issuer's level of NPAs and provisions with respect thereto have significantly increased for fiscal 2017. If the Issuer is not able to prevent increases in its level of NPAs, the Issuer's business and future financial condition could be adversely affected. Further, in terms of the Stressed Asset Framework, failure to resolve stressed assets in a timely manner may lead to higher provisioning being made for such stressed assets. This in turn may adversely affect the Issuer's NPAs.

5. **Inability to develop or implement effective risk management policies and procedures could expose the Issuer's to unidentified risks or unanticipated levels of risk.**

Although the Issuer follows various risk management policies and procedures to identify, monitor and manage risks, there can be no assurance that such policies and procedures will be effective in addressing all risks that the Issuer encounters in its business and operations or that such policies and procedures are as comprehensive as those implemented by banks and other financial institutions. The Issuer's risk management policies and procedures are based, among other considerations, on historical market behaviour, information regarding borrowers, and market knowledge. Consequently, these policies and procedures may not predict future risk exposures that could vary from or be greater than those indicated by historical measures. In addition, information available to the Issuer may not be accurate, complete, up-to-date or properly evaluated. Unexpectedly large or rapid movements or disruptions in one or more financial markets or other unforeseen developments could have a material adverse effect on the Issuer's results of operations and financial condition. The Issuer's risk management policies and procedures are also influenced by applicable GoI policies and regulations, and may prove inadequate or ineffective in addressing risks that arise as a consequence of any development in GoI policies and regulations that adversely affect the Issuer's business and operations. In addition, the Issuer intends to continue to diversify its borrower portfolio and extend fund based and non-fund based financial and other assistance and services to projects that represent forward and backward linkages to the core power sector projects. These business initiatives may involve operational and other risks that are different from those the Issuer currently encounters or anticipates, and there can be no assurance that the Issuer will be able to effectively identify and address any additional risks that apply to such business initiatives. An inability to develop, modify and implement effective and dynamic risk management policies and procedures may adversely affect the Issuer's growth strategy. Management of operational, legal and regulatory risk requires, among others, policies and procedures to accurately record and verify transactions and events. There can be no assurance that the Issuer's policies and procedures will effectively and accurately record and verify such information. Failure of the Issuer's risk management policies and procedures or exposure to unanticipated risks could lead to losses and adversely affect the Issuer's business, financial condition and results of operations.

6. **Risks inherent to power sector projects, particularly power generation projects, could adversely affect the Issuer's business, financial condition and results of operations.**

The Issuer is a financial institution focused on providing financial and other assistance and related services to power sector projects. Power sector projects, particularly power generation projects, typically involve long gestation periods before they become operational and involve various project-specific risks as well as risks that are generally applicable to the power sector in India. Many of these risks applicable to power sector projects that the Issuer finances are beyond its control and include:

- political, regulatory, fiscal, monetary and legal actions and policies that may adversely affect the viability of power sector projects, including changes in any tariff regulations applicable to power plants;
- delays in the implementation of GoI policies and initiatives;
- changes in Government and regulatory policies relating to the power sector;
- environmental concerns and environmental regulations applicable to power sector projects that, including, for example, relevant coal mining areas being classified as "no-go" areas;
- delays in obtaining environmental clearances or land for the projects;

- extent and reliability of power sector infrastructure in India;
- strikes, work stoppages or increased wage demands by employees or any other disputes with employees that affect the project implementation schedule or operations of the projects ;
- adverse changes in demand for, or the price of, power generated or distributed by the projects ;
- disruption of projects due to explosions, fires, earthquakes and other natural disasters, breakdown, failure or substandard performance of equipment, improper installations or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks and labour disputes;
- the willingness and ability of consumers to pay for the power produced by the projects;
- shortages of, or adverse price fluctuations in, fuel and other raw materials and key inputs involved in power generation, including coal, oil and natural gas;
- increase in project development costs due to environmental challenges and changes in environmental regulations;
- changes in credit ratings of the Company’s borrowers affecting their ability to finance projects;
- interruption or disruption in domestic or international financial markets, whether for equity or debt funds;
- delays in the construction and operation of projects;
- domestic power companies face significant project execution and construction delay risks i.e. longer than expected construction periods due to delays in obtaining environmental permits and infrastructure related delays in connecting to the grid, accessing offtake and finalising fuel supply agreements could cause further delays
- potential defaults under financing arrangements of project companies and their equity investors;
- failure of co-lenders (with the Issuer under consortium lending arrangements) to perform their contractual obligations;
- failure of third parties such as contractors, fuel suppliers, sub-contractors and others to perform their contractual obligations in respect of the power projects;
- adverse developments in the overall economic environment in India;
- the provisions of the Electricity Act, 2003 have significantly increased competition in the power generation industry which may negatively impact individual power generation companies;
- failure to supply power to the market due to unplanned outages of any projects, failure in transmission systems or inter-regional transmission or distribution systems;
- adverse fluctuations in liquidity, interest rates or currency exchange rates;
- changes in technology may negatively impact power generation companies by making their equipment or power projects less competitive or obsolete;
- fluctuating fuel costs; and
- economic, political and social instability or occurrences such as natural disasters, armed conflict and terrorist attacks, particularly where projects are located in the markets they are intended to serve.

The long-term profitability of power sector projects, when commissioned, is partly dependent on the efficiency of their operation and maintenance of their assets. Delayed implementation, initial complications, inefficient operations, inadequate maintenance and similar factors may reduce the profitability of such projects, adversely affecting the ability of the Issuer's borrowers to repay its loans or service interest payments thereon. Furthermore, power sector projects may be exposed to unplanned interruptions caused by catastrophic events such as floods, earthquakes, fires, major plant breakdowns, pipeline or electricity line ruptures or other disasters. Operational disruption, as well as supply disruption, could adversely affect the cash flows available from these projects. Furthermore, the cost of repairing or replacing damaged assets could be considerable. Repeated or prolonged interruption may result in a permanent loss of customers, substantial litigation or penalties and/or regulatory or contractual non-compliance. To the extent the risks mentioned above or other risks relating to the power sector projects that the Issuer finances, materialise, the quality of the Issuer's asset portfolio and its results of operations may be adversely affected. Furthermore, if the Issuer expands its operations, its loans to individual projects may increase, thereby increasing its exposure with respect to individual projects and the potential for adverse effects on its business, financial condition and results of operations in the event these risks were to materialise.

7. **Risks inherent to power generation companies, who comprise a significant portion of the Issuer's borrowers, could adversely affect its business, financial condition and results of operations.**

Many of the Issuer's borrowers are power generation companies who face various industry-specific risks as well as risks that are generally applicable to the power sector in India. Many of these risks are beyond the Issuer's control and include the following:

• activities in the power generation business can be dangerous and can cause injury to people or property;

• power generation companies may have limited access to funding for the development and implementation of their power projects which may limit the expansion of their business;

• changes in technology may negatively impact power generation companies by making their equipment or power projects less competitive or obsolete;

• the provisions of the Electricity Act, 2003 have significantly increased competition in the power generation industry which may negatively impact individual power generation companies;

• changes to tariff regulations may adversely affect the revenues and results of operations for power generation companies;

• compliance with strict environmental regulations; and

• fluctuating fuel costs.

To the extent the risks mentioned above or other risks relating to power generation companies materialise, the quality of the Issuer's asset portfolio and the Issuer's results of operations may be adversely affected. Furthermore, as the Issuer continues to expand its operations, its loans to individual power generation companies may increase, thereby increasing its exposure with respect to individual power generation companies and the potential risk for adverse effects on the Issuer's business, financial condition and results of operations in the event these risks were to materialise.

8. **Failure to manage any acquisition that the Issuer makes may cause its profitability to suffer.**

As of the date of this Offer Letter, the Issuer is not evaluating any merger and acquisition opportunities however it may take advantage of merger and acquisition opportunities in the future if suitable opportunities arise. These may require significant investments which may adversely affect the Issuer's business and revenues. Furthermore, the Issuer is not permitted to carry out any merger or acquisitions without prior approval from the GoI. Acquisitions involve additional risks, including the following:
• impact of unforeseen risks, such as contingent or latent liabilities relating to the acquired businesses that become apparent only after the merger or acquisition is finalised;
• success or failure of integration and management of the acquired operations and systems;
• success or failure of retention of select personnel; or
• impact of diversion of the Issuer management's attention from other ongoing business concerns.

If the Issuer is unable to integrate the operations of an acquired business successfully or manage such future acquisitions profitably, its revenues and results of operations may be adversely affected.

9. **If inflation increases, the Issuer's results of operations and financial condition may be adversely affected.**

There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall. Any persisted or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of raw materials involved in power generation and demand for its products and, as a result, on its business and financial results. In the event that domestic inflation or global inflation increases, certain of the Issuer's costs, such as salaries, which are typically linked to general price levels, may increase. Furthermore, if interest rates in India remain high, or if the RBI continues to retain high interest rates, the Issuer may face increased costs of funding. To the extent the Issuer cannot pass these increases on to its borrowers, its results of operations could be adversely affected.

10. **The Issuer currently funds its business in significant part through use of borrowing that have shorter maturities than the maturities of substantially all of its new loan assets and the Issuer may be required to obtain additional financing in order to repay its indebtedness and grow its business.-**

The Issuer may face potential liquidity risks due to mismatches in its funding requirements and the financing the Issuer provides to its borrowers. In particular, a significant part of the Issuer's business is funded through borrowing that have shorter maturities than the maturities of substantially all of its new loan assets. The Issuer's other financial products may also have maturities that exceed the maturities of its borrowing.

To the extent the Issuer funds its business through the use of borrowings that have shorter maturities than the loan assets the Issuer disburses, the Issuer's loan assets will not generate sufficient liquidity to enable the Issuer to repay its borrowings as they become due, and the Issuer will be required to obtain new borrowings to repay its existing indebtedness. Furthermore, in accordance with GoI directives, the Issuer is required to declare a minimum dividend on equity of 5.0 per cent of net worth or a minimum dividend payout of 30.0 per cent of its profit after tax each fiscal year, whichever is higher. However, this is subject to availability of disposable profits and the Issuer may declare a lower dividend with the consent of the GoI. As a result, the Issuer's retained earnings remain low and the Issuer may be unable to repay its loans from its retained earnings as and when they mature. There can be no assurance that new borrowings will be available on favourable terms, or at all. In particular, the Issuer is increasingly reliant on funding from the debt capital markets and commercial borrowings. The market for such funds is competitive and the Issuer's ability to obtain funds on acceptable terms will depend on various factors including, in particular, the Issuer's ability to maintain its credit ratings. Furthermore, the Issuer's inability to effectively manage its funding requirements and the financing the Issuer provides may also be aggravated if the Issuer's borrowers pre-pay or are unable to repay any of the financing facilities the Issuer grants to them. The Issuer's asset-liability management framework categorises all interest rate sensitive assets and liabilities into various time period categories according to contracted residual maturities or anticipated re-pricing dates, as may be relevant in each case. The difference between the value of assets and liabilities maturing, or being re-priced, in any time period category provides the measure to which the Issuer is exposed to the risk of potential changes in the margins on new or re-priced assets and liabilities. Despite the existence of such measures, the Issuer's liquidity position could be adversely affected by the development of an asset-liability mismatch, which could have a material adverse effect on the Issuer's business, prospects, results of operations and financial condition.

11. **An inability to effectively manage the Issuer's growth or successfully implement its business plan and growth strategy could adversely affect the Issuer's business, financial condition and results of operations.**

The Issuer intends to continue to grow its business, which could place significant demands on its operational, credit, financial and other internal risk controls, making management of asset quality increasingly important. This may also exert pressure on the adequacy of the Issuer's capitalisation. The Issuer intends to fund its asset growth primarily through the issuance of Rupee-denominated bonds and commercial borrowings raised in India. There can be no assurance that the Issuer will be able to raise funding on attractive terms, or at all. Any adverse development in the Indian credit markets or any increase in interest rates may significantly increase the Issuer's debt service costs and its overall cost of funds. The Issuer's growth also increases the challenges involved in maintaining and improving its internal administrative, technological and physical infrastructure, and entails substantial senior level management time and resources.

As part of its growth strategy, the Issuer has expanded its focus areas to include renewable energy projects and projects that represent forward and backward linkages to core power sector projects, including capital equipment for the power sector, fuel sources for power generation projects and related infrastructure development, as well as power trading initiatives. In addition, the Issuer intends to expand its business and service offerings in consultancy and other fee-based services, debt syndication and equity investments. The Issuer also intends to continue to develop strategic partnerships and alliances and evaluate new business opportunities related to the power sector in India. Pursuing any strategic business opportunities may require capital resources and additional regulatory approvals. The Issuer has limited knowledge and experience with respect to financing and other opportunities in these business expansion areas, and competition, applicable regulatory regimes and business practices applicable to these areas and opportunities may differ significantly from those faced by the Issuer in its current operations. In addition, if the Issuer decides to expand inorganically in these strategic areas, it may not be able to achieve expected synergies from, or achieve the strategic purpose of, any such acquisition, or achieve operational integration or the expected return on its investment. There can be no assurance that the Issuer will be able to implement, manage or execute its growth strategy efficiently or in a timely manner, or at all, which could adversely affect its business, prospects, financial condition and results of operations.

12. **If the Issuer is not in compliance with corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013, etc., it may result in imposition of a penalty that may adversely affect the Issuer's reputation and business.**

    The Issuer has not complied with certain provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of its Board. As of the date of this Offer Letter, the Issuer's Board has eight Directors, of which four are full-time functional directors, one is a Government nominee director and three are independent directors.

    The Equity Listing Regulations requires that at least half of the Board should be comprised of independent directors if the chairman of the Board is an executive director. However, as of the date of this Offer Letter, the Board of the Issuer does not have the requisite minimum number of independent directors.

13. **The GoI has a majority control in the Company, which enables the GoI to influence the outcome of matters submitted to shareholders for approval.**

    As on 31.03.2022, the GoI has 55.99% stake in the equity share capital of the Issuer. As a result, the GoI, acting through the MoP, will continue to exercise significant control over the Issuer. The GoI also controls the composition of the Board and determines matters requiring shareholder approval or approval by the Board. The GoI may take or block actions with respect to the Issuer's business, which may conflict with the Issuer's interests or the interests of the Issuer's minority shareholders. By exercising its control, the GoI could delay, defer or cause a change of the Issuer's control or a change in the Issuer's capital structure, or a merger, consolidation, takeover or other business combination involving the Issuer, or discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Issuer. In addition, as long as the GoI continues to exercise control over the Issuer, it may influence the material policies of the Issuer in a manner that could conflict with the interest of the Issuer's other shareholders and may take positions with which the Issuer or the Issuer's other shareholders may not agree. In addition, the GoI significantly influences the Issuer's operations both directly and indirectly through its various departments and policies in relation to the power industry generally. In particular, given the importance of the power industry to the economy, the GoI could require the Issuer to take action designed to serve the public interest in India and not necessarily to maximise the Issuer's profits.

14. **The Government may sell all or part of its shareholding in the Issuer that may result in a change in control of the Issuer.**

    Whilst the Government's shareholding in the Issuer equals or exceeds 51%, the Issuer will continue to be classified as a Government company and will be subject to various regulations, regulatory exemptions and benefits generally applicable to public sector companies in India. As on date, there is no legislation that places a mandatory requirement on the Government to hold a minimum 51% shareholding in the Issuer. Therefore the Government may sell all or part of its shares in the Issuer, which may result in a change in control of the Issuer and which may, in turn, disqualify the Issuer from benefiting from certain regulatory exemptions and other benefits that may be applicable to the Issuer due to it being a public sector company. If a change of control were to occur, the Issuer cannot assure investors that it will have sufficient funds available at such time to pay the purchase price of such outstanding Bonds or repay such loan, which required to be purchased / repaid as per their respective finance covenants, as the source of funds for any such purchase/repayment will be the available cash or third party financing which the Issuer may not be able to obtain at that time.

15. **The Issuer is subject to credit, market and liquidity risks and, if any such risk were to materialise, the Issuer's credit ratings and its cost of funds may be adversely affected.**

    The Issuer may not be able to effectively mitigate its risk exposures in particular market environments or against particular types of risks. The Issuer's revenues and interest rate risk are dependent upon its ability to properly identify, and mark-to-market, changes in the value of financial instruments caused by changes in market prices or rates. The Issuer's earnings are dependent upon its effectiveness in managing credit quality and risk concentrations, the accuracy of its valuation models and its critical accounting estimates and the adequacy of its allowances for loan losses. To the extent its assessments, assumptions or estimates prove inaccurate or are not predictive of actual results, the Issuer could incur higher than anticipated losses. The successful management of credit, market and operational risk is an important consideration in managing the Issuer's liquidity risk because it affects the evaluation of the Issuer's credit ratings by rating agencies. The Issuer currently holds credit ratings for its long-term domestic borrowings and its short term borrowings from CRISIL (CIN: U67100MH2019PLC326247), ICRA (CIN: L74999DL1991PLC042749) and CARE (CIN: L67190MH1993PLC071691) respectively. International credit rating agencies Moody's and Fitch have also provided long-term foreign currency issuer ratings for the Issuer. However, rating agencies may reduce or indicate their intention to reduce the ratings at any time and there can be no assurance that the Issuer may not experience such downgrade in the future. The rating agencies can also decide to withdraw their ratings altogether, which may have the same effect as a reduction in the Issuer's ratings. Any reduction (or withdrawal) in the Issuer's ratings may make the Issuer ineligible to remain classified as an IFC, increase the Issuer's borrowing costs, limit the Issuer's access to capital markets and adversely affect the Issuer's ability to sell or market its products, engage in business transactions, particularly longer-term and derivatives transactions, or retain its customers. This, in turn, could reduce the Issuer's liquidity and negatively impact the Issuer's financial condition and results of operations.

16. **The Issuer may fail to obtain regulatory approvals to operate or expand its business in a timely manner or at all, or to comply with the terms and conditions of its existing regulatory approvals and licenses, which may have a material adverse effect on the continuity of the Issuer's business and may impede its operations in the future.**

    The Issuer requires certain regulatory approvals, sanctions, licenses, registrations and permissions for operating and expanding its business. The Issuer may not receive or be able to renew such approvals in the time frames anticipated by the Issuer, or at all, which could adversely affect the Issuer's business. If the Issuer does not receive, renew or maintain the regulatory approvals required to operate its business, it may have a material adverse effect on the continuity of its business and may impede its effective operations in the future.

NBFCs in India are subject to strict regulations and supervision by the RBI. These laws and regulations impose numerous requirements on the Issuer, including those relating to asset classification and prescribed levels of capital adequacy, cash reserves and liquid assets. In addition to the numerous conditions required for the registration as an NBFC with the RBI, the Issuer is required to maintain certain statutory and regulatory permits and approvals for its business. In the future, the Issuer will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by the Issuer or at all. Failure by the Issuer to renew, maintain or obtain the required permits or approvals may result in the interruption of the Issuer's operations and may have a material adverse effect on its business, financial condition and results of operations.

Furthermore, the RBI has not provided for any ceiling on interest rates that can be charged by non-deposit taking NBFCs even though they have stated in circulars that NBFCs should lay out appropriate internal principles and procedures in determining interest rates and other charges. The Issuer fixes the interest rate based on average cost of funds, RBI's monetary policies, competitors' interest rate, certain percentage of margin and other markets conditions, which are subject to change from time to time. There may be future changes in the regulatory system or in the enforcement of laws and regulations or legal interpretations of existing regulations relating to or affecting interest rates, taxation, inflation or exchange controls that could have an adverse effect on non-deposit taking NBFCs. In addition, the Issuer is required to make various filings with the RBI, the Registrar of Companies (RoC) and other relevant authorities pursuant to the provisions of the RBI regulations, the Companies Act and other regulations. If the Issuer fails to comply with these requirements, or if a regulator claims the Issuer has not complied with such requirements, the Issuer may be subject to penalties. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that the Issuer may be required to restructure its activities and incur additional expenses in complying with such laws and regulations, which could adversely affect the Issuer's business. In addition, any historical or future failure to comply with the terms and conditions of the Issuer's existing regulatory or statutory approvals may cause the Issuer to lose or become unable to renew such approvals.

17. **The Issuer may in the future conduct additional business through joint ventures and strategic partnerships, exposing the Issuer to certain regulatory and operating risks.**

    The Issuer intends to continue to pursue suitable joint venture and strategic partnership opportunities in India, in particular with companies/firms whose resources, capabilities and strategies are likely to enhance and diversify the Issuer's business operations in the power sector. The Issuer may not be able to identify suitable joint venture or strategic partners or the Issuer may not complete transactions on terms commercially acceptable to it, or may not complete transactions at all. The Issuer may not be able to successfully form such alliances and ventures or realise the anticipated benefits of such alliance and joint ventures. Furthermore, such partnerships may be subject to regulatory approvals, which may not be received in a timely manner, or may not be received at all. In addition the Issuer's expected strategic benefits or synergies of any future partnerships may not be realised. Furthermore, such investments in strategic partnerships may be long-term in nature and may not yield returns in the short to medium term. Such initiatives will place significant strains on the Issuer's management, financial and other resources and any unforeseen costs or losses could adversely affect its business, profitability and financial condition.

18. **Some of the Issuer's agreements with its lenders and its borrowers are not executed on stamp paper.**

In the event that some of the Issuer's loan documents with its lenders and borrowers may not be executed on appropriate stamp paper documents such agreements cannot be admitted as evidence in a court of law or be acted upon by any person having consent of parties by law or the authority to receive any such evidence. Such agreements can only be used as evidence in a court of law upon payment of the applicable stamp duty, along with any additional penalty that may be levied (which penalty may be up to ten times the applicable stamp duty). Therefore, in cases of disputes among the lenders or borrowers where the agreements have not been executed on the correct stamp paper, such agreements may be inadmissible as evidence (unless the adequate stamp duty together with any penalty has been paid) and this may in turn have a material adverse effect on the Issuer 's business, results of operations and financial position.

19. **The Issuer has negative cash flows from operations in recent periods. There is no assurance that such negative cash flows from operations shall not recur in the future.**

The cash outflows relating to loans and advances that the Issuer disburses (net of any repayments the Issuer receives) are reflected in the Issuer's cash flow from operating activities whereas the cash inflows from external funding that the Issuer procures (net of any repayments of such funding) to disburse these loans and advances are reflected in the Issuer's cash flows from financing activities. The net cash flows from investing activities primarily represent sale and purchase of fixed assets, other investments and interest received. The following table sets forth certain information with respect to the Issuer's historical cash flows, including certain negative cash flows, for the periods indicated:

Rs. in crores)

Particulars	As of March 31				
	2018	2019	2020	2021	2022
Net cash from operating Activities	(27,528.34)	(44,499.69)	(10,025.55)	(17,514.68)	6,738.42
Net cash from investing activities	1,138.18	(13,819.57)	1,555.92	880.92	(30.53)
Net cash from financing activities	1,475.36	58,091.65	8,342.06	20,168.86	(9,704.60)
Net increase/(decrease) in cash and cash equivalents	3,086.68	(227.62)	(127.57)	3,535.10	(2,996.71)

There can be no assurance that there will not be a negative cash flow in the future.

20. **The Issuer may not be able to identify attractive financing or investment opportunities, or provide financing to or make investments in such identified opportunities, which may adversely affect the Issuer's financial condition and results of operations.**

There can be no assurance that the Issuer will be able to identify attractive financing or investment opportunities that meet its financing and investment criteria, or provide financing to or make investments in such identified opportunities. The activity of identifying attractive financing and investment opportunities is highly competitive and providing financing to or making such investments may be subject to various factors beyond the Issuer's control. In addition, the Issuer may not be able to fully ascertain the risks involved in the power sector projects the Issuer finances or invests in due to limited information.

Furthermore, any investment that the Issuer makes in power sector projects may be subject to contractual, legal and other restrictions, such as pre-emption rights and the requirement to obtain consents and approvals on resale. The illiquidity of these investments may make it difficult to sell investments even if the Issuer determines that the sale is in its interest. In addition, if the Issuer is required to liquidate all, or a portion of its investment portfolio quickly, the Issuer may not realise an appropriate value for its investments. The Issuer may also face other restrictions on its ability to liquidate an investment in an investee company to the extent that the Issuer has material non-public information regarding such company. In addition, the large number of competitors compared to the limited number of attractive investment opportunities in the Indian power sector may increase the cost at which investments may be made and reduce potential profits. The Issuer may also incur significant expenses identifying, investigating and seeking to acquire potential investments, which are ultimately not acquired, including expenses relating to due diligence, transportation, extended competitive bidding processes, legal expenses and the fees of other third-party advisors. Furthermore, in case of equity investments in the power sector, the Issuer's competing entities may seek to sell assets at the same time as the Issuer, thereby resulting in a decline in the value of such asset.

21. **Setting up and operating power projects in India requires a number of approvals and permits, and the failure to obtain or renew them in a timely manner may adversely affect the operations of the Issuer's borrowers and in turn adversely affect the quality its loans.**

    Setting up and operating power projects requires a number of approvals, licenses, registrations and permissions. Some of these approvals are subject to certain conditions, the non-fulfillment of which may result in revocation of such approvals. Moreover, some of the conditions may be onerous and may require the Issuer's customers to incur substantial expenditure, specifically with respect to compliance with environmental laws. Furthermore, certain of the Issuer's borrowers' contractors and other counterparties are required to obtain approvals, licenses, registrations and permits with respect to the services they provide to the Issuer's borrowers. the Issuer's borrowers, their contractors or any other party may not be able to obtain or comply with all necessary licenses, permits and approvals required for the power projects in a timely manner to allow for the uninterrupted construction or operation of the power plants, or may not comply at all. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to the Issuer's borrowers may adversely affect its operations. This in turn could adversely affect the quality of the Issuer's loans, may put the Issuer's customers in financial difficulties (which could increase the level of non-performing assets in the Company's portfolio) and adversely affect the Issuer's business and financial condition.

22. **The Issuer's business and activities are regulated by the Competition Act, 2002 (the "Competition Act") and any application of the Competition Act to the Issuer may be unfavourable or have an adverse effect its business, financial condition and results of operations.**

    The Indian Parliament has enacted the Competition Act under the auspices of the Competition Commission of India ("**Competition Commission**") to prevent business practices that have an appreciable adverse effect on competition in India, which (other than for certain provisions relating to the regulation of combinations) became effective in 2009. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement which directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have an appreciable adverse effect on competition. Furthermore, if it is proved that the contravention committed by a company took place with the consent or involvement or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of a contravention and liable to be punished.

If the Issuer is affected, directly or indirectly, by any provision of the Competition Act or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on the Issuer's business, financial condition and results of operations.

23. **Changes in legislation, including tax legislation, or policies applicable to the Issuer could adversely affect its results of operations.**

The Government has proposed two major reforms in Indian tax laws, namely the Goods and Services Tax (GST) and provisions relating to General Anti Avoidance Rules (GAAR).

The provisions of the GST have come into effect from 1 July 2017 and have replaced the indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, surcharge and excise currently being collected by the central and state governments.

As regards GAAR, the provisions have come into effect from assessment year 2018-2019. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty.

24. **The risks to financial stability could adversely affect the Issuer's business.**

As reported by the RBI in its financial stability report dated June 26, 2015, the gross non-performing assets in the banking system have grown, while stressed advances including standard restructured loans have risen since September 2014. This deterioration in asset quality is expected to continue into the next few quarters as well. Profitability measured by return on assets and return on equity remained around the same level during the last two years. The banking stability map suggests that the overall risks to the banking sector have moderated marginally since September 2014. However, concerns remain over the continued weakness in asset quality and profitability.

The Issuer has little or no control over any of these risks or trends and may be unable to anticipate changes in economic conditions. Adverse effects on the Indian banking system could impact the Issuer's funding and adversely affect its business, operations and financial condition and the market price of the Bonds.

25. **The Issuer has granted loans to private sector borrowers on a non-recourse or limited recourse basis, which increases the risk of non-recovery and may adversely affect its financial condition.**

As of March 31, 2022 Rs. 59,130 crore or 15.85% of the Issuer's total outstanding loans were to private sector borrowers. Under the terms of the loans to private sector borrowers, the Issuer's loans are secured by project assets, and in certain cases, the Issuer has also obtained additional collateral in the form of a pledge of shares by the relevant promoter, or sponsor guarantee. The Issuer expects that its exposure to private sector borrowers will increase in the future. The ability of such borrowers to perform their obligations under its loans will depend primarily on the financial condition and results of the relevant projects, which may be affected by many factors beyond the borrowers' control, including competition, operating costs, regulatory issues and other risks. If borrowers with non-recourse or limited recourse loans were to be adversely affected by these or other factors and were unable to meet their obligations, the value of the underlying assets available to repay the loans may become insufficient to pay the full principal and interest on the loans, which could expose us to significant losses.

26. **The escrow account mechanism and the trust and retention account arrangements implemented by the Issuer as a quasi-security mechanism in connection with the payment obligations of its borrowers may not be effective, which could adversely affect its financial condition and results of operations.**

    Majority of the Issuer’s outstanding loans to state and Central sector borrowers involved escrow account mechanism. Similarly, in the case of private sector borrowers, security is typically obtained through a first priority pari passu charge on the relevant project assets, and through a trust and retention account mechanism.

    The escrow account mechanism and the trust and retention account arrangements are effective in the event that revenue from the end users or other receipts, as applicable, is received by the Issuer’s borrowers and deposited in the relevant escrow accounts or trust and retention accounts. Though the Issuer monitors the flow into the escrow accounts and trust and retention accounts, the Issuer does not have any arrangement in place to ensure that such revenue is actually received or deposited in such accounts and the effectiveness of the escrow account mechanism and the trust and retention account arrangements is limited to that extent. In the event that end users do not make payments to the Issuer’s borrowers, the escrow account mechanism and the trust and retention account arrangements will not be effective in ensuring the timely repayment of the Issuer’s loans, which may adversely affect the Issuer’s financial condition and results of operations. In addition, as the Issuer diversifies the loan portfolio and enter into new business opportunities, the Issuer may not be able to implement such or similar quasi-security mechanisms or arrangements and there can be no assurance that even if such mechanisms and arrangements are implemented, they will be effective.

27. **Insurance of relevant project assets obtained by the Issuer’s borrowers may not be adequate to protect them against all potential losses, which could indirectly affect the Issuer’s ability to recover its loans to such borrowers.**

    Under the loan agreements, where loans are extended on the basis of a charge on assets, the Issuer’s borrowers are required to create a charge on their assets in the Issuer’s favour in the form of hypothecation or mortgage, or both. In addition, terms and conditions of the loan agreements require the Issuer’s borrowers to maintain insurance against damage caused by any disasters including floods, fires and earthquakes or theft on the assets charged, primarily as collateral against the loan granted by the Issuer. However, the Issuer’s borrowers may not have obtained the required insurance coverage, or may not renew the insurance policies, or the amount of insurance coverage may be less than the replacement cost of the relevant assets and therefore insufficient to cover all financial losses that the Issuer’s borrowers may suffer. In the event the assets charged in the Issuer’s favour are damaged, it may affect the Issuer’s ability to recover the loan amounts due to the Issuer.

28. **The Issuer is involved in a number of legal proceedings that, if determined against it, could adversely impact its business and financial condition.**

The Issuer is a party to various legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities/ other judicial authorities, and if determined against the Issuer, could have an adverse impact on the business, financial condition and results of operations of the Issuer. No assurances can be given as to whether these legal proceedings will be decided in the Issuer's favour or have no adverse outcome, nor can any assurance be given that no further liability will arise out of these claims.

29. **Volatility in interest rates affects the Issuer's lending operations and may result in a decline in its net interest income and net interest margin and adversely affect its return on assets and profitability.**

The Issuer's business is primarily dependent on interest income from its lending operations. The primary interest rate-related risks the Issuer faces are from timing differences in the pricing of the Issuer's assets and liabilities, for example, in an increasing interest rate environment, the Issuer's liabilities are priced prior to its assets being priced, it may incur additional liabilities at a higher interest rate and incur a repricing risk, or in the event that there is an adverse mismatch between the repricing terms of its loan assets and its loan liabilities.

Interest rates are highly sensitive to many factors beyond the Issuer's control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. When interest rates decline, the Issuer is subject to greater re-pricing and pre-payment risks as borrowers may take advantage of the attractive interest rate environment. If the Issuer re-prices loans, the Issuer's results may be adversely affected in the period in which the re-pricing occurs. If borrowers prepay loans, the return on the Issuer's capital may be impaired as any prepayment premium the Issuer receives may not fully compensate the Issuer for the redeployment of such funds elsewhere. In addition, while the Issuer sets the interest rate under its loans and also typically has the option to reset the rate to the Issuer's prevailing lending rates in accordance with the terms of the relevant loans, typically every three years or ten years, this flexibility is also subject to the borrower's ability to prepay the loan and refinance with another lender. When interest rates rise, it results in an increase of interest rates for the Issuer's borrowings and given that a majority of the Issuer's loans are subject to three year re-set clauses, the Issuer may not be able to re-price the loans or increase the interest rates with respect to such loans during such period, which could have a material adverse effect on the Issuer's results of operations and financial condition. In addition, as a non-deposit taking NBFC, the Issuer may be more susceptible to such increases in interest rates than some of the Issuer's competitors such as commercial banks or deposit taking NBFCs that have access to lower cost funds.

The Issuer's results of operations are therefore dependent on various factors that are indirectly affected by the prevailing interest rate and lending environment, including disbursement and repayment schedules for the Issuer's loans, the terms of such loans including interest rate reset terms as well as the currency of such loans and any exchange gains or losses relating thereto. In addition, the value of any interest rate hedging instruments the Issuer may enter into in the future may be affected by changes in interest rates. There can be no assurance that the Issuer will be able to adequately manage its interest rate risk and be able to effectively balance the proportion and maturity of its interest earning assets and interest bearing liabilities in the future.

30. **As an NBFC and an IFC, the Issuer is required to adhere to certain individual and borrower group exposure limits prescribed by the RBI.**

The Issuer is a systemically important non-deposit taking NBFC and is subject to various regulations by the RBI as an NBFC. With effect from 28 July 2010, the Issuer has been classified as an IFC by the RBI, and the classification is subject to certain conditions stipulated by RBI.

The maximum exposure ceilings as prescribed in respect of systemically important non-deposit taking NBFCs that are also IFCs under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are set out below:

(limit as a % of owned funds)

Concentration of credit / investment	Loan company	Infrastructure Finance Company
• ***Lending ceilings***		
Lending to any single borrower	15%	*25%*
Lending to any single group of borrowers	25%	*40%*
• ***Loans and investment taken together***		
Lending and investing to single party	25%	30%
Lending and investing to single group of parties	40%	50%

The applicable NBFCs may exceed the concentration of credit/investment norms by 5 per cent for any single party and by 10 per cent for a single group of parties, if the additional exposure is on account on infrastructure loan and/or investment.

Furthermore, the Issuer is exempted from the applicability of RBI concentration of credit and investment limits in respect of its exposure towards Government entities (including state government entities) until 31 March 2022. Accordingly, in case of the Government sector, the Issuer is following the below MoP-approved credit concentration limits:

Concentration of credit / investment	Government sector Companies(limit as a % of networth)
• ***Lending to a single entity*** :	*100% -150% (higher exposure upto 150% is permitted subject to certain conditions)*
• ***Investment in shares*** :	*15%*
• ***Lending + Investment*** :	*100%-150%*

As of 31 March 2022, the Issuer's CRAR was 23.48 per cent. Any inability to continue to be classified as an IFC may impact the Issuer's growth plans by affecting its competitiveness. As an IFC, the Issuer has to constantly monitor its compliance with the necessary conditions, which may hinder the Issuer's future plans to diversify into new business lines. In the event that the Issuer is unable to comply with the eligibility condition(s), the Issuer may be subject to regulatory actions by the RBI and/or the cancellation of its registration as a systemically important non-deposit taking NBFC that is also an IFC. Any levy of fines or penalties or the cancellation of the Issuer's registration as an NBFC or IFC may adversely affect the Issuer's business, prospects, results of operations and financial condition.

In addition, the Issuer's ability to borrow from various banks may be restricted under guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs.

As the Issuer grows its business and increases its borrowings, it may face similar limitations with other lenders, which could impair the Issuer's growth and interest margins.

31. **The power sector financing industry is becoming increasingly competitive and the Issuer's growth will depend on its ability to compete effectively and maintain a low effective cost of funds.**

The Issuer is facing increasing competition from public and private sector commercial banks and from other financial institutions that provide funding to the power sector. Many of the Issuer's competitors may have access to greater and cheaper sources of funding than the Issuer. Competition in the Issuer's industry depends on, among other factors, the ongoing evolution of GoI policies relating to the industry, the entry of new participants into the industry and the extent to which there is consolidation among banks, financial institutions and NBFCs in India. The Issuer's primary competitors are public sector infrastructure finance companies, public sector banks, private banks (including foreign banks), financial institutions and other NBFCs. Many of the Issuer's competitors may have larger resources or f sizes than the Issuer and may have considerable financing resources. In addition, since the Issuer is a non-deposit taking NBFC, the Issuer may have restricted access to funds in comparison to banks and deposit taking NBFCs. The Issuer's ability to compete effectively is dependent on its ability to maintain a low effective cost of funds. With the growth of its business, the Issuer is dependent on funding from the equity and debt markets and commercial borrowings. The market for such funds is competitive and the Issuer's ability to obtain funds on acceptable terms, or at all, will depend on various factors including the Issuer's ability to maintain its credit ratings. If the Issuer is unable to access funds at an effective cost that is comparable to or lower than that of its competitors, the Issuer may not be able to offer competitive interest rates for its loans to power projects. This is a significant challenge for the Issuer, as there are limits to the extent to which higher costs of funds can be passed on to borrowers, thus potentially affecting the Issuer's net interest income

32. **The power sector in India is regulated by GoI, and the Issuer's operations are directly or indirectly dependent on GoI policies and support, which make it susceptible to any adverse developments in such GoI policies and support.**

The Issuer is a Government company operating in a regulated industry, and the GoI (being a principal shareholder holding 55.99% as on March 31, 2022, of its paid up equity share capital), acting through the MoP, exercises significant influence on key decisions relating to its operations, including with respect to the appointment and removal of members of its Board, and can determine various corporate actions that require the approval of the Board or majority shareholders, including proposed budgets, transactions with other Government companies or GoI entities and agencies, and the assertion of any claim against such entities. The GoI has also issued directions in connection with the payment of dividends by Government companies.

The power sector in India and the Issuer's business and operations are regulated by, and are directly or indirectly dependent on the GoI policies and support for the power sector. The GoI has implemented various financing schemes and incentives for the development of power sector projects, and the Issuer, like other Government companies, are responsible for the implementation of, and providing support to, such GoI schemes and initiatives. The Issuer may therefore be required to follow public policy directives of the GoI by providing financing for specific projects or sub-sectors in the public interest which may not be consistent with its commercial interests. In addition, the Issuer may be required to provide financial or other assistance and services to public sector borrowers and GoI and other Government agencies in connection with the implementation of such GoI initiatives, resulting in diversion of management focus and resources from its core business interests. Any developments in GoI policies or in the level of direct or indirect support provided to the Issuer or its borrowers by the GoI in these or other areas could adversely affect the business, financial condition and results of operations.

33. **Volatility in foreign exchange and un-hedged foreign currency could adversely affect the Issuer's financial conditions and results of operations.**

As of March 31, 2022, the Issuer had foreign currency borrowing outstanding of Rs. 56,288 crore, or approx. 18% of its total borrowings. The Issuer may continue to be involved in foreign currency borrowing and lending in the future, which will further expose it to fluctuations in foreign currency rates. The Issuer has put in place a currency risk management ("**CRM**") policy, which has been approved by RBI, to manage risks associated with foreign currency borrowing. However, there is no assurance that it will remain effective over a period of time. The Issuer enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like currency forward, option, principal swap, interest rate swap and forward rate agreements. Volatility in foreign exchange rates could adversely affect the business and financial performance. The Issuer is also affected by adverse movements in foreign exchange rates to the extent they impact its borrowers negatively, which may in turn impact the quality of the Issuer's exposure to these borrowers. Foreign lenders may also impose conditions more onerous than domestic lenders.

In addition, although the Issuer engages in hedging transactions to manage interest rate and foreign exchange currency rate risks, the Issuer's hedging strategy may not be successful in minimising its exposure to these fluctuations. The Issuer faces the risk that the counterparties to its hedging activities may fail to honour their contractual obligations to the Issuer. This may result in the Issuer not being able to net off its positions and hence reduce the effectiveness of the Issuer's hedges. Non-performance of contracts by counterparties may lead to the Issuer in turn not being able to honour its contractual obligations to third parties. This may subject the Issuer to, among others, legal claims and penalties.

34. **Certain of the Issuer's SEB borrowers have been restructured and the Issuer has not yet entered into definitive loan agreements with such restructured entities, which could affect its ability to enforce applicable loan terms and related state Government guarantees.**

The Issuer has granted long–term loans to various SEBs that were guaranteed by the respective state Governments. Pursuant to certain amendments to the Electricity Act, 2003 ("**Electricity Act**"), the respective state Governments have restructured these SEBs into separate entities formed for power generation, transmission and/ or distribution activities. As part of such restructuring process, all liabilities and obligations of the restructured SEBs relating to the Issuer's loans were transferred, pursuant to a notification process, to the respective state Government, which in turn transferred such liabilities and obligations to the newly formed state Government-owned transmission, distribution and/ or generation companies. However, the relevant notification transferring such liabilities and obligations under the Issuer's loans necessitates the execution of a transfer agreement among the Issuer, the respective state Government and the relevant newly formed transferee entity. The Issuer has not yet executed such transfer agreements with respect to some of these loans. In such circumstances, as the state Government guarantees have not been reaffirmed to cover the debt obligations of such newly formed transferee entities, the Issuer may not be able to enforce the relevant state guarantees in case of default on its loans by such transferee entities. Although the Issuer intends to enter into such transfer agreements to ensure that the terms of its original loan agreements entered into with the SEBs continue to apply to such transferee entities, there can be no assurance that the Issuer will be able to execute such transfer agreements in a timely manner, or execute at all. In addition, the relevant state Government may not reaffirm such guarantees with respect to the debt obligations assumed by such restructured transferee entities. There may also be delay, due to factors beyond the Issuer's control, with respect to the establishment of relevant trust and retention account arrangements with such restructured transferee entities. In addition, the Issuer has restructured loans sanctioned to certain SPUs and other SEBs, including rescheduling of repayment terms. Any negative trends or financial difficulties faced by such SPUs and SEBs could increase the Issuer's NPAs and adversely affect the Issuer's business, financial condition and results of operations.

35. **The Issuer may incur shortfalls in the advance subsidy received under the Accelerated Generation and Supply Programme ("AG&SP") scheme of the GoI, which may affect its financial condition.**

In Fiscal 1998, the GoI started the AG&SP, a scheme for providing interest subsidies for various projects. The Issuer oversees and operate this scheme on behalf of the GoI. The scheme subsidizes the Issuer's normal lending rates on loans to SPUs. The subsidy is paid in advance directly to the Issuer from the Central Government budget and is to be passed on to the borrowers against their interest liability arising in future under the AG&SP scheme.

The Issuer maintains an interest subsidy fund account on account of the subsidy claimed from the GoI at net present value which is calculated at certain pre-determined and indicative discount rates, irrespective of the actual repayment schedule, moratorium period and duration of repayment. The impact of the difference between the indicative discount rate and period considered at the time of drawal and the actual can be ascertained only after the end of the respective repayment period in relation to that particular loan. In the event of there being a shortfall, the Issuer shall have to bear the difference, which may affect its financial condition and results of operations.

36. **The Issuer might not be able to develop or recover costs incurred on its Ultra Mega Power Projects and ITPs and its failure to do so may have an adverse effect on its profitability.**

The Issuer has been appointed as the nodal agency for the development of UMPPs, each with a contracted capacity of 4,000 MW or more. The Issuer has incorporated wholly-owned subsidiaries as SPVs for these projects. These SPVs have been established to undertake preliminary site investigation activities necessary for conducting the bidding process for these projects and also to undertake preliminary studies and obtain necessary linkages, clearances, land and approvals including for water, land and power sale arrangements, prior to transfer of the projects to successful bidders. The objective is to transfer these SPVs to successful bidders, through a tariff based international competitive bidding process, who will then implement these projects, on payment of development costs incurred by each SPV. The Issuer has and is likely to continue to incur expenses in connection with these SPVs. There may be delays in the development of such UMPPs or the Issuer may be unable to transfer these UMPPs due to various factors, including environmental issues, resistance by local residents, changes in related laws or regulatory frameworks, or the Issuer's inability to find a developer for such projects. In addition, the Issuer may not be able to fully recover its expenses from the successful bidder, which may result in financial loss to it, which could adversely affect the financial condition and results of operations.

37. **The Issuer's agreements regarding certain of its joint venture arrangements or investments in other companies contain restrictive covenants, which limit its ability to transfer its shareholding in such ventures.**

The Issuer has entered into a joint venture arrangement, pursuant to which a joint venture company has been incorporated.

The Issuer has also entered into a share subscription and shareholders agreement with the NSE and National Commodity & Derivatives Exchange Limited subscribing to the equity shares of Power Exchange India Limited.

The Issuer has also jointly promoted various companies in which the Issuer holds a minority stake.

As the Issuer holds minority interests in the joint venture company, the Issuer's joint venture partners will have control over such joint venture companies (except to the extent agreed under the respective joint venture agreements). In addition, the Issuer has not made provisions for the decline in value of some investments which may have an adverse impact on the Issuer's financial condition. In addition, the Issuer may not be able perform or comply with its obligations under the joint venture agreement and its failure to do so may result in a breach of such agreement, which could affect the Issuer's rights under this agreement.

Furthermore, the success of the joint venture is dependent upon the cooperation of the Issuer's joint venture partners. The joint venture is subject to the risk of non-performance by the Issuer's joint venture partners of their obligations, including their financial obligations, in respect of the joint venture. Joint venture partners may have business interests or goals that may differ from the Issuer's business interests or goals, or those of the Issuer's shareholders. Any disputes that may arise between the Issuer and its joint venture partners may cause delays in completion or the suspension or abandonment of the venture. In addition, although the joint venture confers rights on the Issuer, its joint venture partners have certain decision-making rights that may limit the Issuer's flexibility to make decisions relating to such business, and may cause delays or losses.

38. **The Issuer's success depends in large part upon its management team and skilled personnel and its ability to attract and retain such persons.**

Many of the Issuer's employees, particularly senior management, have worked with the Issuer for significantly long periods. The Issuer's future performance depends on the continued service of its management team and skilled personnel. The Issuer may face a challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as the Issuer continues to grow. There is significant competition for management and other skilled personnel in the Issuer's industry. Furthermore, the Issuer's ability to meet future business challenges depends on its ability to attract and recruit talented and skilled personnel. The loss of any of the members of the Issuer's Board, senior management, or other key personnel or an inability to manage the attrition levels in the different employee categories may materially and adversely impact the Issuer's business, financial condition and results of operations.

39. **The Issuer benefits from certain tax benefits available to it as a lending institution. If these tax benefits are no longer available to the Issuer it would adversely affect its business, financial condition and results of operations.**

The Issuer has received and currently receives tax benefits by virtue of its status as a lending institution, including as a result of its lending within the infrastructure sector, which have enabled it to reduce its effective tax rate. The availability of such tax benefits is subject to the policies of the GoI and there can be no assurance as to any or all of these tax benefits that the Issuer will receive or continue to receive in the future. If the laws or regulations regarding these tax benefits are amended, the Issuer's taxable income and tax liability may increase/ decrease, which may have an impact on its financial condition and results of operations.

40. **The Issuer may make equity investments in power sector in the future and such investments may not be recovered.**

As part of its growth strategy, and subject to receipt of relevant approvals, the Issuer may evaluate potential equity investment opportunities in power sector projects. In addition, the

Issuer may consider equity syndication opportunities for power sector projects, which the Issuer expects will also increase its fee-based income. The value of such investments will depend on the success and continued viability of these projects. In addition to project-specific risks, the Issuer will have limited control over the operations or management of these businesses. Therefore, the Issuer's ability to realise expected gains on its equity interest in a business is highly dependent on factors outside the Issuer's control. Write-offs or write-downs in respect of the Issuer's equity investments may adversely affect the Issuer's financial condition. The Issuer may also be unable to realise any value if the company in which the Issuer invests does not have a liquidity event, such as a sale of the business, recapitalisation or public offering, which would allow the Issuer to sell the underlying equity interest. In addition, the ability of these investee companies to make dividend payments is subject to applicable laws and regulations in India relating to payment of dividends. Furthermore, equity investments in power sector projects may be less liquid and involve a longer holding period than traditional private equity investments. Such investments may not have any readily ascertainable market value and the value of investments reflected in the Issuer's financial statements may be higher than the values obtained by the Issuer upon the sale of such investments.

41. **The Issuer is subject to restrictive covenants under its credit facilities that could limit its flexibility in managing the business.**

There are restrictive covenants in the agreements the Issuer has entered into with certain banks and financial institutions for its short term borrowing, medium term borrowing, long term borrowing and bonds trust deeds. These restrictive covenants require the Issuer to maintain certain financial ratios and seek the prior permission of these banks/financial institutions for various activities, including, amongst others, selling, leasing, transferring or otherwise disposing of any part of the Issuer's business or revenues, effecting any scheme of amalgamation or reconstitution, implementing a new scheme of expansion or taking up an allied line of business. Such restrictive covenants in the Issuer's loan and bond documents may restrict its operations or ability to expand and may adversely affect its business.

In addition, if the Issuer fails to meet its debt service obligations or if a default otherwise occurs, its lenders could declare the Issuer in default under the terms of its borrowing and accelerate the maturity of its obligations, or in some cases, could exercise step-in rights, or could enforce the security underlining their secured lending, such as security created on the secured long-term Rupee-denominated infrastructure bonds. Any acceleration of the maturity of the Issuer's obligations could have a material adverse effect its cash flows, business and results of operations. Furthermore, the Issuer's lenders may recall certain short-term demand loans availed of by the Issuer at any time. There can be no assurance that the Issuer will be able to comply with these financial or other covenants or that it will be able to obtain the consents necessary to take the actions it believes are required to operate and grow its business in the future.

42. **The Issuer has entered and may enter into certain transactions with related parties, which may not be on an arm's length basis or may lead to conflicts of interest.**

The Issuer has entered and may enter into transactions with related parties, including its Directors. There can be no assurance that the Issuer could not have achieved more favourable terms on such transactions had they not been entered into with related parties. Furthermore, it is likely that the Issuer will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on the Issuer's financial condition and results of operations. The transactions the Issuer has entered into and any future transactions with related parties have involved or could potentially involve conflicts of interest.

The Issuer's subsidiaries PFCCL is engaged in the consultancy services and debt syndication services business respectively, and the Issuer's constitutional documents permit the Issuer to engage in similar business however there is no relationship agreement or similar arrangement currently in place between the Issuer and PFCCL and the Issuer and it is possible this may result in potential conflicts of interest.

43. **The Issuer's insurance may not be adequate to protect it against all potential losses to which it may be subject.**

    The Issuer maintains insurance for its physical assets such as its office and residential properties against standard fire and special perils (including earthquake). In addition, the Issuer maintains a group personal accident insurance as well as Directors' and officers' insurance policy. However, the amount of the Issuer's insurance coverage may be less than the replacement cost of such property and may not be sufficient to cover all financial losses that the Issuer may suffer should a risk materialize. If the Issuer was to incur a significant liability for which the Issuer were not fully insured, it could have a material adverse effect on its results of operations and financial position.

    In addition, in the future, the Issuer may not be able to maintain insurance of the types or in the amounts which the Issuer deems necessary or adequate or at premiums which the Issuer considers acceptable. The occurrence of an event for which the Issuer is not adequately or sufficiently insured or the successful assertion of one or more large claims against the Issuer that exceed available insurance coverage, or changes in its insurance policies (including premium increases or the imposition of large deductible or co- insurance requirements), could have a material and adverse effect on the business, financial condition, results of operations, and cash flows.

44. **The Issuer is subject to stringent labour laws, thus making it difficult for it to maintain flexible human resource policies, which could have an adverse effect on the business, financial condition and results of operations.**

    India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for employee removal and dispute resolution and imposes financial obligations on employers. This makes it difficult for the Issuer to maintain flexible human resource policies, discharge employees or downsize, which though not quantifiable, may adversely affect the Issuer's business and profitability. The Issuer has a registered trade union under the Trade Unions Act, 1926. Although the Issuer considers its relations with its employees to be stable, 4.38% of its employees are unionised and although the Issuer has not lost any time on account of strikes or labour unrest to date, the Issuer's failure to effectively re-negotiate wage revisions or other legitimate union activity could result in work stoppages. Any such work stoppage, though not quantifiable, could have an adverse effect on the Issuer's business, financial condition and results of operations.

45. **Some of the properties taken on lease by the Issuer may have certain irregularities in title, as a result of which the operations may be impaired.**

    The Issuer has taken property on lease for its branch office and it is possible that the lease for such property may not be renewed on favourable terms. The property may not have been constructed or developed in accordance with local planning and building laws and other statutory requirements. In addition, there may be certain irregularities in title in relation to some of the Issuer's owned/leased properties. For example, some of the agreements for such arrangements may not have been duly executed and/or adequately stamped or registered in the land records of the local authorities or the lease deeds may have expired and not yet been renewed. Since registration of land title in India is not centralised and has not been fully computerised, the title to land may be defective as a result of a failure on the part of the Issuer, or on the part of a prior transferee, to obtain the consent of all such persons or duly complete stamping and registration requirements. The uncertainty of title to land may impede the processes of acquisition, independent verification and transfer of title, and any disputes in respect of land title to which the Issuer may become party may take several years and considerable expense to resolve if they become the subject of court proceedings. Any such dispute, proceedings or irregularities may have an impact on the operation of the business.

46. **The Issuer may become liable for the acts or omissions of external consultants engaged by the Issuer or its Subsidiaries.**

    Certain of the Issuer's Subsidiaries provide consultancy services and undertakes execution of consultancy assignments in the power sector for its clients. For these purposes, the Issuer's Subsidiaries also engages external consultants. The Issuer Company also engages external consultants in the course of its business to assist in the conduct of the bidding process, among others. In the event that any acts or omissions of these external consultants may result in professional negligence or breach of contract, the Issuer may become liable to its clients or third parties for the acts or omissions of such external consultants, which could have an adverse affect on the business, financial condition and results of operations.

47. **Changes in environment standards in relation to thermal power projects impose significant risks to the Issuer's business.**

    With the change in requirements and adoption of stricter norms by thermal power projects in order to bring such projects in line with global parameters of climate conservation, there may be delays in the execution of such thermal power projects, which in turn may adversely affect the Issuer's business and financial condition. This is because the companies engaged in the thermal power sector form one of the Issuer's primary borrowers and any delay in implementation of such projects may in turn lead to delay or impediments to future sanctions, disbursements and recovery from such sectors, which may adversely affect the Issuer's business and financial condition.

48. **Security of the Issuer's IT systems may fail and adversely affect the business, operations, financial condition and reputation.**

    The Issuer is dependent on the effectiveness of its information security policies, procedures and capabilities to protect its computer and telecommunications systems and the data such systems contain or transmit. An external information security breach, such as a hacker attack, fraud, a virus or worm, or an internal problem with information protection, such as a failure to control access to sensitive systems, could materially interrupt the business operations or cause disclosure or modification of sensitive or confidential information. The Issuer's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The Issuer's computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other events that could compromise data integrity and security. Although the Issuer maintains procedures and policies to protect its IT systems, such as a data back-up system, disaster recovery and a business continuity system, any failure of its IT systems as mentioned above could result in business interruption, material financial loss, regulatory actions, legal liability and harm to the Issuer's reputation. Furthermore, any delay in implementation or disruption of the functioning of the Issuer's IT systems could disrupt its ability to track, record, process financial information or manage creditors/debtors or engage in normal business activities.

49. **A decline in the the Issuer's capital adequacy ratio could restrict the company's future business growth.**

The Issuer is required under applicable laws and regulations to maintain a capital adequacy ratio of at least 15.00% of its risk-weighted assets, with the minimum requirement of Tier I capital being 10.00%. For maintaining growth in its loan portfolio and asset base, the Issuer may be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios. There can be no assurance that the Issuer will be able to raise adequate additional capital in the future on terms favourable to the Company or that it will be able to retain its IFC classification, which may affect the growth of the business.

B. RISKS RELATING TO THE INDIAN ECONOMY

1. **A slowdown in economic growth in India could adversely impact the Issuer's business. The Issuer's performance and the growth of its business are necessarily dependent on the performance of the overall Indian economy.**

   Any slowdown in the Indian economy or in the growth of any of the industries to which the Issuer provides a financing facility, or a rise in volatility in global commodity prices could adversely affect the Issuer's borrowers and in turn the growth of the Issuer's business, results of operations and financial condition.

   India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, and adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Furthermore, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions.

   The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

   For example, (i) the global financial turmoil in 2008, which was an outcome of the sub-prime mortgage crisis that originated in the United States of America, led to a worldwide loss in investor confidence. The Indian financial markets also experienced the effect of the global financial turmoil, evidenced by the sharp decline in stock exchange indices; and (ii) the result of the referendum which led United Kingdom to opt out of the European Union membership (Brexit) has generated significant uncertainty as to the impact of Brexit on general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. These issues and any other prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material adverse effect on Issuer's business, financial condition and results of operations.

2. **Any downgrading of India's debt rating by an international rating agency could have a negative impact on the Issuer's business.**

   The Issuer is rated by international rating agencies namely, Fitch and Moody's for its foreign currency borrowings.

   There can be no assurance that these ratings will not be further revised, suspended or withdrawn by Moody's, or Fitch or that international rating agencies will also not downgrade India's credit ratings.

   Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact the Issuer's ability to raise additional financing in the international markets, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect the business and future financial performance and the Issuer's ability to obtain financing for providing finance to the power sector.

3. **A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact the Issuer's financial condition.**

   A decline in India's foreign exchange reserves could impact the value of the Rupee and result in reduced liquidity and higher interest rates, which could adversely affect the Issuer's future financial condition. Alternatively, high levels of foreign funds inflow could add excess liquidity to the system, leading to policy interventions, which would also allow slowdown of economic growth. In either case, an increase in interest rates in the economy following a decline in foreign exchange reserves could adversely affect the business, prospects, financial condition and results of operations.

4. **Private participation in the power sector in India is dependent on the continued growth of the Indian economy and regulatory developments in India. Any adverse change in policy/ implementation/ industry demand may adversely affect the Issuer.**

   Although the power sector is rapidly growing in India, the Issuer believes that further development of this sector is dependent upon the formulation and effective implementation of regulations and policies that facilitate and encourage private sector investment in power projects. Many of these regulations and policies are evolving and their success will depend on whether they are designed to adequately address the issues faced and are effectively implemented. In addition, these regulations and policies will need continued support from stable and experienced regulatory regimes that not only stimulate and encourage the continued investment of private capital into power projects, but also lead to increased competition, appropriate allocation of risk, transparency, and effective dispute resolution. The availability of private capital and the continued growth of the private power sector in India are also linked to continued growth of the Indian economy. Many specific factors in the power sector may also influence the success of power projects, including changes in policies, regulatory frameworks and market structures. Any adverse change in the policies relating to the power sector may leave the Issuer with unutilized capital and interest and debt obligations to fulfil. If the Central and state Governments' initiatives and regulations in the power sector do not proceed in the desired direction, or if there is any downturn in the macroeconomic environment in India, the Issuer's business prospects, financial condition and results of operations could be adversely affected. In addition, it is generally believed that demand for power in India will increase in connection with expected increases in India's GDP. However, there can be no assurance that demand for power in India will increase to the extent the Issuer expects or at all. In the event demand for power in India does not increase as anticipated, the extent to which the Issuer is able to grow the business by financing the growth of the power sector would be limited and this could have a material adverse effect on the business, financial condition and results of operations.

5. **Significant shortages in the supply of crude oil, natural gas or coal could adversely affect the Indian economy and the power sector projects to which the Issuer has exposure, which could adversely affect it.**

   India majorily imports its requirements of crude oil. Although oil prices have shown a marked lack of volatility recently, volatility in oil prices is expected to increase, as the current compressed level in oil prices appears inconsistent with falling inventories, limited global spare capacity and an escalation in the number and connectedness of geopolitical risks. The GoI has deregulated retail prices of certain fuels, and prices have moderated in fiscal year 2014 due to concerns over a slowdown in global economic growth. The GoI has also deregulated the prices of certain oil products resulting in greater pass-through of international crude prices to domestic oil prices. Any significant increase in oil prices could affect the Indian economy, including the power sector, and the Indian banking and financial system. High oil prices could also add to inflationary pressures in the Indian economy. In addition, increases in oil prices may have a significant impact on the power sector and related industries in which the Issuer has substantial exposure. This could adversely affect the Issuer's business including its ability to grow, the quality of its asset portfolio, its financial condition and its ability to implement its strategy.

Natural gas is a significant input for power projects. India has experienced interruptions in the availability of natural gas, which has caused difficulties in these projects. Continued difficulties in obtaining a reliable, timely supply of natural gas could adversely affect some of the projects the Issuer finances and could impact the quality of the Issuer's asset portfolio and the Issuer's financial condition. Prices of other key raw materials, for example steel, coal and cement, have also risen in recent years and if the prices of such raw materials approach levels that project developers deem unviable, this will result in a slowdown in the infrastructure sector and thereby reduce the Issuer's business opportunities, its financial condition and its ability to implement its strategy.

Continued shortages of fuel could adversely affect some of the projects the Issuer finances and could impact the quality of the Issuer's asset portfolio and the Issuer's financial condition. With regard to coal, while there are substantial proven reserves in India, significant investments are required to mine the reserves. There can be no assurance that such investments will be made. Domestic coal demand is expected to increase significantly, driven by significant Indian power capacity addition. High dependence on domestic coal could therefore expose power companies to potential price and availability risks. In the case of a shortage of coal, the productivity of the domestic coal-fired power stations could be reduced and their expansion plans hindered. Domestic power companies also import coal however there is no assurance that such sources of coal will continue to be available to the power companies at reasonable price or terms.

6. **Economic developments and volatility in securities markets in other countries may negatively affect the Indian economy.**

The Indian securities market and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The collapse of the sub-prime mortgage loan market in the United States that began in September 2008 led to increased liquidity and credit concerns and volatility in the global credit and financial markets in following Fiscal years. The European sovereign debt crisis has led to renewed concerns for global financial stability and increased volatility in debt and equity markets. These and other related factors such as concerns over recession, inflation or deflation, energy costs, geopolitical issues, slowdown in economic growth in China and Renminbi (Chinese Yuan) devaluation, commodity prices and the availability and cost of credit have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States and global credit and financial markets.

In the event that the current difficult conditions in the global financial markets continue or if there are any significant financial disruptions, this could have an adverse effect on the Issuer's cost of funding, loan portfolio, business, future financial performance and the trading price of any Bonds issued under the Programme. Negative economic developments, such as rising Fiscal or trade deficits, or a default on national debt in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

7. **Political instability or changes in GoI policies could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact the Issuer's financial results and prospects.**

   The Issuer is incorporated in India, derives its revenues from operations in India and all its assets are located in India. Consequently, the Issuer's performance may be affected by interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise significant influence over many aspects of the Indian economy. The Issuer's business, may be affected by changes in the GoI's policies, including taxation. Current macro-economic situations and global conditions might lead to a gradual departure from an accommodative fiscal and monetary policy, which would affect exchange rates and interest rates. Such events could also affect India's debt rating, the Issuer's business, its future financial performance and the trading price of the Bonds.

8. **Difficulties faced by other financial institutions or the Indian financial sector generally could cause the Issuer's business to suffer.**

   The Issuer is exposed to the risks consequent to being part of the Indian financial sector. This sector in turn may be affected by financial difficulties and other problems faced by Indian financial institutions. Certain Indian financial institutions have experienced difficulties during recent years, and some co-operative banks have also faced serious financial and liquidity difficulties in the past. Any major difficulty or instability experienced by the Indian financial sector could create adverse market perception, which in turn could adversely affect the business and financial performance.

9. **Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and the Issuer's business.**

   Terrorist attacks and other acts of violence or war may negatively affect the Indian markets in which the Issuer's securities trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and eventually adversely affect the business. Any deterioration in relations between India and its neighbouring countries may result in actual or perceived regional instability. Events of this nature in the future could have a material adverse effect on the Issuer's ability to develop its operations. As a result, the Issuer's business, prospects, results of operations and financial condition could be materially adversely affected by any such events.

10. **Natural calamities could have a negative impact on the Indian economy and cause the business to suffer.**

    India has experienced natural calamities such as earthquakes, floods and drought in the recent past. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of below normal rainfall in the country or other natural calamities could have a negative impact on the Indian economy, affecting the Issuer's business and potentially causing the trading price of the Bonds to decrease. Because the Issuer's operations are located in India, its business and operations could be interrupted or delayed as a result of a natural disaster in India, which could affect the business, financial condition and results of operations. Health epidemics could also disrupt the Issuer's business. In Fiscal year 2010, there were outbreaks of swine flu, caused by the H1N1 virus, in certain regions of the world including India and several other countries in Asia. Further, since March, 2020, there is outbreaks of COVID-19, declared as Pandemic by WHO, throughot the world including India and several other countries in Asia. Any further severity or future outbreak of health epidemics and panemics may restrict the level of business activity in affected areas, which may in turn adversely affect the business.

11. There may be other changes to the regulatory framework that could adversely affect the Issuer.

The Issuer is under the administrative control of the MoP and a number of the Issuer's activities are subject to supervision and regulation by statutory authorities including the RBI, the SEBI and IRDA. The Issuer is also subject to policies/procedures of GoI departments such as the MoF, MCA and DPE. In addition, the Issuer's borrowers in the power sector are subject to supervision and regulation by the CEA, CERC and SERCs. Furthermore, the Issuer is subject to changes in Indian law as well as to changes in regulation and Government policies and accounting principles. The Issuer is receive certain benefits and takes advantage of certain exemptions available to it as a public financial institution under Section 2(72) of the Companies Act, 2013 and as a systemically important non-deposit taking NBFC that are also IFCs under the RBI Act. In addition, the statutory and regulatory framework for the Indian power sector has undergone a number of changes in recent years and the impact of these changes is yet to be seen. The Electricity Act puts in place a framework for major reforms in the sector. Furthermore, there could be additional changes in the manner of determination of tariff and other policies and licensing requirements for, and tax incentives applicable to, companies in the power sector. Presently, the Issuer is not aware of the nature or extent of any future review and amendment of the Electricity Act and rules and policies issued thereunder, and it is possible that any amendments may have an adverse impact on the business, financial condition and results of operations. Applicable laws and regulations governing the Issuer's borrowers and the Issuer could change in the future and any such changes could adversely affect the business, financial condition and results of operations.

12. Direct capital market access by the Issuer's borrowers could adversely affect the Issuer.

The Indian capital markets are developing and maturing and, as such, there may be a shift in the pattern of power sector financing. Financially stronger SPUs might source their fund requirement directly from the market. The Issuer has large exposure to SPUs and such changes may have an adverse impact on the business, financial condition and results of operations.

13. Companies operating in India are subject to a variety of Central and state Government taxes and surcharges.

Tax and other levies imposed by the Central and State Governments in India that affect the tax liability of the Corporation include Central and state taxes and other levies including income tax, GST, stamp duty and other special taxes surcharges and cess etc. These taxes are extensive and subject to change from time to time. Any amendments may affect the overall tax liability of Companies operating in India and result in significant additional taxes becoming payable. Additional tax exposure could adversely affect the business and results of operations.

CHAPTER VII RISK MANAGEMENT

The Issuer has developed various risk management policies and procedures, with particular emphasis on actively managing and controlling its risk exposures. These processes include a detailed appraisal methodology, identification of risks and suitable structuring of credit risk mitigation measures.

The Issuer has set up a Risk Management Committee to monitor various risks, examine risk management policies and practices and initiate action for mitigation of risks relating to the Issuer's operations.

The Issuer has developed an integrated enterprise-wide risk management policy. The Risk Management Committee has set up a Risk Management Sub Committee to monitor certain risks identified by the Issuer.

Important risks faced by the Issuer are:

- Credit risks.
- Security risks.
- Liquidity risks.
- Interest rate risks;
- Foreign currency risk; and
- Operational risk.

a) Credit risks

Credit risk involves the risk of loss arising from the diminution in credit quality of a borrower along with the risk that the borrower will default on contractual repayments under a loan or an advance. The Issuer follows a systematic institutional and project appraisal process to assess and mitigate credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Issuer uses a wide range of quantitative as well as qualitative parameters as a part of the appraisal process to make a sound assessment of the underlying credit risk in a project. The Issuer evaluates the credit quality of the borrowers by assigning risk weights on the basis of the various financial and non-financial parameters. The Issuer evaluates borrowers' eligibility criteria with an emphasis on financial and operational strength, capability and competence.

Although the Issuer encourages certain schemes through differential lending rates, the eligibility criteria and the Issuer's funding decision is guided by the merit of the project and no funds are pre-allocated. In addition, the Issuer has adopted its own prudential norms that provide guidance on aspects of its financial operations including asset classification, provisioning, income recognition, asset concentration and investment limits.

The Issuer's lending policies are set out in its Operational Policy Statement ("**OPS**") which is reviewed from time to time to align it with market requirements. In addition, the Issuer places emphasis is given to projects/ schemes having short gestation periods and on-going generation projects.

The Issuer lends to projects which meet the following criteria:

1) techno-economically sound with Financial or Economic Rate of Return of not less than 12% (as may be applicable);other than in certain specific instances, such as projects involving

environmental upgrading, meter installation, load dispatch, computerisation and communication, research and development and non-conventional energy projects;
2) feasible and technically sound and provide optimal cost solutions for the selected alternative;
3) compatible with integrated power development and expansion plans of the state/ region/ country;
4) compliant with environmental guidelines, standards and conditions;
5) schemes should have obtained the required clearances;
6) all inputs required for the implementation and operation of the projects are tied up and proper procurement and implementation plans have been drawn up.
7) The minimum project size to be considered for appraisal of generation projects (for sanctioning of term loan/guarantee) of private companies (including for captive projects and Debt Refinancing proposals) shall be as follows:* -
   i. Generation from Non-Conventional Energy Sources (including small hydro projects) and other Projects Promoted by an existing Co. on its own Balance Sheet or by forming SPV with adequate collaterals on the revenues of main Company – 5 MW
   ii. Other Projects – 10 MW
   iii. In case of Wind Power Generation projects promoted by Grade I-IV promoters the minimum benchmark can be lowered from 5 MW to 3 MW on case-to-case basis.
   iv. In case of all Grid connected Solar PV Private Sector Power Generation Projects the minimum size of the project to be considered for appraisal/financing of shall be 1 (one) MW

*The financial assistance for R&M/R&U and other schemes/projects will not be governed by above limits. The above limits shall also not be applicable to the loan/guarantee proposals received from State/Central sector borrowers.

The Issuer evaluates the credit quality of all its borrowers by assigning a rating on the basis of various financial and non-financial parameters. Further, integrated rating (Combination of Entity Rating and Project Rating) is worked out for private sector generation projects. The interest rates, requirement of collateral securities and exposure limits are worked out on the basis of integrated ratings.

b) Security risks

The Issuer seeks to put in place a number of different security and quasi-security arrangements for the loans that the Issuer extends. The Issuer obtains one or more of the following securities in public sector power projects: (i) a priority claim over the surplus revenue from state power utilities over any loan granted by the relevant state Government to other entities; (ii) an irrevocable guarantee from the relevant state Governments; and (iii) security in the form a charge over the relevant project assets;

For loans to Central and State sector borrowers that do not satisfy certain criteria in terms of credit rating and debt service coverage ratios, the Issuer uses an escrow arrangement as a credit enhancement mechanism pursuant to an escrow agreement (the "**Escrow Agreement**"). The Escrow Agreement is typically a tripartite agreement entered into by the Issuer, the borrower and the bank designated as escrow agent. Under the terms of the Escrow Agreement, the borrower is required to deposit all of its receivables (from certain centres) into the designated escrow account and the borrower is specifically prohibited from opening any other account for the purpose of collection of revenues without the Issuer's written consent. In the event of a default in payment by the borrower, upon a demand by the Issuer the escrow agent is authorised to pay the amount owed to he Issuer from the monies deposited in the escrow account. In addition, the escrow agent is required to submit monthly bank statements of the escrow account to the Issuer.

In the case of private sector power projects, security is normally obtained through (i) a first priority pari passu charge on assets; and (ii) a trust and retention arrangement in relation to all of the cash flows of the project pursuant to a trust and retention account agreement (the "**TRA Agreement"**). The TRA Agreement is entered into amongst the Issuer, the borrower and a bank designated as the account bank. Under the terms of the TRA Agreement, the cash flows of the project are controlled by the account bank which must deal with the cash flows strictly in accordance with the terms of the TRA Agreement. The TRA Agreement specifies the conditions that must be satisfied, on a periodic basis, before funds from the trust account can be used to meet the relevant expense and the manner in which such payments will be made, including payments by way of debt service to us throughout the life of the loan. The account bank is not permitted to allow any withdrawal of funds in excess of the approved limits without the Issuer's prior approval. The TRA Agreement continues to operate until all of the obligations have been indefeasibly and irrevocably paid by the borrower. The trust and retention account is a no lien account. The TRA Agreement also specifies the payment waterfall that would apply upon the occurrence of an event of default or a potential event of default in relation to the loan and which gives priority to the secured lenders.

Eligibility of private sector borrowers is assessed on the basis of various factors such as past performance of the promoters, their experience and their capacity to bring in equity and project soundness. In certain cases, collateral securities such as pledges of equity shares held by the promoters and personal or corporate guarantees are also required.

c) Liquidity risks

Liquidity risk is the risk of the Issuer's potential inability to meet its liabilities as they become due. The Issuer faces liquidity risks, which could require the Issuer to raise funds or liquidate assets on unfavourable terms. The Issuer manages its liquidity risk through a mix of strategies, including through forward-looking resource mobilisation based on projected disbursements and maturing obligations.

The Issuer has put in place an effective Asset Liability Management System, constituted an Asset Liability Management Committee ("**ALCO**") headed by Director (Finance). ALCO monitors risks related to liquidity and interest rate and also monitors implementation of decisions taken in the ALCO meetings. The liquidity risk is being monitored with the help of liquidity gap analysis. The Asset Liability Management framework includes periodic analysis of long term liquidity profile of asset receipts and debt service obligations.

To ensure that the Issuer always have sufficient funds to meet its commitments, the Issuer OPS requires us to maintain satisfactory level of liquidity to ensure availability of funds at any time up to three months' anticipated disbursements. At present, surplus funds are invested by way of short-term deposits with banks and in debt based liquid schemes of public sector mutual funds.

d) Interest rate risks

Interest rate risk is the risk that changes in market interest rates will adversely affect the Issuer's financial condition. The primary interest rate-related risks that the Issuer faces are from timing differences in the maturity of its fixed rate assets and liabilities. For example, if in an increasing interest rate environment, its fixed rate liabilities mature prior to its fixed rate assets and therefore require the Issuer to incur additional liabilities at a higher interest rate, and re-pricing risk, for example, where there is an adverse mismatch between the re-pricing terms of the Issuer's loan assets and its loan liabilities.

Interest income forms a substantial part of total income of the Issuer. The Issuer extends loans at fixed as well as floating interest rates. The Issuer's borrowings are also a mix of fixed and floating rates. A mismatch between assets and liabilities may cause the Issuer's gross spreads to decline and adversely affect the Issuer's profitability. The Company endeavours to match interest rate positions to minimize interest rate risk but may not be able to do so.

Interest rates are dynamic and dependent on various internal and external factors beyond the Issuer's control including cost of borrowing, liquidity in the market, competitors' rates, movement of benchmarks such as AAA bond/GSEC yields, RBI policy changes, de-regulation of the financial sector in india, domestic and international economic and political conditions, inflation and other factors. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements, the evaluation of earning at risk on change of interest and the creation of assets and liabilities with a mix of fixed and floating interest rates.

The Issuer reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements. The Issuer's incremental Rupee lending interest rates are usually made with either a one year, three year, five year or ten year interest reset clause. In order to manage pre-payments risks, the Issuer's policy as of the date of this Offer Letter is to require a pre-payment premium to be paid by the borrower in case of pre-payment. The interest rate reset dates typically occur at the option of the borrower at one, three, five or ten year intervals.

The Issuer has historically, and may in the future, implement interest rate risk management through the contractual terms of its loans, including pricing terms, maturities and pre-payment and re-pricing provisions. In addition, all loan sanction documents specifically entitle the Issuer to vary the interest rate on the undisbursed portion of any loan.

e) Foreign currency risks

Foreign currency exchange risk involves exchange rate movements among currencies that may adversely impact the value of foreign currency-denominated assets, liabilities and off-balance sheet arrangements. The Issuer has foreign currency borrowings that could expose it to foreign currency exchange rate risk and the Issuer expects to increase its foreign currency-denominated borrowings in the future.

The Issuer has developed a currency risk management policy to manage risks associated with foreign currency borrowing. The Issuer manages foreign currency risk by lending in foreign currency and through derivative products (such as currency forwards, options, principal swaps, interest rate swaps and forward rate agreements) offered by banks, who are authorised dealers. The Issuer's currency risk management policy lays down the appropriate systems and controls to identify, measure, monitor, report and manage currency risks, including interest rate risk. Some of the important features of the currency risk management policy include benchmarks, hedging ratios, open position limits, and exposure limits with regard to empanelled banks. In addition, foreign exchange exposures are evaluated on a loan-to-loan basis, and the exposure is managed in accordance with the various parameters defined in the currency risk management policy. Every month, the details of foreign currency exposure, open and hedged position are submitted to the Risk Management Committee and such details are submitted every quarter to the Audit Committee and the Board.

f) Operational risks

Operational risks are risks arising from inadequate or failed internal processes, people and systems or from external events. The Issuer has established systems and procedures to reduce operational risk as outlined below:

(a) Operational controls in project finance activities: The Issuer's OPS, operational guidelines and manuals provide a detailed description of the systems and procedures to be followed in the course of appraisal, approval, disbursement, recovery of a loan and resource mobilisation. . Various checks and control measures have been built-in for timely review of the operating activities and monitoring of any gaps in the same. A significant proportion of the activities are subject to regular monitoring and auditing, including loan sanctions, disbursements, recovery and resource mobilisation. In addition to this, many important activities are monitored on a periodic basis.

(b) Operational controls in treasury activities: The Issuer's OPS and manual for deployment of surplus funds provide a description of operations to be followed, with suitable exposure and counterparty limits. Compliance with the Issuer's guidelines is monitored through internal control and a well-developed audit system including external and internal audits.

(c) Legal risk: Legal risk arises from the uncertainty of the enforceability of contracts relating to the obligations of the Issuer's borrowers. This could be on account of delay in the process of enforcement or difficulty in the applicability of the contractual obligations. The Issuer seeks to minimize the legal risk through legal documentation that is drafted to protect its interests to the maximum extent possible.

CHAPTER VIII ISSUER INFORMATION

Name of the Issuer	**Power Finance Corporation Limited**
Registered & Corporate Office	UrjaNidhi Building, 1-Barakhamba Lane, Connaught Place New Delhi – 110001 Tel: +91 11 2345 6000, Fax: +91 11 2345 6285 Website: www.pfcindia.com E-mail: 54ECinvestorcell@pfcindia.com
Chairman & Managing Director	**Shri Ravinder Singh Dhillon** Chairman and Managing Director UrjaNidhi Building 1-Barakhamba Lane, Connaught Place, New Delhi – 110001 Tel: +91 11 2345 6000, Fax: +91 11 2341 2545
Compliance Officer	**Shri Manohar Balwani** **Company Secretary** Urjanidhi, 1 Barakhamba Lane, Connaught Place New Delhi – 110001 Tel: +91 11 2345 6749 Fax: +91 11 2345 6285 E-mail: mb @pfcindia.com
	Head of Unit for PFC's 54EC Capital Gain Bonds Shri Sanjay Mehrotra ED (Finance) Urjanidhi, 1 Barakhamba Lane, Connaught Place New Delhi – 110001 Tel: +91 11 2345 6226, E-mail: sanjay_mehrotra @pfcindia.com
Registrar to the Issue	**KFIN TECHNOLOGIES LTD. (formerly known as Karvy Fintech Pvt Ltd)** Selenium Tower B, Plot Number 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telengana- 500 032 Tel: +91 40 67162222 Fax:+91 40 2343 1551 Email : einward.ris@kfintech.com Website : www.kfintech.com

Trustee to the Issue	**Beacon Trusteeship Ltd.** 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai, Maharashtra 400051 Tel: 022-26558759	
Auditors of the Company	**M/s Dass Gupta & Associates** Chartered Accountants, B-4, Gulmohar Park, New Delhi – 110049 Tel No.: (011)46111000 E-mail: admin@dassgupta.com ICAI Firm Registration no.: 000112N Auditor since: August 01, 2019	**M/s Prem Gupta & Company** Chartered Accountants, 2342, Faiz Road, Karol Bagh, New Delhi – 110005 Tel No.: (011) 25466394 E-mail: office@pguptaco.com ICAI Firm Registration: 000425N Auditor since: August 19, 2021
Credit Rating Agencies	**Credit Rating Information Services of India Limited (CRISIL Limited)** Regd. Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai-400075 Tel: +91 11 22 3342 3000, Fax: +91 22 3342 3050 **ICRA Limited** CIN: L74999DL1991PLC042749 Regd. Office: 1105, Kailash Building, 11th Floor, 26, K.G. Marg, New Delhi-110001 Tel: (011) 23357940-50 Contact Person- Mr. Sandeep Sharma Email- sandeep.sharma@icraindia.com Website - www.icra.in/Rating **CARE Ratings Limited** (CIN: L67190MH1993PLC071691) 13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension New Delhi-110055 Tel:-011-45333200, 23716199 Contact Person- Ms. Deepshi Panda Email- deepshi.panda@careedge.in Website - www.careratings.com	

CHAPTER IX SUMMARY TERM SHEET

Security Name	PFC Capital Gain Tax Exemption Bonds – Series VII
Issuer	Power Finance Corporation Limited
Type of Instrument	Secured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures having benefits under Section 54EC of Income Tax Act, 1961
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement basis
Eligible investors	1. Individuals 2. Hindu Undivided Families (HUF) 3. Partnership firm 4. Insurance Companies 5. Companies and Body Corporates 6. Provident Funds, Superannuation Funds and Gratuity Funds 7. Banks 8. Mutual Funds 9. Financial Institutions (FIs) 10. Foreign Portfolio Investors (Subject to existing regulations) 11. Regional Rural Banks 12. NRIs/other foreign eligible investor investing out of NRO A/c on non-repatriable basis 13. Co-operative Banks 14. Limited liability Partnership However, out of the aforesaid class of investors eligible to invest, this Information Memorandum is intended solely for the use of the person to whom it has been sent by PFC for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the Bonds offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Information Memorandum from PFC).
Listing	The Bonds will not be listed on any stock exchange due to non-transferability during the tenure of Bonds.
Rating	‘AAA/Stable’ by CRISIL, ‘AAA (Stable)’ by ICRA, & 'AAA/Stable' by CARE
Issue size	₹ 500 crore + Green Shoe option to retain oversubscription
Object of the Issue	To augment resources of PFC for meeting fund requirement.
Details of utilization of the proceeds	The funds raised through private placement are not meant for any specific project as such and therefore the proceeds of this issue after meeting all expenses of the Issue shall be used for meeting the object of the Issue.
Tenor	5 years from the deemed date of allotment
Coupon Rate	5.25 % p.a.

Coupon Payment frequency	Annual
Coupon payment dates:-	Every year on 31st July till redemption and balance along with redemption.
Coupon type	Fixed
Day count basis	Actual/Actual
Date of Redemption	At the end of 5 years from the Deemed Date of Allotment.
Redemption amount	At par (Rs 10,000/- per Bond)
Redemption Premium/ Discount	Not applicable
Face Value	Rs. 10,000 (Rupees Ten Thousand only) per bond
Issue Price	At par (Rs 10,000/- per bond)
Minimum application size and in multiple of thereafter	Application must be for a minimum size of Rs 20,000/- (2 bonds) and then in multiple of Rs. 10,000/- (1 bond) thereafter
Maximum application size	500 bonds of Rs 10,000/- each (Rs. 50,00,000/-) during this financial year.
Discount / Premium at which security is issued	Not applicable
Put Option	Not applicable
Call Option	Not applicable
Issue Opening & Closing Date	Issue Opening Date: April 1, 2023 Issue Closing Date: March 31, 2024 (at the close of the banking hours) or at a date / time as may be decided by PFC in its absolute discretion This Information Memorandum shall be valid for above period
Deemed Date of allotment	Last day of each month in which the subscription money is received and credited to PFC Capital Gain Bonds
Transferability	Non-transferable, Non-Marketable, Non-negotiable and cannot be offered as a security for any loan or advance
Issuance mode of instrument	In demat / physical mode.
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")
Business Days/ Working Days	"Business Days"/ "Working Days" shall be all days on which money market is functioning in Mumbai. However, for the purpose of credit of Demat A/c, Working Days shall be all days on which NSDL/CDSL are open for business.

Effect of holidays (Note 1)	If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon Payment Date. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately succeeding Business Day along with interest accrued on the Bonds until but excluding the date of such payment. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Record Date	15 calendar days prior to actual interest/principal payment date
Security	The bonds proposed to be issued are secured by way of first pari-passu charge by way of hypothecation of present & future receivables of PFC (excluding receivables on which specific charge has already been created). As may be agreed between the Company and the debenture trustee, pursuant to the terms of the Debenture Trust Deed excluding the Receivables on which specific charge has already been created by the Company. Further, the Company undertakes that it has obtained consent from existing creditors to create first pari passu charge on the said assets.
Registrar & Transfer Agent	M/s KFin Technologies Pvt. Ltd.
Mode of Subscription	Applicants may make remittance of application money through electronic mode or cheque / draft drawn in favour of 'PFC Capital Gain Bonds'.
Trustees	Beacon Trusteeship Ltd.
Governing Law and Jurisdiction	The Bonds shall be construed to be governed in accordance with Indian Law. The Competent Courts in New Delhi alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

Notes:

1. *Company reserves its sole & absolute right to modify (pre-pone/post pone) the issue opening/closing/pay-in-date(s) without giving any reasons or prior notice. In such case, Investors/Arrangers shall be intimated about the revised time schedule by Company. Company also reserves the right to keep multiple deemed date of allotment at its sole & absolute discretion without any notice. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Company.*
2. *PFC reserves the right to revise the coupon rate and/or close the issue by giving notice on its website. The investors are advised to consult PFC/Arrangers, before depositing the application with bank. It may be noted that rate of interest on the bond shall be as applicable on the date of credit of application money in PFC collection account. The applicable rate where application money is credited in PFC's collection account on 01.04.2023 is 5.25% p.a. Change in interest rate, if any, for application money credited in PFC's collection account thereafter shall be published on websites of PFC as well as of Registrar to the issue.*
3. *All applications submitted but rejected by PFC would be returned by PFC to the applicant/ collection banker, without any Interest.*
4. *Application for minimum Rs. 20,000/- (in multiples of Rs. 10,000/- thereafter) will be accepted, any amount received in fraction will be refunded to the investor without interest.*

CHAPTER X PARTICULARS OF THE OFFER

OFFERING DETAILS

Issue of Secured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures having benefits under Section 54 EC of Income Tax Act, 1961 of face value of Rs. 10,000 for Power Finance Corporation Limited - 54EC – Series VII for cash at par aggregating to Rs. 500 crore with green shoe option with the right to retain over subscription on private placement basis.

PRINCIPAL TERMS AND CONDITIONS OF THE ISSUE

The bond will be subject to the terms of the Private Placement of the Bonds as stated in the Information Memorandum and Application forms, the relevant statutory guidelines and regulations for allotment issued from time to time by the Govt. of India (GOI), Reserve Bank of India etc.

NATURE OF BONDS

The Bonds shall be Secured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures having benefits under Section 54 EC of Income Tax Act, 1961. The Bonds shall rank pari passu inter se and, subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, shall also, as regards repayment of principal and payment of interest, rank pari passu with all other existing secured borrowings (except subordinated debt) of the Corporation.

AUTHORITY FOR THE ISSUE AND DATE OF PASSING RESOLUTION

The bonds are being issued in pursuance of Section 54EC of Income Tax Act, 1961 and other applicable laws.

Further, the issue of bonds is being made pursuant to:

i. Special resolution passed by the shareholders of the Company under clause c of sub-section 1 of section 180 of The Companies Act, 2013 on September 29, 2020 and delegation provided there under;

ii. The resolution passed by Board of Directors of the Company at its 437th meeting held on March 21, 2023.

iii. Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India notification no. 47/2017. F. No. 370142/18/2017-TPL dated June 8, 2017.

iv. Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India notification no. 27/2018/F. No. 275/27/2017-IT(B) dated June 18, 2018.

The Company can issue the 54EC Capital Gain Bonds in pursuance of the above approvals and no further approval from any Government Authority is required for the present Issue.

ELIGIBILITY OF PFC TO COME OUT WITH THE ISSUE

PFC, its Directors and authorized officers have not been prohibited from accessing the debt market under any order or directions passed by SEBI, RBI any other Govt. Authority.

SECURITY

The bonds are proposed to be issued as secured by a first pari passu charge by way of hypothecation on present & future receivables of the Company and/ or identified movable property by a first/pari pasu charge as may be agreed between the Company and the debenture trustee, pursuant to the terms of the Debenture Trust Deed excluding the receivables on which specific charge has already been created by the Company.

TAX BENEFITS UNDER SECTION 54EC OF INCOME TAX ACT, 1961

Capital gain not to be charged on investment in certain bonds – Section 54EC

1. Where the capital gain arises from the transfer of a long-term capital asset [being land or building or both,] (the capital asset so transferred being hereafter in this section referred to as the original asset) and the assessee has, at any time within a period of six months after the date of such transfer, invested the whole or any part of capital gains in the long-term specified asset, the capital gain shall be dealt with in accordance with the following provisions of this section, that is to say,—

   a. if the cost of the long-term specified asset is not less than the capital gain arising from the transfer of the original asset, the whole of such capital gain shall not be charged under section 45;

   b. if the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of acquisition of the long-term specified asset bears to the whole of the capital gain, shall not be charged under section 45 :

   Provided that the investment made on or after the 1st day of April, 2007 in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees :

   Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees.

2. Where the long-term specified asset is transferred or converted (otherwise than by transfer) into money at any time within a period of three years from the date of its acquisition, the amount of capital gains arising from the transfer of the original asset not charged under section 45 on the basis of the cost of such long-term specified asset as provided in clause (a) or, as the case may be, clause (b) of sub-section (1) shall be deemed to be the income chargeable under the head "Capital gains" relating to long-term capital asset of the previous year in which the long-term specified asset is transferred or converted (otherwise than by transfer) into money:

   Provided that in case of long-term specified asset referred to in sub-clause (ii) of clause (ba) of the Explanation occurring after sub-section (3), this sub-section shall have effect as if for the words "three years", the words "five years" had been substituted.]

   Explanation.—In a case where the original asset is transferred and the assessee invests the whole or any part of the capital gain received or accrued as a result of transfer of the original asset in any long-term specified asset and such assessee takes any loan or advance on the security of such specified asset, he shall be deemed to have converted (otherwise than by transfer) such specified asset into money on the date on which such loan or advance is taken.

3. Where the cost of the long-term specified asset has been taken into account for the purposes of clause (a) or clause (b) of sub-section (1),—

a. a deduction from the amount of income-tax with reference to such cost shall not be allowed under section 88 for any assessment year ending before the 1st day of April, 2006;

b. a deduction from the income with reference to such cost shall not be allowed under section 80C for any assessment year beginning on or after the 1st day of April, 2006.

Explanation.—For the purposes of this section,—

a. "cost", in relation to any long-term specified asset, means the amount invested in such specified asset out of capital gains received or accruing as a result of the transfer of the original asset;

b. "long-term specified asset" for making any investment under this section during the period commencing from the 1st day of April, 2006 and ending with the 31st day of March, 2007, means any bond, redeemable after three years and issued on or after the 1st day of April, 2006, but on or before the 31st day of March, 2007,—

    i. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 (68 of 1988); or

    ii. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 (1 of 1956),

and notified by the Central Government in the Official Gazette for the purposes of this section with such conditions (including the condition for providing a limit on the amount of investment by an assessee in such bond) as it thinks fit:

Provided that where any bond has been notified before the 1st day of April, 2007, subject to the conditions specified in the notification, by the Central Government in the Official Gazette under the provisions of clause (b) as they stood immediately before their amendment by the Finance Act, 2007, such bond shall be deemed to be a bond notified under this clause;

a. "long-term specified asset" for making any investment under this section,—

    i. on or after the 1st day of April, 2007 but before the 1st day of April, 2018, means any bond, redeemable after three years and issued on or after the 1st day of April, 2007 but before the 1st day of April, 2018;

    ii. on or after the 1st day of April, 2018, means any bond, redeemable after five years and issued on or after the 1st day of April, 2018,

by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 (68 of 1988) or by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 (1 of 1956) or any other bond notified in the Official Gazette by the Central Government in this behalf.]

Please Note:

PFC shall not be responsible for denial of benefit under Section 54EC of the Income Tax Act, 1961 to the investor and any consequences arising thereof.

MINIMUM SUBSCRIPTION

Application must be for a minimum size of Rs. 20,000 (2 bonds) and in multiple of Rs. 10,000 (1 bond) thereafter.

MAXIMUM SUBSCRIPTION

A person can apply for maximum 500 bonds (Rs. 50,00,000/-) during this financial year as provided u/s 54EC of Income Tax Act, 1961

UNDERWRITING

The present Issue of Bonds is not underwritten.

FORCE MAJEURE

PFC reserves the right to withdraw the Issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

DEEMED DATE OF ALLOTMENT/BOND CERTIFICATE

Deemed Date of Allotment of Bonds will be the last day of the month during which the subscription amount has been credited to PFC account. Investors are informed that Corporation would normally process allotments pertaining to a month in the next month. PFC shall endeavour to make a firm allotment for all valid applications received from eligible investors.

Subject to the completion of all legal requirements, PFC will issue the Bond Certificates within 6 months as per Section 56(4)(d) of the Companies Act, 2013 (in case of Physical option) or Bonds shall be credited to the depository account if marked so by the Applicant in the application form (in case of Demat option)

WHO CAN APPLY

1. Individuals
2. Hindu Undivided Families (HUF)
3. Partnership firm
4. Insurance Companies
5. Companies and Body Corporates
6. Provident Funds, Superannuation Funds and Gratuity Funds
7. Banks
8. Mutual Funds
9. Financial Institutions (FIs)
10. Foreign Portfolio Investors (Subject to existing regulations)
11. Regional Rural Banks
12. NRIs/other foreign eligible investor investing out of NRO A/c on non-repatriable basis
13. Co-operative Banks
14. Limited Liability Partnership

However, out of the aforesaid class of investors eligible to invest, this Information Memorandum is intended solely for the use of the person to whom it has been sent by the Company for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons other than professional advisors of the prospective investor receiving this Information Memorandum from the Company.

HOW TO APPLY

A. By depositing application form with Cheque/DD:

Investors are required to submit the duly filled in Application Form along with necessary enclosures at the specified Collecting Banks as indicated at our website: www.pfcindia.com. Demand Draft or crossed Cheque should be payable in favour of "PFC Capital Gain Bonds". Demand Draft charges, if any, shall be borne by the applicant. Investors can obtain the application form from any of the arrangers to the issue or directly download application form through PFC's website www.pfcindia.com.

B. By RTGS/NEFT payment:

The investor can also directly deposit the amount in the PFC's Collection Account by way of NEFT/RTGS and invariably submit the duly filled application in the same bank to which the investor has transferred the funds to. Investor would need to mention the UTR No. at space provided in the application form for Cheque/UTR details. Details of PFC's Collection Accounts with various Collection Banks is as under:

BANK	A/C NO	IFSC CODE	MICR CODE	BRANCH
HDFC Bank	57500000034792	HDFC0000003	110240001	209 - 214, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi-110001
Indusind Bank	201001384575	INDB0000005	110234002	Barakhambha Branch, Dr. Gopal Das Bhawan, 28, 1st Floor, Barakhamba Road, New Delhi - 110001
ICICI Bank	000405115137	ICIC0000004	400229002	Nariman Point, Mumbai-400020
Kotak Mahindra Bank	5411819692	KKBK0000172	400485002	Ambadeep Building, 14, Kasturba Gandhi Marg, New Delhi-110001
Canara Bank	2471201001212	CNRB0002471	110015115	Capital Market Branch Jeevan Bharti Building, Parliament Street, New Delhi – 110 001a
YES Bank Limited	013661000000070	YESB0000136	110532031	56, Janpath, Ground Floor, ALPS Building, Connaught Place, New Delhi – 110001
Union Bank of India	307801010918755	UBIN0530786	110026006	F-14/15, Connaught Place, New Delhi -110 001

C. APPLICATION BY POST

The applicant, if they so desire, may forward their applications through post to any of the branches of the collection bankers as given below, provided they are accompanied with a Demand Draft payable at par or payable locally for the application amount as to reach during such period when the issue is open for subscription.

BANK NAME	ADDRESS
HDFC Bank	B-7/3, Asaf Ali Road, New Delhi - 110002
IndusInd Bank	PNA House Office, 5th Floor, Plot No. 57 & 57/1, Street No. 17, Near SRL Diagnostic Centre, MIDC, Andheri East, Mumbai – 400093
ICICI Bank	ICICI Bank Tower, Regional Office, Plot No. 12, Gachibowli, Hyderabad – 500032
Kotak Mahindra Bank	Cash Management Services, Kotak Towers, 6th Floor, Zone 3, Building No. 21, Infinity Park, off Western Express Highway, Goregaon, Mulund Link Road, Malad (E) Mumbai - 400097

D. ONLINE APPLICATION

The applicant, may utilize the online system available through PFC's website www.pfcindia.com to apply for the bonds. An investor can fill up and submit online application form and make payment through Net Banking / Debit Card using the provided payment gateway. Facility to upload application form where investor has transferred funds through NEFT/RTGS is also available.

DOCUMENTS TO BE PROVIDED BY ALL INVESTORS APPLYING IN PHYSICAL MODE

a. Self-attested copy of PAN Card (In case of Joint application, self-attested PAN copy of all the applicants) or Form 60 where bond application size is Rs 50,000/- or more

b. Cancelled cheque or its photo copy for NECS/ NEFT/ RTGS facility.

c. Additional documents for KYC as per Application form are required to be submitted.

DOCUMENTS TO BE PROVIDED BY INVESTORS OTHER THAN INDIVIDUALS (IN ADDITION TO THE DOCUMENTS TO BE PROVIDED WITH KNOW YOUR CUSTOMER FORM)

a. Companies and Body Corporate, Financial Institutions, Foreign Portfolio Investors: A certified true copy of (i) Board resolution authorizing investment and containing operating instructions and (ii) Specimen signatures of authorized signatories.

b. Partnership Firms: A certified true copy of: (i) Documentary evidence of authorization to invest in the Bonds and to receive the money on redemption, if the same is not provided in the partnership deed and (ii) Specimen signature of authorized signatories.

c. Banks: A certified true copy of (i) Power of Attorney and (ii) Specimen signatures of authorized signatories.

d. Provident Funds, Superannuation Funds and Gratuity Funds: (i) Resolution passed by the competent authority authorizing the investment and (ii) Specimen signatures of the authorized signatories.

e. Mutual Funds : A certified true copy of (i) SEBI registration certificate; (ii) Resolution passed by the competent authority authorizing the investment and containing operating instructions and (iii) Specimen signatures of the authorized signatories.

JOINT APPLICATION

Only individuals/ NRI can apply in joint names and maximum three individuals can apply through a Joint Application and in case of application with Demat option, the sequence of joint applicants name must be same as mentioned in the Demat Account.

NOMINATION

In accordance with Section 72 of Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014, the sole bondholder (only Individual/ NRI) or where the Bonds are held by more than one person, first bondholder, along with other joint Bondholders being individual(s) may nominate any one person (being an individual) who, in the event of death of sole holder or all the joint holders, as the case may be, shall become entitled to the Bond(s). Nominee shall be entitled to the same rights to which he will be entitled if he was the registered holder of the Bond(s). During the validity of the bonds, in case of demise of the nominee or otherwise also, the bondholder(s) will be entitled to change the nominee or make fresh nomination accordance with the procedure set out in the Companies (Share Capital and Debenture) Rules, 2014 read with section 72 of Companies Act, 2013. When the Bond is held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the Bondholders in succession.

To expedite the transmission of Bond(s) to the nominee, the Bondholders are advised to provide the specimen signature of the nominee at the place specified in the application form. In case bonds are in Demat form, demographic and nominee details will be picked up from DP ID/CLIENT ID and the details of the nominee, if any, as mentioned in the application form will be invalid. Where the nominee is a minor, it shall be lawful for the holder of the securities, making the nomination to appoint, in the prescribed manner, any person to become entitled to the securities of the company, in the event of the death of the nominee during his minority.

It is to further mention that in case of letter of administration/ succession certificate/ probated will from an appropriate court in India, the bonds will be transferred in the name of the such administrator/ holder of succession certificate/ executor of will only after the death of all Original Bondholder(s).

PFC shall not be responsible or liable for any demand, claim, legal action, proceeding, suit, litigation, prosecution, mediation, arbitration, enquiry or assessment taken by any governmental, statutory, regulatory, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or any other person in relation to the vesting of the Bonds in accordance with the Companies Act, 2013 and the rules thereunder with the nominee, as nominated by the original Bondholders.

RIGHT TO ACCEPT OR REJECT APPLICATIONS

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The application forms that are not complete in all respects are liable to be rejected and interest would not be paid on the application money.

TRANSMISSION / SUCCESSION

In the event of demise of the sole holder of the Bonds, the Company will recognise the executor or administrator of the deceased Bondholders, or the holder of succession certificate or other legal representative as having title to the Bonds in accordance with the applicable provisions of law, including the Companies Act, 2013 and the rules thereunder, only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or produces evidence of legal representation, as the case may be, from an appropriate court in India.

Where Bonds are held in the joint names and first holder dies, the second holder will be recognized as the Bondholder(s) and in case, second holder dies, the third holder will be recognized as the Bondholder. It will be sufficient for the Company to delete the name of the deceased Bondholder after obtaining satisfactory evidence of his death. Company will not be held liable for any payment made in the account of the holder in case the information about death of holder is not brought into the notice of the Company at least 15 days prior to the payment date.

In case of physical form, the beneficial owners of deceased Bondholder are advised to send the Bond Certificate(s) to the Registrar, along with all the required documents. PFC and/or persons/ Registrar appointed by them for this purpose after examining and being satisfied regarding adequacy and correctness of the documentation shall register the transmission in its books. In case bonds are issued in Dematerialised form successor(s) will be, as intimated by Depositary Participant of the Bondholder.

MODE OF TRANSFER OF BONDS

To avail the benefit under Section 54EC of the Income Tax Act, 1961, the investment made in the Bonds needs to be held for a period of at least five years from the Deemed Date of Allotment. The Bonds are for tenure of 5 years and are NON TRANSFERABLE NON NEGOTIBLE and cannot be offered as a security for any loan or advance. However, Transmission of the Bonds to the legal heirs in case of death of the Bondholder/Beneficiary to the Bonds is allowed.

REGISTERED BONDHOLDER

Bondholder whose name appears in the register of Bondholders maintained by the Corporation or its Registrar (in case of investors opting for physical certificates) and beneficial owners on the record date (in case of investors opting for demat option).

PAYMENT OF INTEREST

a. The interest will be payable annually on July 31 each year on actual/actual basis.

b. The interest payment on the Bonds shall be made to the registered bondholders.

c. First Interest from the date of credit to PFC account in respect of the allotments made up to June 30, 2023 will be made on July 31, 2023. First Interest on subsequent allotment would be made on July 31, 2024.

d. The interest payment for the first and last year or part thereof beginning from the date of credit and ending with the date of redemption, respectively, shall be proportionate (on actual/actual basis) and all interest on Bonds will cease on the date of redemption.

e. PFC will not be liable to pay any interest after the redemption / maturity date of the bonds.

PAYMENT ON REDEMPTION

PFC's liability to Bondholder(s) towards all their rights including payment of face value shall cease and stand extinguished upon redemption of the Bonds in all events. Further, PFC will not be liable to pay any interest, income or compensation of any kind after the date of such Redemption of the Bond(s).

The Bonds will be automatically redeemed by PFC on maturity i. e. on the expiry of 5 years from the deemed date of allotment, Physical bond certificate need not to be surrendered for redemption. The redemption proceeds would be paid to the Registered Bondholders.

In case of transmission applications pending on the Record Date, the redemption proceeds will be issued to the legal heirs after the confirmation of the adequacy and correctness of the documentation submitted with such application, till such time, the redemption proceeds will be kept in abeyance.

PFC will not be responsible for any payment made to a deceased bondholder, in case the information about the death of the bondholder is not provided to PFC at least 15 days prior to maturity payment date.

DEDUCTION OF TAX AT SOURCE

TDS provisions as prevailing from time to time shall be applicable. As per extant law, tax will not be deducted at source for Resident Indians as PFC has been exempted from deduction of TDS under section 193 (iib) of the Income Tax Act, 1961 (vide Ministry of Finance's notification no. 27/2018 dated 18th June 2018). However, TDS shall be deducted in case of NRI / non-resident investors as per applicable law.

MODE OF PAYMENTS

Interest/redemption payment will be made by ECS/NECS/RTGS/NEFT/At Par Cheque/Demand Drafts/ Interest warrants at all locations to the bondholders by the bank. Efforts will be made to cover all cities where collection centers are appointed. In case the ECS/NECS facility is not available; PFC reserves the right to adopt any other suitable mode of payment. Cheque clearing charges, if any, will have to be borne by the Bondholders.

EFFECT OF HOLIDAYS ON PAYMENTS

If any Coupon/Interest Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon/Interest Payment Date.

If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately succeeding Business Day along with interest accrued on the Bonds until but excluding the date of such payment.

In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.

LISTING

The Bonds will not be listed on any stock exchange due to non-transferability of Bonds in lock-in period.

BONDS IN DEMATERIALISED FORM/ PROCEDURE FOR APPLYING FOR DEMAT FACILITY

PFC has made arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Ltd. (CDSL) to issue the Bonds in dematerialized form to all successful applicants. All the provisions relating to issue, allotment, transmission, etc. in respect of dematerialization and rematerialization of the Bonds as may be prescribed under the Depositories Act, 1996 and the Rules thereunder or by the NSDL/CDSL or such similar agency, would be applicable to these Bonds.

Applicant(s) should have/ open a Beneficiary Account /Demat Account with any Depository Participant of NSDL or CDSL.

a. The applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form.

If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of Bonds shall be held in abeyance till such time satisfactory demat account details are provided by the applicant.

b. The Bonds shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/refund order, if any, would be sent directly to the applicant by the Registrar to the Issue.

c. For dematerialisation of holdings, applicants should forward the Bond(s) Certificate along with demat request through their depository participant (DP) to the Registrar. All the demographic details regarding nomination, Bank Account details etc. will be taken from the information provided in the Demat Account of the Investor.

Further in case of any mismatch in the name or order of the name in case of joint applicants, the bond will be allotted in the physical mode only.

In case any investor wishes to hold the Bonds in physical mode the investor is required to choose so by ticking at the appropriate place in the Application Form.

LIMITATION OF LIABILITY

Liability of Company shall be limited only to the principal and interest on the Bond, in terms of this Information Memorandum. PFC shall not be liable for any cost, loss, damage, injury or claim due to the terms of this Bond or any matters incidental thereto including change or amendment in any Law or Regulation, proceedings in court or due to rejection of the Application.

Liability of PFC in respect of allotment of bonds shall be limited only upto the amount clearly credited to PFC Capital Gain Bonds collection account with nodal branch of its authorized collecting bank on or before respective last date of the month for which allotment is sought by the applicant(s).

APPLICATIONS UNDER POWER OF ATTORNEY

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along-with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

REFUND / WITHDRAWAL OF APPLICATION MONEY

The amount once credited in PFC's Collection account will not be refunded. However, in case of rejection of the Application on account of technical grounds, refund without interest will be made. PFC may accept the amount and allot the bonds under this series of bonds even if the Investor has applied through application form of an older series of PFC Capital Gain Bonds. Application for minimum Rs. 20,000/- (in multiples of Rs 10,000/- thereafter) will be accepted, any amount received in fraction will be refunded to the investor without interest.

CHANGE OF BANK DETAILS

For servicing of interest/ redemption payments, in case of bonds allotted in physical mode the bank account details of the investor will be captured from their application forms and in case of Demat mode the bank details as per the DP of the investor will be considered. Bondholder(s) to whom bonds have been allotted in physical mode may change their bank account details with Registrar by surrendering the original Bond Certificate together with other required document like cancelled cheque, bank certificate etc.

RIGHT OF BONDHOLDER(S)

Bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privileges of shareholders other than those available to them under statutory requirements. The Bond(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the General Meeting of the Company. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of joint holders, to the one whose name stands first.

Besides the above, the Bonds shall be subject to the provisions of the Companies Act, 2013, the Articles of Association of PFC, the terms of this bond issue and the other terms and conditions as may be incorporated in the Trust deed and other documents that may be executed in respect of these Bonds.

AMENDMENT OF THE TERMS OF THE BONDS

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Issuer.

BUY-BACK OF BONDS

Unless stated otherwise, the Company may buy-back the Bonds subject to the statutory compliance, if any.

DEBENTURE REDEMPTION RESERVE ("DRR")

The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange Limited. Pursuant to Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a listed company is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the 54EC Capital Gain Bonds.

NOTICES

The notices to the Bondholder(s) required to be given by PFC or by Registrar shall be deemed to have been given if sent by courier / ordinary post / Registered Post / Speed Post to the original sole / first holder of the Bonds or if an advertisement is given in a leading newspaper.

All notices to be given by the Bondholder(s) shall be sent by registered post or by hand delivery to Registrar or to such persons at such address as may be notified by PFC in Information Memorandum.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTIONS

Copies of the contracts and documents, referred to below, may be inspected at the Head Office of PFC between 10.00 a.m. and 12.00 noon on any working day (Monday to Friday) until the date of closing of the issue.

a. Memorandum and Articles of Association of PFC.

b. Special Resolution passed by the shareholders of the Company at Meeting held on September 29,2020 under section 180 (1) (C) for borrowing power of the Company;

c. Resolution of the Board of Directors of PFC passed at 437th Meeting held on March 21st, 2023 approving the borrowing programme of ₹ 80,000 crore for the year 2023-24 and in line with in-principal approval accorded by Chairman & Managing Director, Director (Finance) is authorized to approve raising/drawl of funds through various sources from domestic market .

d. Credit Rating letters from CRISIL, ICRA and CARE.

e. Copies of the audited Balance Sheets and Profit & Loss Accounts for five years ended March 31 2018, 2019, 2020 , 2021 and 2022.

f. Copy of Tripartite Agreement between PFC, NSDL & RTA.

g. Copy of Tripartite Agreement between PFC, CDSL & RTA.

FUTURE BORROWINGS

PFC will be entitled to borrow / raise loans or avail financial assistance in whatever form (both in rupees and in foreign currency) as also issue debentures / Bonds / other securities (secured and unsecured) in any manner having such ranking in priority / pari-passu or otherwise and change the capital structure including the issue of shares of any class on such terms and conditions as PFC may think appropriate without the consent of or intimation to the Bondholders or the trustees. The security on Book debts / Receivables / Immoveable properties would be shared on pari passu basis with any future issuance of the bonds by the issuer till the time issuer maintain requisite security cover.

BOND TRUSTEE

Currently PFC has appointed Beacon Trusteeship Limited to act as debenture trustee for its Bonds. PFC holds consent from Beacon Trusteeship Limited, to act as trustees and the consent has not been withdrawn. Beacon Trusteeship Limited is a SEBI registered Debenture Trustee. All remedies to the Bondholder(s) for the amounts due on the Bonds will be vested with the Trustees on behalf of the Bondholder(s). If there is a change of Trustees to the Bond Holders, the same would be published on website of PFC.

The holders of the Bonds shall without any further act or deed be deemed to have irrevocably given their consent and authorized the Trustees to do, inter-alia, acts and deeds and things necessary to safeguard the interests of Bondholder(s) in terms of this Information Memorandum. The Trustee shall protect the interest of the Bondholders in the event of default by PFC in regard to security creation, timely payment of interest and repayment of principal etc. and shall take necessary action at the cost of PFC. No Bondholder shall be entitled to proceed directly against PFC unless the Trustee, having become so bound to proceed, fail to do so.

REGISTRAR

Currently PFC has appointed KFIN TECHNOLOGIES LTD. KFin Technologies Ltd. as Registrar & Transfer Agent (R&TA) for our Bonds. PFC holds consent from them to act as R&TA and the consent has not been withdrawn. In case there is any change in R&TA, PFC will appoint a new R&TA and obtain and hold their consent to act as R&TA before the launch of the bond issue of a particular series and disclose the facts in the terms of the Bond issue of a particular series. The Registrar will monitor the applications while the private placement is open and will coordinate the post allotment activities like dispatching of allotment advice, bond certificate, change of address/ bank details etc.

Any query/complaint regarding application/ allotment/ interest & redemption payments/ transmission should be forwarded to:

Unit - PFC 54EC Bonds
KFIN TECHNOLOGIES LTD. (formerly known as Karvy Fintech Pvt Ltd/ KFINTECH Pvt. Ltd.)
Selenium Tower B,
Plot Number 31 & 32,
Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telengana- 500 032
Tel: +91 40 67162222
Fax:+91 40 2343 1551

The details of the Nodal Officer of the Registrar is as under –

Name: Mr. Murali Krishna
Email : murali.m@kfintech.com
Tel.: +91 40 6716 1503, Fax.: +91 40 2343 0814

INVESTOR RELATIONS AND GRIEVANCE REDRESSAL

Arrangements have been made to redress investor grievances expeditiously, PFC endeavour to resolve the investors' grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of bonds applied for, amount paid on application, may be addressed to the RTA. All investors are hereby informed that the company has appointed a RTA / Compliance Officer who may be contacted in case of any problem related to this issue.

CREDIT RATING FOR THE BONDS

a. CRISIL has assigned a rating of 'CRISIL AAA/Stable' (pronounced CRISIL triple A rating with stable outlook") to the long term borrowing programme & "CRISIL A1+" (pronounced CRISIL A one plus) rating to the short term borrowing programme for the Financial Year 2023-24 aggregating to ₹ 80,000 crore, indicating the highest degree of safety regarding timely servicing of financial obligations vide letter no. RL/PFCMTD/312172/LTBP/0323/55602/147848070 and RL/PFCMTD/312172/STBP/0323/55603/147851661 dated 30.03.2023.

b. ICRA has assigned a rating of '[ICRA] AAA (Stable)' (pronounced ICRA triple A) to the long term borrowing programme & "[ICRA] A1+" (pronounced ICRA A one plus) to the short term borrowing programme for the Financial Year 2023-24 aggregating to ₹ 80,000 crore indicating the highest degree of safety regarding timely servicing of financial obligations vide letter no Ref: ICRA/Power Finance Corporation Limited/28032023/1 and ICRA/Power Finance Corporation Limited/28032023/2 dated 28.03.2023.

c. CARE has assigned a rating of 'CARE AAA/Stable' (Triple A; Outlook Stable) to the long term borrowing programme & "CARE A1+" (A One Plus) rating to the short term borrowing programme for the Financial Year 2023-24 aggregating to ₹ 80,000 crore vide letter no. CARE/DRO/RL/2022-23/3752 and CARE/DRO/RL/2022-23/3751 dated 31.03.2023.

Other than the credit ratings mentioned herein above, the Issuer has not sought any other credit rating from any other credit rating agencies for the Bonds offered for subscription under the terms of this Information Memorandum.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

CHAPTER XI FINANCIAL POSITION OF THE COMPANY

A. **Details of Share Capital as at 30 Sept 2022:-**

Particulars	Rs. in Crore
Share Capital	
Authorized Share Capital	
1100,00,00,000 Equity Shares of Rs. 10/- each & 20,00,00,000 Preference shares of Rs. 10/- each	11200.00
Issued, Subscribed and Paid-up Share Capital	
264,00,81,408 Equity Shares of Rs. 10/- each	2640.08

B. **Share premium/ Securities Premium account as on 30 Sept 2022 -**

Particulars	Rs. in Crore
Share premium account before the issue	2776.54
Share premium account after the issue*	2776.54

*Since the present offer comprises of issue of non-convertible debt securities, it shall not affect the paid-up equity share capital or share premium account of the Company after the offer.

C. **Changes in its capital structure as at 30 Sept 2022 for the last three years:-**

Date of Change (AGM/EGM)	Particulars
Nil	

D. **Equity Share Capital History of the company as at 30 Sept 2022 for the last three years:-**

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No. of equity shares	Equity Share Capital (Rs.)	Equity Security Premium (In Rs.)
Nil								

E. **Details of any acquisition of or amalgamation with any entity in the last 1 year-**

NIL

F. **Details of any reorganization or reconstruction in the last 1 year:-**

Type of Event	Date of Announcement	Date of Completion	Details
---NIL---			

G. **Details of shareholding of the company as on 31.12.2022, as per the format specified under the listing regulations:**

1. **Shareholding pattern of the company as on last quarter end as on 31.12.2022:-**

Sr. No.	Particulars	Total Number of Shares	No of Shares Held in Dematerialized Form	Total Shareholding as a % of Total No of Shares
(A)	PROMOTER AND PROMOTER GROUP			
(1)	INDIAN			
(a)	Individual /HUF			
(b)	Central Government/State Government(s)	1,47,82,91,778	1,47,82,91,778	55.99
(c)	Bodies Corporate			
(d)	Financial Institutions / Banks			
(e)	Others			
	Sub-Total A(1) :	**1,47,82,91,778**	**1,47,82,91,778**	**55.99**
(2)	FOREIGN			
(a)	Individuals (NRIs/Foreign Individuals)			
(b)	Bodies Corporate			
(c)	Institutions			
(d)	Qualified Foreign Investor			
(e)	Others			
	Sub-Total A(2) :			
	Total A=A(1)+A(2)	**1,47,82,91,778**	**1,47,82,91,778**	**55.99**
(B)	PUBLIC SHAREHOLDING			
(1)	INSTITUTIONS			
(a)	Mutual Funds /UTI	30,67,89,621	30,67,89,621	11.62
(b)	Financial Institutions /Banks	41,87,633	41,87,631	0.16
(c)	Central Government / State Government(s)			
(d)	Venture Capital Funds			
(e)	Insurance Companies	1,08,32,610	1,08,32,610	0.41
(f)	Foreign Institutional Investors			
(g)	Foreign Portfolio Investor	44,49,55,288	44,49,55,288	16.85
(h)	Qualified Foreign Investor			
(i)	Others			
	Sub-Total B(1) :	**76,67,65,152**	**76,67,65,150**	**29.04**
(2)	NON-INSTITUTIONS			
(a)	Body Corporates	3,39,99,777	3,39,99,777	1.29
(b)	NBFCs	11,38,506	11,38,506	0.04
(c)	Resident Individuals	18,68,19,517	18,67,96,433	7.08
(d)	Others			
	Employees	9,35,719	9,35,719	0.04
	Non Resident Indians	46,52,879	46,52,879	0.18
	HUF	1,03,68,503	1,03,68,422	0.39
	Clearing Members	14,94,099	14,94,099	0.06
	NRI Non Repatriable	35,05,188	35,05,188	0.13
	Trusts	16,23,020	16,23,020	0.06
	I E P F	1,00,906	1,00,906	0.00

	Qualified Institutional Buyer	14,99,79,599	14,99,79,599	5.68
	Alternate Investment Fund	3,89,565	3,89,565	0.01
	Overseas Corporate Bodies	15,000	15,000	0.00
	Foreign Nationals	2,200	2,200	0.00
	Sub-Total B(2) :	**39,50,24,478**	**39,50,01,313**	**14.96**
	Total B=B(1)+B(2) :	**1,16,17,89,630**	**1,16,17,66,463**	**44.01**
	Total (A+B) :	**2,64,00,81,408**	**2,64,00,58,241**	**100.00**
(C)	Shares held by custodians, against which			
	Depository Receipts have been issued			
(1)	Promoter and Promoter Group			
(2)	Public			
	GRAND TOTAL (A+B+C) :	**2,64,00,81,408**	**2,64,00,58,241**	**100.00**

2. Details of promoters of the company as on the latest quarter ending Dec 31, 2022:-

S No.	Name of Shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. of equity shares	No. of shares pledged	% of shares Pledged with respect to shares owned
1	President of India Through MoP , GoI	147,82,91,778	147,82,91,778	55.99	NIL	N.A

H. List of top 10 holders of equity shares of the company as on 31.12.2022-

S No.	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total share holding as % of Total No. of Equity Shares
1	PRESIDENT OF INDIA	1,47,82,91,778	1,47,82,91,778	55.99
2	THE WINDACRE PARTNERSHIP MASTER FUND LP	12,67,95,000	12,67,95,000	4.80
3	LIFE INSURANCE CORPORATION OF INDIA	11,21,73,420	11,21,73,420	4.25
4	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	7,52,65,321	7,52,65,321	2.85
5	UBS PRINCIPAL CAPITAL ASIA LTD	7,50,71,000	7,50,71,000	2.85
6	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	3,14,41,527	3,14,41,527	1.19
7	HDFC TRUSTEE COMPANY LTD. A/C HDFC TOP 100 FUND	3,10,59,486	3,10,59,486	1.18
8	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA GROWTH FUND	2,38,15,322	2,38,15,322	0.90
9	MIRAE ASSET EMERGING BLUECHIP FUND	1,87,32,745	1,87,32,745	0.71
10	MIRAE ASSET MIDCAP FUND	1,82,61,227	1,82,61,227	0.69
	TOTAL:	**1,99,09,06,826**	**1,99,09,06,826**	**75.41**

I.

1. **Profits of the company for the three financial years immediately preceding the date of circulation of offer letter on standalone basis-As per Ind-AS and is annexed.**
2. **Profits of the company for the three financial years immediately preceding the date of circulation of offer letter on consolidated basis;-As per Ind-AS and is annexed.**

J. Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
	Audited	Audited	Audited
Dividend declared on equity shares (%age)	120% (Rs. 10.75 – Interim Dividend) (Rs. 1.25 – Final Dividend)	100% (Rs. 8 – Interim Dividend) (Rs. 2 – Final Dividend)	95%
Interest coverage ratio (times)	2.16	1.44	1.38

K. (1) A summary of the financial position of the company for the three audited balance sheets immediately preceding the date of circulation of offer letter on standalone basis- As per Ind-AS and is annexed.

(2) A summary of the financial position of the company for the three financial years immediately preceding the date of circulation of offer letter on consolidated basis- As per Ind-AS and is annexed.

L. (1) Audited cash flow statement for the three years immediately preceding the date of circulation of offer letter on standalone basis:- As per Ind-AS and is annexed.

(2) Audited cash flow statement for the three years immediately preceding the date of circulation of offer letter on consolidated basis:- As per Ind-As and is annexed.

M. (I) FINANCIAL INDICATORS (ON STANDALONE BASIS)

(All figures are in Rs./crore, except percentages)

Particulars	As on/for the quarter ended 31.12.2022 (Un-audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND-AS
Balance Sheet				
Net Fixed Assets	-	44.85	37.45	31.76
Current Assets	-	54,367.43	61,442.22	59,066.56
Non-Current Assets	-	3,39,997.73	3,30,604.40	3,02,688.94
Total Assets	-	**3,94,410.01**	**3,92,084.07**	**3,61,787.26**
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	-	2,84,141.94 2,83,780.33 140.43 Nil 221.18	2,89,229.55 2,89,100.83 55.54 Nil 73.18	2,60,870.11 2,60,719.06 44.91 Nil 106.14
Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) Other current liabilities	-	50,917.79 50,560.55 106.57 Nil 250.67	50,461.40 50,180.60 99.61 Nil 181.19	55,753.02 55,530.60 219.38 0.11 2.93
Equity (equity and other equity)	-	59,350.28	52,393.12	45,164.13
Total Equity and liabilities	-	**3,94,410.01**	**3,92,084.07**	**3,61,787.26**
Profit and Loss				
Total Revenue from operations Other income	10,355.23 9.17	38,545.40 45.77	37,744.87 21.70	33,362.90 8.16
Total Expenses	6,684.85	26,363.52	27,559.26	25,178.52
Other comprehensive income Total comprehensive income	83.03 3,087.96	180.83 10,202.73	90.20 8,534.21	(334.63) 5,320.51
Profit / loss after tax	**3,004.93**	**10,021.90**	**8,444.01**	**5,655.14**
Earnings per equity share: (a) basic; and (b) diluted Continuing operations Discontinued operations	11.38 NA	37.96 NA	31.98 NA	21.42 NA

Total Continuing and discontinued Operations	11.38	37.96	31.98	21.42
Cash Flow				
Net cash generated from operating activities	-	6,738.42	(17,514.68)	(10,025.55)
Net cash used in / generated from investing activities		(30.53)	880.92	1,555.92
Net cash used in financing activities	-	(9,704.64)	20,168.86	8,342.06
Cash and cash equivalents	-	720.91	3,717.62	182.52
Balance as per statement of cash flows	-	720.91	3,717.62	182.52
Additional Information				
Net worth	65,289.16	59,350.28	52,393.12	45,164.13
Cash and Cash Equivalents and Other Bank Balances	-	3,961.22	4,762.20	198.99
Current Investment	-	1,084.80	882.65	663.35
Asset under Management (Loan Assets)	-	3,78,201.04	3,76,665.52	3,49,896.16
Off Balance Sheet Assets	-	Nil	Nil	Nil
Total Debts to Total assets	0.81	0.81	0.83	0.84
Debt Service Coverage Ratios	-	NA	NA	NA
Interest Income	9,566.20	36,701.22	36,145.76	31,950.42
Interest Expense	-	22,671.30	23,194.49	21,853.19
Interest service coverage ratio	-	NA	NA	NA
Provisioning & Write-offs	-	2,222.14	3,496.40	991.22
Bad debts to Accounts receivable ratio	-			
Gross Stage 3 Assets (%)	4.21%	5.61%	5.70%	8.08%
Net Stage 3 Assets (%)	1.19%	1.76%	2.09%	3.80%
Tier I Capital Adequacy Ratio (%)	-	20.00%	15.46%	12.45%
Tier II Capital Adequacy Ratio (%)	-	3.48%	3.37%	4.51%

*Figures related to Current and Non-current classification is not applicable to PFC as it is preparing its financial statements in compliance with Division III of Schedule III of Companies Act, 2013.

(II) FINANCIAL INDICATORS (ON CONSOLIDATED BASIS)

(All figures are in Rs./crore, except percentages)

Particulars	As on/for the quarter ended 31.12.2022 (Un-audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND- AS
Balance Sheet				
Net Fixed Assets	-	722.30	634.19	475.18
Current Assets	-	97,109.25	99,364.6	99,307.16

Non-Current Assets	-	6,93,168.72	6,75,708.29	5,94,738.31
Total Assets	-	7,91,000.27	7,75,707.08	6,94,520.65
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	-	5,89,450.66 5,89,011.22 188.50 0.00 250.94	5,71,120.79 5,70,845.08 97.41 0.00 178.14	5,01,955.18 5,01,759.71 84.04 0.00 111.43
Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) Other current liabilities	-	1,05,274.46 1,04,770.09 168.05 23.98 312.34	1,22,796.04 1,22,322.46 165.7 24.84 283.04	1,26,400.10 1,25,959.32 290.28 67.40 83.10
Equity (equity and other equity)	-	71,676.24	60,767.48	49,399.80
Non-Controlling Interest		24,598.91	21,022.77	16,765.57
Total Equity and liabilities	-	7,92,000.27	7,75,707.08	6,94,520.65
Profit and Loss				
Total Revenue From operations Other income	19,639.14 23.51	76,261.66 83.26	71,655.94 44.57	62,189.44 89.52
Total Expenses	13,043.66	52,940.30	51,816.02	48,204.12
Other comprehensive income Total comprehensive income	(46.09) 5,195.01	121.57 18,889.78	547.89 16,264.09	(888.61) 8,588.64
Profit / loss after tax	5,241.10	18,768.21	15,716.2	9,477.25
Earnings per equity share: (a) basic; and (b) diluted Continuing operations Discontinued operations Total Continuing and discontinued Operations	 14.62 Nil 14.62	 53.08 Nil 53.08	 44.50 Nil 44.50	 26.98 Nil 26.98
Cash Flow				
Net cash generated from operating activities Net cash used in / generated from investing Activities	-	1,632.47 (366.55)	(59,142.61) 1,741.06	(42,689.90) 469.81
Net cash used in financing activities	-	(5,279.42)	60,424.08	43,398.66
Cash and cash equivalents	-	914.24	4,927.74	1,905.21
Balance as per statement of cash flows	-	914.24	4,927.74	1,905.21
Additional Information				
Net worth	79,696.00	96,275.15	81,790.25	66,165.37
Cash and Cash Equivalents and Other Bank Balances	-	6,684.50	8,202.56	4,188.17
Current Investment	-	1,146.91	920.76	2,164.80

Asset under Management (Loan Assets)	-	7,64,826.72	7,52,132.63	6,73,975.71
Off Balance Sheet Assets	-			
Total Debts to Total assets	0.82	0.82	0.83	0.84
Debt Service Coverage Ratios	-	NA	NA	NA
Interest Income	19,348.04	74,887.12	70,845.42	61,628.35
Interest Expense	-	44,708.78	44,683.52	40,844.65
Interest service coverage ratio	-	NA	NA	NA
Provisioning & Write-offs	-	5,965.07	5,942.29	1,910.83
Bad debts to Account receivable ratio	-			
Gross Stage 3 Assets (%)	3.91%		5.29%	3.57%
Net Stage 3 Assets (%)	1.15%	1.60%	1.91%	3.71%
Tier I Capital Adequacy Ratio (%)	-	NA	NA	NA
Tier II Capital Adequacy Ratio (%)	-	NA	NA	NA

(III) Columnar Representation of Financial Statements (ON STANDALONE BASIS) (Rs. In Crores)

Particulars	As on/for the quarter ended 31.12.2022 (Unaudited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND- AS
BALANCE SHEET				
ASSETS				
Financial Assets				
Cash and Cash Equivalents	-	720.91	3,717.62	182.52
Bank Balance other than included in Cash and Cash Equivalents	-	3,240.31	1,044.58	16.47
Derivative Financial Instruments	-	3,080.56	1,251.45	1,863.42
Loans	-	3,60,929.74	3,60,124.77	3,34,112.60
Investments	-	16,084.27	15,973.50	16,473.32
Other Financial Assets	-	5,382.67	5,336.77	5,339.12
Total Financial Assets (1)	-	3,89,438.46	3,87,448.69	3,57,987.45
Non- Financial Assets				
Current Tax Assets (Net)	-	273.65	260.64	651.31
Deferred Tax Assets (Net)	-	4,151.82	3,996.76	2,952.12
Property, Plant and Equipment	-	44.72	37.21	31.35
Intangible Assets	-	0.13	0.24	0.41
Right-of-use Assets	-	34.85	35.30	35.75
Other Non-Financial Assets	-	466.38	305.23	128.87
Total Non- Financial Assets (2)	-	4,971.55	4,635.38	3,799.81
Total Assets (1+2)		**3,94,410.01**	**3,92,084.07**	**3,61,787.26**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instruments	-	103.25	494.04	599.82
Debt Securities	-	2,30,156.95	2,42,811.54	2,21,847.67
Borrowings (other than Debt Securities)	-	87,965.42	80,837.60	79,116.06
Subordinated Liabilities	-	9,311.27	9,310.20	9,310.95
Other Financial Liabilities	-	6,803.99	5,828.05	5,375.16
Total Financial Liabilities (1)	-	3,34,340.88	3,39,281.43	3,16,249.66
Non- Financial Liabilities				
Current Tax Liabilities (Net)	-	194.92	43.24	0.11
Provisions	-	247.00	155.15	264.29
Other Non-Financial Liabilities	-	276.93	211.13	109.07
Total Non- Financial Liabilities (2)	-	718.85	409.52	373.47
Total Liabilities (1+2)	-	3,35,059.73	3,39,690.95	3,16,623.13

Equity				
Equity Share Capital	-	2,640.08	2,640.08	2,640.08
Other Equity	-	56,710.20	49,753.04	42,524.05
Total Equity (3)	-	59,350.28	52,393.12	45,164.13
Total Liabilities and Equity (1+2+3)		3,94,410.01	3,92,084.07	3,61,787.26
Statement of Profit and Loss				
Revenue from Operations				
Interest Income	9,566.20	36,701.22	36,145.76	31,950.42
Dividend Income	753.45	1,347.42	1,204.21	1,289.52
Fees and Commission Income	35.58	496.76	394.90	122.96
Total Revenue from Operations	10,355.23	38,545.40	37,744.87	33,362.90
Other Income	9.17	45.77	21.70	8.16
Total Income	10,364.40	38,591.17	37,766.57	33,371.06
Expenses				
Finance Costs	5,995.50	22,671.30	23,194.49	21,853.19
Net Translation / Transaction Exchange Loss / (Gain)	263.71	905.58	(164.06)	2,633.42
Fees and Commission Expense	1.73	10.18	14.28	10.76
Net Loss / (Gain) on Fair Value changes	434.95	(9.42)	518.95	(699.05)
Impairment on Financial Instruments	(125.56)	2,222.14	3,496.40	991.22
Employee Benefit Expenses	61.16	213.11	194.62	193.82
Depreciation, Amortisation and Impairment	5.01	13.20	11.17	9.10
Corporate Social Responsibility Expenses	14.71	214.72	222.61	97.15
Other Expenses	33.64	122.71	70.80	88.91
Total Expenses	6,684.85	26,363.52	27,559.26	25,178.52
Profit/(Loss) Before Exceptional Items and Tax	3,679.55	12,227.65	10,207.31	8,192.54
Exceptional Items	-	-	-	-
Profit/(Loss) Before Tax	3,679.55	12,227.65	10,207.31	8,192.54
Tax Expense:				
(1) Current Tax:				
- Current Year	526.43	2,418.91	2,613.09	1,406.73
- Earlier Years	(10.72)	(36.05)	178.94	17.75
(2) Deferred Tax	158.91	(177.11)	(1,028.73)	1,112.92
Total Tax Expense	674.62	2,205.75	1,763.30	2,537.40
Profit/(Loss) for the period from Continuing Operations (VII-VIII)	3,004.93	10,021.90	8,444.01	5,655.14
Profit/(Loss) from Discontinued Operations (After Tax)	-	-	-	-
Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)	3,004.93	10,021.90	8,444.01	5,655.14
Other Comprehensive Income				
(i) Items that will not be reclassified to Profit or Loss				

- Re-measurement of Defined Benefit Plans	(1.27)	(5.07)	(4.26)	(5.09)
- Net Gain / (Loss) on Fair Value of Equity Instruments	86.13	151.94	137.25	(287.11)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-		
- Re-measurement of Defined Benefit Plans	0.37	0.54	1.13	0.08
- Net Gain / (Loss) on Fair Value of Equity Instruments	(6.36)	(9.58)		
Sub-Total (A)	78.87	138.66	134.12	(292.12)
(i) Items that will be reclassified to Profit or Loss				
- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	125.81	419.18	(27.64)	(46.74)
- Cost of Hedging Reserve	(120.25)	(362.82)	(31.06)	-
(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
- Effective Portion of Gains / (Loss) on Hedging Instruments in Cash Flow Hedge	(31.66)	(105.50)	6.96	4.23
- Cost of Hedging Reserve	30.26	91.31	7.82	-
Sub-Total (B)	4.16	42.17	(43.92)	(42.51)
Other Comprehensive Income (A+B)	83.03	180.83	90.20	(334.63)
Total Comprehensive Income for the period (XI+XII)	3,087.96	10,202.73	8,534.21	5,320.51
Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):				
(1) For continuing operations (in ₹)	11.38	37.96	31.98	21.42
(2) For discontinued operations (in ₹)	-	-	-	-
(3) For continuing and discontinued operations (in₹)	11.38	37.96	31.98	21.42
Statement of Cash Flows				
Cash Flow from Operating Activities :-				
Profit before Tax	-	12,227.65	10,207.31	8,192.54
Adjustments for:				
Loss on derecognition of Property, Plant and Equipment (net)	-	2.91	1.12	0.96
Depreciation and Amortisation	-	13.20	11.17	9.10
Interest expense on Zero Coupon Bonds and Commercial Papers	-	92.79	9.21	329.58
Unrealised Foreign Exchange Translation Loss / (Gain)	-	1,343.15	293.25	2,908.53
Net Change in Fair Value	-	(9.42)	518.95	(699.05)
Impact of Effective Interest Rate on Loans	-	2.25	(19.90)	6.50
Impairment on Financial Instruments	-	2,222.14	3,496.40	991.22

Interest income on Investments	-			(250.53)
Interest on Interest Subsidy Fund	-	1.13	1.41	1.35
Provision for interest under Income Tax Act, 1961	-	1.91	2.91	0.17
Excess Liabilities written back	-	(2.38)		(0.18)
Provision for Retirement Benefits etc.	-	112.49	50.16	44.44
Dividend Income	-			(1,289.52)
Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	-	5.98	82.28	(188.06)
Interest on Income Tax Refund	-		(9.67)	(0.66)
Interest expenses on Lease Liability	-			0.77
Interest Accrued but not due on investments	-			
Gain on cessation of joint control in joint venture	-	(32.66)		
Interest accrued on investments	-	(22.00)		
Operating profit before Working Capital Changes:	-	15,959.14	14,643.88	10,057.16
Increase / Decrease :				
Loans (Net)	-	(2,936.88)	(29,814.52)	(32,097.93)
Other Financial and Non-Financial Assets	-	(2,402.13)	(1,174.43)	13,891.09
Derivative	-	(2,123.78)	(95.29)	(504.95)
Other Financial & Non-Financial Liabilities and Provisions	-	488.52	1,302.95	154.44
Cash Flow from Operations Before Tax	-	8,984.87	(15,137.41)	(8,500.19)
Income Tax paid	-	(2,246.45))	(2,671.39)	(1,584.39)
Income Tax Refund	-	-	294.12	59.03
Net Cash flow from Operating Activities	-	6,738.42	(17,514.68)	(10,025.55)
Cash Flow From Investing Activities :				
Proceeds from disposal of Property, Plant and Equipment	-	0.24	0.20	0.07
Purchase of Property, Plant and Equipment	-	(23.30)	(17.73)	(13.11)
Investment in Subsidiaries	-			-
Interest income on investment	-			250.32
Dividend on investment	-			1,289.52
Increase / Decrease in Other Investments	-	(7.47)	898.45	29.12
Net Cash Used in Investing Activities	-	(30.53)	880.92	1,555.92
Cash Flow From Financing Activities :				
Raising of Bonds (including premium) (Net of Redemptions)	-	(12,600.78)	13,733.45	6,244.24
Raising of Long Term Loans (Net of Repayments)	-	4,663.50	4,000.00	10,895.44

Raising of Foreign Currency Loans (Net of Repayments)	-	5,229.95	2,648.62	15,293.94
Raising of Subordinated Liabilities (Net of Redemptions)	-			0.00
Raising of Commercial paper (Net of Repayments)	-	(3,120.00)	3,120.00	(10,000.00)
Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	-	(454.45)	(1,355.32)	(11,318.82)
Unclaimed Bonds (Net)	-	(58.28)	133.76	0.59
Unclaimed Dividend (Net)	-	1.56	0.42	0.32
Payment of Interim Dividend	-	(3,366.10)	(2,112.07)	(2,508.08)
Payment of Corporate Dividend Tax	-		-	(264.79)
Payment of Lease Liability	-			(0.77)
Net Cash in-flow from Financing Activities	-	(9,704.60)	20,168.86	8,342.06
Net Increase / Decrease in Cash and Cash Equivalents	-	(2,996.71)	3,535.10	(127.57)
Add : Cash and Cash Equivalents at beginning of the financial year	-	3,717.62	182.52	310.09
Cash and Cash Equivalents at the end of the Period	-	720.91	3,717.62	182.52

(IV) Columnar Representation of Financial Statements (ON CONSOLIDATED BASIS) (Rs. In Crores)

Particulars	As on/for the quarter ended 31.12.2022 (Unaudited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS	As on/for the year ended 31.03.2021 (Audited) IND-AS	As on/for the year ended 31.03.2020 (Audited) IND- AS
BALANCE SHEET				
ASSETS				
Financial Assets				
Cash and Cash Equivalents	-	914.24	4,927.74	1,905.21
Bank Balance other than included in Cash and Cash Equivalents	-	5,770.26	3,274.82	2,282.96
Derivative Financial Instruments	-	8,590.73	3,562.67	5,182.27
Trade Receivables	-	125.63	167.61	137.31
Loans	-	7,32,850.76	7,22,386.84	6,46,196.11
Investments (Other than accounted for using equity method)	-	3,773.51	2,950.48	3,853.72
Other Financial Assets	-	29,820.35	29,779.87	27,462.12
Total Financial Assets (1)	-	7,81,845.48	7,67,050.03	6,87,019.70
Non- Financial Assets				

Current Tax Assets (Net)	-	495.25	525.32	1,138.33
Deferred Tax Assets (Net)	-	7,315.37	6,461.03	5,005.31
Investment Property	-	-	0.01	0.01
Property, Plant and Equipment	-	668.94	297.75	186.79
Capital Work-in-Progress	-	53.36	335.67	287.62
Intangible Assets under development	-	-	0.77	0.77
Other Intangible Assets	-	4.41	6.39	9.23
Right of Use Assets	-	45.83	37.17	42.07
Other Non-Financial Assets	-	551.68	411.43	263.94
Investments accounted for using equity method	-	0.50	548.35	549.90
Total Non- Financial Assets (2)	-	9,135.34	8,623.89	7,483.97
Assets Classified as held for sale	-	19.45	33.16	16.98
Total Assets (1+2+3)		7,91,000.27	7,75,707.08	6,94,520.65
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instruments	-	656.39	1,340.35	1,925.55
Trade Payables				
(i) Total outstanding dues of Micro, Small and Medium Enterprises	-	1.11	0.01	0.15
(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	-	48.64	70.42	53.07
Debt Securities	-	4,49,731.56	4,80,080.65	4,41,765.90
Borrowings (other than Debt Securities)	-	1,94,616.98	1,63,344.42	1,40,666.72
Subordinated Liabilities	-	16,127.74	16,257.09	14,130.60
Other Financial Liabilities	-	32,598.89	32,074.60	29,177.04
Total Financial Liabilities (1)	-	6,93,781.31	6,93,167.54	6,27,719.03
Non- Financial Liabilities				
Current Tax Liabilities (Net)	-	219.15	140.68	67.40
Provisions	-	356.55	263.27	374.32
Other Non-Financial Liabilities	-	368.10	345.26	193.85
Total Non- Financial Liabilities (2)	-	943.80	749.21	635.57
Liabilities directly associated with assets classified as held for sale	-	0.01	0.08	0.68
Total Liabilities (1+2+3)	-	6,94,725.12	6,93,916.83	6,28,355.28

Equity				
Equity Share Capital	-	2,640.08	2,640.08	2,640.08
Other Equity	-	69,036.16	58,127.40	46,759.72
Equity attributable to owners of the Company (a+b)	-	71,676.24	60,767.48	49,399.80
Non-Controlling interest	-	24,598.91	21,022.77	16,765.57
Total Equity (4)	-	96,275.15	81,790.25	66,165.37
Total Liabilities and Equity (1+2+3+4)	-	7,91,000.27	7,75,707.08	6,94,520.65
STATEMENT OF PROFIT AND LOSS				
Revenue from Operations				
Interest Income	19,348.04	74,887.12	70,845.42	61,628.35
Dividend Income	57.73	68.86	88.74	105.65
Fees and Commission Income	98.19	1,069.58	490.36	161.91
Other Operating Income	135.18	236.10	231.42	293.53
Total Revenue from Operations	19,639.14	76,261.66	71,655.94	62,189.44
Other Income	23.51	83.26	44.57	85.92
Total Income	19,662.65	76,344.92	71,700.51	62,275.36
Expenses				
Finance Costs	12,129.36	44,708.78	44,683.52	40,844.65
Net Translation / Transaction Exchange Loss / (Gain)	471.62	1,704.63	166.20	4,991.32
Fees and Commission Expense	6.16	26.91	24.23	36.20
Net Loss / (Gain) on Fair Value changes	596.74	(356.00)	(53.39)	(673.20)
Impairment on Financial Instruments	(400.99)	5,695.07	5,942.29	1,910.83
Cost of Services Rendered	10.72	76.83	101.23	85.18
Employee Benefit Expenses	121.68	407.31	370.82	399.72
Depreciation and Amortisation	14.12	34.77	25.46	24.43
Corporate Social Responsibility Expenses	35.62	388.76	370.22	356.44
Other Expenses	58.63	253.24	185.44	228.55
Total Expenses	13,043.66	52,940.30	51,816.02	48,204.12
Profit/(Loss) Before Exceptional Items and Tax	6,619.00	23,404.62	19,884.49	14,071.24
Exceptional Items		-	-	-
Share of Profit / (Loss) in Joint Venture and Associates	0.01	(22.40)	6.24	21.43
Profit/(Loss) Before Tax	6,619.00	23,382.22	19,890.73	14,092.67
Tax Expense:				
(1) Current Tax				
- Current Year	1,188.16	5,501.89	5,321.55	3,004.98
- Earlier Years	(67.70)	(40.01)	401.96	83.02
(2) Deferred Tax	257.44	(847.87)	(1,548.98)	1,527.42
Total Tax Expense	1,377.90	4,614.01	4,174.53	4,615.42

Profit/(Loss) for the year from Continuing Operations	5,241.10	18,768.21	15,716.20	9,477.25
Profit/(Loss) From Discontinued Operations (After Tax)	-	-	-	-
Profit/(Loss) for the year (for continuing and discontinued operations)	5,241.10	18,768.21	15,716.20	9,477.25
Other Comprehensive Income				
(i) Items that will not be reclassified to Profit or Loss				
- Re-measurement of Defined Benefit Plans	(1.27)	(13.40)	(18.52)	(7.96)
- Net Gain / (Loss) on Fair Value of Equity Instruments	78.46	174.13	303.78	(416.31)
- Share of Other Comprehensive Income / (Loss) in Joint Venture accounted for using equity method	-	(0.02)	(0.12)	(0.30)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss				
- Re-measurement of Defined Benefit Plans	0.37	3.47	4.72	0.80
- Net Gain / (Loss) on Fair Value of Equity Instruments	(6.57)	(7.03)	(6.01)	12.39
- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method				0.05
Sub-Total (A)	70.99	157.15	283.85	(411.33)
(i) Items that will be reclassified to Profit or Loss				
- Effective Portion of Gains and (Loss) on Hedging Instruments in Cash Flow Hedge	(113.23)	900.02	53.17	(348.86)
- Cost of Hedging Reserve	(43.24)	(947.33)	297.94	(273.61)
- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method	-	(0.17)	1.29	(3.94)
(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
- Effective Portion of Gains and (Loss) on Hedging Instruments in Cash Flow Hedge	28.51	(226.52)	(13.38)	80.27
- Cost of Hedging Reserve	10.88	238.42	(74.98)	68.86
- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method				-
Sub-Total (B)	(117.08)	(35.58)	264.04	(477.28)
Other Comprehensive Income (A+B)	(46.09)	121.57	547.89	(888.61)
Total Comprehensive Income for the Year (XII+XIII)	5,195.01	18,889.78	16,264.09	8,588.64
Profit for the year attributable to:				
- Owners of the Company	3,860.25	14,014.79	11,747.83	7,122.13
- Non-Controlling Interest	1,380.85	4,753.42	3,968.37	2,355.12
	5,241.10	18,768.21	15,716.20	9,477.25

Other Comprehensive Income for the Year				
- Owners of the Company	15.06	148.99	331.07	(626.28)
- Non-Controlling Interest	(61.15)	(27.42)	216.82	(262.33)
	(46.09)	121.57	547.89	(888.61)
Total Other Comprehensive Income for the Year				
- Owners of the Company	3,875.31	14,163.78	12,078.90	6,495.85
- Non-Controlling Interest	1,319.70	4,726.00	4,185.19	2,092.79
	5,195.01	18,889.78	16,264.09	8,588.64
Basic and Diluted Earnings Per Equity Share (Face Value ` 10/- each):				
(1) For continuing operations (in `)	14.62	53.08	44.50	26.98
(2) For discontinued operations (in `)	-	-	-	-
(3) For continuing and discontinued operations (in `)	14.62	53.08	44.50	26.98
STATEMENT OF CASH FLOWS				
Cash Flow from Operating Activities :-				
Profit before Tax	-	23,382.22	19,890.73	14,092.67
Adjustments for:				
Loss on derecognition of Property, Plant and Equipment (net)	-	2.43	5.81	2.66
Loss / (Gain) on sale of Investments	-		-	-3.16
Depreciation and Amortisation	-	34.78	25.45	24.43
Interest expense on Zero Coupon Bonds and Commercial Papers	-	107.55	126.31	898.53
Unrealised Foreign Exchange Translation Loss / (Gain)	-	(821.27)	819.96	5,250.80
Net Change in Fair Value	-	-348.00	-29.40	-657.73
Impact of Effective Interest Rate on Loans	-	-9.74	12.49	59.05
Impairment on Financial Instruments	-	5,695.07	5,943.36	1,910.83
Interest income on Investments and Others	-			
Interest on Interest Subsidy Fund	-	1.13	1.41	1.35
Provision for interest under Income Tax Act, 1961	-	1.91	24.90	0.20
Excess Liabilities written back	-	-2.40	-0.15	-0.48
Provision for Retirement Benefits etc.	-	112.49	50.16	44.44
Dividend Income	-			
Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	-	-105.33	234.47	-125.75
Interest on Income Tax Refund	-		-9.67	-0.66
Share of Profit/Loss of Joint Venture accounted for using equity method	-	22.40	-6.24	-21.43
Impairment Allowance on Assets Classified as Held for Sale	-	9.71		

Provision Written back for Doubltful Debt & Advances	-			
Loss/ (Gain) on derecognition of Assets held for sale (net)	-	-30.25		
Interest Accrued on investments	-	-22.00		
Operating profit before Working Capital Changes:	-	28,032.18	27,089.59	21,475.75
Increase / Decrease :		-		
Loans (Net)	-	-12,804.48	-83,336.45	-73,762.52
Other Financial and Non-Financial Assets	-	-2,852.51	-3,015.58	8,730.00
Derivative	-	-4,584.30	615.91	-912.65
Other Financial & Non-Financial Liabilities and Provisions	-	-817.12	4,579.10	5,631.91
	-			
Cash Flow before Exceptional Items	-	6,973.77	-54,067.43	-38,837.51
Exceptional Items	-	-	-	-
Cash Flow from Operations Before Tax	-	6,973.77	-54,067.43	-38,837.51
Income Tax paid	-	-5,364.56	-5,381.03	-3,385.85
Income Tax Refund	-	23.26	305.85	75.70
Net Cash flow from Operating Activities	-	1,632.47	-59,142.61	-42,147.66
Cash Flow From Investing Activities :		-		
Proceeds from disposal of Property, Plant and Equipment	-	0.48	0.97	1.02
Purchase of Property, Plant and Equipment & Intengible Assets (including CWIP and Capital Advance)	-	-120.15	-92.78	-130.52
Finance Cost Capitalised	-	-5.10	-22.04	-
Investment in Subsidiaries	-	-		
Interest income on investment	-	-		
Dividend on investment	-	-		
Increase / Decrease in Other Investments	-	-273.02	1,854.91	56.30
Sale of assets held for sale	-	31.24		
Net Cash Inflow from Investing Activities	-	-366.55	1,741.06	-73.20
Cash Flow From Financing Activities :		-		
Raising of Bonds (including premium) (Net of Redemptions)	-	-33,444.88	29,233.11	27,537.63
Raising of Long Term Loans (Net of Repayments)	-	15,603.25	19,838.32	16,045.23
Raising of Foreign Currency Loans (Net of Repayments)	-	29,540.53	5,533.01	27,911.51
Raising of Subordinated Liabilities (Net of Redemptions)	-	-	1,999.50	0.00

Raising of Commercial paper (Net of Repayments)	-	-3,134.76	195.00	-15,270.30
Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	-	-9,230.04	6,076.34	-8,563.96
Issue of Perpetual Debt Instruments entirely equity in nature (Net of Issue Exp)	-	-45.60	557.46	-
Unclaimed Bonds (Net)	-	-58.28	133.76	0.59
Unclaimed Dividend (Net)	-	1.56	0.42	0.32
Payment of Lease Liability	-	-2.95	-0.73	-0.64
Payment of Interim Dividend	-	-4,508.25	-3,142.11	-3,534.68
Payment of Corporate Dividend Tax		-	-	-726.27
Net Cash in-flow from Financing Activities	-	-5,279.42	60,424.08	43,399.43
Net Increase / Decrease in Cash and Cash Equivalents	-	-4,013.50	3,022.53	1,178.57
Add : Cash and Cash Equivalents at beginning of the financial year	-	4,927.74	1,905.21	726.64
Cash and Cash Equivalents at the end of the year	-	914.24	4,927.74	1,905.21
Details of Cash and Cash Equivalents at the end of the year:				
i) Balances with Banks (of the nature of cash and cash equivalents)		-		
In current accounts			970.90	1,380.56
In Term Deposit Accounts	-	914.22	3,956.72	524.59
ii) Cheques, Drafts on hand including postage and Imprest	-	0.02	0.12	0.06
Total Cash and Cash Equivalents at the end of the year	-	914.24	4,927.74	1,905.21

N. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability

Amount (in Crore)

Sr. No.	**Description**	**as on 31.03.2022**
Contingent Liabilities		
i)	Guarantees[(a) & (b)]	8.29
ii)	Claims against the Company not acknowledged as debts - -	
iii)	Additional demands raised by the Income Tax Department of earlier years which are being contested	**91.78**
iv)	Service Tax demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested.	24.53
	Service Tax Department has filed appeals before CESTAT against the order of Commissioner (CE&ST) who had dropped a demand of service tax. The same is also being contested.	53.40

v)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned [(b)]	7,032.45
Commitments		
i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	174.53
ii)	Other Commitments – CSR unspent amount pertaining to the period up to 31.03.2020	99.15
	Total	7,484.13

[(a)]*Default payment guarantee given by the Company in favour of a borrower company. The amount paid/payable against this guarantee is reimbursable by Government of Madhya Pradesh.*
[(b)]*Necessary impairment loss allowance has been made.*

O. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:-

There has been no major change in the accounting policies of the Issuer affecting its profits and the reserves during last three financial years except the following:-

(Rs. in crore)

Financial Year	Modifications	Impact on PBT [(+) increase / (-) decrease]
2021-22	A policy on Offsetting of financial assets and financial liabilities has been incorporated in line with Ind AS 32. Further, certain accounting policies have also been reworded to bring in more clarity and align with Company's practice. There is no financial impact of such modifications carried out in the accounting policies.	Nil
2020-21	The policy on the additional Income Tax on distribution of dividend has been deleted subsequent to the abolition of the incidence of Dividend Distribution Tax (DDT) on companies. Further, certain accounting policies have also been reworded to bring in more clarity and align with Company's practice. There is no financial impact of such modifications carried out in the accounting policies.	Nil
2019-20	The Company has adopted Ind AS 116-Leases' using modified retrospective approach w.e.f. 01.4.2019 as notifed by the Ministry of Corporate Affairs (MCA). Further, policies on Company's business model in line with the requirements of Ind AS 109 and contingent assets have been incorporated in significant accounting policies. In addition, certain accounting policies have also been reworded to bring in more clarity.	Nil
2018-19	The Company has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 01.04.2018. New Accounting Policy has been drafted in line with Ind AS.	N.A.

P. Details of liabilities/ borrowings of the company, as on the latest quarter end

a. Details of Secured Term Loan Outstanding as on 31.12.2022:-

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Last Repayment Date/ Schedule	Security

Canara Bank	Rupee Term Loan	1,000.00	1,000.00	20-Feb-24	Pari Passu charge in the form of hypothecation on the receivables/loan assets of the company except for the receivables/loan assets on which a specific charge has already been created in favour of Catalyst Trusteeship Ltd.(Formely known as GDA Trusteeship Ltd.)
Union Bank of India (erstwhile Corporation Bank)	Rupee Term Loan	1,000.00	200	15-Mar-24	
Canara Bank	Rupee Term Loan	500	500	21-Jun-24	
Canara Bank	Rupee Term Loan	500	500	24-Jun-24	
Canara Bank	Rupee Term Loan	1,000.00	1,000.00	29-Jun-24	
Union Bank of India (erstwhile Corporation Bank)	Rupee Term Loan	500	200	30-Sep-24	
Punjab Nationa Bank (erstwhile OBC)	Rupee Term Loan	1,500.00	1,125.00	25-Feb-25	
Bank of India	Rupee Term Loan	1,000.00	1,000.00	2-Mar-25	
State Bank of India	Rupee Term Loan	5,000.00	4,285.00	10-Jul-25	
Indian Bank	Rupee Term Loan	1,500.00	1,125.00	28-Sep-25	
Punjab Nationa Bank (erstwhile OBC)	Rupee Term Loan	225	168.75	30-Sep-25	
Union Bank of India	Rupee Term Loan	2,000.00	1,350.00	30-Sep-25	
Indian bank (erstwhile Allahabad Bank)	Rupee Term Loan	1,800.00	1,800.00	29-Jun-26	
Indian bank (erstwhile Allahabad Bank)	Rupee Term Loan	500	500	2-Jan-27	
Canara Bank	Rupee Term Loan	1,000.00	1,000.00	20-Feb-24	

b. Details of Outstanding Unsecured Term Loan as on 31 Dec 2022:-

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in crs)	Last Repayment Date/ Schedule
UCO Bank	Rupee Term Loan	500	500	31-Mar-23
UCO Bank	Rupee Term Loan	200	200	26-May-23
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	29-Jun-23
HDFC	Short Term Loan	3,000.00	3,000.00	30-Jun-23
State Bank of India	Rupee Term Loan	6,000.00	2,999.98	27-Sep-23
HDFC Bank	Rupee Term Loan	1,000.00	1,000.00	30-Sep-23
HDFC Bank	Rupee Term Loan	750	750	5-Oct-23
Punjab National Bank (erstwhile United Bank of India)	Rupee Term Loan	1,000.00	995	24-Dec-23
Canara Bank	Rupee Term Loan	500	500	28-Dec-23
Canara Bank	Rupee Term Loan	500	500	15-Jan-24
Bank of India	Rupee Term Loan	1,000.00	1,000.00	21-Jan-24
Bank of India	Rupee Term Loan	1,000.00	1,000.00	21-Jan-24
Canara Bank (erstwhile Syndicate Bank)	Rupee Term Loan	1,750.00	1,093.75	20-Mar-24
SBI	Rupee Term Loan	3,000.00	3,000.00	19-Dec-24
Union Bank of India (erstwhile Andhra bank)	Rupee Term Loan	800	800	15-Jan-25

Punjab Nationa Bank (erstwhile OBC)	Rupee Term Loan	1,000.00	1,000.00	20-Mar-25
Union Bank	Rupee Term Loan	2,500.00	1,875.00	23-Mar-25
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	30-Sep-25
Canara Bank	Rupee Term Loan	500	350	23-Mar-26
Bank of India	Rupee Term Loan	1,000.00	1,000.00	11-Sep-26
Canara Bank	Rupee Term Loan	2,000.00	1,500.00	22-Sep-26
UCO Bank	Rupee Term Loan	1,000.00	1,000.00	24-Sep-26
Punjab National Bank	Rupee Term Loan	500	500	27-Sep-26
Punjab National Bank	Rupee Term Loan	5	5	29-Sep-26
IIFCL	Rupee Term Loan	1,000.00	1,000.00	30-Sep-26
Central Bank of India	Rupee Term Loan	1,000.00	1,000.00	31-Mar-27
Union Bank of India	Rupee Term Loan	3,000.00	3,000.00	31-Mar-28
Bank of India	Rupee Term Loan	500	500	18-Sep-28
NSSF	Rupee Term Loan	7,500.00	7,500.00	27-Dec-28
Canara Bank	Rupee Term Loan	2,500.00	2,500.00	30-Jun-28
Indian Overseas Bank	Rupee Term Loan	1,000.00	1,000.00	30-Sep-28
KEB Hana Bank	Rupee Term Loan	100.00	100.00	17-Nov-25
Bank of Baroda	Rupee Term Loan	5,000.00	5,000.00	17-Nov-29

c. Details of Outstanding Secured/Unsecured Other Loan facilities as on 31 Dec 2022:-

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Repayment Date/ Schedule	Security, if any

d. Details of Unsecured Foreign Currency Loans Outstanding as on 30.09.2022

Sl. No.	Lender's Name	Type of Facility	Amount Sanctioned (in FC)	Principal Amount Outstanding (in FC)	Repayment Date/ Schedule
1.	Kreditanstalt Fur Wiederaufbau (KFW-1 & II)	Foreign Currency Loan	Deutsche Mark 4.65 crores, divided into two equal sub-limits, namely, Portion I and Portion II.	For Portion I: Euro 4.87 million;	Portion I: payable in 60 instalments payable semi-annually from December 30, 2005. Portion II loan has been repaid in full on 30.12.2015.
2.	Asian Development Bank	Foreign Currency Loan	USD 150.00 million	USD 6.96 million	Each disbursement of this facility will be repaid in semi-annual instalments payable on April 15 and October 15 of each year, the first instalment payable on the eleventh interest payment date with respect to such disbursement, i.e. from 15.10.2009 and the last repayment date is 15.10.2028

3.	Natixis (formerly known as Credit National France) (on behalf of the Government of the Republic of France)	Foreign Currency Loan	FRF 16.46 crores	Euro 2.65 million	Each portion of this facility is repayable in 46 equal and successive half-yearly installments, the first of which is payable 126 months from the date of the calendar half-year during which such disbursement has been made, i.e. from 30.12.2000 and the last repayment date is 30.06.2028.
4.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Loan-syndicated loan-XVIII	JPY 43,668 million	JPY 14,556 million	Repayment in three equal installments on 6.11.2020, 8.11.2021 and 4.11.2022
5.	The Bank of New York Mellon, London Branch acting as Trustee	Green Bonds 2027	USD 400.00 million	USD 400.00 million	Repayment after 10 years from drawdown (i.e. on 06.12.2027)
6.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Loan-syndicated loan-XXI	USD 300.00 million	USD 300.00 million	Repayment after 5 years from drawdown (i.e. on 12.12.2022)
7.	State Bank of India, Hong Kong	Foreign Currency Loan-syndicated loan-XXII	USD 250.00 million	USD 250.00 million	Repayment after 5 years from drawdown (i.e. on 28.02.2023)
8.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Loan-syndicated loan-XXIII	USD 250.00 million	USD 250.00 million	Repayment after 5 years from drawdown (i.e. on 22.03.2023)
9.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2028	USD 300.00 million	USD 300.00 million	Repayment after 10 years from drawdown (i.e. on 10.08.2028)
10.	Bank of Baroda, New York	Foreign Currency Loan-	USD 250.00 million	USD 250.00 million	Repayment after 5 years from drawdown (i.e. on 26.09.2023)

		syndicated loan-XXVI			
11.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2028	USD 500.00 million	USD 500.00 million	Repayment after 10 years from drawdown (i.e. on 06.12.2028)
12.	Mizuho Bank Ltd. acting as facility agent through its branch in Singapore on behalf of various lenders	Foreign Currency Loan-syndicated loan-XXVII	JPY 16,410.75 million	JPY 16,410.75 million	Repayment after 5 years from drawdown (i.e. on 01.02.2024)
13.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2024	USD 400.00 million	USD 400.00 million	Repayment after 5 years from drawdown (i.e. on 18.06.2024)
14.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2029	USD 600.00 million	USD 600.00 million	Repayment after 10 years from drawdown (i.e. on 18.06.2029)
15.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2024	USD 300.00 million	USD 300.00 million	Repayment after 5 years from drawdown (i.e. on 16.09.2024)
16.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2029	USD 450.00 million	USD 450.00 million	Repayment after 10 years from drawdown (i.e. on 16.09.2029)
17.	State Bank of India, Hong Kong	Foreign Currency Loan-syndicated loan-XXIX	USD 250.00 million	USD 250.00 million	Repayment after 5 years from drawdown (i.e. on 20.12.2024)
18.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2030	USD 750.00 million	USD 750.00 million	Repayment after 10.25 years from drawdown (i.e. on 17.04.2030)
19.	Exim Bank of India	Foreign Currency Loan-Term Loan-30 (USD 100m)	USD 100.00 million	USD 100.00 million	Repayment after 5 years from drawdown (i.e. on 13-Oct-25)
20.	DBS Bank Ltd. acting as facility agent through its branch in	Foreign Currency Loan-syndicated loan-30 (USD 300m)	USD 300.00 million	USD 300.00 million	Repayment after 5 years from drawdown (i.e. on 05-Nov-25)

	Singapore on behalf of various lenders				
21.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2031	USD 500.00 million	USD 500.00 million	Repayment after 10 years, 3 months & 17 days from drawdown (i.e. on 16.05.2031)
22.	The Bank of New York Mellon, London Branch acting as Trustee	Bonds 2028	EUR 300.00 million	EUR 300.00 million	Repayment after 7 years from drawdown (i.e. on 21.09.2028)
23.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Term Loan – 31 A	USD 525.00 million	USD 525.00 million	Repayment after 5 years from drawdown (i.e. on 30.11.2026)
24.	Exim Bank of India	Foreign Currency Term Loan – 31 B	USD 100.00 million	USD 100.00 million	Repayment after 5 years from drawdown (i.e. on 30.11.2026)

e. Details of Outstanding Non-Convertible Securities as on 31-Dec-2022-

Series of NCS	Tenor/ period of maturity	Coupon	Amount Outstanding (Amount in Rs)	Date of Allotment	Redemption Date	Unsecured / Secured	Security
Infrastructure Bonds (2010-11) - tranche 1 - Series III	15 Years	8.50%	5,27,25,000	31-Mar-11	31-Mar-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to

							the Transaction documents.
Infrastructure Bonds (2010-11) - tranche 1 - Series IV	15 Years	8.50%	19,33,45,000	31-Mar-11	31-Mar-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
Bond Series 79-B	15 Years	7.75%	2,17,99,00,000	15-Oct-11	15-Oct-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, alongwith first pari-passu charge on immovable property situated at Guindy, Chennai
Infrastructure Bonds (2011-12) - tranche 1 - Series III	15 Years	8.75%	2,86,30,000	21-Nov-11	21-Nov-26	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged by the Company) along with first pari-passu charge on immovable property situated at Guindy, Chennai
Infrastructure Bonds (2011-12) - tranche 1 - Series IV	15 Years	8.75%	7,77,20,000	21-Nov-11	21-Nov-26	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged by the Company) along with

							first pari-passu charge on immovable property situated at Guindy, Chennai
Bond Series 80-B	15 Years	8.16%	2,09,34,00,000	25-Nov-11	25-Nov-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, alongwith first pari-passu charge on immovable property situated at Guindy, Chennai
8.30% PUBLIC ISSUE OF TAX FREE BONDS FY 11-12	15 Years	8.30%	12,80,58,12,000	01-Feb-12	01-Feb-27	Secured	First pari passu charge over Company's Immovable properties as described in the first schedule of debenture trust deed and first pari passu the Hypothecated Properties as described in the second schedule of debenture trust deed.
8.72 % SERIES III INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	86,50,000	30-Mar-12	30-Mar-27	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged by the Company) along with first pari-passu charge on immovable property situated at Guindy, Chennai
8.72% SERIES IV INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	2,40,25,000	30-Mar-12	30-Mar-27	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged by the Company) along with first pari-passu charge on immovable property situated at Guindy, Chennai
Bond Series 94-B	15 Years	7.38%	25,00,00,000	22-Nov-12	22-Nov-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, alongwith first

							pari-passu charge on immovable property situated at Guindy, Chennai
Bond Series 95-B	15 Years	7.38%	1,00,00,00,000	29-Nov-12	29-Nov-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, alongwith first pari-passu charge on immovable property situated at Guindy, Chennai
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.36%	1,62,72,22,000	04-Jan-13	04-Jan-28	Secured	First pari passu charge over Company's Immovable properties as described in the first schedule of debenture trust deed and first pari- passu the Hypothecated Properties as described in the second schedule of debenture trust deed.
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.86%	1,94,27,56,000	04-Jan-13	04-Jan-28	Secured	First pari passu charge over Company's Immovable properties as described in the first schedule of debenture trust deed and first pari- passu the Hypothecated Properties as described in the second schedule of debenture trust deed.
7.19% 10YEARS TAX FREE BONDS 12-13 TR -I SERIES 1	10 Years	7.19%	1,97,08,66,000	04-Jan-13	04-Jan-23	Secured	First pari passu charge over Company's Immovable properties as described in the first schedule of debenture trust deed and first pari- passu the Hypothecated Properties as described in the second schedule of debenture trust deed.
7.69% 10YEARS TAX FREE BONDS 2012-13 TR-I SERIES-1	10 Years	7.69%	1,45,66,24,000	04-Jan-13	04-Jan-23	Secured	First pari passu charge over Company's Immovable properties as described in the first schedule of debenture trust deed and first pari- passu the Hypothecated Properties

							as described in the second schedule of debenture trust deed.
7.04% TR-2 TAX FREE BONDS 12-13	15 Years	7.04%	10,25,07,000	28-Mar-13	28-Mar-28	Secured	Secured by charge on specific book debts of Rs. 3090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi
7.54% TR 2 TAX FREE BONDS 12-13	15 Years	7.54%	58,95,79,000	28-Mar-13	28-Mar-28	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
6.88% TR-2 TAX FREE BONDS 12-13	10 Years	6.88%	52,90,23,000	28-Mar-13	28-Mar-23	Secured	Secured by charge on specific book debts of Rs. 3090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi
7.38% tr-2 tax free bonds 12-13	10 Years	7.38%	43,25,71,000	28-Mar-13	28-Mar-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
Bond Series 107-B	15 Years	8.46%	10,11,10,00,000	30-Aug-13	30-Aug-28	Secured	First pari passu charge, on total receivables of the Company as mentioned in, First Schedule of the debenture agreement, excluding receivables on which specific charge has already been created by the Company limited to payment/ repayment of bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others pursuant to the Transaction documents.
Bond Series 107-A	10 Years	8.01%	1,13,00,00,000	30-Aug-13	30-Aug-23	Secured	First pari passu charge, on total receivables of the Company as mentioned in, First Schedule of the debenture agreement, excluding receivables on which specific charge has already been created by the Company limited to payment/ repayment of bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others pursuant to the Transaction documents.
8.67% TAX FREE BONDS 13-14 SERIES 3A	20 Years	8.67%	10,67,38,04,000	16-Nov-13	16-Nov-33	Secured	Secured by charge on specific book debts of Rs. 3090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi

8.92% TAX FREE BONDS 13-14 SERIES 3B	20 Years	8.92%	8,61,96,08,000	16-Nov-13	16-Nov-33	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged for infra bond issue during the FY 2010-11) along with first pari-passu charge on immovable property situated at Guindy, Chennai
8.54% TAX FREE BONDS 13-14 SERIES 2A	15 Years	8.54%	9,32,69,84,000	16-Nov-13	16-Nov-28	Secured	Secured by charge on specific book debts of Rs. 3090.80 crore as on 31.03.2016 of the Company along with first charge on immovable property situated at Jangpura, New Delhi
8.79% TAX FREE BONDS 13-14 SERIES 2B	15 Years	8.79%	3,53,31,64,000	16-Nov-13	16-Nov-28	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
8.18% TAX FREE BONDS 13-14 SERIES 1A	10 Years	8.18%	3,25,07,62,000	16-Nov-13	16-Nov-23	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
8.43% TAX FREE BONDS 13-14 SERIES 1B	10 Years	8.43%	3,35,46,78,000	16-Nov-13	16-Nov-23	Secured	First pari-passu charge of present and future receivables (excluding those receivables which are specifically charged by the Company) along with first pari-passu charge on immovable property

							situated at Guindy, Chennai
Bond Series 136	10 Years	7.16%	3,00,00,00,000	17-Jul-15	17-Jul-25	Secured	First pari passu charge, on total receivables of the Company as mentioned in, First Schedule of the debenture agreement, excluding receivables on which specific charge has already been created by the Company limited to payment/ repayment of bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others pursuant to the Transaction documents.
7.35% TAXFREE BONDS 3A 17.10.2015	20 Years	7.35%	2,13,57,30,000	17-Oct-15	17-Oct-35	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
7.60% TAXFREE BONDS 3B 17.10.2015	20 Years	7.60%	1,55,47,58,000	17-Oct-15	17-Oct-35	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
7.27% TAXFREE BONDS 2A 17.10.2015	15 Years	7.27%	1,31,33,02,000	17-Oct-15	17-Oct-30	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
7.52% TAXFREE BONDS 2B 17.10.2015	15 Years	7.52%	45,17,53,000	17-Oct-15	17-Oct-30	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
7.11% TAXFREE BONDS 1A 17.10.2025	10 Years	7.11%	75,09,68,000	17-Oct-15	17-Oct-25	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.

7.36% TAXFREE BONDS 1B 17.10.2015	10 Years	7.36%	79,34,89,000	17-Oct-15	17-Oct-25	Secured	First pari- passu charge over Company's Hypothecated Properties as described in part A of first schedule of debenture trust deed.
PFC Capital Gain Bonds Series II	5 Years	5.75%	6,53,80,000	30-Apr-18	30-Apr-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	7,04,20,000	31-May-18	31-May-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	10,11,10,000	30-Jun-18	30-Jun-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of

							payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	14,31,50,000	31-Jul-18	31-Jul-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	15,95,00,000	31-Aug-18	31-Aug-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series II	5 Years	5.75%	26,03,00,000	30-Sep-18	30-Sep-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	32,94,70,000	31-Oct-18	31-Oct-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	41,12,50,000	30-Nov-18	30-Nov-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	55,14,40,000	31-Dec-18	31-Dec-23	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	70,63,00,000	31-Jan-19	31-Jan-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	66,74,30,000	28-Feb-19	29-Feb-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series II	5 Years	5.75%	1,45,37,70,000	31-Mar-19	31-Mar-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	48,91,20,000	30-Apr-19	30-Apr-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series III	5 Years	5.75%	72,71,60,000	31-May-19	31-May-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	81,73,10,000	30-Jun-19	30-Jun-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	1,17,29,30,000	31-Jul-19	31-Jul-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	1,05,72,80,000	31-Aug-19	31-Aug-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	1,02,02,50,000	30-Sep-19	30-Sep-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	92,09,20,000	31-Oct-19	31-Oct-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	89,95,90,000	30-Nov-19	30-Nov-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	93,07,60,000	31-Dec-19	31-Dec-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series III	5 Years	5.75%	94,01,80,000	31-Jan-20	31-Jan-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	1,07,88,10,000	29-Feb-20	28-Feb-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series III	5 Years	5.75%	1,29,01,20,000	31-Mar-20	31-Mar-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.75%	12,43,80,000	30-Apr-20	30-Apr-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.75%	39,38,90,000	31-May-20	31-May-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.75%	1,17,99,30,000	30-Jun-20	30-Jun-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.75%	82,55,60,000	31-Jul-20	31-Jul-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	26,03,40,000	31-Aug-20	31-Aug-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series IV	5 Years	5.00%	61,44,30,000	30-Sep-20	30-Sep-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	45,90,30,000	31-Oct-20	31-Oct-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	48,87,40,000	30-Nov-20	30-Nov-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	86,18,00,000	31-Dec-20	31-Dec-25	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	76,54,00,000	31-Jan-21	31-Jan-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	1,01,96,00,000	28-Feb-21	28-Feb-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series IV	5 Years	5.00%	2,38,47,00,000	31-Mar-21	31-Mar-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	74,66,00,000	30-Apr-21	30-Apr-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series V	5 Years	5.00%	66,60,00,000	31-May-21	31-May-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,03,86,00,000	30-Jun-21	30-Jun-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,31,00,00,000	31-Jul-21	31-Jul-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,06,04,00,000	31-Aug-21	31-Aug-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,35,75,00,000	30-Sep-21	30-Sep-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	94,42,00,000	31-Oct-21	31-Oct-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	84,94,00,000	30-Nov-21	30-Nov-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,25,81,00,000	31-Dec-21	31-Dec-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series V	5 Years	5.00%	1,11,14,20,000	31-Jan-22	31-Jan-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	1,30,48,50,000	28-Feb-22	28-Feb-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series V	5 Years	5.00%	2,69,92,60,000	31-Mar-22	31-Mar-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	1,82,00,00,000	30-Apr-22	30-Apr-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	1,90,40,00,000	31-May-22	31-May-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other Imonies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	1,80,62,00,000	30-Jun-22	30-Jun-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	2,53,08,30,000	31-July-22	31-July-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	1,46,19,00,000	31-Aug-22	31-Aug-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PFC Capital Gain Bonds Series VI	5 Years	5.00%	2,14,66,70,000	30-Sept-22	30-Sept-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	1,76,40,50,000	31-Oct-22	31-Oct-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	2,00,24,50,000	30-Nov-22	30-Nov-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PFC Capital Gain Bonds Series VI	5 Years	5.00%	2,12,29,00,000	31-Dec-22	31-Dec-27	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
GSEC LINK PI TR I SER V CAT I-II	10 Years	6.58	10,35,00,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
GSEC LNK PI TR I SER V CAT III-IV	10 Years	6.83	12,50,73,22,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER I CAT III-IV	3 Years	4.8	1,96,05,000	22-Jan-21	22-Jan-24	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER II CAT I-II	5 Years	5.65	27,05,00,000	22-Jan-21	22-Jan-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PI TR I SER II CAT III-IV	5 Years	5.8	3,50,16,000	22-Jan-21	22-Jan-26	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER III CAT I-II	10 Years	6.63	50,00,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER III CAT III-IV	10 Years	6.82	28,74,22,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever

							payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER IV CAT I-II	10 Years	6.8	33,66,65,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER IV CAT III-IV	10 Years	7	16,35,52,85,000	22-Jan-21	22-Jan-31	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER VI CAT I-II	15 Years	6.78	3,49,50,000	22-Jan-21	22-Jan-36	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of

							the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER VI CAT III-IV	15 Years	6.97	53,36,04,000	22-Jan-21	22-Jan-36	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
PI TR I SER VII CAT I-II	15 Years	6.95	50,05,00,000	22-Jan-21	22-Jan-36	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.

PI TR I SER VII CAT III-IV	15 Years	7.15	13,30,04,88,000	22-Jan-21	22-Jan-36	Secured	First Pari-passu charge on the total receivables of the Company, excluding the receivables on which specific charge has already been created by the Company, limited to the extent of payment/repayment of the Bonds including interest, additional interest, cost and expenses and all the other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction documents.
Bond Series 57-C	15 Years	8.60%	8,66,50,00,000	07-Aug-09	07-Aug-24	Unsecured	N.A.
Bond Series 61	15 Years	8.50%	3,51,00,00,000	15-Dec-09	15-Dec-24	Unsecured	N.A.
Bond Series 62-B	15 Years	8.80%	11,72,60,00,000	15-Jan-10	15-Jan-25	Unsecured	N.A.
Bond Series 63-III	15 Years	8.90%	1,84,00,00,000	15-Mar-10	15-Mar-25	Unsecured	N.A.
Bond Series 64-III	15 Years	8.95%	4,92,00,00,000	30-Mar-10	30-Mar-25	Unsecured	N.A.
Bond Series 65	15 Years	8.70%	13,37,50,00,000	14-May-10	14-May-25	Unsecured	N.A.
Bond Series 66-B	15 Years	8.75%	15,32,00,00,000	15-Jun-10	15-Jun-25	Unsecured	N.A.
Bond Series 66-C	20 Years	8.85%	6,33,00,00,000	15-Jun-10	15-Jun-30	Unsecured	N.A.
Bond Series 71	15 Years	9.05%	3,85,40,00,000	15-Dec-10	15-Dec-25	Unsecured	N.A.
Bond Series 76-B	15 Years	9.46%	11,05,00,00,000	01-Aug-11	01-Aug-26	Unsecured	N.A.
Bond Series 77-B	15 Years	9.45%	25,68,00,00,000	01-Sep-11	01-Sep-26	Unsecured	N.A.
Bond Series 85-D	11.12 Years	9.26%	7,36,00,00,000	06-Mar-12	15-Apr-23	Unsecured	N.A.
Bond Series 100-B	10 Years	8.84%	13,10,00,00,000	04-Mar-13	04-Mar-23	Unsecured	N.A.
Bond Series 101-B	15 Years	9.00%	13,70,00,00,000	11-Mar-13	11-Mar-28	Unsecured	N.A.
Bond Series 102-A(II)	10 Years	8.90%	4,03,00,00,000	18-Mar-13	18-Mar-23	Unsecured	N.A.
Bond Series 102-A(III)	15 Years	8.90%	4,03,00,00,000	18-Mar-13	18-Mar-28	Unsecured	N.A.

Bond Series 103	15 Years	8.94%	28,07,00,00,000	25-Mar-13	25-Mar-28	Unsecured	N.A.
Bond Series 117-B	10 Years	9.37%	8,55,00,00,000	19-Aug-14	19-Aug-24	Unsecured	N.A.
Bond Series 118-B-II	10 Years	9.39%	4,60,00,00,000	27-Aug-14	27-Aug-24	Unsecured	N.A.
Bond Series 118-B-III	15 Years	9.39%	4,60,00,00,000	27-Aug-14	27-Aug-29	Unsecured	N.A.
Bond Series 120-A	10 Years	8.98%	9,61,00,00,000	08-Oct-14	08-Oct-24	Unsecured	N.A.
Bond Series 120-B	10 Years	8.98%	9,50,00,00,000	08-Oct-14	08-Oct-24	Unsecured	N.A.
Bond Series 124-C	10 Years	8.48%	10,00,00,00,000	09-Dec-14	09-Dec-24	Unsecured	N.A.
Bond Series 125	10 Years	8.65%	28,26,00,00,000	29-Dec-14	28-Dec-24	Unsecured	N.A.
Bond Series 126	10 Years	8.65%	50,00,00,00,000	05-Jan-15	04-Jan-25	Unsecured	N.A.
Bond Series 128	10 Years	8.20%	16,00,00,00,000	10-Mar-15	10-Mar-25	Unsecured	N.A.
Bond Series 130-C	10.09 Years	8.39%	9,25,00,00,000	19-Mar-15	19-Apr-25	Unsecured	N.A.
Bond Series 131-C	10 Years	8.41%	50,00,00,00,000	27-Mar-15	27-Mar-25	Unsecured	N.A.
Bond Series 141-B	10 Years	8.40%	10,00,00,00,000	18-Sep-15	18-Sep-25	Unsecured	N.A.
Bond Series 147	10 Years	8.03%	10,00,00,00,000	02-May-16	02-May-26	Unsecured	N.A.
Bond Series 151-B	10 Years	7.56%	2,10,00,00,000	16-Sep-16	16-Sep-26	Unsecured	N.A.
Bond Series 152	10 Years	7.55%	40,00,00,00,000	26-Sep-16	25-Sep-26	Unsecured	N.A.
Bond Series 155	10 Years	7.23%	26,35,00,00,000	05-Jan-17	05-Jan-27	Unsecured	N.A.
Bond Series 156	10 Years	7.1	2,00,00,00,000	11-Jan-17	11-Jan-27	Unsecured	N.A.
Bond Series 158	10 Years	7.18	13,35,00,00,000	20-Jan-17	20-Jan-27	Unsecured	N.A.
Bond Series 160	10 Years	7.6	14,65,00,00,000	20-Feb-17	20-Feb-27	Unsecured	N.A.
Bond Series 164	10 Years	7.75	20,00,00,00,000	22-Mar-17	22-Mar-27	Unsecured	N.A.
Bond Series 168B	10 Years	7.44%	15,40,00,00,000	12-Jun-17	11-Jun-27	Unsecured	N.A.
Bond Series 169B	10 Years	7.30%	15,00,00,00,000	08-Aug-17	07-Aug-27	Unsecured	N.A.
Bond Series 170B	10 Years	7.65%	20,01,00,00,000	22-Nov-17	22-Nov-27	Unsecured	N.A.
Bond Series 171 (LIC)	10 Years	7.62%	50,00,00,00,000	15-Dec-17	15-Dec-27	Unsecured	N.A.

Bond Series 172	10 Years	7.74%	8,50,00,00,000	30-Jan-18	29-Jan-28	Unsecured	N.A.
Bond Series 177	10 Years	7.85%	38,55,00,00,000	03-Apr-18	03-Apr-28	Unsecured	N.A.
Bond Series 178	10 Years	8.95%	30,00,00,00,000	10-Oct-18	10-Oct-28	Unsecured	N.A.
Bond Series179(A)	10 Years	8.67%	10,07,40,00,000	19-Nov-18	18-Nov-28	Unsecured	N.A.
Bond Series179(B)	15 Years	8.64%	5,28,40,00,000	19-Nov-18	19-Nov-33	Unsecured	N.A.
Bond Series 180	15 Years	8.75%	26,54,00,00,000	22-Feb-19	22-Feb-34	Unsecured	N.A.
Bond Series184(B)	10 Years	9.10%	24,11,50,00,000	25-Mar-19	23-Mar-29	Unsecured	N.A.
Bond Series184(A)	5.51 Years	9.25%	20,00,00,00,000	25-Mar-19	25-Sep-24	Unsecured	N.A.
Bond Series 185	10 Years	8.98%	10,00,00,00,000	28-Mar-19	28-Mar-29	Unsecured	N.A.
Bond Series 186	15 Years	8.79%	25,78,90,00,000	30-Apr-19	29-Apr-34	Unsecured	N.A.
Bond Series187(B)	10 Years	8.85%	19,82,10,00,000	27-May-19	25-May-29	Unsecured	N.A.
Bond Series 188	5 Years	8.10%	6,91,10,00,000	04-Jun-19	04-Jun-24	Unsecured	N.A.
Bond Series 189	15 Years	8.15%	40,35,00,00,000	08-Aug-19	08-Aug-34	Unsecured	N.A.
Bond Series 190	15 Years	8.25%	40,16,00,00,000	06-Sep-19	06-Sep-34	Unsecured	N.A.
Bond Series 192	5 Years	7.42%	30,00,00,00,000	19-Nov-19	19-Nov-24	Unsecured	N.A.
Bond Series 193	10 Years	7.93%	47,10,50,00,000	31-Dec-19	31-Dec-29	Unsecured	N.A.
Bond Series 194	3.27 Years	7.04%	14,00,00,00,000	07-Jan-20	14-Apr-23	Unsecured	N.A.
Bond Series 195	10.25 Years	7.86%	11,00,00,00,000	14-Jan-20	12-Apr-30	Unsecured	N.A.
Bond Series 196	10 Years	7.41%	25,00,00,00,000	25-Feb-20	25-Feb-30	Unsecured	N.A.
Bond Series 197	10.21 Years	7.41%	50,00,00,00,000	02-Mar-20	15-May-30	Unsecured	N.A.
Bond Series 198	3 Years	6.98%	31,60,00,00,000	20-Apr-20	20-Apr-23	Unsecured	N.A.
Bond Series-199 A	3 Years	6.83%	19,70,00,00,000	24-Apr-20	24-Apr-23	Unsecured	N.A.
Bond Series-199 B	5 Years	7.16%	13,20,00,00,000	24-Apr-20	24-Apr-25	Unsecured	N.A.
Bond Series-200	10 Years	7.40%	29,20,00,00,000	08-May-20	08-May-30	Unsecured	N.A.
Bond Series-201	10.17 Years	7.68%	31,01,30,00,000	15-May-20	15-Jul-30	Unsecured	N.A.

Bond Series202-A	3 Years	6.75%	21,45,00,00,000	22-May-20	22-May-23	Unsecured	N.A.
Bond Series 202-B	5 Years	7.17%	8,10,00,00,000	22-May-20	22-May-25	Unsecured	N.A.
Bond Series-202-C	10.17 Years	7.79%	19,36,00,00,000	22-May-20	22-Jul-30	Unsecured	N.A.
Bond Series 203-A	3 Years	6.72%	22,06,00,00,000	11-Jun-20	09-Jun-23	Unsecured	N.A.
Bond Series-203-B	10 Years	7.75%	33,18,00,00,000	11-Jun-20	11-Jun-30	Unsecured	N.A.
Bond Series - 196 (Reissuance-1)	9.62 Years	6.90%	15,00,00,00,000	14-Jul-20	25-Feb-30	Unsecured	N.A.
Bond Series204-A	4.71 Years	5.77%	9,00,00,00,000	28-Jul-20	11-Apr-25	Unsecured	N.A.
Bond Series 204-B	10.71 Years	6.88%	13,00,00,00,000	28-Jul-20	11-Apr-31	Unsecured	N.A.
Bond Series205-A	10 Years	7.05%	16,10,10,00,000	10-Aug-20	09-Aug-30	Unsecured	N.A.
Bond Series-205-B	15 Years	7.20%	16,05,70,00,000	10-Aug-20	10-Aug-35	Unsecured	N.A.
Bond Series-206	3 Years	5.47%	30,00,00,00,000	20-Aug-20	19-Aug-23	Unsecured	N.A.
Bond Series-207	10.27 Years	7.04%	10,97,40,00,000	09-Sep-20	16-Dec-30	Unsecured	N.A.
Bond Series-208	5 Years	6.50%	28,06,00,00,000	17-Sep-20	17-Sep-25	Unsecured	N.A.
Bond Series-209	15 Years	7.34%	17,11,00,00,000	29-Sep-20	29-Sep-35	Unsecured	N.A.
Bond Series-207 (Reissuance-1)	10.1 Years	7.04%	25,49,10,00,000	11-Nov-20	16-Dec-30	Unsecured	N.A.
Bond Series 210-A Tr. I	4 Years	6.35	4,05,60,00,000	30-Jun-21	30-Jun-25	Unsecured	N.A.
Bond Series 210-A Tr. II	5 Years	6.35	5,40,80,00,000	30-Jun-21	30-Jun-26	Unsecured	N.A.
Bond Series 210-A Tr. III	6 Years	6.35	4,05,60,00,000	30-Jun-21	30-Jun-27	Unsecured	N.A.
Bond Series 210-B	15 Years	7.11	19,33,50,00,000	30-Jun-21	30-Jun-36	Unsecured	N.A.
Series 211-Floating rate	3 years	4.05	19,85,00,00,000	02-Aug-21	02-Aug-24	Unsecured	N.A.
Series 212-A	5 years	6.09	24,50,00,00,000	27-Aug-21	27-Aug-26	Unsecured	N.A.
Series 212-B	15 years	7.15	23,43,70,00,000	27-Aug-21	27-Aug-36	Unsecured	N.A.
Series 213	10 years	6.95	19,88,00,00,000	01-Oct-21	01-Oct-31	Unsecured	N.A.
Series 214	10.32 years	6.92	11,80,00,00,000	21-Dec-21	14-Apr-32	Unsecured	N.A.
Series 215	3 years	7.13	24,20,00,00,000	10-Aug-22	8-Aug-25	Unsecured	N.A.

Series 216	3.89 years	7.13	30,00,00,00,000	24-Aug-22	15-Jul-26	Unsecured	N.A.
Series 217A	10 years	7.42	40,00,00,00,000	8-Sep-22	8-Sep-32	Unsecured	N.A.
Series 217B STRPP I	3 years	7.15	2,76,40,00,000	8-Sep-22	8-Sep-25	Unsecured	N.A.
Series 217B STRPP II	4 years	7.15	2,76,40,00,000	8-Sep-22	8-Sep-26	Unsecured	N.A.
Series 217B STRPP III	5 years	7.15	2,76,40,00,000	8-Sep-22	8-Sep-27	Unsecured	N.A.
Series 218	3 years	7.59	14,50,00,00,000	3-Nov-22	3-Nov-25	Unsecured	N.A.
Series 219	15 years	7.65	40,00,00,00,000	14-Nov-22	13-Nov-37	Unsecured	N.A.
Series 220	10.34 years	7.58	4,70,00,00,000	14-Dec-22	15-Apr-33	Unsecured	N.A.
Series 221A	15 years	7.72	27,82,70,00,000	19-Dec-22	19-Dec-37	Unsecured	N.A.
Series 221B	5.08 years	7.59	35,00,00,00,000	19-Dec-22	17-Jan-28	Unsecured	N.A.
Series 222	3.05 years	7.58	25,40,00,00,000	27-Dec-22	15-Jan-26	Unsecured	N.A.
Bond Series 105	10 Years	8.19%	8,00,00,00,000	14-Jun-13	14-Jun-23	Unsecured Subordinated	N.A.
Bond Series 111	10 Years	9.65%	10,00,00,00,000	13-Jan-14	13-Jan-24	Unsecured Subordinated	N.A.
Bond Series 114	10 Years	9.70%	20,00,00,00,000	21-Feb-14	21-Feb-24	Unsecured Subordinated	N.A.

Note : All the above non-convertible securities are issued at AAA/Stable credit rating from ICRA

S No.	Name of the Holders of non-convertible securities	Amount (Rs. in Crore)	% of total NCS outstanding
1	LIFE INSURANCE CORPORATION OF INDIA	39,057.90	19.33
2	CBT-EPF	32,107.00	15.89
3	NPS TRUST	7,771.81	3.85
4	EDELWEISS TRUSTEESHIP CO LTD-MF	7,261.20	3.59
5	STATE BANK OF INDIA	7,072.10	3.50
6	COAL MINES PROVIDENT FUND ORGANISATION	6,558.30	3.25
7	STATE BANK OF INDIA EMPLOYEES PENSION FUND	4,037.10	2.00
8	HDFC -MF	3,810.00	1.89
9	KOTAK -MF	2,907.61	1.44
10	SBI -MF	2,903.40	1.44

(CIN: L74999DL1991PLC042749), CRISIL (CIN: U67100MH2019PLC326247) and CARE(CIN: L67190MH1993PLC071691)

Q. List of Top Ten Holders of non-convertible securities in terms of value (in cumulative basis) (As on Dec 31, 2022)

R. Details of outstanding commercial paper as on Dec 31, 2022:-

S. No.	ISIN of Commercial Paper	Series	Maturity Date	Amount Outstanding (Rs. in crore)
Nil				

S. Details of the rest of the borrowing (if any including hybrid debt like FCCB, optionally convertible debentures / preference shares) as on September 30, 2022:

Name of the party/ Name of Instrument	Type of facility/ instrum e nt	Amount sanction ed/ issued	Principal Amount outstanding	Date of Repayment /schedule	Credit Rating	Secured/ unsecure d	Securi ty
Nil							

T. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken / issued (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not

Nil

U. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year

Nil

V. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigation resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.
Nil

W. Any litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of offer letter and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action.
The Promoter of the Company is President of India hence, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Company during the last three years.

X. Details of default and non-payment of statutory dues
Nil

Y. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.
Not applicable

Z. WILFUL DEFAULTERS

Name of the Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of the entity declared as wilful defaulter	Steps taken for removal from list of wilful default	Other disclosures
NIL	NIL	NIL	NIL	NIL	NIL

AA. Lending Policy and Guidelines:

- PFC has well-developed policies and/or guidelines in order to streamline the funding process. Regular review based on prevailing market practices, formulation of new policies and guidelines are also being carried out from time to time to strengthen the funding process. Some of the major lending guidelines and/or policies formulated by the Issuer are:
  (a) PFC's Operational Policy Statement (OPS),
  (b) Comprehensive Grading Framework for Private Sector Projects & Grading Framework Manual,
  (c) Policy for Funding Independent Transmission Projects (ITPs),
  (d) Debt Refinancing Policy,
  (e) Master Circular – Short Term Loan Schemes
  (f) Policy for Prepayment/Premature Repayment of Rupee Loan(s),
  (g) Policy for Resolutions of Stressed Assets,
  (h) Policy for takeout financing,
  (i) Buyers' Line of Credit Scheme
  (j) Policy on Corporate Loan
  (k) Scheme for Extending Credit Facility for Purchase of Power through Power Exchange
  (l) Policy For Energy Saving Projects
  (m) Scheme For Financing Of Projects In The Area Of Fuel Sources Development & Its Distribution (FSD&D) for Power Sector
  (n) Financial Assistance (Including Grants) For Studies / Consultancy Assignments
  (o) Policy for Funding Against Regulatory Assets of DISCOMs
  (p) Restated Policy for Offering Revolving Bill Payment Facility (RBPF) to DISCOMs /GEDCOs for ensuring early payment of dues to GENCOs/ TRANSCOs/Trading Companies
  (q) Policy for providing Financial Assistance to DISCOMs for clearance of Outstanding Dues under Late Payment Surcharge (LPS) Rules, 2022
  (r) Policy for financing Private Equipment Manufacturing Projects for Power Sector
  (s) Policy Guidelines and Charges for Letter of Comfort (LoC)
  (t) Policy for Requirement of Security(ies) and Additional Time Period for its Creation
  (u) Restated Policy for funding Solar PV projects
  (v) Restated policy for Wind projects
  (w) Policy for financing Medium Term Loan (MTL) to Govt. Sector Borrowers for meeting Operational / Non-Capex Requirements
  (x) Policy for Providing Project Specific Funding (PSF) to Renewable Energy Contractors
  (y) Special Long-Term Transition Loan to DISCOMs in exemption of UDAY Limit
  (z) Policy for providing Letter of Undertaking (LoU)/ Pay on Order Instrument (PoI)
  (aa) Special Long-Term Transition Loan to DISCOMs for COVID-19

BB. The issuer has not provided any loans/advances to associates, entities/person relating to the board, senior management, Promoter except as provided for in the chapter titled "Related Party Transaction" in the Annual report of the Company.

CC. Types of loans

i. Type of loans/advances (principal outstanding) given by the Company as on Dec 31, 2022:

S. No	Type of loan	Amount (₹ in crore)*	Percentage (%)
1	Secured	335,929.19	85.39%
2	Unsecured	57,457.73	14.61%
	Total assets under management (AUM)	393,386.91	100.00%

ii. Types of loans according to sectoral exposure as on Dec 31, 2022 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	**Retail**	
a	Mortgages (home loans and loans against property)	N.A.
b	Gold loans	N.A.
c	Vehicle finance	N.A.
d	MFI	N.A.
e	M&SME	N.A.
f	Capital market funding (loans against shares, margin funding)	N.A.
h	Others	N.A.
2	**Wholesale**	
a	Infrastructure	N.A.
b	Real estate (including builder loans)	N.A.
c	Promoter funding	N.A.
d	Any other sector (as applicable)	N.A.
3	**Others**	
a	Generation	52.10%
b	Renewable	10.06%
c	Transmission & Distribution	35.08%
d	Short Term Loan	0.77%
e	Others	2.00%
	Total	100.00%

iii. Denomination of loans outstanding by ticket size as on Dec 31, 2022:

S. No	Ticket size (at the time of origination)*	Percentage of AUM
1.	Up to ₹ 2 Lakh	N.A.
2.	₹ 2-5 Lakh	N.A.
3.	₹ 5-10 Lakh	N.A.
4.	₹ 10-25 Lakh	N.A.
5.	₹ 25-50 Lakh	N.A.
6.	₹ 50 Lakh - 1 Crore	N.A.
7.	₹ 1-5 Crore	0.00%
8.	₹ 5-25 Crore	0.06%
9.	₹ 25-100 Crore	0.62%
10.	> ₹ 100 Crore	99.32%
	Total	100.00%

* The above information is provided at a borrower level and not on the basis of loan accounts

iv. Denomination of loans outstanding by Loan to Value (LTV)* as on Dec 31, 2022: **Not applicable****

S. No	LTV	Percentage of AUM
1.	Up to 40%	-
2.	40-50%	-
3.	50-60%	-
4.	60-70%	-
5.	70-80%	-
6.	80-90%	-
7.	>90%	-
Total		-

*LTV at the time of origination.

** PFC's lending policy does not evaluate loans based on LTV, given the nature of wholesale lending that the Company provides. Consequently, calculation based on LTV is not applicable to the Company.

v. Geographical classification of borrowers as on Dec 31, 2022:

S. No.	Top 5 states / region*	Percentage of AUM
1.	TELANGANA	15.5%
2.	UTTAR PRADESH	14.0%
3.	TAMILNADU	12.3%
4.	RAJASTHAN	10.7%
5.	ANDHRA PRADESH	8.3%
Total		60.87%

*Includes only state sector borrowers.

DD. Maturity pattern of certain items of assets and liabilities on a standalone basis as on March 31, 2022

(₹ in crore)

Bucket as at March 31, 2022	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	374.80	0.00	86.09	0.00	0.00
8 to 14 days	460.83	1,933.65	184.70	0.00	0.00
15 days to 30/31 Days	2,510.53	3,565.02	1,067.50	0.00	5.43
Over 1 month up to 2 months	1,075.65	655.95	3,605.00	0.00	0.00
Over 2 months up to 3 months	2.03	970.23	2,268.75	0.00	2,235.52
Over 3 months and up to 6 months	2.39	6,607.24	7,733.04	0.00	0.00
Over 6 month and up to 1 year	4.49	14,531.37	13,989.53	0.00	6,982.03
Over 1 year and up to 3 years	14.74	65,323.48	83,967.36	0.00	10,160.98
Over 3 years and up to 5 years	9.50	63,292.38	44,425.26	0.00	7,797.27

Over 5 years	14,975.23	2,01,918.38	1,06,554.59	0.00	29,107.15

EE. Aggregated exposure to top 20 borrowers with respect to concentration of advances (principal amounts outstanding) as on Dec 31, 2022

Particulars	Amount
Total Advances to twenty largest borrowers (in ₹ in crore)	248,541.55
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	63.18%

FF. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2022

Particulars	Amount
Total exposure to twenty largest borrowers / customers (in ₹ in crore)	3,05,673.62
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers (in %)	53.81%

GG. The amount of corporate guarantee issued by the issuer along with name of the counterparty (like name of the subsidiary JV entity, group company etc.) on behalf of whom it has been issued is as follows (as on 31.12.2022):-

The company has not issued any corporate guarantee on behalf of any subsidiaries / JVs. However, the following guarantees have been issued as a part of business operation:-

Entity Name	Amount of Guarantee issued by PFC (Rs. In Crore)
Shree Maheshwar Hydro Power Corp. Ltd.	Rs. 0.00 crore *

*Contingent Liability (Un-invoked portion as on 31.12.2022)

Entity Name	LoC balance as on 31.12.22 (Rs. In Crore)**
WEST BENGAL POWER DEV. CORPORATION	50.00
ADANI POWER (JHARKHAND) LIMITED	1,932.50
ANTONY LARA RENEWABLE ENERGY PRIVATE LIMITED	25.14
RKM POWERGEN PVT LTD	438.33
ADANI WIND ENERGY MP ONE PRIVATE LIMITED	151.50
SHYAMA SHYAM P1 CITY BUS OPERATIONS PRIVATE LIMITED	15.75
VSK CITY BUS OPERATIONS PRIVATE LIMITED	47.25

**Letter of Comfort (LoC)

HH. Details of loans overdue and classified as non – performing in accordance with the RBI's stipulations:

Movement of gross Stage-3 Assets*	Amount (₹ in crore)**
(a) Opening balance	20,915.28
(b) Additions during the period from 01-Apr-22 to 31-Dec-2022	46.35
(c) Reductions during the period from 01-Apr-22 to 31-Dec-2022	-4,397.57
(d) Closing balance as on 31-Dec-2022	16,564.06

* In accordance with ECL Model **As per IND-AS balances.

Movement of provisions for gross Stage-3 Assets (in accordance with ECL Model)	Amount (₹ in crore)*
(a) Opening balance	14,336.91
(b) Provisions made during the the period from 01-Apr-22 to 31-Dec-2022 **	251.54
(c) Write-off / write -back of excess provisions during the the period from 01-Apr-22 to 31-Dec-2022	-2,701.68
(d) Closing balance	11,886.77

*As per IND-AS balances ** Including ECL on undrawan DPG of Shree Maheshwar

II. Segment – wise Gross Stage-3 Assets as on Dec 31, 2022

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	**Retail**	
a	-Mortgages (home loans and loans against property)	N.A.
b	-Gold loans	N.A.
c	- Vehicle finance	N.A.
d	-MFI	N.A.
e	-M&SME	N.A.
f	-Capital market funding (loans against shares, margin funding)	N.A.
H	-Others	N.A.
2	**Wholesale**	
A	-Infrastructure	N.A.
B	-Real estate (including builder loans)	N.A.
C	-Promoter funding	N.A.
D	-Any other sector (as applicable)	N.A.
3	**Others**	
A	Generation	74.12%
B	Renewable	17.91%
C	Transmission & Distribution	7.97%
D	Others	0%
	Total	100.00%

JJ. Onward lending to borrowers forming part of the "group" as defined by RBI

➢ There is no onward lending to borrowers forming part of the "group" as defined by RBI.

KK. Any change in promoter's holdings in NBFCs during the last financial year beyond a particular threshold. At present, RBI has prescribed such a threshold level at 26% -

- There is no change in promoter's holding in the Company during the last financial year beyond a particular threshold level of 26%.

LL. Portfolio Summary of borrowings made by PFC as on 31 December 2022

S.No	Particulars	Amount Outstanding (Rs Crores)	Percentage to total borrowings
1	Domestic Bonds	2,02,729	60
2	54 EC Bonds	5,755	1
3	Commercial Papers	-	-
4	Foreign Currency Borrowing	62,628	18
5	RTL from Banks/FI's	67,122	20
6	Others CC/OD/line of credit/LAFD)	3,811	1
	Total	**3,42,045**	**100.00**

MM. Quantum and percentage of Secured vs. Unsecured borrowings (excluding CC/OD)

S.No	Particulars	Amount	Percentage to total
1	Secured Borrowings	33,570	10.01%
2	Unsecured Borrowings	2,89,952	89.99%
	Total	**3,38,234**	**100.00%**

NN. Disclosure of latest ALM statements to stock exchange

Confidential and Internal Use Only

Inflow outflow Statement for the purpose of Raising
As on 31-Dec-2022*

Year	Bucket	Cash Inflows	Cash Outflows	Gap
				Amt in Crs
Current	2022-23	24612	19134	5477
1	2023-24	75467	69124	6343
2	2024-25	65470	68535	-3065
3	2025-26	61898	44416	17482
4	2026-27	56740	49119	7620
5	2027-28	54150	41366	12784
6	2028-29	48028	48042	-15
7	2029-30	44800	27769	17031
8	2030-31	37258	37957	-699
9	2031-32	29145	10662	18483
10	2032-33	25000	8088	16912
11	2033-34	20819	8136	12683
12	2034-35	17784	12725	5059
13	2035-36	12603	6328	6275
14	2036-37	10540	5112	5428
15	2037-38	8276	7311	965
16	2038-39	5760	0	5760
17	2039-40	4130	0	4130
18	2040-41	3329	0	3329
19	2041-42	2860	0	2860
20	Beyond 2041-42	5414	0	5414
beyond 20	0	0	0	0
	TOTAL	**614081**	**463825**	**150256**

****Confidential and Internal Use Only***

Following Items are not considered while preparing the statement :-
1. Stressed Assets (Stage III) are excluded
2. Investment in Equity , Equity and Reserve & Surplus
3. Tangible, Intangible Assets, Contingent Liabilites

ENCLOSURES:

- Copy of rating letters from CRISIL, ICRA & CARE for the borrowing programme for FY 2023-24.
- Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India notification no. 47/2017. F. No. 370142/18/2017-TPL dated June 8, 2017
- Consent of Debenture Trustee
- Borrowing Programme for FY 2023-24.
- Shareholder Resolution.
- Link for Financials for Q3 2022-23 and Annual Report for the FY ended 31.03.2022, 31.03.2021 & 31.03.2020 given below:

Q3, 2022-23
https://pfcindia.com/DocumentRepository/ckfinder/files/Investors/Financial_Results/SEBI%20results%20Q3%20FY%202022-23.pdf

2021-22
https://www.pfcindia.com/DocumentRepository/ckfinder/files/Investors/Annual_Reports/PFC%20AR%202022_C2C_Design_v5_07_09_2022_Single_8MB.pdf

2020-21
https://pfcindia.com/DocumentRepository/ckfinder/files/Investors/Annual_Reports/PFC%20AR%202020-21_Deluxe_02_12_21.pdf

2019-20
https://pfcindia.com/DocumentRepository/ckfinder/files/Investors/Annual_Reports/PFC_AR2019_2024122020.pdf

CRISIL
Ratings

CONFIDENTIAL

RL/PFCLMTD/312172/LTBP/0323/55602/147848070
March 30, 2023

Mr. Sumeet Kumar
General Manager - Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Sumeet Kumar,

Re: CRISIL Rating on the Rs.60000 Crore Long-Term Borrowing Programme% of Power Finance Corporation Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AAA/Stable (pronounced as CRISIL triple A rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Aesha Maru	Nivedita Shibu
Associate Director - CRISIL Ratings	Associate Director - CRISIL Ratings

%Borrowing programme for fiscal 2024 (refers to financial year, April 1 to March 31). The overall limit for the long-term borrowing programme and the short-term borrowing programme is Rs 80,000 crore. The long-term borrowing programme

inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Total incremental long-term borrowing and short-term borrowings not to exceed Rs 60,000 crore and Rs 20,000 crore, respectively, at any point in time during fiscal 2024.

Details of the Rs.60000 Crore Long-Term Borrowing Programme of Power Finance Corporation Limited

	1st tranche		***2nd tranche***		***3rd tranche***	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

CRISIL Ratings

CONFIDENTIAL

RL/PFCLMTD/312172/STBP/0323/55603/147851661
March 30, 2023

Mr. Sumeet Kumar
General Manager - Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Sumeet Kumar,

Re: CRISIL Rating on the Rs.20000 Crore Short Term Borrowing programme% of Power Finance Corporation Limited

We refer to your request for a rating for the captioned Debt Programme.

CRISIL Ratings has, after due consideration, assigned a CRISIL A1+ (pronounced as CRISIL A one plus rating) rating to the captioned Debt Programme. Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.

For the purpose of issuance of captioned debt programme, this letter is valid for 60 calendar days from the date of the letter. In the event of your company not placing the above programme within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid (unless revised) throughout the life of the captioned debt Programme with a contracted maturity of one year or less.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating through its publications and other media, and keep the rating under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL Ratings believes, may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

%Borrowing programme for fiscal 2024 (refers to financial year, April 1 to March 31). The overall limit for the long-term borrowing programme and the short-term borrowing programme is Rs 80,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Total incremental long-term borrowing and short-term borrowings not to exceed Rs 60,000 crore and Rs 20,000 crore, respectively, at any point in time during fiscal 2024.

CRISIL Ratings

Details of the Rs.20000 Crore Short Term Borrowing programme of Power Finance Corporation Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

CRISIL Ratings Limited
A subsidiary of CRISIL Limited, an S&P Global Company
Corporate Identity Number: U67100MH2019PLC326247

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3001
www.crisilratings.com

No. CARE/DRO/RL/2022-23/3751

Shri Srikanth PL
Deputy General Manager
Power Finance Corporation Limited
Ujanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi
Delhi 110001

March 31, 2023

Confidential

Dear Sir,

Credit rating for proposed Commercial Paper (CP) issue of Rs.10,000.00 crore[1])

Please refer to your request for rating of proposed CP issue of your company, for a limit of Rs.10,000.00 crore with a maturity not exceeding one year

2. The following rating(s) has been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating[2]	Rating Action
Commercial Paper	**10,000.00**	**CARE A1+ (A One Plus)**	**Assigned**
Total Instruments	**10,000.00 (Rs. Ten Thousand Crore Only)**		

3. Please arrange to get the rating revalidated in case the proposed CP issue is not made within **two months** from the date of our initial communication of rating to you i.e. by March 28, 2023. Once the CP is placed, the rating is valid for the tenure of such instrument till redemption.

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

[1] This represents the aggregate of all CP issuances of the company outstanding at any point in time.
[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

MK

CARE Ratings Limited

E-1, 13th Floor, Videocon Tower, Jhandewalan Extension, New Delhi – 110055
Phone: +91-011-4533 3200 / 238

Corporate Office :4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors

6. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press by the end of the day, a draft of which is enclosed for your perusal as **Annexure**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by the end of the day, we will proceed on the basis that you have no any comments to offer.

7. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
11. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,

Deepshi Panda
Lead Analyst
deepshi.panda@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

No. CARE/DRO/RL/2022-23/3752

Shri Srikanth PL
Deputy General Manager
Power Finance Corporation Limited
Ujanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi
Delhi 110001

March 31, 2023

Confidential

Dear Sir,

Credit rating for Market Borrowing Programme FY24

Please refer to your request for rating the Market Borrowing Programme for FY24 of your Company

2. The following ratings have been assigned by our Rating Committee:

Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Long-term Market Borrowing Programme for FY24	60,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Short-term Market Borrowing Programme for FY24	10,000.00	CARE A1+ (A One Plus)	Assigned
Total Facilities	**70,000.00 (Rs. Seventy Thousand Crore Only)**		

3. Refer **Annexure 1** for details of rated Market Borrowing programme of FY24.

4. The above rating for bank facilities is normally valid for a period of one year from the date of our initial communication of rating to you (that is March 28, 2023).

5. Please arrange to get the rating revalidated, in case the proposed NCD issue is not made within a period of six months from the date of our initial communication of rating to you (that is March 28, 2023).

6. In case there is any change in the size or terms of the proposed NCD issue, please get the rating revalidated.

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

7. Please inform us the below-mentioned details of NCD issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors

8. Kindly arrange to submit us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

9. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure 2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by March 31, 2023, we will proceed on the basis that you have no any comments to offer.

10. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

11. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

12. Our ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.

13. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

14. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

15. CARE Ratings Ltd. ratings are **not** recommendations to sanction, renew, disburse or recall any bank facilities.

16. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd..

Thanking you,

Yours faithfully,

Deepshi Panda

NKadiyan

Deepshi Panda
Lead Analyst
deepshi.panda@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@careedge.in

Encl.: As above

Disclaimer
The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure 1

Details of Rated Facilities and Instruments

1. Long Term Facilities and Instruments

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	60,000.00
	Total	**60,000.00**

Total Long Term Facilities : Rs.60,000.00 crore

2. Short Term Facilities

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	10,000.00
	Total	**10,000.00**

Total Short Term Facilities : Rs.10,000.00 crore

Total Facilities (1.A+2.A) : Rs.70,000.00 crore

ICRA

ICRA Limited

Ref: ICRA/Power Finance Corporation Limited/28032023/1
March 28, 2023

Mr. Sumeet Kumar
GM - Finance
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir,

Re: ICRA Credit Rating for the Rs. 60,000 crore Long Term Borrowing Programme of Power Finance Corporation Ltd. for the financial year 2023-24

Please refer the Statement of work between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid Long Term Borrowing Programme. The Rating Committee of ICRA, after due consideration, has assigned a [ICRA]AAA (pronounced as ICRA triple A) rating to the captioned Long term Borrowing Programme. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The Outlook on the long-term rating is 'Stable'.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as [ICRA]AAA (Stable).

We request you to provide your acceptance for the rating by sending an email acceptance to us latest by March 30, 2023. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website as non accepted Rating.

Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

For ICRA Limited

SRI KUMAR KRISHNAMURTHY

Digitally signed by SRI KUMAR KRISHNAMURTHY
Date: 2023.03.28 20:16:37 +05'30'

Srikumar Krishnamurthy
Vice President
ksrikumar@icraindia.com

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated March 30, 2023 I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Power Finance Corporation Limited.

For Power Finance Corporation Limited

____

Name:

Designation:

Date:

Note*: Please return a copy of the above communication along with the acknowledgement to ICRA Limited*

ICRA

ICRA Limited

Ref: ICRA/Power Finance Corporation Limited/28032023/2
March 28, 2023

Mr. Sumeet Kumar
GM - Finance
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir,

Re: ICRA Credit Rating for the Rs. 20,000 crore Short Term Borrowing Programme of Power Finance Corporation Ltd. for the financial year 2023-24

Please refer the Statement of Work between ICRA Limited ("ICRA") and your company for carrying out the rating of the Short-term Borrowing Programme of Rs. 20,000 crore of your company.

The Rating Committee of ICRA, after due consideration, has assigned the rating of [ICRA]A1+ (pronounced as ICRA A one plus) to the captioned programme. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category rating modifier {"+" (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as [ICRA]A1+.
We request you to provide your acceptance for the rating by sending an email acceptance to us latest by March 30, 2023. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website as non accepted Rating. Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

Additionally, we wish to highlight the following with respect to the rating:
(a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance.
(b) Subject to Clause (c) below, once the instrument is issued, the rating is valid throughout the life of the captioned programme (which shall have a maximum maturity of twelve months from the date of the issuance of the instrument).
(c) Notwithstanding anything containing in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Short-Term borrowing issued by you. The rating is restricted to your Short-Term borrowing programme size of Rs. 20,000 crore only. In case, you propose to enhance the size of the Short-Term Borrowing programme, the same would require to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Short Term borrowings. As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.
You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind co-operation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us. We look forward to your communication and assure you of our best services.

With kind regards,
For ICRA Limited

SRI KUMAR KRISHNAMURTHY
Digitally signed by SRI KUMAR KRISHNAMURTHY
Date: 2023.03.28 20:15:12 +05'30'

Srikumar Krishnamurthy
Vice President
ksrikumar@icraindia.com

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated March 30, 2023 I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Power Finance Corporation Limited.

For Power Finance Corporation Limited

____

Name:

Designation:

Date:

Note*: Please return a copy of the above communication along with the acknowledgement to ICRA Limited*

रजिस्ट्री सं० डी० एल०-33004/99 REGD. NO. D. L.-33004/99

भारत का राजपत्र
The Gazette of India

असाधारण
EXTRAORDINARY
भाग II—खण्ड 3—उप-खण्ड (ii)
PART II—Section 3—Sub-section (ii)
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 1611] नई दिल्ली, बृहस्पतिवार, जून 8, 2017/ज्येष्ठ 18, 1939
No. 1611] NEW DELHI, THURSDAY JUNE 8, 2017/JYAISTHA 18, 1939

वित्त मंत्रालय

(राजस्व विभाग)

(केन्द्रीय प्रत्यक्ष कर बोर्ड)

अधिसूचना

नई दिल्ली, 8 जून, 2017

आय-कर

का.आ. 1818(अ).—केन्द्रीय सरकार, आय-कर अधिनियम, 1961 (1961 का 43) की धारा 54ङग के स्पष्टीकरण के खंड (खग) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए यह अधिसूचित करती है कि पावर फाइनेंस कॉरपोरेशन लिमिटेड, जो कंपनी अधिनियम, 1956 (1956 का 1) के अधीन बनाई गई तथा रजिस्ट्रीकृत कंपनी है, द्वारा तीन वर्ष के पश्चात् पुनःमोचनीय तथा 15 जून, 2017 को या उसके पश्चात् जारी कोई बंधपत्र उक्त धारा के प्रयोजनों के लिए "दीर्घकालिक विनिर्दिष्ट आस्ति" के रूप में होगी।

[अधिसूचना संख्या 47/2017/फा. सं. 370142/18/2017-टी.पी.एल]

अभिषेक गौतम, अवर सचिव (कर नीति और विधान)

MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 8th June, 2017

INCOME-TAX

S.O. 1818(E).—In exercise of the powers conferred by clause (ba) of Explanation to section 54EC of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that any bond redeemable after three years and issued on or after the 15th day of June, 2017 by the Power Finance Corporation Limited, a company formed and registered under the Companies Act, 1956 (1 of 1956) as 'long-term specified asset' for the purposes of the said section.

[Notification No. 47/2017/ F. No. 370142/18/2017-TPL]

ABHISHEK GAUTAM, Under Secy**.** (Tax Policy and Legislation)

Uploaded by Dte. of Printing at Government of India Press, Ring Road, Mayapuri, New Delhi-110064
and Published by the Controller of Publications, Delhi-110054.

Ref: CL/MUM/OPR/22-23/ 30947
Date: March 30, 2023

Power Finance Corporation Limited
"Urjanidhi", 1,Barakhamba Lane,
Connaught Place,
New Delhi – 110 001

Kind Attn: Mr. Vineet Gaur – Chief Manager (Finance)

Dear Sir,

Consent to act as Debenture Trustee for PFC's Capital Gain Exemption Bond Series VII benefits u/s 54EC of Income Tax Act, 1961.

This is with reference to your letter dated March 29, 2023 and subsequent discussion we had regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for PFC's Capital Gain Exemption Bond Series VII for FY 2023-24 benefits u/s 54EC of Income Tax Act, 1961 with an issue size of Rs. 500 Crore + Green Shoe option to retain oversubscription.

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization**.**

Yours faithfully,

For Beacon Trusteeship Limited

Authorised Signatory

BEACON TRUSTEESHIP LIMITED
Registered and Corporate Office : 4C & D , Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E), Mumbai 400051| CIN: U74999MH2015PLC271288
Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

मनोहर बलवानी
मुख्य महाप्रबंधक एवं कम्पनी सचिव
MANOHAR BALWANI
CGM & Company Secretary

पावर फाइनेंस कार्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(भारत सरकार का उपक्रम) (A Govt. of India Undertaking)

No: 1:05:138:II:CS
Date: 21.03.2023

National Stock Exchange of India Limited, Listing Department, Exchange Plaza, Bandra – Kurla Complex, Bandra (E) **MUMBAI – 400 051.** नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड लिस्टिंग विभाग, एक्सचेंज प्लाजा, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई-400 051	**Bombay Stock Exchange Limited,** Department of Corporate Services, Floor – 25, PJ Towers, Dalal Street, **MUMBAI – 400 001.** बंबई स्टॉक एक्सचेंज लिमिटेड, कॉर्पोरेट सेवाएं विभाग, मंजिल-25, पी. जे. टावर्स, दलाल स्ट्रीट, मुंबई-400 001

SUB: Outcome of Board Meeting- Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Madam/Sir,

In continuation of our earlier communication dated 16.03.2023, we would like to inform you that, the Board of Directors of Power Finance Corporation Ltd. (PFC) in its meeting held today i.e. 21.03.2023 have inter-alia approved the following proposal:

I. Raising of resources for the Financial Year 2023-24 through Bonds, Term loans, Commercial Paper (CP) etc. from domestic & international markets.

Sl. No.	Source	Amount (Rs. in Crore)
1	**Long Term Domestic Borrowings (Rupee) by way of instruments like:** a) Public Issue / Private Placement of Long Term Taxable / Tax Free bonds/debentures/debt securities, Perpetual / Redeemable, Secured / unsecured, Cumulative / Non- cumulative interest bearing or zero coupon bonds, fixed /floating rate bonds (with/without benchmark) , Non-convertible, Infrastructure Bonds / Zero Coupon Bonds / Subordinated bonds / Inflation indexed bonds / Capital Gain Tax Exemption Bonds u/s 54EC/ other bonds/debentures/debt securities in physical and / or demat form for a tenure upto 30 years with / without put/call option or up to the period as permitted under the applicable laws from time to time and which may be listed on NSE and / or BSE b) Term Loan from Banks/FIs/GOI etc. c) Domestic borrowing through any other long term instrument (Long term funds raised and prepaid during the year to be excluded from this limit).	40,000

2	**Long Term Foreign Currency Borrowing/Rupee denominated Foreign Currency Borrowings through External Commercial Borrowing etc and by way of instruments like :** a) Loans such as term loans, syndicated loans, subordinated loans, FCNR(B) loans, loans from multilateral agencies. b) Bonds/Notes such as unsecured/secured bonds, perpetual bonds, green bonds, subordinated bonds. c) Any other instrument for raising Foreign Currency Borrowing/ Rupee denominated Foreign Currency Borrowings. (*equivalent to approx. USD 2.45 Billion)	20,000*
3	**Short Term Borrowings:** Short Term Loans/ ICDs /FCNR(B) (excluding WCDL/CC/OD facilities) outstanding at any point of time during FY 2023-24. Short term funds raised and repaid during the year to be excluded from this limit.	10,000
4	**Commercial Paper:** - outstanding at any point of time during FY 2023-24. Commercial Paper raised and repaid during the year to be excluded from this limit.	10,000
	Total	**80,000**

- The Company may borrow upto Rs. 80,000 crore in the FY 2023-24 excluding funds raised under Extra Budgetary Resource (EBR), subject to the borrowing limit as approved by the shareholders under section 180(1)(c) and in accordance with section 179(3)(c) & 179(3)(d) of the Companies Act, 2013.

- Chairman & Managing Director, on the recommendation of Director (Finance), has been authorized to interchange the amount amongst different sources of borrowing plan during a financial year within the overall limit approved by the Board of Directors u/s 179(3)(c) and 179(3)(d) of the Companies Act 2013.

The Board Meeting commenced at 2.30 P.M. and concluded at 5-40 P.M.

This is submitted for your information and record.

Thanking you,

Yours faithfully,
For **Power Finance Corporation Ltd.**

(Manohar Balwani)
Chief General Manager & Company Secretary
mb@pfcindia.com

पावर फाइनेंस कॉर्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(भारत सरकार का उपक्रम) (A Govt. of India Undertaking)
(आई.एस.ओ. 9001:2015 प्रमाणित) (ISO 9001:2015 Certified)

Certified True Copy of the Minutes of the proceedings of 34th Annual General Meeting of Power Finance Corporation Limited held during 12.30 P.M. to 2.00 P.M. on Tuesday, the 29th September, 2020 through Video Conferencing.

Business Item No. 6. **Enhancement of borrowing limit approved under section 180(1)(c) of the Companies Act, 2013 & modification under section 180 (1) (a) of the Companies Act, 2013**

"**RESOLVED THAT** approval be and is hereby accorded for authorizing the Board of Directors of the Company, under the provisions of Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and any other applicable laws and provision of Articles of Association of the Company, to borrow and raise such sum or sums of money from time to time as may be required for the purpose of the business of the Company and / or as may be directed to raise on behalf of Ministry / Government of India, with & without security, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed aggregate of paid up capital & its free reserves (that is to say reserves not set apart for any specific purpose)provided that the total amount borrowed and outstanding at any point of time shall not exceed Rs. 6,00,000 crore (Rupees six lakh crore only) in Indian Rupees and amount equivalent to USD 15,000 Million(15 Billion US Dollars only) in any foreign currency on such terms and conditions as the Board may consider necessary and expedient in their absolute discretion."

"**RESOLVED FURTHER THAT** approval be and is hereby accorded for authorizing the Board of Directors of the Company, pursuant to provisions of Section 180 (1) (a) of Companies Act 2013, read with relevant rules, for mortgaging and/or charging of all or any of the movable and/or immovable properties of the Company, both present and future, or the whole or substantial whole of the undertaking or the undertakings of the Company for securing the borrowing (outstanding in books of the Company) of Rs. 6,00,000 crore (Rupees Six Lakh Crore Only) in the Indian Currency and in any Foreign Currency equivalent to USD 15 Billion (Fifteen Billion US Dollars only).

13/11/2020

150 YEARS OF CELEBRATING THE MAHATMA

"**RESOLVED FURTHER THAT** approval be and is hereby accorded for authorizing the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolutions."

CERTIFIED TRUE COPY
For Power Finance Corporation Ltd.
13/11/2020
MANOHAR BALWANI
CGM & Company Secretary