POWER FINANCE CORPORATION LIMITED

(A Govt. of India Undertaking)

CIN: L65910DL1986GOI024862; **PAN:** AAACP1570H; **Date and Place of Incorporation**: 16th July 1986, New Delhi
Certificate Of Registration number issued by RBI: B-14.00004
Registered & Corporate Office: 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN
Tel: (011) 23456000; **E-mail:**pfcbonds@pfcindia.com; **Website:**www.pfcindia.com;

DRAFT OFFER DOCUMENT DATED 19th MARCH 2025 (24th MARCH 2025 BEING DATE OF ALLOTMENT) IN RELATION TO ISSUE UNDER THE GENERAL INFORMATION DOCUMENT DATED MAY 25, 2024 BY WAY OF PRIVATE PLACEMENT OF LISTED, UNSECURED, RATED, REDEEMABLE, TAXABLE, NON-CONVERTIBLE DEBT SECURITIES IN THE NATURE OF COMMERCIAL PAPER (CP) OF FACE VALUE OF INR 5,00,000 (INDIA RUPEES FIVE LAKH) EACH FOR CASH AT PAR, AGGREGATING UPTO INR 10,00,00,00,000 (INDIAN RUPEES ONE THOUSAND CRORES) UNDER TWO OPTIONS PLUS GREEN SHOE AS DECIDED BY THE COMPANY.

Any terms used under this Key Information Document will have the meaning defined under the General Information Document dated May 25, 2024.This Key Information Document includes the final terms and details of the offer of the CPs (defined above) and must be read in conjunction with General Information Document.

REGISTRAR TO THE ISSUE	ISSUER AND PAYING AGENT TO THE ISSUE
RCMC SHARE REGISTRY PRIVATE LIMITED B-25/1, First Floor, Okhla Industrial Area Phase II, New Delhi 110020. website: www.rcmcdelhi.com E-mail: investor.services@rcmcdelhi.com	**HDFC BANK** Branch Name - Kanjur Marg (East), Address - I Think Techno Campus, Building - Alpha, Railway Station (East), Mumbai, 400042. website: www.rcmcdelhi.com E-mail: investor.services@rcmcdelhi.com

CREDIT RATING AGENCIES		
CRISIL Ratings Limited Regd. Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai-400075 Tel: 022-33423000, Fax: 022 33423050 Contact person: Mr. Rahul Dhanuka Email: Rahul.Dhanuka@crisil.com	**ICRA Limited** Regd. Office: 1105, Kailash Building, 11th Floor, 26, K.G. Marg, New Delhi-110001 Tel: 011-23357940-50 Fax: +91-11-23357014 Contact person: Mr. Sandeep Sharma Email:sandeep.sharma@icraindia.com	**CARE Ratings Ltd.** 13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi-110055 Tel:-011-45333200, 23716199 Fax:011-45333238 Contact person: Mr. Yogesh Rochani Email: yogesh.rochani@careedge.in
Long Term Rating : AAA/ Stable **Short Term Rating: A1+**	**Long Term Rating : AAA/ Stable** **Short Term Rating: A1+**	**Long Term Rating : AAA/ Stable** **Short Term Rating: A1+**

Chief Financial Officer	Compliance Officer & Company Secretary	Promoters
Sh. Sandeep Kumar E-mail: Sandeep_kumar@pfcindia.com Tel:(011) 23456912	Sh. Manish Kumar Agarwal, CS E-mail: mk_agarwal@pfcindia.com Tel:(011) 23456787 Membership No: F5048	Hon'ble President of India, acting through the Ministry of Power, Government of India

Business Segment / Activity - Non-Deposit taking Non-Banking Finance Company (NBFC - ND) engaged in Financing Power Sector, Logistics and Infrastructure sectors to the extent permitted by the Government of India

LISTING - The Commercial Paper Issue is proposed to be listed on the Wholesale Debt Market Segment of BSE Limited ("BSE").

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Issue Information

Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period, declaration that the rating is valid as at the date of issuance and listing, details of issuing and paying agent and other conditions, if any.

DESCRIPTION OF INSTRUMENT	PFC- CP 117
DATE OF ISSUE	24.03.2025 (Date of allotment)
TENOR	91 days - Option A 266 days - Option B
ISIN	91 days - Option A – To be allotted 266 days - Option B – To be allotted
AMOUNT	Option A :Rs. 500 Crores + Green Shoe as decided by the company Option B: Rs. 500 Crores + Green Shoe as decided by the company
MATURITY DATE	23.06.2025 - Option A 15.12.2025 - Option B
CREDIT RATING IS VALID AS AT THE DATE OF ISSUANCE AND LISTING	Yes
CREDIT RATING	A1+ by CARE, ICRA AND CRISIL
DATE OF RATING	24.02.2025 by CRISIL, 19.03.2025 by ICRA and 24.02.2025 by CARE
VALIDITY FOR ISSUANCE	CRISIL - 60 calendar days ICRA - 3 months CARE – Valid till next review
VALIDITY OF RATING	CRISIL - Throughout Life of CP ICRA - Throughout Life of CP CARE – Valid till redemption
BORROWING LIMIT / RATING AMOUNT OF CP	Rs. 5,000 crore
LIMIT APPROVED BY REGULATOR CONCERNED	NA
BOARD RESOLUTION	Attached
ISSUING AND PAYING AGENT	HDFC Bank Ltd.
MARKET CONDITIONS	FIMMDA Conventions
ELIGIBLE INVESTORS	As per RBI Master Direction dated Jan 03, 2024, *as Amended from time to time*

We do hereby declare that the credit ratings disclosed are valid as on the date of issuance and listing.

Disclosures

DISCLOSURES AND ISSUE DETAILS UNDER CHAPTER XVII OF THE MASTER CIRCULAR ISSUED BY SECURITIES EXCHANGE BOARD OF INDIA VIDE CIRCULAR NUMBER SEBI/HO/DDOHS/POD1/P/CIR/2024/54 DATED MAY 22, 2024 AND RBI MASTER DIRECTION DATED JAN 03, 2024, AS AMENDED FROM TIME TO TIME.

a) Details of Commercial Paper issued during last 2 years.

Series	Allotment Date	Amount Issued (in Rs. Cr)	Amount Outstanding (in Rs. Cr)	Credit Rating	Name of Credit Rating Agency	Name of IPA
116	16 June 2023	1966.13 (Maturity Value 2000)	Nil	A1+	CRISIL; ICRA; CARE	HDFC Bank

b) Details of outstanding Non-convertible debentures as on 30.09.2024

Series	Allotment Date	Amount Issued	Amount Outstanding	Credit Rating	Name of Credit Rating Agency	Name of Debenture Trustee
As per Annexure IA						

c) Details of outstanding Commercial Paper as on 30.09.2024

Series	Allotment Date	Amount Issued	Amount Outstanding	Credit Rating	Name of Credit Rating Agency	Name of IPA
No Commercial Paper Outstanding as on date						

d) Details of Outstanding Secured Term Loan Facilities as on 30.09.2024

Lender Name	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding	Last Repayment Date/ Schedule	Credit Rating	Name of Credit Rating Agency
As per Annexure IB						

e) Details of Outstanding Unsecured Term Loan Facilities as on 30.09.2024

Lender Name	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding	Last Repayment Date/ Schedule	Credit Rating	Name of Credit Rating Agency
As per Annexure IC						

f) Details of Unsecured Foreign Currency Loans Outstanding as on 30.09.2024:-

Lender's Name	Type of Facility	Amount Sanctioned (in FC)	Principal Amount Outstanding (in FC)	Repayment Date/ Schedule	Credit Rating#	Name of Credit Rating Agency
As per Annexure ID						

g) Net worth of PFC as per the Latest Balance Sheet - **Rs. 85,924.06 crore**. (As on 30.09.2024)

h) Shareholding of PFC's promoters:

Sr. No.	Particulars	Total Number of Shares	No of Shares Held in Dematerialized Form	Total Shareholding as a % of Total No of Shares
a)	Central Government/State Government(s)	1,84,78,64,722	1,84,78,64,722	55.99%
	Total	**1,47,82,91,778**	**1,47,82,91,778**	**55.99%**

i) Details of shares pledged by promoters **– Nil**

j) Credit Rating obtained by PFC

Rating Agency	Long Term Rating/Outlook	Short Term Rating	Date of Rating
CRISIL	AAA/ Stable	A1+	24.02.2025
ICRA	AAA/ Stable	A1+	19.03.2025
CARE	AAA/ Stable	A1+	24.02.2025

k) Unaccepted credit ratings, if any, assigned to the issuer - **Nil**

l) Summary of audited financials of last three years, material litigation and regulatory actions related to the issuer:

a. Summary of audited financials of last three years – **Annexure IE**

- Financial results along with limited review / audit reports are available at Company's website at following link: https://pfcindia.com/ensite/Home/VS/72

b. There is no material litigation and regulatory actions 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/ commercial paper.

m) Any material event/ development having implications for the financials/ credit quality resulting in material liabilities, corporate restructuring event which may affect the issue or the investor's decision to invest in the CP/NCD.

Nil

n) There is no litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:

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

o) All details of credit enhancement including backstop facilities provided by the group entity including but not limited to (a) the net-worth of the guarantor, (b) the names of the companies to which the guarantor has issued similar guarantees, (c) the extent of the guarantees offered by the guarantor and (d) the conditions under which the guarantee will be invoked, etc.

NA

p) Details of default of CP, NCD or any other debt instrument and other financial indebtedness or non-payment of statutory dues issued in the past five financial years including in the current financial year.

Nil

q) Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares

Nil

r) Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company

Nil

s) Details of pending proceedings initiated against the issuer for economic offences, if any.

Nil

t) Regulatory Strictures if any

Nil

u) The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:-
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 as on 30.09.2024
Shree Maheshwar Hydro Power Corp. Ltd.	NIL *

*Contingent Liability (Un-invoked portion as on 30.09.2024)

Detail of Letter of Comfort (as on 30.09.2024)
LoC amounting to ₹ 1698.99 crore is outstanding as on 30.09.2024 for various borrowers.

v) Details of Statutory Auditors.

M/s Thaur Vaidyanath Aiyar & Co. Registration No.: 000038N Peer review certificate no: 221-223, Deen Dayal Marg, New Delhi-110002 Tel No.: 011-23236958/59/60 E-mail: tvandeca@gmail.com	**M/s Mehra Goel & Co. Chartered Accountants** Registration No.: 000517N Peer review certificate no: 018309 505, Chiranjiv Vihar, 43, Nehru Place, New Delhi-110019 Tel- , M- 9711310004 Email Id: mg@mehragoelco.com

w) Details of change in Auditors for preceding three financial years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable
M/s Thakur Vaidyanath Aiyar & Co.	221-223, Deen Dayal Marg, New Delhi-110002 Tel- 011-23236958/59/60 E-mail- tvandeca@gmail.com	25-Sep-24	NA	NA
M/s Mehra Goel & Co. Chartered Accountants	505, Chiranjiv Vihar, 43, Nehru Place, New Delhi- 110019 Mob- +91 9711310004	25-Sep-24	NA	NA

	E-mail- mg@mehragoelco.com			
M/s Chokshi & Chokshi LLP	HO - 15/17, Raghavji 'B' Bldg, Ragahvji road, Gowalia Tank, Ground floor, Off Kemps Corner, Mumbai 400 036 Tel- 022-23836900, M- +91 9619059192 Email Id – contact@chokshiandchokshi.in	12-Sep-23	24-Sep-24	NA
M/s Prem Gupta & Co	T-2342/2, Ashok Nagar, Faiz Road, Karol Bagh, New Delhi - 110005 Tel No.: 011-25466394, 25422417	19-Aug-21	24-Sep-24	NA

x) End-use of funds.

To augment resources of PFC for meeting fund requirement towards disbursement, debt servicing and administrative expenses.

y) Residual Maturity Profile of assets and liabilities as on 31.03.2024.

(₹ in crore)

Category	Upto 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months and up to 6 months	Over 6 month and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years
Deposit / Investments	-	2,616.64	4.96	14.26	28.22	108.57	106.06	1,73,41.24
Advances	12,013.78	5,429.27	5,860.18	19,960.60	30,154.11	80,868.22	76,863.56	2,38,349.65
Borrowings	3,010.39	628.97	6,004.33	20,088.05	32,120.59	82,344.83	68,116.02	1,22,330.54
Foreign Currency Assets	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	10.97	-	4,527.18	2,503.41	5,150.35	10,426.07	27,471.74	22,746.74

For Power Finance Corporation Limited

Narendra Kumar
DGM-Finance

Date – 24 Mar 2025
Place – New Delhi

Annexure IA - Details of Outstanding Non-convertible debentures

Details of outstanding bonds of PFC as on 30-Sept-2024

Domestic Bonds

ISIN no.	Series of NCS	Tenor/ period of maturity	Coupon	Amt. Outstanding (in Rs. crore)	Date of Allotment	Redemption Date	Unsecured / Secured	Security
INE134E07091	Infrastructure Bonds (2010-11) - tranche 1 - Series III	15 Years	8.50%	5.27	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.
INE134E07109	Infrastructure Bonds (2010-11) - tranche 1 - Series IV	15 Years	8.50%	19.33	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.
INE134E07174	Infrastructure Bonds (2011-12) - tranche 1 - Series III	15 Years	8.75%	2.86	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
INE134E07182	Infrastructure Bonds (2011-12) - tranche 1 - Series IV	15 Years	8.75%	7.77	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

INE134E07125	Bond Series 79-B	15 Years	7.75%	217.99	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
INE134E07141	Bond Series 80-B	15 Years	8.16%	209.34	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
INE134E07307	Bond Series 94-B	15 Years	7.38%	25.00	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
INE134E07323	Bond Series 95-B	15 Years	7.38%	100.00	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
INE134E07380	Bond Series 107-B	15 Years	8.46%	1,011.10	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.
INE134E07521	Bond Series 136	10 Years	7.16%	300.00	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.

INE134E07208	PUBLIC ISSUE OF TAX FREE BONDS FY 11-12	15 Years	8.30%	1,280.58	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.
INE134E07349	15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.36%	179.99	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.
INE134E07349	15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.86%	177.01	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.
INE134E07364	7.04% TR-2 TAX FREE BONDS 12-13	15 Years	7.04%	15.18	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
INE134E07364	7.54% TR 2 TAX FREE BONDS 12-13	15 Years	7.54%	54.03	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.
INE134E07430	8.54% TAX FREE BONDS 13-14 SERIES 2A	15 Years	8.54%	932.70	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
INE134E07448	8.79% TAX FREE BONDS 13-14 SERIES 2B	15 Years	8.79%	353.32	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.

INE134E07455	8.67% TAX FREE BONDS 13-14 SERIES 3A	20 Years	8.67%	1,067.38	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
INE134E07463	8.92% TAX FREE BONDS 13-14 SERIES 3B	20 Years	8.92%	861.96	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
INE134E07539	7.11% TAXFREE BONDS 1A 17.10.2025	10 Years	7.11%	75.10	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.
INE134E07547	7.36% TAXFREE BONDS 1B 17.10.2015	10 Years	7.36%	79.35	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.
INE134E07554	7.27% TAXFREE BONDS 2A 17.10.2015	15 Years	7.27%	131.33	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.
INE134E07562	7.52% TAXFREE BONDS 2B 17.10.2015	15 Years	7.52%	45.18	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.
INE134E07570	7.35% TAXFREE BONDS 3A 17.10.2015	20 Years	7.35%	213.57	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.
INE134E07588	7.60% TAXFREE BONDS 3B 17.10.2015	20 Years	7.60%	155.48	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.
INE134E07232	8.72 % SERIES III INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	0.87	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
INE134E07240	8.72% SERIES IV INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	2.40	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

INE134E07877	PFC Capital Gain Bonds Series III	5 Years	5.75%	92.09	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.
INE134E07885	PFC Capital Gain Bonds Series III	5 Years	5.75%	89.96	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.
INE134E07893	PFC Capital Gain Bonds Series III	5 Years	5.75%	93.08	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.
INE134E07901	PFC Capital Gain Bonds Series III	5 Years	5.75%	94.02	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.

INE134E07919	PFC Capital Gain Bonds Series III	5 Years	5.75%	107.88	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.
INE134E07927	PFC Capital Gain Bonds Series III	5 Years	5.75%	129.01	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.
INE134E07935	PFC Capital Gain Bonds Series IV	5 Years	5.75%	12.44	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.
INE134E07943	PFC Capital Gain Bonds Series IV	5 Years	5.75%	39.39	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.

INE134E07950	PFC Capital Gain Bonds Series IV	5 Years	5.75%	117.99	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.
INE134E07976	PFC Capital Gain Bonds Series IV	5 Years	5.75%	82.56	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.
INE134E07984	PFC Capital Gain Bonds Series IV	5 Years	5.00%	26.03	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.
INE134E07992	PFC Capital Gain Bonds Series IV	5 Years	5.00%	61.44	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.

INE134E07AA8	PFC Capital Gain Bonds Series IV	5 Years	5.00%	45.90	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.
INE134E07AB6	PFC Capital Gain Bonds Series IV	5 Years	5.00%	48.87	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.
INE134E07AC4	PFC Capital Gain Bonds Series IV	5 Years	5.00%	86.18	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.
INE134E07AD2	PFC Capital Gain Bonds Series IV	5 Years	5.00%	76.54	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.

INE134E07AE0	PFC Capital Gain Bonds Series IV	5 Years	5.00%	101.96	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.
INE134E07AF7	PFC Capital Gain Bonds Series IV	5 Years	5.00%	238.47	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.
INE134E07AU6	PFC Capital Gain Bonds Series V	5 Years	5.00%	74.66	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.
INE134E07AV4	PFC Capital Gain Bonds Series V	5 Years	5.00%	66.60	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.

INE134E07AW2	PFC Capital Gain Bonds Series V	5 Years	5.00%	103.86	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.
INE134E07AX0	PFC Capital Gain Bonds Series V	5 Years	5.00%	131.00	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.
INE134E07AY8	PFC Capital Gain Bonds Series V	5 Years	5.00%	106.04	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.
INE134E07AZ5	PFC Capital Gain Bonds Series V	5 Years	5.00%	135.76	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.

INE134E07BA6	PFC Capital Gain Bonds Series V	5 Years	5.00%	94.42	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.
INE134E07BB4	PFC Capital Gain Bonds Series V	5 Years	5.00%	84.94	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.
INE134E07BC2	PFC Capital Gain Bonds Series V	5 Years	5.00%	125.81	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.

INE134E07BD0	PFC Capital Gain Bonds Series V	5 Years	5.00%	111.14	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.
INE134E07BE8	PFC Capital Gain Bonds Series V	5 Years	5.00%	130.49	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.
INE134E07BF5	PFC Capital Gain Bonds Series V	5 Years	5.00%	269.93	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.

INE134E07BG3	PFC Capital Gain Bonds Series VI	5 Years	5.00%	182.00	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.
INE134E07BH1	PFC Capital Gain Bonds Series VI	5 Years	5.00%	190.40	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.
INE134E07BI9	PFC Capital Gain Bonds Series VI	5 Years	5.00%	180.62	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.

INE134E07BJ7	PFC Capital Gain Bonds Series VI	5 Years	5.00%	253.08	31-Jul-22	31-Jul-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.
INE134E07BK5	PFC Capital Gain Bonds Series VI	5 Years	5.00%	146.19	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.
INE134E07BL3	PFC Capital Gain Bonds Series VI	5 Years	5.00%	214.67	30-Sep-22	30-Sep-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.

INE134E07BM1	PFC Capital Gain Bonds Series VI	5 Years	5.00%	176.41	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.
NE134E07BN9	PFC Capital Gain Bonds Series VI	5 Years	5.00%	200.25	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.
INE134E07BO7	PFC Capital Gain Bonds Series VI	5 Years	5.00%	212.29	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.

INE134E07BP4	PFC Capital Gain Bonds Series VI	5 Years	5.00%	191.69	31-Jan-23	31-Jan-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.
INE134E07BQ2	PFC Capital Gain Bonds Series VI	5 Years	5.00%	212.41	28-Feb-23	28-Feb-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.
INE134E07BR0	PFC Capital Gain Bonds Series VI	5 Years	5.00%	440.88	31-Mar-23	31-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.

INE134E07BT6	PFC Capital Gain Bonds Series VII	5 Years	5.25%	171.00	30-Apr-23	30-Apr-28	Secured	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.
INE134E07BV2	PFC Capital Gain Bonds Series VII	5 Years	5.25%	216.65	31-May-23	31-May-28	Secured	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.
INE134E07CE6	PFC Capital Gain Bonds Series VII	5 Years	5.25%	229.09	30-Jun-23	30-Jun-28	Secured	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.

INE134E07CD8	PFC Capital Gain Bonds Series VII	5 Years	5.25%	335.11	31-Jul-23	31-Jul-28	Secured	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.
INE134E07CC0	PFC Capital Gain Bonds Series VII	5 Years	5.25%	197.70	31-Aug-23	31-Aug-28	Secured	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.
INE134E07CB2	PFC Capital Gain Bonds Series VII	5 Years	5.25%	203.76	30-Sep-23	30-Sep-28	Secured	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.

INE134E07AI1	PI TR I SER II CAT I-II	5 Years	5.65	27.05	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.
INE134E07AJ9	PI TR I SER II CAT III-IV	5 Years	5.8	3.50	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.
INE134E07AK7	PI TR I SER III CAT I-II	10 Years	6.63	0.50	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.

INE134E07AL5	PI TR I SER III CAT III-IV	10 Years	6.82	28.74	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.
INE134E07AM3	PI TR I SER IV CAT I-II	10 Years	6.8	33.67	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.
INE134E07AN1	PI TR I SER IV CAT III-IV	10 Years	7	1,635.53	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.

INE134E07AO9	GSEC LINK PI TR I SER V CAT I-II	10 Years	6.58	10.35	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.
INE134E07AP6	GSEC LNK PI TR I SER V CAT III-IV	10 Years	6.83	1,250.73	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.
INE134E07AQ4	PI TR I SER VI CAT I-II	15 Years	6.78	3.50	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.
INE134E07AR2	PI TR I SER VI CAT III-IV	15 Years	6.97	53.36	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.

INE134E07AS0	PI TR I SER VII CAT I-II	15 Years	6.95	50.05	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.
INE134E07AT8	PI TR I SER VII CAT III-IV	15 Years	7.15	1,330.05	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.
INE134E07CG1	PI Series I - Category I & II	3 Years	7.45%	62.17 - - - - -	01-Aug-23	01-Aug-26	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CF3	PI Series I - Category III & IV	3 Years	7.50%	59.93 - - - - -	01-Aug-23	01-Aug-26	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.

INE134E07CI7	PI Series II - Category I & II	10 Years	7.47%	362.51 - - - - -	01-Aug-23	01-Aug-33	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of atleast 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CH9	PI Series II - Category III & IV	10 Years	7.53%	45.48 - - - - -	01-Aug-23	01-Aug-33	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CJ5	PI Series III - Category I & II	15 Years	7.50%	183.71 - - - - -	01-Aug-23	01-Aug-38	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of atleast 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CK3	PI Series III - Category III & IV	15 Years	7.55%	2,110.68 - - - - -	01-Aug-23	01-Aug-38	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of atleast 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CA4	5 25 SEC 54EC BD SR 7 2324 10	5 Years	5.25%	206.55	31-Oct-2023	31-Oct-2028	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.
INE134E07BZ3	5 25 SEC 54EC BD SR 7 2324 11	5 Years	5.25%	189.83	30-Nov-2023	30-Nov-2028	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.
INE134E07BY6	5 25 SEC 54EC BD SR 7 2324 12	5 Years	5.25%	202.23	31-Dec-2023	31-Dec-2028	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.
INE134E07BX8	5 25 SEC 54EC BD SR 7 2324 01	5 Years	5.25%	183.54	31-Jan-2024	31-Jan-2029	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.
INE134E07BU4	5 25 SEC 54EC BD SR 7 2324 02	5 Years	5.25%	203.56	29-Feb-2024	01-Mar-2029	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.
INE134E07BW0	5 25 SEC 54EC BD SR 7 2324 03	5 Years	5.25%	401.98	31-Mar-2024	31-Mar-2029	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.
INE134E08CN5	Bond Series 61	15 Years	8.50%	351.00	15-Dec-09	15-Dec-24	Unsecured	N.A.
INE134E08CP0	Bond Series 62-B	15 Years	8.80%	1,172.60	15-Jan-10	15-Jan-25	Unsecured	N.A.
INE134E08CS4	Bond Series 63	15 Years	8.90%	184.00	15-Mar-10	15-Mar-25	Unsecured	N.A.
INE134E08CV8	Bond Series 64	15 Years	8.95%	492.00	30-Mar-10	30-Mar-25	Unsecured	N.A.
INE134E08CY2	Bond Series 65	15 Years	8.70%	1,337.50	14-May-10	14-May-25	Unsecured	N.A.
INE134E08DA0	Bond Series 66-B	15 Years	8.75%	1,532.00	15-Jun-10	15-Jun-25	Unsecured	N.A.
INE134E08DB8	Bond Series 66-C	20 Years	8.85%	633.00	15-Jun-10	15-Jun-30	Unsecured	N.A.
INE134E08DJ1	Bond Series 71	15 Years	9.05%	385.40	15-Dec-10	15-Dec-25	Unsecured	N.A.
INE134E08SR2	Bond Series 76-B	15 Years	9.46%	1,105.00	01-Aug-11	01-Aug-26	Unsecured	N.A.
INE134E08DU8	Bond Series 77-B	15 Years	9.45%	2,568.00	01-Sep-11	01-Sep-26	Unsecured	N.A.
INE134E08FL2	Bond Series 101-B	15 Years	9.00%	1,370.00	11-Mar-13	11-Mar-28	Unsecured	N.A.
INE134E08FO6	Bond Series 102-A (III)	15 Years	8.90%	403.00	18-Mar-13	18-Mar-28	Unsecured	N.A.
INE134E08FQ1	Bond Series 103	15 Years	8.94%	2,807.00	25-Mar-13	25-Mar-28	Unsecured	N.A.
INE134E08GH8	Bond Series 118-B-III	15 Years	9.39%	460.00	27-Aug-14	27-Aug-29	Unsecured	N.A.
INE134E08GK2	Bond Series 120-A	10 Years	8.98%	961.00	08-Oct-14	08-Oct-24	Unsecured	N.A.
INE134E08GL0	Bond Series 120-B	10 Years	8.98%	950.00	08-Oct-14	08-Oct-24	Unsecured	N.A.
INE134E08GU1	Bond Series 124-C	10 Years	8.48%	1,000.00	09-Dec-14	09-Dec-24	Unsecured	N.A.
INE134E08GV9	Bond Series 125	10 Years	8.65%	2,826.00	29-Dec-14	28-Dec-24	Unsecured	N.A.
INE134E08GW7	Bond Series 126	10 Years	8.65%	5,000.00	05-Jan-15	04-Jan-25	Unsecured	N.A.
INE134E08GY3	Bond Series 128	10 Years	8.20%	1,600.00	10-Mar-15	10-Mar-25	Unsecured	N.A.
INE134E08HD5	Bond Series 130-C	10.09 Years	8.39%	925.00	19-Mar-15	19-Apr-25	Unsecured	N.A.
INE134E08HG8	Bond Series 131-C	10 Years	8.41%	5,000.00	27-Mar-15	27-Mar-25	Unsecured	N.A.

INE134E08HX3	Bond Series 141-B	10 Years	8.40%	1,000.00	18-Sep-15	18-Sep-25	Unsecured	N.A.
INE134E08IE1	Bond Series 147	10 Years	8.03%	1,000.00	02-May-16	02-May-26	Unsecured	N.A.
INE134E08II2	Bond Series 150-B	10 Years	7.63%	1,675.00	16-Aug-16	16-Aug-26	Unsecured	N.A.
INE134E08IK8	Bond Series 151-B	10 Years	7.56%	210.00	16-Sep-16	16-Sep-26	Unsecured	N.A.
INE134E08IL6	Bond Series 152	10 Years	7.55%	4,000.00	26-Sep-16	25-Sep-26	Unsecured	N.A.
INE134E08IO0	Bond Series 155	10 Years	7.23%	2,635.00	05-Jan-17	05-Jan-27	Unsecured	N.A.
INE134E08JC3	Bond Series 168B	10 Years	7.44%	1,540.00	12-Jun-17	11-Jun-27	Unsecured	N.A.
INE134E08JE9	Bond Series 169B	10 Years	7.30%	1,500.00	08-Aug-17	07-Aug-27	Unsecured	N.A.
INE134E08JG4	Bond Series 170B	10 Years	7.65%	2,001.00	22-Nov-17	22-Nov-27	Unsecured	N.A.
INE134E08JH2	Bond Series 171(LIC)	10 Years	7.62%	5,000.00	15-Dec-17	15-Dec-27	Unsecured	N.A.
INE134E08JI0	Bond Series 172	10 Years	7.74%	850.00	30-Jan-18	29-Jan-28	Unsecured	N.A.
INE134E08JP5	Bond Series 177	10 Years	7.85%	3,855.00	03-Apr-18	03-Apr-28	Unsecured	N.A.
INE134E08JQ3	Bond Series 178	10 Years	8.95%	3,000.00	10-Oct-18	10-Oct-28	Unsecured	N.A.
INE134E08JR1	Bond Series179(A)	10 Years	8.67%	1,007.40	19-Nov-18	18-Nov-28	Unsecured	N.A.
INE134E08JS9	Bond Series179(B)	15 Years	8.64%	528.40	19-Nov-18	19-Nov-33	Unsecured	N.A.
INE134E08JT7	Bond Series 180	15 Years	8.75%	2,654.00	22-Feb-19	22-Feb-34	Unsecured	N.A.
INE134E08KA5	Bond Series 186	15 Years	8.79%	2,578.90	30-Apr-19	29-Apr-34	Unsecured	N.A.
INE134E08KC1	Bond Series187(B)	10 Years	8.85%	1,982.10	27-May-19	25-May-29	Unsecured	N.A.
INE134E08KE7	Bond Series 189	15 Years	8.15%	4,035.00	08-Aug-19	08-Aug-34	Unsecured	N.A.
INE134E08KF4	Bond Series 190	15 Years	8.25%	4,016.00	06-Sep-19	06-Sep-34	Unsecured	N.A.
INE134E08KH0	Bond Series 192	5 Years	7.42%	3,000.00	19-Nov-19	19-Nov-24	Unsecured	N.A.
INE134E08KI8	Bond Series 193	10 Years	7.93%	4,710.50	31-Dec-19	31-Dec-29	Unsecured	N.A.
INE134E08KK4	Bond Series 195	10.25 Years	7.86%	1,100.00	14-Jan-20	12-Apr-30	Unsecured	N.A.
INE134E08KL2	Bond Series 196	10 Years	7.41%	2,500.00	25-Feb-20	25-Feb-30	Unsecured	N.A.
INE134E08KM0	Bond Series 197	10.21 Years	7.41%	5,000.00	02-Mar-20	15-May-30	Unsecured	N.A.
INE134E08KP3	Bond Series-199 B	5 Years	7.16%	1,320.00	24-Apr-20	24-Apr-25	Unsecured	N.A.
INE134E08KQ1	Bond Series-200	10 Years	7.40%	2,920.00	08-May-20	08-May-30	Unsecured	N.A.
INE134E08KR9	Bond Series-201	10.17 Years	7.68%	3,101.30	15-May-20	15-Jul-30	Unsecured	N.A.

INE134E08KT5	Bond Series 202-B	5 Years	7.17%	810.00	22-May-20	22-May-25	Unsecured	N.A.
INE134E08KU3	Bond Series-202-C	10.17 Years	7.79%	1,936.00	22-May-20	22-Jul-30	Unsecured	N.A.
INE134E08KV1	Bond Series-203-B	10 Years	7.75%	3,318.00	11-Jun-20	11-Jun-30	Unsecured	N.A.
INE134E08KL2	Bond Series -196 (Reissuance-1)	9.62 Years	7.41%	1,500.00	14-Jul-20	25-Feb-30	Unsecured	N.A.
INE134E08KX7	Bond Series204-A	4.71 Years	5.77%	900.00	28-Jul-20	11-Apr-25	Unsecured	N.A.
INE134E08KY5	Bond Series 204-B	10.71 Years	6.88%	1,300.00	28-Jul-20	11-Apr-31	Unsecured	N.A.
INE134E08KZ2	Bond Series205-A	10 Years	7.05%	1,610.10	10-Aug-20	09-Aug-30	Unsecured	N.A.
INE134E08LA3	Bond Series-205-B	15 Years	7.20%	1,605.70	10-Aug-20	10-Aug-35	Unsecured	N.A.
INE134E08LC9	Bond Series-207	10.27 Years	7.04%	1,097.40	09-Sep-20	16-Dec-30	Unsecured	N.A.
INE134E08LD7	Bond Series-208	5 Years	6.50%	2,806.00	17-Sep-20	17-Sep-25	Unsecured	N.A.
INE134E08LE5	Bond Series-209	15 Years	7.34%	1,711.00	29-Sep-20	29-Sep-35	Unsecured	N.A.
INE134E08LC9	Bond Series-207 (Reissuance-1)	10.1 Years	7.04%	2,549.10	11-Nov-20	16-Dec-30	Unsecured	N.A.
INE134E08LF2	BS 210-A Tr. I	4 Years	6.35	405.60	30-Jun-21	30-Jun-25	Unsecured	N.A.
INE134E08LG0	BS 210-A Tr. II	5 Years	6.35	540.80	30-Jun-21	30-Jun-26	Unsecured	N.A.
INE134E08LH8	BS 210-A Tr. III	6 Years	6.35	405.60	30-Jun-21	30-Jun-27	Unsecured	N.A.
INE134E08LI6	Bond Series 210-B	15 Years	7.11	1,933.50	30-Jun-21	30-Jun-36	Unsecured	N.A.
INE134E08LK2	Series 212-A	5 years	6.09	2,450.00	27-Aug-21	27-Aug-26	Unsecured	N.A.
INE134E08LL0	Series 212-B	15 years	7.15	2,343.70	27-Aug-21	27-Aug-36	Unsecured	N.A.
INE134E08LM8	Series 213	10 years	6.95	1,988.00	01-Oct-21	01-Oct-31	Unsecured	N.A.
INE134E08LN6	Series 214	10.32 years	6.92	1,180.00	21-Dec-21	14-Apr-32	Unsecured	N.A.
INE134E08LO4	Series 215	3 years	7.13	2,420.00	10-Aug-22	08-Aug-25	Unsecured	N.A.
INE134E08LP1	Series 216	3.89 years	7.13	3,000.00	24-Aug-22	15-Jul-26	Unsecured	N.A.
INE134E08LQ9	Series 217A	10 years	7.42	4,000.00	08-Sep-22	08-Sep-32	Unsecured	N.A.
INE134E08LR7	Series 217B STRPP I	3 years	7.15	276.40	08-Sep-22	08-Sep-25	Unsecured	N.A.
INE134E08LS5	Series 217B STRPP II	4 years	7.15	276.40	08-Sep-22	08-Sep-26	Unsecured	N.A.

INE134E08LT3	Series 217B STRPP III	5 years	7.15	276.40	08-Sep-22	08-Sep-27	Unsecured	N.A.
INE134E08LU1	Series 218	3 years	7.59	1,450.00	03-Nov-22	03-Nov-25	Unsecured	N.A.
INE134E08LV9	Series 219	15 years	7.65	4,000.00	14-Nov-22	13-Nov-37	Unsecured	N.A.
INE134E08LW7	Series 220	10.34 years	7.58	470.00	14-Dec-22	15-Apr-33	Unsecured	N.A.
INE134E08LY3	Series 221A	15 years	7.72	2,782.70	19-Dec-22	19-Dec-37	Unsecured	N.A.
INE134E08LX5	Series 221B	5.08 years	7.59	3,500.00	19-Dec-22	17-Jan-28	Unsecured	N.A.
INE134E08LZ0	Series 222	3.05 years	7.58	2,540.00	27-Dec-22	15-Jan-26	Unsecured	N.A.
INE134E08MA1	Series 223	10 Years	7.64	3,500.00	22-Feb-23	22-Feb-33	Unsecured	N.A.
INE134E08MB9	Series 224	15 Years	7.82	3,468.50	06-Mar-23	06-Mar-38	Unsecured	N.A.
INE134E08MC7	Series 225A	3.33 Years	7.77	3,262.70	13-Mar-23	15-Jul-26	Unsecured	N.A.
INE134E08MF0	Series 225B STRPP I	7 Years	7.82	625.00	13-Mar-23	13-Mar-30	Unsecured	N.A.
INE134E08MG8	Series 225B STRPP II	8 Years	7.82	625.00	13-Mar-23	13-Mar-31	Unsecured	N.A.
INE134E08ME3	Series 225B STRPP III	9 Years	7.82	625.00	13-Mar-23	13-Mar-32	Unsecured	N.A.
INE134E08MD5	Series 225B STRPP IV	10 Years	7.82	625.00	13-Mar-23	13-Mar-33	Unsecured	N.A.
INE134E08MH6	Series 226A	10 Years	7.66	1,200.00	27-Mar-23	15-Apr-33	Unsecured	N.A.
INE134E08MI4	Series 226B	10 Years	7.7	583.50	27-Mar-23	15-Apr-33	Unsecured	N.A.
INE134E08MK0	Series 227A	3.46 Years	7.7	1,200.00	31-Mar-23	15-Sep-26	Unsecured	N.A.
INE134E08MJ2	Series 227B	5 Years	7.77	1,390.00	31-Mar-23	15-Apr-28	Unsecured	N.A.
INE134E08JX9	Bond Series184(B)	10 Years	9.10%	2,411.50	25-Mar-19	23-Mar-29	Unsecured	N.A.
INE134E08JZ4	Bond Series 185	10 Years	8.98%	1,000.00	28-Mar-19	28-Mar-29	Unsecured	N.A.
INE134E08ML8	Bond Series 228A	3.24 years	7.55%	2,330.00	20-Apr-23	15-Jul-26	Unsecured	N.A.
INE134E08MM6	Bond Series 228B	10.24 years	7.62%	2,102.00	20-Apr-23	15-Jul-33	Unsecured	N.A.
INE134E08MN4	Bond Series 229	5 years	7.44%	1,550.00	10-May-23	10-May-28	Unsecured	N.A.
INE134E08MO2	Bond Series 230	3 years	7.37%	2,990.00	22-May-23	22-May-26	Unsecured	N.A.
INE134E08KK4	Bond Series 195-R1	6.87 years	7.86%	1,260.00	01-Jun-23	12-Apr-30	Unsecured	N.A.
INE134E08LN6	Bond Series 214-R1	8.88 years	6.92%	1,330.00	01-Jun-23	14-Apr-32	Unsecured	N.A.
INE134E08MP9	Bond Series 231	15 years	7.48%	3,896.90	20-Jun-23	19-Jun-38	Unsecured	N.A.

INE134E08KT5	Bond Series 202B-R1	1.86 years	7.17%	3,100.00	12-Jul-23	22-May-25	Unsecured	N.A.
INE134E08MQ7	Bond Series 232	10 years	7.57%	3,000.00	12-Jul-23	12-Jul-33	Unsecured	N.A.
INE134E08MS3	Bond Series 233A ZCB	3 years	0.00%	501.59	25-Aug-23	25-Aug-26	Unsecured	N.A.
INE134E08MT1	Bond Series 233B	3 years	7.64%	2,500.00	25-Aug-23	25-Aug-26	Unsecured	N.A.
INE134E08MR5	Bond Series 233C	10 years	7.60%	3,500.00	25-Aug-23	25-Aug-33	Unsecured	N.A.
INE134E08MU9	Bond Series 234	10 years	7.70%	2,625.00	30-Nov-23	30-Nov-3	Unsecured	N.A.
INE134E08MV7	Bond Series 235	15 years	7.69%	3,335.00	15-Dec-23	15-Dec-38	Unsecured	N.A.
INE134E08MW5	Bond Series 236	Perpetual	7.88%	100.00	15-Feb-24	_	Unsecured	N.A.
INE134E08MX3	Bond Series 237A	5 years	7.60%	3,000.00	22-Feb-24	13-Apr-29	Unsecured	N.A.
INE134E08MY1	Bond Series 237B	10 years	7.49%	3,000.00	22-Feb-24	22-Feb-34	Unsecured	N.A.
INE134E08MZ8	Bond Series 238	3 years	7.55%	2,754.00	13-Mar-24	15-Apr-27	Unsecured	N.A.
INE134E08NA9	Bond Series 239	10.13 years	7.44%	3,178.00	31-May-24	15-Jul-34	Unsecured	N.A.
INE134E08NB7	Series 240	14.90 years	7.32%	3,050.00	22-Aug-24	15-Jul-39	Unsecured	N.A.
INE134E08NC5	Series 241	10.12 years	7.30%	2,741.10	04-Sep-24	16-Oct-34	Unsecured	N.A.
INE134E08ND3	Series 242A	7.06 years	7.27%	3,500.00	23-Sep-24	15-Oct-31	Unsecured	N.A.
INE134E08NE1	Series 242B	15.07 years	7.22%	3,226.55	23-Sep-24	15-Oct-39	Unsecured	N.A.

Annexure IB - Details of Outstanding Secured Term Loans

Details of Outstanding Secured Term Loans as on 30 September 2024

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Last Repayment Date/ Schedule	Security	Rating	Classification
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	1,500.00	375.00	25-Feb-25	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.)	AAA	Standard
Bank of India	Rupee Term Loan	1,000.00	500.00	02-Mar-25			
State Bank of India	Rupee Term Loan	5,000.00	1,425.00	10-Jul-25			
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	225.00	56.25	30-Sep-25			
Union Bank of India	Rupee Term Loan	2,000.00	450.00	30-Sep-25			

Annexure IC - Details of Outstanding Unsecured Term Loans

Details of Outstanding Unsecured Term Loans as on 30 September 2024:-

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Last Repayment Date/ Schedule	Rating	Classification
State Bank of India	Rupee Term Loan	3,000.00	3,000.00	19-Dec-24	A1+	Standard
Union Bank of India (erstwhile Andhra bank)	Rupee Term Loan	800.00	200.00	15-Jan-25		
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	1,000.00	333.34	20-Mar-25	AAA	Standard
Union Bank	Rupee Term Loan	2,500.00	625.00	23-Mar-25		
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	30-Sep-25		
KEB Hana Bank	Rupee Term Loan	100.00	75.00	17-Nov-25		
Karnataka Bank	Rupee Term Loan	250.00	187.50	08-Feb-26		
Canara Bank	Rupee Term Loan	500.00	150.00	23-Mar-26		
South Indian Bank	Rupee Term Loan	200.00	200.00	30-Mar-26		
Bank of India	Rupee Term Loan	1,000.00	500.00	11-Sep-26		
Canara Bank	Rupee Term Loan	2,000.00	800.00	22-Sep-26		
UCO Bank	Rupee Term Loan	1,000.00	1,000.00	24-Sep-26		
Punjab National Bank	Rupee Term Loan	500.00	500.00	27-Sep-26		
Punjab National Bank	Rupee Term Loan	5.00	5.00	29-Sep-26		
IIFCL	Rupee Term Loan	1,000.00	1,000.00	30-Sep-26		
Bank of India	Rupee Term Loan	2,000.00	2,000.00	02-Mar-27		
Central Bank of India	Rupee Term Loan	1,000.00	1,000.00	31-Mar-27		
UCO Bank	Rupee Term Loan	1,000.00	1,000.00	30-Mar-28		
Union Bank of India	Rupee Term Loan	3,000.00	3,000.00	31-Mar-28		
South Indian Bank	Rupee Term Loan	200.00	199.96	31-May-28		
Canara Bank	Rupee Term Loan	2,500.00	2,500.00	30-Jun-28		
HDFC Bank	Rupee Term Loan	4,000.00	4,000.00	05-Jul-28		
Bank of India	Rupee Term Loan	500.00	400.00	18-Sep-28		
South Indian Bank	Rupee Term Loan	200.00	199.96	19-Sep-28		
Punjab National Bank	Rupee Term Loan	3,000.00	3,000.00	29-Sep-28		
NSSF	Rupee Term Loan	7,500.00	7,500.00	27-Dec-28		
IIFCL	Rupee Term Loan	2,000.00	2,000.00	28-Feb-29		
Punjab and Sind Bank	Rupee Term Loan	1,000.00	1,000.00	30-Mar-29		

Union Bank of India	Rupee Term Loan	1,500.00	837.19	27-Sep-29		
Bank of Baroda	Rupee Term Loan	5,000.00	5,000.00	17-Nov-29		
HDFC Bank	Rupee Term Loan	4,000.00	4,000.00	25-Sep-30		
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	05-Sep-30		
State Bank of India	Rupee Term Loan	7,000.00	7,000.00	30-Sep-33		
State Bank of India	Rupee Term Loan	2,000.00	2,000.00	30-Sep-33		
NABFID	Rupee Term Loan	3,500.00	3,500.00	31-Mar-38		
NABFID	Rupee Term Loan	1,000.00	1,000.00	01-Mar-39		
Canara Bank	Rupee Term Loan	2,000.00	3,814.75	30-Sep-27		
Bank of Baroda	Short Term Loan	2,500.00	3500.00	30-Sep-25		
Punjab and Sind Bank	Short Term Loan	500.00	5,00.00	15-Apr-25		
Karnataka Bank	Rupee Term Loan	250.00	2,50.00	29-Jun-26		
Karnataka Bank	Rupee Term Loan	300.00	3,00.00	30-Aug-27		

Annexure ID - Details of Outstanding Foreign Currency Borrowings

Details of outstanding Foreign Currency Borrowings as on 30-September-2024

Sl. No.	Lender's Name	Type of Facility	Amount Sanctioned (in FC)	Principal Amount Outstanding (in FC)	Repayment Date/ Schedule	Credit Rating#
1.	KFW	Foreign Currency Loan	Deutsche Mark 46.5 million	Euro 4.12 million	30.06.2035 *	
2.	Asian Development Bank	Foreign Currency Loan	USD 150.00 million	USD 4.10 million	15.10.2028 *	
3.	BPI France Assurance Export (formerly known as Natixis / Credit National France) (on behalf of the Government of the Republic of France)	Foreign Currency Loan	FRF 164.6 million	Euro 0.68 million	30.06.2028 *	
4.	3.75% USD Green bonds 2027	Bonds 2027	USD 400.00 million	USD 400.00 million	06.12.2027	BBB- by Fitch and Baa3 by Moody's as on date of issuance BBB- by Fitch and Baa3 by Moody's as on date of issuance
5.	5.25% USD Bonds 2028	Bonds 2028	USD 300.00 million	USD 300.00 million	10.08.2028	
6.	6.15% USD bonds 2028	Bonds 2028	USD 500.00 million	USD 500.00 million	06.12.2028	
7.	4.50% USD Bonds 2029	Bonds 2029	USD 600.00 million	USD 600.00 million	18.06.2029	
8.	3.90% USD Bonds 2029	Bonds 2029	USD 450.00 million	USD 450.00 million	16.09.2029	
9.	State Bank of India, Hong Kong	Foreign Currency Loan-syndicated loan-XXIX	USD 250.00 million	USD 250.00 million	20.12.2024	
10.	3.95% USD bonds 2030	Bonds 2030	USD 750.00 million	USD 750.00 million	17.04.2030	
11.	Exim Bank of India	Foreign Currency Loan-Term Loan-30 (USD 100m)	USD 100.00 million	USD 100.00 million	13.10.2025	
12.	DBS Bank Ltd. acting as facility agent through its branch in Singapore on behalf of various lenders	Foreign Currency Loan-syndicated loan-30 (USD 300m)	USD 300.00 million	USD 300.00 million	05.11.2025	
13.	3.35% USD Bonds 2031	Bonds 2031	USD 500.00 million	USD 500.00 million	16.05.2031	BBB- by Fitch and Baa3 by Moody's as on date of issuance

14.	1.841% EUR Bond 2028	Bonds 2028	EUR 300.00 million	EUR 300.00 million	21.09.2028	
15.	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	30.11.2026	
16.	Exim Bank of India	Foreign Currency Term Loan – 31 B	USD 100.00 million	USD 100.00 million	30.11.2026	
17.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Term Loan – 32 A	JPY 89,208.00 million	JPY 89,208.00 million	28.12.2028*	
18.	KFW	KFW (DIF)	EUR 131.90 million	EUR 76.51 million	15.11.2031*	
19.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Term Loan – 32 B	JPY 26,762.00 million	JPY 26,762.00 million	05.01.2030	
20.	Japan Bank for International Cooperation	JBIC PLA 1	JPY 2,650.00 million	JPY 2,558.62 million	20.04.2038*	
21.	Bank of Baroda, New York	33 A FCTL USD 500M 250923 (Tranche I)	USD 250 million	USD 250 million	25.09.2028	
22.	Bank of Baroda, New York	33 A FCTL USD 500M 250923 (Tranche II)	USD 250 million	USD 250 million	27.09.2028	
23.	Japan Bank for International Cooperation	JBIC PLA 2	JPY 1,850 million	JPY 1,212.81 million	20.07.2036*	
24.	FCNR (B) Loan from SBI	9 FCNR USD 110M 271223	USD 110 million	USD 110 million	27.12.2024	
25.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	33 B FCTL USD 600M 191223	USD 600 million	USD 600 million	19.12.2028	
26.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 A FCTL USD 250M 220324	USD 250 million	USD 250 million	22.03.2029	

27.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 B FCTL JPY 7577M 220324	JPY 7,576.75 million	JPY 7,576.75 million	22.06.2029	
28.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 C FCTL JPY 22730M 220324	JPY 22,730.25 million	JPY 22,730.25 million	22.03.2031	
29.	FCNR (B) Loan from SBI	10 FCNR USD TO JPY 37850M 280324	JPY 37,850 million	JPY 37,850 million	28.03.2025	
30.	FCTL from HSBC	FCTL SACE EUR 200 Mn	EUR 200 million	EUR 200 million	18.06.2036*	
31.	FCNR (B) Loan from Bank of Baroda	11 FCNR USD 175M 130924	USD 175 million	USD 175 million	12.09.2025	
32.	SMBC acting as facility agent on behalf of various lenders	FCTL VIII JPY 25500M 260924	JPY 25,500 million	JPY 25,500 million	18.07.2042*	
33.	State Bank of India acting as facility agent through its Gift City branch on behalf of various lenders	35 A FCTL JPY 52419M 260924	JPY 52,419.48 million	JPY 52,419.48 million	26.09.2029	
34.	State Bank of India acting as facility agent through its Gift City branch on behalf of various lenders	35 B FCTL EUR 225M 260924	EUR 450.65 million	EUR 225.33 million	26.09.2029	
35.	State Bank of India acting as facility agent through its Gift City branch on behalf of various lenders		USD 400 million	-	-	

*Re-payment is staggered

#The outstanding foreign currency long term portfolio is rated AAA by CARE, CRISIL and ICRA and the outstanding foreign currency short term portfolio is rated as A1+ by CARE, CRISIL and ICRA

Annexure IE - Summary of audited financials of last three years

Standalone Basis

(₹ in crore)

Particulars	As on/for the period ended 30.09.2024 (Un-audited) IND-AS	As on/for the Year ended 31.03.2024 (Audited) IND-AS	As on/for the Year ended 31.03.2023 (Audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS
BALANCE SHEET				
Assets				
Property, Plant and Equipment	44.08	42.08	44.00	44.72
Financial Assets	5,17,824.56	5,00,885.11	4,39,943.82	3,89,438.46
Non-financial Assets excluding property , plant and equipment	4,460.41	4,655.82	4845.24	4926.83
Total Assets	**5,22,329.05**	**5,05,583.01**	**4,44,833.06**	**3,94,410.01**
Liabilities				
Financial Liabilities				
-Derivative financial instruments	283.09	353.73	24.32	103.25
-Trade Payables	8.47	14.92	13.41	-
-Debt Securities	3,00,460.61	2,94,267.80	2,59,827.05	2,30,156.95
-Borrowings (other than Debt Securities)	1,22,693.81	1,16,606.04	1,01,228.89	87,965.42
-Subordinated liabilities	3,675.29	5,519.72	9,311.84	9,311.27
-Other financial liabilities	8,169.10	8,633.29	5,521.34	6,803.99
Non-Financial Liabilities				
-Current tax liabilities (net)	177.24	15.31	105.02	194.92
-Provisions	369.58	412.09	323.65	247.00
-Other non-financial liabilities	567.80	556.62	272.38	276.93
Equity (Equity Share Capital and Other Equity)	85,924.06	79,203.49	68,202.23	59,350.28
Total Liabilities and Equity	**5,22,329.05**	**5,05,583.01**	**4,44,833.06**	**3,94,410.01**
PROFIT AND LOSS				

Revenue from operations	25,116.67	46,022.46	39,651.75	38,545.40
Other Income	14.88	11.64	13.88	45.77
Total Income	**25,131.55**	**46,034.10**	**39,665.63**	**38,591.17**
Total Expense	**15,139.79**	**28,408.41**	**25,495.01**	**26,363.52**
Profit after tax for the year	9,991.76	14,367.02	11,605.47	10,021.90
Other Comprehensive income	490.27	1,388.46	(159.67)	180.83
Total Comprehensive Income	8,578.59	15,755.48	11445.80	10202.73
Earnings per equity share (Basic)	24.51	43.53	35.17	37.96
Earnings per equity share (Diluted)	24.51	43.53	35.17	37.96
Cash Flow				
Net cash from / used in(-) operating activities	(6,352.69)	(38,680.43)	(35,740.75)	6,738.42
Net cash from / used in(-) investing activities	(27.45)	(1,472.81)	(713.97)	(30.53)
Net cash from / used in (-)financing activities	6,856.52	40,152.86	35,755.95	(9,704.64)
Net increase/decrease(-) in cash and cash equivalents	476.38	(0.38)	(698.77)	(2996.71)
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year	498.14	21.76	22.14	720.91
Additional Information				
Net worth	85,924.06	79,203.49	68,202.23	59,350.28
Cash and cash equivalents	498.14	21.76	22.14	720.91
Loans				
Loans	4,34,998.81	4,25,026.85	3,75,889.12	3,34,237.63
Total Debts to Total Assets	0.80	0.84	0.85	0.85
Interest Income	23,736.01	43,641.14	37,645.31	36,701.22
Interest Expense	14,999.69	28,013.78	23,282.57	22,671.30
Impairment on Financial Instruments				
Bad Debts to Loans			-	
% Stage 3 Loans on Loans(Principal Amount)	2.71%	3.34%	3.91%	5.61%

% Net Stage 3 Loans on Loans (Principal Amount)	0.72%	0.85%	1.07%	1.76%
Tier I Capital Adequacy Ratio (%)	22.29%	23.81%	21.61%	20.00%
Tier II Capital Adequacy Ratio (%)	2.09%	2.23%	2.76%	3.48%

*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.

Consolidated Basis

(₹ in crore)

Particulars	**As on/for the period ended 30.09.2024 (Un-audited) IND-AS**	**As on/for the Year ended 31.03.2024 (Audited) IND-AS**	**As on/for the Year ended 31.03.2023 (Audited) IND-AS**	**As on/for the year ended 31.03.2022 (Audited) IND-AS**
BALANCE SHEET				
Assets				
Property, Plant and Equipment	712.62	723.71	737.66	668.94
Financial Assets	10,94,785.99	10,30,491.96	8,86,765.53	7,81,845.48
Non-financial Assets excluding Property , Plant and Equipment	7,839.08	7,632.66	8591.26	8466.4
Assets Classified as held for sale	23.69	29.05	17.41	19.45
Total Assets	11,03,361.38	10,38,877.38	8,96,111.86	7,91,000.27
Liabilities				
Financial Liabilities				
-Derivative financial instruments	3,228.40	1,113.43	1,001.27	656.39
-Trade Payables	153.75	113.72	64.28	49.75
-Other Payables	7.05	-	-	-
-Debt Securities	5,88,436.37	5,60,331.04	4,96,729.38	4,49,731.56
-Borrowings (other than Debt Securities)	3,10,962.81	2,88,698.09	2,38,343.00	1,94,616.98
-Deposits	-	-	-	-
-Subordinated liabilities	11,047.85	12,931.93	16,085.14	16,127.74
-Lease liabilities	-	-	-	-
-Other financial liabilities	42,458.96	39,944.66	30,964.67	32,598.98
Non-Financial Liabilities				

-Current tax liabilities (net)	475.24	82.82	133.34	219.15
-Provisions	494.65	549.43	438.11	356.55
-Other non-financial liabilities	938.06	823.72	384.79	368.01
Equity (Equity Share Capital and Other Equity)	1,10,046.15	1,01,146.77	84,158.49	71,676.24
Non-controlling interest	35,112.09	33,141.77	27,822.79	24,598.91
Total Liabilities and Equity	**1,45,158.24**	**10,38,877.38**	**8,96,111.86**	**7,91,000.27**
PROFIT AND LOSS				
Revenue from operations	50,438.55	91,096.72	77,568.30	76,261.66
Other Income	52.86	78.15	56.89	83.26
Total Income	**50,491.41**	**91,174.87**	**77,625.19**	**76,344.92**
Total Expenses	**32,229.88**	**57,586.57**	**51,129.13**	**52,940.30**
Profit after tax for the year	14,396.96	26,461.18	21,178.59	18,768.21
Other Comprehensive Income	(678.62)	2,432.73	(1,130.71)	121.57
Total Comprehensive Income	13,718.34	28,893.91	20,047.88	18,889.78
Earnings per equity share (Basic)	32.86	59.88	48.15	53.08
Earnings per equity share (Diluted)	32.86	59.88	48.15	53.08
Cash Flow				
Net cash from / used in(-) operating activities	(34,740.00)	(97,820.41)	(74,698.93)	1,632.47
Net cash from / used in(-) investing activities	(1,029.05)	(3,408.99)	(1,693.58)	(366.55)
Net cash from / used in (-)financing activities	40,912.61	1,01,261.30	75,518.27	(5,279.42)
Net increase/decrease(-) in cash and cash equivalents	5,143.56	31.90	(874.24)	(4013.50)
Cash and cash equivalents as per Cash Flow Statement as at end of the year	5,215.47	71.90	40.00	914.24

Additional Information				
Net worth	1,45,158.24	1,34,288.54	1,11,981.28	96,275.15
Cash and cash equivalents	5,215.47	71.90	40.00	914.24
Loans	9,52,905.99	9,01,905.72	7,82,105.85	6,93,075.26
Total Debts to Total Assets	0.81	0.87	0.87	0.88
Interest Income	49,924.59	90,085.40	76,495.93	74,887.12
Interest Expense	31,525.81	57,962.20	47,016.78	44,708.78
Impairment on Financial Instruments				
Bad Debts to Loans			-	-

List of Attachments

1. Copy of resolution passed the Board of Directors of the Company at their meeting held February 29, 2024.
2. Copy of Rating Letters from CARE, CRISIL, ICRA.
3. General Information Document (GID) dated 25.05.2024.
4. Financial Results

मनीष कुमार अग्रवाल
महाप्रबंधक एवं कंपनी सचिव
MANISH KUMAR AGARWAL
General Manager & Company Secretary

पावर फाइनेंस कार्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(भारत सरकार का उपक्रम) (A Govt. of India Undertaking)
(आई.एस.ओ. 45001:2018 प्रमाणित) (ISO 45001:2018 Certified)

No: 1:05:138:1:CS
Dated: 29.02.2024

National Stock Exchange of India Limited, Listing Department, Exchange Plaza, Bandra – Kurla Complex, Bandra (E) **MUMBAI – 400 051.**	**BSE Limited,** Department of Corporate Services, Floor – 25, PJ Towers, Dalal Street, **MUMBAI – 400 001.**
नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड लिस्टिंग विभाग, एक्सचेंज प्लाजा, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई-400 051	बीएसई लिमिटेड, कॉर्पोरेट सेवाएं विभाग, मंजिल-25, पी .जे .टावर्स, दलाल स्ट्रीट, मुंबई-400001

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 22.02.2024, we would like to inform that, the Board of Directors of Power Finance Corporation Ltd. (PFC) in its meeting held today i.e. 29.02.2024 have inter-alia approved the following proposal:

1. Raising of resources for the Financial Year 2024-25 through Bonds, Term loans, Commercial Paper (CP) etc. from domestic & international markets.

Sl. No.	Source Amount	Amount (Maximum) (₹ In Crore)#
1.	**Long Term Borrowings**	
	A. Through Domestic Currency Borrowing from Capital Gain Bonds (u/s 54EC) and Public Issues of Bonds through various instruments.	90000
	B. Through Domestic Currency Borrowing excluding from Capital Gain Bonds and Public Issues of Bonds through various instruments such as:- (i) Private Placement of - 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 /Structured Debt Securities / Market Linked Debt Securities / Green / Social / ESG Bonds/ 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	

ऊर्जानिधि, 1, बाराखम्बा लेन, कनॉट प्लेस, नई दिल्ली–110001 दूरभाष : 011–23456740 ईपीएबीएक्स : 011–23412545
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001 Phones : 011-23456740 EPABX : 011-23412545
ई–मेल/E-mail : mk_agrawal@pfcindia.com वैबसाईट/Website : www.pfcindia.com
CIN : L65910DL1986GOI024862

	(ii) Term Loan from Banks/FIs/GOI etc. (iii) Domestic borrowing through any other long term instrument.	
	C. Through **Foreign Currency Borrowings by way of issuance of instruments like :** (i) Loans such as term loans, syndicated loans, subordinated loans, FCNR(B) loans, loans from multilateral agencies. (ii) Bonds/Notes such as unsecured/secured bonds, perpetual bonds, green bonds, subordinated bonds. (iii) Any other instrument for raising Foreign Currency Borrowings/ Rupee denominated Foreign Currency Borrowings. (*equivalent to approx. USD 2.40 Billion)	20000*
2	**Short Term Borrowings:**	
	A. Through Domestic Currency Borrowings through various instruments such as Short Term Loans/ ICDs (excluding WCDL/CC/OD facilities) outstanding at any point of time during FY 2024-25. B. Through Foreign Currency Borrowings by way of issuance of instruments like FCNR(B) loans outstanding at any point of time during FY 2024-25.	15000
	C. Through Commercial Paper	5000
	Total	**1,30,000**

 # Funds raised and prepaid during the year to be excluded from this limit.

- The Company may borrow upto ₹ 1,30,000 crore in the FY 2024-25 excluding funds raised under Extra Budgetary Resource (EBR), subject to the borrowing limit as approved by the shareholders under 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 3.00 pm and concluded at 4.40 pm.....

This is submitted for your information and record.

Thanking you,

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

Manish Kumar Agarwal
Digitally signed by Manish Kumar Agarwal
Date: 2024.02.29 16:47:55 +05'30'

(Manish Kumar Agarwal)
Company Secretary & Compliance Officer
mk_agarwal@pfcindia.com

CONFIDENTIAL

RL/PFCLMTD/339809/BOND/0225/109970/46652115
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Bonds Aggregating Rs.65989.14 Crore# of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/BOND/0125/108031/46652115

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

#This amount excludes long-term borrowing programmes for fiscals 2021, 2022 and 2023, which are listed separately in the rows above. However, the amount includes Rs 5,000 crore of extra budgetary resources to be raised on behalf of the Ministry of Power.

Disclaimer: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-1301

CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0225/109973/105380348
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.10000 Crore Long-Term Borrowing Programme^* of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0125/108037/105380348

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

Disclaimer: *A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-1301*

^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures
^Short term borrowing programme for fiscal 2023 (refers to financial year, April 1 to March 31).

**To be interchangeable with short term borrowing programme*

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CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0225/109975/168549679
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.10000 Crore Long-Term Borrowing Programme%* of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0125/108042/168549679

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

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%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 105,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,05,000 crore, total incremental long-term borrowing programme not to exceed Rs 88,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 7,000 crore (including commercial paper upto Rs 5,400 Crore), at any point in time during fiscal 2024. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

**To be interchangeable with short term borrowing programme*

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CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0225/109976/167323436
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.88000 Crore Long-Term Borrowing Programme% of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0125/108040/167323436

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

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%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 105,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,05,000 crore, total incremental long-term borrowing programme not to exceed Rs 88,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 7,000 crore (including commercial paper upto Rs 5,400 Crore), at any point in time during fiscal 2024. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

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CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0225/109967/92142435
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.105000 Crore Long-Term Borrowing Programme^ of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0125/108033/92142435

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@Crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

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^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures
^Short term borrowing programme for fiscal 2023 (refers to financial year, April 1 to March 31).

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Crisil Ratings Limited
Corporate Identity Number: U67100MH2019PLC326247

Office Address: Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai – 400 072, India.
Registered Office Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076, India.
Phone: +91 22 6137 3000 | www.crisilratings.com

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CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0225/109969/87986249
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Long-Term Borrowing Programme Aggregating Rs.482000 Crore~ of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0125/108035/87986249

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@Crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

~Borrowing programme for previous fiscals

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CONFIDENTIAL

RL/PFCLMTD/339809/PNCD/0225/109974/89091683
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil rating on the Rs.1000 Crore Perpetual Non Convertible Debentures of Power Finance Corporation Limited.

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/PNCD/0125/108038/89091683

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

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CONFIDENTIAL

RL/PFCLMTD/339809/STBP/0225/109968/92144060
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.7000 Crore Short-Term Borrowing Programme% of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/STBP/0125/108032/92144060

Rating outstanding on the captioned debt instruments is Crisil A1+ (pronounced as "Crisil A one plus rating"). 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 clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
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 105,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,05,000 crore, total incremental long-term borrowing programme not to exceed Rs 88,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 7,000 crore (including commercial paper upto Rs 5,400 Crore), at any point in time during fiscal 2024. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

Disclaimer: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-1301

CONFIDENTIAL

RL/PFCLMTD/339809/STBP/0225/109972/168549692
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Rs.15000 Crore Short-Term Borrowing Programme^ of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/STBP/0125/108039/168549692

Rating outstanding on the captioned debt instruments is Crisil A1+ (pronounced as "Crisil A one plus rating"). 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 clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures
^Short term borrowing programme for fiscal 2023 (refers to financial year, April 1 to March 31).

Disclaimer: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-1301

CONFIDENTIAL

RL/PFCLMTD/339809/SUBNCD/0225/109971/61577668
February 24, 2025

Mr. Alok Ranjan Mallick
General Manager – Finance
Power Finance Corporation Limited
Urjanidhi, Barakhamba Lane,
Connaught Place
New Delhi - 110001

Dear Mr. Alok Ranjan Mallick,

Re: Crisil Rating on the Subordinated Non-Convertible Debentures Aggregating Rs.13000 Crore of Power Finance Corporation Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated January 29, 2025 bearing Ref. no: RL/PFCLMTD/339809/SUBNCD/0125/108034/61577668

Rating outstanding on the captioned debt instruments is “Crisil AAA/Stable” (pronounced as “Crisil triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@Crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

Disclaimer: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-1301

No. CARE/NRO/RL/2024-25/3597

Shri Alok Ranjan Mallick
General Manager
Power Finance Corporation Limited
Ujanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi
Delhi 110001

February 24, 2025

Confidential

Dear Sir,

Credit rating for market borrowing programme of FY25

This has reference to your e-mail dated February 21, 2025, on the above subject.

2. In this connection, we invite your attention to our rating letter no. CARE/NRO/RL/2024-25/2230 dated September 30, 2024 (enclosed as Annexure – II) reaffirming the rating of 'CARE AAA; Stable / CARE A1+' (Triple A; Outlook: Stable / A One Plus) to the market borrowing programme of your company.
3. The above rating(s) are valid for the facilities, as updated in **Annexure - I**.
4. 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 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.
5. All the other clauses vide our letter dated September 30, 2024, would continue to apply for the above rating(s).

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Yogesh Rochani
Lead Analyst
yogesh.rochani@careedge.in

Jatin Arora
Assistant Director
jatin.arora@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

1. Long Term Facilities

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	39,670.56*		
2.	External Commercial Borrowings	3,375.48	21 November 2029	FCTL
3.	External Commercial Borrowings	3,039.62	September 26, 2029	FCTL
4.	State Bank of India	3,000.00	December 19, 2034	TL
5.	Canara Bank	2,306.20	June 29, 2027	TL
6.	External Commercial Borrowings	2,094.35	September 26, 2029	FCTL
7.	External Commercial Borrowings	1,989.00	December 24, 2029	ECB
8.	HSBC Ltd.	1,805.65	June 18, 2036	FCL
9.	Japan Bank for International Cooperation	1,476.97	July 20, 2042	FCL
10.	External Commercial Borrowings	1,468.59	13 September 2025	FCNR
11.	External Commercial Borrowings	1,264.44	29 November 2025	FCTL
12.	India Infrastructure Finance Company Ltd.	1,179.80	January 09, 2030	TL
13.	External Commercial Borrowings	937.00	December 27 2025	FCNR
14.	Canara Bank	758.00	June 29, 2027	TL
15.	Canara Bank	750.00	June 29, 2027	TL
16.	Punjab National Bank	615.00	December 07 2029	TL
17.	India Infrastructure Finance Company Ltd.	573.30	January 07, 2030	TL
18.	India Infrastructure Finance Company Ltd.	343.10	December 09 2029	TL
19.	Karnataka Bank Ltd.	300.00	August 30, 2028	TL
20.	Karnataka Bank Ltd.	250.00	June 29, 2026	TL
21.	India Infrastructure Finance Company Ltd.	115.00	January 08, 2030	TL
22.	Japan Bank for International Cooperation	15.66	July 20, 2036	FCL
23.	External Commercial Borrowings	871.00	February 06, 2030	FCTL
23.	Proposed	36,801.28		
	Total	**1,05,000.00****		

*Details of rated instruments is annexed below



**including sublimit of ₹500 crore for perpetual debts

Total Long Term Facilities : Rs.1,05,000.00 crore

2. Short Term Facilities

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms
1.	Bank of Baroda	1,883.70	30 September 2025
2.	Punjab & Sind Bank	500.00	15 April 2025
3.	Bank of Baroda	455.76	02 September 2025
4.	Bank of Baroda	102.78	03 September 2025
5.	Bank of Baroda	35.88	31 August 2025
6.	Bank of Baroda	21.88	30 August 2025
7.	Proposed	12,000.00	
	Total	**15,000.00***	

**Including sublimit of up to ₹5,000.00 crore for commercial paper*

Total Short Term Facilities : Rs.15,000.00 crore

3. Long Term / Short Term Facilities

3.A. Fund Based Limits

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

Total Long Term / Short Term Facilities : Rs.10,000.00 crore

Total Facilities (1.A+2.A+3.A) : Rs.1,30,000.00 crore

Details of rated instruments

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
54EC Capital Gain Bonds					
54EC Capital Gain Bonds (April-Lot 1)	INE134E07CL1	30 April 2024	5.25%	30 April 2029	84.00
54EC Capital Gain Bonds (April-Lot 2)	INE134E07CL1	30 April 2024	5.25%	30 April 2029	101.16
54EC Capital Gain Bonds (May-Lot 1)	INE134E07CM9	31 May 2024	5.25%	31 May 2029	103.81
54EC Capital Gain Bonds (May-Lot 2)	INE134E07CM9	31 May 2024	5.25%	31 May 2029	105.45
54EC Capital Gain Bonds (June-Lot 1)	INE134E07CN7	30 June 2024	5.25%	30 June 2029	88.69
54EC Capital Gain Bonds (June-Lot 2)	INE134E07CN7	30 June 2024	5.25%	30 June 2029	81.24



Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
54EC Capital Gain Bonds (July-Lot 1)	INE134E07CQ0	31 July 2024	5.25%	31 July 2029	124.36
54EC Capital Gain Bonds (July-Lot 2)	INE134E07CQ0	31 July 2024	5.25%	31 July 2029	197.42
54EC Capital Gain Bonds (August-Lot 1)	INE134E07CO5	31 August 2024	5.25%	31 August 2029	65.56
54EC Capital Gain Bonds (August-Lot 2)	INE134E07CO5	31 August 2024	5.25%	31 August 2029	85.06
54EC Capital Gain Bonds (September-Lot 1)	INE134E07CP2	30 Sep 2024	5.25%	30 September 2029	66.67
54EC Capital Gain Bonds (September-Lot 2)	INE134E07CP2	30 Sep 2024	5.25%	30 September 2029	73.55
54EC Capital Gain Bonds (October-Lot 1)	INE134E07CS6	31 October 2024	5.25%	31 October 2029	75.48
54EC Capital Gain Bonds (October-Lot 2)	INE134E07CS6	31 October 2024	5.25%	31 October 2029	86.83
54EC Capital Gain Bonds (November-Lot 1)	INE134E07CU2	30 November 2024	5.25%	30 November 2029	63.91
54EC Capital Gain Bonds (November-Lot 2)	INE134E07CU2	30 November 2024	5.25%	30 November 2029	86.11
54EC Capital Gain Bonds (December-Lot 1)	INE134E07CW8	31 December 2024	5.25%	31 December 2029	79.46
54EC Capital Gain Bonds (December-Lot 2)	INE134E07CW8	31 December 2024	5.25%	31 December 2029	65.82
54EC Capital Gain Bonds (January-Lot 1)	INE134E07CT4	31 January 2025	5.25%	31 January 2030	58.33
Taxable Bonds: Private Placement					
Series 239	INE134E08NA9	31 May 2024	7.44%	15 July 1934	3,178.00
Series 240	INE134E08NB7	22 August 2024	7.32%	15 July 1939	3,050.00
Series 241	INE134E08NC5	04 Sep 2024	7.30%	16 October 1934	2,741.10
Series 242 A	INE134E08ND3	23 Sep 2024	7.27%	15 October 1931	3,500.00
Series 242 B	INE134E08NE1	23 Sep 2024	7.22%	15 October 1939	3,226.55
Series 243A	INE134E08NG6	10 December 2024	7.11%	16 January 2040	3,200.00
Series 243B	INE134E08NF8	10 December 2024	7.10%	15 January 2035	3,052.00
Series 244A	INE134E08NI2	23 December 2024	7.16%	16 January 2040	2,700.00
Series 244B	INE134E08NH4	23 December 2024	7.40%	15 January 2030	2,545.00
Series 245A	INE134E08NJ0	06 February 2025	7.24%	15 January 2035	2,500.00
Series 245B	INE134E08NK8	06 February 2025	7.25%	16 January 2045	1,450.00
Series 246A	INE134E08NL6	20 February 2025	7.42%	15 April 2028	4,000.00
Series 246B	INE134E08NM4	20 February 2025	7.38%	15 January 2032	2,835.00



Annexure II

No. CARE/NRO/RL/2024-25/2230

Shri Alok Ranjan Mallick
General Manager
Power Finance Corporation Limited
Ujanidhi, 1, Barakhamba Lane,
Connaught Place,
New Delhi
Delhi 110001

September 30, 2024

Confidential

Dear Sir,

Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of your Company for FY24 (Audited) and Q1FY25 (Unaudited), our Rating Committee has reviewed the following ratings:

Facilities	Amount (₹ crore)	Rating[1]	Rating Action
Long-term market borrowing programme (FY13)	5,237.50	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY14)	4,226.36	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY15)	18,722.00 (Reduced from 20,037.00)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY16)	2,000.01	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY17)	14,520.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY18)	14,198.26	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY22)	37,730.86 (Reduced from 39,715.86)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed

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

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
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CIN-L67190MH1993PLC071691

CARE Ratings Limited

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CIN-L67190MH1993PLC071691

Facilities	Amount (₹ crore)	Rating[1]	Rating Action
Long-term market borrowing programme (FY23)	72,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY24)	87,500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Perpetual Bonds (FY24)	500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY25) *	1,05,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY19)	32,632.43 (Reduced from 32,777.81)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY20)	62,725.76 (Reduced from 65,046.41)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term market borrowing programme (FY21)	49,935.74	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
LT/ST Instrument market borrowing programme (FY24)	10,000.00	CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable / A One Plus)	Reaffirmed
LT/ST Instrument market borrowing programme (FY25)	10,000.00	CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable / A One Plus)	Reaffirmed
Short-term market borrowing programme (FY24)	2,868.50 (Reduced from 7,000.00)	CARE A1+ (A One Plus)	Reaffirmed
Short-term market borrowing programme (FY25) **	15,000.00	CARE A1+ (A One Plus)	Reaffirmed
Short-term market borrowing programme (FY23)	4,428.87 (Reduced from 8,257.62)	CARE A1+ (A One Plus)	Reaffirmed

*Including sublimit of up to ₹ 500.00 crore for perpetual debt
**Including sublimit of up to ₹ 5,000.00 crore for commercial paper

2. Refer **Annexure 1** for details of rated facilities.

3. 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 October 07, 2024, we will proceed on the basis that you have no any comments to offer.

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

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CIN-L67190MH1993PLC071691

4. 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.

5. 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.

6. 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.

7. 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.

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

9. CARE Ratings Ltd. ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Deepshi Panda
Lead Analyst
deepshi.panda@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@careedge.in

Encl.: As above

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
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CIN-L67190MH1993PLC071691

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Annexure 1

Details of Rated Facilities

1. Long Term Facilities

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	5,131.20		
2.	Kfw Development Bank	38.42	30-Jun-35	Foreign Currency Term Loan
3.	Asian Development Bank	14.04	15-Oct-25	Foreign Currency Term Loan
4.	Credit National	9.95	30-Jun-28	Foreign Currency Term Loan
5.	Asian Development Bank	5.05	15-Oct-26	Foreign Currency Term Loan
6.	Asian Development Bank	4.94	15-Apr-26	Foreign Currency Term Loan
7.	Asian Development Bank	3.49	15-Apr-27	Foreign Currency Term Loan
8.	Asian Development Bank	2.92	15-Oct-27	Foreign Currency Term Loan
9.	Asian Development Bank	1.93	15-Apr-28	Foreign Currency Term Loan
10.	Asian Development Bank	1.01	15-Oct-28	Foreign Currency Term Loan
11.	Asian Development Bank	0.82	15-Apr-27	Foreign Currency Term Loan
12.	Proposed	23.73		
	Total	**5,237.50**		

*Details of instrument is annexed below

1.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	23,132.17		
2.	National Small Saving Fund (NSSF)	7,500.00	01-Feb-24	Foreign Currency Term Loan
3.	Bank of India	500.00	25-Feb-2025	Rupee Term Loan
4.	Punjab National Bank	375.00	27-Dec-2028	Rupee Term Loan
5.	Bank of Tokyo-Mitsubishi UFJ Ltd.	265.01	02-Mar-2025	Rupee Term Loan
6.	Proposed	860.25		
	Total	**32,632.43**		

*Details of instrument is annexed below

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1.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	51,267.56		
2.	State Bank of India	2,086.34	20-Dec-24	Foreign Currency Term Loan
3.	State Bank of India	1,170.00	19-Dec-2024	Rupee Term Loan
4.	Union Bank of India	625.00	23-Mar-2025	Rupee Term Loan
5.	State Bank of India	500.00	19-Dec-2024	Rupee Term Loan
6.	State Bank of India	470.00	19-Dec-2024	Rupee Term Loan
7.	Indian Bank	445.20	02-Jan-2027	Rupee Term Loan
8.	State Bank of India	430.00	19-Dec-2024	Rupee Term Loan
9.	Union Bank of India	400.00	15-Jan-2025	Rupee Term Loan
10.	Punjab National Bank	333.33	20-Mar-2025	Rupee Term Loan
11.	State Bank of India	262.20	19-Dec-2024	Rupee Term Loan
12.	Canara Bank	218.75	20-Mar-2024	Rupee Term Loan
13.	Canara Bank	200.00	23-Mar-2026	Rupee Term Loan
14.	State Bank of India	167.80	19-Dec-2024	Rupee Term Loan
15.	Punjab National Bank	112.50	30-Sep-25	Rupee Term Loan
16.	Union Bank of India	100.00	30-Sep-24	Rupee Term Loan
17.	Indian Bank	54.80	02-Jan-2027	Rupee Term Loan
18.	Proposed	3,882.28	20-Mar-2025	
	Total	**62,725.76**		

*Details of instrument is annexed below

1.D. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	38,022.07		
2.	State Bank of India	2,140.00	10-Jul-2025	Rupee Term Loan
3.	State Bank of India	1,251.80	05-Nov-25	Foreign Currency Term Loan
4.	Union Bank of India	900.00	30-Sep-2025	Rupee Term Loan
5.	Canara Bank	900.00	22-Sep-2026	Rupee Term Loan
6.	Export Import Bank of India	834.53	13-Oct-25	Foreign Currency Term Loan
7.	Punjab National Bank	834.53	05-Nov-25	Foreign Currency Term Loan
8.	Bank of India	750.00	11-Sep-2026	Rupee Term Loan
9.	Indian Bank	562.50	28-Sep-2025	Rupee Term Loan

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
10.	DBS Bank Limited	417.27	05-Nov-25	Foreign Currency Term Loan
11.	Proposed	3,323.04		
	Total	**49,935.74**		

*Details of instrument is annexed below

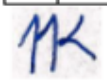
1.E. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	19,733.02		
2.	HDFC Bank Ltd.	3,000.00	30-Sep-2025	Rupee Term Loan
3.	Union Bank of India	3,000.00	31-Mar-2028	Rupee Term Loan
4.	State Bank of India	2,294.97	30-Nov-26	Foreign Currency Term Loan
5.	Bank of Baroda	1,251.80	30-Nov-26	Foreign Currency Term Loan
6.	India Infrastructure Finance Company Ltd.	1,000.00	30-Sep-2026	Rupee Term Loan
7.	Central Bank of India	1,000.00	31-Mar-2027	Rupee Term Loan
8.	UCO Bank	1,000.00	24-Sep-2026	Rupee Term Loan
9.	Export Import Bank of India	834.53	30-Nov-26	Foreign Currency Term Loan
10.	Canara Bank	834.53	30-Nov-26	Foreign Currency Term Loan
11.	Punjab National Bank	425.00	27-Sep-2026	Rupee Term Loan
12.	Bank of India	300.00	18-Sep-2028	Rupee Term Loan
13.	Yes Bank Ltd.	300.00		WCDL
14.	Bank of India	100.00	18-Sep-2028	Rupee Term Loan
15.	Punjab National Bank	75.00	27-Sep-2026	Rupee Term Loan
16.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
17.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
18.	Punjab National Bank	5.00	29-Sep-2026	Rupee Term Loan
19.	Proposed	2,477.01		
	Total	**37,730.86**		

*Details of instrument is annexed below

1.F. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	39,670.70		





Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
2.	ICICI Bank Ltd.	6,000.00		WCDL
3.	National Bank for Financing Infrastructure and Dev	3,500.00	31-Mar-2038	Rupee Term Loan
4.	State Bank of India	3,000.00		WCDL
5.	Canara Bank	2,250.00	28-Jun-2028	Rupee Term Loan
6.	Bank of Baroda	1,500.00	17-Nov-2029	Rupee Term Loan
7.	Bank of Baroda	1,100.00	17-Nov-2029	Rupee Term Loan
8.	Bank of Baroda	1,050.00	17-Nov-2029	Rupee Term Loan
9.	Indian Overseas Bank	1,000.00	30-Sep-2028	Rupee Term Loan
10.	State Bank of India,Hong Kong	914.03	28-Dec-28	Foreign Currency Term Loan
11.	State Bank of India,Hong Kong	913.75	28-Dec-26	Foreign Currency Term Loan
12.	State Bank of India,Hong Kong	913.75	28-Dec-27	Foreign Currency Term Loan
13.	Bank of Baroda	850.00	17-Nov-2029	Rupee Term Loan
14.	Sumitomo Mitsui Trust Bank Limited - Singapore Bra	765.56	05-Jan-30	Foreign Currency Term Loan
15.	Kfw Development Bank	682.85	15-Nov-31	Foreign Currency Term Loan
16.	Punjab & Sind Bank	604.50	30-Mar-2029	Rupee Term Loan
17.	Indian Overseas Bank	500.00	30-Mar-2029	Unsecured Rupee Term Loan
18.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
19.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
20.	IndusInd Bank Ltd.	500.00		WCDL
21.	Bank of Baroda	500.00	17-Nov-2029	Rupee Term Loan
22.	Punjab & Sind Bank	395.50	30-Mar-2029	Rupee Term Loan
23.	IDFC First Bank Ltd.	350.00		WCDL
24.	RBL Bank Limited	300.00		WCDL
25.	Mizuho Bank Ltd.	250.00		WCDL
26.	Canara Bank	250.00	30-Jun-2028	Rupee Term Loan
27.	NTT TC Leasing Co. Limited	207.44	05-Jan-30	FCL
28.	MUFG Bank Limited (GIFT Branch)	195.13	28-Dec-26	Foreign Currency Term Loan
29.	MUFG Bank Limited (GIFT Branch)	195.13	28-Dec-27	Foreign Currency Term Loan
30.	MUFG Bank Limited (GIFT Branch)	195.13	28-Dec-28	Foreign Currency Term Loan
31.	Bank of China Ltd.	191.88	28-Dec-26	FCL
32.	Bank of China Ltd.	191.88	28-Dec-27	FCL
33.	Bank of China Ltd.	191.88	28-Dec-28	FCL
34.	Chang Hwa Commercial Bank Limited	155.58	05-Jan-30	FCL

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
35.	Taiwan Cooperative Bank, Offshore Banking Branch	155.58	05-Jan-30	FCL
36.	SBI Shinsei	103.72	05-Jan-30	FCL
37.	Norinchukin Bank	86.43	28-Dec-26	Foreign Currency Term Loan
38.	Norinchukin Bank	86.43	28-Dec-27	Foreign Currency Term Loan
39.	Norinchukin Bank	86.43	28-Dec-28	FCL
40.	Credit Agricole Corporate and Investment Bank (Hon	85.67	28-Dec-26	Foreign Currency Term Loan
41.	Credit Agricole Corporate and Investment Bank (Hon	85.67	28-Dec-27	Foreign Currency Term Loan
42.	Credit Agricole Corporate and Investment Bank (Hon	85.67	28-Dec-28	Foreign Currency Term Loan
43.	KEB Hana Bank	75.00	17-Nov-2025	Rupee Term Loan
44.	SBI Shinsei	34.57	28-Dec-26	FCL
45.	SBI Shinsei	34.57	28-Dec-27	FCL
46.	SBI Shinsei	34.57	28-Dec-28	FCL
47.	Gunma Bank	34.57	28-Dec-26	FCL
48.	Gunma Bank	34.57	28-Dec-27	FCL
49.	Gunma Bank	34.57	28-Dec-28	FCL
50.	Proposed	657.29		
	Total	**72,000.00**		

*Details of instrument is annexed below

1.G. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	39,441.06		
2.	HDFC Bank Ltd.	2,627.00	05-Jul-28	RTL
3.	Bank of Baroda	2,086.34	25-Sep-28	FCL
4.	Bank of Baroda	2,086.34	27-Sep-28	FCL
5.	Punjab National Bank	2,071.98	29-Sep-2028	Rupee Term Loan
6.	India Infrastructure Finance Company Ltd.	2,000.00	28-Feb-2029	Rupee Term Loan
7.	HDFC Bank Ltd.	1,782.91	25-Sep-30	RTL
8.	HSBC Ltd.	1,669.07	19-Dec-28	FCL
9.	HDFC Bank Ltd.	1,626.22	25-Sep-30	RTL

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
10.	State Bank of India	1,538.22	30-Sep-2033	RTL
11.	HDFC Bank Ltd.	1,289.27	05-Sep-30	Rupee Term Loan
12.	HDFC Bank Ltd.	1,267.27	05-09-2030	RTL
13.	State Bank of India	1,225.86	30-Sep-33	RTL
14.	State Bank of India	1,022.89	30-Sep-2033	RTL
15.	HDFC Bank Ltd.	1,010.00	05-Jul-28	RTL
16.	Bank of India	971.91	02-03-2027	RTL
17.	Union Bank of India	837.19	27-Sep-29	RTL
18.	IDBI Bank Ltd.	834.53	19-12-2028	FCL
19.	Punjab National Bank	828.66	29-Sep-2028	RTL
20.	State Bank of India	805.00	30-Sep-2033	RTL
21.	National Bank for Financing Infrastructure and Dev	737.57	01-03-2039	RTL
22.	State Bank of India	607.68	30-Sep-2033	RTL
23.	HDFC Bank Ltd.	590.87	25-Sep-30	RTL
24.	Bank of India	544.27	02-Mar-2027	Rupee Term Loan
25.	State Bank of India	499.70	30-Sep-2033	RTL
26.	State Bank of India	439.49	30-Sep-2033	RTL
27.	Bank of India	420.39	02-03-2027	RTL
28.	Axis Bank Ltd.	417.27	19-Dec-28	FCL
29.	HDFC Bank Ltd.	384.14	05-Sep-30	Rupee Term Loan
30.	State Bank of India	356.95	30-Sep-2033	RTL
31.	State Bank of India	350.25	30-Sep-33	RTL
32.	State Bank of India	302.91	30-Sep-2033	RTL
33.	State Bank of India	292.26	30-Sep-2033	RTL
34.	National Bank for Financing Infrastructure and Dev	262.43	01-03-2039	RTL
35.	State Bank of India	230.00	30-Sep-2033	RTL
36.	HDFC Bank Ltd.	221.05	05-Jul-2028	RTL
37.	South Indian Bank Ltd.	200.00	30-Mar-2026	Rupee Term Loan
38.	South Indian Bank Ltd.	199.96	31-May-28	RTL
39.	State Bank of India	190.65	30-Sep-2033	RTL
40.	State Bank of India	183.34	30-Sep-2033	RTL
41.	State Bank of India	180.57	30-Sep-2033	RTL
42.	State Bank of India	173.62	30-Sep-2033	RTL

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
43.	Karnataka Bank Ltd.	172.00	08-02-2026	RTL
44.	South Indian Bank Ltd.	156.32	19-Sep-28	RTL
45.	State Bank of India	142.77	30-Sep-2033	RTL
46.	Japan Bank for International Cooperation	103.23	20-Apr-38	FCL
47.	State Bank of India	101.99	30-Sep-2033	RTL
48.	Punjab National Bank	99.36	29-Sep-28	RTL
49.	State Bank of India	86.54	30-Sep-2033	RTL
50.	State Bank of India	86.23	30-Sep-2033	RTL
51.	Bank of India	63.43	02-Mar-2027	Rupee Term Loan
52.	HDFC Bank Ltd.	60.95	05-Jul-2028	RTL
53.	HDFC Bank Ltd.	59.32	05-Sep-30	Rupee Term Loan
54.	State Bank of India	54.47	30-Sep-2033	RTL
55.	State Bank of India	52.38	30-Sep-2033	RTL
56.	State Bank of India	51.59	30-Sep-2033	RTL
57.	Japan Bank for International Cooperation	51.52	20-Jul-36	FCL
58.	Karnataka Bank Ltd.	46.75	08-02-2026	RTL
59.	HDFC Bank Ltd.	46.00	05-Jul-28	RTL
60.	HDFC Bank Ltd.	35.00	05-Jul-28	RTL
61.	South Indian Bank Ltd.	34.20	19-Sep-28	RTL
62.	State Bank of India	24.64	30-Sep-2033	RTL
63.	South Indian Bank Ltd.	9.44	19-Sep-28	RTL
64.	Proposed	11,154.78		
	Total	**87,500.00**		

*Details of instrument is annexed below

1.H. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	9,855.23		
2.	HSBC Ltd.	1,784.98	June 18, 2036	FCL
3.	Canara Bank	758.55	June 29, 2027	TL
4.	Canara Bank	750.00	June 29, 2027	TL
5.	SMBC	550.00	WCDL	

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
6.	Karnataka Bank Ltd.	250.00	June 29, 2026	TL
7.	Japan Bank for International Cooperation	15.21	July 20, 2036	FCL
8.	Proposed	91,036.03		
	Total	**1,05,000.00**		

*Details of instrument is annexed below

Total Long Term Facilities : Rs.5,06,428.92 crore

2. Short Term Facilities

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Remarks
1.	HDFC Bank Ltd.	3,500.00	WCDL
2.	Proposed	928.87	
	Total	**4,428.87**	

2.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	ICICI Bank Ltd.	1,186.56	28-Jun-24	FCNR
2.	State Bank of India	917.11	27-Dec-24	FCL
3.	HDFC Bank Ltd.	644.00	04.07.2024	STL
4.	Proposed	120.83		
	Total	**2,868.50**		

2.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	15,000.00
	Total	**15,000.00**

Total Short Term Facilities : Rs.22,297.37 crore

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3. Long Term / Short Term Facilities

3.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	State Bank of India	2,086.34	19-Dec-28	FCL
2.	DBS Bank India Ltd.	2,086.34	22-Mar-29	FCL
3.	State Bank of India	1,962.90	28-Mar-25	FCL
4.	SMBC	1,178.79	22-Mar-31	FCL
5.	SMBC	392.93	22-Jun-29	FCL
6.	Japan Bank for International Cooperation	29.46	20-Apr-38	FCL
7.	Proposed	2,263.24		
	Total	**10,000.00**		

3.B. Fund Based Limits

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

Total Long Term / Short Term Facilities : Rs.20,000.00 crore

Total Facilities (1.A+1.B+1.C+1.D+1.E+1.F+1.G+1.H+2.A+2.B+2.C+3.A+3.B) : Rs.5,48,726.29 crore

Details of instrument

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
7.38% Tax Free Bond Series 94-B	INE134E07307	22-Nov-2012	7.38	22-Nov-2027	25.00	CARE AAA; Stable
7.38% Tax Free Bonds Series 95 B	INE134E07323	29-Nov-2012	7.38	29-Nov-2027	100.00	CARE AAA; Stable
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.36	04-Jan-2028	179.99	CARE AAA; Stable
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.86	04-Jan-2028	177.01	CARE AAA; Stable
7.04% TR-2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.04	28-Mar-2028	13.35	CARE AAA; Stable
7.54% TR 2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.54	28-Mar-2028	55.85	CARE AAA; Stable
9.00% PFC BOND SERIES 101-B	INE134E08FL2	11-Mar-2013	9	11-Mar-2028	1370.00	CARE AAA; Stable
8.90% PFC BOND SERIES 102-A	INE134E08FO6	18-Mar-2013	8.9	18-Mar-2028	403.00	CARE AAA; Stable

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Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
(III)						
8.94% PFC BOND SERIES 103	INE134E08FQ1	25-Mar-2013	8.94	25-Mar-2028	2807.00	CARE AAA; Stable
8.46% Tax Free Bond Series 107-B	INE134E07380	30-Aug-2013	8.46	30-Aug-2028	1,011.00	CARE AAA; Stable
8.54% TAX FREE BONDS 13-14 SERIES 2A	INE134E07430	16-Nov-2013	8.54	16-Nov-2028	932.70	CARE AAA; Stable
8.79% TAX FREE BONDS 13-14 SERIES 2B	INE134E07448	16-Nov-2013	8.79	16-Nov-2028	353.32	CARE AAA; Stable
8.67% TAX FREE BONDS 13-14 SERIES 3A	INE134E07455	16-Nov-2013	8.67	16-Nov-2033	1,067.38	CARE AAA; Stable
8.92% TAX FREE BONDS 13-14 SERIES 3B	INE134E07463	16-Nov-2013	8.92	16-Nov-2033	861.96	CARE AAA; Stable
9.37% PFC BOND SERIES 117 OPTION-B	INE134E08GD7	19-Aug-2014	9.37	19-Aug-2024	0.00	Withdrawn
9.39% PFC BOND SERIES 118 OPTION B-II	INE134E08GG0	27-Aug-2014	9.39	27-Aug-2024	0.00	Withdrawn
9.39% PFC BOND SERIES 118 OPTION B-III	INE134E08GH8	27-Aug-2014	9.39	27-Aug-2029	460.00	CARE AAA; Stable
8.98% PFC BOND SERIES 120 Option -A	INE134E08GK2	08-Oct-2014	8.98	08-Oct-2024	961.00	CARE AAA; Stable
8.98% PFC BOND SERIES 120 Option -B	INE134E08GL0	08-Oct-2014	8.98	08-Oct-2024	950.00	CARE AAA; Stable
8 48 TX USC BND SRS 124 C	INE134E08GU1	09-Dec-2014	8.48	09-Dec-2024	1,000.00	CARE AAA; Stable
8 65 TX USC BND SRS 125	INE134E08GV9	29-Dec-2014	8.65	29-Dec-2024	2,826.00	CARE AAA; Stable
8 65 TX USC BND SRS 126	INE134E08GW7	05-Jan-2015	8.65	05-Jan-2025	5,000.00	CARE AAA; Stable
8 20 TX USC BND SRS 128	INE134E08GY3	10-Mar-2015	8.2	10-Mar-2025	1,600.00	CARE AAA; Stable
8 39 TX USC BND SRS 130 C	INE134E08HD5	19-Mar-2015	8.39	19-Apr-2025	925.00	CARE AAA; Stable
8 41 TX USC BND SRS 131 C	INE134E08HG8	27-Mar-2015	8.41	27-Mar-2025	5,000.00	CARE AAA; Stable
7 16 TF SEC BND SRS 136	INE134E07521	17-Jul-2015	7.16	17-Jul-2025	300.00	CARE AAA; Stable
7.11% TAXFREE BONDS 1A 17.10.2025	INE134E07539	17-Oct-2015	7.11	17-Oct-2025	75.10	CARE AAA; Stable
7.36% TAXFREE BONDS 1B 17.10.2015	INE134E07547	17-Oct-2015	7.36	17-Oct-2025	79.35	CARE AAA; Stable
7.27% TAXFREE BONDS 2A 17.10.2015	INE134E07554	17-Oct-2015	7.27	17-Oct-2030	131.33	CARE AAA; Stable
7.52% TAXFREE BONDS 2B 17.10.2015	INE134E07562	17-Oct-2015	7.52	17-Oct-2030	45.18	CARE AAA; Stable
7.35% TAXFREE BONDS 3A 17.10.2015	INE134E07570	17-Oct-2015	7.35	17-Oct-2035	213.57	CARE AAA; Stable
7.60% TAXFREE BONDS 3B 17.10.2015	INE134E07588	17-Oct-2015	7.6	17-Oct-2035	155.48	CARE AAA; Stable
8 40 TX USC BND SRS 141 B	INE134E08HX3	18-Sep-2015	8.4	18-Sep-2025	1,000.00	CARE AAA; Stable
8 03 TX USC BND SRS 147	INE134E08IE1	02-May-2016	8.03	02-May-2026	1,000.00	CARE AAA; Stable
7 63 TX USC BND SRS 150 B	INE134E08II2	16-Aug-2016	7.63	16-Aug-2026	1,675.00	CARE AAA; Stable
7 56 TX USC BND SRS 151 B	INE134E08IK8	16-Sep-2016	7.56	16-Sep-2026	210.00	CARE AAA; Stable
7 55 TX USC BND SRS 152	INE134E08IL6	26-Sep-2016	7.55	26-Sep-2026	4,000.00	CARE AAA; Stable
7 23 TX USC BND SRS 155	INE134E08IO0	05-Jan-2017	7.23	05-Jan-2027	2,635.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
156	INE134E08IP7	11-01-2017	7.10%	11-Jan-27	200.00	CARE AAA; Stable
158	INE134E08IR3	20-01-2017	7.18%	20-Jan-27	1,335.00	CARE AAA; Stable
160	INE134E08IT9	20-02-2017	7.60%	20-Feb-27	1,465.00	CARE AAA; Stable
164	INE134E08IX1	22-03-2017	7.75%	22-Mar-27	2,000.00	CARE AAA; Stable
7 44 TX USC BND SRS 168 B	INE134E08JC3	12-Jun-2017	7.44	12-Jun-2027	1,540.00	CARE AAA; Stable
7 30 TX USC BND SRS 169 B	INE134E08JE9	08-Aug-2017	7.3	08-Aug-2027	1,500.00	CARE AAA; Stable
7 65 TX USC BND SRS 170 B	INE134E08JG4	22-Nov-2017	7.65	22-Nov-2027	2,001.00	CARE AAA; Stable
7 62 TX USC BND SRS 171	INE134E08JH2	15-Dec-2017	7.62	15-Dec-2027	5,000.00	CARE AAA; Stable
7 74 BS 172 TAXABLE BONDS 29 01 2028	INE134E08JI0	30-Jan-2018	7.74	30-Jan-2028	850.00	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	834.53	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	2418.69	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	43.33	CARE AAA; Stable
5.75 SEC 54EC BD SR 2 1819 03	INE134E07794	31-Mar-2019	5.75	31-Mar-2024	0.00	Withdrawn
7 85 TX USC BND SRS 177	INE134E08JP5	03-Apr-2018	7.85	03-Apr-2028	3,855.00	CARE AAA; Stable
8 95 TX USC BND SRS 178	INE134E08JQ3	10-Oct-2018	8.95	10-Oct-2028	3,000.00	CARE AAA; Stable
8 67 TX USC BND SRS 179 A	INE134E08JR1	19-Nov-2018	8.67	19-Nov-2028	1,007.00	CARE AAA; Stable
8 64 TX USC BND SRS 179 B	INE134E08JS9	19-Nov-2018	8.64	19-Nov-2033	528.40	CARE AAA; Stable
8 75 TX USC BND SRS 180	INE134E08JT7	22-Feb-2019	8.75	22-Feb-2034	2,654.00	CARE AAA; Stable
9 25 TX USC BND SRS 184 A	INE134E08JY7	25-Mar-2019	9.25	25-Sep-2024	2,000.00	CARE AAA; Stable
9 10 TX USC BND SRS 184 B	INE134E08JX9	25-Mar-2019	9.1	25-Mar-2029	2411.50	CARE AAA; Stable
8 98 TX USC BND SRS 185	INE134E08JZ4	28-Mar-2019	8.98	28-Mar-2029	1,000.00	CARE AAA; Stable
5.25% USD 300 MN NOTES 2028	XS1864036576	10-08-2018	5.25	10-08-2028	2,503.60	CARE AAA; Stable
6 15 GMTN BONDS USD 500MN	US73928RAA41 (REG S) ; US73928QAA67 (144A)	06-12-2018	6.15	06-12-2028	4,172.67	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 04	INE134E07810	30-Apr-2019	5.75	30-Apr-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 3 1920 05	INE134E07828	31-May-2019	5.75	31-May-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 3 1920 06	INE134E07836	30-Jun-2019	5.75	30-Jun-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 3 1920 07	INE134E07844	31-Jul-2019	5.75	31-Jul-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 3 1920 08	INE134E07851*	31-Aug-2019	5.75	31-Aug-2024	105.73	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 09	INE134E07869	30-Sep-2019	5.75	30-Sep-2024	102.03	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 10	INE134E07877	01-Nov-2019	5.75	31-Oct-2024	92.09	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 11	INE134E07885	30-Nov-2019	5.75	30-Nov-2024	89.96	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 12	INE134E07893	31-Dec-2019	5.75	31-Dec-2024	93.08	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 01	INE134E07901	31-Jan-2020	5.75	31-Jan-2025	94.02	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 02	INE134E07919	29-Feb-2020	5.75	01-Mar-2025	107.88	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 03	INE134E07927	31-Mar-2020	5.75	31-Mar-2025	129.01	CARE AAA; Stable
8 7929 TX USC BND SRS 186	INE134E08KA5	30-Apr-2019	8.79	30-Apr-2034	2578.90	CARE AAA; Stable
8 85 TX USC BND SRS 187 B	INE134E08KC1	27-May-2019	8.85	27-May-2029	1,982.00	CARE AAA; Stable
8 10 TX USC BND SRS 188	INE134E08KD9	04-Jun-2019	8.1	04-Jun-2024	691.10	CARE AAA; Stable
8 15 TX USC BND SRS 189	INE134E08KE7	08-Aug-2019	8.15	08-Aug-2034	4,035.00	CARE AAA; Stable
8 25 TX USC BND SRS 190	INE134E08KF4	06-Sep-2019	8.25	06-Sep-2034	4,016.00	CARE AAA; Stable
7 42 TX USC BND SRS 192	INE134E08KH0	19-Nov-2019	7.42	19-Nov-2024	3,000.00	CARE AAA; Stable
7 93 TX USC BND SRS 193	INE134E08KI8	31-Dec-2019	7.93	31-Dec-2029	4,711.00	CARE AAA; Stable

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7 86 TX USC BND SRS 195	INE134E08KK4	14-Jan-2020	7.86	12-Apr-2030	1,100.00	CARE AAA; Stable
7 41 TX USC BND SRS 196	INE134E08KL2	25-Feb-2020	7.41	25-Feb-2030	2,500.00	CARE AAA; Stable
7 41 TX USC BND SRS 197	INE134E08KM0	02-Mar-2020	7.41	15-May-2030	5,000.00	CARE AAA; Stable
3 75 USD BONDS 2024	XS2009878880*	18-06-2019	3.75	18-06-2024	3324.66	CARE AAA; Stable
4 50 USD BONDS 2029	XS2013531061	18-06-2019	4.5	18-06-2029	5007.20	CARE AAA; Stable
3 25 USD BONDS 2024	XS2049301042*	16-09-2019	3.25	16-09-2024	2077.91	CARE AAA; Stable
3 25 USD BONDS 2024	XS2049301042*	16-09-2019	3.25	16-09-2024	415.58	CARE AAA; Stable
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	3338.14	CARE AAA; Stable
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	417.27	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	834.53	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	5007.20	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	357.12	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	60.15	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 04	INE134E07935	30-Apr-2020	5.75	30-Apr-2025	12.44	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 05	INE134E07943	31-May-2020	5.75	31-May-2025	39.39	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 06	INE134E07950	30-Jun-2020	5.75	30-Jun-2025	117.99	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 07	INE134E07976	31-Jul-2020	5.75	31-Jul-2025	82.56	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 08	INE134E07984	31-Aug-2020	5	31-Aug-2025	26.03	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 09	INE134E07992	30-Sep-2020	5	30-Sep-2025	61.44	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 10	INE134E07AA8	01-Nov-2020	5	31-Oct-2025	45.90	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 11	INE134E07AB6	01-Dec-2020	5	30-Nov-2025	48.87	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 12	INE134E07AC4	31-Dec-2020	5	31-Dec-2025	86.18	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 01	INE134E07AD2	31-Jan-2021	5	31-Jan-2026	76.54	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 02	INE134E07AE0	28-Feb-2021	5	28-Feb-2026	101.96	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 03	INE134E07AF7	31-Mar-2021	5	31-Mar-2026	238.47	CARE AAA; Stable
5 65 SEC TAX NCD PI TR I SER II CAT I-II	INE134E07AI1	22-Jan-2021	5.65	22-Jan-2026	27.05	CARE AAA; Stable
5 80 SEC TAX NCD PI TR I SER II CAT III-IV	INE134E07AJ9	22-Jan-2021	5.8	22-Jan-2026	3.50	CARE AAA; Stable
6 63 SEC TAX NCD PI TR I SER III CAT I-II	INE134E07AK7	22-Jan-2021	6.63	22-Jan-2031	0.50	CARE AAA; Stable
6 82 SEC TAX NCD PI TR I SER III CAT III-IV	INE134E07AL5	22-Jan-2021	6.82	22-Jan-2031	28.74	CARE AAA; Stable
6 80 SEC TAX NCD PI TR I SER IV	INE134E07AM3	22-Jan-2021	6.8	22-Jan-2031	33.67	CARE AAA; Stable

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CAT I-II						
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV	INE134E07AN1	22-Jan-2021	7	22-Jan-2031	1,635.53	CARE AAA; Stable
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II	INE134E07AO9	22-Jan-2021	7.3	22-Jan-2031	10.35	CARE AAA; Stable
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV	INE134E07AP6	22-Jan-2021	7.5	22-Jan-2031	1,250.73	CARE AAA; Stable
6 78 SEC TAX NCD PI TR I SER VI CAT I-II	INE134E07AQ4	22-Jan-2021	6.78	22-Jan-2036	3.50	CARE AAA; Stable
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV	INE134E07AR2	22-Jan-2021	6.97	22-Jan-2036	53.36	CARE AAA; Stable
6 95 SEC TAX NCD PI TR I SER VII CAT I-II	INE134E07AS0	22-Jan-2021	6.95	22-Jan-2036	50.05	CARE AAA; Stable
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV	INE134E07AT8	22-Jan-2021	7.15	22-Jan-2036	1,330.05	CARE AAA; Stable
7 16 TX USC BND SRS 199B	INE134E08KP3	24-Apr-2020	7.16	24-Apr-2025	1,320.00	CARE AAA; Stable
7 40 TX USC BND SRS 200	INE134E08KQ1	08-May-2020	7.4	08-May-2030	2,920.00	CARE AAA; Stable
7 68 TX USC BND SRS 201	INE134E08KR9	15-May-2020	7.68	15-Jul-2030	3,101.30	CARE AAA; Stable
7 17 TX USC BND SRS 202B	INE134E08KT5	22-May-2020	7.17	22-May-2025	810.00	CARE AAA; Stable
7 79 TX USC BND SRS 202C	INE134E08KU3	22-May-2020	7.79	22-Jul-2030	1,936.00	CARE AAA; Stable
7 75 TX USC BND SRS 203B	INE134E08KV1	11-Jun-2020	7.75	11-Jun-2030	3,318.00	CARE AAA; Stable
7 41 TX USC BND SRS 196R1	INE134E08KL2	14-Jul-2020	7.41	25-Feb-2030	1,500.00	CARE AAA; Stable
5 77 TX USC BND SRS 204A	INE134E08KX7	28-Jul-2020	5.77	11-Apr-2025	900.00	CARE AAA; Stable
6 88 TX USC BND SRS 204B	INE134E08KY5	28-Jul-2020	6.88	11-Apr-2031	1,300.00	CARE AAA; Stable
7 05 TX USC BND SRS 205A	INE134E08KZ2	10-Aug-2020	7.05	10-Aug-2030	1,610.10	CARE AAA; Stable
7 20 TX USC BND SRS 205B	INE134E08LA3	10-Aug-2020	7.2	10-Aug-2035	1,605.70	CARE AAA; Stable
7 04 TX USC BND SRS 207	INE134E08LC9	09-Sep-2020	7.04	16-Dec-2030	1,097.40	CARE AAA; Stable
6 50 TX USC BND SRS 208	INE134E08LD7	17-Sep-2020	6.5	17-Sep-2025	2,806.00	CARE AAA; Stable
7 34 TX USC BND SRS 209	INE134E08LE5	29-Sep-2020	7.34	29-Sep-2035	1,711.00	CARE AAA; Stable
7 04 TX USC BND SRS 207R1	INE134E08LC9	11-Nov-2020	7.04	16-Dec-2030	2,549.10	CARE AAA; Stable
3 35 USD BONDS 2031	XS2282240907	28-01-2021	3.35	16-05-2031	4,172.67	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 04	INE134E07AU6	30-Apr-2021	5	30-Apr-2026	74.66	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 05	INE134E07AV4	31-May-2021	5	31-May-2026	66.60	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 06	INE134E07AW2	30-Jun-2021	5	30-Jun-2026	103.86	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 07	INE134E07AX0	31-Jul-2021	5	31-Jul-2026	131.00	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 08	INE134E07AY8	31-Aug-2021	5	31-Aug-2026	106.04	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 09	INE134E07AZ5	30-Sep-2021	5	30-Sep-2026	135.76	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 10	INE134E07BA6	31-Oct-2021	5	31-Oct-2026	94.42	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 11	INE134E07BB4	30-Nov-2021	5	30-Nov-2026	84.94	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 12	INE134E07BC2	31-Dec-2021	5	31-Dec-2026	125.81	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 01	INE134E07BD0	31-Jan-2022	5	31-Jan-2027	111.14	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 02	INE134E07BE8	28-Feb-2022	5	28-Feb-2027	130.49	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 03	INE134E07BF5	31-Mar-2022	5	31-Mar-2027	269.93	CARE AAA; Stable
6 35 TX USC BND SRS 210A STRPP1	INE134E08LF2	30-Jun-2021	6.35	30-Jun-2025	405.60	CARE AAA; Stable
6 35 TX USC BND SRS 210A	INE134E08LG0	30-Jun-2021	6.35	30-Jun-2026	540.80	CARE AAA; Stable

CARE Ratings Limited

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STRPP2						
6 35 TX USC BND SRS 210A STRPP3	INE134E08LH8	30-Jun-2021	6.35	30-Jun-2027	405.60	CARE AAA; Stable
7 11 TX USC BND SRS 210B	INE134E08LI6	30-Jun-2021	7.11	30-Jun-2036	1,933.50	CARE AAA; Stable
4 05 TX USC BND SRS 211 Floating	INE134E08LJ4	02-Aug-2021	6.21	02-Aug-2024	0.00	Withdrawn
7 15 TX USC BND SRS 212B	INE134E08LL0	27-Aug-2021	7.15	27-Aug-2036	2,343.70	CARE AAA; Stable
6 09 TX USC BND SRS 212 A	INE134E08LK2	27-Aug-2021	6.09	27-Aug-2026	2,450.00	CARE AAA; Stable
6 95 TX UNS BND SRS 213	INE134E08LM8	01-Oct-2021	6.95	01-Oct-2031	1,988.00	CARE AAA; Stable
6 92 TX USC BND SRS 214 BBETF	INE134E08LN6	21-Dec-2021	6.92	14-Apr-2032	1,180.00	CARE AAA; Stable
7 66 TX UNS BND SRS 226A	INE134E08MH6	27-Mar-2023	7.66	15-Apr-2033	1200.00	CARE AAA; Stable
7 70 TX UNS BND SRS 226B	INE134E08MI4	27-Mar-2023	7.7	15-Apr-2033	583.50	CARE AAA; Stable
7 70 TX UNS BND SRS 227A	INE134E08MK0	31-Mar-2023	7.7	15-Sep-2026	1200.00	CARE AAA; Stable
7 77 TX UNS BND SRS 227B	INE134E08MJ2	31-Mar-2023	7.77	15-Apr-2028	1390.00	CARE AAA; Stable
1 841 EUR BOND 2028	XS2384373341	20-09-2021	1.84	21-09-2028	2677.67	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 04	INE134E07BG3	30-Apr-2022	5	30-Apr-2027	182.00	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 05	INE134E07BH1	31-May-2022	5	31-May-2027	190.40	CARE AAA; Stable
35 00 SEC 54EC BD SR 6 2223 06	INE134E07BI9	30-Jun-2022	5	30-Jun-2027	180.62	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 07	INE134E07BJ7	31-Jul-2022	5	31-Jul-2027	253.08	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 08	INE134E07BK5	31-Aug-2022	5	31-Aug-2027	146.19	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 09	INE134E07BL3	30-Sep-2022	5	30-Sep-2027	214.67	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 10	INE134E07BM1	31-Oct-2022	5	31-Oct-2027	176.41	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 11	INE134E07BN9	30-Nov-2022	5	30-Nov-2027	200.25	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 12	INE134E07BO7	31-Dec-2022	5	31-Dec-2027	212.29	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 01	INE134E07BP4	31-Jan-2023	5	31-Jan-2028	191.69	CARE AAA; Stable
7 13 TX UNS BND SRS 215	INE134E08LO4	10-Aug-2022	7.13	10-Aug-2025	2,420.00	CARE AAA; Stable
7 13 TX UNS BND SRS 216	INE134E08LP1	24-Aug-2022	7.13	15-Jul-2026	3,000.00	CARE AAA; Stable
7 42 TX UNS BND SRS 217A	INE134E08LQ9	08-Sep-2022	7.42	08-Sep-2032	4,000.00	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP1	INE134E08LR7	08-Sep-2022	7.15	08-Sep-2025	276.40	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP2	INE134E08LS5	08-Sep-2022	7.15	08-Sep-2026	276.40	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP3	INE134E08LT3	08-Sep-2022	7.15	08-Sep-2027	276.40	CARE AAA; Stable
7 59 TX UNS BND SRS 218	INE134E08LU1	03-Nov-2022	7.59	03-Nov-2025	1,450.00	CARE AAA; Stable
7 65 TX UNS BND SRS 219	INE134E08LV9	14-Nov-2022	7.65	14-Nov-2037	4,000.00	CARE AAA; Stable
7 58 TX UNS BND SRS 220 BBETF	INE134E08LW7	14-Dec-2022	7.58	15-Apr-2033	470.00	CARE AAA; Stable
7 72 TX UNS BND SRS 221A	INE134E08LY3	19-Dec-2022	7.72	19-Dec-2037	2,782.70	CARE AAA; Stable
7 59 TX UNS BND SRS 221B	INE134E08LX5	19-Dec-2022	7.59	14-Jan-2028	3,500.00	CARE AAA; Stable
7 58 TX UNS BND SRS 222	INE134E08LZ0	27-Dec-2022	7.58	15-Jan-2026	2,540.00	CARE AAA; Stable
7 64 TX UNS BND SRS 223	INE134E08MA1	22-Feb-2023	7.64	22-Feb-2033	3,500.00	CARE AAA; Stable
7 82 TX UNS BND SRS 224	INE134E08MB9	06-Mar-2023	7.82	06-Mar-2038	3,468.50	CARE AAA; Stable
7 77 TX UNS BND SRS 225A	INE134E08MC7	13-Mar-2023	7.77	15-Jul-2026	3,262.70	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP I	INE134E08MF0	13-Mar-2023	7.82	13-Mar-2030	625.00	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP II	INE134E08MG8	13-Mar-2023	7.82	13-Mar-2031	625.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
7 82 TX USC BND SRS 225B STRPP III	INE134E08ME3	13-Mar-2023	7.82	13-Mar-2032	625.00	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP IV	INE134E08MD5	13-Mar-2023	7.82	13-Mar-2033	625.00	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 02	INE134E07BQ2	28-Feb-2023	5	28-Feb-2028	212.41	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 03	INE134E07BR0	31-Mar-2023	5	31-Mar-2028	440.88	CARE AAA; Stable
Bond Series 228A	INE134E08ML8	20-Apr-23	7.55	15-Jul-26	2330.00	CARE AAA; Stable
Bond Series 228B	INE134E08MM6	20-Apr-23	7.62	15-Jul-33	2102.00	CARE AAA; Stable
Bond Series 229	INE134E08MN4	10-May-23	7.44	10-May-28	1550.00	CARE AAA; Stable
Bond Series 230	INE134E08MO2	22-May-23	7.37	22-May-26	2990.00	CARE AAA; Stable
Bond Series 195 (R-1)	INE134E08KX4	01-Jun-23	7.86 Effective Yield 7.39	12-Apr-30	1260.00	CARE AAA; Stable
Bond Series 214 (R-1)	INE134E08LN6	01-Jun-23	6.92 Effective Yield 7.39	14-Apr-32	1330.00	CARE AAA; Stable
Bond Series 231	INE134E08MP9	20-Jun-23	7.48	19-Jun-38	3896.90	CARE AAA; Stable
Bond Series 202B-R1	INE134E08KT5	12-Jul-23	7.17 Effective Yield 7.53	22-May-25	3100.00	CARE AAA; Stable
Bond Series 232	INE134E08MQ7	12-Jul-23	7.57	12-Jul-33	3000.00	CARE AAA; Stable
Bond Series 233A ZCB	INE134E08MS3	25-Aug-23	0	25-Aug-26	492.45	CARE AAA; Stable
Bond Series 233B	INE134E08MT1	25-Aug-23	7.64	25-Aug-26	2500.00	CARE AAA; Stable
Bond Series 233C	INE134E08MR5	25-Aug-23	7.60	25-Aug-33	3500.00	CARE AAA; Stable
Bond Series 234	INE134E08MU9	30-Nov-23	7.7	30-Nov-33	2625.00	CARE AAA; Stable
Bond Series 235	INE134E08MV7	15-Dec-23	7.69	15-Dec-38	3335.00	CARE AAA; Stable
Series I - Category I & II	INE134E07CG1	01-Aug-23	7.45	01-Aug-26	62.17	CARE AAA; Stable
Series I - Category III & IV	INE134E07CF3	01-Aug-23	7.50	01-Aug-26	59.93	CARE AAA; Stable
Series II - Category I & II	INE134E07CI7	01-Aug-23	7.47	01-Aug-33	362.51	CARE AAA; Stable
Series II - Category III & IV	INE134E07CH9	01-Aug-23	7.53	01-Aug-33	45.48	CARE AAA; Stable
Series III - Category I & II	INE134E07CJ5	01-Aug-23	7.50	01-Aug-38	183.71	CARE AAA; Stable
Series III - Category III & IV	INE134E07CK3	01-Aug-23	7.55	01-Aug-38	2110.68	CARE AAA; Stable
54EC - April	INE134E07BT6	30-Apr-23	5.25	30-Apr-28	171.00	CARE AAA; Stable
54EC - May	INE134E07BV2	31-May-23	5.25	31-May-28	216.65	CARE AAA; Stable
54EC - June	INE134E07CE6	30-Jun-23	5.25	30-Jun-28	229.09	CARE AAA; Stable
54EC - Jul	INE134E07CD8	31-Jul-23	5.25	31-Jul-28	335.11	CARE AAA; Stable
54EC - Aug	INE134E07CC0	31-Aug-23	5.25	31-Aug-28	197.70	CARE AAA; Stable
54EC - Sep	INE134E07CB2	30-Sep-23	5.25	30-Sep-28	203.78	CARE AAA; Stable
54EC - Oct	INE134E07CA4	31-Oct-23	5.25	31-Oct-28	206.55	CARE AAA; Stable
54EC – Nov	INE134E07BZ3	30-Nov-23	5.25	30-Nov-28	189.83	CARE AAA; Stable
54EC – Dec (Lot-1)	INE134E07BY6	31-Dec-23	5.25	31-Dec-28	202.23	CARE AAA; Stable
Bond Series 237A	INE134E08MX3	22-Feb-24	7.60	13-Apr-29	3000.00	CARE AAA; Stable
Bond Series 237B	INE134E08MY1	22-Feb-24	7.49	22-Feb-34	3000.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Bond Series 238	INE134E08MZ8	13-Mar-24	7.55	15-Apr-27	2754.00	CARE AAA; Stable
54EC – Jan	INE134E07BX8	31-Jan-24	5.25	31-Jan-29	500.00	CARE AAA; Stable
54EC – Feb (Lot-1)	INE134E07BU4	15-Feb-24	5.25	29-Feb-28	105.73	CARE AAA; Stable
Bond Series 236 (Perpetual)	INE134E08MW5	15-Feb-24	7.88	Perpetual, unless the Call Option is exercised on the Call Option Date (17th February, 2034 or any annually from this date after) subject to receipt of the prior approval of the Reserve Bank of India.	100	CARE AAA; Stable
54EC Capital Gain Bonds (April-Lot 1)	INE134E07CL1	April 30, 2024	5.25%	April 30, 2029	84	CARE AAA; Stable
54EC Capital Gain Bonds (April-Lot 2)	INE134E07CL1	April 30, 2024	5.25%	April 30, 2029	101.16	CARE AAA; Stable
54EC Capital Gain Bonds (May-Lot 1)	INE134E07CM9	May 31, 2024	5.25%	May 31, 2029	103.81	CARE AAA; Stable
54EC Capital Gain Bonds (May-Lot 2)	INE134E07CM9	May 31, 2024	5.25%	May 31, 2029	105.45	CARE AAA; Stable
Series 239	INE134E08NA9	May 31, 2024	7.44%	July 15, 2034	3,178.00	CARE AAA; Stable
54EC Capital Gain Bonds (June-Lot 1)	INE134E07CN7	June 30, 2024	5.25%	June 30, 2029	88.69	CARE AAA; Stable
54EC Capital Gain Bonds (June-Lot 2)	INE134E07CN7	June 30, 2024	5.25%	June 30, 2029	81.24	CARE AAA; Stable
54EC Capital Gain Bonds (July-Lot 1)	INE134E07CQ0	July 31, 2024	5.25%	July 31, 2029	124.36	CARE AAA; Stable
54EC Capital Gain Bonds (July-Lot 2)	INE134E07CQ0	July 31, 2024	5.25%	July 31, 2029	197.42	CARE AAA; Stable
Series 240	INE134E08NB7	Aug 22, 2024	7.32%	July 15, 2039	3,050.00	CARE AAA; Stable
Series 241	INE134E08NC5	Sep 04, 2024	7.30%	Oct 16, 2034	2,741.10	CARE AAA; Stable

*Withdrawal is pending as no dues certificate from debenture trustee is pending

Tue 18-03-2025 17:12

Yogesh Rochani <Yogesh.Rochani@careedge.in>

RE: Validity of the rating

To manisha gupta

Cc Narendra Kumar; Pranay Munda; Jatin Arora

This email is originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hi Manisha,

The rating published by CARE Ratings is valid till it is revised or withdrawn for which CARE Ratings make a press release on its website.

Yogesh Rochani
Lead Analyst
CareEdge RATINGS
9th Floor, C-001 A/2, Berger Tower, Sector 16B,
Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301
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CIN No.: L67190MH1993PLC071691
Connect:

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Wed 19-03-2025 14:59

Yogesh Rochani <Yogesh.Rochani@careedge.in>

RE: Validity of the rating-URGENT

To manisha gupta

Cc Narendra Kumar; Pranay Munda; Jatin Arora; Rahul Rajwal; Nikhil H Sengal; Priyesh Ruparelia; Sanjay Agarwal

This email is originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hi Manisha,

Please note that once the Commercial Paper is placed, the rating is valid for the tenure of such instrument till redemption.

Yogesh Rochani
Lead Analyst
CareEdge RATINGS
9th Floor, C-001 A/2, Berger Tower, Sector 16B,
Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301
+91 – 12 – 4452 2043
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CIN No.: L67190MH1993PLC071691
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ICRA Limited

ICRA/Power Finance Corporation Ltd./19032025/2
March 19, 2025

Mr. Alok Ranjan Mallick
General Manager (HoU)
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir/ Madam,

Re: ICRA's credit rating for below mentioned instruments of Power Finance Corporation Ltd.

Please refer to your email requesting ICRA Limited to revalidate the rating letter issued for the below mentioned instruments.

We confirm that the following ratings of the instruments rated by ICRA and communicated to you vide our letter dated March 21, 2024 stands valid.

Instrument	Rated Amount (Rs. crore)	Rating[1]
Long term borrowing programme	105,000.00*	[ICRA]AAA (Stable)

**Yet to be placed Rs. 33,801.29 crore as on February 20, 2025*

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter dated March 21, 2024.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2025.03.19 14:12:51 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

[1] Complete definitions of the ratings assigned are available at www.icra.in.

ICRA/Power Finance Corporation Ltd./19032025/3
March 19, 2025

Mr. Alok Ranjan Mallick
General Manager (HoU)
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir/ Madam,

Re: ICRA's credit rating for below mentioned instruments of Power Finance Corporation Ltd.

Please refer to your email requesting ICRA Limited to revalidate the rating letter issued for the below mentioned instruments.

We confirm that the following ratings of the instruments rated by ICRA and communicated to you vide our letter dated March 21, 2024 stands valid.

Instrument	Rated Amount (Rs. crore)	Rating[1]
Long term/short term borrowing programme	10,000.00*	[ICRA]AAA (Stable)/[ICRA]A1+

**Yet to be placed Rs. 10,000 crore as on February 20, 2025*

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter dated March 21, 2024.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2025.03.19 14:12:02 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

[1] Complete definitions of the ratings assigned are available at www.icra.in.

ICRA

ICRA Limited

ICRA/Power Finance Corporation Ltd./19032025/1
March 19, 2025

Mr. Alok Ranjan Mallick
General Manager (HoU)
Power Finance Corporation Ltd.
1, Urjanidhi, Barakhamba Lane
Connaught Place, New Delhi- 110001

Dear Sir/ Madam,

Re: ICRA's credit rating for below mentioned instruments of Power Finance Corporation Ltd.

Please refer to your email requesting ICRA Limited to revalidate the rating for the below mentioned instruments.

We confirm that the following ratings of the instruments rated by ICRA and communicated to you vide our letter dated March 21, 2024 stands valid.

Instrument	Rated Amount (Rs. crore)	Ratings[1]
Short term borrowing programme (including commercial paper up to Rs. 5,000 crore)	15,000.00*	[ICRA]A1+

**Yet to be placed Rs. 12,000 crore as on February 20, 2025*

We wish to highlight the following with respect to the Rating(s):

(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(s) 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 contain 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(s), as aforesaid, however, should not be treated as a recommendation to buy, sell or hold CP/ STD issued by you. The Rating(s) is restricted to the rated amount mentioned in the letter dated March 21, 2024. In case, you propose to enhance the size of the rated instrument, 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 rated instrument.
The other terms and conditions for the rating of the captioned instrument shall remain the same as were communicated vide our letter dated March 21, 2024.

The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated Instrument issued/availed by your company.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2025.03.19 14:13:37 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

[1] Complete definitions of the ratings assigned are available at www.icra.in.

POWER FINANCE CORPORATION LIMITED
(A Govt. of India Undertaking)

CIN:L65910DL1986GOI024862; **PAN:** AAACP1570H; **Date and Place of Incorporation**: 16th July 1986, New Delhi
Certificate Of Registration as IFC issued by RBI : B-14.00004
Registered & Corporate Office: 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN
Tel: (011) 23456000; **E-mail:**pfcbonds@pfcindia.com; **Website:**www.pfcindia.com;

GENERAL INFORMATION DOCUMENT DATED MAY 25, 2024 IN RELATION TO LISTED PRIVATELY PLACED DEBT SECURITIES AND COMMERCIAL PAPERS

This General Information Document is related to the NCDs and CPs to be issued by Power Finance Corporation Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the debentures under Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, Form PAS-4 prescribed under section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, Companies (Share Capital & Debenture) Rules, 2014, as amended, RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Circular Number: DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended from time to time.

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

The Debt Securities and/or Commercial Papers (as applicable) would be issued under the Electronic Book Mechanism on Private Placement Basis as per operational guidelines. The issuer intends to use the BSE Bond - EBP platform and / or the NSE - EBP Platform, as the case may be and as more particularly provided in the relevant key information document. This General Information Document is being uploaded on the BSE Bond - EBP Platform or NSE - EBP Platform, as applicable, to comply with the operational guidelines and an offer will be made by issue of the General Information Document and the relevant Key Information Document(s) after completion of the bidding process on a relevant issue date, to successful bidder(s) in accordance with the provisions of the companies act, 2013.

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT

The Company is not required to deliver a copy of the issue document for filing to the Registrar of Companies as required under sub-section (4) of Section 26 of Companies Act, 2013 (18 of 2013).

GENERAL INFORMATION DOCUMENT FOR PRIVATE PLACEMENT OF (A) LISTED, RATED, NON-CONVERTIBLE BONDS IN THE NATURE OF DEBENTURES OF THE FACE VALUE OF EITHER (I) RS. 1,00,000 (RUPEES ONE LAKH) OR (II) RS. 10,00,000 (RUPEES TEN LAKHS) OR (III) RS. 1,00,00,000 (RUPEES ONE CRORE) OR (IV) SUCH OTHER FACE VALUE AS SET OUT UNDER APPLICABLE LAW, AS MAY BE APPLICABLE, EACH OFFERED UNDER THE RELEVANT SERIES, THROUGH PRIVATE PLACEMENT ROUTE UNDER THE TERMS OF THIS GENERAL INFORMATION DOCUMENT, THE RELEVANT KEY INFORMATION DOCUMENT AND THE APPLICATION FORM AND (B) RATED, LISTED, UNSECURED, COMMERCIAL PAPERS EACH HAVING A FACE VALUE OF RS. 5,00,000 (RUPEES FIVE LAKHS) TO BE ISSUED IN MULTIPLE OFFERS / ISSUANCES THROUGH PRIVATE PLACEMENT ROUTE UNDER THE TERMS OF THIS GENERAL INFORMATION DOCUMENT, THE RELEVANT KEY INFORMATION DOCUMENT. THE ISSUER WILL ENSURE IN THE RELEVANT KEY INFORMATION DOCUMENT THAT THE GREEN SHOE OPTION WILL NOT EXCEED FIVE TIMES THE BASE ISSUE SIZE.				
COUPON RATE	**COUPON TYPE**	**COUPON FREQUENCY**	**REDEMPTION DATE**	**REDEMPTION AMOUNT**
Please refer to the relevant Key Information Documents(s)				

Credit Rating Agencies , Registrar to the Issue, Debenture Trustee, Arrangers for the Bondholders
Please refer to the relevant Key Information Documents(s)

Statutory Auditor(Peer reviewed)	
M/s Prem Gupta & Co Registration No.: 000425N T-2342/2, Ashok Nagar, Faiz Road, Karol Bagh, New Delhi - 110005 Tel No.: 011-25466394, 25422417 E-mail: pguptaco@yahoo.co.in	**M/s Chokshi & Chokshi LLP** Registration No.: 101872W/W100045 HO - 15/17, Raghavji 'B' Bldg, Ragahvji road, Gowalia Tank, Ground floor, Off Kemps Corner, Mumbai 400 036 Tel- 022-23836900, M- +91 9619059192 Email Id – contact@chokshiandchokshi.in

Chief Financial Officer	**Compliance Officer and Company Secretary**	**Promoters**
Sh. Sandeep Kumar E-mail: sandeep_kumar@pfcindia.com Tel:(011) 23456229	Sh. Manish Kumar Agarwal, CS E-mail: mk_agrawal@pfcindia.com Tel:(011) 23456787 Membership No: F5048	Hon'ble President of India, acting through the Ministry of Power, Government of India

Issue Schedule

Issue Opening Date, Issue Closing Date, Pay-In Date, Deemed Date of Allotment, Date of earliest closing of the issue, if any	Please refer to the relevant Key Information Documents(s)

LISTING: The bond issue is proposed to be listed on National Stock Exchange of India Ltd ("NSE") and / or Bombay Stock Exchange Ltd ("BSE").

Eligible Investors* : The eligible participants/investors shall be as per the EBP Platform of the Stock Exchange as mentioned hereunder:

a) QIBs as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to SEBI ICDR Regulations, 2018).
b) Any non-QIB investor including arranger(s), who/ which has been authorized by the issuer, to participate in a particular issue on the EBP Platform.
c) Any non-QIB investor which are bidding through arranger (s) authorised by the issuer

*Further for specific bond issue, please refer to the relevant Key Information Documents(s)

Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters –

Please refer to the relevant Key Information Documents(s)

Note:

1. The bond issue in case of Perpetual Debt Instrument shall be part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021.
2. This GID/KID shall be read along with various information shared by the issuer on public domains.

Figures and facts are as on 31-March-2024 unless otherwise specified.

Link for Credit rating press release

1.CRISIL:
https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/PowerFinanceCorporationLimited_March%2022_%202024_RR_339809.html

2.ICRA :

https://www.icra.in/Rationale/ShowRationaleReport?Id=126541

3.CARE :
https://www.careratings.com/upload/CompanyFiles/PR/202403130303_Power_Finance_Corporation_Limited.pdf

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CHAPTER I
ABBREVIATIONS

For the purpose of this General Information Document, in addition to the terms defined in the cover page above and elsewhere in this General Information Document, the following terms shall have the following meanings assigned to them herein below unless repugnant to the meaning, subject or context thereof. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications.

Articles/Articles of Association/AoA	Articles of association of the Issuer as amended.
Allotment/Allot	The issue and allotment of the Bonds under a Series to the successful Applicants pursuant to the relevant Key Information Document.
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds under a Series and which will be considered as the application for Allotment of Bonds under a Series under the relevant Key Information Document.
Applicant / Eligible Investor	An eligible investor as defined in Section XVI "Summary Term-Sheet" of this General Information Document, who bids under the relevant Tranche Issue for Bonds under a Series pursuant to the terms of this General Information Document, the Key Information Document and the Application Form.
Arrangers	Arrangers are the entities as listed in the relevant Key Information Document.
Board/ Board of Directors	The Board of Directors of of the Company, unless otherwise specified
BSE	Bombay Stock Exchange Limited, being the stock exchange on which, the Bonds of the Company are proposed to be listed.
BSE Bond-EBP Platform	EBP platform of BSE for issuance of debt securities on private placement basis.
Bonds	Listed, rated, non-convertible bonds in the nature of debentures of the face value as set out under applicable law, as may be applicable, each offered under the relevant Series, through private placement route under the terms of this General Information Document, the Key Information Document and the Application Form. For the avoidance of doubt, the following Bonds are also permitted to be issued under the relevant Tranche Issue: secured bonds, unsecured bonds, cumulative bonds, non-cumulative bonds, redeemable bonds, perpetual bonds, infrastructure bonds, zero coupon bonds, taxable bonds, tax-free bonds, fixed rate bonds, floating rate bonds, market linked bonds, structured bonds, re-issue of bonds, subordinate bonds, inflation indexed bonds, partly paid bonds, bonds with separately transferable redeemable principal parts (STRPP), bonds with staggered maturity, step up / step down bonds, bonds forming part of exchange traded funds, bonds / debentures with or without swaps / options (and with / without the same embedded in the bonds / debentures structure), and/or any combination of the above, and/or any other type of bonds / debentures as permitted under applicable law.
Bond Trustee	Trustee for the Bonds under a Series.
Bondholder(s)	For a Series on a several basis, the Eligible Investors for a Series, who have been issued and allotted the Bonds under a Series in accordance with the terms and conditions of the relevant Key Information Document for such Series, and on transfer of the Bonds under a Series, shall include the Persons whose names are entered/shall be entered in the Register of Bondholders of the Issuer and shall include Beneficial Owners for a Series.
Beneficial Owner(s)	For a Series on a several basis, the persons who are for the time being the beneficiaries of the Bonds under a Series pursuant to the list of the Beneficial Owner(s) for a Series maintained by the Depositories, namely National Securities Depository Ltd. And Central Depository Services (India) Ltd., in ematerialized form and being furnished to the Issuer as at the Record Date for a Series.
BBETF	Bharat Bond Exchange Traded Fund

CAG	Comptroller and Auditor General of India
CAR	Capital Adequacy Ratio
CARE	Credit Analysis and Research Limited
CIN	Corporate Identity Number
Commercial Papers	Unsecured, rated, listed, commercial papers to be issued by the Issuer, in dematerialized form, to certain investors, in multiple series.
CRISIL	Credit Rating Information Services of India Limited
CDSL	Central Depository Services (India) Limited
CRAR	Capital Risk Weighted Adequacy Ratio
CMD	Chairman & Managing Director of the Company
Deemed Date of Allotment	For a Series on a several basis, the cut-off date on which the competent authority approves the Allotment for a Series, i.e. the date from which all benefits under the Bonds under a Series including Coupon on the Bonds under a Series shall be available to the Bondholder(s) for a Series.
Designated Stock Exchange	BSE Limited.
DP	Depository Participant
DIPAM	Department of Investment and Public Asset Management
DRR	Debenture Redemption Reserve
EBP	Electronic Bidding Platform.
ETF	Exchange Traded Fund
FIs	Financial Institutions
FIIs	Foreign Institutional Investors
FPI	Foreign portfolio investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended, and registered with SEBI.
Financial Year/ FY / Fiscal	Period of twelve months ending March 31, of a particular year
GoI	Government of India
GID / General Information Document	This General Information Document dated May 25, 2024 for private placement of the Bonds and Commercial Papers, as the same may be amended and supplemented from time to time.
Indian GAAP	Accounting Standards in accordance with the Companies (Accounting standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.
IND-AS	Indian accounting standards (IND-AS) in accordance with Companies (Indian Accounting Standards) Rules, 2015, as amended notified under section 133 of the Act and other relevant provisions of the Act.
ICRA	Investment Information and Credit Rating Agency of India Limited
IFC	Infrastructure Finance Company, as defined under RBI guidelines
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', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN and bearing CIN: L65910DL1986GOI024862
ITP	Independent Transmission Projects
KID/Key Information Document	Shall mean the relevant key information document issued by the Company.
Key Managerial Personnel (KMP)	Key managerial personnel, in relation to the Issuer, shall mean: i. Managing Director or chief executive officer or the manager; ii. Company secretary; iii. Whole-time director; iv. Chief financial officer; and v. any such other officer as may be prescribed under the Companies Act.

Listing Agreement	Listing agreement as defined under the SEBI LODR.
Memorandum/Memorandum of Association	Memorandum of Association of the Issuer as originally framed or as altered from time to time in pursuance of the Companies Act.
MOP	Ministry of Power
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited, being the stock exchange on which, the Bonds of the Company are proposed to be listed.
NSE EBP Platform	EBP platform of NSE for issuance of debt securities on private placement basis.
NBFC	Non Banking Financial Company, as defined under RBI guidelines
NBFC-IFC	Infrastructure finance company as a category of non-banking financial company registered with the RBI.
NBFC Directions	RBI Master Direction – (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, Circular Number: RBI/DoR/2023-24/105, Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended.
NBFC-ML	Medium Layer NBFC as per RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023
NEFT	National Electronic Fund Transfer
NPAs	Non-Performing Assets
PAN	Permanent Account Number
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.
R-APDRP	Restructured Accelerated Power Development and Reforms Program
RBI	Reserve Bank of India
Rs.(₹)	Indian National Rupee.
RDSS	Revamped Distribution Sector Scheme
ROC	Registrar of Companies, National Capital Territory of Delhi & Haryana
RTA/R&TA	Registrar & Transfer Agent
RTGS	Real Time Gross Settlement
Rupee/ INR/ Rs.	Indian National Rupee
SEB	State Electricity Board
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021, as amended from time to time.
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
SPVs	Special Purpose Vehicle
STRPP	Separately Transferable Redeemable Principal Parts.
TDS	Tax Deducted at Source
Tranche Issue or Tranche Offer	Private placement of Bonds pursuant to the Key Information Document.
UMPPs	Ultra Mega Power Projects
WDM	Wholesale Debt Market

CHAPTER II
DISCLAIMER

A. Disclaimer of the Issuer

This General Information Document along with Key Information Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended by Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Circular Number: DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended from time to time. The Company certifies that the disclosures made in this General Information Document along with Key Information Document are generally adequate and are in conformity with the Companies Act 2013 & SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

This document does not constitute an offer to the public generally to subscription for or otherwise acquire the Bonds to be issued by the Issuer (the "Issuer"/ the "Power Finance Corporation Limited (PFC)"/ ("the Company"). This document is for the exclusive use of the investors to whom it has been specifically addressed and it should not be circulated or distributed to third party(ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Bonds issued by the Issuer. This Bond issue is made strictly on private placement basis. Apart from this General Information Document, no offer document or prospectus has been prepared in connection with the offering of this Issue or in relation to Issuer. This General Information Document is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the Bonds issued by PFC.

This General Information Document 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 contained in this General Information Document is true and correct as of the date hereof. PFC Does not undertake to update this General Information Document to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with PFC However, PFC Reserves its right for providing the information at its absolute discretion. PFC accepts no responsibility for statements made in any advertisement or another material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must 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 risk of investing in Bonds. It is the responsibility of the prospective subscriber 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 prospective subscriber to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this General Information Document should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Bonds. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the Bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Bonds and matters incidental hereto.

This General Information Document is not intended for distribution. In pursuance of sub-section (7) of section 42 of The Companies Act, 2013, the Issuer shall not release any public advertisements and shall not utilize any media, marketing

or distribution channels or agents to inform the public at large about such an offer, where the term 'public advertisements' shall include notices, brochures, pamphlets, circulars, show cards, catalogues, hoardings, placards, posters, insertions in newspapers, pictures, films, or any other print medium, radio, television programme through any electronic medium, mass communications or emails, internet websites including social networking websites, publicity through telephone or mobile etc.

It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement basis and this offer does not constitute a public offer/ invitation.

The Issuer reserves the right to withdraw the private placement of the Bond issue prior to the issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

The General Information Document does not include a statement purporting to be made by an expert. In case any such statement is made, it shall be made by an expert who is not, and has not been, engaged or interested in the formation or promotion or management, of the Company and has given his written consent to the issue of the General Information Document and has not withdrawn such consent before the delivery of a copy of the General Information Document, as applicable.

B. Disclaimer of the Securities & Exchange Board of India

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE GENERAL INFORMATION DOCUMENT. THE ISSUER, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE GENERAL INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

C. Disclaimer in respect of the Jurisdiction

The Issue is being made in India, to the Eligible Investors. The General Information Document and Key Information Document will not, however constitute an offer to sell or an invitation to subscribe for the Bonds offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this General Information Document and the Key Information Document comes is required to inform himself or herself about, and to observe, any such restrictions.

D. Disclaimer of the Stock Exchange

As required, a copy of this Document will be submitted to NSE and / or BSE (hereinafter referred to as "**Exchanges**") for hosting the same on its website. It is to be distinctly understood that such submission of the document with NSE and / or BSE or in principle listing approval given by NSE and / or BSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by NSE and / or BSE ; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this issuer, its promoters, its management or any scheme or

project of PFC. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

E. Disclaimer of the Reserve Bank of India

The Bonds have not been recommended or approved by the Reserve Bank of India ("RBI") nor does RBI guarantee the accuracy or adequacy of this General Information Document / Key Information Document. It is to be distinctly understood that this General Information Document / Key Information Document should not, in any way, be deemed or construed that the Bonds have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Bonds being issued by the Issuer or for the correctness of the statements made or opinions expressed in this General Information Document / Key Information Document. The potential investors may make investment decision in respect of the Bonds offered in terms of this General Information Document / Key Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

F. Disclaimer of the Credit Rating Agencies

Disclaimer of CARE: 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.

Disclaimer of CRISIL: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ra tings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web

site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity.

Disclaimer of ICRA: ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

CHAPTER III

REGULATORY DISCLOSURE

Eligible Investors are advised to read the risk factors carefully before taking an investment decision in the relevant Tranche Issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the relevant Tranche Issue including the risks involved. The relevant Series of Bonds have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document or the Key Information Document. Specific attention of Eligible Investors is invited to Chapter VIII "Risk Factors" of the General Information Document for details in respect of risks relating to the issue of the relevant Series of Bonds.

A. Issuer's Absolute Responsibility

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Documents contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the General Information Documents is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

B. Detail of Promoters

The Company is promoted by the President of India, acting through the Ministry of Power, Government of India. Presently GoI holds 55.99% equity share of the company. Therefore, no such individual details like profile of all the promoters, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business of employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, permanent account number are available/applicable.

Declaration confirming that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non- convertible securities are proposed to be listed, at the time of filing the draft issue document:

The Issuers undertakes that Permanent Account Number of Directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed at the time of filing the draft offer document.

C. Details of credit rating along with the latest press release (not older than one year on the date of opening of the issue) of the credit rating agency in relation to the issue and a declaration that the rating is valid as on the date of issuance and listing:

a) Rating Agency	Long Term Rating	Short Term Rating	Rating Letter date
ICRA	ICRA AAA	ICRA A1+	23.05.2024
CRISIL	CRISIL AAA	CRISIL A1+	21.05.2024
CARE	CARE AAA	CARE A1+	24.05.2024

A copy of the letters from rating agencies are enclosed elsewhere in GID/KID.

D. **Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of in-principle approval for listing obtained from these stock exchange(s).**

The bond issue is proposed to be listed on the Corporate Debt segment of the National Stock Exchange and / or WDM segment of Bombay Stock Exchange. The Issuer has applied for and obtained/shall obtain the in-principle approval of the NSE & BSE in this regard.

E. **If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board.**

The bond issue is proposed to be listed on the Corporate Debt segment of the National Stock Exchange and / or WDM segment of Bombay Stock Exchange . Presently, the issuer has created its recovery expense funds with Bombay Stock Exchange Ltd ("BSE")

F. **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

i. **Consent of Directors**: The Board Resolution passed by the Board of Director at its Meeting held on 29.02.2024 has authorized the issuance of Non-Convertible Debentures and Commercial Paper, respectively.

ii. **Consent of Auditors:** Consent from Statutory Auditor i.e. M/s Prem Gupta & Co and M/s Chokshi & Chokshi LLP vide letter dated 27.03.2024.

iii. **Consent of Bankers to Issue**: Not Applicable, as this is not a public issue of the Debentures.

iv. **Consent of Debenture Trustee**:
Currently, PFC has appointed Beacon Trusteeship Ltd. (CIN: U74999MH2015PLC271288), to act as debenture trustee for its Bonds. PFC holds consent from Beacon Trusteeship Ltd., to act as trustees and the consent has not been withdrawn.

A copy of letter from Beacon Trusteeship Ltd. conveying their consent to act as Trustees for the issue of NCDs is enclosed to this General Information Document / Key Information Document

v. **Consent of solicitors or advocates to the issue, legal advisors to the issue:**
If appointed the same shall be specified in Key Information Document.

vi. **Consent of lead managers to the issue:**
Not Applicable, as this is not a public issue of the Debentures

vii. Consent of Registrar to the Issue:
Currently PFC has appointed RCMC Share Registry Private Limited (CIN: U67120DL1950PTC001854) as Registrar & Transfer Agent (R&TA) for its Bonds. PFC holds consent from RCMC Share Registry Private Limited (CIN: U67120DL1950PTC001854) to act as R&TA and the consent has not been withdrawn.

viii. **Consent of lenders and experts:** Not Applicable

G. **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the 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 issue document.**-Nil

CHAPTER IV
GENERAL INFORMATION

A. Issue Schedule:-

Issue Opening Date	As per Key Information Document issued for each issue of debentures, if any.
Issue Closing Date	
Pay in Date	
Deemed Date of Allotment	

B. Name, logo, addresses, website URL, email address, telephone number and contact person of:

Merchant Banker and Co-managers to the issues	As per Key Information Document issued for each issue of debentures, if any.
Legal Counsel, if any	
Guarantor, if any	
Arrangers, if any	

C. Expenses of the Issue

Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Lead manager(s) fees	As per Key Information Document issued for each issue of debentures, if any.
Underwritting Commision	
Brokerage, selling commission and upload fees	
Fees payable to the registrars to the issue	
Fees payable to the legal Advisors	
Advertising and marketing expenses	
Fees payable to the regulators including stock exchanges	
Expenses incurred on printing and distribution of issue stationary	
Any other fees, commission or payments under whatever nomenclature	

D. Details of auditors of the issuer:

i. Details of the existing Auditor of the Issuer

Name of the Auditor	Address	Auditor Since
M/s Prem Gupta & Co **Chartered Accountants** Registration No.: 000425N	T-2342/2, Ashok Nagar, Faiz Road, Karol Bagh, New Delhi - 110005 Tel No.: 011-25466394, 25422417 E-mail: pguptaco@yahoo.co.in	19-Aug-21
M/s Chokshi & Chokshi LLP Registration No.: 101872W/W100045	HO - 15/17, Raghavji 'B' Bldg, Ragahvji road, Gowalia Tank, Ground floor, Off Kemps Corner, Mumbai 400 036 Tel- 022-23836900, M- +91 9619059192 Email Id – contact@chokshiandchokshi.in	12-Sep-23

ii. Details of change in Auditors for preceding three financial years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable
M/s Gandhi Minocha & Co.	B-6, Shakti Nagar Extension, Near Laxmi Bai College	11- Jul-2017	Appointed till FY 2020-21	NA

	New Delhi – 110052 Tel No.: (011) 27303078			
M/s Dass Gupta & Associates	B-4, Gulmohar Park, New Delhi – 110049 Tel No.: (011)46111000	01- Aug-19	Appointed till FY 2022-23	NA
M/s Prem Gupta & Co	T-2342/2, Ashok Nagar, Faiz Road, Karol Bagh, New Delhi - 110005 Tel No.: 011-25466394, 25422417	19-Aug-21	NA	NA
M/s Chokshi & Chokshi LLP	HO - 15/17, Raghavji 'B' Bldg, Ragahvji road, Gowalia Tank, Ground floor, Off Kemps Corner, Mumbai 400 036 Tel- 022-23836900, M- +91 9619059192 Email Id – contact@chokshiandchokshi.in	12-Sep-23	NA	NA

E. <u>Arranger to the issue:</u>

Please refer to the relevant Key Information Documents(s)

CHAPTER V
ABOUT THE ISSUER

A. OVERVIEW AND BRIEF SUMMARY OF THE BUSINESS ACTIVITES

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. In 2022, our MoA has been amended to enable lending to infrastructure and logistics sectors also.

The Issuer is a one of the 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.

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. International credit rating agencies Moody's and Fitch have granted ratings of "Baa3" and "BBB-" respectively.

The Issuer is a listed GoI company and a notified public financial institution under the Companies Act, 2013. The Issuer is registered with the RBI as a non-deposit taking NBFC-ML and was classified as an Infrastructure Finance Company (IFC) in July 2010 by RBI. The Issuer believes that its NBFC and IFC classification enables it to effectively capitalise on available financing opportunities in the Indian power sector.

The Issuer is required to follow the RBI prudential norms contained in the RBI's Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Circular Number: DoR.FIN.REC.No.45/03.10.119/2023-24, dated October 19, 2023, as amended from time to time, and any other additional RBI directions, if any.

B. 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.

C. AWARDS AND RECOGNITION

- PFC was selected as India's "Leading Infrastructure Finance Company" at the BFSI & FinTech Summit 2024 by Dun & Bradstreet
- PFC was ranked 2nd among Central Public Sector Enterprises for procuring goods and services from MSME Businesses in the Rs 10 crore to Rs 100 crore range in the FY 2022-23. This achievement highlights PFC's commitment to diversity and empowerment in procurement practices.
- PFC secured SCOPE's Meritorious Award for "Best Managed Financial Institution" in the Institutional Category-I (Maharatna/Navratna PSEs) at a ceremony held at Vigyan Bhawan. The award was presented by Shri Jagdeep Dhankar, Hon'ble Vice President of India.
- PFC secured the 3rd position in the "Swachhta Ranking" for offices in the NDMC area under Swachh Bharat Mission led by Hon'ble Prime Minister emphasizing PFC's dedication to cleanliness and vision for a garbage free India.
- PFC won the prestigious "South Asian Federation of Accountants (SAFA) Gold Award in Best Presented Accounts/Annual Report Awards (BPA) for the Financial Year 2021-22 in the 'Public Sector Entities' category
- 'Rajbhasha Kirti' Puruskar for Best performance in Official Language - PFC won the prestigious 'Rajbhasha Kirti' third prize for the year 2022-23 in the category of Public Sector Undertakings in region 'A' for best performance in the Official Language implementation.
- PFC was conferred with the prestigious "Swachhta Pakhwada Award 2023" for its exemplary performance under Swachh Bharat Abhiyan at an award ceremony hosted by Ministry of Power at Shram Shakti Bhawan, New Delhi.
- PFC was conferred with the prestigious Indian Chamber of Commerce Award in the category of "Operational Excellence" at the 12th PSE excellence Awards held at Le Meridian, New Delhi.

- PFC was conferred with the prestigious Indian Chamber of Commerce Gold Award as the "Top Financing Institution" in the Renewable Energy and Energy Efficiency (RE & EE) category at the 11TH Green Energy Summit.

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 NBFC-ML ("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.

D. 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 mainly includes:

- Project term loans (Rupee and foreign currency)
- Grants/interest free loans for studies/consultancies
- Buyer's line of credit
- Bridge Loan
- Lease financing for purchase of equipment

- Lease financing for wind power projects
- Corporate loan
- Debt refinancing
- Revolving Bill Payment Facility (RBPF)
- Revamped Distribution Sector Scheme(RDSS)
- Takeout Financing
- Line of Credit for import of Coal
- 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:

- Guarantee for performance of contract/ obligations w.r.t Fuel Supply Agreement (FSA)
- Letter of Undertaking (LoU)
- Letter of comfort (LoC)

E. 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.

In reference to closed UMPPs, SPVs namely Tatiya Andhra Mega Power Ltd. (2nd Andhra UMPP), Coastal Maharashtra Mega Power Ltd. (Munge UMPP) and Chhattisgarh Surguja Power Ltd. (Chhattisgarh UMPP) are striked-off from the records of RoC in FY 22-23. Further, SPV namely Coastal Karnataka Power Ltd. (Karnataka UMPP) is being utilised by PFC for bidding stressed assets projects (name of the SPV changed to PFC Projects Ltd.).
As the Country is transforming from fossil to non-fossil fuel, MoP has decided to close remaining UMPP's also and advised PFC to take necessary steps for closure of UMPP in consultation with state Government.

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. MoP has designated PFC Consulting Limited (a wholly-owned subsidiary of PFC) as one of the Bid Process

Coordinator for Independent Transmission Projects. As on March 31, 2023, 49 SPVs have been established for ITPs by PFC / PFCCL.

Further, during the FY 22-23, following SPVs established for development of transmission projects has been transferred to the successful bidders selected through TBCB:

i. Khetri-Narela Transmission Limited
ii. Khandukhal Rampura Transmission Limited
iii. Kishtwar Transmission Limited
iv. Bhadla-Sikar Transmission Limited
v. Raipur Pool Dhamtari Transmission Limited
vi. Dharamjaigarh 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 have been Sunset in March, 2022.

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 including budgetary support of Rs. 22,727 crore have also been carried forward to IPDS scheme. The amount of fund received and administered to the eligible entities during FY 2022-23 is Rs. 474.46 crore (Previous year Rs. 2125.01 crore) and the cumulative grant administered till 31.03.2023 is Rs. 18,381.91 crore (till 31.03.2022 Rs. 17,907.45 crore).
- The amount of fund received under R-APDRP (subsumed with IPDS) and administered to the eligible entities during FY 2022-23 is Rs. 65.00 crore (Previous year Rs. 326.64 crore) and the cumulative grant administered till 31.03.2023 is Rs. 13,562.07 crore (till 31.03.2022 Rs. 13,497.07 crore).
- Further, no fund remained undisbursed as on 31.03.2023 and 31.03.2022.
- The total amount of nodal agency fee income from this scheme for FY 2022-23 stands at Nil (Previous year Rs. 8.60 crore). Additionally, the Company has also received Nil (Previous year Rs. 28.20 crore) as reimbursement of expenditure from MoP under the said scheme.

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.
- 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)

The Company is involved in various GoI programs for the power sector including acting as the Nodal Agency for operationalization and implementation of Revamped Distribution Sector Scheme (RDSS) launched by Govt. of India in July, 2021. PFC was also the designated nodal agency for operationalization of IPDS and R-APDRP Schemes. Both of the Schemes have been Sunset in March, 2022. Secretary (Power) in the 23rd IPDS Monitoring Committee Meeting held on 22.03.2022 appreciated the overall program management of IPDS Scheme by PFC.

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:

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

Financial Assistance under RDSS:

For States allocated to PFC, projects for loss reduction and metering have been sanctioned for 24 Distribution Utilities across 13 States. Details as on 31.03.2024 are tabulated below (Amount in Rs crore):

Project	Approved Cost	GoI Component (GBS)	GoI Grant Disb.^
Metering	56,691	10,401	5
Loss Reduction	56,183	34,903	3,304
Total	**1,12,874**	**45,304**	**3,308**

^In addition, MoP has also disbursed Rs. 158 Cr. for other than the Project activities e.g. nodal agency fee to PFC (Rs. 138 Cr.), training & capacity building etc.

Role of PFC in the implementation of RDSS Scheme and other activities/ Initiatives under RDSS

PFC (alongwith REC) is the designated nodal agency for operationalization of RDSS Scheme, as per RDSS guidelines and directions of inter-ministerial Monitoring Committee/ MoP from time to time. PFC is discharging all roles and responsibilities assigned to PFC, as nodal agency, for smooth operationalization of RDSS Scheme. The wide range of activities being performed by PFC under RDSS and for other allied Schemes of GoI are listed below. The ramification of these activities are not only limited to the contours of RDSS Scheme but also echoing across the entire value chain of the Power Sector of the country.

Core Activities

- Overall facilitation and Program management *interalia including* appraisal of projects; recommendation for sanction; preparation of SBD & DPR templates; monitoring scheme guidelines compliance; resolving queries of DISCOMs and daily coordination with MoP/ CEA and other stakeholders etc.
- Annual result evaluation framework of DISCOMs; Status of compliance of SoPs wrt Subsidy accounting, regulatory assets and Govt. dues; Analysis of tariff orders and regulatory developments; monitoring compliance of Addl. Prudential Norms (APN) issued by MoP; Monitoring compliance of corporate governance guidelines issued by MoP; Analysis of energy sales data and quarterly accounts and participation in Regulatory Compliance Monitoring (RCM) Cell of MoP etc.
- Capacity building/ training programme for skills development of DISCOMs' employees under RDSS by engaging NPTI. Till Mar, 2024; 237 training programs were conducted through NPTI covering 7,667 DISCOM personnel.

Supporting Activities for allied program of GoI

- Co-ordinating with DISCOMs/ CEA/ MoP, for physical and financial progress in the State Sector Distribution Projects covered under National Infrastructure Pipeline (NIP)
- Sanction and monitoring of electrification of over 70,000 Particularly Vulnerable Tribal Groups (PVTG) households under PM JANMAN Program.
- Monitoring segregation of agricultural feeders to facilitate for future solarization of the same under PM-KUSUM Scheme.
- Facilitation with power utilities for power supply to BSNL Telecom towers in remote areas.
- Household electrification under Vibrant Villages Program (VVP) of GoI in HP and Uttarakhand.
- Implementation of Smart Distribution Network pilot project in selected cities across India.

Other Concurrent Activities

- PFC is supporting the States by preparing Model Bidding Documents for Automation and ERP projects under RDSS.
- PFC is mandated by MoP for overall monitoring of implementation of SCADA systems across India under RDSS for uniform & seamless approach.
- PFC shall develop a Centre of Excellence in the form of National SCADA Resource Centre (NSRC) under RDSS at NPTI, Faridabad for developing the technical and operational skills of the Distribution Workforce across SCADA/ DMS systems supplied by multiple OEMs.

- PFC (alongwith REC) has developed an Integrated web portal that will serve as single version of truth for various government Schemes as well as vital reports being published by PFC/ REC viz. RDSS Scheme, DISCOM Integrated Rating (IR) Report, DISCOM Performance Report, Consumer Services Rating of DISCOMs (CSRD), PRAAPTI Portal, Energy audit report of BEE etc.
- PFC is supporting skill development of the workforce for rolling out the RDSS Smart metering program by training 1,000 persons on various job-roles under PFC's CSR Programme. 581 individuals have already been trained and certified.
- PFC has tied-up with Asian Development Bank (ADB) for funding of $ 500 MN for sanctioning counterpart loan to State DISCOMs under RDSS Scheme.
- German development co-operation through KfW has proposed a Policy Based Loan (PBL) of €200 million to Ministry of Finance to support the power sector reforms being undertaken through RDSS Scheme. Under this PBL, there is also a provision of €2 million grant for capacity building, knowledge sharing, analytical tools etc. to implement the power sector reforms, which is called the Accompanying Measure (AM) component of PBL. MoP has appointed PFC as the nodal agency for operationalization of this AM component of PBL.
- PFC, in partnership with The United States Agency for International Development (USAID) has launched the South Asia Distribution Utilities Network (DUN), a regional platform to foster collaboration among electricity distribution Utilities across Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka for the reform and modernization of the sector. PFC will act as the anchor institution with technical support from USAID through its South Asia Regional Energy Partnership (SAREP) program.
- PFC with technical assistance of Foreign Commonwealth and Development Office (FCDO), Government of UK in association with MoP, GoI has developed Digital Utility Manager (DUM) Training Programme. The program aimed at proactive technology adoption at DISCOMs, to have flexibility in the mode of learning making this self-paced, covering frontier technologies such as Smart Grids, AMI, EVs, Energy Storage, Al/ ML, Blockchain, Robotics etc.
- GIZ GmbH (German Corporation for International Co-operation) is collaborating with PFC to deliver a specialized training program for senior management of DISCOMs in India to equip participants with skills and knowledge to leverage data analytics, harness the benefits of digital solutions and drive business innovation within their organizations.
- PFC is also supporting Government's initiative of women-led development by promoting participation of women employees in the implementation of RDSS Scheme at DISCOM level. So far, 1,145 women employees from various Power Distribution Companies across India attended the Training & capacity building programs conducted under RDSS Scheme.
- The impact of various reforms measures undertaken by States Government/ DISCOMs under RDSS Scheme is evident as all India average AT&C losses have improved to 15.4% in FY 23, which is significantly lower than 22.3% in FY 21. For FY 22 and FY 23, there has been an improvement in the average revenue realization by the DISCOMs. Subsidy disbursement crossed 100% for the 02nd consecutive year. Quarterly accounts are now being submitted regularly. Scheme also places strong emphasis on enhancing consumer satisfaction with improvement in service quality, leading to increased consumer trust and loyalty.

F. SUBSIDIARIES AND THEIR BUSINESS ACTIVITIES

The following are the subsidiaries of PFC as on 31st March 2024:-

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 (Non-Deposit Accepting or Holding) Non-Banking Finance Company – Medium Layer (NBFC-ML) 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 31st March, 2024 our Company (including its nominees) holds 100% of the issued and paid up equity capital of PFCCL.

c) PFC Projects Limited:

Coastal Karnataka Power Limited (CKPL), a wholly owned company of PFC Ltd was set up for managing the UMPPs as per the mandate from GoI and was considered as associate having significant influence. During FY 2022-23, CKPL's MoA has been amended to be used for bidding lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL). Accordingly, the ability to direct activities of said Company now vests with PFC Ltd and the same is now considered as a subsidiary.

d) PFC Infra Finance IFSC Limited:

PFC Infra Finance IFSC Limited was incorporated on February 11, 2024 as wholly owned subsidiary of Power Finance Corporation Limited. The Issuer is the first Govt. NBFC which has established a subsidiary in the International Financial Services Centre (IFSC) at GIFT City, Gujarat. IFSC provides a unique platform to access global capital and expertise, which will enable your company to provide even more efficient and innovative financing solutions to the clients. PFC's entry into the IFSC shall open up new business opportunities and establish its global presence. This Company will focus on providing financial solutions for infrastructure projects across various sectors, including renewable energy. It will unlock avenues in international lending space and help in taking PFC's brand global.

e) Subsidiaries and associates incorporated under the programmes of Government of India

As on 31.03.2024, the following Special Purpose Vehicles (SPVs) have been incorporated as subsidiaries/deemed subsidiaries of the Company:

Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Deoghar Infra Limited		
	Through PFCCL		
12	Bijawar-Vidarbha Transmission Limited (Struck off from the records of Registrar of Companies on 13.01.2024)	13	Ananthpuram Kurnool Transmission Limited (Transferred on 27.09.2023)
14	Chhatarpur Transmission Limited	15	Siot Transmission Limited

16	Fatehgarh III Beawar Transmission Limited (Transferred on 01.08.2023)	17	Beawar Dausa Transmission Limited (Transferred on 30.10.2023)
18	Fatehgarh III Transmission Limited (Transferred on 02.08.2023)	19	Bhadla III Transmission Limited (Transferred on 27.09.2023)
20	Fatehgarh IV Transmission Limited (Transferred on 02.08.2023)	21	Tirwa Transmission Limited (Incorporated on 14.06.2023 and Transferred on 07.03.2024)
22	Bikaner III Neemrana Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)	23	Neemrana II Kotputli Transmission Limited (Incorporated on 19.06.2023 and Transferred on 27.12.2023)
24	Bikaner III Neemrana II Transmission Limited (Incorporated on 13.06.2023 and Transferred on 27.12.2023)	25	Neemrana II Bareilly Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)
26	Joda Barbil Transmission Limited (Incorporated on 20.06.2023)	27	Jewar Transmission Limited (Incorporated on 06.07.2023 and Transferred on 07.03.2024)
28	Koppal II Gadag II Transmission Limited (Incorporated on 21.07.2023 and Transferred on 26.12.2023)	29	Gola B -Ramgarh B Transmission Limited (Incorporated on 05.12.2023)
30	Halvad Transmission Limited (Incorporated on 31.10.2023 and Transferred on 26.12.2023)	31	Khavda PS1 and 3 Transmission Limited (Incorporated on 22.12.2023)
32	Paradeep Transmission Limited (Incorporated on 30.11.2023)	33	Ramakanali B -Panagarh Transmission Limited (Incorporated on 21.11.2023)
34	Solapur Transmission Limited (Incorporated on 14.12.2023 and Transferred on 20.03.2024)	35	Vataman Transmission Limited (Incorporated on 15.11.2023 and Transferred on 26.12.2023)
36	Angul Sundargarh Transmission Limited (Incorporated on 01.03.2024)	37	Barmer I Transmission Limited (Incorporated on 18.01.2024)
38	Beawar - Mandsaur Transmission Limited (Incorporated on 19.01.2024)	39	Bhadla-III & Bikaner-III Transmission Limited (Incorporated on 06.02.2024)
40	Bhuj II Transmission Limited (Incorporated on 01.03.2024)	41	Jamnagar Transmission Limited (Incorporated on 06.02.2024)
42	KPS III HVDC Transmission Limited (Incorporated on 18.01.2024)	43	Pune- III Transmission Limited (Incorporated on 16.01.2024)
44	Sirohi Transmission Limited (Incorporated on 19.01.2024)	45	South Olpad Transmission Limited (Incorporated on 19.01.2024)
	Through RECL		
46	Chandil Transmission Limited	47	Dumka Transmission Limited
48	Mandar Transmission Limited	49	Koderma Transmission Limited
50	Luhri Power Transmission Limited	51	NERES XVI Power Transmission Limited
52	Khavda II-D Transmission Limited (under the process of striking off the name of Company from the records of Registrar of Companies)	53	KPS1 Transmission Limited (transferred on 20.04.2023)
54	Beawar Transmission Limited (transferred on 20.09.2023)	55	Ramgarh II Transmission Limited (transferred on 26.10.2023)
56	Bidar Transmission Limited (transferred on 09.02.2024)	57	Sikar Khetri Transmission Limited (transferred on 09.02.2024)
58	Meerut Shamli Power Transmission Limited (transferred on 06.04.2024)	59	Dhule Power Transmission Limited (incorporated on 08.06.2023 and transferred on 09.02.2024)
60	Ishanagar Power Transmission Limited (incorporated on 09.06.2023 and transferred on 09.02.2024)	61	Karera Power Transmission Limited (incorporated on 14.06.2023 and transferred on 09.02.2024)
62	Pachora Power Transmission Limited (incorporated on 20.07.2023 and transferred on 14.02.2024)	63	Jalpura Khurja Power Transmission Limited (incorporated on 28.04.2023 and transferred on 05.04.2024)
64	Kallam Transco Limited (incorporated on 15.09.2023 and transferred on 05.04.2024)	65	Rajasthan Part I Power Transmission Limited (incorporated on 30.04.2023)
66	Shongtong Power Transmission Limited (incorporated on 14.06.2023)	67	Khavda IV C Power Transmission Limited (incorporated on 27.09.2023)
68	Khavda IV-E2 Power Transmission Limited (incorporated on 05.10.2023)	69	Khavda IVA Power Transmission Limited (incorporated on 09.10.2023)
70	Khavda V-A Power Transmission Limited (incorporated on 10.10.2023)	71	Rajasthan IV A Power Transmission Limited (incorporated on 10.10.2023)
72	Rajasthan IV C Power Transmission Limited (incorporated on 11.10.2023)	73	Rajasthan IV H1 Power Transmission Limited (incorporated on 13.10.2023)

74	Rajasthan IV E Power Transmission Limited (incorporated on 14.10.2023)	75	Tumkur-II REZ Power Transmission Limited (incorporated on 13.12.2023)
76	NERGS-I Power Transmission Limited (incorporated on 13.12.2023)	77	Kankani Power Transmission Limited (incorporated on 18.12.2023)
78	ERES-XXXIX Power Transmission Limited (incorporated on 27.03.2024)		

G. OTHER MAJOR INVESTMENTS (as on 31.03.2024)

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

PTC India Limited (PTC) was jointly promoted by Power Grid, NTPC, NHPC and PFC. PFC has invested Rs.12 crore in PTC which is 4.05% of PTC's total equity. PTC is the leading provider of power trading solutions in India, a Government of India initiated public-private partnership, whose primary focus is to develop a commercially vibrant power market in the country.

b) Power Exchange India Limited (PXIL)

Power Exchange India Limited (PXIL) is India's first institutionally promoted Power Exchange that provides innovative and credible solutions to transform the Indian Power Markets. PXIL, provides nation-wide, electronic exchange for trading of power and handles power trading and transmission clearance, simultaneously, it provides transparent, neutral and efficient electronic platform. PXIL offers various products such as Day Ahead, Day Ahead Contingency, Any Day, Intra Day and Weekly Contracts. PXIL provides trading platform for Renewable Energy Certificates. PFC's investment in equity shares of PXIL as on March 31, 2024 is Rs. 3.22 crore which is valued at Rs.4.78 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. The shareholding of your company (along with its subsidiary REC) as on March 31, 2024 is 21.49%.

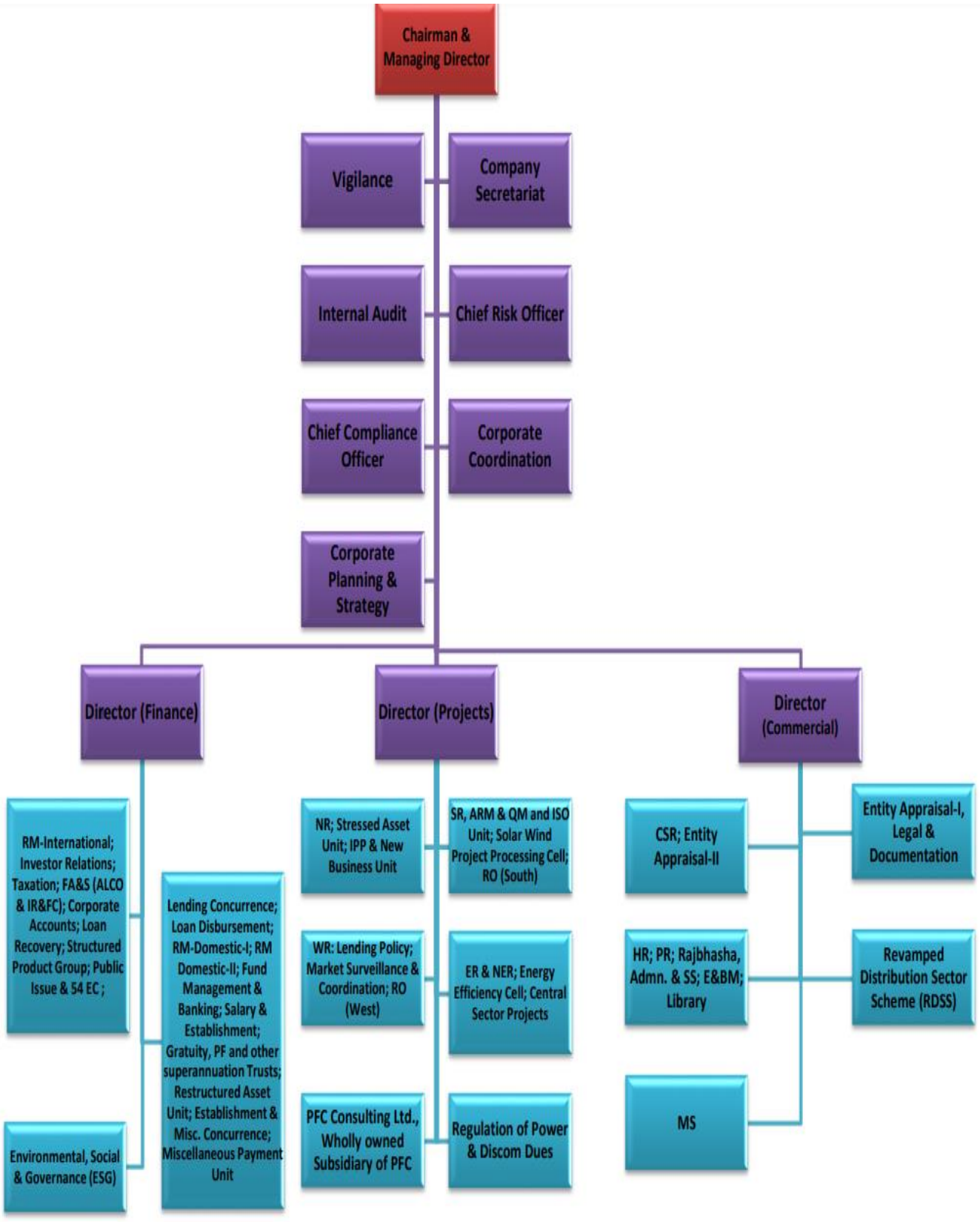
d) Coal India Limited :

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 31.03.2024, PFC is holding 1,39,64,530 shares of Coal India Limited valued at ₹ 606.20 Crore.

e) NHPC Limited:

PFC had invested ₹ 567.49 crore(purchase of 26,05,42,051 shares @ 21.78 per share) in NHPC Limited in April 2016. Up to 31.03.2024, PFC has sold 14,28,62,859 shares of NHPC Limited and As on 31.03.2024, PFC holds 11,76,79,192 shares of NHPC Limited valued at ₹ 1055.58 crore.

CHAPTER VI
STRUCTURE OF THE ISSUER



CHAPTER VII
MANAGEMENT OF THE ISSUER

Following details regarding the directors of the Company:

A. Details of the current Director of the Company:

Name, Designation and DIN	Age (Completed Years)	Address	Date of Appointment	Details of Other Directorships
Smt. Parminder Chopra Designation: Chiarman & Managing Director and Additional Charge Director (Finance) DIN: 08530587 Nationality: Indian	56	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	01/07/2020*	• PFC Consulting Limited • PFC Infra Finance IFSC Limited
Shri. Ajay Tewari Designation: Govt. Nominee Director DIN: 09633300 Nationality: Indian	53	Ministry of Power, Shram Shakti Bhawan, Rafi Marg, New Delhi -1	09/06/2022	• Energy Efficiency Services Limited • SJVN Limited
Shri Rajiv Ranjan Jha Designation: Director (Projects) DIN: 03523954 Nationality: Indian	57	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	28/10/2021	• PFC Consulting Limited • Orissa Integrated Power Limited • Coastal Tamil Nadu Power Limited • Cheyyur Infra Limited • PTC India Ltd • PFC Infra Finance IFSC Limited
Shri Manoj Sharma Designation: Director (Commercial) DIN: 06822395 Nationality: Indian	58	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	29/08/2022	• REC Limited • PFC Projects Limited • Jharkhand Infrapower Limited • PFC Consulting Limited • Bihar Mega Power Limited • Deoghar Mega Power Limited • PFC Infra Finance IFSC Limited

Shri. Bhaskar Bhattacharya Designation: Independent Director DIN: 09406292 Nationality: Indian	64	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	--
Smt. Usha Sajeev Nair Designation: Independent Director DIN: 09408454 Nationality: Indian	47	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	--
Shri Prasanna Tantri Designation: Independent Director DIN: 06471864 Nationality: Indian	41	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi DL 110001 IN	23.12.2021	--

*Appointed as Director(Finance) w.e.f 01.07.2020 and was appointed as CMD w.e.f 14.08.2023 and presently holding additional charge of Director(Finance).

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

B. Details of change in directors in the preceding three financial years and current financial year :

Name, Designation and DIN	Date of appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Shri. Rajeev Sharma Designation: Chairman and Managing Director DIN:00973413 Nationality: Indian	01 October, 2016	1 June, 2020	-	Superannuated
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	4 November, 2020	07 September, 2021	-	Nomination changed by Government

Nationality: Indian				
Shri. Vishal Kapoor Designation: Govt. Nominee Director DIN: 02574098 Nationality: Indian	07 September, 2021	09 June, 2022	-	Nomination changed by Government
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) DIN: 00530741 Nationality: Indian	18 August, 2017	1 July, 2020	-	Superannuated
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 Director DIN:02469982 Nationality: Indian	11 July, 2019	10 July, 2022	-	Completion of Tenure
Shri. Shri Ajay Tewari Designation: Govt. Nominee Director DIN: 09633300 Nationality: Indian	09 June, 2022	Continuing	-	Appointment

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
Shri. R. S. Dhillon Designation: Chairman and Managing Director DIN: 00278074 Nationality: Indian	01 June, 2020	1 June, 2023		Superannuated

CHAPTER VIII
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 330 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. **With power sector financing industry becoming increasingly competitive, our growth will depend on our ability to maintain a low effective cost of funds; inability to do so could have a material adverse effect on our business, financial condition and results of operations.**

The Issuer's ability to compete effectively is dependent on our timely access to capital, the costs associated with raising capital and ability to maintain a low effective cost of funds in the future that is comparable or lower than that of competitors. Many of the Issuer's competitors may have greater and cheaper resources than the Issuer. Competition in industry depends on, among other things, the ongoing evolution of Government policies relating to the industry, the entry of new participants into the industry and the extent to which there is consolidation among banks and financial institutions 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. In respect of private sector entities, the Issuer has been following RBI's credit concentration norms. In respect of Central/State Government entities, RBI had exempted the Company from applicability of RBI's credit concentration norms till March 31, 2022. Further, RBI vide its letter dated August 24, 2022 has allowed the existing exposure of Central/State Government entities of the company as on date of letter to run off till maturity without invoking any regulatory violation.

As per SBR Framework, the credit concentration limits need to be calculated based on Tier I Capital from October 1, 2022 as against owned funds. RBI vide its letter dated March 20, 2023 has, inter-alia, directed the Company to reckon Tier I Capital as on March 31st (based on annual results) while computing exposure. However, during the year, for the purpose of credit concentration limits, the Issuer has worked out the owned fund / Tier I Capital based on quarterly financial results till March 21, 2023. As on March 31, 2023, the exposure of the Issuer to Private / Government Sector entities are within the RBI's prescribed credit concentration limits.

Further, the Issuer's classification as an IFC enables, among other things, to diversify its borrowing through the issuance of Rupee-denominated infrastructure bonds to bondholders, as and when notified by the GoI, and to raise ECBs under the automatic route, subject to certain specified limits. Adverse developments in economic and financial markets or the lack of liquidity in financial markets could make it difficult for the issuerd to access funds at competitive rates.

Our interest rate margins are determined by the cost of our funding relative to the pricing of our loan products. The cost of our funding and the pricing of our loan products are determined by a number of factors, many of which are beyond our control. Our cost of funds (ratio of finance costs to average borrowings, without foreign exchange fluctuation gain/loss amortized) raised as on March 31, 2023 is 7.51%. However, we may not be able to maintain the same during subsequent periods without raising funds from debt market through various concessional debt issues. While we have generally been able to pass on the increased cost of funds to our customers over this period, we may not be able to continue to do so in future. In the event we were to suffer a decline in interest rate margins, we would be required to increase our lending activity in order to maintain our then prevailing profit level. However, there can

be no assurance that we will be able to do so and we may suffer reduced profitability or losses. In the event our interest rate margins decrease, the same may adversely affect our business, financial condition and results of operations.

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

If we are not able to maintain a low effective cost of funds, we may not be able to implement our growth strategy, competitively price our loans and, consequently, we may not be able to maintain the profitability or growth of our business, which could have a material adverse effect on our 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 Stage III Assets (under Ind AS) have been as indicated below:

Particulars as of	Gross Stage III Assets (₹ in crore)	As a % of total loan assets
March 31, 2024	16,073.22	3.34%
March 31, 2023	16,501.65	3.91%
March 31, 2022	20,915.28	5.61%

The Companies (Indian Accounting Standards) Rules, 2015, as amended, has with effect from April 1, 2018 introduced classification of previously termed non-performing assets or NPAs as Stage III Assets as per IND AS principals. Issuer has made provisioning for Stage III assets or non-performing assets accordingly. In addition, the Issuer may, from time to time, amend our policies regarding asset classification of our loans which may increase our Stage III assets. 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 our Stage III assets. There can be no assurances that the classification norms for our loans would not be subject to further change in the future, including on account of changes to accounting policies. Any further changes in classification or provisioning parameters may require additional provisions to be made in our accounts and additional actions to be taken by the Issuer, which we may not be able to in a timely manner or at all. Additionally, if the Issuer is not able to prevent increases in our level of Stage III assets, our business and our future financial condition could be adversely affected.

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 Company, being a CPSE, directors are appointed by the President of India as per the Articles of the Company. As on the date of this GID / KID, the Company's Board comprises of seven Directors which includes three whole time functional directors, one Government Nominee Director and three independent director. Since appointment of directors is undertaken by the President of India through MoP, and is beyond the control of our Company, there are vacancies in our Board of Directors, which have not been fulfilled in terms of the requirements of SEBI Listing Regulations and consequently, we are in non-compliance with certain corporate governance requirements envisaged under the SEBI Listing Regulations and Companies Act, 2013, each as amended.

We have in the past received notices of penalty from NSE and BSE for non-compliance of the requirement of appointment of Independent Directors on the Board of the Company. Our Company has requested NSE and BSE for reconsideration and withdrawal of levy of fine. On the basis of latest communication , the Stock Exchange have levied the following fines:

Rs. In Crore

Stock Exchange	Letter/Email dated	Penalty amount
NSE	July 1, 2015	50,000
BSE	July 10, 2015	57,000
BSE	October 31, 2018	5,42,800
NSE	January 31, 2019	7,59,920
BSE	January 31, 2019	7,59,920
NSE	May 2, 2019	7,43,400
BSE	May 2, 2019	7,43,400
NSE	August 19, 2019	6,37,000
BSE	August 19, 2019	6,37,000
NSE	November 1, 2019	5,48,000
BSE	October 31, 2019	5,48,000
NSE	February 3, 2020	4,60,000
BSE	February 3, 2020	4,60,000
NSE	July 2, 2020	4,55,000
BSE	July 3, 2020	4,55,000
NSE	August 20, 2020	4,55,000
BSE	August 20, 2020	4,55,000
NSE	November 17, 2020	4,60,000
BSE	November 17, 2020	4,60,000
NSE	February 15, 2021	5,66,000
BSE	February 15, 2021	5,66,000
NSE	May 17, 2021	7,44,000
BSE	May 17, 2021	7,44,000
NSE	August 20, 2021	8,19,000
BSE	August 20, 2021	8,19,000
NSE	November 22, 2021	8,28,000
BSE	November 22, 2021	8,28,000
NSE	February 21, 2022	7,92,000
BSE	February 21, 2022	7,92,000
NSE	May 20, 2022	1,50,000
BSE	May 20, 2022	1,50,000
NSE	November 21, 2022	4,60,000
BSE	November 21, 2022	4,60,000
NSE	February 21, 2022	4,60,000
BSE	February 21, 2022	4,60,000
NSE	May 22, 2023	4,50,000

We filed our representations to both NSE and BSE, explaining the reasons for such non-compliance and have requested withdrawal of such fines on account of the fact that the GoI appoints directors of our Company. Subsequently, BSE has vide its email dated September 24, 2020 and April 19, 2021 waived the fines levied on our Company for non-compliance under Regulations 17 and 19 of SEBI Listing Regulations from July 1, 2018 to December 31, 2020. . In this regard, our Company has received a letter dated July 4, 2023 from SEBI wherein SEBI has acceded to our request for exemption from compliance with the provisions of Regulation 5(1)(f) of the SEBI NCS Regulations to the extent of penalties levied upon PFC by

the stock exchanges for non-compliance with corporate governance norms remaining outstanding, subject to necessary disclosures for such non-compliances under SEBI Listing Regulations in this GID / KID.

In addition, the Companies Act, 2013, also prescribes a penalty for non- compliance with regard to appointment of requisite minimum number of independent directors, ranging from ₹ 50,000 to ₹ 5,00,000 respectively. This non- compliance with regard to appointment of requisite minimum number of independent director was beyond the control of our Company, and the Company has/had requested the GoI from time to time to expedite the process of such appointment(s). The Company cannot provide any assurance that this will be rectified until the GoI appoints such directors

Further, there can be no assurance that we may not be subjected to similar penalties in the future.

Further, RoC issued a show cause notice dated June 18, 2015 under Section 172 of the Companies Act, 2013 to PFCGEL (our erstwhile Subsidiary) and its directors who were also our Company's then functional directors, i.e. Mr. Mukesh Kumar Goel, CMD, Mr. Radhakrishnan Nagarajan, Director (Finance) and Mr. Anil Kumar Agarwal, Director (Projects), for not appointing a woman director on its board of directors, in terms of provisions of section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014. On July 1, 2015, PFCGEL and its directors filed a reply to RoC. Subsequently, PFCGEL merged with our Company vide MCA order dated February 7, 2019. While no further communication has been received from RoC, our Company cannot assure you that no further action will be taken, or the levy of fine or penalty will be imposed by RoC in this regard

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 31.03.2024, 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 31st March**					
	2019	**2020**	**2021**	**2022**	**2023**	**2024**
Net cash from operating Activities	(44,499.69)	(10,025.55)	(17,514.68)	6,738.42	(35,740.75)	(38,680.43)
Net cash from investing activities	(13,819.57)	1,555.92	880.92	(30.53)	(713.97)	(1,472.81)
Net cash from financing activities	58,091.65	8,342.06	20,168.86	(9,704.60)	35,755.95	40,152.86
Net increase/(decrease) in cash and cash equivalents	(227.62)	(127.57)	3,535.10	(2,996.71)	(698.77)	(0.38)

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, 2024 Rs. 91,936 crore or 19.10% 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.**

We are a systemically important non-deposit taking NBFC and are subject to various regulations by the RBI as an NBFC. With effect from July 28, 2010, our Company has been classified as an IFC by the RBI. This classification is subject to certain conditions including (i) a minimum of 75% of the total assets of such IFC should be deployed in infrastructure loans (as defined under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016), (ii) net owned funds of ₹ 300 crore or more, (iii) a minimum credit rating of "A" or an equivalent credit rating of CRISIL, ICRA, CARE, Fitch, Brickwork Rating India Private Limited or equivalent rating by any other credit rating agency accredited by RBI, and (iv) CRAR of 15% with a minimum tier I capital of 10%. Tier I capital for such purposes means owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate tier I capital of such company as of March 31 of the previous accounting year.

As per RBI's SBR Framework, the credit concentration limits need to be calculated based on Tier I Capital from October 1, 2022 as against owned funds. RBI vide its letter dated March 20, 2023 has, inter-alia, directed the Company to reckon Tier I Capital as on March 31st (based on annual results) while computing exposure. However, during the year, for the purpose of credit concentration limits, the Company has worked out the owned fund / Tier I Capital based on quarterly financial results till March 21, 2023. As on March 31, 2024, the exposure of the Company to Private / Government Sector entities are within the RBI's prescribed credit concentration limits.

As prescribed under RBI's SBR Framework, following credit concentrations limits are being followed by our Company:

Concentration of Credit / Investment Norms Limit (as a percentage of Tier I Capital)	
- Single borrower/ party	25%
- Single group of borrowers/ parties	40%

In addition to above:

- An NBFC may exceed the concentration of credit/ investment norms, by 5% for any single party and by 10% for a single group of parties, if the additional exposure is on account of infrastructure loan and/or investment.

As of March 31, 2024, the CRAR of our Company was 25.41%. The exposure limits as prescribed by RBI are being followed by our Company in case of private sector borrowers. Any inability to continue being classified as an IFC may impact our growth plans by affecting our competitiveness. As an IFC, we will have to constantly monitor our compliance with the necessary conditions, which may hinder our future plans to diversify into new business lines. In the event we are unable to comply with the eligibility condition(s), we may be subject to regulatory actions by the RBI and/ or cancellation of our registration as an IFC. Any levy or fines or penalties or the cancellation of our registration as IFC may adversely affect our business prospects, results of operations and financial condition.

In addition, our 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. According to the RBI, a bank's exposure to a single NBFC will be restricted to 20 percent of their Tier-I capital. However, based on the risk perception, more stringent exposure limits in respect of certain categories of NBFCs may be considered. Banks's exposure to a group of connected NBFCs or group of connected counterparties having NBFCs in the group will be restricted to 25 percent of their Tier I capital. The above exposure limits are subject to all other instructions in relation to bank's exposures to NBFCs. Banks may also consider fixing internal limits for their aggregate exposure to the power sector put together. Although we do not believe

such exposure limits have had any adverse effects on our own liquidity, however, any change in regulatory regime may result in a situation where individual lenders from whom we currently borrow may not be able to continue to provide us funds.

As we grow our business and increase our borrowing, we may face similar limitations with other lenders, which could impair our growth and interest margins and could therefore have a material adverse effect on our business, financial condition, results of operations.

31. **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, 2024, 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.

32. **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, 2024, the Issuer had foreign currency borrowing outstanding of Rs. 72,836 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.

33. **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.

34. **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.

35. **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.

36. **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.

37. **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.

38. **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.

39. **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.

40. **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.

41. **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.

42. **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, 3.28% 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.

43. **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.

44. **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.

45. **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.

46. **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.

47. **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.

48. **The issuer is in non-compalince with certain corporate governance requirements envisaged under the SEBI Listing Regulations.**

The Company, being a CPSE, directors are appointed by the President of India as per the Articles of the Company. As on the date of this GID / KID, the Company's Board comprises of seven Directors which includes three whole time functional directors, one Government Nominee Director and three independent director. Since appointment of directors is undertaken by the President of India through MoP, and is beyond the control of our Company, there are vacancies in our Board of Directors, which have not been fulfilled in terms of the requirements of SEBI Listing Regulations and consequently, the Company is in non-compliance with regard to appointment of requisite minimum number of independent director as required under the SEBI Listing Regulations.

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 non-deposit taking NBFC-ML 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.

C. RISKS RELATING TO THE NON CONVERTIBLE SECURITIES

1. There is no guarantee that the Bonds will be listed on NSE / BSE in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the Bonds issued pursuant to this Issue will not be granted until the relevant stock exchanges as well as SEBI approve of the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing and trading will require all relevant documents authorising the issuing of Bonds to be submitted. There could be a failure or delay in listing the Bonds on the NSE and/or BSE. If permission to deal in and for an official quotation of the Bonds is not granted by the Stock Exchanges, the Bonds will remain unlisted.

2. There has been only a limited trading in the bonds of such nature and the price of the Bonds may be volatile subject to variation.

These Bonds have no established trading market. There can be no assurance that an active public market for the Bonds will develop or be sustained. The liquidity and market prices of the Bonds can be expected to vary with changes in market and economic conditions, the Issuer's financial condition and other factors that may be beyond the Issuer's control.

3. Risks relating to any international regulations, FATCA, taxation rules may apply on foreign investors as the Issue may be marketed to them.

The Bonds have not been recommended by any U.S. federal or state securities commission or regulatory authority. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States under the U.S. Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Further, any person making or intending to make an offer of Bonds within the European Economic Area ("EEA") which are the subject of the Issue should only do so in circumstances in which no obligation arises for the Issuer to produce a prospectus for such offer.

Foreign Account Tax Compliance Act withholding may affect payments on the Bonds. Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("FATCA") impose a new reporting regime and, potentially, a 30%. withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. FATCA may affect payments made to custodians or intermediaries in the payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. This is not a complete analysis or listing of all potential tax consequences of FATCA.

Investors should consult their own tax advisers to obtain a more detailed explanation of FATCA and how FATCA may affect them. India and The United States have signed an agreement on 9 July to share financial information about their residents, which takes effect on 30 September, 2015 and the amendments to the Income Tax Act, have been notified on 7 August by the CBDT. Therefore if any withholding or deduction is required pursuant to section 1471 through 1474 of the US Internal Revenue Code of 1986 (FATCA), any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto, the Issuer shall make such FATCA deduction and shall not be liable to compensate, reimburse, indemnify or otherwise make any payment whatsoever directly or indirectly in respect of such FATCA deduction.

4. The investor may not be able to recover, on a timely basis or recover at all, the full value of the outstanding amounts and/ or the interest accrued thereon, in connection with the Bonds.

The Issuer's ability to pay interest accrued on the Bonds and/ or the principal amount outstanding from time to time in connection therewith would be subject to various factors, including the Issuer's financial condition, profitability and the general economic conditions in India and in the global financial markets. The Issuer cannot assure the investor that it would be able to repay the principal amount outstanding from time to time on the Bonds and/ or the interest accrued thereon in a timely manner, or repay at all.

5. Foreign investors subscribing to the Bonds are subject to risks in connection with (i) exchange control regulations, and, (ii) fluctuations in foreign exchange rates.

The Bonds will be denominated in Indian rupees and the payment of interest and redemption amount shall be made in Indian rupees. Various statutory and regulatory requirements and restrictions apply in connection with the Bonds held by foreign investors. The amounts payable to foreign investors holding the Bonds, on redemption of the Bonds and/or the interest paid/payable in connection with such Bonds would accordingly be subject to prevailing Exchange Control Regulations. Any change in the Exchange Control Regulations may adversely affect the ability of such foreign investors to convert such amounts into other currencies, in a timely manner or may not be permitted to be converted at all. Further, fluctuations in the exchange rates between the Indian rupee and other currencies could adversely affect the amounts realized by foreign investors on redemption or payment of interest on the Bonds by the Issuer.

6. The Bonds are not guaranteed by the Republic of India.

The Bonds are not the obligations of, or guaranteed by, the Republic of India. Although the Government owned 55.99% of the Issuer's issued and paid up share capital as on 31.03.2024, the Government is not providing a guarantee in respect of the Bonds. In addition, the Government is under no obligation to maintain the solvency of the Issuer. Therefore, investors should not rely on the Government ensuring that the Issuer fulfils its obligations under the Bonds.

7. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Bonds.

8. The Bonds are subject to the risk of change in law.

The terms and conditions of the Bonds are based on Indian law in effect as of the date of issue of the relevant Bonds. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the relevant Bonds and any such change could materially and adversely impact the value of any Bonds affected by it.

9. No debenture redemption reserve will be created for the Bonds issued under this issue.

According to the Companies (Share Capital and Debentures) Rules, 2014 as amended, for NBFCs registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997, no DRR is required in case of privately placed debentures. Therefore creation of DRR is not envisaged against the Bonds being issued under the terms of this offer document.

10. Any downgrading in credit rating of the Issuer's other Bonds may affect the rating for these bonds and consequently trading price of the Bonds and its ability to raise funds.

The Bonds proposed to be issued under this Issue have been rated "AAA/Stable" by CRISIL (CIN: U67100MH2019PLC326247) , "CARE AAA/Stable" by CARE (CIN: L67190MH1993PLC071691) and [ICRA]AAA/Stable by ICRA (CIN: L74999DL1991PLC042749). The credit ratings of the Issuer's other bonds may be suspended, withdrawn or revised at any time by the assigning Credit Rating Agencies. Any revision or downgrading in the credit rating may affect the ratings for these bonds and consequently may lower the value of the Bonds and may also affect the Issuer's ability to raise further debt on competitive terms.

11. Payments made on the Bonds will be subordinated to certain tax and other liabilities preferred by law i.e. secured debt.

The Bonds will be subordinated to certain liabilities preferred by law such as to claims of the GoI on account of taxes, and certain liabilities incurred in the ordinary course of the Issuer's transactions. In particular, in the event of bankruptcy, liquidation or winding-up, the Issuer's assets will be available to pay obligations on the Bonds only after all of those liabilities that rank senior to these Bonds have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Bonds. Further, there is no restriction on the amount of debt securities that the Issuer may issue that may rank above the Bonds.

12. Risk Factor specific to Perpetual Debt Instrument

These instruments (PDIs) have certain unique features in terms of the regulatory guidelines which, inter-alia, grant the issuer (in consultation with RBI) a discretion in terms of writing down the principal/ interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions of the issuer might result in potential loss to investors.

CHAPTER IX
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 X
FINANCIAL INFORMATION

A. The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable.

The financial results (standalone and consolidated) of the Company along with Auditor's report available at below links**:-**

Period	Link	QR Cpde
Q4 & FY 2023-24	https://pfcapps.com/WEBAPPDOCS/PFCAPPs/Q4%20and%20FY%2023-24%20Financials.pdf	
FY 2022-23	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Financial_Results/Q-4_Results_22_23.pdf	
FY 2021-22	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Financial_Results/Q4.pdf	

B. Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.

Not Applicable

C. The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

Please refer Clause A and B.

D. Key Operational and Financial Parameters on Standalone and Consolidated basis:

The following tables present the summary financial information of our Company for the period ended March 31, 2022, March 31, 2023 and March 31, 2024.

a. Standalone Basis

(₹ in crore)

Particulars	As on/for the Year ended 31.03.2024 (Audited) IND-AS	As on/for the Year ended 31.03.2023 (Audited) IND-AS	As on/for the year ended 31.03.2022 (Audited) IND-AS
BALANCE SHEET			
Assets			
Property, Plant and Equipment	42.08	44.00	44.72
Financial Assets	5,00,885.11	4,39,943.82	3,89,438.46
Non-financial Assets excluding property , plant and equipment	4,655.82	4845.24	4926.83
Total Assets	**5,05,583**	**4,44,833.06**	**3,94,410.01**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	353.73	24.32	103.25
-Trade Payables	14.92	13.41	-
-Debt Securities	2,94,267.80	2,59,827.05	2,30,156.95
-Borrowings (other than Debt Securities)	1,16,606.04	1,01,228.89	87,965.42
-Subordinated liabilities	5,519.72	9,311.84	9,311.27
-Other financial liabilities	8,633.29	5,521.34	6,803.99
Non-Financial Liabilities			
-Current tax liabilities (net)	15.31	105.02	194.92
-Provisions	412.09	323.65	247.00
-Other non-financial liabilities	556.62	272.38	276.93
Equity (Equity Share Capital and Other Equity)	79,203.49	68,202.23	59,350.28
Total Liabilities and Equity	**5,05,583.01**	**4,44,833.06**	**3,94,410.01**
PROFIT AND LOSS			
Revenue from operations	46,022.46	39,651.75	38,545.40
Other Income	11.64	13.88	45.77
Total Income	**46,034.10**	**39,665.63**	**38,591.17**
Total Expense	**28,408.41**	**25,495.01**	**26,363.52**
Profit after tax for the year	14,367.02	11,605.47	10,021.90
Other Comprehensive income	1,388.46	(159.67)	180.83
Total Comprehensive Income	15,755.48	11445.80	10202.73

Earnings per equity share (Basic)	43.53	35.17	37.96
Earnings per equity share (Diluted)	43.53	35.17	37.96
Cash Flow			
Net cash from / used in(-) operating activities	(38,680.43)	(35,740.75)	6,738.42
Net cash from / used in(-) investing activities	(1,472.81)	(713.97)	(30.53)
Net cash from / used in (-)financing activities	40,152.86	35,755.95	(9,704.64)
Net increase/decrease(-) in cash and cash equivalents	(0.38)	(698.77)	(2996.71)
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year	21.76	22.14	720.91
Additional Information			
Net worth	79,203.49	68,202.23	59,350.28
Cash and cash equivalents	21.76	22.14	720.91
Loans			
Loans (Principal Amount)	4,25,026.85	3,75,889.12	3,34,237.63
Total Debts to Total Assets	0.84	0.85	0.85
Interest Income	43,641.14	37,645.31	36,701.22
Interest Expense	28,013.78	23,282.57	22,671.30
Impairment on Financial Instruments			
Bad Debts to Loans		-	
% Stage 3 Loans on Loans(Principal Amount)	3.34%	3.91%	5.61%
% Net Stage 3 Loans on Loans (Principal Amount)	0.85%	1.07%	1.76%
Tier I Capital Adequacy Ratio (%)	23.81%	21.61%	20.00%
Tier II Capital Adequacy Ratio (%)	2.23%	2.76%	3.48%

*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.

b. Consolidated Basis

(₹ in crore)

Particulars	**As on/for the Year ended 31.03.2024 (Audited) IND-AS**	**As on/for the Year ended 31.03.2023 (Audited) IND-AS**	**As on/for the year ended 31.03.2022 (Audited) IND-AS**
BALANCE SHEET			
Assets			
Property, Plant and Equipment	723.71	737.66	668.94
Financial Assets	10,30,491.96	8,86,765.53	7,81,845.48
Non-financial Assets excluding Property , Plant and Equipment	7,632.66	8591.26	8466.4
Assets Classified as held for sale	29.05	17.41	19.45

Total Assets	10,38,877.38	8,96,111.86	7,91,000.27
Liabilities			
Financial Liabilities			
-Derivative financial instruments	1,113.43	1,001.27	656.39
-Trade Payables	113.72	64.28	49.75
-Other Payables	-	-	-
-Debt Securities	5,60,331.04	4,96,729.38	4,49,731.56
-Borrowings (other than Debt Securities)	2,88,698.09	2,38,343.00	1,94,616.98
-Deposits	-	-	-
-Subordinated liabilities	12,931.93	16,085.14	16,127.74
-Lease liabilities	-	-	-
-Other financial liabilities	39,944.66	30,964.67	32,598.98
Non-Financial Liabilities			
-Current tax liabilities (net)	82.82	133.34	219.15
-Provisions	549.43	438.11	356.55
-Other non-financial liabilities	823.72	384.79	368.01
Equity (Equity Share Capital and Other Equity)	1,01,146.77	84,158.49	71,676.24
Non-controlling interest	33,141.77	27,822.79	24,598.91
Total Liabilities and Equity	**10,38,877.38**	**8,96,111.86**	**7,91,000.27**
PROFIT AND LOSS			
Revenue from operations	91,096.72	77,568.30	76,261.66
Other Income	78.15	56.89	83.26
Total Income	**91,174.87**	**77,625.19**	**76,344.92**
Total Expenses	**57,586.57**	**51,129.13**	**52,940.30**
Profit after tax for the year	26,461.18	21,178.59	18,768.21
Other Comprehensive Income	2,432.73	(1,130.71)	121.57
Total Comprehensive Income	28,893.91	20,047.88	18,889.78
Earnings per equity share (Basic)	59.88	48.15	53.08
Earnings per equity share (Diluted)	59.88	48.15	53.08
Cash Flow			

Net cash from / used in(-) operating activities	(97,820.41)	(74,698.93)	1,632.47
Net cash from / used in(-) investing activities	(3,408.99)	(1,693.58)	(366.55)
Net cash from / used in (-)financing activities	1,01,261.30	75,518.27	(5,279.42)
Net increase/decrease(-) in cash and cash equivalents	31.90	(874.24)	(4013.50)
Cash and cash equivalents as per Cash Flow Statement as at end of the year	71.90	40.00	914.24
Additional Information			
Net worth	1,34,288.54	1,11,981.28	96,275.15
Cash and cash equivalents	71.90	40.00	914.24
Loans	9,01,905.72	7,82,105.85	6,93,075.26
Total Debts to Total Assets	0.87	0.87	0.88
Interest Income	90,085.40	76,495.93	74,887.12
Interest Expense	57,962.20	47,016.78	44,708.78
Impairment on Financial Instruments			
Bad Debts to Loans		-	-

E. Details of any other contingent liabilities of the issuer based on the latest audited financial statements including amount and nature of liability:-

Amount (in Crore)

Sr. No.	Description	As on 31.03.2024
Contingent Liabilities		
i)	Guarantees[(a) & (b)]	0.94
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/GST demand or show cause notices raised by Service Tax/GST Department in respect of earlier years which are being contested.	28.19
	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.	53.95
v)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned [(b)]	1638.09
vi)	Penalty imposed by NSE&BSE	1.59
Commitments		
i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	918.92
ii)	Other Commitments – CSR unspent amount pertaining to the period up to 31.03.2020	50.32
	Total	2783.78

[(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.

F. **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:-**

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 as on 31.03.2024
Shree Maheshwar Hydro Power Corp. Ltd.	NIL *

*Contingent Liability (Un-invoked portion as on 31.03.2024)

Detail of Letter of Comfort (as on 31.03.2024)

LoC amounting to ₹ 1689.27 crore is outstanding as on 31.03.2024 for various borrowers.

CHAPTER XI
OTHER FINANCIAL INFORMATION OF THE COMPANY

1. A brief history of the issuer since its incorporation giving details of its following activities:

A. Details of Share Capital as at last quarter end (31.03.2024):

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	
3,30,01,01,760 Equity Shares of Rs. 10/- each	3300.10

B. Changes in its capital structure as at 31.03.2024 for the last three years:-

Date of Change (AGM/EGM)	Particulars
12-Sep-23	For every 4 equity shares of Rs.10 face value held 1 equity share allotted

C. **Details of the equity share capital for the preceding three financial years and current financial year (as at 31.03.2024):**

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.)
21-Sep-23	660020352	Rs.10/-			Bonus	3300101760		

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

NIL

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

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

F. Details of shareholding of the company as on 31.03.2024, as per the format specified under the listing regulations:

a. Shareholding pattern of the company as on last quarter end as on 31.03.2024:-

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)	1,84,78,64,722	1,84,78,64,722	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)	**1,84,78,64,722**	**1,84,78,64,722**	**55.99%**
(B)	PUBLIC SHAREHOLDING			
(1)	INSTITUTIONS			
(a)	Mutual Funds /UTI	41,69,43,279	41,69,43,279	12.63%
(b)	Financial Institutions /Banks	7,94,172	7,94,172	0.02%
(c)	Central Government / State Government(s)			
(d)	Venture Capital Funds			
(e)	Insurance Companies	80,50,696	80,50,696	0.24%
(f)	Foreign Institutional Investors			
(g)	Foreign Portfolio Investor	56,73,70,602	56,73,70,602	17.19%
(h)	Qualified Foreign Investor			
(i)	Others			
	Sub-Total B(1) :	99,31,58,749	99,31,58,749	30.09%
(2)	NON-INSTITUTIONS			
(a)	Body Corporates	3,57,71,034	3,57,71,034	1.08%
(b)	NBFCs	14,05,536	14,05,536	0.04%
(c)	Resident Individuals	22,42,76,392	22,42,56,573	6.80%
(d)	Others			
	Employees	10,79,230	10,79,230	0.03%
	Non Resident Indians	48,20,995	48,20,995	0.15%
	HUF	1,07,80,305	1,07,80,224	0.33%
	Clearing Members	51,777	51,777	0.00%
	NRI Non Repatriable	37,95,403	37,95,403	0.12%
	Trusts	14,28,414	14,28,414	0.04%
	I E P F	1,36,236	1,36,236	0.00%
	Qualified Institutional Buyer	15,40,81,499	15,40,81,499	4.67%
	Alternate Investment Fund	2,14,51,413	2,14,51,413	0.65%

	Sub-Total B(2) :	45,90,78,234	45,90,58,334	13.91%
	Total B=B(1)+B(2) :	1,45,22,36,983	1,45,22,17,083	44.01%
	Total (A+B) :	3,30,01,01,705	3,30,00,81,805	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) :	3,30,01,01,705	3,30,00,81,805	100.00%

b. Details of promoters of the company as on the latest quarter ending 31.03.2024:-

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	184,78,64,722	184,78,64,722	55.99	NIL	N.A

G. List of top 10 holders of equity shares of the company as on 31.03.2024-

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	1,84,78,64,722	1,84,78,64,722	55.99%
2	LIFE INSURANCE CORPORATION OF INDIA	6,93,00,773	6,93,00,773	2.10%
3	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANTAGE FUND	4,20,23,589	4,20,23,589	1.27%
4	HDFC MUTUAL FUND - HDFC MID-CAP OPPORTUNITIES FUND	3,21,06,022	3,21,06,022	0.97%
5	KOTAK FUNDS - INDIA MIDCAP FUND	2,92,04,026	2,92,04,026	0.88%
6	KOTAK EMERGING EQUITY SCHEME	2,47,65,029	2,47,65,029	0.75%
7	GOVERNMENT OF SINGAPORE	2,29,15,576	2,29,15,576	0.69%
8	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA GROWTH FUND	2,10,00,000	2,10,00,000	0.64%
9	TATA AIG GENERAL INSURANCE COMPANY LIMITED	2,06,05,813	2,06,05,813	0.62%
10	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	1,99,26,427	1,99,26,427	0.60%
	TOTAL:	**2,12,97,11,977**	**2,12,97,11,977**	64.53%

C. Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):

(i) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

Whole-time directors

The remuneration paid to the Whole-time Directors comprises of - remuneration, benefits, allowances and performance linked incentives etc.

Financial Year	(Amt Rs. in crores)
2023-24	4.04
2022-23	3.07
2021-22	3.30
2020-21	3.34
2019-20	3.18
2018-19	5.16

Non-executive directors

The Non-Executive/ Non Whole-time Directors of the Company are entitled to sitting fees at a rate fixed by the Board within the limits as prescribed under the Companies Act, 2013 for attending the meetings of the Board and Committees of Directors. Presently, sitting fee of Rs. 40,000 for attending each meeting of the Board of Directors/AGM and Rs. 30,000 for attending each meeting of the Committees of Directors is being paid to each Independent Director. The following table provides the details of remuneration paid by the Company to the Non-Executive Directors:-

Financial Year	(Amt Rs. in crores)
2023-24	0.45
2022-23	0.38
2021-22	0.25
2020-21	0.19
2019-20	0.16

Government nominees were not entitled to any remuneration or sitting fee from the Company

(ii) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company:

Nil

(iii) Full particulars of the nature and extent of interest, if any, of every director:

a) in the promotion of the issuer company: NIL

b) in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or: NIL

c) where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for

services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed : NIL

d) Contribution being made by the directors as part of the offer or separately in furtherance of such objects : NIL

D. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.

The Promoter, Directors or key managerial personnel of the Company do not have any financial or other material interest in the Issue of Bonds and thus there shall be no effect which is different from the interests of other persons

2. Details of the following liabilities of the issuer, as at the end of the preceding quarter or if available, a later date:-

(i) Details of Outstanding Secured Term Loan Facilities as on 31.03.2024

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Last Repayment Date/ Schedule	Security	Rating	Classification
Canara Bank	Rupee Term Loan	500.00	500.00	21-Jun-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.)	AAA	Standard
Canara Bank	Rupee Term Loan	500.00	500.00	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	500.00	100.00	30-Sep-24			
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	1,500.00	375	25-Feb-25			
Bank of India	Rupee Term Loan	1,000.00	1,000.00	02-Mar-25			
State Bank of India	Rupee Term Loan	5,000.00	2,140.00	10-Jul-25			
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	225.00	112.50	30-Sep-25			
Union Bank of India	Rupee Term Loan	2,000.00	900.00	30-Sep-25			

(ii) Details of Outstanding Unsecured Loan as on 31.03.2024:-

Name of Lender	Type of Facility	Amount Sanctioned (Rs. in crs)	Principal Amount Outstanding (Rs. in Crs)	Last Repayment Date/ Schedule	Rating	Classification
Bank of Baroda	Rupee Term Loan	1,500.00	1,500.00	28-Jun-24	A1+	Standard

HDFC Bank	Rupee Term Loan	4,160.00	3,275.50	27-Jul-24		
State Bank of India	Rupee Term Loan	3,000.00	3,000.00	19-Dec-24	AAA	Standard
Union Bank of India (erstwhile Andhra bank)	Rupee Term Loan	800.00	400.00	15-Jan-25		
Punjab National Bank (erstwhile OBC)	Rupee Term Loan	1,000.00	333.34	20-Mar-25		
Union Bank	Rupee Term Loan	2,500.00	625.00	23-Mar-25		
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	30-Sep-25		
KEB Hana Bank	Rupee Term Loan	100.00	100.00	17-Nov-25		
Karnataka Bank	Rupee Term Loan	250.00	250.00	08-Feb-26		
Canara Bank	Rupee Term Loan	500.00	200.00	23-Mar-26		
South Indian Bank	Rupee Term Loan	200.00	200.00	30-Mar-26		
Bank of India	Rupee Term Loan	1,000.00	750.00	11-Sep-26		
Canara Bank	Rupee Term Loan	2,000.00	1,000.00	22-Sep-26		
UCO Bank	Rupee Term Loan	1,000.00	1,000.00	24-Sep-26		
Punjab National Bank	Rupee Term Loan	500.00	500.00	27-Sep-26		
Punjab National Bank	Rupee Term Loan	5.00	5.00	29-Sep-26		
IIFCL	Rupee Term Loan	1,000.00	1,000.00	30-Sep-26		
Bank of India	Rupee Term Loan	2,000.00	2,000.00	02-Mar-27		
Central Bank of India	Rupee Term Loan	1,000.00	1,000.00	31-Mar-27		
UCO Bank	Rupee Term Loan	1,000.00	1,000.00	30-Mar-28		
Union Bank of India	Rupee Term Loan	3,000.00	3,000.00	31-Mar-28		
South Indian Bank	Rupee Term Loan	200.00	199.96	31-Mar-28		
Canara Bank	Rupee Term Loan	2,500.00	2,500.00	30-Jun-28		
HDFC Bank	Rupee Term Loan	4,000.00	4,000.00	05-Jul-28		
Bank of India	Rupee Term Loan	500.00	500.00	18-Sep-28		
South Indian Bank	Rupee Term Loan	200.00	199.96	19-Sep-28		

Punjab National Bank	Rupee Term Loan	3,000.00	3,000.00	29-Sep-28		
Indian Overseas Bank	Rupee Term Loan	1,000.00	1,000.00	30-Sep-28		
NSSF	Rupee Term Loan	7,500.00	7,500.00	27-Dec-28		
IIFCL	Rupee Term Loan	2,000.00	2,000.00	28-Feb-29		
Indian Overseas Bank	Rupee Term Loan	500.00	500.00	30-Mar-29		
Punjab and Sind Bank	Rupee Term Loan	1,000.00	1,000.00	30-Mar-29		
Union Bank of India	Rupee Term Loan	1,500.00	837.19	27-Sep-29		
Bank of Baroda	Rupee Term Loan	5,000.00	5,000.00	17-Nov-29		
HDFC Bank	Rupee Term Loan	4,000.00	4,000.00	25-Sep-30		
HDFC Bank	Rupee Term Loan	3,000.00	3,000.00	25-Sep-30		
State Bank of India	Rupee Term Loan	7,000.00	7,000.00	30-Sep-33		
State Bank of India	Rupee Term Loan	2,000.00	2,000.00	30-Sep-33		
NABFID	Rupee Term Loan	3,500.00	3,500.00	31-Mar-38		
NABFID	Rupee Term Loan	1,000.00	1,000.00	01-Mar-39		

Details of Unsecured Foreign Currency Loans Outstanding as on 31.03.2024:-

Sl. No.	Lender's Name	Type of Facility	Amount Sanctioned (in FC)	Principal Amount Outstanding (in FC)	Repayment Date/ Schedule	Credit Rating#
1.	KFW	Foreign Currency Loan	Deutsche Mark 46.5 million	Euro 4.30 million	30.06.2035 *	
2.	Asian Development Bank	Foreign Currency Loan	USD 150.00 million	USD 4.81 million	15.10.2028 *	
3.	BPI France Assurance Export (formerly known as Natixis / Credit National France) (on behalf of the Government of the Republic of France)	Foreign Currency Loan	FRF 164.6 million	Euro 1.11 million	30.06.2028 *	
4.	3.75% USD Green bonds 2027	Bonds 2027	USD 400.00 million	USD 400.00 million	06.12.2027	BBB- by Fitch and Baa3 by Moody's as
5.	5.25% USD Bonds 2028	Bonds 2028	USD 300.00 million	USD 300.00 million	10.08.2028	

6.	6.15% USD bonds 2028	Bonds 2028	USD 500.00 million	USD 500.00 million	06.12.2028	on date of issuance
7.	3.75% USD Bonds 2024	Bonds 2024	USD 400.00 million	USD 400.00 million	18.06.2024	
8.	4.50% USD Bonds 2029	Bonds 2029	USD 600.00 million	USD 600.00 million	18.06.2029	
9.	3.25% USD Bonds 2024	Bonds 2024	USD 300.00 million	USD 300.00 million	16.09.2024	
10.	3.90% USD Bonds 2029	Bonds 2029	USD 450.00 million	USD 450.00 million	16.09.2029	
11.	State Bank of India, Hong Kong	Foreign Currency Loan- syndicated loan-XXIX	USD 250.00 million	USD 250.00 million	20.12.2024	
12.	3.95% USD bonds 2030	Bonds 2030	USD 750.00 million	USD 750.00 million	17.04.2030	BBB- by Fitch and Baa3 by Moody's as on date of issuance
13.	Exim Bank of India	Foreign Currency Loan- Term Loan-30 (USD 100m)	USD 100.00 million	USD 100.00 million	13.10.2025	
14.	DBS Bank Ltd. acting as facility agent through its branch in Singapore on behalf of various lenders	Foreign Currency Loan- syndicated loan-30 (USD 300m)	USD 300.00 million	USD 300.00 million	05.11.2025	
15.	3.35% USD Bonds 2031	Bonds 2031	USD 500.00 million	USD 500.00 million	16.05.2031	BBB- by Fitch and Baa3 by Moody's as on date of issuance
16.	1.841% EUR Bond 2028	Bonds 2028	EUR 300.00 million	EUR 300.00 million	21.09.2028	
17.	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	30.11.2026	
18.	Exim Bank of India	Foreign Currency Term Loan – 31 B	USD 100.00 million	USD 100.00 million	30.11.2026	
19.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	Foreign Currency Term Loan – 32 A	JPY 89,208.00 million	JPY 89,208.00 million	28.12.2028*	
20.	KFW	KFW (DIF)	EUR 131.90 million	EUR 76.51 million	15.11.2031*	
21.	State Bank of India acting as facility agent through its branch in	Foreign Currency Term Loan – 32 B	JPY 26,762.00 million	JPY 26,762.00 million	05.01.2030	

	Hong Kong on behalf of various lenders					
22.	Japan Bank for International Cooperation	JBIC PLA 1	JPY 2,061.64 million	JPY 2,650.00 million	20.04.2038*	
23.	FCNR (B) Loan from ICICI Bank	8 FCNR USD TO JPY 300623	JPY 21,538.50 million	JPY 21,538.50 million	31.07.2024	
24.	Bank of Baroda, New York	33 A FCTL USD 500M 250923 (Tranche I)	USD 250 million	USD 250 million	25.09.2028	
35.	Bank of Baroda, New York	33 A FCTL USD 500M 250923 (Tranche II)	USD 250 million	USD 250 million	27.09.2028	
26.	Japan Bank for International Cooperation	JBIC PLA 2	JPY 1,850 million	JPY 993.48	20.07.2036*	
27.	FCNR (B) Loan from SBI	9 FCNR USD 110M 271223	USD 110 million	USD 110 million	27.12.2024	
28.	State Bank of India acting as facility agent through its branch in Hong Kong on behalf of various lenders	33 B FCTL USD 600M 191223	USD 600 million	USD 600 million	19.12.2028	
29.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 A FCTL USD 250M 220324	USD 250 million	USD 250 million	22.03.2029	
30.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 B FCTL JPY 7577M 220324	JPY 7,576.75 million	JPY 7,576.75 million	22.06.2029	
31.	SMBC acting as facility agent through its branch in Singapore on behalf of various lenders	34 C FCTL JPY 22730M 220324	JPY 22,730.25 million	JPY 22,730.25 million	22.03.2031	
32.	FCNR (B) Loan from SBI	10 FCNR USD TO JPY 37850M 280324	JPY 37,850 million	JPY 37,850 million	28.03.2025	

* These loans have staggered repayment. The final repayment date has been mentioned in the column.

#The outstanding foreign currency long term portfolio is rated AAA by CARE, CRISIL and ICRA and the outstanding foreign currency short term portfolio is rated as A1+ by CARE, CRISIL and ICRA.

(iii). Details of Outstanding Non-Convertible Securities as on 31.03.2024:

ISIN no.	Series of NCS	Tenor/ period of maturity	Coupon	Amount Outstanding (Amount in Rs)	Date of Allotment	Redemption Date	Unsecured / Secured	Security
INE134E07091	Infrastructure Bonds (2010-11) - tranche 1 - Series III	15 Years	8.50%	5.27	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.

INE134E07109	Infrastructure Bonds (2010-11) - tranche 1 - Series IV	15 Years	8.50%	19.33	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.

INE134E07174	Infrastructure Bonds (2011-12) - tranche 1 - Series III	15 Years	8.75%	2.86	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
INE134E07182	Infrastructure Bonds (2011-12) - tranche 1 - Series IV	15 Years	8.75%	7.77	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

INE134E07125	Bond Series 79-B	15 Years	7.75%	217.99	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
INE134E07141	Bond Series 80-B	15 Years	8.16%	209.34	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
INE134E07307	Bond Series 94-B	15 Years	7.38%	25.00	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
INE134E07323	Bond Series 95-B	15 Years	7.38%	100.00	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

INE134E07380	Bond Series 107-B	15 Years	8.46%	1,011.10	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.
INE134E07521	Bond Series 136	10 Years	7.16%	300.00	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.
INE134E07208	PUBLIC ISSUE OF TAX FREE BONDS FY 11-12	15 Years	8.30%	1,280.58	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.

INE134E07349	15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.36%	179.99	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.
INE134E07349	15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	15 Years	7.86%	177.01	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.
INE134E07364	7.04% TR-2 TAX FREE BONDS 12-13	15 Years	7.04%	15.18	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
INE134E07364	7.54% TR 2 TAX FREE BONDS 12-13	15 Years	7.54%	54.03	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.

INE134E07430	8.54% TAX FREE BONDS 13-14 SERIES 2A	15 Years	8.54%	932.70	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
INE134E07448	8.79% TAX FREE BONDS 13-14 SERIES 2B	15 Years	8.79%	353.32	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.
INE134E07455	8.67% TAX FREE BONDS 13-14 SERIES 3A	20 Years	8.67%	1,067.38	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
INE134E07463	8.92% TAX FREE BONDS 13-14 SERIES 3B	20 Years	8.92%	861.96	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
INE134E07539	7.11% TAXFREE BONDS 1A 17.10.2025	10 Years	7.11%	75.10	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.

INE134E07547	7.36% TAXFREE BONDS 1B 17.10.2015	10 Years	7.36%	79.35	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.
INE134E07554	7.27% TAXFREE BONDS 2A 17.10.2015	15 Years	7.27%	131.33	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.
INE134E07562	7.52% TAXFREE BONDS 2B 17.10.2015	15 Years	7.52%	45.18	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.
INE134E07570	7.35% TAXFREE BONDS 3A 17.10.2015	20 Years	7.35%	213.57	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.
INE134E07588	7.60% TAXFREE BONDS 3B 17.10.2015	20 Years	7.60%	155.48	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.
INE134E07232	8.72 % SERIES III INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	0.87	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
INE134E07240	8.72% SERIES IV INFRA BONDS PRIVATE PLACEMENT	15 Years	8.72%	2.40	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
INE134E07794	PFC Capital Gain Bonds Series II		5.75%	145.38	31-Mar-19	02-Apr-24		

INE134E07810	PFC Capital Gain Bonds Series III	5 Years	5.75%	48.91	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.
INE134E07828	PFC Capital Gain Bonds Series III	5 Years	5.75%	72.72	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.
INE134E07836	PFC Capital Gain Bonds Series III	5 Years	5.75%	81.73	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.

INE134E07844	PFC Capital Gain Bonds Series III	5 Years	5.75%	117.29	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.
INE134E07851	PFC Capital Gain Bonds Series III	5 Years	5.75%	105.73	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.
INE134E07869	PFC Capital Gain Bonds Series III	5 Years	5.75%	102.03	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.

INE134E07877	PFC Capital Gain Bonds Series III	5 Years	5.75%	92.09	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.
INE134E07885	PFC Capital Gain Bonds Series III	5 Years	5.75%	89.96	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.
INE134E07893	PFC Capital Gain Bonds Series III	5 Years	5.75%	93.08	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.

INE134E07901	PFC Capital Gain Bonds Series III	5 Years	5.75%	94.02	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.
INE134E07919	PFC Capital Gain Bonds Series III	5 Years	5.75%	107.88	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.
INE134E07927	PFC Capital Gain Bonds Series III	5 Years	5.75%	129.01	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.

INE134E07935	PFC Capital Gain Bonds Series IV	5 Years	5.75%	12.44	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.
INE134E07943	PFC Capital Gain Bonds Series IV	5 Years	5.75%	39.39	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.
INE134E07950	PFC Capital Gain Bonds Series IV	5 Years	5.75%	117.99	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.

INE134E07976	PFC Capital Gain Bonds Series IV	5 Years	5.75%	82.56	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.
INE134E07984	PFC Capital Gain Bonds Series IV	5 Years	5.00%	26.03	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.
INE134E07992	PFC Capital Gain Bonds Series IV	5 Years	5.00%	61.44	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.

INE134E07AA8	PFC Capital Gain Bonds Series IV	5 Years	5.00%	45.90	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.
INE134E07AB6	PFC Capital Gain Bonds Series IV	5 Years	5.00%	48.87	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.
INE134E07AC4	PFC Capital Gain Bonds Series IV	5 Years	5.00%	86.18	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.

INE134E07AD2	PFC Capital Gain Bonds Series IV	5 Years	5.00%	76.54	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.
INE134E07AE0	PFC Capital Gain Bonds Series IV	5 Years	5.00%	101.96	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.
INE134E07AF7	PFC Capital Gain Bonds Series IV	5 Years	5.00%	238.47	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.

INE134E07AU6	PFC Capital Gain Bonds Series V	5 Years	5.00%	74.66	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.
INE134E07AV4	PFC Capital Gain Bonds Series V	5 Years	5.00%	66.60	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.
INE134E07AW2	PFC Capital Gain Bonds Series V	5 Years	5.00%	103.86	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.

INE134E07AX0	PFC Capital Gain Bonds Series V	5 Years	5.00%	131.00	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.
INE134E07AY8	PFC Capital Gain Bonds Series V	5 Years	5.00%	106.04	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.
INE134E07AZ5	PFC Capital Gain Bonds Series V	5 Years	5.00%	135.76	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.

INE134E07BA6	PFC Capital Gain Bonds Series V	5 Years	5.00%	94.42	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.
INE134E07BB4	PFC Capital Gain Bonds Series V	5 Years	5.00%	84.94	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.
INE134E07BC2	PFC Capital Gain Bonds Series V	5 Years	5.00%	125.81	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.

INE134E07BD0	PFC Capital Gain Bonds Series V	5 Years	5.00%	111.14	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.
INE134E07BE8	PFC Capital Gain Bonds Series V	5 Years	5.00%	130.49	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.
INE134E07BF5	PFC Capital Gain Bonds Series V	5 Years	5.00%	269.93	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.

INE134E07BG3	PFC Capital Gain Bonds Series VI	5 Years	5.00%	182.00	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.
INE134E07BH1	PFC Capital Gain Bonds Series VI	5 Years	5.00%	190.40	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.
INE134E07BI9	PFC Capital Gain Bonds Series VI	5 Years	5.00%	180.62	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.

INE134E07BJ7	PFC Capital Gain Bonds Series VI	5 Years	5.00%	253.08	31-Jul-22	31-Jul-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.
INE134E07BK5	PFC Capital Gain Bonds Series VI	5 Years	5.00%	146.19	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.
INE134E07BL3	PFC Capital Gain Bonds Series VI	5 Years	5.00%	214.67	30-Sep-22	30-Sep-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.

INE134E07BM1	PFC Capital Gain Bonds Series VI	5 Years	5.00%	176.41	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.
NE134E07BN9	PFC Capital Gain Bonds Series VI	5 Years	5.00%	200.25	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.
INE134E07BO7	PFC Capital Gain Bonds Series VI	5 Years	5.00%	212.29	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.

INE134E07BP4	PFC Capital Gain Bonds Series VI	5 Years	5.00%	191.69	31-Jan-23	31-Jan-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.
INE134E07BQ2	PFC Capital Gain Bonds Series VI	5 Years	5.00%	212.41	28-Feb-23	28-Feb-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.
INE134E07BR0	PFC Capital Gain Bonds Series VI	5 Years	5.00%	440.88	31-Mar-23	31-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.

INE134E07BT6	PFC Capital Gain Bonds Series VII	5 Years	5.25%	171.00	30-Apr-23	30-Apr-28	Secured	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.
INE134E07BV2	PFC Capital Gain Bonds Series VII	5 Years	5.25%	216.65	31-May-23	31-May-28	Secured	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.
INE134E07CE6	PFC Capital Gain Bonds Series VII	5 Years	5.25%	229.09	30-Jun-23	30-Jun-28	Secured	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.

INE134E07CD8	PFC Capital Gain Bonds Series VII	5 Years	5.25%	335.11	31-Jul-23	31-Jul-28	Secured	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.
INE134E07CC0	PFC Capital Gain Bonds Series VII	5 Years	5.25%	197.70	31-Aug-23	31-Aug-28	Secured	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.
INE134E07CB2	PFC Capital Gain Bonds Series VII	5 Years	5.25%	203.76	30-Sep-23	30-Sep-28	Secured	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.

INE134E07AI1	PI TR I SER II CAT I-II	5 Years	5.65	27.05	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.
INE134E07AJ9	PI TR I SER II CAT III-IV	5 Years	5.8	3.50	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.
INE134E07AK7	PI TR I SER III CAT I-II	10 Years	6.63	0.50	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.

INE134E07AL5	PI TR I SER III CAT III-IV	10 Years	6.82	28.74	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.
INE134E07AM3	PI TR I SER IV CAT I-II	10 Years	6.8	33.67	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.
INE134E07AN1	PI TR I SER IV CAT III-IV	10 Years	7	1,635.53	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.

INE134E07AO9	GSEC LINK PI TR I SER V CAT I-II	10 Years	6.58	10.35	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.
INE134E07AP6	GSEC LNK PI TR I SER V CAT III-IV	10 Years	6.83	1,250.73	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.
INE134E07AQ4	PI TR I SER VI CAT I-II	15 Years	6.78	3.50	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.

INE134E07AR2	PI TR I SER VI CAT III-IV	15 Years	6.97	53.36	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.
INE134E07AS0	PI TR I SER VII CAT I-II	15 Years	6.95	50.05	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.
INE134E07AT8	PI TR I SER VII CAT III-IV	15 Years	7.15	1,330.05	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.

INE134E07CG1	PI Series I - Category I & II	3 Years	7.45%	62.17 - - - - -	01-Aug-23	01-Aug-26	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CF3	PI Series I - Category III & IV	3 Years	7.50%	59.93 - - - - -	01-Aug-23	01-Aug-26	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.

INE134E07CI7	PI Series II - Category I & II	10 Years	7.47%	362.51 - - - - -	01-Aug-23	01-Aug-33	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CH9	PI Series II - Category III & IV	10 Years	7.53%	45.48 - - - - -	01-Aug-23	01-Aug-33	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.

INE134E07CJ5	PI Series III - Category I & II	15 Years	7.50%	183.71 - - - - -	01-Aug-23	01-Aug-38	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.
INE134E07CK3	PI Series III - Category III & IV	15 Years	7.55%	2,110.68 - - - - -	01-Aug-23	01-Aug-38	Secured	First pari-passu charge through hypothecation of the book debts/receivables (excluding the receivables on which a specific charge has already been created by the Company) as specifically set out in and fully described in the debenture trust deed in favour of the debenture trustee to the Proposed Issue such that a security cover of at least 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all times until the Maturity Date.

INE134E07CA4	5 25 SEC 54EC BD SR 7 2324 10	5 Years	5.25%	206.55	31-Oct-2023	31-Oct-2028	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.
INE134E07BZ3	5 25 SEC 54EC BD SR 7 2324 11	5 Years	5.25%	189.83	30-Nov-2023	30-Nov-2028	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.
INE134E07BY6	5 25 SEC 54EC BD SR 7 2324 12	5 Years	5.25%	202.23	31-Dec-2023	31-Dec-2028	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.

INE134E07BX8	5 25 SEC 54EC BD SR 7 2324 01	5 Years	5.25%	183.54	31-Jan-2024	31-Jan-2029	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.
INE134E07BU4	5 25 SEC 54EC BD SR 7 2324 02	5 Years	5.25%	203.56	29-Feb-2024	01-Mar-2029	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.
INE134E07BW0	5 25 SEC 54EC BD SR 7 2324 03	5 Years	5.25%	401.98	31-Mar-2024	31-Mar-2029	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.

INE134E08BP2	Bond Series 57-B	15 Years	8.60%	866.50	07-Aug-09	07-Aug-24	Unsecured	N.A.
INE134E08CN5	Bond Series 61	15 Years	8.50%	351.00	15-Dec-09	15-Dec-24	Unsecured	N.A.
INE134E08CP0	Bond Series 62-B	15 Years	8.80%	1,172.60	15-Jan-10	15-Jan-25	Unsecured	N.A.
INE134E08CS4	Bond Series 63	15 Years	8.90%	184.00	15-Mar-10	15-Mar-25	Unsecured	N.A.
INE134E08CV8	Bond Series 64	15 Years	8.95%	492.00	30-Mar-10	30-Mar-25	Unsecured	N.A.
INE134E08CY2	Bond Series 65	15 Years	8.70%	1,337.50	14-May-10	14-May-25	Unsecured	N.A.
INE134E08DA0	Bond Series 66-B	15 Years	8.75%	1,532.00	15-Jun-10	15-Jun-25	Unsecured	N.A.
INE134E08DB8	Bond Series 66-C	20 Years	8.85%	633.00	15-Jun-10	15-Jun-30	Unsecured	N.A.
INE134E08DJ1	Bond Series 71	15 Years	9.05%	385.40	15-Dec-10	15-Dec-25	Unsecured	N.A.
INE134E08SR2	Bond Series 76-B	15 Years	9.46%	1,105.00	01-Aug-11	01-Aug-26	Unsecured	N.A.
INE134E08DU8	Bond Series 77-B	15 Years	9.45%	2,568.00	01-Sep-11	01-Sep-26	Unsecured	N.A.
INE134E08FL2	Bond Series 101-B	15 Years	9.00%	1,370.00	11-Mar-13	11-Mar-28	Unsecured	N.A.
INE134E08FO6	Bond Series 102-A (III)	15 Years	8.90%	403.00	18-Mar-13	18-Mar-28	Unsecured	N.A.
INE134E08FQ1	Bond Series 103	15 Years	8.94%	2,807.00	25-Mar-13	25-Mar-28	Unsecured	N.A.
INE134E08GD7	Bond Series 117-B	10 Years	9.37%	855.00	19-Aug-14	19-Aug-24	Unsecured	N.A.
INE134E08GG0	Bond Series 118-B-II	10 Years	9.39%	460.00	27-Aug-14	27-Aug-24	Unsecured	N.A.
INE134E08GH8	Bond Series 118-B-III	15 Years	9.39%	460.00	27-Aug-14	27-Aug-29	Unsecured	N.A.
INE134E08GK2	Bond Series 120-A	10 Years	8.98%	961.00	08-Oct-14	08-Oct-24	Unsecured	N.A.
INE134E08GL0	Bond Series 120-B	10 Years	8.98%	950.00	08-Oct-14	08-Oct-24	Unsecured	N.A.
INE134E08GU1	Bond Series 124-C	10 Years	8.48%	1,000.00	09-Dec-14	09-Dec-24	Unsecured	N.A.
INE134E08GV9	Bond Series 125	10 Years	8.65%	2,826.00	29-Dec-14	28-Dec-24	Unsecured	N.A.

INE134E08GW7	Bond Series 126	10 Years	8.65%	5,000.00	05-Jan-15	04-Jan-25	Unsecured	N.A.
INE134E08GY3	Bond Series 128	10 Years	8.20%	1,600.00	10-Mar-15	10-Mar-25	Unsecured	N.A.
INE134E08HD5	Bond Series 130-C	10.09 Years	8.39%	925.00	19-Mar-15	19-Apr-25	Unsecured	N.A.
INE134E08HG8	Bond Series 131-C	10 Years	8.41%	5,000.00	27-Mar-15	27-Mar-25	Unsecured	N.A.
INE134E08HX3	Bond Series 141-B	10 Years	8.40%	1,000.00	18-Sep-15	18-Sep-25	Unsecured	N.A.
INE134E08IE1	Bond Series 147	10 Years	8.03%	1,000.00	02-May-16	02-May-26	Unsecured	N.A.
INE134E08II2	Bond Series 150-B	10 Years	7.63%	1,675.00	16-Aug-16	16-Aug-26	Unsecured	N.A.
INE134E08IK8	Bond Series 151-B	10 Years	7.56%	210.00	16-Sep-16	16-Sep-26	Unsecured	N.A.
INE134E08IL6	Bond Series 152	10 Years	7.55%	4,000.00	26-Sep-16	25-Sep-26	Unsecured	N.A.
INE134E08IO0	Bond Series 155	10 Years	7.23%	2,635.00	05-Jan-17	05-Jan-27	Unsecured	N.A.
INE134E08JC3	Bond Series 168B	10 Years	7.44%	1,540.00	12-Jun-17	11-Jun-27	Unsecured	N.A.
INE134E08JE9	Bond Series 169B	10 Years	7.30%	1,500.00	08-Aug-17	07-Aug-27	Unsecured	N.A.
INE134E08JG4	Bond Series 170B	10 Years	7.65%	2,001.00	22-Nov-17	22-Nov-27	Unsecured	N.A.
INE134E08JH2	Bond Series 171(LIC)	10 Years	7.62%	5,000.00	15-Dec-17	15-Dec-27	Unsecured	N.A.
INE134E08JI0	Bond Series 172	10 Years	7.74%	850.00	30-Jan-18	29-Jan-28	Unsecured	N.A.
INE134E08JP5	Bond Series 177	10 Years	7.85%	3,855.00	03-Apr-18	03-Apr-28	Unsecured	N.A.
INE134E08JQ3	Bond Series 178	10 Years	8.95%	3,000.00	10-Oct-18	10-Oct-28	Unsecured	N.A.
INE134E08JR1	Bond Series179(A)	10 Years	8.67%	1,007.40	19-Nov-18	18-Nov-28	Unsecured	N.A.
INE134E08JS9	Bond Series179(B)	15 Years	8.64%	528.40	19-Nov-18	19-Nov-33	Unsecured	N.A.
INE134E08JT7	Bond Series 180	15 Years	8.75%	2,654.00	22-Feb-19	22-Feb-34	Unsecured	N.A.
INE134E08KA5	Bond Series 186	15 Years	8.79%	2,578.90	30-Apr-19	29-Apr-34	Unsecured	N.A.
INE134E08KC1	Bond Series187(B)	10 Years	8.85%	1,982.10	27-May-19	25-May-29	Unsecured	N.A.
INE134E08KD9	Bond Series 188	5 Years	8.10%	691.10	04-Jun-19	04-Jun-24	Unsecured	N.A.

INE134E08KE7	Bond Series 189	15 Years	8.15%	4,035.00	08-Aug-19	08-Aug-34	Unsecured	N.A.
INE134E08KF4	Bond Series 190	15 Years	8.25%	4,016.00	06-Sep-19	06-Sep-34	Unsecured	N.A.
INE134E08KH0	Bond Series 192	5 Years	7.42%	3,000.00	19-Nov-19	19-Nov-24	Unsecured	N.A.
INE134E08KI8	Bond Series 193	10 Years	7.93%	4,710.50	31-Dec-19	31-Dec-29	Unsecured	N.A.
INE134E08KK4	Bond Series 195	10.25 Years	7.86%	1,100.00	14-Jan-20	12-Apr-30	Unsecured	N.A.
INE134E08KL2	Bond Series 196	10 Years	7.41%	2,500.00	25-Feb-20	25-Feb-30	Unsecured	N.A.
INE134E08KM0	Bond Series 197	10.21 Years	7.41%	5,000.00	02-Mar-20	15-May-30	Unsecured	N.A.
INE134E08KP3	Bond Series-199 B	5 Years	7.16%	1,320.00	24-Apr-20	24-Apr-25	Unsecured	N.A.
INE134E08KQ1	Bond Series-200	10 Years	7.40%	2,920.00	08-May-20	08-May-30	Unsecured	N.A.
INE134E08KR9	Bond Series-201	10.17 Years	7.68%	3,101.30	15-May-20	15-Jul-30	Unsecured	N.A.
INE134E08KT5	Bond Series 202-B	5 Years	7.17%	810.00	22-May-20	22-May-25	Unsecured	N.A.
INE134E08KU3	Bond Series-202-C	10.17 Years	7.79%	1,936.00	22-May-20	22-Jul-30	Unsecured	N.A.
INE134E08KV1	Bond Series-203-B	10 Years	7.75%	3,318.00	11-Jun-20	11-Jun-30	Unsecured	N.A.
INE134E08KL2	Bond Series -196 (Reissuance-1)	9.62 Years	7.41%	1,500.00	14-Jul-20	25-Feb-30	Unsecured	N.A.
INE134E08KX7	Bond Series204-A	4.71 Years	5.77%	900.00	28-Jul-20	11-Apr-25	Unsecured	N.A.
INE134E08KY5	Bond Series 204-B	10.71 Years	6.88%	1,300.00	28-Jul-20	11-Apr-31	Unsecured	N.A.
INE134E08KZ2	Bond Series205-A	10 Years	7.05%	1,610.10	10-Aug-20	09-Aug-30	Unsecured	N.A.
INE134E08LA3	Bond Series-205-B	15 Years	7.20%	1,605.70	10-Aug-20	10-Aug-35	Unsecured	N.A.
INE134E08LC9	Bond Series-207	10.27 Years	7.04%	1,097.40	09-Sep-20	16-Dec-30	Unsecured	N.A.
INE134E08LD7	Bond Series-208	5 Years	6.50%	2,806.00	17-Sep-20	17-Sep-25	Unsecured	N.A.
INE134E08LE5	Bond Series-209	15 Years	7.34%	1,711.00	29-Sep-20	29-Sep-35	Unsecured	N.A.

INE134E08LC9	Bond Series-207 (Reissuance-1)	10.1 Years	7.04%	2,549.10	11-Nov-20	16-Dec-30	Unsecured	N.A.
INE134E08LF2	BS 210-A Tr. I	4 Years	6.35	405.60	30-Jun-21	30-Jun-25	Unsecured	N.A.
INE134E08LG0	BS 210-A Tr. II	5 Years	6.35	540.80	30-Jun-21	30-Jun-26	Unsecured	N.A.
INE134E08LH8	BS 210-A Tr. III	6 Years	6.35	405.60	30-Jun-21	30-Jun-27	Unsecured	N.A.
INE134E08LI6	Bond Series 210-B	15 Years	7.11	1,933.50	30-Jun-21	30-Jun-36	Unsecured	N.A.
INE134E08LJ4	Series 211-Floating	3 years	4.05	1,985.00	02-Aug-21	02-Aug-24	Unsecured	N.A.
INE134E08LK2	Series 212-A	5 years	6.09	2,450.00	27-Aug-21	27-Aug-26	Unsecured	N.A.
INE134E08LL0	Series 212-B	15 years	7.15	2,343.70	27-Aug-21	27-Aug-36	Unsecured	N.A.
INE134E08LM8	Series 213	10 years	6.95	1,988.00	01-Oct-21	01-Oct-31	Unsecured	N.A.
INE134E08LN6	Series 214	10.32 years	6.92	1,180.00	21-Dec-21	14-Apr-32	Unsecured	N.A.
INE134E08LO4	Series 215	3 years	7.13	2,420.00	10-Aug-22	08-Aug-25	Unsecured	N.A.
INE134E08LP1	Series 216	3.89 years	7.13	3,000.00	24-Aug-22	15-Jul-26	Unsecured	N.A.
INE134E08LQ9	Series 217A	10 years	7.42	4,000.00	08-Sep-22	08-Sep-32	Unsecured	N.A.
INE134E08LR7	Series 217B STRPP I	3 years	7.15	276.40	08-Sep-22	08-Sep-25	Unsecured	N.A.
INE134E08LS5	Series 217B STRPP II	4 years	7.15	276.40	08-Sep-22	08-Sep-26	Unsecured	N.A.
INE134E08LT3	Series 217B STRPP III	5 years	7.15	276.40	08-Sep-22	08-Sep-27	Unsecured	N.A.
INE134E08LU1	Series 218	3 years	7.59	1,450.00	03-Nov-22	03-Nov-25	Unsecured	N.A.
INE134E08LV9	Series 219	15 years	7.65	4,000.00	14-Nov-22	13-Nov-37	Unsecured	N.A.
INE134E08LW7	Series 220	10.34 years	7.58	470.00	14-Dec-22	15-Apr-33	Unsecured	N.A.
INE134E08LY3	Series 221A	15 years	7.72	2,782.70	19-Dec-22	19-Dec-37	Unsecured	N.A.
INE134E08LX5	Series 221B	5.08 years	7.59	3,500.00	19-Dec-22	17-Jan-28	Unsecured	N.A.
INE134E08LZ0	Series 222	3.05 years	7.58	2,540.00	27-Dec-22	15-Jan-26	Unsecured	N.A.
INE134E08MA1	Series 223	10 Years	7.64	3,500.00	22-Feb-23	22-Feb-33	Unsecured	N.A.
INE134E08MB9	Series 224	15 Years	7.82	3,468.50	06-Mar-23	06-Mar-38	Unsecured	N.A.
INE134E08MC7	Series 225A	3.33 Years	7.77	3,262.70	13-Mar-23	15-Jul-26	Unsecured	N.A.

INE134E08MF0	Series 225B STRPP I	7 Years	7.82	625.00	13-Mar-23	13-Mar-30	Unsecured	N.A.
INE134E08MG8	Series 225B STRPP II	8 Years	7.82	625.00	13-Mar-23	13-Mar-31	Unsecured	N.A.
INE134E08ME3	Series 225B STRPP III	9 Years	7.82	625.00	13-Mar-23	13-Mar-32	Unsecured	N.A.
INE134E08MD5	Series 225B STRPP IV	10 Years	7.82	625.00	13-Mar-23	13-Mar-33	Unsecured	N.A.
INE134E08MH6	Series 226A	10 Years	7.66	1,200.00	27-Mar-23	15-Apr-33	Unsecured	N.A.
INE134E08MI4	Series 226B	10 Years	7.7	583.50	27-Mar-23	15-Apr-33	Unsecured	N.A.
INE134E08MK0	Series 227A	3.46 Years	7.7	1,200.00	31-Mar-23	15-Sep-26	Unsecured	N.A.
INE134E08MJ2	Series 227B	5 Years	7.77	1,390.00	31-Mar-23	15-Apr-28	Unsecured	N.A.
INE134E08JY7	Bond Series184(A)	5.51 Years	9.25%	2,000.00	25-Mar-19	25-Sep-24	Unsecured	N.A.
INE134E08JX9	Bond Series184(B)	10 Years	9.10%	2,411.50	25-Mar-19	23-Mar-29	Unsecured	N.A.
INE134E08JZ4	Bond Series 185	10 Years	8.98%	1,000.00	28-Mar-19	28-Mar-29	Unsecured	N.A.
INE134E08ML8	Bond Series 228A	3.24 years	7.55%	2,330.00	20-Apr-23	15-Jul-26	Unsecured	N.A.
INE134E08MM6	Bond Series 228B	10.24 years	7.62%	2,102.00	20-Apr-23	15-Jul-33	Unsecured	N.A.
INE134E08MN4	Bond Series 229	5 years	7.44%	1,550.00	10-May-23	10-May-28	Unsecured	N.A.
INE134E08MO2	Bond Series 230	3 years	7.37%	2,990.00	22-May-23	22-May-26	Unsecured	N.A.
INE134E08KK4	Bond Series 195-R1	6.87 years	7.86%	1,260.00	01-Jun-23	12-Apr-30	Unsecured	N.A.
INE134E08LN6	Bond Series 214-R1	8.88 years	6.92%	1,330.00	01-Jun-23	14-Apr-32	Unsecured	N.A.
INE134E08MP9	Bond Series 231	15 years	7.48%	3,896.90	20-Jun-23	19-Jun-38	Unsecured	N.A.
INE134E08KT5	Bond Series 202B-R1	1.86 years	7.17%	3,100.00	12-Jul-23	22-May-25	Unsecured	N.A.
INE134E08MQ7	Bond Series 232	10 years	7.57%	3,000.00	12-Jul-23	12-Jul-33	Unsecured	N.A.
INE134E08MS3	Bond Series 233A ZCB	3 years	0.00%	501.59	25-Aug-23	25-Aug-26	Unsecured	N.A.

INE134E08MT1	Bond Series 233B	3 years	7.64%	2,500.00	25-Aug-23	25-Aug-26	Unsecured	N.A.
INE134E08MR5	Bond Series 233C	10 years	7.60%	3,500.00	25-Aug-23	25-Aug-33	Unsecured	N.A.
INE134E08MU9	7 70 TX UNS BND SRS 234	10 years	7.70%	2,625.00	30-Nov-2023	30-Nov-2033	Unsecured	N.A.
INE134E08MV7	7 69 TX UNS BND SRS 235	15 years	7.69%	3,335.00	15-Dec-2023	15-Dec-2038	Unsecured	N.A.
INE134E08MX3	7.60 TX UNS BND SRS 237A	5 years	7.60%	3,000.00	22-Feb-2024	13-Apr-2029	Unsecured	N.A.
INE134E08MY1	7.49 TX UNS BND SRS 237B	10 years	7.49%	3,000.00	22-Feb-2024	22-Feb-2034	Unsecured	N.A.
INE134E08MZ8	7 55 TX UNS BND SRS 238	3 years	7.55%	2,754.00	13-Mar-2024	15-Apr-2027	Unsecured	N.A.
INE134E08MW5	7.88 PERPETUAL TX UNS BND SRS 236	Perpetual	7.88%	100.00	15-Feb-2024	31-Dec-9999	Unsecured	N.A.

***Outstanding Borrowings are rated AAA/stable by ICRA, CRISIL and CARE.**

(iv) Details of outstanding commercial paper as on 31.03.2024:-

Series of NCS	ISIN	Tenor/ Period of Maturity (in days)	Coup on (in %)	Amount outstanding (₹ in crore)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
NIL										

(v) List of top 10 holders of non-convertible securities in terms of value (on a cumulative basis) as on 31.03.2024

S No.	Name of the Holders of non-convertible securities	Category of Holder	Amount (Rs. in Crore)	% of total NCS outstanding
1	LIFE INSURANCE CORPORATION OF INDIA	QIB - INSURANCE COMPANY REGD WITH IRDA	41,967.10	17.11
2	CBT-EPF-05-E-DM	CENTRAL GOVERNMENT	37,708.00	15.37
3	NPS TRUST	PENSION FUND TRUST	10,675.72	4.35
4	EDELWEISS TRUSTEESHIP CO LTD-MF	MUTUAL FUNDS	9,373.20	3.82
5	HDFC -MF	MUTUAL FUNDS	6,776.86	2.76
6	COAL MINES PROVIDENT FUND ORGANISATION	GOVERNMENT COMPANIES	6,721.30	2.74
7	SBI LIFE INSURANCE CO.LTD	QIB - INSURANCE COMPANY REGD WITH IRDA	6,130.80	2.50
8	STATE BANK OF INDIA	NATIONALISED BANKS	5,292.10	2.16
9	ADITYA BIRLA SUN LIFE - MF	MUTUAL FUNDS	5,000.15	2.04
10	STATE BANK OF INDIA EMPLOYEES PENSION FUND	TRUSTS (T)	4,817.10	1.96

(vi) List of top ten holders of Commercial Paper in terms of value (in cumulative basis) as on 31.03.2024:

S.No.	Name of Holder	Category of Holder	Face value of holding	Holding as a % of total commercial paper outstanding of the issuer

Nil

(vii) Details of the rest of the borrowing (if any including hybrid debt like FCCB, optionally convertible debentures / preference shares) as on 31.03.2024:

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							

3. 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 31.03.2024):-

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 as on 31.03.2024
Shree Maheshwar Hydro Power Corp. Ltd.	NIL *

*Contingent Liability (Un-invoked portion as on 31.03.2024)

4. Where the issuer is a Non-Banking Finance Company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

S.No	Particulars of disclosures	Details	Para Number/ Page Number
1	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC	Lending Policy – Refer page no.	130
		Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc – Refer page No.	131
		Classification of loans into several maturity profile denomination – Refer page no.	132
		Aggregated exposure to top 20 borrowers – Refer page no.	132
		Details of loans, overdue and classified as Non performing assets (NPA) – Refer page	133
2	Details of borrowings made by NBFC	Portfolio Summary of borrowings made by NBFC – Refer pg	134
		Quantum and percentage of Secured vs. Unsecured borrowings – refer pg	134

3	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India – Refer page no.	75
4	Disclosure of Assets under management	Segment wise break up and Type of loans – Refer page no	133
5	Details of borrowers	Geographical location wise – Refer page no	132
6	Details of Gross NPA	Segment wise – Refer page no.	133
7	Details of Assets and Liabilities	Residual maturity profile wise into several bucket – Refer page no.	132
8	Disclosure of latest ALM statements to stock exchange	Refer page no.	132

5. **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations 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/ commercial paper.**
   Nil
6. **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:**
   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

7. **Details of default and non-payment of statutory dues for the preceding three financial years and current financial year**
   Nil

8. **Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares**

   NIL

9. **Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company**
   Nil

10. **Details of pending proceedings initiated against the issuer for economic offences, if any.**
    There has been no instances of proceedings initiated against the issuer for economic offences

NIL

11. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided

Details of related parties of the Company and transactions entered by the Company with the related parties during the last three financial years as on 31.03.2024 including with regard to loans advanced, guarantees given or securities provided on the basis of audited accounts, are furnished as under:

a. Promoter/ holding companies

The Company is promoted by the President of India, acting through the Ministry of Power, Government of India. The Company has not entered into any transaction of material nature with its promoters, the directors or the management, their relatives or its subsidiaries, that may have any potential conflict with the interest of the Company.

b. Investment in equity share capital of companies incorporated in India as subsidiaries / associates /joint venture companies including companies promoted as Special Purpose Vehicles (SPV) for ultra-mega power projects during the last three financial year as on 31.03.2024 are given below:-

Sr. no.	Name of the Companies	Date of investment	No. of Shares Subscribed	% of ownership	Amount (Rs. in crore)
A. Subsidiary Company					
1.	PFC Consulting Limited	09.04.2008 05.02.2019	50,000 2246	100%	0.15
2.	REC Ltd.	28.03.2019	103,94,95,247	52.63%	14,500.50
3.	PFC Projects Limited	01.07.2022	50,000	100%	0.05
4.	PFC Infra Finance IFSC Limited (w.e.f.11.02.2024)	11.02.2024	10,00,00,000	100%	100.00
	Sub-Total (A)				**14600.70**
B. Subsidiary Companies promoted as SPVs for Ultra Mega Power Projects					
1.	Orissa Integrated Power Limited	05.09.2006	50,000	100%	0.05
2.	Coastal Tamil Nadu Power Limited	31.01.2007	50,000	100%	0.05
3.	Sakhigopal Integrated Power Company Limited	27.01.2010	50,000	100%	0.05
4.	Ghogarpalli Integrated Power Company Limited	27.01.2010	50,000	100%	0.05
5.	Deoghar Mega Power Limited	30.07.2012	50,000	100%	0.05
6.	Cheyyur Infra Limited.	24.03.2014	50,000	100%	0.05
7.	Odisha Infrapower Limited	27.03.2014	50,000	100%	0.05
8.	Deoghar Infra Ltd	25.08.2015	50,000	100%	0.05

9.	Bihar Infrapower Ltd	26.08.2015	50,000	100%	0.05
10.	Bihar Mega Power Ltd	27.08.2015	50,000	100%	0.05
11.	Jharkhand Infrapower Ltd	05.02.2016	50,000	100%	0.05
	Sub-Total (B)				**0.55**
	TOTAL (A+B+C)				**14,601.25**

c. The details of amount recoverable and payable from subsidiaries and associates are given below:

Amount (in Rs. Crore)

Particulars	31.03.2024	31.03.2023	31.03.2022
Advances to Subsidiaries and Associates	853.66	200.45	185.73
Advance received from Subsidiaries and Associates	179.56	177.16	177.16

12. 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)

13. 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.

14. Types of loans

i. Type of loans/advances (principal outstanding) given by the Company as on 31.03.2024:

S. No	Type of loan	Amount (₹ in crore)*	Percentage (%)
1	Secured	3,94,076.25	81.85%
2	Unsecured	87,385.64	18.15%
	Total assets under management (AUM)	4,81,461.89	100.00%

ii. Types of loans according to sectoral exposure as on 31.03.2024 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	39.03%
b	Renewable	9.16%
c	Transmission & Distribution	40.13%
d	Short Term Loan	7.30%
e	Others	4.38%
Total		100.00%

iii. Denomination of loans outstanding by Loan to Value (LTV)* as on 31.03.2024: **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.

iv. Geographical classification of borrowers as on 31.03.2024

S. No.	Top 5 states / region*	Percentage of AUM
1.	TELANGANA	13.30%
2.	TAMILNADU	11.88%
3.	RAJASTHAN	11.42%
4.	UTTAR PRADESH	10.64%
5.	ANDHRA PRADESH	9.40%
Total		56.64%

*Includes only state sector borrowers.

15. Maturity pattern of certain items of assets and liabilities on a standalone basis as on March 31, 2024

(₹ in crore)

Bucket as at March 31, 2024	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	-	3,544.24	1,861.48	-	-
8 to 14 days	-	3,563.42	-	-	-
15 days to 30/31 Days	-	4,906.12	1,148.91	-	10.97
Over 1 month up to 2 months	2,616.64	5,429.27	628.97	-	-
Over 2 months up to 3 months	4.96	5,860.18	6,004.33	-	4,527.18
Over 3 months and up to 6 months	14.26	19,960.60	20,088.05	-	2,503.41
Over 6 month and up to 1 year	28.22	30,154.11	32,120.59	-	5,150.35
Over 1 year and up to 3 years	108.57	80,868.22	82,344.83	-	10,426.07
Over 3 years and up to 5 years	106.06	76,863.56	68,116.02	-	27,471.74
Over 5 years	1,73,41.24	2,38,349.65	1,22,330.54	-	22,746.74

16. Aggregated exposure to top 20 borrowers with respect to concentration of advances (principal amounts outstanding) as on 31.03.2024

Particulars	Amount
Total Advances to twenty largest borrowers (in ₹ in crore)	2,75,865.69
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	57.30%

17. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on 31.03.2024

Particulars	Amount

Total exposure at Default (EAD) to twenty largest borrowers / customers (in ₹ in crore)	2,78,998.89
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers (in %)	57.41%

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

Movement of gross Stage-3 Assets*	Amount (₹ in crore)**
(a) Opening balance	16,501.65
(b) Additions during the period from 01-Apr-23 to 31-Mar-2024	0.32
(c) Reductions during the period from 01-Apr-23 to 31-Mar-2024	-428.75
(d) Closing balance as on 31-Mar-2024	16,073.22

* 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	11,999.38
(b) Provisions made during the the period from 01-Apr-23 to 31-Mar-2024**	106.73
(c) Write-off / write -back of excess provisions during the the period from 01-Apr-23 to 31-Mar-2024	-143.58
(d) Closing balance as on 31-Mar-2024	11,962.53

*As per IND-AS balances ** Including ECL on undrawn DPG of Shree Maheshwar Hydro Power Corp. Ltd.

19. Segment – wise Gross Stage-3 Assets as on 31.03.2024

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	85.10%
B	Renewable	13.90%
C	Transmission & Distribution	1.00%
D	Others	0%
Total		100.00%

20. 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.

21. **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%.

22. **Portfolio Summary of borrowings made by PFC as on 31.03.2024**

S.No	Particulars	Amount Outstanding (Rs Crores)	Percentage to total borrowings
1	Commercial Papers	-	-
2	Domestic Bonds	2,38,676	59
3	RTL from Banks/FI's	79,003	19
4	Foreign Currency Borrowing	72,836	18
5	Subbordinated Bonds	5,512	1
6	54 EC Bonds	8,994	2
7	Others CC/OD/line of credit/LAFD)	2,362	1
	Total	**4,07,383**	**100.00**

23. Quantum and percentage of Secured vs. Unsecured borrowings (excluding CC/OD) as on 31.03.2024

S.No	Particulars	Amount	Percentage to total
1	Secured Borrowings	29,897	7.34%
2	Unsecured Borrowings	3,77,486	92.66%
	Total	**4,07,383**	**100.00%**

24. In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format: NA

S. No.	Name of the Borrower (A)	Amount of Advances /exposures to such borrower (Group) (₹ in crore) (B)	Percentage of Exposure (C)= B/Total Assets Under Management
NA			

CHAPTER XII
Other Details

1. CREATION OF DEBENTURE REDEMPTION RESERVE ("DRR")

Circular no. 9/2002 dtd 18.04.2002 issued by Department of Company Affairs and Rule 18(7)(b)(ii) of Companies (Share Capital & Debenture) Rules, 2014 as amended, provides that no Debenture Redemption Reserve (DRR) is required in the case of privately placed debenture for NBFC's registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997. Accordingly, PFC being registered as NBFC with RBI is not required to create DRR in respect of Private Placement of debentures.

2. ISSUE / INSTRUCTION SPECIFIC REGULATION – RELEVANT DETAILS (COMPANIES ACT, 2013 (18 OF 2013), GUIDELINES ISSUED BY THE RESERVE BANK OF INDIA, ETC.)

The Company is not required to deliver a copy of the issue document for filing to the Registrar of Companies as required under sub-section (4) of Section 26 of Companies Act, 2013 (18 of 2013).

3. DEFAULT IN PAYMENT

In the event of Default in payment of interest / principal redemption, penal interest will be paid in accordance with provisions of SEBI (ILNCS) Regulations, 2021 read along with SEBI Operational Circular dated August 10, 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended from time to time.

4. DELAY IN LISTING

In the event of Default in listing of securities within the prescribed timeframe, penal interest will be paid in accordance with provisions of SEBI (ILNCS) Regulations, 2021 read along with SEBI Operational Circular dated August 10, 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended from time to time.

5. DELAY IN ALLOTMENT OF SECURITIES

PFC agrees that allotment of securities to the investors shall be made within stipulated timelines. In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.

6. ISSUE DETAILS

Issue of Unsecured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures by way of issue of bonds of face value of Rs 1 lac for series 235 (tenor 15 years) for Rs. 600 crore ('base issue') with option to retain oversubscription by way of green shoe option of Rs. 2735 crore aggregating to Rs. 3335 crore on private placement basis.

7. NATURE OF BONDS

The Bonds are Unsecured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures. 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 unsecured borrowings (except subordinated debt) of the Corporation.

8. MINIMUM SUBSCRIPTION

In terms of the SEBI Debt Regulations, the Issuer may decide the amount of minimum subscription which it seeks to raise by issue of Bonds and disclose the same in the offer document. The Issuer has decided not to stipulate any minimum subscription for the present Issue and therefore the Issuer shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

9. UNDERWRITING

The present Issue of Bonds is not underwritten.

10. 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. In such an event, the issuer will refund the application money, if any, along with interest payable on such application money, if any.

11. DEEMED DATE OF ALLOTMENT

Deemed date of allotment will be as per the terms of the bond issue of each series. All the benefits under the bonds will accrue to the investor from the deemed date of allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-pond/ postponed) by the Issuer at its sole and absolute discretion.

No fresh offer or invitation of bonds shall be made by the Company unless the allotment with respect to the present Issue has been made or the present Issue has been withdrawn or abandoned by the Company.

12. ALLOTMENT IN CASE OF OVER-SUBSCRIPTION

In case of over-subscription, allotment will be made on such basis as decided by PFC. The decision of PFC in this regard will be final and binding on all the applicants and shall not be called into question, whatsoever.

13. LETTERS OF ALLOTMENT/ BOND CERTIFICATES/ REFUND ORDERS/ ISSUE OF LETTERS OF ALLOTMENT

The beneficiary / demat account of the investors with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given credit within two working days from the Deemed Date of Allotment. The credit in the account will be akin to the Bond Certificate. However, in case , if all formalities are not completed the same will be akin to letter of allotment , which on completion of the all statutory formalities, such credit will be akin to a Bond Certificate. The Bonds issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Bonds shall be allotted in dematerialized form only.

14. MODE OF TRANSFER OF BONDS

Bonds shall be transferred subject to and in accordance with the rules / procedures as prescribed by NSDL /CDSL /Depository Participant of the transferor / transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of these bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The provisions of the Depositories Act, 1996 read with Companies Act shall apply for transfer and transmission of Bonds.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(S) and not with the issuer.

15. DELAY IN ALLOTMENT OF SECURITIES

PFC agrees that allotment of securities to the investors shall be made within stipulated timelines. In case of delay of allotment of debt securities beyond the stipulated time period, the Issuer will comply with applicable regulatory requirements, if any, with respect to such delay.

16. BONDS IN DEMATERIALISED FORM/ PROCEDURE FOR APPLYING FOR DEMAT FACILITY

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.

b. 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.

c. 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 Registrars to the Issue.

d. Applicants may please note that the Bonds shall be allotted and traded on the Stock Exchange only in dematerialized form.

17. WHO CAN APPLY

The eligible participants/investors shall be as per the EBP Platform of the Stock Exchange as mentioned hereunder:

- QIBs as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to SEBI ICDR Regulations, 2018).
- Any non-QIB investor including arranger(s), who/ which has been authorized by the issuer, to participate in a particular issue on the EBP Platform.
- Any non-QIB investor which are bidding through arranger (s) authorised by the issuer

However, out of the aforesaid class of investors eligible to invest, this Information document(GID/KID as applicable)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 document(GID/KID as applicable)from the Company).

18. PAN NUMBER

Every applicant should mention his Permanent Account Number (PAN) allotted under Income Tax Act, 1961 and copy of the same may be submitted along with application if not submitted earlier.

19. DOCUMENTS TO BE PROVIDED BY INVESTORS

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed;
- Board Resolution authorizing the investment and containing operating instructions;
- Power of Attorney/ relevant resolution/ authority to make application;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;
- Government Notification (in case of Primary Co-operative Bank and RRBs);
- Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.
- In case of remittance of application money through electronic mode/ bank transfer, the applicants are required to submit a self- attested copy of their bank account statement reflecting debit for the application money. The bank statement must contain name of applicant, account number, name and branch of the bank.

20. TERMS OF PAYMENT

The full amount of issue price of the bonds applied for is payable as application money. As per Companies Act, 2013 it is mandatory that, subscriber shall ensure subscription to bond is made from the bank account of the subscriber subscribing to the bond issue. The detail of the bank account should be clearly mentioned in the application form.

21. HOW TO APPLY

For this, Operational Circular no. SEBI/HO/DDHS/P/CIR/2021/613 dtd. 10.08.2021 issued by SEBI, as amended from time to time, may be referred to along with the operating guideline of Stock Exchange on the same.

Further, this being a private placement offer, only the investors who have been addressed through this Information document(GID/KID as applicable)are eligible to apply.

Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number, total amount &face value of Bonds applied for must be filled in

the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

Applications along with details of payment of requisite amount and other necessary documents may be submitted to PFC head office on or before the closure of the issue or to the Arrangers to the Issue.

For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Summary Term Sheet and the Application Form.

22. 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.

23. APPLICATION BY MUTUAL FUNDS

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

24. 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 would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

a. Number of Bonds applied for is less than the minimum application size;
b. Application money received not being from the bank account of the person/ entity subscribing to the Bonds or from the bank account of the person/ entity whose name appears first in the Application Form, in case of joint holders;
c. Bank account details of the Applicants not given;
d. Details for issue of Bonds in dematerialized form not given;
e. PAN number not given;
f. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bonds applied for is/ are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

25. FICTITIOUS APPLICATIONS

In terms of the Section 38 of the Companies Act, 2013 any person who – makes, in a fictitious name, an application to a body corporate for acquiring, or subscribing to, the bonds, or

otherwise induced a body corporate to allot, or register any transfer of, bonds therein to them, or any other person in a fictitious name, shall be liable for action under section 447.

26. INTEREST ON APPLICATION MONEY

a. In case of change in deemed date of allotment and in respect of investors who get allotment in the bond issue , interest on application money shall be paid at the coupon rate applicable for bond series (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) from the date of receipt of application money in PFC's account till one day prior to the date of allotment on the aggregate face value amount of Bonds The interest on Application Money shall be computed as per "Actual/Actual" day count convention. The payment shall be made only through electronic mode. However, in case of rejection of electronic mode, due to incomplete / in correct detail provided by applicant payment may be made through cheque /demand draft. The cheque /demand draft for interest on application money shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment by registered post to the sole/ first applicant, at the sole risk of the applicant.

b. No interest on Application Money will be paid in respect of applications which are rejected due to any reason.

27. INTEREST PAYMENT

The face value of the Bonds outstanding shall carry interest at the coupon rate from deemed date of allotment and the coupon rate & frequency of payment (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) are mentioned at summary term sheet.

The interest payment shall be made through electronic mode to the bondholders whose names appear on the list of beneficial owners given by the depository participant to R&TA as on the record date fixed by PFC in the bank account which is linked to the demat of the bondholder. However, in absence of complete bank details i.e. correct/updated bank account number, IFSC/RTGS code /NEFT code etc. issuer shall be required to make payment through cheques / DDs on the due date at the sole risk of the bondholders.

Interest or other benefits with respect to the Bonds would be paid to those Bondholders whose names appear on the list of beneficial owners given by the depository participant to R&TA as on the Record Date. In case the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, PFC shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the depository and intimated to PFC. PFC shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation. PFC will not pay interest or any amount in whatever name for the intervening period from Record Date to the actual date of payment of interest, in such cases where the Depository does not identify the beneficial owner on the Record Date.

28. DEDUCTION OF TAX AT SOURCE

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on Bonds.

Interest payable subsequent to the Deemed Date of Allotment of Bonds will be treated as "Interest on Securities" as per Income Tax Rules. Bondholders desirous of claiming exemption from deduction of income tax at source on the interest payable on Bonds should submit tax

exemption certificate/ document, under Income Tax Act, 1961, if any, at least 15 days before the payment of interest becoming due with the Registrars, [RCMC Share Registry Pvt. Ltd., CIN: U67120DL1950PTC001854] (Address: [B-25/1, First Floor, Okhla Industrial Area Phase II, New Delhi 110020.Phone : 011 – 26387320, 26387321, 26387323 Fax : 011 - 26387322], E-mail: [alok.sharma@rcmcdelhi.com]), or to such other person(s) at such other address(es) as the Company may specify from time to time through suitable communication. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

29. PAYMENT ON REDEMPTION

The Bond will be redeemed at the Registered Office of PFC on the expiry of the number of years/months as specified in the terms of the bond issue for each series from the Deemed date of Allotment or on such earlier date on exercise of put / call option, if applicable.

The redemption proceeds shall be made through electronic mode to the bondholders whose names appear on the list of beneficial owners given by the depository participant to R&TA as on the record date fixed by PFC in the bank account which is linked to the demat of the bondholder. However, in absence of complete bank details i.e. correct/updated bank account number, IFSC/RTGS code /NEFT code etc, issuer shall be required to make payment through cheques / DDs on the due date at the sole risk of the bondholders.

The redemption proceeds shall be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depository Participant to R&TA as on the record date fixed by PFC for the purpose of redemption. In case the beneficial owner is not identified by the depository on the record date due to any reason whatsoever, PFC shall keep in abeyance the payment of redemption proceeds, till such time the beneficial owner is identified by the depository and intimated to R&TA. PFC shall pay the redemption proceeds to the beneficiaries identified within 15 days of receiving such intimation. PFC will not be liable to pay any interest, income or compensation of any kind in whatever name for the intervening period from record date to the actual date of payment of redemption proceeds, in such cases where the depository participant does not identify the beneficial owner on the record date.

30. EFFECT OF HOLIDAY

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 following working day in line with Operational Circular no. SEBI/HO/DDHS/P/CIR/2021/613 dtd. 10.08.2021 issued by SEBI, as amended.

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 preceding 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.

31. Disclosure of Cash Flow

Set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments. **Investors should note that this example is solely for illustrative purposes.**

ILLUSTRATION OF BOND CASH FLOW –

Please refer relevant Key Information Document.

32. RECORD DATE FALLING ON DAY OTHER THAN BUSINESS DAY

The 'Record Date' for the Bonds shall be 15 days prior to actual Interest / exercise of put option date / Principal Payment Date. In case of redemption of Bonds, the trading in the Bonds shall remain suspended between the Record Date and the Redemption Date. Interest payment and principal repayment shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the Coupon Payment Date, the transferees for the Bonds shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholders.

33. DEPOSITORY ARRANGEMENT

PFC has entered into depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The securities shall be issued in dematerialized form as per the provisions of Depositories Act, 1996 (as amended from time to time).

PFC has signed two tripartite agreements in this connection viz.

Tripartite Agreement dated 25.09.2001 between PFC, National Securities Depository Limited (NSDL) and R&TA i.e. M/s RCMC Share Registry (Pvt.) Ltd.

Tripartite Agreement dated 04.07.2014 between PFC, Central Depository Services Limited (CDSL) and R&TA i.e. M/s RCMC Share Registry (Pvt.) Ltd.

34. RIGHT TO REPURCHASE, RE-ISSUE AND CANCELLATION

PFC shall have the right to purchase the Bonds at any time during the tenor of the bonds. PFC may at its discretion, re-issue or cancel the repurchased bonds in accordance with the relevant provisions of law.

35. 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.

36. 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.

37. BUY-BACK OF BONDS

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

38. DEBENTURE REDEMPTION RESERVE ("DRR")

Circular no. 9/2002 dtd 18.04.2002 issued by Department of Company Affairs and Rule 18(7)(b)(ii) of Companies (Share Capital & Debenture) Rules, 2014 as amended, provides that no Debenture Redemption Reserve (DRR) is required in the case of privately placed debenture for NBFC's registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997. Accordingly, PFC being registered as NBFC with RBI is not required to create DRR in respect of Private Placement of debentures.

39. 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 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 offer document

40. 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.

Material Contracts and Documents

1. Memorandum and Articles of Association of PFC.
2. 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;
3. Resolution of the Board of Directors of PFC passed at 437th Meeting held on March 21, 2023 approving the borrowing programme of 80,000 crore for the year 2023-24 and authorizing the Chairman & Managing Director, Director (Finance) and Director (Projects)/Director (Commercial) jointly to invite or make offer to subscribe to private placement of bonds & its various terms and conditions.
4. Credit Rating letters from CRISIL, CARE and ICRA.
5. Copies of the audited Balance Sheets and Profit & Loss Accounts for five years ended March 31, 2019, 2020, 2021, 2022 and 2023.
6. Copy of Tripartite Agreement dt.25.09.2001 between PFC, NSDL & RCMC Pvt. Ltd.
7. Copy of Tripartite Agreement dt. 04.07.2014 between PFC, CDSL & RCMC Pvt. Ltd.

41. 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.

42. REISSUANCE AND CONSOLIDATION OF BONDS

The Issuer shall have right to reissue or consolidate the bonds under present series in accordance with applicable law.

43. CONSENTS

Currently, PFC has appointed Beacon Trusteeship Ltd. (CIN: U74999MH2015PLC271288), to act as debenture trustee for its Bonds. PFC holds consent from Beacon Trusteeship Ltd**.**, to act as trustees and the consent has not been withdrawn.

Currently PFC has appointed RCMC Share Registry Private Limited (CIN: U67120DL1950PTC001854) as Registrar & Transfer Agent (R&TA) for its Bonds. PFC holds consent from RCMC Share Registry Private Limited (CIN: U67120DL1950PTC001854) 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.

44. UNDERTAKINGS FROM THE ISSUER:

PFC hereby undertakes that

- The complaints in respect of the issue would be attended to expeditiously and satisfactorily.
- PFC would take necessary steps for completion of the necessary formalities for listing & commencement of trading at stock exchange.
- PFC shall co-operate with the rating agencies in providing true and adequate information.
- The funds to be raised through the private placement are to augment long-term resources of PFC and not for a specific project. Hence, no monitoring agency is required to be appointed.
- Since it is a private placement of bonds and PFC is a public financial institution under Section 4A of the Companies Act, 1956 (now section2(72) of Companies Act 2013), all monies received out of issue of bonds shall be utilized for the purpose as a stated in this offer letter. However, PFC undertakes to refund the application money in case the allotment is not done within 60 days and / or the application for permission to deal in bonds is not granted by NSE. (Please refer to sub-title 'Listing' and 'Interest in case of delay on allotment/dispatch' of this offer letter).
- PFC shall disclose the complete name and address of the debenture trustee in the Annual Report.
- PFC shall provide a compliance certificate to the debenture trustee in r/o compliance with the terms and conditions of issue of bonds as contained in this offer document.

45. 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.

46. SERVICING BEHAVIOUR:

The payment of interest & repayment of principal is being done in a timely manner on the respective due dates.

The bonds proposed to be issued are unsecured.

47. TRUSTEES TO THE BONDHOLDERS

Currently PFC has appointed Beacon Trusteeship Ltd. (CIN: U74999MH2015PLC271288), to act as debenture trustee for its Bonds. PFC holds consent from Beacon Trusteeship Ltd., to act as trustees and the consent has not been withdrawn. Beacon Trusteeship Ltd., is a SEBI registered Debenture Trustee. The Debenture Trustee has given its consent to the issuer for its appointment under the SEBI Regulations. PFC would pay fees to the trustee as per the appointment letter and agreement between the issuer and trustee. Trustee is conducting its due diligence in coordination with its empanelled agency. Due diligence certificate as per the specified format is also obtained from the 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 specified in the terms of the bond issue for each series to be uploaded in NSE website.

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 offer document. A copy of letter from Beacon Trusteeship Ltd. coveying their consent to act as Debenture Trustee for the current issue of Debenture is enclosed to this GID/KID.

48. CREDIT RATING FOR THE BONDS

b) Rating Agency	Long Term Rating	Short Term Rating	Rating Letter date
ICRA	ICRA AAA	ICRA A1+	23.05.2024
CRISIL	CRISIL AAA	CRISIL A1+	21.05.2024
CARE	CARE AAA	CARE A1+	24.05.2024

A copy of the letters from rating agencies are enclosed elsewhere in GID/KID.

Other than the credit ratings mentioned herein above, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this offer document.

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.

49. RECOGNISED STOCK EXCHANGE:-

The bond issue is proposed to be listed on the Corporate Debt segment of the National Stock Exchange and WDM segment of Bombay Stock Exchange.

50. THE AGGREGATE NUMBER OF SECURITIES OF THE ISSUER COMPANY AND ITS SUBSIDIARY COMPANIES PURCHASED OR SOLD BY THE PROMOTER GROUP, AND BY THE DIRECTORS OF THE COMPANY WHICH IS A PROMOTER OF THE ISSUER COMPANY, AND BY THE DIRECTORS OF THE ISSUER COMPANY AND THEIR RELATIVES, WITHIN SIX MONTHS IMMEDIATELY PRECEDING THE DATE OF FILING THE ISSUE DOCUMENT WITH THE REGISTRAR OF COMPANIES, SHALL BE DISCLOSED.

Promoter, Promoter group and the Directors of the Company have not purchased or sold the securities of the Company and its subsidiaries. The Promoter and one of the Directors of the Company had been allotted Equity Shares pursuant to Bonus Issue on 12.09.2023.

51. REFERENCE TO THE RELEVANT PAGE NUMBER OF THE AUDIT REPORT WHICH SETS OUT THE DETAILS OF THE RELATED PARTY TRANSACTIONS ENTERED DURING THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE ISSUE OF ISSUE DOCUMENT:

(a) For FY 2022-23 - Please refer Note no. 43.2 on page no. 215 to 216 of Annual Report (Standalone)

(b) For FY 2022-23 - Please refer Note no. 49.2 on page no. 350 of Annual Report (Consolidated)

(c) For FY 2021-22 - Please refer Note no. 43.2 on page no. 188 to 189 of Annual Report (Standalone)

(d) For FY 2021-22 - Please refer Note no. 49.2 on page no. 326 of Annual Report (Consolidated)

53. THE DETAILS OF:

- **ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE SECURITIES LAWS OR COMPANIES ACT, 2013 (18 OF 2013) OR ANY PREVIOUS COMPANIES LAW;**
- **PROSECUTIONS FILED, IF ANY (WHETHER PENDING OR NOT); AND**
- **FINES IMPOSED OR OFFENCES COMPOUNDED,**

IN THE THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF ISSUE DOCUMENT IN THE CASE OF THE ISSUER BEING A COMPANY AND ALL OF ITS SUBSIDIARIES.

There has been no inquiry, inspection or investigation initiated or conducted against the Company or its subsidiaries under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of General Information Document. Further there was no prosecution filed, fines imposed, compounding of offences against the Company or its subsidiaries in the

last three years immediately preceding the year of circulation of General Information Document.

54. DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THE COMPANY.

There has been no act of material fraud committed against the Company in the last three years immediately preceding the year of circulation of General Information Document.

CHAPTER XIII

SUMMARY TERM SHEET

May please be referred from Key Information Document.

Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention:

1	The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.	As per Key Information Document issued for each issue of debentures.
2	Procedure and time schedule for allotment and issue of securities should be disclosed	
3	Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration	

CHAPTER XIV
DECLARATION

Undertaking by the Issuer

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given below under this declaration under the section 'General Risks'.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/Information memorandum(GID/KID as applicable). Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

Directors' declaration:

a) the issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder except and to the extent declared in the Information memorandum(GID/KID as applicable).
b) the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
c) the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
d) whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

General Risk

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under **Chapter VIII** of this Information memorandum(GID/KID as applicable). These risks are

not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

The Company undertakes that this Information document(GID/KID as applicable)contains full disclosures in accordance with Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended and other provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 09, 2021, as amended.

The Issuer accepts no responsibility for the statements made otherwise than in the Information document(GID/KID as applicable)or in any other material issued by or at the instance of the Issuer and that any one relying on such information from any other source would be doing so at his own risk.

I am authorised by the Board of Directors of the Company vide Board resolution dated February 29, 2024 to sign this form (PAS 4)/ Information memorandum(GID/KID as applicable) and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this GID/KID.

It is also declared that Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, rules, regulations, guidelines and circulars issued there under in respect of the subject matter of this form and matters incidental thereto have been complied with.

For Power Finance Corporation Limited

Ms. Jasneet Guram
Chief General Manager
PAN No: AECPG8793C
Place: New Delhi
Date: 25-May-2024

CHAPTER XV

ANNEXURES

1. Consent of Debenture Trustee and RT&A.
2. Copy of resolution passed the Board of Directors of the Company at their meeting held February 29, 2024 authorizing Issue of Bonds;
3. Copy of letters from CRISIL, ICRA and CARE.
4. Link for Financials for Q4 & FY 2023-24 and Annual Report for the FY ended 31.03.2023 & 31.03.2022 given below:

Period	Link	QR Cpde
Q4 & FY 2023-24	https://pfcapps.com/WEBAPPDOCS/PFCAPPs/Q4%20and%20FY%2023-24%20Financials.pdf	
FY 2022-23	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Financial_Results/Q-4_Results_22_23.pdf	
FY 2021-22	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Financial_Results/Q4.pdf	

Note: Application Form shall be issued separately.

RCMC

RCMC Share Registry Pvt. Ltd.

B-25/1, First Floor,
Okhla Industrial Area, Phase – II, New Delhi – 110 020
Phone : 011-26387320,21,35020465,66 Mobile:8527695125
E-mail: investor.services@rcmcdelhi.com
Website : http://www.rcmcdelhi.com
CIN : U67120DL1950PTC001854

RCMC/PFC/Consent/2024 Dated 24th May, 2024

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

Kind Attn: Mr. Narendra Kumar – Deputy General Manager (Finance)

Dear Sir,

Sub.: Consent to act as Registrar and Transfer Agent (RTA) for PFC's proposed Bond Issues in 2024--25.

This is with reference to appointment of RCMC Share Registry Pvt Ltd as RTA for PFC's proposed Bond Issues in 2024-25

In this regards it would indeed be our pleasure to be associated with your esteemed organization as RTA for private placement basis secured / unsecured, rated, taxable / tax free, redeemable / perpetual, market linked or not, green debt securities or not, non-convertible Bonds in the nature of Debentures with base issue size and green shoe option as may be set out relevant Key Information Document.

We are also agreeable for inclusion of our name as RTA 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 RCMC Share Registry Pvt Ltd



Authorised Signatory

BEACON TRUSTEESHIP

Great Place To Work. Certified SEP 2023 - SEP 2024 INDIA

CL: CL/MUM/24-25/BT/51
Ref. No. : BTL/OPR/2024-25/52756
Date: May 24, 2024

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

Kind Attn: Tusarkant Parida – Deputy General Manager (Finance)

Dear Sir / Madam,

Consent to act as Debenture Trustee for PFC's proposed Bond to be issued in one or more tranches.

This is with reference to your letter dated 24th May 2024 regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for PFC's Secured/Un-secured, Rated, Taxable/Tax free, redeemable/Perpetual, Market Linked or not, green debt securities or not, Non-convertible, for FY 2024-25, we hereby confirm to act as Debenture /Bond Trustee for FY 2024-25. (Not exceeding the authorized limit at any given time)

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.

It is indeed our pleasure to continue to be associated with your esteemed organization as Debenture/Bond Trustee and we look forward to a fruitful association.

Yours faithfully,

For Beacon Trusteeship Limited

Beacon Trusteeship Limited

Name: Jaydeep Bhattacharya
Designation: Executive Director

ASD 238

BEACON TRUSTEESHIP

Great Place To Work. Certified

DUE DILIGENCE CERTIFICATE – ANNEXURE A

(Pursuant to SEBI Master Circular SEBI/HO/DDHS-PoD3/P/CIR/2023/46 dated May 16, 2024 & Regulation 44(3)(a) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021)

Ref No: BTL/OPR/24-25/52771 **Date: May 25, 2024**

To,
Bombay Stock Exchange Limited,
25th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400001.

To,
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051

SUB.: ISSUE/ RE-ISSUANCE OF SECURED/ UNSECURED, REDEEMABLE/ PERPETUAL, NON-CONVERTIBLE, CUMULATIVE/ NON-CUMULATIVE, TAXABLE/ TAX FREE BONDS IN THE NATURE OF DEBENTURES OF THE PROPOSED BOND BY WAY OF A PRIVATE PLACEMENT BY POWER FINANCE CORPORATION LIMITED

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

WE CONFIRM THAT:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed - **Not applicable at this stage since security is created for each issuance as per relevant Key Information Document.**
b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies)- **As per relevant Key Information Document**
c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities. **As per relevant Key Information Document**
d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document/ placement memorandum and all disclosures made in the offer document/ placement memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement- **As per relevant Key Information Document**
e) The issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document/ placement memorandum- **As per relevant Key Information Document**

Beacon Trusteeship Limited

AS1222.1

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application- **As per relevant Key Information Document.**

g) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue - **As per relevant Key Information Document.**

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

For Beacon Trusteeship Limited

Beacon Trusteeship Limited

Name: Jaydeep Bhattacharya
Designation: Executive Director

Place: Mumbai

मनीष कुमार अग्रवाल
महाप्रबंधक एवं कंपनी सचिव
MANISH KUMAR AGARWAL
General Manager & Company Secretary

पावर फाइनेंस कार्पोरेशन लिमिटेड
POWER FINANCE CORPORATION LTD.
(भारत सरकार का उपक्रम) (A Govt. of India Undertaking)
(आई.एस.ओ. 45001:2018 प्रमाणित) (ISO 45001:2018 Certified)

No: 1:05:138:1:CS
Dated: 29.02.2024

National Stock Exchange of India Limited, Listing Department, Exchange Plaza, Bandra – Kurla Complex, Bandra (E) **MUMBAI – 400 051.**	**BSE Limited,** Department of Corporate Services, Floor – 25, PJ Towers, Dalal Street, **MUMBAI – 400 001.**
नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड लिस्टिंग विभाग, एक्सचेंज प्लाजा, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई-400 051	बीएसई लिमिटेड, कॉर्पोरेट सेवाएं विभाग, मंजिल-25, पी .जे .टावर्स, दलाल स्ट्रीट, मुंबई-400001

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 22.02.2024, we would like to inform that, the Board of Directors of Power Finance Corporation Ltd. (PFC) in its meeting held today i.e. 29.02.2024 have inter-alia approved the following proposal:

1. Raising of resources for the Financial Year 2024-25 through Bonds, Term loans, Commercial Paper (CP) etc. from domestic & international markets.

Sl. No.	Source Amount	Amount (Maximum) (₹ In Crore)#
1.	**Long Term Borrowings**	
	A. Through Domestic Currency Borrowing from Capital Gain Bonds (u/s 54EC) and Public Issues of Bonds through various instruments.	90000
	B. Through Domestic Currency Borrowing excluding from Capital Gain Bonds and Public Issues of Bonds through various instruments such as:- (i) Private Placement of - 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 /Structured Debt Securities / Market Linked Debt Securities / Green / Social / ESG Bonds/ 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	

ऊर्जानिधि, 1, बाराखम्बा लेन, कनॉट प्लेस, नई दिल्ली–110001 दूरभाष : 011–23456740 ईपीएबीएक्स : 011–23412545
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001 Phones : 011-23456740 EPABX : 011-23412545
ई–मेल/E-mail : mk_agrawal@pfcindia.com वैबसाईट/Website : www.pfcindia.com
CIN : L65910DL1986GOI024862

	(ii) Term Loan from Banks/FIs/GOI etc. (iii) Domestic borrowing through any other long term instrument.	
	C. Through **Foreign Currency Borrowings by way of issuance of instruments like :** (i) Loans such as term loans, syndicated loans, subordinated loans, FCNR(B) loans, loans from multilateral agencies. (ii) Bonds/Notes such as unsecured/secured bonds, perpetual bonds, green bonds, subordinated bonds. (iii) Any other instrument for raising Foreign Currency Borrowings/ Rupee denominated Foreign Currency Borrowings. (*equivalent to approx. USD 2.40 Billion)	20000*
2	**Short Term Borrowings:**	
	A. Through Domestic Currency Borrowings through various instruments such as Short Term Loans/ ICDs (excluding WCDL/CC/OD facilities) outstanding at any point of time during FY 2024-25. B. Through Foreign Currency Borrowings by way of issuance of instruments like FCNR(B) loans outstanding at any point of time during FY 2024-25.	15000
	C. Through Commercial Paper	5000
	Total	**1,30,000**

 # Funds raised and prepaid during the year to be excluded from this limit.

- The Company may borrow upto ₹ 1,30,000 crore in the FY 2024-25 excluding funds raised under Extra Budgetary Resource (EBR), subject to the borrowing limit as approved by the shareholders under 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 3.00 pm and concluded at 4.40 pm.....

This is submitted for your information and record.

Thanking you,

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

Manish Kumar Agarwal
Digitally signed by Manish Kumar Agarwal
Date: 2024.02.29 16:47:55 +05'30'

(Manish Kumar Agarwal)
Company Secretary & Compliance Officer
mk_agarwal@pfcindia.com

No. CARE/NRO/RL/2024-25/1179

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

May 24, 2024

Confidential

Dear Sir,

Credit rating for Market Borrowing Programmes

This has reference to your email dated April 24, 2024 and May 20, 2024 on the above subject.

2. In this connection, we invite your attention to our rating letter no. CARE/NRO/RL/2024-25/3536 and CARE/NRO/RL/3485 dated March 20, 2024 and March 26, 2024, respectively (enclosed as Annexure – II) reaffirming and assigning the rating of 'CARE AAA; Stable/ CARE A1+' (Triple A; Outlook: Stable/ A One Plus) to the Market Borrowing Programmes of your company.
3. The above rating(s) are valid for the facilities, as updated in **Annexure - I**.
4. 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 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.

5. All the other clauses vide our letter dated March 20, 2024 and March 26, 2024, respectively would continue to apply for the above rating(s).

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Deepshi Panda
Lead Analyst
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Neha Kadiyan
Associate Director
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Encl.: As above

Disclaimer

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Annexure 1

Details of Rated Facilities

1. Long Term Facilities

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	5,131.20		
2.	Kfw Development Bank	38.84	30-Jun-35	Foreign Currency Term Loan
3.	Asian Development Bank	19.99	15-Oct-25	Foreign Currency Term Loan
4.	Credit National	10.06	30-Jun-28	Foreign Currency Term Loan
5.	Asian Development Bank	5.05	15-Oct-26	Foreign Currency Term Loan
6.	Asian Development Bank	4.93	15-Apr-26	Foreign Currency Term Loan
7.	Asian Development Bank	3.48	15-Apr-27	Foreign Currency Term Loan
8.	Asian Development Bank	2.92	15-Oct-27	Foreign Currency Term Loan
9.	Asian Development Bank	1.93	15-Apr-28	Foreign Currency Term Loan
10.	Asian Development Bank	1.01	15-Oct-28	Foreign Currency Term Loan
11.	Asian Development Bank	0.82	15-Apr-27	Foreign Currency Term Loan
12.	Proposed	17.27		
	Total	**5,237.50**		

** Details of rated instruments is annexed below*

1.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument*	4,226.36
	Total	**4,226.36**

** Details of rated instruments is annexed below*

1.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument*	20,037.00
	Total	**20,037.00**

** Details of rated instruments is annexed below*

1.D. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument*	2,000.01
	Total	**2,000.01**

** Details of rated instruments is annexed below*

1.E. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument*	14,520.00
	Total	**14,520.00**

** Details of rated instruments is annexed below*

1.F. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument*	14,198.26
	Total	**14,198.26**

** Details of rated instruments is annexed below*

1.G. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	23,250.59		
2.	National Small Saving Fund (NSSF)	7,500.00	01-Feb-24	Foreign Currency Term Loan
3.	Bank of India	500.00	25-Feb-2025	Rupee Term Loan
4.	Punjab National Bank	375.00	27-Dec-2028	Rupee Term Loan
5.	Bank of Tokyo-Mitsubishi UFJ Ltd.	265.01	02-Mar-2025	Rupee Term Loan
6.	Proposed	887.21		
	Total	**32,777.81**		

** Details of rated instruments is annexed below*

1.H. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	51,527.55		



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
2.	State Bank of India	2,084.35	20-Dec-24	Foreign Currency Term Loan
3.	State Bank of India	1,170.00	19-Dec-2024	Rupee Term Loan
4.	Canara Bank	1,000.00	29-Jun-2024	Rupee Term Loan
5.	Union Bank of India	625.00	23-Mar-2025	Rupee Term Loan
6.	State Bank of India	500.00	19-Dec-2024	Rupee Term Loan
7.	Canara Bank	500.00	21-Jun-24	Rupee Term Loan 1
8.	Canara Bank	500.00	24-Jun-2024	Rupee Term Loan 2
9.	State Bank of India	470.00	19-Dec-2024	Rupee Term Loan
10.	Indian Bank	445.20	02-Jan-2027	Rupee Term Loan
11.	State Bank of India	430.00	19-Dec-2024	Rupee Term Loan
12.	Union Bank of India	400.00	15-Jan-2025	Rupee Term Loan
13.	Punjab National Bank	333.33	20-Mar-2025	Rupee Term Loan
14.	State Bank of India	262.20	19-Dec-2024	Rupee Term Loan
15.	Canara Bank	218.75	20-Mar-2024	Rupee Term Loan
16.	Canara Bank	200.00	23-Mar-2026	Rupee Term Loan
17.	State Bank of India	167.80	19-Dec-2024	Rupee Term Loan
18.	Punjab National Bank	112.50	30-Sep-25	Rupee Term Loan
19.	Union Bank of India	100.00	30-Sep-24	Rupee Term Loan
20.	Indian Bank	54.80	02-Jan-2027	Rupee Term Loan
21.	Proposed	3,944.93	20-Mar-2025	
	Total	**65,046.41**		

** Details of rated instruments is annexed below*

1.I. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	38,005.22		
2.	State Bank of India	2,140.00	10-Jul-2025	Rupee Term Loan
3.	State Bank of India	1,250.61	05-Nov-25	Foreign Currency Term Loan
4.	Canara Bank	1,000.00	22-Sep-2026	Rupee Term Loan
5.	Union Bank of India	900.00	30-Sep-2025	Rupee Term Loan
6.	Export Import Bank of India	833.74	13-Oct-25	Foreign Currency Term Loan
7.	Punjab National Bank	833.74	05-Nov-25	Foreign Currency Term Loan
8.	Bank of India	750.00	11-Sep-2026	Rupee Term Loan
9.	Indian Bank	562.50	28-Sep-2025	Rupee Term Loan



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
10.	DBS Bank Limited	416.87	05-Nov-25	Foreign Currency Term Loan
11.	Proposed	3,243.06		
	Total	**49,935.74**		

** Details of rated instruments is annexed below*

1.J. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	21,800.50		
2.	HDFC Bank Ltd.	3,000.00	30-Sep-2025	Rupee Term Loan
3.	Union Bank of India	3,000.00	31-Mar-2028	Rupee Term Loan
4.	State Bank of India	2,292.78	30-Nov-26	Foreign Currency Term Loan
5.	Bank of Baroda	1,250.61	30-Nov-26	Foreign Currency Term Loan
6.	India Infrastructure Finance Company Ltd.	1,000.00	30-Sep-2026	Rupee Term Loan
7.	Central Bank of India	1,000.00	31-Mar-2027	Rupee Term Loan
8.	UCO Bank	1,000.00	24-Sep-2026	Rupee Term Loan
9.	Export Import Bank of India	833.74	30-Nov-26	Foreign Currency Term Loan
10.	Canara Bank	833.74	30-Nov-26	Foreign Currency Term Loan
11.	Punjab National Bank	425.00	27-Sep-2026	Rupee Term Loan
12.	Yes Bank Ltd.	300.00		WCDL
13.	Bank of India	300.00	18-Sep-2028	Rupee Term Loan
14.	Bank of India	100.00	18-Sep-2028	Rupee Term Loan
15.	Punjab National Bank	75.00	27-Sep-2026	Rupee Term Loan
16.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
17.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
18.	Punjab National Bank	5.00	29-Sep-2026	Rupee Term Loan
19.	Proposed	2,399.49		
	Total	**39,715.86**		

** Details of rated instruments is annexed below*

1.K. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	39,670.70		



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
2.	ICICI Bank Ltd.	6,000.00		WCDL
3.	National Bank for Financing Infrastructure and Dev	3,500.00	31-Mar-2038	Rupee Term Loan
4.	State Bank of India	2,500.00		WCDL
5.	Canara Bank	2,250.00	28-Jun-2028	Rupee Term Loan
6.	Bank of Baroda	1,500.00	17-Nov-2029	Rupee Term Loan
7.	Bank of Baroda	1,100.00	17-Nov-2029	Rupee Term Loan
8.	Bank of Baroda	1,050.00	17-Nov-2029	Rupee Term Loan
9.	Indian Overseas Bank	1,000.00	30-Sep-2028	Rupee Term Loan
10.	State Bank of India,Hong Kong	970.95	28-Dec-28	Foreign Currency Term Loan
11.	State Bank of India,Hong Kong	970.66	28-Dec-26	Foreign Currency Term Loan
12.	State Bank of India,Hong Kong	970.66	28-Dec-27	Foreign Currency Term Loan
13.	Bank of Baroda	850.00	17-Nov-2029	Rupee Term Loan
14.	Sumitomo Mitsui Trust Bank Limited - Singapore Bra	813.24	05-Jan-30	Foreign Currency Term Loan
15.	Kfw Development Bank	690.26	15-Nov-31	Foreign Currency Term Loan
16.	Punjab & Sind Bank	604.50	30-Mar-2029	Rupee Term Loan
17.	Sumitomo Mitsui Banking Corporation	550.00		WCDL
18.	Induslnd Bank Ltd.	500.00		WCDL
19.	Bank of Baroda	500.00	17-Nov-2029	Rupee Term Loan
20.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
21.	Indian Overseas Bank	500.00	30-Mar-2029	Unsecured Rupee Term Loan
22.	State Bank of India	500.00		clean day limit
23.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
24.	Punjab & Sind Bank	395.50	30-Mar-2029	Rupee Term Loan
25.	IDFC First Bank Ltd.	350.00		WCDL
26.	RBL Bank Limited	300.00		WCDL
27.	Mizuho Bank Ltd.	250.00		WCDL
28.	Canara Bank	250.00	30-Jun-2028	Rupee Term Loan
29.	MUFG Bank Limited (GIFT Branch)	207.29	28-Dec-26	Foreign Currency Term Loan
30.	MUFG Bank Limited (GIFT Branch)	207.29	28-Dec-27	Foreign Currency Term Loan
31.	MUFG Bank Limited (GIFT Branch)	207.29	28-Dec-28	Foreign Currency Term Loan



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
32.	Bank of China Ltd.	203.83	28-Dec-28	FCL
33.	Bank of China Ltd.	203.83	28-Dec-26	FCL
34.	Bank of China Ltd.	203.83	28-Dec-27	FCL
35.	SBI Shinsei	110.18	05-Jan-30	FCL
36.	KEB Hana Bank	100.00	17-Nov-2025	Rupee Term Loan
37.	Norinchukin Bank	98.03	28-Dec-28	FCL
38.	Norinchukin Bank	91.82	28-Dec-26	Foreign Currency Term Loan
39.	Norinchukin Bank	91.82	28-Dec-27	Foreign Currency Term Loan
40.	Credit Agricole Corporate and Investment Bank (Hon	91.01	28-Dec-26	Foreign Currency Term Loan
41.	Credit Agricole Corporate and Investment Bank (Hon	91.01	28-Dec-27	Foreign Currency Term Loan
42.	Credit Agricole Corporate and Investment Bank (Hon	91.01	28-Dec-28	Foreign Currency Term Loan
43.	Citi Bank	50.00		WCDL
44.	SBI Shinsei	36.73	28-Dec-27	FCL
45.	SBI Shinsei	36.73	28-Dec-28	FCL
46.	Gunma Bank	36.73	28-Dec-26	FCL
47.	SBI Shinsei	36.73	28-Dec-26	FCL
48.	Gunma Bank	36.73	28-Dec-27	FCL
49.	Gunma Bank	36.73	28-Dec-28	FCL
50.	Proposed	194.91		
	Total	**72,000.00**		

** Details of rated instruments is annexed below*

1.L. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	48,800.79		
2.	HDFC Bank Ltd.	2,627.00	05-Jul-28	RTL
3.	DBS Bank India Ltd.	2,084.35	22-Mar-29	FCL
4.	Bank of Baroda	2,084.35	25-Sep-28	FCL
5.	Bank of Baroda	2,084.35	27-Sep-28	FCL
6.	HDFC Bank Ltd.	1,782.91	25-Sep-30	RTL
7.	HSBC Ltd.	1,667.48	19-Dec-28	FCL



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
8.	HDFC Bank Ltd.	1,626.22	25-Sep-30	RTL
9.	State Bank of India	1,538.22	30-Sep-2033	RTL
10.	HDFC Bank Ltd.	1,289.27	05-Sep-30	Rupee Term Loan
11.	HDFC Bank Ltd.	1,267.27	05-09-2030	RTL
12.	Sumitomo Mitsui Banking Corporation	1,252.21	22-Mar-31	FCL
13.	State Bank of India	1,225.86	30-Sep-33	RTL
14.	State Bank of India	1,022.89	30-Sep-2033	RTL
15.	HDFC Bank Ltd.	1,010.00	05-Jul-28	RTL
16.	Bank of India	971.91	02-03-2027	RTL
17.	Union Bank of India	837.19	27-Sep-29	RTL
18.	IDBI Bank Ltd.	833.74	19-12-2028	FCL
19.	Punjab National Bank	828.66	29-Sep-2028	RTL
20.	State Bank of India	805.00	30-Sep-2033	RTL
21.	National Bank for Financing Infrastructure and Dev	737.57	01-03-2039	RTL
22.	State Bank of India	607.68	30-Sep-2033	RTL
23.	HDFC Bank Ltd.	590.87	25-Sep-30	RTL
24.	Bank of India	544.27	02-Mar-2027	Unsecured RTL
25.	State Bank of India	499.70	30-Sep-2033	RTL
26.	State Bank of India	439.49	30-Sep-2033	RTL
27.	Bank of India	420.39	02-03-2027	RTL
28.	Sumitomo Mitsui Banking Corporation	417.41	22-Jun-29	FCL
29.	Axis Bank Ltd.	416.87	19-Dec-28	FCL
30.	HDFC Bank Ltd.	384.14	05-Sep-30	Rupee Term Loan
31.	State Bank of India	356.95	30-Sep-2033	RTL
32.	State Bank of India	350.25	30-Sep-33	RTL
33.	State Bank of India	302.91	30-Sep-2033	RTL
34.	State Bank of India	292.26	30-Sep-2033	RTL
35.	National Bank for Financing Infrastructure and Dev	262.43	01-03-2039	RTL
36.	State Bank of India	230.00	30-Sep-2033	RTL
37.	HDFC Bank Ltd.	221.05	05-Jul-2028	RTL
38.	South Indian Bank Ltd.	200.00	30-Mar-2026	Unsecured RTL
39.	South Indian Bank Ltd.	199.96	31-May-28	RTL



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
40.	Karnataka Bank Ltd.	196.57	08-02-2026	RTL
41.	State Bank of India	190.65	30-Sep-2033	RTL
42.	State Bank of India	183.34	30-Sep-2033	RTL
43.	State Bank of India	180.57	30-Sep-2033	RTL
44.	State Bank of India	173.62	30-Sep-2033	RTL
45.	South Indian Bank Ltd.	156.32	19-Sep-28	RTL
46.	State Bank of India	142.77	30-Sep-2033	RTL
47.	Japan Bank for International Cooperation	113.58	20-Apr-38	FCL
48.	State Bank of India	101.99	30-Sep-2033	RTL
49.	Punjab National Bank	99.36	29-Sep-28	RTL
50.	State Bank of India	86.54	30-Sep-2033	RTL
51.	State Bank of India	86.23	30-Sep-2033	RTL
52.	Bank of India	63.43	02-Mar-2027	Unsecured RTL
53.	HDFC Bank Ltd.	60.95	05-Jul-2028	RTL
54.	HDFC Bank Ltd.	59.32	05-Sep-30	Rupee Term Loan
55.	Japan Bank for International Cooperation	54.73	20-Jul-36	FCL
56.	State Bank of India	54.47	30-Sep-2033	RTL
57.	Karnataka Bank Ltd.	53.43	08-02-2026	RTL
58.	State Bank of India	52.38	30-Sep-2033	RTL
59.	State Bank of India	51.59	30-Sep-2033	RTL
60.	HDFC Bank Ltd.	46.00	05-Jul-28	RTL
61.	HDFC Bank Ltd.	35.00	05-Jul-28	RTL
62.	South Indian Bank Ltd.	34.20	19-Sep-28	RTL
63.	Japan Bank for International Cooperation	32.41	20-Apr-38	FCL
64.	State Bank of India	24.64	30-Sep-2033	RTL
65.	South Indian Bank Ltd.	9.44	19-Sep-28	RTL
66.	Proposed	2,042.60	19-Dec-28	FCL
	Total	**87,500.00**		

** Details of rated instruments is annexed below*



1.M. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument*	84.00		
2.	External Commercial Borrowings	15.66	20-Jul-36	FCTL
3.	Proposed	1,04,900.34		
	Total	**1,05,000.00****		

** Details of rated instruments is annexed below*
*** including sublimit of ₹ 500 crore for perpetual debts*

Total Long Term Facilities : Rs.5,12,194.95 crore

2. Short Term Facilities

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	HDFC Bank Ltd.	3,500.00		WCDL
2.	State Bank of India	1,268.74	30-Mar-24	FCNR
3.	State Bank of India	855.32	27-Mar-24	FCNR
4.	ICICI Bank Ltd.	853.72	28-Mar-24	FCNR
5.	State Bank of India	850.97	27-Mar-24	FCNR
6.	Proposed	928.87		
	Total	**8,257.62**		

2.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	HDFC Bank Ltd.	1,862.50	20-Jun-2024	STL
2.	Bank of Baroda	1,418.00	28.06.2024	STL
3.	ICICI Bank Ltd.	1,186.56	28-Jun-24	FCNR
4.	State Bank of India	917.11	27-Dec-24	FCL
5.	HDFC Bank Ltd.	644.00	04.07.2024	STL
6.	HDFC Bank Ltd.	521.50	26-Jun-2024	STL
7.	HDFC Bank Ltd.	247.50	27-Jun-2024	STL
8.	Bank of Baroda	82.00	23.06.2024	STL
9.	Proposed	120.83		



Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
	Total	**7,000.00**		

2.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	15,000.00
	Total	**15,000.00***

*including sublimit of ₹ 5,000 crore for commercial paper

Total Short Term Facilities : Rs.30,257.62 crore

3. Long Term / Short Term Facilities

3.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	State Bank of India	2,085.16	28-Mar-25	FCL
2.	State Bank of India	2,084.35	19-Dec-28	FCL
3.	Punjab National Bank	2,071.98	29-Sep-2028	Rupee Term Loan
4.	India Infrastructure Finance Company Ltd.	2,000.00	28-Feb-2029	Rupee Term Loan
5.	NTT TC Leasing Co. Limited	220.36	05-Jan-30	FCL
6.	Chang Hwa Commercial Bank Limited	165.27	05-Jan-30	FCL
7.	Taiwan Cooperative Bank, Offshore Banking Branch	165.27	05-Jan-30	FCL
8.	Proposed	1,207.61		
	Total	**10,000.00**		

3.B. Fund Based Limits

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

Total Long Term / Short Term Facilities : Rs.20,000.00 crore

Total Facilities (1.A+1.B+1.C+1.D+1.E+1.F+1.G+1.H+1.I+1.J+1.K+1.L+1.M+2.A+2.B+2.C+3.A+3.B) : Rs.5,62,452.57 crore

Details of rated instruments

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
7.38% Tax Free Bond Series 94-B	INE134E07307	22-Nov-2012	7.38	22-Nov-2027	25.00
7.38% Tax Free Bonds Series 95 B	INE134E07323	29-Nov-2012	7.38	29-Nov-2027	100.00
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.36	04-Jan-2028	179.99
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.86	04-Jan-2028	177.01
7.04% TR-2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.04	28-Mar-2028	13.35
7.54% TR 2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.54	28-Mar-2028	55.85
9.00% PFC BOND SERIES 101-B	INE134E08FL2	11-Mar-2013	9	11-Mar-2028	1370.00
8.90% PFC BOND SERIES 102-A (III)	INE134E08FO6	18-Mar-2013	8.9	18-Mar-2028	403.00
8.94% PFC BOND SERIES 103	INE134E08FQ1	25-Mar-2013	8.94	25-Mar-2028	2807.00
8.46% Tax Free Bond Series 107-B	INE134E07380	30-Aug-2013	8.46	30-Aug-2028	1,011.00
8.54% TAX FREE BONDS 13-14 SERIES 2A	INE134E07430	16-Nov-2013	8.54	16-Nov-2028	932.70
8.79% TAX FREE BONDS 13-14 SERIES 2B	INE134E07448	16-Nov-2013	8.79	16-Nov-2028	353.32
8.67% TAX FREE BONDS 13-14 SERIES 3A	INE134E07455	16-Nov-2013	8.67	16-Nov-2033	1,067.38
8.92% TAX FREE BONDS 13-14 SERIES 3B	INE134E07463	16-Nov-2013	8.92	16-Nov-2033	861.96
9.37% PFC BOND SERIES 117 OPTION-B	INE134E08GD7	19-Aug-2014	9.37	19-Aug-2024	855.00
9.39% PFC BOND SERIES 118 OPTION B-II	INE134E08GG0	27-Aug-2014	9.39	27-Aug-2024	460.00
9.39% PFC BOND SERIES 118 OPTION B-III	INE134E08GH8	27-Aug-2014	9.39	27-Aug-2029	460.00
8.98% PFC BOND SERIES 120 Option -A	INE134E08GK2	08-Oct-2014	8.98	08-Oct-2024	961.00
8.98% PFC BOND SERIES 120 Option -B	INE134E08GL0	08-Oct-2014	8.98	08-Oct-2024	950.00
8 48 TX USC BND SRS 124 C	INE134E08GU1	09-Dec-2014	8.48	09-Dec-2024	1,000.00
8 65 TX USC BND SRS 125	INE134E08GV9	29-Dec-2014	8.65	29-Dec-2024	2,826.00
8 65 TX USC BND SRS 126	INE134E08GW7	05-Jan-2015	8.65	05-Jan-2025	5,000.00
8 20 TX USC BND SRS 128	INE134E08GY3	10-Mar-2015	8.2	10-Mar-2025	1,600.00
8 39 TX USC BND SRS 130 C	INE134E08HD5	19-Mar-2015	8.39	19-Apr-2025	925.00
8 41 TX USC BND SRS 131 C	INE134E08HG8	27-Mar-2015	8.41	27-Mar-2025	5,000.00
7 16 TF SEC BND SRS 136	INE134E07521	17-Jul-2015	7.16	17-Jul-2025	300.00
7.11% TAXFREE BONDS 1A 17.10.2025	INE134E07539	17-Oct-2015	7.11	17-Oct-2025	75.10
7.36% TAXFREE BONDS 1B 17.10.2015	INE134E07547	17-Oct-2015	7.36	17-Oct-2025	79.35
7.27% TAXFREE BONDS 2A 17.10.2015	INE134E07554	17-Oct-2015	7.27	17-Oct-2030	131.33
7.52% TAXFREE BONDS 2B 17.10.2015	INE134E07562	17-Oct-2015	7.52	17-Oct-2030	45.18
7.35% TAXFREE BONDS 3A 17.10.2015	INE134E07570	17-Oct-2015	7.35	17-Oct-2035	213.57
7.60% TAXFREE BONDS 3B 17.10.2015	INE134E07588	17-Oct-2015	7.6	17-Oct-2035	155.48



Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
8 40 TX USC BND SRS 141 B	INE134E08HX3	18-Sep-2015	8.4	18-Sep-2025	1,000.00
8 03 TX USC BND SRS 147	INE134E08IE1	02-May-2016	8.03	02-May-2026	1,000.00
7 63 TX USC BND SRS 150 B	INE134E08II2	16-Aug-2016	7.63	16-Aug-2026	1,675.00
7 56 TX USC BND SRS 151 B	INE134E08IK8	16-Sep-2016	7.56	16-Sep-2026	210.00
7 55 TX USC BND SRS 152	INE134E08IL6	26-Sep-2016	7.55	26-Sep-2026	4,000.00
7 23 TX USC BND SRS 155	INE134E08IO0	05-Jan-2017	7.23	05-Jan-2027	2,635.00
156	INE134E08IP7	11-01-2017	7.10%	11-Jan-27	200.00
158	INE134E08IR3	20-01-2017	7.18%	20-Jan-27	1,335.00
160	INE134E08IT9	20-02-2017	7.60%	20-Feb-27	1,465.00
164	INE134E08IX1	22-03-2017	7.75%	22-Mar-27	2,000.00
7 44 TX USC BND SRS 168 B	INE134E08JC3	12-Jun-2017	7.44	12-Jun-2027	1,540.00
7 30 TX USC BND SRS 169 B	INE134E08JE9	08-Aug-2017	7.3	08-Aug-2027	1,500.00
7 65 TX USC BND SRS 170 B	INE134E08JG4	22-Nov-2017	7.65	22-Nov-2027	2,001.00
7 62 TX USC BND SRS 171	INE134E08JH2	15-Dec-2017	7.62	15-Dec-2027	5,000.00
7 74 BS 172 TAXABLE BONDS 29 01 2028	INE134E08JI0	30-Jan-2018	7.74	30-Jan-2028	850.00
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	831.16
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	2418.69
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	43.15
Proposed					14.26
5.75 SEC 54EC BD SR 2 1819 03	INE134E07794	31-Mar-2019	5.75	31-Mar-2024	145.38
7 85 TX USC BND SRS 177	INE134E08JP5	03-Apr-2018	7.85	03-Apr-2028	3,855.00
8 95 TX USC BND SRS 178	INE134E08JQ3	10-Oct-2018	8.95	10-Oct-2028	3,000.00
8 67 TX USC BND SRS 179 A	INE134E08JR1	19-Nov-2018	8.67	19-Nov-2028	1,007.00
8 64 TX USC BND SRS 179 B	INE134E08JS9	19-Nov-2018	8.64	19-Nov-2033	528.40
8 75 TX USC BND SRS 180	INE134E08JT7	22-Feb-2019	8.75	22-Feb-2034	2,654.00
9 25 TX USC BND SRS 184 A	INE134E08JY7	25-Mar-2019	9.25	25-Sep-2024	2,000.00
9 10 TX USC BND SRS 184 B	INE134E08JX9	25-Mar-2019	9.1	25-Mar-2029	2411.50
8 98 TX USC BND SRS 185	INE134E08JZ4	28-Mar-2019	8.98	28-Mar-2029	1,000.00
5.25% USD 300 MN NOTES 2028	XS1864036576	10-08-2018	5.25	10-08-2028	2,493.49
6 15 GMTN BONDS USD 500MN	US73928RAA41 (REG S) ; US73928QAA67 (144A)	06-12-2018	6.15	06-12-2028	4,155.82
5.75 SEC 54EC BD SR 3 1920 04	INE134E07810	30-Apr-2019	5.75	30-Apr-2024	48.91
5.75 SEC 54EC BD SR 3 1920 05	INE134E07828	31-May-2019	5.75	31-May-2024	72.72
5.75 SEC 54EC BD SR 3 1920 06	INE134E07836	30-Jun-2019	5.75	30-Jun-2024	81.73
5.75 SEC 54EC BD SR 3 1920 07	INE134E07844	31-Jul-2019	5.75	31-Jul-2024	117.29
5.75 SEC 54EC BD SR 3 1920 08	INE134E07851	31-Aug-2019	5.75	31-Aug-2024	105.73
5.75 SEC 54EC BD SR 3 1920 09	INE134E07869	30-Sep-2019	5.75	30-Sep-2024	102.03
5.75 SEC 54EC BD SR 3 1920 10	INE134E07877	01-Nov-2019	5.75	31-Oct-2024	92.09
5 75 SEC 54EC BD SR3 1920 11	INE134E07885	30-Nov-2019	5.75	30-Nov-2024	89.96
5 75 SEC 54EC BD SR3 1920 12	INE134E07893	31-Dec-2019	5.75	31-Dec-2024	93.08
5 75 SEC 54EC BD SR3 1920 01	INE134E07901	31-Jan-2020	5.75	31-Jan-2025	94.02
5 75 SEC 54EC BD SR3 1920 02	INE134E07919	29-Feb-2020	5.75	01-Mar-2025	107.88
5 75 SEC 54EC BD SR3 1920 03	INE134E07927	31-Mar-2020	5.75	31-Mar-2025	129.01
8 7929 TX USC BND SRS 186	INE134E08KA5	30-Apr-2019	8.79	30-Apr-2034	2578.90
8 85 TX USC BND SRS 187 B	INE134E08KC1	27-May-2019	8.85	27-May-2029	1,982.00

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
8 10 TX USC BND SRS 188	INE134E08KD9	04-Jun-2019	8.1	04-Jun-2024	691.10
8 15 TX USC BND SRS 189	INE134E08KE7	08-Aug-2019	8.15	08-Aug-2034	4,035.00
8 25 TX USC BND SRS 190	INE134E08KF4	06-Sep-2019	8.25	06-Sep-2034	4,016.00
7 42 TX USC BND SRS 192	INE134E08KH0	19-Nov-2019	7.42	19-Nov-2024	3,000.00
7 93 TX USC BND SRS 193	INE134E08KI8	31-Dec-2019	7.93	31-Dec-2029	4,711.00
7 86 TX USC BND SRS 195	INE134E08KK4	14-Jan-2020	7.86	12-Apr-2030	1,100.00
7 41 TX USC BND SRS 196	INE134E08KL2	25-Feb-2020	7.41	25-Feb-2030	2,500.00
7 41 TX USC BND SRS 197	INE134E08KM0	02-Mar-2020	7.41	15-May-2030	5,000.00
3 75 USD BONDS 2024	XS2009878880	18-06-2019	3.75	18-06-2024	3324.66
4 50 USD BONDS 2029	XS2013531061	18-06-2019	4.5	18-06-2029	4986.98
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	2077.91
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	415.58
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	3324.66
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	415.58
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	831.16
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	4986.98
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	355.68
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	59.91
5 75 SEC 54EC BD SR 4 2021 04	INE134E07935	30-Apr-2020	5.75	30-Apr-2025	12.44
5 75 SEC 54EC BD SR 4 2021 05	INE134E07943	31-May-2020	5.75	31-May-2025	39.39
5 75 SEC 54EC BD SR 4 2021 06	INE134E07950	30-Jun-2020	5.75	30-Jun-2025	117.99
5 75 SEC 54EC BD SR 4 2021 07	INE134E07976	31-Jul-2020	5.75	31-Jul-2025	82.56
5 75 SEC 54EC BD SR 4 2021 08	INE134E07984	31-Aug-2020	5	31-Aug-2025	26.03
5 00 SEC 54EC BD SR 4 2021 09	INE134E07992	30-Sep-2020	5	30-Sep-2025	61.44
5 00 SEC 54EC BD SR 4 2021 10	INE134E07AA8	01-Nov-2020	5	31-Oct-2025	45.90
5 00 SEC 54EC BD SR 4 2021 11	INE134E07AB6	01-Dec-2020	5	30-Nov-2025	48.87
5 00 SEC 54EC BD SR 4 2021 12	INE134E07AC4	31-Dec-2020	5	31-Dec-2025	86.18
5 00 SEC 54EC BD SR 4 2021 01	INE134E07AD2	31-Jan-2021	5	31-Jan-2026	76.54
5 00 SEC 54EC BD SR 4 2021 02	INE134E07AE0	28-Feb-2021	5	28-Feb-2026	101.96
5 00 SEC 54EC BD SR 4 2021 03	INE134E07AF7	31-Mar-2021	5	31-Mar-2026	238.47
5 65 SEC TAX NCD PI TR I SER II CAT I-II	INE134E07AI1	22-Jan-2021	5.65	22-Jan-2026	27.05
5 80 SEC TAX NCD PI TR I SER II CAT III-IV	INE134E07AJ9	22-Jan-2021	5.8	22-Jan-2026	3.50
6 63 SEC TAX NCD PI TR I SER III CAT I-II	INE134E07AK7	22-Jan-2021	6.63	22-Jan-2031	0.50
6 82 SEC TAX NCD PI TR I SER III CAT III-IV	INE134E07AL5	22-Jan-2021	6.82	22-Jan-2031	28.74
6 80 SEC TAX NCD PI TR I SER IV CAT I-II	INE134E07AM3	22-Jan-2021	6.8	22-Jan-2031	33.67
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV	INE134E07AN1	22-Jan-2021	7	22-Jan-2031	1,635.53



Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II	INE134E07AO9	22-Jan-2021	7.3	22-Jan-2031	10.35
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV	INE134E07AP6	22-Jan-2021	7.5	22-Jan-2031	1,250.73
6 78 SEC TAX NCD PI TR I SER VI CAT I-II	INE134E07AQ4	22-Jan-2021	6.78	22-Jan-2036	3.50
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV	INE134E07AR2	22-Jan-2021	6.97	22-Jan-2036	53.36
6 95 SEC TAX NCD PI TR I SER VII CAT I-II	INE134E07AS0	22-Jan-2021	6.95	22-Jan-2036	50.05
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV	INE134E07AT8	22-Jan-2021	7.15	22-Jan-2036	1,330.05
7 16 TX USC BND SRS 199B	INE134E08KP3	24-Apr-2020	7.16	24-Apr-2025	1,320.00
7 40 TX USC BND SRS 200	INE134E08KQ1	08-May-2020	7.4	08-May-2030	2,920.00
7 68 TX USC BND SRS 201	INE134E08KR9	15-May-2020	7.68	15-Jul-2030	3,101.30
7 17 TX USC BND SRS 202B	INE134E08KT5	22-May-2020	7.17	22-May-2025	810.00
7 79 TX USC BND SRS 202C	INE134E08KU3	22-May-2020	7.79	22-Jul-2030	1,936.00
7 75 TX USC BND SRS 203B	INE134E08KV1	11-Jun-2020	7.75	11-Jun-2030	3,318.00
7 41 TX USC BND SRS 196R1	INE134E08KL2	14-Jul-2020	7.41	25-Feb-2030	1,500.00
5 77 TX USC BND SRS 204A	INE134E08KX7	28-Jul-2020	5.77	11-Apr-2025	900.00
6 88 TX USC BND SRS 204B	INE134E08KY5	28-Jul-2020	6.88	11-Apr-2031	1,300.00
7 05 TX USC BND SRS 205A	INE134E08KZ2	10-Aug-2020	7.05	10-Aug-2030	1,610.10
7 20 TX USC BND SRS 205B	INE134E08LA3	10-Aug-2020	7.2	10-Aug-2035	1,605.70
7 04 TX USC BND SRS 207	INE134E08LC9	09-Sep-2020	7.04	16-Dec-2030	1,097.40
6 50 TX USC BND SRS 208	INE134E08LD7	17-Sep-2020	6.5	17-Sep-2025	2,806.00
7 34 TX USC BND SRS 209	INE134E08LE5	29-Sep-2020	7.34	29-Sep-2035	1,711.00
7 04 TX USC BND SRS 207R1	INE134E08LC9	11-Nov-2020	7.04	16-Dec-2030	2,549.10
3 35 USD BONDS 2031	XS2282240907	28-01-2021	3.35	16-05-2031	4,155.82
5 00 SEC 54EC BD SR 5 2122 04	INE134E07AU6	30-Apr-2021	5	30-Apr-2026	74.66
5 00 SEC 54EC BD SR 5 2122 05	INE134E07AV4	31-May-2021	5	31-May-2026	66.60
5 00 SEC 54EC BD SR 5 2122 06	INE134E07AW2	30-Jun-2021	5	30-Jun-2026	103.86
5 00 SEC 54EC BD SR 5 2122 07	INE134E07AX0	31-Jul-2021	5	31-Jul-2026	131.00
5 00 SEC 54EC BD SR 5 2122 08	INE134E07AY8	31-Aug-2021	5	31-Aug-2026	106.04
5 00 SEC 54EC BD SR 5 2122 09	INE134E07AZ5	30-Sep-2021	5	30-Sep-2026	135.76
5 00 SEC 54EC BD SR 5 2122 10	INE134E07BA6	31-Oct-2021	5	31-Oct-2026	94.42
5 00 SEC 54EC BD SR 5 2122 11	INE134E07BB4	30-Nov-2021	5	30-Nov-2026	84.94
5 00 SEC 54EC BD SR 5 2122 12	INE134E07BC2	31-Dec-2021	5	31-Dec-2026	125.81
5 00 SEC 54EC BD SR 5 2122 01	INE134E07BD0	31-Jan-2022	5	31-Jan-2027	111.14
5 00 SEC 54EC BD SR 5 2122 02	INE134E07BE8	28-Feb-2022	5	28-Feb-2027	130.49
5 00 SEC 54EC BD SR 5 2122 03	INE134E07BF5	31-Mar-2022	5	31-Mar-2027	269.93
6 35 TX USC BND SRS 210A STRPP1	INE134E08LF2	30-Jun-2021	6.35	30-Jun-2025	405.60
6 35 TX USC BND SRS 210A STRPP2	INE134E08LG0	30-Jun-2021	6.35	30-Jun-2026	540.80
6 35 TX USC BND SRS 210A STRPP3	INE134E08LH8	30-Jun-2021	6.35	30-Jun-2027	405.60
7 11 TX USC BND SRS 210B	INE134E08LI6	30-Jun-2021	7.11	30-Jun-2036	1,933.50
4 05 TX USC BND SRS 211 Floating	INE134E08LJ4	02-Aug-2021	6.21	02-Aug-2024	1,985.00
7 15 TX USC BND SRS 212B	INE134E08LL0	27-Aug-2021	7.15	27-Aug-2036	2,343.70
6 09 TX USC BND SRS 212 A	INE134E08LK2	27-Aug-2021	6.09	27-Aug-2026	2,450.00

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
6 95 TX UNS BND SRS 213	INE134E08LM8	01-Oct-2021	6.95	01-Oct-2031	1,988.00
6 92 TX USC BND SRS 214 BBETF	INE134E08LN6	21-Dec-2021	6.92	14-Apr-2032	1,180.00
7 66 TX UNS BND SRS 226A	INE134E08MH6	27-Mar-2023	7.66	15-Apr-2033	1200.00
7 70 TX UNS BND SRS 226B	INE134E08MI4	27-Mar-2023	7.7	15-Apr-2033	583.50
7 70 TX UNS BND SRS 227A	INE134E08MK0	31-Mar-2023	7.7	15-Sep-2026	1200.00
7 77 TX UNS BND SRS 227B	INE134E08MJ2	31-Mar-2023	7.77	15-Apr-2028	1390.00
1 841 EUR BOND 2028	XS2384373341	20-09-2021	1.84	21-09-2028	2760.15
5 00 SEC 54EC BD SR 6 2223 04	INE134E07BG3	30-Apr-2022	5	30-Apr-2027	182.00
5 00 SEC 54EC BD SR 6 2223 05	INE134E07BH1	31-May-2022	5	31-May-2027	190.40
35 00 SEC 54EC BD SR 6 2223 06	INE134E07BI9	30-Jun-2022	5	30-Jun-2027	180.62
5 00 SEC 54EC BD SR 6 2223 07	INE134E07BJ7	31-Jul-2022	5	31-Jul-2027	253.08
5 00 SEC 54EC BD SR 6 2223 08	INE134E07BK5	31-Aug-2022	5	31-Aug-2027	146.19
5 00 SEC 54EC BD SR 6 2223 09	INE134E07BL3	30-Sep-2022	5	30-Sep-2027	214.67
5 00 SEC 54EC BD SR 6 2223 10	INE134E07BM1	31-Oct-2022	5	31-Oct-2027	176.41
5 00 SEC 54EC BD SR 6 2223 11	INE134E07BN9	30-Nov-2022	5	30-Nov-2027	200.25
5 00 SEC 54EC BD SR 6 2223 12	INE134E07BO7	31-Dec-2022	5	31-Dec-2027	212.29
5 00 SEC 54EC BD SR 6 2223 01	INE134E07BP4	31-Jan-2023	5	31-Jan-2028	191.69
7 13 TX UNS BND SRS 215	INE134E08LO4	10-Aug-2022	7.13	10-Aug-2025	2,420.00
7 13 TX UNS BND SRS 216	INE134E08LP1	24-Aug-2022	7.13	15-Jul-2026	3,000.00
7 42 TX UNS BND SRS 217A	INE134E08LQ9	08-Sep-2022	7.42	08-Sep-2032	4,000.00
7 15 TX USC BND SRS 217B STRPP1	INE134E08LR7	08-Sep-2022	7.15	08-Sep-2025	276.40
7 15 TX USC BND SRS 217B STRPP2	INE134E08LS5	08-Sep-2022	7.15	08-Sep-2026	276.40
7 15 TX USC BND SRS 217B STRPP3	INE134E08LT3	08-Sep-2022	7.15	08-Sep-2027	276.40
7 59 TX UNS BND SRS 218	INE134E08LU1	03-Nov-2022	7.59	03-Nov-2025	1,450.00
7 65 TX UNS BND SRS 219	INE134E08LV9	14-Nov-2022	7.65	14-Nov-2037	4,000.00
7 58 TX UNS BND SRS 220 BBETF	INE134E08LW7	14-Dec-2022	7.58	15-Apr-2033	470.00
7 72 TX UNS BND SRS 221A	INE134E08LY3	19-Dec-2022	7.72	19-Dec-2037	2,782.70
7 59 TX UNS BND SRS 221B	INE134E08LX5	19-Dec-2022	7.59	14-Jan-2028	3,500.00
7 58 TX UNS BND SRS 222	INE134E08LZ0	27-Dec-2022	7.58	15-Jan-2026	2,540.00
7 64 TX UNS BND SRS 223	INE134E08MA1	22-Feb-2023	7.64	22-Feb-2033	3,500.00
7 82 TX UNS BND SRS 224	INE134E08MB9	06-Mar-2023	7.82	06-Mar-2038	3,468.50
7 77 TX UNS BND SRS 225A	INE134E08MC7	13-Mar-2023	7.77	15-Jul-2026	3,262.70
7 82 TX USC BND SRS 225B STRPP I	INE134E08MF0	13-Mar-2023	7.82	13-Mar-2030	625.00
7 82 TX USC BND SRS 225B STRPP II	INE134E08MG8	13-Mar-2023	7.82	13-Mar-2031	625.00
7 82 TX USC BND SRS 225B STRPP III	INE134E08ME3	13-Mar-2023	7.82	13-Mar-2032	625.00
7 82 TX USC BND SRS 225B STRPP IV	INE134E08MD5	13-Mar-2023	7.82	13-Mar-2033	625.00
5 00 SEC 54EC BD SR 6 2223 02	INE134E07BQ2	28-Feb-2023	5	28-Feb-2028	212.41
5 00 SEC 54EC BD SR 6 2223 03	INE134E07BR0	31-Mar-2023	5	31-Mar-2028	440.88
Bond Series 228A	INE134E08ML8	20-Apr-23	7.55	15-Jul-26	2330.00
Bond Series 228B	INE134E08MM6	20-Apr-23	7.62	15-Jul-33	2102.00
Bond Series 229	INE134E08MN4	10-May-23	7.44	10-May-28	1550.00
Bond Series 230	INE134E08MO2	22-May-23	7.37	22-May-26	2990.00
Bond Series 195 (R-1)	INE134E08KK4	01-Jun-23	7.86 Effective Yield 7.39	12-Apr-30	1260.00

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
Bond Series 214 (R-1)	INE134E08LN6	01-Jun-23	6.92 Effective Yield 7.39	14-Apr-32	1330.00
Bond Series 231	INE134E08MP9	20-Jun-23	7.48	19-Jun-38	3896.90
Bond Series 202B-R1	INE134E08KT5	12-Jul-23	7.17 Effective Yield 7.53	22-May-25	3100.00
Bond Series 232	INE134E08MQ7	12-Jul-23	7.57	12-Jul-33	3000.00
Bond Series 233A ZCB	INE134E08MS3	25-Aug-23	0	25-Aug-26	492.45
Bond Series 233B	INE134E08MT1	25-Aug-23	7.64	25-Aug-26	2500.00
Bond Series 233C	INE134E08MR5	25-Aug-23	7.60	25-Aug-33	3500.00
Bond Series 234	INE134E08MU9	30-Nov-23	7.7	30-Nov-33	2625.00
Bond Series 235	INE134E08MV7	15-Dec-23	7.69	15-Dec-38	3335.00
Series I - Category I & II	INE134E07CG1	01-Aug-23	7.45	01-Aug-26	62.17
Series I - Category III & IV	INE134E07CF3	01-Aug-23	7.50	01-Aug-26	59.93
Series II - Category I & II	INE134E07CI7	01-Aug-23	7.47	01-Aug-33	362.51
Series II - Category III & IV	INE134E07CH9	01-Aug-23	7.53	01-Aug-33	45.48
Series III - Category I & II	INE134E07CJ5	01-Aug-23	7.50	01-Aug-38	183.71
Series III - Category III & IV	INE134E07CK3	01-Aug-23	7.55	01-Aug-38	2110.68
54EC - April	INE134E07BT6	30-Apr-23	5.25	30-Apr-28	171.00
54EC - May	INE134E07BV2	31-May-23	5.25	31-May-28	216.65
54EC - June	INE134E07CE6	30-Jun-23	5.25	30-Jun-28	229.09
54EC - Jul	INE134E07CD8	31-Jul-23	5.25	31-Jul-28	335.11
54EC - Aug	INE134E07CC0	31-Aug-23	5.25	31-Aug-28	197.70
54EC - Sep	INE134E07CB2	30-Sep-23	5.25	30-Sep-28	203.78
54EC - Oct	INE134E07CA4	31-Oct-23	5.25	31-Oct-28	206.55
54EC – Nov	INE134E07BZ3	30-Nov-23	5.25	30-Nov-28	189.83
54EC – Dec (Lot-1)	INE134E07BY6	31-Dec-23	5.25	31-Dec-28	202.23
Bond Series 237A	INE134E08MX3	22-Feb-24	7.60	13-Apr-29	3000.00
Bond Series 237B	INE134E08MY1	22-Feb-24	7.49	22-Feb-34	3000.00
Bond Series 238	INE134E08MZ8	13-Mar-24	7.55	15-Apr-27	2754.00
54EC – Jan	INE134E07BX8	31-Jan-24	5.25	31-Jan-29	500.00
54EC – Feb (Lot-1)	INE134E07BU4	15-Feb-24	5.25	29-Feb-28	105.73
Bond Series 236 (Perpetual)	INE134E08MW5	15-Feb-24	7.88	Perpetual, unless the Call Option is exercised on the Call Option Date (17th February, 2034 or any annually from this date after) subject to receipt of the prior approval of the Reserve Bank of India.	100
Proposed	-	-	-	-	400
Perpetual debt					**500**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
54EC Capital Gain Bonds (April-Lot 1)		16-Apr-24	5.25%	30-Apr-29	84.00

Annexure 2

Previous rating letter

No. CARE/NRO/RL/2023-24/3485

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

March 20, 2024

Confidential

Dear Sir,

Credit rating for Market Borrowing Programmes

On the basis of recent developments including operational and financial performance of your Company for FY23 (Audited) and 9MFY24 (Unaudited) our Rating Committee has reviewed the following ratings:

Facilities	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Long Term Instruments	5,237.50 (Reduced from 5,242.25)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	4,226.36	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	20,037.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	2,000.01	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	14,520.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	14,198.26	CARE AAA; Stable	Reaffirmed

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

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Facilities	Amount (₹ crore)	Rating[1]	Rating Action
		(Triple A; Outlook: Stable)	
Long Term Long Term Instruments	72,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	87,500.00 (Enhanced from 79,100.00)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	32,777.81 (Reduced from 41,644.47)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	65,046.41 (Reduced from 65,546.41)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	49,935.74 (Reduced from 49,937.70)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term Long Term Instruments	39,715.86	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term / Short Term LT/ST Instrument	10,000.00	CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable / A One Plus)	Reaffirmed
Short Term Short Term Instruments	7,000.00 (Reduced from 15,400.00)	CARE A1+ (A One Plus)	Reaffirmed
Short Term Short Term Instruments	8,257.62 (Reduced from 10,000.00)	CARE A1+ (A One Plus)	Reaffirmed

2. Refer **Annexure 1** for details of rated facilities.

3. 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 26, 2024, we will proceed on the basis that you have no any comments to offer.

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4. 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.

5. 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.

6. 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.

7. 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.

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

9. CARE Ratings Ltd. ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Deepshi Panda
Lead Analyst
deepshi.panda@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@careedge.in

Encl.: As above

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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.

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Annexure 1

Details of Rated Facilities

1. Long Term Facilities

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	5,131.20		
2.	Kfw Development Bank	41.34	30-Jun-35	Foreign Currency Term Loan
3.	Asian Development Bank	19.93	15-Oct-25	Foreign Currency Term Loan
4.	Credit National	14.35	30-Jun-28	Foreign Currency Term Loan
5.	Asian Development Bank	5.03	15-Oct-26	Foreign Currency Term Loan
6.	Asian Development Bank	4.92	15-Apr-26	Foreign Currency Term Loan
7.	Asian Development Bank	3.47	15-Apr-27	Foreign Currency Term Loan
8.	Asian Development Bank	2.81	15-Oct-27	Foreign Currency Term Loan
9.	Asian Development Bank	1.93	15-Apr-28	Foreign Currency Term Loan
10.	Asian Development Bank	1.00	15-Oct-28	Foreign Currency Term Loan
11.	Asian Development Bank	0.82	15-Apr-27	Foreign Currency Term Loan
12.	Proposed	10.70		
	Total	**5,237.50**		

1.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument	4,226.36
	Total	**4,226.36**

1.C. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument	20,037.00
	Total	**20,037.00**

1.D. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument	2,000.01

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
	Total	**2,000.01**

1.E. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument	14,520.00
	Total	**14,520.00**

1.F. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Instrument	14,198.26
	Total	**14,198.26**

1.G. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	23,250.59		
2.	National Small Saving Fund (NSSF)	7,500.00	27-Dec-2028	Rupee Term Loan
3.	Bank of India	1,000.00	02-Mar-2025	Rupee Term Loan
4.	Punjab National Bank	375.00	25-Feb-2025	Rupee Term Loan
5.	Bank of Tokyo-Mitsubishi UFJ Ltd.	265.01	01-Feb-24	Foreign Currency Term Loan
6.	Proposed	387.21		
	Total	**32,777.81**		

1.H. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	51,527.55		
2.	State Bank of India	2,077.91	20-Dec-24	Foreign Currency Term Loan
3.	Indian Bank	1,800.00	29-Jun-26	Rupee Term Loan
4.	State Bank of India	1,170.00	19-Dec-2024	Rupee Term Loan
5.	Canara Bank	1,000.00	29-Jun-2024	Rupee Term Loan
6.	Union Bank of India	625.00	23-Mar-2025	Rupee Term Loan

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
7.	State Bank of India	500.00	19-Dec-2024	Rupee Term Loan
8.	Canara Bank	500.00	21-Jun-24	Rupee Term Loan 1
9.	Canara Bank	500.00	24-Jun-2024	Rupee Term Loan 2
10.	State Bank of India	470.00	19-Dec-2024	Rupee Term Loan
11.	Indian Bank	445.20	02-Jan-2027	Rupee Term Loan
12.	State Bank of India	430.00	19-Dec-2024	Rupee Term Loan
13.	Union Bank of India	400.00	15-Jan-2025	Rupee Term Loan
14.	Punjab National Bank	333.33	20-Mar-2025	Rupee Term Loan
15.	State Bank of India	262.20	19-Dec-2024	Rupee Term Loan
16.	Canara Bank	218.75	23-Mar-2026	Rupee Term Loan
17.	Canara Bank	200.00	20-Mar-2024	Rupee Term Loan
18.	State Bank of India	167.80	19-Dec-2024	Rupee Term Loan
19.	Punjab National Bank	112.50	30-Sep-25	Rupee Term Loan
20.	Union Bank of India	100.00	30-Sep-24	Rupee Term Loan
21.	Indian Bank	54.80	02-Jan-2027	Rupee Term Loan
22.	Proposed	2,151.37		
	Total	**65,046.41**		

1.I. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	38,005.22		
2.	State Bank of India	2,855.00	10-Jul-2025	Rupee Term Loan
3.	State Bank of India	1,246.75	05-Nov-25	Foreign Currency Term Loan
4.	Canara Bank	1,000.00	11-Sep-2026	Rupee Term Loan
5.	Union Bank of India	900.00	30-Sep-2025	Rupee Term Loan
6.	Punjab National Bank	831.16	05-Nov-25	Foreign Currency Term Loan
7.	Export Import Bank of India	831.16	22-Sep-2026	Rupee Term Loan
8.	Bank of India	750.00	26-May-2023	Rupee Term Loan
9.	Indian Bank	562.50	28-Sep-2025	Rupee Term Loan
10.	DBS Bank Limited	415.58	05-Nov-25	Foreign Currency Term Loan
11.	Proposed	2,538.37	05-Nov-25	Foreign Currency Term Loan
	Total	**49,935.74**		

1.J. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	21,800.50		
2.	Union Bank of India	3,000.00	31-Mar-2028	Rupee Term Loan
3.	HDFC Bank Ltd.	3,000.00	30-Sep-2025	Rupee Term Loan
4.	State Bank of India	2,285.70	30-Nov-26	Foreign Currency Term Loan
5.	Bank of Baroda	1,246.75	30-Nov-26	Foreign Currency Term Loan
6.	UCO Bank	1,000.00	24-Sep-2026	Rupee Term Loan
7.	Central Bank of India	1,000.00	31-Mar-2027	Rupee Term Loan
8.	India Infrastructure Finance Company Ltd.	1,000.00	30-Sep-2026	Rupee Term Loan
9.	Canara Bank	831.16	30-Nov-26	Foreign Currency Term Loan
10.	Punjab National Bank	425.00	27-Sep-2026	Rupee Term Loan
11.	Yes Bank Ltd.	300.00		WCDL
12.	Bank of India	300.00	18-Sep-2028	Rupee Term Loan
13.	Bank of India	100.00	18-Sep-2028	Rupee Term Loan
14.	Punjab National Bank	75.00	27-Sep-2026	Rupee Term Loan
15.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
16.	Bank of India	50.00	18-Sep-2028	Rupee Term Loan
17.	Punjab National Bank	5.00	29-Sep-2026	Rupee Term Loan
18.	Proposed	3,246.75		
	Total	**39,715.86**		

1.K. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	39,670.70		
2.	ICICI Bank Ltd.	6,000.00		WCDL
3.	National Bank for Financing Infrastructure and Dev	3,500.00	31-Mar-2038	Rupee Term Loan
4.	State Bank of India	3,500.00		WCDL
5.	Canara Bank	2,250.00	28-Jun-2028	Rupee Term Loan
6.	Bank of Baroda	1,500.00	17-Nov-2029	Rupee Term Loan
7.	Bank of Baroda	1,100.00	17-Nov-2029	Rupee Term Loan
8.	Bank of Baroda	1,050.00	17-Nov-2029	Rupee Term Loan
9.	State Bank of India,Hong Kong	1,036.69	28-Dec-28	Foreign Currency Term Loan

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Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
10.	State Bank of India,Hong Kong	1,036.38	28-Dec-26	Foreign Currency Term Loan
11.	State Bank of India,Hong Kong	1,036.38	28-Dec-27	Foreign Currency Term Loan
12.	Indian Overseas Bank	1,000.00	30-Sep-2028	Rupee Term Loan
13.	Sumitomo Mitsui Trust Bank Limited - Singapore Bra	868.30	05-Jan-30	Foreign Currency Term Loan
14.	Bank of Baroda	850.00	17-Nov-2029	Rupee Term Loan
15.	Kfw Development Bank	703.94	15-Nov-31	Foreign Currency Term Loan
16.	Punjab & Sind Bank	604.50	30-Mar-2029	Rupee Term Loan
17.	Indian Overseas Bank	500.00	30-Mar-2029	Unsecured Rupee Term Loan
18.	Bank of Baroda	500.00	17-Nov-2029	Rupee Term Loan
19.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
20.	UCO Bank	500.00	30-Mar-2028	Rupee Term Loan
21.	IndusInd Bank Ltd.	500.00		WCDL
22.	Punjab & Sind Bank	395.50	30-Mar-2029	Rupee Term Loan
23.	IDFC First Bank Ltd.	350.00		WCDL
24.	RBL Bank Limited	300.00		WCDL
25.	Mizuho Bank Ltd.	250.00		WCDL
26.	Canara Bank	250.00	30-Jun-2028	Rupee Term Loan
27.	MUFG Bank Limited (GIFT Branch)	221.32	28-Dec-28	Foreign Currency Term Loan
28.	MUFG Bank Limited (GIFT Branch)	221.32	28-Dec-26	Foreign Currency Term Loan
29.	MUFG Bank Limited (GIFT Branch)	221.32	28-Dec-27	Foreign Currency Term Loan
30.	KEB Hana Bank	100.00	17-Nov-2025	Rupee Term Loan
31.	Norinchukin Bank	98.03	28-12-2026	Foreign Currency Term Loan
32.	Norinchukin Bank	98.03	28-12-2027	Foreign Currency Term Loan
33.	Credit Agricole Corporate and Investment Bank (Hon	97.17	28-Dec-26	Foreign Currency Term Loan
34.	Credit Agricole Corporate and Investment Bank (Hon	97.17	28-Dec-27	Foreign Currency Term Loan
35.	Credit Agricole Corporate and Investment Bank (Hon	97.17	28-Dec-28	Foreign Currency Term Loan
36.	Citi Bank	50.00		WCDL
37.	Proposed	946.08		
	Total	**72,000.00**		

1.L. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	Instrument	50,025.95		
2.	External Commercial Borrowings	4,492.75	20-04-2038	
3.	HDFC Bank Ltd.	2,627.00	05-Jul-28	RTL
4.	Bank of Baroda	2,077.91	25-Sep-28	FCL
5.	Bank of Baroda	2,077.91	27-Sep-28	FCL
6.	HDFC Bank Ltd.	1,782.91	25-Sep-30	RTL
7.	HSBC Ltd.	1,662.33	19-Dec-28	FCL
8.	HDFC Bank Ltd.	1,626.22	25-Sep-30	RTL
9.	State Bank of India	1,538.22	30-Sep-2033	RTL
10.	HDFC Bank Ltd.	1,289.27	05-Sep-30	Rupee Term Loan
11.	HDFC Bank Ltd.	1,267.27	05-09-2030	RTL
12.	State Bank of India	1,225.86	30-Sep-33	RTL
13.	State Bank of India	1,022.89	30-Sep-2033	RTL
14.	HDFC Bank Ltd.	1,010.00	05-Jul-28	RTL
15.	Bank of India	971.91	02-03-2027	RTL
16.	Union Bank of India	837.19	27-Sep-29	RTL
17.	Export Import Bank of India	831.16	30-Nov-26	FCL
18.	IDBI Bank Ltd.	831.16	19-12-2028	FCL
19.	Punjab National Bank	828.66	29-Sep-28	RTL
20.	State Bank of India	805.00	30-Sep-33	RTL
21.	National Bank for Financing Infrastructure and Dev	737.57	01-03-2039	RTL
22.	State Bank of India	607.68	30-Sep-2033	RTL
23.	HDFC Bank Ltd.	590.87	25-Sep-30	RTL
24.	State Bank of India	499.70	30-Sep-2033	RTL
25.	State Bank of India	439.49	30-Sep-2033	RTL
26.	Bank of India	420.39	02-03-2027	RTL
27.	Axis Bank Ltd.	415.58	19-Dec-28	FCL
28.	HDFC Bank Ltd.	384.14	05-Sep-30	Rupee Term Loan
29.	State Bank of India	356.95	30-Sep-2033	RTL
30.	State Bank of India	350.25	30-Sep-33	RTL
31.	State Bank of India	302.91	30-Sep-2033	RTL
32.	State Bank of India	292.26	30-Sep-2033	RTL

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
33.	National Bank for Financing Infrastructure and Dev	262.43	01-03-2039	RTL
34.	State Bank of India	230.00	30-Sep-2033	RTL
35.	HDFC Bank Ltd.	221.05	05-Jul-28	RTL
36.	South Indian Bank Ltd.	200.00	31-May-28	RTL
37.	Karnataka Bank Ltd.	196.57	08-02-2026	RTL
38.	State Bank of India	190.65	30-Sep-2033	RTL
39.	State Bank of India	183.34	30-Sep-2033	RTL
40.	State Bank of India	180.57	30-Sep-2033	RTL
41.	State Bank of India	173.62	30-Sep-2033	RTL
42.	South Indian Bank Ltd.	156.35	19-Sep-28	RTL
43.	State Bank of India	142.77	30-Sep-2033	RTL
44.	Japan Bank for International Cooperation	121.27	20-Apr-38	FCL
45.	State Bank of India	101.99	30-Sep-2033	RTL
46.	Punjab National Bank	99.36	29-Sep-28	RTL
47.	Norinchukin Bank	98.03	28-Dec-28	FCL
48.	State Bank of India	86.54	30-Sep-2033	RTL
49.	State Bank of India	86.23	30-Sep-2033	RTL
50.	HDFC Bank Ltd.	60.95	05-Jul-2028	RTL
51.	HDFC Bank Ltd.	59.32	05-Sep-30	Rupee Term Loan
52.	Japan Bank for International Cooperation	58.44	20-Apr-38	FCL
53.	State Bank of India	54.47	30-Sep-2033	RTL
54.	Karnataka Bank Ltd.	53.43	08-02-2026	RTL
55.	State Bank of India	52.38	30-Sep-2033	RTL
56.	State Bank of India	51.59	30-Sep-2033	RTL
57.	HDFC Bank Ltd.	46.00	05-Jul-28	RTL
58.	HDFC Bank Ltd.	35.00	05-Jul-28	RTL
59.	South Indian Bank Ltd.	34.21	19-Sep-28	RTL
60.	State Bank of India	24.64	30-Sep-2033	RTL
61.	South Indian Bank Ltd.	9.44	19-Sep-28	RTL
	Total	**87,500.00**		

Total Long Term Facilities : Rs.4,07,194.95 crore

2. Short Term Facilities

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

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

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	HDFC Bank Ltd.	3,500.00		WCDL
2.	State Bank of India	1,268.74	30-Mar-24	FCNR
3.	State Bank of India	855.32	27-Mar-24	FCNR
4.	ICICI Bank Ltd.	853.72	28-Mar-24	FCNR
5.	State Bank of India	850.97	27-Mar-24	FCNR
6.	DBS Bank Limited	490.22	28-Dec-23	FCNR
7.	Proposed	438.65		
	Total	**8,257.62**		

2.B. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	HDFC Bank Ltd.	1,862.50	20-Jun-2024	STL
2.	Bank of Baroda	1,418.00	28-Jun-24	STL
3.	ICICI Bank Ltd.	1,229.30	28-Jun-24	FCNR
4.	State Bank of India	915.00	27-Dec-24	FCL
5.	HDFC Bank Ltd.	644.00	04-Jul-24	STL
6.	HDFC Bank Ltd.	521.50	26-Jun-2024	STL
7.	HDFC Bank Ltd.	247.50	27-Jun-2024	STL
8.	Bank of Baroda	82.00	23-Jun-24	STL
9.	Proposed	80.20		
	Total	**7,000.00**		

Total Short Term Facilities : Rs.15,257.62 crore

3. Long Term / Short Term Facilities

3.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
1.	External Commercial Borrowings	4,981.72	19-12-2028	
2.	State Bank of India	2,077.91	19-Dec-28	
3.	NTT TC Leasing Co. Limited	235.28	05-Jan-30	FCL

CARE Ratings Limited

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Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)	Debt Repayment Terms	Remarks
4.	Bank of China Ltd.	217.63	28-Dec-26	FCL
5.	Bank of China Ltd.	217.63	28-Dec-27	FCL
6.	Bank of China Ltd.	217.63	28-Dec-28	FCL
7.	Taiwan Cooperative Bank, Offshore Banking Branch	176.46	05-Jan-30	FCL
8.	Chang Hwa Commercial Bank Limited	176.46	05-Jan-30	FCL
9.	SBI Shinsei	117.64	05-Jan-30	FCL
10.	Gunma Bank	39.21	28-Dec-26	FCL
11.	Gunma Bank	39.21	28-Dec-28	FCL
12.	SBI Shinsei	39.21	28-Dec-27	FCL
13.	SBI Shinsei	39.21	28-Dec-28	FCL
14.	SBI Shinsei	39.21	28-Dec-26	FCL
15.	Gunma Bank	39.21	28-Dec-27	FCL
16.	Proposed	1,346.38		
	Total	**10,000.00**		

Total Long Term / Short Term Facilities : Rs.10,000.00 crore

Total Facilities (1.A+1.B+1.C+1.D+1.E+1.F+1.G+1.H+1.I+1.J+1.K+1.L+2.A+2.B+3.A) : Rs.4,32,452.57 crore

Details of Rated Instruments

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)
7.38% Tax Free Bond Series 94-B	INE134E07307	22-Nov-2012	7.38	22-Nov-2027	25.00
7.38% Tax Free Bonds Series 95 B	INE134E07323	29-Nov-2012	7.38	29-Nov-2027	100.00
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.36	04-Jan-2028	179.99
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.86	04-Jan-2028	177.01
7.04% TR-2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.04	28-Mar-2028	13.35
7.54% TR 2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.54	28-Mar-2028	55.85
9.00% PFC BOND SERIES 101-B	INE134E08FL2	11-Mar-2013	9	11-Mar-2028	1370.00
8.90% PFC BOND SERIES 102-A (III)	INE134E08FO6	18-Mar-2013	8.9	18-Mar-2028	403.00
8.94% PFC BOND SERIES 103	INE134E08FQ1	25-Mar-2013	8.94	25-Mar-2028	2807.00
8.46% Tax Free Bond Series 107-B	INE134E07380	30-Aug-2013	8.46	30-Aug-2028	1,011.00
8.54% TAX FREE BONDS 13-14 SERIES 2A	INE134E07430	16-Nov-2013	8.54	16-Nov-2028	932.70
8.79% TAX FREE BONDS 13-14 SERIES 2B	INE134E07448	16-Nov-2013	8.79	16-Nov-2028	353.32
8.67% TAX FREE BONDS 13-14 SERIES 3A	INE134E07455	16-Nov-2013	8.67	16-Nov-2033	1,067.38
8.92% TAX FREE BONDS 13-14 SERIES 3B	INE134E07463	16-Nov-2013	8.92	16-Nov-2033	861.96
9.70% PFC SUBORDINATED TIER II BOND SERIES-114	INE134E08FX7*	21-Feb-2014	9.7	21-Feb-2024	0.00
9.37% PFC BOND SERIES 117 OPTION-B	INE134E08GD7	19-Aug-2014	9.37	19-Aug-2024	855.00

9.39% PFC BOND SERIES 118 OPTION B-II	INE134E08GG0	27-Aug-2014	9.39	27-Aug-2024	460.00
9.39% PFC BOND SERIES 118 OPTION B-III	INE134E08GH8	27-Aug-2014	9.39	27-Aug-2029	460.00
8.98% PFC BOND SERIES 120 Option -A	INE134E08GK2	08-Oct-2014	8.98	08-Oct-2024	961.00
8.98% PFC BOND SERIES 120 Option -B	INE134E08GL0	08-Oct-2014	8.98	08-Oct-2024	950.00
8 48 TX USC BND SRS 124 C	INE134E08GU1	09-Dec-2014	8.48	09-Dec-2024	1,000.00
8 65 TX USC BND SRS 125	INE134E08GV9	29-Dec-2014	8.65	29-Dec-2024	2,826.00
8 65 TX USC BND SRS 126	INE134E08GW7	05-Jan-2015	8.65	05-Jan-2025	5,000.00
8 20 TX USC BND SRS 128	INE134E08GY3	10-Mar-2015	8.2	10-Mar-2025	1,600.00
8 39 TX USC BND SRS 130 C	INE134E08HD5	19-Mar-2015	8.39	19-Apr-2025	925.00
8 41 TX USC BND SRS 131 C	INE134E08HG8	27-Mar-2015	8.41	27-Mar-2025	5,000.00
7 16 TF SEC BND SRS 136	INE134E07521	17-Jul-2015	7.16	17-Jul-2025	300.00
7.11% TAXFREE BONDS 1A 17.10.2025	INE134E07539	17-Oct-2015	7.11	17-Oct-2025	75.10
7.36% TAXFREE BONDS 1B 17.10.2015	INE134E07547	17-Oct-2015	7.36	17-Oct-2025	79.35
7.27% TAXFREE BONDS 2A 17.10.2015	INE134E07554	17-Oct-2015	7.27	17-Oct-2030	131.33
7.52% TAXFREE BONDS 2B 17.10.2015	INE134E07562	17-Oct-2015	7.52	17-Oct-2030	45.18
7.35% TAXFREE BONDS 3A 17.10.2015	INE134E07570	17-Oct-2015	7.35	17-Oct-2035	213.57
7.60% TAXFREE BONDS 3B 17.10.2015	INE134E07588	17-Oct-2015	7.6	17-Oct-2035	155.48
8 40 TX USC BND SRS 141 B	INE134E08HX3	18-Sep-2015	8.4	18-Sep-2025	1,000.00
8 03 TX USC BND SRS 147	INE134E08IE1	02-May-2016	8.03	02-May-2026	1,000.00
7 63 TX USC BND SRS 150 B	INE134E08II2	16-Aug-2016	7.63	16-Aug-2026	1,675.00
7 56 TX USC BND SRS 151 B	INE134E08IK8	16-Sep-2016	7.56	16-Sep-2026	210.00
7 55 TX USC BND SRS 152	INE134E08IL6	26-Sep-2016	7.55	26-Sep-2026	4,000.00
7 23 TX USC BND SRS 155	INE134E08IO0	05-Jan-2017	7.23	05-Jan-2027	2,635.00
156	INE134E08IP7	11-01-2017	7.10%	11-Jan-27	200.00
158	INE134E08IR3	20-01-2017	7.18%	20-Jan-27	1,335.00
160	INE134E08IT9	20-02-2017	7.60%	20-Feb-27	1,465.00
164	INE134E08IX1	22-03-2017	7.75%	22-Mar-27	2,000.00
7 44 TX USC BND SRS 168 B	INE134E08JC3	12-Jun-2017	7.44	12-Jun-2027	1,540.00
7 30 TX USC BND SRS 169 B	INE134E08JE9	08-Aug-2017	7.3	08-Aug-2027	1,500.00
7 65 TX USC BND SRS 170 B	INE134E08JG4	22-Nov-2017	7.65	22-Nov-2027	2,001.00
7 62 TX USC BND SRS 171	INE134E08JH2	15-Dec-2017	7.62	15-Dec-2027	5,000.00
7 74 BS 172 TAXABLE BONDS 29 01 2028	INE134E08JI0	30-Jan-2018	7.74	30-Jan-2028	850.00
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	831.16
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	2418.69
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	43.15
5 75 SEC 54EC BD SR 2 1819 10	INE134E07745*	31-Oct-2018	5.75	31-Oct-2023	0.00
5 75 SEC 54EC BD SR 2 1819 01	INE134E07778*	31-Jan-2019	5.75	31-Jan-2024	0.00
5.75 SEC 54EC BD SR 2 1819 02	INE134E07786*	28-Feb-2019	5.75	28-Feb-2024	0.00
5.75 SEC 54EC BD SR 2 1819 03	INE134E07794	31-Mar-2019	5.75	31-Mar-2024	145.38
7 85 TX USC BND SRS 177	INE134E08JP5	03-Apr-2018	7.85	03-Apr-2028	3,855.00
8 95 TX USC BND SRS 178	INE134E08JQ3	10-Oct-2018	8.95	10-Oct-2028	3,000.00
8 67 TX USC BND SRS 179 A	INE134E08JR1	19-Nov-2018	8.67	19-Nov-2028	1,007.00
8 64 TX USC BND SRS 179 B	INE134E08JS9	19-Nov-2018	8.64	19-Nov-2033	528.40
8 75 TX USC BND SRS 180	INE134E08JT7	22-Feb-2019	8.75	22-Feb-2034	2,654.00
9 25 TX USC BND SRS 184 A	INE134E08JY7	25-Mar-2019	9.25	25-Sep-2024	2,000.00
9 10 TX USC BND SRS 184 B	INE134E08JX9	25-Mar-2019	9.1	25-Mar-2029	2411.50
8 98 TX USC BND SRS 185	INE134E08JZ4	28-Mar-2019	8.98	28-Mar-2029	1,000.00
5.25% USD 300 MN NOTES 2028	XS1864036576	10-08-2018	5.25	10-08-2028	2,493.49

6 15 GMTN BONDS USD 500MN	US73928RAA41 (REG S) ; US73928QAA67 (144A)	06-12-2018	6.15	06-12-2028	4,155.82
5.75 SEC 54EC BD SR 3 1920 04	INE134E07810	30-Apr-2019	5.75	30-Apr-2024	48.91
5.75 SEC 54EC BD SR 3 1920 05	INE134E07828	31-May-2019	5.75	31-May-2024	72.72
5.75 SEC 54EC BD SR 3 1920 06	INE134E07836	30-Jun-2019	5.75	30-Jun-2024	81.73
5.75 SEC 54EC BD SR 3 1920 07	INE134E07844	31-Jul-2019	5.75	31-Jul-2024	117.29
5.75 SEC 54EC BD SR 3 1920 08	INE134E07851	31-Aug-2019	5.75	31-Aug-2024	105.73
5.75 SEC 54EC BD SR 3 1920 09	INE134E07869	30-Sep-2019	5.75	30-Sep-2024	102.03
5.75 SEC 54EC BD SR 3 1920 10	INE134E07877	01-Nov-2019	5.75	31-Oct-2024	92.09
5 75 SEC 54EC BD SR3 1920 11	INE134E07885	30-Nov-2019	5.75	30-Nov-2024	89.96
5 75 SEC 54EC BD SR3 1920 12	INE134E07893	31-Dec-2019	5.75	31-Dec-2024	93.08
5 75 SEC 54EC BD SR3 1920 01	INE134E07901	31-Jan-2020	5.75	31-Jan-2025	94.02
5 75 SEC 54EC BD SR3 1920 02	INE134E07919	29-Feb-2020	5.75	01-Mar-2025	107.88
5 75 SEC 54EC BD SR3 1920 03	INE134E07927	31-Mar-2020	5.75	31-Mar-2025	129.01
8 7929 TX USC BND SRS 186	INE134E08KA5	30-Apr-2019	8.79	30-Apr-2034	2578.90
8 85 TX USC BND SRS 187 B	INE134E08KC1	27-May-2019	8.85	27-May-2029	1,982.00
8 10 TX USC BND SRS 188	INE134E08KD9	04-Jun-2019	8.1	04-Jun-2024	691.10
8 15 TX USC BND SRS 189	INE134E08KE7	08-Aug-2019	8.15	08-Aug-2034	4,035.00
8 25 TX USC BND SRS 190	INE134E08KF4	06-Sep-2019	8.25	06-Sep-2034	4,016.00
7 42 TX USC BND SRS 192	INE134E08KH0	19-Nov-2019	7.42	19-Nov-2024	3,000.00
7 93 TX USC BND SRS 193	INE134E08KI8	31-Dec-2019	7.93	31-Dec-2029	4,711.00
7 86 TX USC BND SRS 195	INE134E08KK4	14-Jan-2020	7.86	12-Apr-2030	1,100.00
7 41 TX USC BND SRS 196	INE134E08KL2	25-Feb-2020	7.41	25-Feb-2030	2,500.00
7 41 TX USC BND SRS 197	INE134E08KM0	02-Mar-2020	7.41	15-May-2030	5,000.00
3 75 USD BONDS 2024	XS2009878880	18-06-2019	3.75	18-06-2024	3324.66
4 50 USD BONDS 2029	XS2013531061	18-06-2019	4.5	18-06-2029	4986.98
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	2077.91
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	415.58
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	3324.66
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	415.58
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	831.16
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	4986.98
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	355.68
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	59.91
5 75 SEC 54EC BD SR 4 2021 04	INE134E07935	30-Apr-2020	5.75	30-Apr-2025	12.44

5 75 SEC 54EC BD SR 4 2021 05	INE134E07943	31-May-2020	5.75	31-May-2025	39.39
5 75 SEC 54EC BD SR 4 2021 06	INE134E07950	30-Jun-2020	5.75	30-Jun-2025	117.99
5 75 SEC 54EC BD SR 4 2021 07	INE134E07976	31-Jul-2020	5.75	31-Jul-2025	82.56
5 75 SEC 54EC BD SR 4 2021 08	INE134E07984	31-Aug-2020	5	31-Aug-2025	26.03
5 00 SEC 54EC BD SR 4 2021 09	INE134E07992	30-Sep-2020	5	30-Sep-2025	61.44
5 00 SEC 54EC BD SR 4 2021 10	INE134E07AA8	01-Nov-2020	5	31-Oct-2025	45.90
5 00 SEC 54EC BD SR 4 2021 11	INE134E07AB6	01-Dec-2020	5	30-Nov-2025	48.87
5 00 SEC 54EC BD SR 4 2021 12	INE134E07AC4	31-Dec-2020	5	31-Dec-2025	86.18
5 00 SEC 54EC BD SR 4 2021 01	INE134E07AD2	31-Jan-2021	5	31-Jan-2026	76.54
5 00 SEC 54EC BD SR 4 2021 02	INE134E07AE0	28-Feb-2021	5	28-Feb-2026	101.96
5 00 SEC 54EC BD SR 4 2021 03	INE134E07AF7	31-Mar-2021	5	31-Mar-2026	238.47
4 80 SEC TAX NCD PI TR I SER I CAT III-IV	INE134E07AH3*	22-Jan-2021	4.8	22-Jan-2024	0.00
5 65 SEC TAX NCD PI TR I SER II CAT I-II	INE134E07AI1	22-Jan-2021	5.65	22-Jan-2026	27.05
5 80 SEC TAX NCD PI TR I SER II CAT III-IV	INE134E07AJ9	22-Jan-2021	5.8	22-Jan-2026	3.50
6 63 SEC TAX NCD PI TR I SER III CAT I-II	INE134E07AK7	22-Jan-2021	6.63	22-Jan-2031	0.50
6 82 SEC TAX NCD PI TR I SER III CAT III-IV	INE134E07AL5	22-Jan-2021	6.82	22-Jan-2031	28.74
6 80 SEC TAX NCD PI TR I SER IV CAT I-II	INE134E07AM3	22-Jan-2021	6.8	22-Jan-2031	33.67
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV	INE134E07AN1	22-Jan-2021	7	22-Jan-2031	1,635.53
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II	INE134E07AO9	22-Jan-2021	7.3	22-Jan-2031	10.35
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV	INE134E07AP6	22-Jan-2021	7.5	22-Jan-2031	1,250.73
6 78 SEC TAX NCD PI TR I SER VI CAT I-II	INE134E07AQ4	22-Jan-2021	6.78	22-Jan-2036	3.50
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV	INE134E07AR2	22-Jan-2021	6.97	22-Jan-2036	53.36
6 95 SEC TAX NCD PI TR I SER VII CAT I-II	INE134E07AS0	22-Jan-2021	6.95	22-Jan-2036	50.05
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV	INE134E07AT8	22-Jan-2021	7.15	22-Jan-2036	1,330.05
7 16 TX USC BND SRS 199B	INE134E08KP3	24-Apr-2020	7.16	24-Apr-2025	1,320.00
7 40 TX USC BND SRS 200	INE134E08KQ1	08-May-2020	7.4	08-May-2030	2,920.00
7 68 TX USC BND SRS 201	INE134E08KR9	15-May-2020	7.68	15-Jul-2030	3,101.30
7 17 TX USC BND SRS 202B	INE134E08KT5	22-May-2020	7.17	22-May-2025	810.00
7 79 TX USC BND SRS 202C	INE134E08KU3	22-May-2020	7.79	22-Jul-2030	1,936.00
7 75 TX USC BND SRS 203B	INE134E08KV1	11-Jun-2020	7.75	11-Jun-2030	3,318.00
7 41 TX USC BND SRS 196R1	INE134E08KL2	14-Jul-2020	7.41	25-Feb-2030	1,500.00
5 77 TX USC BND SRS 204A	INE134E08KX7	28-Jul-2020	5.77	11-Apr-2025	900.00
6 88 TX USC BND SRS 204B	INE134E08KY5	28-Jul-2020	6.88	11-Apr-2031	1,300.00
7 05 TX USC BND SRS 205A	INE134E08KZ2	10-Aug-2020	7.05	10-Aug-2030	1,610.10
7 20 TX USC BND SRS 205B	INE134E08LA3	10-Aug-2020	7.2	10-Aug-2035	1,605.70
7 04 TX USC BND SRS 207	INE134E08LC9	09-Sep-2020	7.04	16-Dec-2030	1,097.40
6 50 TX USC BND SRS 208	INE134E08LD7	17-Sep-2020	6.5	17-Sep-2025	2,806.00
7 34 TX USC BND SRS 209	INE134E08LE5	29-Sep-2020	7.34	29-Sep-2035	1,711.00
7 04 TX USC BND SRS 207R1	INE134E08LC9	11-Nov-2020	7.04	16-Dec-2030	2,549.10
3 35 USD BONDS 2031	XS2282240907	28-01-2021	3.35	16-05-2031	4,155.82
5 00 SEC 54EC BD SR 5 2122 04	INE134E07AU6	30-Apr-2021	5	30-Apr-2026	74.66
5 00 SEC 54EC BD SR 5 2122 05	INE134E07AV4	31-May-2021	5	31-May-2026	66.60
5 00 SEC 54EC BD SR 5 2122 06	INE134E07AW2	30-Jun-2021	5	30-Jun-2026	103.86
5 00 SEC 54EC BD SR 5 2122 07	INE134E07AX0	31-Jul-2021	5	31-Jul-2026	131.00
5 00 SEC 54EC BD SR 5 2122 08	INE134E07AY8	31-Aug-2021	5	31-Aug-2026	106.04
5 00 SEC 54EC BD SR 5 2122 09	INE134E07AZ5	30-Sep-2021	5	30-Sep-2026	135.76
5 00 SEC 54EC BD SR 5 2122 10	INE134E07BA6	31-Oct-2021	5	31-Oct-2026	94.42
5 00 SEC 54EC BD SR 5 2122 11	INE134E07BB4	30-Nov-2021	5	30-Nov-2026	84.94

5 00 SEC 54EC BD SR 5 2122 12	INE134E07BC2	31-Dec-2021	5	31-Dec-2026	125.81
5 00 SEC 54EC BD SR 5 2122 01	INE134E07BD0	31-Jan-2022	5	31-Jan-2027	111.14
5 00 SEC 54EC BD SR 5 2122 02	INE134E07BE8	28-Feb-2022	5	28-Feb-2027	130.49
5 00 SEC 54EC BD SR 5 2122 03	INE134E07BF5	31-Mar-2022	5	31-Mar-2027	269.93
6 35 TX USC BND SRS 210A STRPP1	INE134E08LF2	30-Jun-2021	6.35	30-Jun-2025	405.60
6 35 TX USC BND SRS 210A STRPP2	INE134E08LG0	30-Jun-2021	6.35	30-Jun-2026	540.80
6 35 TX USC BND SRS 210A STRPP3	INE134E08LH8	30-Jun-2021	6.35	30-Jun-2027	405.60
7 11 TX USC BND SRS 210B	INE134E08LI6	30-Jun-2021	7.11	30-Jun-2036	1,933.50
4 05 TX USC BND SRS 211 Floating	INE134E08LJ4	02-Aug-2021	6.21	02-Aug-2024	1,985.00
7 15 TX USC BND SRS 212B	INE134E08LL0	27-Aug-2021	7.15	27-Aug-2036	2,343.70
6 09 TX USC BND SRS 212 A	INE134E08LK2	27-Aug-2021	6.09	27-Aug-2026	2,450.00
6 95 TX UNS BND SRS 213	INE134E08LM8	01-Oct-2021	6.95	01-Oct-2031	1,988.00
6 92 TX USC BND SRS 214 BBETF	INE134E08LN6	21-Dec-2021	6.92	14-Apr-2032	1,180.00
7 66 TX UNS BND SRS 226A	INE134E08MH6	27-Mar-2023	7.66	15-Apr-2033	1200.00
7 70 TX UNS BND SRS 226B	INE134E08MI4	27-Mar-2023	7.7	15-Apr-2033	583.50
7 70 TX UNS BND SRS 227A	INE134E08MK0	31-Mar-2023	7.7	15-Sep-2026	1200.00
7 77 TX UNS BND SRS 227B	INE134E08MJ2	31-Mar-2023	7.77	15-Apr-2028	1390.00
1 841 EUR BOND 2028	XS2384373341	20-09-2021	1.84	21-09-2028	2760.15
5 00 SEC 54EC BD SR 6 2223 04	INE134E07BG3	30-Apr-2022	5	30-Apr-2027	182.00
5 00 SEC 54EC BD SR 6 2223 05	INE134E07BH1	31-May-2022	5	31-May-2027	190.40
35 00 SEC 54EC BD SR 6 2223 06	INE134E07BI9	30-Jun-2022	5	30-Jun-2027	180.62
5 00 SEC 54EC BD SR 6 2223 07	INE134E07BJ7	31-Jul-2022	5	31-Jul-2027	253.08
5 00 SEC 54EC BD SR 6 2223 08	INE134E07BK5	31-Aug-2022	5	31-Aug-2027	146.19
5 00 SEC 54EC BD SR 6 2223 09	INE134E07BL3	30-Sep-2022	5	30-Sep-2027	214.67
5 00 SEC 54EC BD SR 6 2223 10	INE134E07BM1	31-Oct-2022	5	31-Oct-2027	176.41
5 00 SEC 54EC BD SR 6 2223 11	INE134E07BN9	30-Nov-2022	5	30-Nov-2027	200.25
5 00 SEC 54EC BD SR 6 2223 12	INE134E07BO7	31-Dec-2022	5	31-Dec-2027	212.29
5 00 SEC 54EC BD SR 6 2223 01	INE134E07BP4	31-Jan-2023	5	31-Jan-2028	191.69
7 13 TX UNS BND SRS 215	INE134E08LO4	10-Aug-2022	7.13	10-Aug-2025	2,420.00
7 13 TX UNS BND SRS 216	INE134E08LP1	24-Aug-2022	7.13	15-Jul-2026	3,000.00
7 42 TX UNS BND SRS 217A	INE134E08LQ9	08-Sep-2022	7.42	08-Sep-2032	4,000.00
7 15 TX USC BND SRS 217B STRPP1	INE134E08LR7	08-Sep-2022	7.15	08-Sep-2025	276.40
7 15 TX USC BND SRS 217B STRPP2	INE134E08LS5	08-Sep-2022	7.15	08-Sep-2026	276.40
7 15 TX USC BND SRS 217B STRPP3	INE134E08LT3	08-Sep-2022	7.15	08-Sep-2027	276.40
7 59 TX UNS BND SRS 218	INE134E08LU1	03-Nov-2022	7.59	03-Nov-2025	1,450.00
7 65 TX UNS BND SRS 219	INE134E08LV9	14-Nov-2022	7.65	14-Nov-2037	4,000.00
7 58 TX UNS BND SRS 220 BBETF	INE134E08LW7	14-Dec-2022	7.58	15-Apr-2033	470.00
7 72 TX UNS BND SRS 221A	INE134E08LY3	19-Dec-2022	7.72	19-Dec-2037	2,782.70
7 59 TX UNS BND SRS 221B	INE134E08LX5	19-Dec-2022	7.59	14-Jan-2028	3,500.00
7 58 TX UNS BND SRS 222	INE134E08LZ0	27-Dec-2022	7.58	15-Jan-2026	2,540.00
7 64 TX UNS BND SRS 223	INE134E08MA1	22-Feb-2023	7.64	22-Feb-2033	3,500.00
7 82 TX UNS BND SRS 224	INE134E08MB9	06-Mar-2023	7.82	06-Mar-2038	3,468.50
7 77 TX UNS BND SRS 225A	INE134E08MC7	13-Mar-2023	7.77	15-Jul-2026	3,262.70
7 82 TX USC BND SRS 225B STRPP I	INE134E08MF0	13-Mar-2023	7.82	13-Mar-2030	625.00
7 82 TX USC BND SRS 225B STRPP II	INE134E08MG8	13-Mar-2023	7.82	13-Mar-2031	625.00
7 82 TX USC BND SRS 225B STRPP III	INE134E08ME3	13-Mar-2023	7.82	13-Mar-2032	625.00
7 82 TX USC BND SRS 225B STRPP IV	INE134E08MD5	13-Mar-2023	7.82	13-Mar-2033	625.00
5 00 SEC 54EC BD SR 6 2223 02	INE134E07BQ2	28-Feb-2023	5	28-Feb-2028	212.41

5 00 SEC 54EC BD SR 6 2223 03	INE134E07BR0	31-Mar-2023	5	31-Mar-2028	440.88
Bond Series 228A	INE134E08ML8	20-Apr-23	7.55	15-Jul-26	2330.00
Bond Series 228B	INE134E08MM6	20-Apr-23	7.62	15-Jul-33	2102.00
Bond Series 229	INE134E08MN4	10-May-23	7.44	10-May-28	1550.00
Bond Series 230	INE134E08MO2	22-May-23	7.37	22-May-26	2990.00
Bond Series 195 (R-1)	INE134E08KK4	01-Jun-23	7.86 Effective Yield 7.39	12-Apr-30	1260.00
Bond Series 214 (R-1)	INE134E08LN6	01-Jun-23	6.92 Effective Yield 7.39	14-Apr-32	1330.00
Bond Series 231	INE134E08MP9	20-Jun-23	7.48	19-Jun-38	3896.90
Bond Series 202B-R1	INE134E08KT5	12-Jul-23	7.17 Effective Yield 7.53	22-May-25	3100.00
Bond Series 232	INE134E08MQ7	12-Jul-23	7.57	12-Jul-33	3000.00
Bond Series 233A ZCB	INE134E08MS3	25-Aug-23	0	25-Aug-26	492.45
Bond Series 233B	INE134E08MT1	25-Aug-23	7.64	25-Aug-26	2500.00
Bond Series 233C	INE134E08MR5	25-Aug-23	7.60	25-Aug-33	3500.00
Bond Series 234	INE134E08MU9	30-Nov-23	7.7	30-Nov-33	2625.00
Bond Series 235	INE134E08MV7	15-Dec-23	7.69	15-Dec-38	3335.00
Series I - Category I & II	INE134E07CG1	01-Aug-23	7.45	01-Aug-26	62.17
Series I - Category III & IV	INE134E07CF3	01-Aug-23	7.50	01-Aug-26	59.93
Series II - Category I & II	INE134E07CI7	01-Aug-23	7.47	01-Aug-33	362.51
Series II - Category III & IV	INE134E07CH9	01-Aug-23	7.53	01-Aug-33	45.48
Series III - Category I & II	INE134E07CJ5	01-Aug-23	7.50	01-Aug-38	183.71
Series III - Category III & IV	INE134E07CK3	01-Aug-23	7.55	01-Aug-38	2110.68
54EC - April	INE134E07BT6	30-Apr-23	5.25	30-Apr-28	171.00
54EC - May	INE134E07BV2	31-May-23	5.25	31-May-28	216.65
54EC - June	INE134E07CE6	30-Jun-23	5.25	30-Jun-28	229.09
54EC - Jul	INE134E07CD8	31-Jul-23	5.25	31-Jul-28	335.11
54EC - Aug	INE134E07CC0	31-Aug-23	5.25	31-Aug-28	197.70
54EC - Sep	INE134E07CB2	30-Sep-23	5.25	30-Sep-28	203.78
54EC - Oct	INE134E07CA4	31-Oct-23	5.25	31-Oct-28	206.55
54EC – Nov	INE134E07BZ3	30-Nov-23	5.25	30-Nov-28	189.83
54EC – Dec (Lot-1)	INE134E07BY6	31-Dec-23	5.25	31-Dec-28	202.23
Bond Series 237A	INE134E08MX3	22-Feb-24	7.60	13-Apr-29	3000.00
Bond Series 237B	INE134E08MY1	22-Feb-24	7.49	22-Feb-34	3000.00
Bond Series 238	INE134E08MZ8	13-Mar-24	7.55	15-Apr-27	2754.00
54EC – Jan	INE134E07BZ3	31-Jan-24	5.25	31-Jan-28	183.54
54EC – Feb (Lot-1)	INE134E07BU4	15-Feb-24	5.25	29-Feb-28	105.73
Bond Series 236 (Perpetual)	INE134E08MW5	15-Feb-24	7.88	Perpetual, unless the Call Option is exercised on the Call Option Date	100

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower, Gautam Budh Nagar, Noida, (UP) - 201301
Phone: +91-120-4452000

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

				(17th February, 2034 or any annually from this date after) subject to receipt of the prior approval of the Reserve Bank of India.	

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No. CARE/NRO/RL/2023-24/3536

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

March 26, 2024

Confidential

Dear Sir,

Credit rating for Market Borrowing Programme of FY25

Please refer to your request for rating the bank facilities of your Company

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

Facilities	Amount (₹ crore)	Rating[1]	Rating Action
Long-term market borrowing programme FY25*	1,05,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
LT/ST Instrument - market borrowing programme FY25	10,000.00	CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable / A One Plus)	Assigned
Short-term market borrowing programme FY25**	15,000.00	CARE A1+ (A One Plus)	Assigned

** including sublimit of up to ₹ 500 crore for perpetual debts*
*** including sublimit of up to ₹ 5,000 crore for commercial paper*

3. Refer **Annexure 1** for details of rated facilities.

4. The above rating is normally valid for a period of one year from the date of our initial communication of rating to you (that is March 21, 2024).

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

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5. 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 27, 2024, we will proceed on the basis that you have no any comments to offer.

6. 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.

7. 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.

8. 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.

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 sanction, renew, disburse or recall any bank facilities.

12. 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.

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Annexure 1

Details of Rated Facilities

1. Long Term Facilities

1.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	1,05,000.00
	Total	**1,05,000.00**

Total Long Term Facilities : Rs.1,05,000.00 crore

2. Short Term Facilities

2.A. Fund Based Limits

Sr. No.	Name of Bank / Lender	Rated Amount (Rs. crore)
1.	Proposed	15,000.00
	Total	**15,000.00**

Total Short Term Facilities : Rs.15,000.00 crore

3. Long Term / Short Term Facilities

3.A. Fund Based Limits

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

Total Long Term / Short Term Facilities : Rs.10,000.00 crore

Total Facilities (1.A+2.A+3.A) : Rs.1,30,000.00 crore

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CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0524/88391/105380348
May 21, 2024

Mr. Sumeet Kumar
Chief 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.10000 Crore Long-Term Borrowing Programme%* of Power Finance Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated April 22, 2024 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0424/85609/92142435

Rating outstanding on the captioned debt instruments is “CRISIL AAA/Stable” (pronounced as “CRISIL triple A rating" with Stable outlook). 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.

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
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

Disclaimer: *A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

%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 105,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,05,000 crore, total incremental long-term borrowing programme not to exceed Rs 88,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 7,000 crore (including commercial paper upto Rs 5,400 Crore), at any point in time during fiscal 2024. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

**To be interchangeable with short term borrowing programme*

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CONFIDENTIAL

RL/PFCLMTD/339809/LTBP/0524/88385/92142435
May 21, 2024

Mr. Sumeet Kumar
Chief 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.105000 Crore Long-Term Borrowing Programme^ of Power Finance Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated April 22, 2024 bearing Ref. no: RL/PFCLMTD/339809/LTBP/0424/85607/168549679

Rating outstanding on the captioned debt instruments is “CRISIL AAA/Stable” (pronounced as “CRISIL triple A rating" with Stable outlook). 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..

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 the latest 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to contact us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

Disclaimer: *A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CONFIDENTIAL

RL/PFCLMTD/339809/PNCD/0524/88386/89091683
May 21, 2024

Mr. Sumeet Kumar
Chief 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.1000 Crore Perpetual Non Convertible Debentures of Power Finance Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated April 22, 2024 bearing Ref. no: RL/PFCLMTD/339809/PNCD/0324/82319/89091683

Rating outstanding on the captioned debt instruments is “CRISIL AAA/Stable” (pronounced as “CRISIL triple A rating" with Stable outlook). 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.

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
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

Disclaimer: *A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

CONFIDENTIAL

RL/PFCLMTD/339809/STBP/0524/88384/168549692
May 21, 2024

Mr. Sumeet Kumar
Chief 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.15000 Crore Short-Term Borrowing Programme^ of Power Finance Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated April 22, 2024 bearing Ref. no: RL/PFCLMTD/339809/STBP/0324/82318/168549692

Rating outstanding on the captioned debt instruments is CRISIL A1+ (pronounced as "CRISIL A one plus rating"). 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
Director - CRISIL Ratings

^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

ICRA Limited

Ref No: ICRA/Power Finance Corporation Ltd./23052024/2
Date: May 23, 2024

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. 15,000 crore Short-Term Borrowing Programme of Power Finance Corporation Ltd. for the financial year 2024-25 (including Commercial Paper Programme up to Rs. 5,000 crore)

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]A1+** (pronounced as ICRA A one plus) rating assigned to your captioned programme and last communicated to you vide our letter dated March 21, 2024, stands. Instruments with **"[ICRA] A1"** 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 our above rating, it should be stated as **[ICRA] A1+.** 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) 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 programme issued by you. The rating is restricted to your Short-term borrowing programme size of **Rs. 15,000 crore** only. The maximum amount raised through Short-term borrowing programme at any point in time, including any amount already outstanding, should not exceed this amount.

In case, you propose to enhance the size of Short-Term Borrowing Programme, the same would be required 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 borrowing.

You are 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. You are also requested to keep us forthwith 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. Please let us know if you need any clarification. We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2024.05.23 12:55:23 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

ICRA Limited

Ref No: ICRA/Power Finance Corporation Ltd./23052024/1
Date: May 23, 2024

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. 105,000 crore Long Term Borrowing Programme of Power Finance Corporation Ltd. for the financial year 2024-25

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]AAA** (pronounced ICRA triple A) rating assigned to your captioned programme and last communicated to you vide our letter dated March 21, 2024, stands. Instruments with **[ICRA]AAA** 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).**

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. The rating is restricted to your Long-Term Borrowing programme size of **Rs. 105,000 crore**[1]. 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.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter dated March 21, 2024.

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

With kind regards,

For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2024.05.23 12:56:16 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

[1]*The long-term borrowing programme includes Public Issue of Taxable Non-Convertible Debentures*

ICRA Limited

Ref No: ICRA/Power Finance Corporation Ltd./23052024/3
Date: May 23, 2024

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. 10,000 crore Long-term/Short-term Borrowing Programme of Power Finance Corporation Ltd. for the financial year 2024-25

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the long-term rating of **[ICRA]AAA** (pronounced ICRA triple A) and short-term rating of **[ICRA]A1+** (pronounced ICRA A one plus) assigned to your captioned programme and communicated to you vide our letter dated March 21, 2024, stands. Instruments with **[ICRA]AAA** rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Instruments with **"[ICRA] A1"** 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. 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)/[ICRA]A1+.**

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. The rating is restricted to your Long-Term Borrowing programme size of **Rs. 10,000 crore**. 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.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter dated March 21, 2024.

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

With kind regards,

For ICRA Limited

AGAPPA MANI KARTHIK
Digitally signed by AGAPPA MANI KARTHIK
Date: 2024.05.23 12:54:27 +05'30'

A M KARTHIK
Senior Vice President
a.karthik@icraindia.com

March 26, 2024

Power Finance Corporation Ltd.: [ICRA]AAA (Stable)/[ICRA]A1+ assigned; rated amount enhanced; ratings reaffirmed and withdrawn for other instruments

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term borrowing programme FY2025	0.00	1,05,000.00	[ICRA]AAA (Stable); assigned
Short-term borrowing programme FY2025	0.00	15,000.00	[ICRA]A1+; assigned
LT/ST borrowing programmes of FY2025	0.00	10,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; assigned
Long-term borrowing programme FY2024	79,600.00	88,000.00	[ICRA]AAA (Stable); reaffirmed and assigned for enhanced amount
Short-term borrowing programme FY2024	7,000.00	7,000.00	[ICRA]A1+; reaffirmed
Short-term borrowing programme FY2024	8,400.00	0.00	[ICRA]A1+; reaffirmed and withdrawn
Long-term/Short-term borrowing programme FY2024	10,000.00	10,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed
Long-term borrowing programme of earlier years	3,18,577.04	3,18,577.04	[ICRA]AAA (Stable); reaffirmed
Long-term borrowing programme of earlier years	19,222.96	0.00	[ICRA]AAA (Stable); reaffirmed and withdrawn
Short-term borrowing programme of earlier years	50,000.00	50,000.00	[ICRA]A1+; reaffirmed
LT/ST borrowing programmes of earlier years	1,11,545.96	1,11,545.96	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed
LT/ST borrowing programmes of earlier years	22,306.84	0.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed and withdrawn
Total	**6,26,652.80**	**7,15,123.00**	

**Instrument details are provided in Annexure I; LT – Long term; ST – Short term; ^ST borrowing programme of FY2025 includes commercial paper programme of up to Rs. 5,000 crore*

Rationale

While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of Power Finance Corporation Ltd. (PFC) and REC Limited (REC) as REC is a subsidiary of PFC (collectively referred to as the Group) and the entities are in a similar line of business with strategic importance to the Government of India (GoI) and overlapping clientele.

The ratings continue to draw significant strength from PFC's sovereign ownership[1], its importance to the GoI, given its role as a nodal agency for various power sector schemes, and the Group's dominant market position in the power sector financing segment with an aggregate loan book of Rs. 9,54,483 crore as on December 31, 2023. The ratings continue to draw comfort from the diversified borrowing mix, healthy financial flexibility by virtue of the ownership, adequate liquidity and the established track record of healthy profitability. These strengths are partly offset by the moderate capitalisation with a consolidated gearing of 6.6x as on December 31, 2023.

The Group remains vulnerable to the risks arising from its exposure to a single sector (i.e. power) with high concentration towards the relatively weak state power utilities as well as the vulnerability of its exposure to private sector borrowers. However, the asset quality indicators have shown an improving trend as the gross stage 3 assets stood at 3.5% and 3.1% of the total advances at the standalone and consolidated level, respectively, as on December 31, 2023, after remaining elevated over the last two years.

[1] *56% held by GoI as on December 31, 2023*

The ratings also factor in the Group's healthy profitability with a consolidated return on managed assets (RoMA) of 2.6% in 9M FY2024 (2.4% in FY2023), supported by adequate margins, low operating costs and controlled credit costs.

PFC and REC modified their memorandum of association (MoA) in FY2023 so that they can lend to other infrastructure projects as well. Thus, the share of power sector exposure in the overall mix is expected to decline over the medium to long term. PFC is also exposed to risks arising from fluctuations in foreign exchange rates, given the sizeable foreign currency denominated borrowings. Nonetheless, it has been actively focused on hedging its foreign currency borrowings. The risk is somewhat mitigated as 92% of the foreign exchange borrowings (on a standalone basis), with a residual maturity of up to 5 years, was fully hedged as on December 31, 2023 compared with 65% as on March 31, 2020.

ICRA believes that prudent capitalisation is a key mitigant against the risks arising from sectoral and credit concentration. In this context, cognisance has been taken of the various Government schemes with PFC and REC as lending partners. The impact on the capitalisation ratios has been cushioned by the lower risk weight applicable to the exposures, backed by state government guarantees. ICRA believes that PFC and REC remain important vehicles for the implementation of the GoI's various power sector schemes. Hence, support will be forthcoming from the GoI if needed.

The Stable outlook reflects ICRA's expectation that the Group will likely remain strategically important to the GoI and will continue to play a major role in various power sector schemes of the Government. Consequently, PFC and REC are likely to retain a dominant position in power sector financing, while maintaining adequate profitability, borrowing and capitalisation profiles.

ICRA has also taken note of the recent changes made by the Reserve Bank of India (RBI) towards consumer credit and bank credit to non-banking financial companies (NBFCs). The cost of bank borrowings for the sector, and hence the company, could increase. Thus, PFC's ability to pass on the potentially higher borrowing costs and protect the margins will be a key monitorable.

ICRA has reaffirmed and withdrawn the rating for the Rs. 8,400 crore short-term borrowing programme of FY2024 as no amount is outstanding against the same. Further, the ratings for the Rs. 19,222.96 crore long-term borrowing programme and Rs. 22,306.84 crore long-term/short-term borrowing programme of earlier years (prior to FY2023) have been reaffirmed and withdrawn as the instruments have matured and were fully repaid post-maturity. The ratings have been withdrawn at the request of the company and as per ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Majority ownership by GoI; strategic role in implementing various GoI schemes and dominant position in power sector financing – As nodal agencies for implementing various GoI schemes aimed at developing the country's power sector, such as PM Suryodaya Scheme (launched in 2024 with REC named as the nodal implementation agency), Revamped Distribution Sector Scheme (RDSS) and Integrated Power Development Scheme (IPDS). PFC and REC remain strategically important to the GoI for achieving its objective of augmenting the power capacity across the country. Further, the GoI remains a majority shareholder in PFC with a stake of ~56%, as on December 31, 2023, and has representation on the company's board. PFC has a skilled management team with the senior team having more than 30 years of experience in power financing. Moreover, the company, along with REC, has maintained a dominant position in power sector financing with a large share of funding to state power utilities. ICRA notes that PFC's acquisition of REC strengthened its position further, while supporting better portfolio diversity, compared to individual entities. At the same time, as PFC and REC are a part of the same Group, sustained challenges in incremental fund-raising owing to the Group's exposure limits for lenders will remain a monitorable. PFC is committed towards maintaining the current market share of 20% in the infrastructure financing segment going forward.

Good financial flexibility and resource profile – The Group enjoys good financial flexibility, given its sovereign ownership, which augurs well for raising long-term funds from both domestic and international financial institutions (FIs) at competitive rates. Given the GoI's support, PFC has been able to raise funds at competitive rates. Precedents, wherein it received approval from the GoI to raise tax-free and 54EC low-cost capital gain bonds, provide comfort with respect to its financial flexibility, ability to raise low-cost funds, and maintain a diversified borrowing profile. The funding mix remains adequately diversified and includes long-term market instruments, foreign currency borrowings, banks and FIs. Over the past few years, PFC has significantly increased the share of hedged foreign currency borrowing with residual maturity of up to 5 years (92% as on December 31, 2023, against 65% as on March 31, 2020).

Established track record of healthy profitability – The yields have improved on a consolidated basis following the hike in lending rates. However, this was partly offset by the increase in the cost of funds, given the rise in systemic interest rates during the year. Consequently, the net interest margin (NIM; consolidated) increased slightly to 3.2% in 9MFY2024 from 3.0% in FY2023. Further, negligible slippages in the loan accounts and the reversal of the provision on recoveries from the existing stressed assets resulted in nil credit costs in 9M FY2024 and FY2023 compared to 0.7% in FY2022, on a consolidated basis. At the same time, operating expenses remained low at 0.1% in 9M FY2024 and FY2023 (0.1% in FY2022), given the wholesale nature of the business. Overall, the consolidated profitability profile remains healthy with a net profit of Rs. 18,905 crore in 9M FY2024 and Rs. 21,179 crore in FY2023, translating into a return on managed assets (RoMA) and a return on equity (RoE) of 2.6% and 21.0% in 9M FY2024 compared to 2.4% and 20.3%, respectively, in FY2023. The overall profitability indicators are expected to remain stable going forward as well, supported by business growth and controlled credit costs while margins could face some pressure.

On a standalone basis, stable NIMs and controlled credit costs in 9M FY2024 vis-à-vis FY2023 resulted in a net profit of Rs. 10,232 crore in 9M FY2024 compared to a net profit of Rs. 11,605 crore in FY2023. The higher profitability translated into RoMA and RoE of 2.8% and 18.8% respectively in 9M FY2024 as compared with 2.7% and 18.2%, respectively, in FY2023, broadly in line with PFC's 3-year (FY2019-FY2023) average RoA and RoE of 2.4% and 18%, respectively.

Credit challenges

High concentration risk and portfolio vulnerability – The Group's exposure to a single sector (i.e. power), large ticket sized loans, the high concentration of exposure towards financially weak state power utilities and the vulnerability of its exposure to private sector borrowers increase the portfolio vulnerability. Both PFC and REC modified their MoAs in FY2023 to be able to lend to other infrastructure projects as well. Thus, the share of power sector exposure in the overall mix is expected to decline over the medium to long term. As for concentration risk, ICRA notes that the RBI recently issued a notification proposing to withdraw the exemptions granted to Government-owned NBFCs from meeting the credit concentration norms. However, the same is unlikely to significantly impact the business of both PFC and REC as these entities are largely within the concentration limits prescribed by the RBI.

The Group's asset quality indicators have been improving with the gross stage 3 assets declining to 3.5% and 3.1% of the total advances at the standalone and consolidated levels, respectively, as on December 31, 2023, following the high resolutions in FY2023 and 9M FY2024. With a provision cover of ~74%, the net stage 3 assets stood at 0.9% of the total advances at the standalone as well as the consolidated level as on December 31, 2023. As on December 31, 2023, 13 of the 22 projects under PFC's stressed category, worth Rs. 13,899 crore are being resolved under the National Company Law Tribunal (NCLT) while the remaining projects, worth Rs. 2,174 crore are being resolved outside the NCLT. As on December 31, 2023, on a consolidated and standalone basis, the entire portion of the credit-impaired assets was from the private sector book for which the company has made sizeable provisions. Going forward, the Group's ability to grow its loan book, while controlling the credit costs and maintaining the profitability, would be imperative.

Moderate capitalisation – PFC's acquisition of REC had impacted the Group's consolidated capitalisation. While considerable recovery has been witnessed since then, the leverage remains moderate with a consolidated gearing of 6.6x as on December 31, 2023. Comparatively, PFC's capitalisation at the standalone level was characterised by a gearing of 5.3x and a capital-to-risk weighted assets ratio (CRAR) of 26.9% as on December 31, 2023. ICRA believes that prudent capitalisation is a key mitigant against the risks arising out of sectoral and credit concentration. In this context, cognisance has been taken of the various Government schemes with PFC and REC as lending partners. The impact on the capitalisation ratios will be cushioned by the lower risk weight applicable to the exposures backed by state government guarantees.

Environmental and social risks

Given the service-oriented nature of its business, the Group does not face material physical climate risks but is exposed to environmental risks indirectly through its portfolio of assets. However, if the entities or businesses, to which these companies have an exposure face business disruptions because of physical climate adversities or if such businesses face climate transition risks because of technological, regulatory or customer behaviour changes, the same could translate into credit risks for the companies involved. Such risk is, nevertheless, mitigated by adequate portfolio diversification. With regard to social risks, data security and customer privacy are among the key sources of vulnerability for lending institutions as material lapses could be detrimental to their reputation and invite regulatory censure. Given the nature of their business, PFC and REC's exposure to social risks is limited.

Liquidity position: Adequate

As on December 31, 2023, PFC's asset-liability maturity (ALM) profile, on a standalone basis, reflected debt maturities (principal only) of about Rs. 64,860 crore for the 12-month period ending December 31, 2024, against which its scheduled inflows from advances are expected at Rs. 1,09,352 crore. The company's ALM profile has improved in recent years due to lower dependence on short-term borrowings and the raising of relatively longer-tenor borrowings in the last one year, resulting in positive cumulative mismatches in all buckets up to 1 year. PFC's ALM profile had historically been characterised by some cumulative negative mismatches in the up to one-year buckets, given the relatively longer tenure of the loans extended by it. While such gaps, when existing, are partially bridged by sizeable unutilised bank lines and cash and equivalents, the company also relies on interest income and refinancing to repay its maturing debt. Nevertheless, the healthy financial flexibility, supported by the sovereign ownership and the ability to raise funds at short notice, provides comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – ICRA could change the rating outlook to Negative or downgrade the ratings on a change in the ownership and/or a change in PFC's strategic role or importance to the GoI. Also, a deterioration in the consolidated solvency (net stage 3/net owned fund) to a level above 40%, on a sustained basis, will be a negative trigger.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group support	The ratings derive significant strength from the GoI's majority ownership (56% as on December 31, 2023) of PFC and the company's important role as a nodal agency for various power sector schemes of the Government; the GoI ownership supports PFC's financial flexibility.
Consolidation/Standalone	Consolidation

About the company

Incorporated in 1986, PFC is a non-banking financial company (NBFC) with infrastructure finance company status. It was set up by the GoI as a specialised financial institution to fund projects in the domestic power sector. The GoI held a 56% stake in the company as on December 31, 2023. PFC provides loans for a range of power sector activities including generation, distribution, transmission, plant renovation and maintenance. It finances state sector entities including generating and distribution companies as well as independent power producers (IPPs). It is also the nodal agency for the Late Payment Surcharge Scheme (LPS), Revamped Distribution Sector Scheme (RDSS) and the Integrated Power Development Scheme (IPDS) and the bid process coordinator for the Independent Transmission Projects (ITP) Scheme. PFC is the promoter and holding company of REC Limited. In March 2019, it acquired 103.94 crore equity shares of REC from the President of India, constituting 52.63% of the paid-up share capital of REC.

On a standalone basis, PFC reported a profit after tax (PAT) of Rs. 10,232 crore in 9M FY2024 and Rs. 11,605 crore in FY2023 compared with Rs. 10,022 crore in FY2022. As on December 31, 2023, the reported capital adequacy was 26.86% and it had a total loan book of Rs. 4,57,027 crore (Rs. 4,22,498 crore as on March 31, 2023 and Rs. 3,73,135 crore as on March 31, 2022).

At the consolidated level, PFC achieved a PAT of Rs. 18,905 crore in 9M FY2024 and Rs. 21,179 crore in FY2023 compared with Rs. 18,768 crore in FY2022. As on December 31, 2023, it had a loan book of Rs. 9,54,483 crore (Rs. 8,57,500 crore as on March 31, 2023 and Rs. 7,58,496 crore as on March 31, 2022).

Key financial indicators – PFC (audited)

	Standalone			Consolidated		
	FY2022	FY2023	9M FY2024	FY2022	FY2023	9M FY2024
	Audited	Audited	Provisional	Audited	Audited	Provisional
Total income	38,591	39,666	33,785	76,323	77,625	66,999
Profit after tax	10,022	11,605	10,232	18,768	21,179	18,905
Total managed assets	4,11,681	4,60,858	5,04,003	8,22,976	9,26,400	10,37,893
Return on managed assets	2.4%	2.7%	2.8%	2.3%	2.4%	2.6%
Gearing (managed; times)	5.5	5.4	5.3	6.9	6.7	6.6
Gross NPA	5.6%	3.9%	3.5%	5.0%	3.7%	3.1%
Capital adequacy ratio	23.5%	24.4%	26.9%	NA	NA	NA

Source: Financial statements of PFC and REC; Amount in Rs. crore; ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)							Chronology of Rating History for the Past 3 Years							
		Type	Amount Rated (Rs. crore)	Amount O/s (Rs. crore)^	Date and Rating in FY2024				Date and Rating in FY2023		Date and Rating in FY2022		Date and Rating in FY2021			
					Mar 26, 2024	Jan 29,2024	Oct 26,2023	Sep 21,2023	Mar 30,2023	Feb 09,2023	Mar 30,2022	Apr 07,2021	Jan 08,2021	Dec 03,2020	Jul 24,2020	Apr 01,2020
1	LT borrowing programme FY2025	LT	1,05,000.00	0.00	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-	-
2	ST borrowing programme FY2025	ST	15,000.00	0.00	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-	-
3	LT/ST borrowing programme FY2025	LT/ST	10,000.00	0.00	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-	-
4	LT borrowing programme FY2024	LT	8,400.00	0.00	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-	-
5	LT borrowing programme FY2024	LT	9,600.00	0.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-	-	-
6	LT borrowing programme FY2024	LT	70,000.00	67,073.24	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-	-
7	ST borrowing programme FY2024	ST	7,000.00	6,956.67	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-	-	-	-	-	-
8	ST borrowing programme FY2024	ST	8,400.00	0.00	[ICRA]A1+; withdrawn	[ICRA]A1+	-	-	-	-	-	-	-	-	-	-
9	LT/ST borrowing programme FY2024	LT/ ST	10,000.00	0.00	[ICRA]AAA (Stable) / [ICRA]A1+	[ICRA]AAA (Stable) / [ICRA]A1+	-	-	-	-	-	-	-	-	-	-
10	LT borrowing programme of earlier years	LT	3,18,577.04	1,78,965.23	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
11	LT borrowing programme of earlier years	LT	19,222.96	0.00	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
12	ST borrowing programme of earlier years	ST	50,000.00	18,578.74	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
13	LT/ST borrowing programmes of earlier years	LT/ ST	1,11,545.96	99,216.74	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+
14	LT/ST borrowing programmes of earlier years	LT/ ST	22,306.84	0.00	[ICRA]AAA (Stable)/ [ICRA]A1+; withdrawn	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+

Source: ICRA Research; Note: LT: Long term, ST: Short term, Long-term/short-term borrowing programmes include bonds, commercial papers, bank lines and other instruments; ^As on December 31, 2023

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term borrowing programme	Simple
Short-term borrowing programme	Simple
Long-term/Short-term borrowing programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details as on December 31, 2023

ISIN	Instrument name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating
INE134E07091	Infra bonds	Mar-31-2011	8.50%	Mar-31-2026	5.27	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07109	Infra bonds	Mar-31-2011	8.50%	Mar-31-2026	19.33	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07174	Infra bonds	Nov-21-2011	8.75%	Nov-21-2026	2.86	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07182	Infra bonds	Nov-21-2011	8.75%	Nov-21-2026	7.77	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07232	Infra bonds	Mar-30-2012	8.72%	Mar-30-2027	0.87	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07240	Infra bonds	Mar-30-2012	8.72%	Mar-30-2027	2.40	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07125	Tax-free bonds	Oct-15-2011	7.75%	Oct-15-2026	217.99	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07141	Tax-free bonds	Nov-25-2011	8.16%	Nov-25-2026	209.34	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07307	Tax-free bonds	Nov-22-2012	7.38%	Nov-22-2027	25.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07323	Tax-free bonds	Nov-29-2012	7.38%	Nov-29-2027	100.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07380	Tax-free bonds	Aug-30-2013	8.46%	Aug-30-2028	1011.10	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07208	Tax-free bonds	Feb-01-2012	8.30%	Feb-01-2027	1280.58	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07349	Tax-free bonds	Jan-04-2013	7.36%	Jan-04-2028	179.99	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07349	Tax-free bonds	Jan-04-2013	7.86%	Jan-04-2028	177.01	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07364	Tax-free bonds	Mar-28-2013	7.04%	Mar-28-2028	13.35	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07364	Tax-free bonds	Mar-28-2013	7.54%	Mar-28-2028	55.85	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07430	Tax-free bonds	Nov-16-2013	8.54%	Nov-16-2028	932.70	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07448	Tax-free bonds	Nov-16-2013	8.79%	Nov-16-2028	353.32	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07455	Tax-free bonds	Nov-16-2013	8.67%	Nov-16-2033	1067.38	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07463	Tax-free bonds	Nov-16-2013	8.92%	Nov-16-2033	861.96	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07539	Tax-free bonds	Oct-17-2015	7.11%	Oct-17-2025	75.10	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07547	Tax-free bonds	Oct-17-2015	7.36%	Oct-17-2025	79.35	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07554	Tax-free bonds	Oct-17-2015	7.27%	Oct-17-2030	131.33	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07562	Tax-free bonds	Oct-17-2015	7.52%	Oct-17-2030	45.18	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07570	Tax-free bonds	Oct-17-2015	7.35%	Oct-17-2035	213.57	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07588	Tax-free bonds	Oct-17-2015	7.60%	Oct-17-2035	155.48	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07521	Tax-free bonds	Jul-17-2015	7.16%	Jul-17-2025	300.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07794	CG Bonds	Mar-31-2019	5.75%	Mar-31-2024	145.38	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E07810	CG Bonds	Apr-30-2019	5.75%	Apr-30-2024	48.91	[ICRA]AAA(Stable)
INE134E07828	CG Bonds	May-31-2019	5.75%	May-31-2024	72.72	[ICRA]AAA(Stable)
INE134E07836	CG Bonds	Jun-30-2019	5.75%	Jun-30-2024	81.73	[ICRA]AAA(Stable)
INE134E07844	CG Bonds	Jul-31-2019	5.75%	Jul-31-2024	117.29	[ICRA]AAA(Stable)
INE134E07851	CG Bonds	Aug-31-2019	5.75%	Aug-31-2024	105.73	[ICRA]AAA(Stable)
INE134E07869	CG Bonds	Sep-30-2019	5.75%	Sep-30-2024	102.03	[ICRA]AAA(Stable)
INE134E07877	CG Bonds	Nov-01-2019	5.75%	Oct-31-2024	92.09	[ICRA]AAA(Stable)
INE134E07885	CG Bonds	Nov-30-2019	5.75%	Nov-30-2024	89.96	[ICRA]AAA(Stable)
INE134E07893	CG Bonds	Dec-31-2019	5.75%	Dec-31-2024	93.08	[ICRA]AAA(Stable)
INE134E07901	CG Bonds	Jan-31-2020	5.75%	Jan-31-2025	94.02	[ICRA]AAA(Stable)
INE134E07919	CG Bonds	Feb-29-2020	5.75%	Mar-01-2025	107.88	[ICRA]AAA(Stable)
INE134E07927	CG Bonds	Mar-31-2020	5.75%	Mar-31-2025	129.01	[ICRA]AAA(Stable)
INE134E07935	CG Bonds	Apr-30-2020	5.75%	Apr-30-2025	12.44	[ICRA]AAA(Stable)
INE134E07943	CG Bonds	May-31-2020	5.75%	May-31-2025	39.39	[ICRA]AAA(Stable)
INE134E07950	CG Bonds	Jun-30-2020	5.75%	Jun-30-2025	117.99	[ICRA]AAA(Stable)
INE134E07976	CG Bonds	Jul-31-2020	5.75%	Jul-31-2025	82.56	[ICRA]AAA(Stable)
INE134E07984	CG Bonds	Aug-31-2020	5.00%	Aug-31-2025	26.03	[ICRA]AAA(Stable)
INE134E07992	CG Bonds	Sep-30-2020	5.00%	Sep-30-2025	61.44	[ICRA]AAA(Stable)
INE134E07AA8	CG Bonds	Nov-01-2020	5.00%	Oct-31-2025	45.90	[ICRA]AAA(Stable)
INE134E07AB6	CG Bonds	Dec-01-2020	5.00%	Nov-30-2025	48.87	[ICRA]AAA(Stable)
INE134E07AC4	CG Bonds	Dec-31-2020	5.00%	Dec-31-2025	86.18	[ICRA]AAA(Stable)
INE134E07AD2	CG Bonds	Jan-31-2021	5.00%	Jan-31-2026	76.54	[ICRA]AAA(Stable)
INE134E07AE0	CG Bonds	Feb-28-2021	5.00%	Feb-28-2026	101.96	[ICRA]AAA(Stable)
INE134E07AF7	CG Bonds	Mar-31-2021	5.00%	Mar-31-2026	238.47	[ICRA]AAA(Stable)

INE134E07AU6	**CG Bonds**	Apr-30-2021	5.00%	Apr-30-2026	74.66	[ICRA]AAA(Stable)
INE134E07AV4	**CG Bonds**	May-31-2021	5.00%	May-31-2026	66.60	[ICRA]AAA(Stable)
INE134E07AW2	**CG Bonds**	Jun-30-2021	5.00%	Jun-30-2026	103.86	[ICRA]AAA(Stable)
INE134E07AX0	**CG Bonds**	Jul-31-2021	5.00%	Jul-31-2026	131.00	[ICRA]AAA(Stable)
INE134E07AY8	**CG Bonds**	Aug-31-2021	5.00%	Aug-31-2026	106.04	[ICRA]AAA(Stable)
INE134E07AZ5	**CG Bonds**	Sep-30-2021	5.00%	Sep-30-2026	135.76	[ICRA]AAA(Stable)
INE134E07BA6	**CG Bonds**	Oct-31-2021	5.00%	Oct-31-2026	94.42	[ICRA]AAA(Stable)
INE134E07BB4	**CG Bonds**	Nov-30-2021	5.00%	Nov-30-2026	84.94	[ICRA]AAA(Stable)
INE134E07BC2	**CG Bonds**	Dec-31-2021	5.00%	Dec-31-2026	125.81	[ICRA]AAA(Stable)
INE134E07BD0	**CG Bonds**	Jan-31-2022	5.00%	Jan-31-2027	111.14	[ICRA]AAA(Stable)
INE134E07BE8	**CG Bonds**	Feb-28-2022	5.00%	Feb-28-2027	130.49	[ICRA]AAA(Stable)
INE134E07BF5	**CG Bonds**	Mar-31-2022	5.00%	Mar-31-2027	269.93	[ICRA]AAA(Stable)
INE134E07BG3	**CG Bonds**	Apr-30-2022	5.00%	Apr-30-2027	182.00	[ICRA]AAA(Stable)
INE134E07BH1	**CG Bonds**	May-31-2022	5.00%	May-31-2027	190.40	[ICRA]AAA(Stable)
INE134E07BI9	**CG Bonds**	Jun-30-2022	5.00%	Jun-30-2027	180.62	[ICRA]AAA(Stable)
INE134E07BJ7	**CG Bonds**	Jul-31-2022	5.00%	Jul-31-2027	253.08	[ICRA]AAA(Stable)
INE134E07BK5	**CG Bonds**	Aug-31-2022	5.00%	Aug-31-2027	146.19	[ICRA]AAA(Stable)
INE134E07BL3	**CG Bonds**	Sep-30-2022	5.00%	Sep-30-2027	214.67	[ICRA]AAA(Stable)
INE134E07BM1	**CG Bonds**	Oct-31-2022	5.00%	Oct-31-2027	176.41	[ICRA]AAA(Stable)
INE134E07BN9	**CG Bonds**	Nov-30-2022	5.00%	Nov-30-2027	200.25	[ICRA]AAA(Stable)
INE134E07BO7	**CG Bonds**	Dec-31-2022	5.00%	Dec-31-2027	212.29	[ICRA]AAA(Stable)
INE134E07BP4	**CG Bonds**	Jan-31-2023	5.00%	Jan-31-2028	191.69	[ICRA]AAA(Stable)
INE134E07BQ2	**CG Bonds**	Feb-28-2023	5.00%	Feb-28-2028	212.41	[ICRA]AAA(Stable)
INE134E07BR0	**CG Bonds**	Mar-31-2023	5.00%	Mar-31-2028	440.88	[ICRA]AAA(Stable)
INE134E07BT6	**CG Bonds**	Apr-30-2023	5.25%	Apr-30-2028	171.00	[ICRA]AAA(Stable)
INE134E07BV2	**CG Bonds**	May-31-2023	5.25%	May-31-2028	216.65	[ICRA]AAA(Stable)
INE134E07CE6	**CG Bonds**	Jun-30-2023	5.25%	Jun-30-2028	229.09	[ICRA]AAA(Stable)
INE134E07CD8	**CG Bonds**	Jul-31-2023	5.25%	Jul-31-2028	335.11	[ICRA]AAA(Stable)
INE134E07CC0	**CG Bonds**	Aug-31-2023	5.25%	Aug-31-2028	197.70	[ICRA]AAA(Stable)
INE134E07CB2	**CG Bonds**	Sep-30-2023	5.25%	Sep-30-2028	203.76	[ICRA]AAA(Stable)
INE134E07CA4	**CG Bonds**	Oct-31-2023	5.25%	Oct-31-2028	206.55	[ICRA]AAA(Stable)
INE134E07BZ3	**CG Bonds**	Nov-30-2023	5.25%	Nov-30-2028	189.83	[ICRA]AAA(Stable)
INE134E07AI1	**Taxable Bonds**	Jan-22-2021	5.65%	Jan-22-2026	27.05	[ICRA]AAA(Stable)
INE134E07AJ9	**Taxable Bonds**	Jan-22-2021	5.80%	Jan-22-2026	3.50	[ICRA]AAA(Stable)
INE134E07AK7	**Taxable Bonds**	Jan-22-2021	6.63%	Jan-22-2031	0.50	[ICRA]AAA(Stable)
INE134E07AL5	**Taxable Bonds**	Jan-22-2021	6.82%	Jan-22-2031	28.74	[ICRA]AAA(Stable)
INE134E07AM3	**Taxable Bonds**	Jan-22-2021	6.80%	Jan-22-2031	33.67	[ICRA]AAA(Stable)
INE134E07AN1	**Taxable Bonds**	Jan-22-2021	7.00%	Jan-22-2031	1635.53	[ICRA]AAA(Stable)
INE134E07AO9	**Taxable Bonds**	Jan-22-2021	7.30%	Jan-22-2031	10.35	[ICRA]AAA(Stable)
INE134E07AP6	**Taxable Bonds**	Jan-22-2021	7.50%	Jan-22-2031	1250.73	[ICRA]AAA(Stable)
INE134E07AQ4	**Taxable Bonds**	Jan-22-2021	6.78%	Jan-22-2036	3.50	[ICRA]AAA(Stable)
INE134E07AR2	**Taxable Bonds**	Jan-22-2021	6.97%	Jan-22-2036	53.36	[ICRA]AAA(Stable)
INE134E07AS0	**Taxable Bonds**	Jan-22-2021	6.95%	Jan-22-2036	50.05	[ICRA]AAA(Stable)
INE134E07AT8	**Taxable Bonds**	Jan-22-2021	7.15%	Jan-22-2036	1330.05	[ICRA]AAA(Stable)
INE134E07CG1	**Taxable Bonds**	Aug-01-2023	7.45%	Aug-01-2026	62.17	[ICRA]AAA(Stable)
INE134E07CF3	**Taxable Bonds**	Aug-01-2023	7.50%	Aug-01-2026	59.93	[ICRA]AAA(Stable)
INE134E07CI7	**Taxable Bonds**	Aug-01-2023	7.47%	Aug-01-2033	362.51	[ICRA]AAA(Stable)
INE134E07CH9	**Taxable Bonds**	Aug-01-2023	7.53%	Aug-01-2033	45.48	[ICRA]AAA(Stable)
INE134E07CJ5	**Taxable Bonds**	Aug-01-2023	7.50%	Aug-01-2038	183.71	[ICRA]AAA(Stable)
INE134E07CK3	**Taxable Bonds**	Aug-01-2023	7.55%	Aug-01-2038	2110.68	[ICRA]AAA(Stable)
INE134E08BP2	**Taxable Bonds**	Aug-07-2009	8.60%	Aug-07-2024	866.50	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08CN5	**Taxable Bonds**	Dec-15-2009	8.50%	Dec-15-2024	351.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08CP0	**Taxable Bonds**	Jan-15-2010	8.80%	Jan-15-2025	1172.60	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08CS4	**Taxable Bonds**	Mar-15-2010	8.90%	Mar-15-2025	184.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08CV8	**Taxable Bonds**	Mar-30-2010	8.95%	Mar-30-2025	492.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08CY2	**Taxable Bonds**	May-15-2010	8.70%	May-15-2025	1337.50	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08DA0	**Taxable Bonds**	Jun-15-2010	8.75%	Jun-15-2025	1532.00	[ICRA]AAA(Stable)/[ICRA]A1+

INE134E08DB8	Taxable Bonds	Jun-15-2010	8.85%	Jun-15-2030	633.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08DJ1	Taxable Bonds	Dec-15-2010	9.05%	Dec-15-2030	385.40	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08SR2	Taxable Bonds	Aug-01-2011	9.46%	Aug-01-2026	1105.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08DU8	Taxable Bonds	Sep-01-2011	9.45%	Sep-01-2026	2568.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08FL2	Taxable Bonds	Mar-11-2013	9.00%	Mar-11-2028	1370.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08FO6	Taxable Bonds	Mar-18-2013	8.90%	Mar-18-2028	403.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08FQ1	Taxable Bonds	Mar-25-2013	8.94%	Mar-25-2028	2807.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GD7	Taxable Bonds	Aug-19-2014	9.37%	Aug-19-2024	855.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GG0	Taxable Bonds	Aug-27-2014	9.39%	Aug-27-2024	460.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GH8	Taxable Bonds	Aug-27-2014	9.39%	Aug-27-2029	460.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GK2	Taxable Bonds	Oct-08-2014	8.98%	Oct-08-2024	961.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GL0	Taxable Bonds	Oct-08-2014	8.98%	Oct-08-2024	950.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GU1	Taxable Bonds	Dec-09-2014	8.48%	Dec-09-2024	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GV9	Taxable Bonds	Dec-29-2014	8.65%	Dec-29-2024	2826.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GW7	Taxable Bonds	Jan-05-2015	8.65%	Jan-05-2025	5000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08GY3	Taxable Bonds	Mar-10-2015	8.20%	Mar-10-2025	1600.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08HD5	Taxable Bonds	Mar-19-2015	8.39%	Apr-19-2025	925.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08HG8	Taxable Bonds	Mar-27-2015	8.41%	Mar-27-2025	5000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08HX3	Taxable Bonds	Sep-18-2015	8.40%	Sep-18-2025	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IE1	Taxable Bonds	May-02-2016	8.03%	May-02-2026	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08II2	Taxable Bonds	Aug-16-2016	7.63%	Aug-16-2026	1675.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IK8	Taxable Bonds	Sep-16-2016	7.56%	Sep-16-2026	210.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IL6	Taxable Bonds	Sep-26-2016	7.55%	Sep-26-2026	4000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IO0	Taxable Bonds	Jan-05-2017	7.23%	Jan-05-2027	2635.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JC3	Taxable Bonds	Jun-12-2017	7.44%	Jun-12-2027	1540.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JE9	Taxable Bonds	Aug-08-2017	7.30%	Aug-08-2027	1500.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JG4	Taxable Bonds	Nov-22-2017	7.65%	Nov-22-2027	2001.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JH2	Taxable Bonds	Dec-15-2017	7.62%	Dec-15-2027	5000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JI0	Taxable Bonds	Jan-30-2018	7.74%	Jan-30-2028	850.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JP5	Taxable Bonds	Apr-03-2018	7.85%	Apr-03-2028	3855.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JQ3	Taxable Bonds	Oct-10-2018	8.95%	Oct-10-2028	3000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JR1	Taxable Bonds	Nov-19-2018	8.67%	Nov-19-2028	1007.40	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JS9	Taxable Bonds	Nov-19-2018	8.64%	Nov-19-2033	528.40	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JT7	Taxable Bonds	Feb-22-2019	8.75%	Feb-22-2034	2654.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08KA5	Taxable Bonds	Apr-30-2019	8.79%	Apr-30-2034	2578.90	[ICRA]AAA(Stable)
INE134E08KC1	Taxable Bonds	May-27-2019	8.85%	May-27-2029	1982.10	[ICRA]AAA(Stable)
INE134E08KD9	Taxable Bonds	Jun-04-2019	8.10%	Jun-04-2024	691.10	[ICRA]AAA(Stable)
INE134E08KE7	Taxable Bonds	Aug-08-2019	8.15%	Aug-08-2034	4035.00	[ICRA]AAA(Stable)
INE134E08KF4	Taxable Bonds	Sep-06-2019	8.25%	Sep-06-2034	4016.00	[ICRA]AAA(Stable)
INE134E08KH0	Taxable Bonds	Nov-19-2019	7.42%	Nov-19-2024	3000.00	[ICRA]AAA(Stable)
INE134E08KI8	Taxable Bonds	Dec-31-2019	7.93%	Dec-31-2029	4710.50	[ICRA]AAA(Stable)
INE134E08KK4	Taxable Bonds	Jan-14-2020	7.86%	Apr-12-2030	1100.00	[ICRA]AAA(Stable)
INE134E08KL2	Taxable Bonds	Feb-25-2020	7.41%	Feb-25-2030	2500.00	[ICRA]AAA(Stable)
INE134E08KM0	Taxable Bonds	Mar-02-2020	7.41%	May-15-2030	5000.00	[ICRA]AAA(Stable)
INE134E08KP3	Taxable Bonds	Apr-24-2020	7.16%	Apr-24-2025	1320.00	[ICRA]AAA(Stable)
INE134E08KQ1	Taxable Bonds	May-08-2020	7.40%	May-08-2030	2920.00	[ICRA]AAA(Stable)
INE134E08KR9	Taxable Bonds	May-15-2020	7.68%	Jul-15-2030	3101.30	[ICRA]AAA(Stable)
INE134E08KT5	Taxable Bonds	May-22-2020	7.17%	May-22-2025	810.00	[ICRA]AAA(Stable)
INE134E08KU3	Taxable Bonds	May-22-2020	7.79%	Jul-22-2030	1936.00	[ICRA]AAA(Stable)
INE134E08KV1	Taxable Bonds	Jun-11-2020	7.75%	Jun-11-2030	3318.00	[ICRA]AAA(Stable)
INE134E08KL2	Taxable Bonds	Jul-14-2020	7.41%	Feb-25-2030	1500.00	[ICRA]AAA(Stable)
INE134E08KX7	Taxable Bonds	Jul-28-2020	5.77%	Apr-11-2025	900.00	[ICRA]AAA(Stable)
INE134E08KY5	Taxable Bonds	Jul-28-2020	6.88%	Apr-11-2031	1300.00	[ICRA]AAA(Stable)
INE134E08KZ2	Taxable Bonds	Aug-10-2020	7.05%	Aug-10-2030	1610.10	[ICRA]AAA(Stable)
INE134E08LA3	Taxable Bonds	Aug-10-2020	7.20%	Aug-10-2035	1605.70	[ICRA]AAA(Stable)
INE134E08LC9	Taxable Bonds	Sep-09-2020	7.04%	Dec-16-2030	1097.40	[ICRA]AAA(Stable)
INE134E08LD7	Taxable Bonds	Sep-17-2020	6.50%	Sep-17-2025	2806.00	[ICRA]AAA(Stable)

INE134E08LE5	Taxable Bonds	Sep-29-2020	7.34%	Sep-29-2035	1711.00	[ICRA]AAA(Stable)
INE134E08LC9	Taxable Bonds	Nov-11-2020	7.04%	Dec-16-2030	2549.10	[ICRA]AAA(Stable)
INE134E08LF2	Taxable Bonds	Jun-30-2021	6.35%	Jun-30-2025	405.60	[ICRA]AAA(Stable)
INE134E08LG0	Taxable Bonds	Jun-30-2021	6.35%	Jun-30-2026	540.80	[ICRA]AAA(Stable)
INE134E08LH8	Taxable Bonds	Jun-30-2021	6.35%	Jun-30-2027	405.60	[ICRA]AAA(Stable)
INE134E08LI6	Taxable Bonds	Jun-30-2021	7.11%	Jun-30-2036	1933.50	[ICRA]AAA(Stable)
INE134E08LJ4	Taxable Bonds	Aug-02-2021	7.57%	Aug-02-2024	1985.00	[ICRA]AAA(Stable)
INE134E08LL0	Taxable Bonds	Aug-27-2021	7.15%	Aug-27-2036	2343.70	[ICRA]AAA(Stable)
INE134E08LK2	Taxable Bonds	Aug-27-2021	6.09%	Aug-27-2026	2450.00	[ICRA]AAA(Stable)
INE134E08LM8	Taxable Bonds	Oct-01-2021	6.95%	Oct-01-2031	1988.00	[ICRA]AAA(Stable)
INE134E08LN6	Taxable Bonds	Dec-21-2021	6.92%	Apr-14-2032	1180.00	[ICRA]AAA(Stable)
INE134E08LO4	Taxable Bonds	Aug-10-2022	7.13%	Aug-10-2025	2420.00	[ICRA]AAA(Stable)
INE134E08LP1	Taxable Bonds	Aug-24-2022	7.13%	Jul-15-2026	3000.00	[ICRA]AAA(Stable)
INE134E08LQ9	Taxable Bonds	Sep-08-2022	7.42%	Sep-08-2032	4000.00	[ICRA]AAA(Stable)
INE134E08LR7	Taxable Bonds	Sep-08-2022	7.15%	Sep-08-2025	276.40	[ICRA]AAA(Stable)
INE134E08LS5	Taxable Bonds	Sep-08-2022	7.15%	Sep-08-2026	276.40	[ICRA]AAA(Stable)
INE134E08LT3	Taxable Bonds	Sep-08-2022	7.15%	Sep-08-2027	276.40	[ICRA]AAA(Stable)
INE134E08LU1	Taxable Bonds	Nov-03-2022	7.59%	Nov-03-2025	1450.00	[ICRA]AAA(Stable)
INE134E08LV9	Taxable Bonds	Nov-14-2022	7.65%	Nov-14-2037	4000.00	[ICRA]AAA(Stable)
INE134E08LW7	Taxable Bonds	Dec-14-2022	7.58%	Apr-15-2033	470.00	[ICRA]AAA(Stable)
INE134E08LY3	Taxable Bonds	Dec-19-2022	7.72%	Dec-19-2037	2782.70	[ICRA]AAA(Stable)
INE134E08LX5	Taxable Bonds	Dec-19-2022	7.59%	Jan-14-2028	3500.00	[ICRA]AAA(Stable)
INE134E08LZ0	Taxable Bonds	Dec-27-2022	7.58%	Jan-15-2026	2540.00	[ICRA]AAA(Stable)
INE134E08MA1	Taxable Bonds	Feb-22-2023	7.64%	Feb-22-2033	3500.00	[ICRA]AAA(Stable)
INE134E08MB9	Taxable Bonds	Mar-06-2023	7.82%	Mar-06-2038	3468.50	[ICRA]AAA(Stable)
INE134E08MC7	Taxable Bonds	Mar-13-2023	7.77%	Jul-15-2026	3262.70	[ICRA]AAA(Stable)
INE134E08MF0	Taxable Bonds	Mar-13-2023	7.82%	Mar-13-2030	625.00	[ICRA]AAA(Stable)
INE134E08MG8	Taxable Bonds	Mar-13-2023	7.82%	Mar-13-2031	625.00	[ICRA]AAA(Stable)
INE134E08ME3	Taxable Bonds	Mar-13-2023	7.82%	Mar-13-2032	625.00	[ICRA]AAA(Stable)
INE134E08MD5	Taxable Bonds	Mar-13-2023	7.82%	Mar-13-2033	625.00	[ICRA]AAA(Stable)
INE134E08MH6	Taxable Bonds	Mar-27-2023	7.66%	Apr-15-2033	1200.00	[ICRA]AAA(Stable)
INE134E08MI4	Taxable Bonds	Mar-27-2023	7.70%	Apr-15-2033	583.50	[ICRA]AAA(Stable)
INE134E08MK0	Taxable Bonds	Mar-31-2023	7.70%	Sep-15-2026	1200.00	[ICRA]AAA(Stable)
INE134E08MJ2	Taxable Bonds	Mar-31-2023	7.77%	Apr-15-2028	1390.00	[ICRA]AAA(Stable)
INE134E08ML8	Taxable Bonds	Apr-20-2023	7.55%	Jul-15-2026	2330.00	[ICRA]AAA(Stable)
INE134E08MM6	Taxable Bonds	Apr-20-2023	7.62%	Jul-15-2033	2102.00	[ICRA]AAA(Stable)
INE134E08MN4	Taxable Bonds	May-10-2023	7.44%	May-10-2028	1550.00	[ICRA]AAA(Stable)
INE134E08MO2	Taxable Bonds	May-22-2023	7.37%	May-22-2026	2990.00	[ICRA]AAA(Stable)
INE134E08KK4	Taxable Bonds	Jun-01-2023	7.86%	Apr-12-2030	1260.00	[ICRA]AAA(Stable)
INE134E08LN6	Taxable Bonds	Jun-01-2023	6.92%	Apr-14-2032	1330.00	[ICRA]AAA(Stable)
INE134E08MP9	Taxable Bonds	Jun-20-2023	7.48%	Jun-20-2038	3896.90	[ICRA]AAA(Stable)
INE134E08KT5	Taxable Bonds	Jul-12-2023	7.17%	May-22-2025	3100.00	[ICRA]AAA(Stable)
INE134E08MQ7	Taxable Bonds	Jul-12-2023	7.57%	Jul-12-2033	3000.00	[ICRA]AAA(Stable)
INE134E08MT1	Taxable Bonds	Aug-25-2023	7.64%	Aug-25-2026	2500.00	[ICRA]AAA(Stable)
INE134E08MR5	Taxable Bonds	Aug-25-2023	7.60%	Aug-25-2033	3500.00	[ICRA]AAA(Stable)
INE134E08MU9	Taxable Bonds	Nov-30-2023	7.70%	Nov-30-2033	2625.00	[ICRA]AAA(Stable)
INE134E08MV7	Taxable Bonds	Dec-15-2023	7.69%	Dec-15-2038	3335.00	[ICRA]AAA(Stable)
INE134E08MS3	Taxable Bonds	Aug-25-2023	7.65%	Aug-25-2026	492.45	[ICRA]AAA(Stable)
INE134E08JY7	Taxable Bonds	Mar-25-2019	9.25%	Sep-25-2024	2000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JX9	Taxable Bonds	Mar-25-2019	9.10%	Mar-25-2029	2411.50	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08JZ4	Taxable Bonds	Mar-28-2019	8.98%	Mar-28-2029	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IP7	GoI FSB	Jan-11-2017	7.10%	Jan-11-2027	200.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IR3	GoI FSB	Jan-20-2017	7.18%	Jan-20-2027	1335.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IT9	GoI FSB	Feb-20-2017	7.60%	Feb-20-2027	1465.00	[ICRA]AAA(Stable)/[ICRA]A1+
INE134E08IX1	GoI FSB	Mar-22-2017	7.75%	Mar-22-2027	2000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-State Bank of India	Jul-10-2020	NA	Jul-10-2025	2855.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Dec-19-2019	NA	Dec-19-2024	500.00	[ICRA]AAA(Stable)

NA	TL-State Bank of India	Dec-27-2019	NA	Dec-19-2024	470.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Dec-30-2019	NA	Dec-19-2024	1170.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Dec-31-2019	NA	Dec-19-2024	262.20	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Jan-01-2020	NA	Dec-19-2024	167.80	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Jan-02-2020	NA	Dec-19-2024	430.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Sep-30-2023	NA	Sep-30-2033	1225.86	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-25-2023	NA	Sep-30-2033	805.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-26-2023	NA	Sep-30-2033	86.23	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-27-2023	NA	Sep-30-2033	190.65	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-01-2023	NA	Sep-30-2033	499.70	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-09-2023	NA	Sep-30-2033	180.57	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-10-2023	NA	Sep-30-2033	607.68	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-13-2023	NA	Sep-30-2033	302.91	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-14-2023	NA	Sep-30-2033	183.34	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-16-2023	NA	Sep-30-2033	356.95	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-17-2023	NA	Sep-30-2033	1022.89	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-20-2023	NA	Sep-30-2033	1538.22	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Sep-30-2023	NA	Sep-30-2033	350.25	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-25-2023	NA	Sep-30-2033	230.00	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-26-2023	NA	Sep-30-2033	24.64	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Oct-27-2023	NA	Sep-30-2033	54.47	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-01-2023	NA	Sep-30-2033	142.77	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-09-2023	NA	Sep-30-2033	51.59	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-10-2023	NA	Sep-30-2033	173.62	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-13-2023	NA	Sep-30-2033	86.54	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-14-2023	NA	Sep-30-2033	52.38	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-16-2023	NA	Sep-30-2033	101.99	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-17-2023	NA	Sep-30-2033	292.26	[ICRA]AAA(Stable)
NA	TL-State Bank of India	Nov-20-2023	NA	Sep-30-2033	439.49	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Feb-20-2019	NA	Feb-20-2024	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Canara Bank	Jun-21-2019	NA	Jun-21-2024	500.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Jun-24-2019	NA	Jun-24-2024	500.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Jun-29-2019	NA	Jun-29-2024	1000.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Jan-15-2019	NA	Jan-15-2024	500.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Canara Bank	Mar-23-2020	NA	Mar-23-2026	200.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Sep-22-2020	NA	Sep-22-2026	1000.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Jun-28-2022	NA	Jun-28-2028	2250.00	[ICRA]AAA(Stable)
NA	TL-Canara Bank	Jun-30-2022	NA	Jun-30-2028	250.00	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank (ex-OBC)	Feb-25-2019	NA	Feb-25-2025	375.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Punjab National Bank (ex-OBC)	Sep-30-2019	NA	Sep-30-2025	112.50	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank (ex-OBC)	Mar-20-2020	NA	Mar-20-2025	333.33	[ICRA]AAA(Stable)
NA	TL-Bank of India	Jan-21-2019		Jan-21-2024	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Bank of India	Jan-30-2019		Jan-21-2024	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Bank of India	Sep-11-2020		Sep-11-2026	750.00	[ICRA]AAA(Stable)
NA	TL-Bank of India	Sep-18-2021		Sep-18-2028	50.00	[ICRA]AAA(Stable)
NA	TL-Bank of India	Sep-20-2021		Sep-18-2028	100.00	[ICRA]AAA(Stable)
NA	TL-Bank of India	Sep-22-2021		Sep-18-2028	50.00	[ICRA]AAA(Stable)
NA	TL-Bank of India	Sep-24-2021		Sep-18-2028	300.00	[ICRA]AAA(Stable)
NA	TL-Bank of India	Mar-02-2019		Mar-02-2025	1000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Corporation Bank	Sep-30-2019	NA	Sep-30-2024	100.00	[ICRA]AAA(Stable)
NA	TL-Union Bank of India	Sep-30-2020	NA	Sep-30-2025	900.00	[ICRA]AAA(Stable)
NA	TL-Union Bank of India	Mar-23-2020	NA	Mar-23-2025	625.00	[ICRA]AAA(Stable)
NA	TL-Union Bank of India	Mar-31-2022	NA	Mar-31-2028	3000.00	[ICRA]AAA(Stable)
NA	TL-Union Bank of India	Sep-27-2023	NA	Sep-27-2029	837.19	[ICRA]AAA(Stable)
NA	TL-Andhra Bank	Mar-31-2020	NA	Jan-15-2025	400.00	[ICRA]AAA(Stable)
NA	TL-UCO Bank	Sep-24-2021	NA	Sep-24-2026	1000.00	[ICRA]AAA(Stable)
NA	TL-UCO Bank	Mar-30-2023	NA	Mar-30-2028	500.00	[ICRA]AAA(Stable)

NA	TL-UCO Bank	Mar-31-2023	NA	Mar-30-2028	500.00	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank	Sep-27-2021	NA	Sep-27-2026	425.00	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank	Sep-29-2021	NA	Sep-27-2026	75.00	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank	Sep-29-2021	NA	Sep-29-2026	5.00	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank	Sep-29-2023	NA	Sep-29-2028	99.36	[ICRA]AAA(Stable)
NA	TL-Punjab National Bank	Nov-20-2023	NA	Sep-29-2028	828.66	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-30-2021	NA	Sep-30-2025	3000.00	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Jul-05-2023	NA	Jul-05-2028	2627.00	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Jul-06-2023	NA	Jul-05-2028	35.00	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Jul-07-2023	NA	Jul-05-2028	46.00	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-19-2023	NA	Jul-05-2028	1010.00	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-22-2023	NA	Jul-05-2028	60.95	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-25-2023	NA	Jul-05-2028	221.05	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-25-2023	NA	Sep-25-2030	1626.22	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-26-2023	NA	Sep-25-2030	1782.91	[ICRA]AAA(Stable)
NA	TL-HDFC Bank	Sep-27-2023	NA	Sep-25-2030	590.87	[ICRA]AAA(Stable)
NA	STL-HDFC Bank	Jun-20-2023	NA	Jun-20-2024	1862.50	[ICRA]A1+
NA	STL-HDFC Bank	Jun-26-2023	NA	Jun-26-2024	521.50	[ICRA]A1+
NA	STL-HDFC Bank	Jun-27-2023	NA	Jun-27-2024	247.50	[ICRA]A1+
NA	STL-HDFC Bank	Jul-04-2023	NA	Jul-04-2024	644.00	[ICRA]A1+
NA	TL-Central Bank of India	Mar-31-2022	NA	Mar-31-2027	1000.00	[ICRA]AAA(Stable)
NA	TL-Indian Overseas Bank	Sep-30-2022	NA	Sep-30-2028	1000.00	[ICRA]AAA(Stable)
NA	TL-Indian Overseas Bank	Mar-30-2023	NA	Mar-30-2029	500.00	[ICRA]AAA(Stable)
NA	TL-Punjab and Sind Bank	Mar-30-2023	NA	Mar-30-2029	604.50	[ICRA]AAA(Stable)
NA	TL-Punjab and Sind Bank	Mar-31-2023	NA	Mar-30-2029	395.50	[ICRA]AAA(Stable)
NA	TL-National Bank for Financing Infrastructure and Development	Mar-31-2023	NA	Mar-31-2038	3500.00	[ICRA]AAA(Stable)
NA	TL-South Indian Bank	May-31-2023	NA	May-31-2028	200.00	[ICRA]AAA(Stable)
NA	TL-South Indian Bank	Sep-19-2023	NA	Sep-19-2028	156.35	[ICRA]AAA(Stable)
NA	TL-South Indian Bank	Sep-22-2023	NA	Sep-19-2028	9.44	[ICRA]AAA(Stable)
NA	TL-South Indian Bank	Sep-25-2023	NA	Sep-19-2028	34.21	[ICRA]AAA(Stable)
NA	TL-India Infrastructure Finance Co. Ltd.	Sep-30-2021	NA	Sep-30-2026	1000.00	[ICRA]AAA(Stable)
NA	TL-National Social Security Fund	Dec-27-2018	NA	Dec-27-2028	7500.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	TL-Bank of Baroda	Nov-17-2022	NA	Nov-17-2029	1500.00	[ICRA]AAA(Stable)
NA	TL-Bank of Baroda	Nov-19-2022	NA	Nov-17-2029	500.00	[ICRA]AAA(Stable)
NA	TL-Bank of Baroda	Nov-21-2022	NA	Nov-17-2029	850.00	[ICRA]AAA(Stable)
NA	TL-Bank of Baroda	Nov-22-2022	NA	Nov-17-2029	1100.00	[ICRA]AAA(Stable)
NA	TL-Bank of Baroda	Nov-24-2022	NA	Nov-17-2029	1050.00	[ICRA]AAA(Stable)
NA	STL-Bank of Baroda	Jun-23-2023	NA	Jun-23-2024	82.00	[ICRA]A1+
NA	STL-Bank of Baroda	Jun-28-2023	NA	Jun-28-2024	1418.00	[ICRA]A1+
NA	TL-KEB Hana Bank	Nov-17-2022	NA	Nov-17-2025	100.00	[ICRA]AAA(Stable)
NA	FCTL-Kreditanstalt fur Wiederaufbau(kfw)	Jun-19-1995	NA	Jun-30-2035	41.34	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Dec-10-2007	NA	Oct-15-2025	19.93	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Feb-08-2008	NA	Apr-15-2026	4.92	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Feb-20-2008	NA	Oct-15-2026	5.03	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Apr-16-2008	NA	Apr-15-2027	3.47	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	May-15-2008	NA	Apr-15-2027	0.82	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Jul-14-2008	NA	Oct-15-2027	2.91	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Aug-04-2008	NA	Apr-15-2028	1.93	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Asian Development Bank	Sep-05-2008	NA	Oct-15-2028	1.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Credit National	Apr-29-1989	NA	Jun-30-2028	14.35	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Bank of Tokyo-MUFJ, Singapore	Feb-01-2019	NA	Feb-01-2024	265.01	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Mizuho Bank Limited	Feb-01-2019	NA	Feb-01-2024	482.64	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-Norinchukin, Singapore	Feb-01-2019	NA	Feb-01-2024	217.63	[ICRA]AAA(Stable)/[ICRA]A1+
NA	FCTL-State Bank of India	Dec-20-2019	NA	Dec-20-2024	2077.91	[ICRA]AAA(Stable)
NA	FCTL-Export-Import Bank of India	Oct-13-2020	NA	Oct-13-2025	831.16	[ICRA]AAA(Stable)

NA	FCTL-State Bank of India	Nov-05-2020	NA	Nov-05-2025	1246.75	[ICRA]AAA(Stable)
NA	FCTL-Punjab National Bank	Nov-05-2020	NA	Nov-05-2025	831.16	[ICRA]AAA(Stable)
NA	FCTL-DBS Bank Limited	Nov-05-2020	NA	Nov-05-2025	415.58	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Nov-30-2021	NA	Nov-30-2026	2285.70	[ICRA]AAA(Stable)
NA	FCTL-Bank of Baroda	Nov-30-2021	NA	Nov-30-2026	1246.75	[ICRA]AAA(Stable)
NA	FCTL-Canara Bank	Nov-30-2021	NA	Nov-30-2026	831.16	[ICRA]AAA(Stable)
NA	FCTL-Export-Import Bank of India	Nov-30-2021	NA	Nov-30-2026	831.16	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Dec-28-2022	NA	Dec-28-2026	1036.38	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Dec-28-2022	NA	Dec-28-2027	1036.38	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Dec-28-2022	NA	Dec-28-2028	1036.69	[ICRA]AAA(Stable)
NA	FCTL-MUFG Bank Limited, Singapore	Dec-28-2022	NA	Dec-28-2026	221.32	[ICRA]AAA(Stable)
NA	FCTL-MUFG Bank Limited, Singapore	Dec-28-2022	NA	Dec-28-2027	221.32	[ICRA]AAA(Stable)
NA	FCTL-MUFG Bank Limited, Singapore	Dec-28-2022	NA	Dec-28-2028	221.32	[ICRA]AAA(Stable)
NA	FCTL-Norinchukin, Singapore	Dec-28-2022	NA	Dec-28-2026	98.03	[ICRA]AAA(Stable)
NA	FCTL-Norinchukin, Singapore	Dec-28-2022	NA	Dec-28-2027	98.03	[ICRA]AAA(Stable)
NA	FCTL-Norinchukin, Singapore	Dec-28-2022	NA	Dec-28-2028	98.03	[ICRA]AAA(Stable)
NA	FCTL-Credit Agricole Corporate & Investment Bank	Dec-28-2022	NA	Dec-28-2026	97.17	[ICRA]AAA(Stable)
NA	FCTL-Credit Agricole Corporate & Investment Bank	Dec-28-2022	NA	Dec-28-2027	97.17	[ICRA]AAA(Stable)
NA	FCTL-Credit Agricole Corporate & Investment Bank	Dec-28-2022	NA	Dec-28-2028	97.17	[ICRA]AAA(Stable)
NA	FCTL-Bank of China	Dec-28-2022	NA	Dec-28-2026	217.63	[ICRA]AAA(Stable)
NA	FCTL-Bank of China	Dec-28-2022	NA	Dec-28-2027	217.63	[ICRA]AAA(Stable)
NA	FCTL-Bank of China	Dec-28-2022	NA	Dec-28-2028	217.63	[ICRA]AAA(Stable)
NA	FCTL-Shinsei Bank Limited	Dec-28-2022	NA	Dec-28-2026	39.21	[ICRA]AAA(Stable)
NA	FCTL-Shinsei Bank Limited	Dec-28-2022	NA	Dec-28-2027	39.21	[ICRA]AAA(Stable)
NA	FCTL-Shinsei Bank Limited	Dec-28-2022	NA	Dec-28-2028	39.21	[ICRA]AAA(Stable)
NA	FCTL-The Gunma Bank Limited	Dec-28-2022	NA	Dec-28-2026	39.21	[ICRA]AAA(Stable)
NA	FCTL-The Gunma Bank Limited	Dec-28-2022	NA	Dec-28-2027	39.21	[ICRA]AAA(Stable)
NA	FCTL-The Gunma Bank Limited	Dec-28-2022	NA	Dec-28-2028	39.21	[ICRA]AAA(Stable)
NA	FCTL-Kreditanstalt fur Wiederaufbau(kfw)	Jan-03-2023	NA	Nov-15-2031	703.94	[ICRA]AAA(Stable)
NA	FCTL-Sumitomo Mitsui Banking Corporation	Jan-05-2023	NA	Jan-05-2030	868.30	[ICRA]AAA(Stable)
NA	FCTL-Shinsei Bank Limited	Jan-05-2023	NA	Jan-05-2030	117.64	[ICRA]AAA(Stable)
NA	FCTL-NTT TC Leasing Co. Ltd.	Jan-05-2023	NA	Jan-05-2030	235.28	[ICRA]AAA(Stable)
NA	FCTL-Chang Hwa Commercial Bank Limited	Jan-05-2023	NA	Jan-05-2030	176.46	[ICRA]AAA(Stable)
NA	FCTL-Taiwan Cooperative Bank	Jan-05-2023	NA	Jan-05-2030	176.46	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Mar-27-2023	NA	Mar-27-2024	855.32	[ICRA]A1+
NA	FCTL-State Bank of India	Mar-28-2023	NA	Mar-27-2024	850.97	[ICRA]A1+
NA	FCTL-ICICI Bank Limited	Mar-29-2023	NA	Mar-28-2024	853.72	[ICRA]A1+
NA	FCTL-State Bank of India	Mar-31-2023	NA	Mar-30-2024	1268.74	[ICRA]A1+
NA	FCTL-ICICI Bank Limited	Jun-30-2023	NA	Jun-28-2024	1266.89	[ICRA]A1+
NA	FCTL-Japan Bank for International Cooperation	Jun-20-2023	NA	Apr-20-2038	121.27	[ICRA]AAA(Stable)
NA	FCTL-Bank of Baroda	Sep-25-2023	NA	Sep-25-2028	2077.91	[ICRA]AAA(Stable)
NA	FCTL-Japan Bank for International Cooperation	Sep-27-2023	NA	Jul-20-2036	58.44	[ICRA]AAA(Stable)
NA	FCTL-Bank of Baroda	Sep-27-2023	NA	Sep-27-2028	2077.91	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Dec-19-2023	NA	Dec-19-2028	2077.91	[ICRA]AAA(Stable)
NA	FCTL-IDBI Bank Limited	Dec-19-2023	NA	Dec-19-2028	831.16	[ICRA]AAA(Stable)
NA	FCTL-Axis Bank Limited	Dec-19-2023	NA	Dec-19-2028	415.58	[ICRA]AAA(Stable)
NA	FCTL-HSBC Limited	Dec-19-2023	NA	Dec-19-2028	1662.33	[ICRA]AAA(Stable)
NA	FCTL-State Bank of India	Dec-27-2023	NA	Dec-27-2024	914.28	[ICRA]A1+
NA	CC/OD- IndusInd Bank Limited	Dec-21-2022	NA	NA	500.00	[ICRA]A1+

NA	CC/OD- Citibank N.A.	Feb-28-2023	NA	NA	50.00	[ICRA]A1+
NA	CC/OD- State Bank of India	Mar-09-2023	NA	NA	3500.00	[ICRA]A1+
NA	CC/OD- Yes Bank Limited	Jun-25-2021	NA	NA	300.00	[ICRA]A1+
NA	CC/OD- HDFC Bank Limited	Mar-24-2022	NA	NA	3500.00	[ICRA]A1+
NA	CC/OD- RBL Bank Limited	Apr-26-2022	NA	NA	300.00	[ICRA]A1+
NA	CC/OD- IDFC First Bank Limited	Jul-29-2022	NA	NA	350.00	[ICRA]A1+
NA	CC/OD- Mizuho Bank Limited	Aug-25-2022	NA	NA	250.00	[ICRA]A1+
NA	CC/OD- ICICI Bank Limited	Nov-09-2022	NA	NA	6000.00	[ICRA]A1+
NA^	Long-term borrowing programme of earlier years	NA	NA	NA	139611.84	[ICRA]AAA(Stable)
NA^	Long-term borrowing programme of earlier years	NA	NA	NA	19222.96	[ICRA]AAA(Stable); withdrawn
NA^	LT/ST borrowing programmes from earlier years	NA	NA	NA	12329.22	[ICRA]AAA(Stable)/[ICRA]A1+
NA^	LT/ST borrowing programmes from earlier years	NA	NA	NA	22306.84	[ICRA]AAA(Stable)/[ICRA]A1+; withdrawn
NA^	Short-term borrowing programme of earlier years	NA	NA	7-365 days	31421.26	[ICRA]A1+
NA^	LT borrowing programme FY2024	NA	NA	NA	20926.76	[ICRA]AAA(Stable)
NA^	ST borrowing programme FY2024	NA	NA	7-365 days	43.33	[ICRA]A1+
NA^	ST borrowing programme FY2024	NA	NA	7-365 days	8400.00	[ICRA]A1+; withdrawn
NA^	Long-term/ Short-term borrowing programme FY2024	NA	NA	NA	10000.00	[ICRA]AAA(Stable)/[ICRA]A1+
NA^	LT borrowing programme FY2025	NA	NA	NA	105000.00	[ICRA]AAA(Stable)
NA^	ST borrowing programme FY2025	NA	NA	7-365 days	15000.00	[ICRA]A1+
NA^	Long-term/ Short-term borrowing programme FY2025	NA	NA	NA	10000.00	[ICRA]AAA(Stable)/[ICRA]A1+

Source: PFC; Note: CG bonds: 54EC bonds or capital gain bonds; ^Yet to be placed; Excluding those placed and captured above; STL: Short-term loan; TL: Term loan, CC/OD: Cash credit (including overdraft, working capital loans), ECB: External commercial borrowing; All rated LT/ ST borrowing programmes of earlier years pertain to the long-term borrowings of PFC; CG bonds refer to capital gain tax exemption bonds

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis (for current year and/or previous years)

Company Name	Ownership	Consolidation Approach
Power Finance Corporation Ltd.	Rated Entity	Full Consolidation
REC Limited	Subsidiary	Full Consolidation
PFC Consulting Limited	Subsidiary	Full Consolidation
PFC Projects Limited	Subsidiary	Full Consolidation
Orissa Integrated Power Limited	Associate	Proportionate Consolidation
Coastal Tamil Nadu Power Limited	Associate	Proportionate Consolidation
Sakhigopal Integrated Power Company Limited	Associate	Proportionate Consolidation
Ghogarpalli Integrated Power Company Limited	Associate	Proportionate Consolidation
Deoghar Mega Power Limited	Associate	Proportionate Consolidation
Cheyyur Infra Limited	Associate	Proportionate Consolidation
Odisha Infrapower Limited	Associate	Proportionate Consolidation
Deoghar Infra Limited	Associate	Proportionate Consolidation
Bihar Infrapower Limited	Associate	Proportionate Consolidation
Bihar Mega Power Limited	Associate	Proportionate Consolidation
Jharkhand Infrapower Limited	Associate	Proportionate Consolidation

Source: FY2023 annual report

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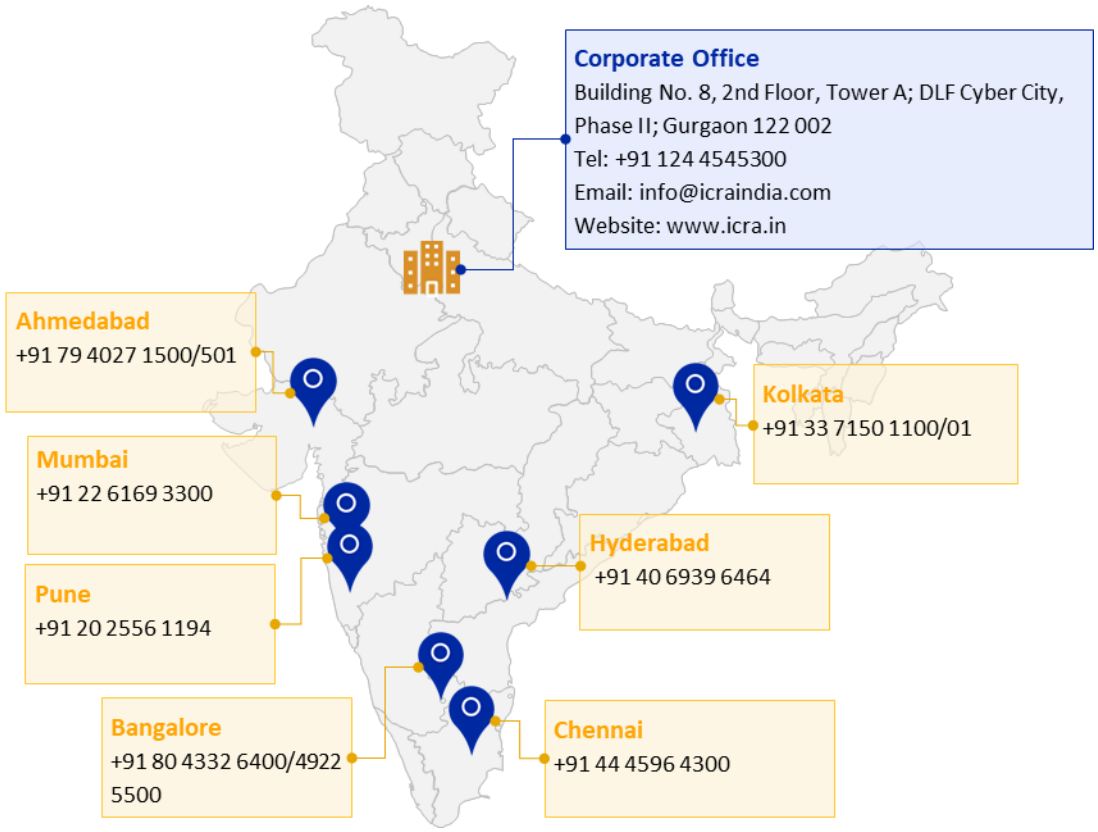
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Power Finance Corporation Limited

March 27, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term market borrowing programme FY25*	1,05,000.00	CARE AAA; Stable	Assigned
Long-term market borrowing programme FY24	87,500.00 (Enhanced from 79,100.00)	CARE AAA; Stable	Reaffirmed
LT/ST Instrument - market borrowing programme FY25	10,000.00	CARE AAA; Stable / CARE A1+	Assigned
LT/ST Instrument - market borrowing programme FY24	10,000.00	CARE AAA; Stable / CARE A1+	Reaffirmed
Perpetual Bonds	500.00	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY23	72,000.00	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY22	39,715.86	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY21	49,935.74 (Reduced from 49,937.70)	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY20	65,046.41 (Reduced from 65,546.41)	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY19	32,777.81 (Reduced from 41,644.47)	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY18	14,198.26	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY17	14,520.00	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY16	2,000.01	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY15	20,037.00	CARE AAA; Stable	Reaffirmed
Long-term market borrowing programme FY14	4,226.36	CARE AAA; Stable	Reaffirmed
Long-term instruments- Subordinate debt FY14	-	-	Withdrawn
Long-term market borrowing programme FY13	5,237.50 (Reduced from 5,242.25)	CARE AAA; Stable	Reaffirmed
Short-term market borrowing programme FY25**	15,000.00	CARE A1+	Assigned
Short-term market borrowing programme FY24	7,000.00 (reduced from 15,400.00)	CARE A1+	Reaffirmed
Short-term market borrowing programme FY23	8,257.62 (reduced from 10,000.00)	CARE A1+	Reaffirmed

* *including sublimit of up to ₹ 500 crore for perpetual debts*

** *including sublimit of up to ₹ 5,000 crore for commercial paper*

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings for the various market borrowing programmes of Power Finance Corporation Limited (PFC) are reaffirmed, as the ratings continue to draw comfort from PFC being strategically important to the Government of India (GoI) for the development of power infrastructure in India, along with the quasi-sovereign status of the company that allows it to have a diversified resource profile at competitive rates of interest. The ratings also take into consideration the improving profitability, asset quality, and capitalisation profile.

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

That said, the rating strengths are offset by the vulnerability due to the exposure towards the private sector, the weak state power utilities (SPU), along with high sectoral concentration risk.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors – Factors that could individually or collectively lead to positive rating action/upgrade:
Not applicable

Negative factors – Factors that could individually or collectively lead to negative rating action/downgrade:
- Any material changes in the shareholding pattern and/or reduced expectation of support from the GoI.
- Significant deterioration in the asset quality profile.
- Significant weakness in the capitalisation profile.

Negative factors (additional) for the perpetual debt – Factors that could, individually or collectively, lead to negative rating action/downgrade:
- Deterioration in the capitalisation levels, with a decline in the cushion over 5% from the regulatory benchmark for the CAR.
- Deterioration in the profitability levels, with a decline in the RoTA below 1%.

Analytical approach:
Standalone, factoring in the timely support from the GoI, given PFC is majorly owned by the GoI and plays a strategic role in the power sector financing and development of India.

Outlook: Stable
CARE Ratings Limited (CARE Ratings) expects that PFC will continue to be strategically important to the government and will continue to play an important role in the development of the power sector.

Detailed description of the key rating drivers:

Key strengths
Strategic importance to and strong support from the GoI
The majority stake of PFC is held by the GoI with 55.99% stake as on December 31, 2023. PFC enjoys patronage from and support of the GoI because of the pivotal role that PFC plays in financing power projects for both, the state and the private sectors, thereby being instrumental in strengthening the power infrastructure of the country. PFC continues to be a strategically important entity for GoI, as it is the nodal agency for various GoI schemes, such as the Revamped Distribution Sector Scheme (RDSS) and Ultra Mega Power Project scheme. Furthermore, PFC, along with REC Limited (REC), are playing an instrumental role in the Late Payment Surcharge and Related Matters Rules, 2022 (LPS), to extend their support to distribution companies (discoms) for the timely payment of their dues. As on September 30, 2023, ₹70,499 crore of the sanction under the LPS is completed by PFC, of which around ₹31,508 crore is disbursed. The said loans are entirely guaranteed by the state government and are to be drawn by the discoms in four years and repaid in maximum 10 years, depending on the quantum of loan. The RDSS has an outlay of ₹303,758 crore.

Additionally, the Ministry of Power (MoP) has initiated a tariff-based competitive bidding process for the development and strengthening of the transmission system through private sector participation. PFC Consulting Limited, a wholly-owned subsidiary of PFC, has been nominated as a bid process coordinator by the MoP, GoI, for the development of independent transmission projects.

CARE Ratings notes the strategic importance of the company to the GoI for the development of power infrastructure in India and expects it to continue in future.

Rising scale of operations
The loan book of PFC has been consistently growing, with a dip in the growth rate in FY22 due to subdued demand in the power sector owing to the slowed start of projects post COVID-19. With the inception of the LPS in FY22 and the momentum pick up in FY23, the loan book for the company grew by 13% y-o-y to ₹422,498 crore as on March 31, 2023 and further grew to ₹457,027 crore as on December 31, 2023 (+8% YTD).

The proportion of loan towards conventional generation companies (gencos) on the overall loan book has been in majority, although it has been coming down, with 39% as on December 31, 2023 from 42% as on March 31, 2023 from 47% as on March 31, 2022 and is expected to slow down consequent to the rise in renewable energy (RE) companies. With the thrust from the government for RE, the proportion of loan towards RE companies has risen to 12% as on December 31, 2023 from 11% as on March 31, 2023 and 10% as on March 31, 2022. Furthermore, with the company lending under the LPS, the loans towards discoms have risen to 40% as on December 31, 2023 from 38% as on March 31, 2023 and 34% as on March 31, 2022. PFC has forayed into lending to the infrastructure sector. The maximum exposure toward the sector will be 30% of the outstanding loan

book subject to two-thirds new sanctions in a financial year towards the power sector. The company's infrastructure loan book is at nascent stage, making 1% of gross loan with ₹ 2,726 crore as on December 31, 2023.

The share of government sector lending has always remained in majority and as on March 31, 2023, the share stood at 83% of loan book down from 84% of loan book as on March 31, 2022. The 1% rise in the private sector loan book is due to the rise in lending towards RE sectors, which is primarily the private sector. As on December 31, 2023, the share of government sector lending stood at 82%. The current disbursements made towards infrastructure lending is towards the government sector. Going forward, CARE Ratings expects PFC to continue to grow at a moderate pace in FY24.

Improving profitability
In FY23, PFC reported a profit after tax (PAT) of ₹11,605 crore, up by 16% y-o-y with the increased loan book (+14% y-o-y) as on March 31, 2023. The yields for the company reduced in FY23 to 9.46% from 9.87% in FY22. The reduced yields are also underpinned by the low yielding loans under the LPS, as these are guaranteed by the GoI. In September – December 2023, the company has increased its lending rate, its impact will be visible in subsequent year. The cost of fund in FY23 reduced to 6.82% from 7.03% in FY22, leading to similar level of net interest margins (NIM) in FY23 (3.46%) as compared with FY22 (3.61%). The operating expenses ratio continued to remain low (0.60%) in FY23 due to wholesale lending model. The credit cost for PFC is negative 0.07% in FY23 as against 0.57% in FY22. This is due to the provisioning reversal done on the recovery received on the non-performing assets (NPA) resolution. With this, the return on total assets (RoTA) improved to 2.79% in FY23 from 2.58% in FY22.

In 9MFY24, the company reported PAT of ₹10,232 crore with RoTA increasing to 2.95% owing to rise in other income ratio and reduction in operating expenses ratio.

Going forward, CARE Ratings expects PFC to continue to report moderate profitability.

Improving asset quality metrics
The asset quality of PFC has been on an improving trend over many previous years. Minimal slippages along with sizable recoveries owing to the resolution through the National Company Law Tribunal and the normal course, the company has reported a reduction in the gross non-performing assets (GNPA) ratio to 3.91% as on March 31, 2023 and further to 3.52% as on December 31, 2023, from 5.61% as on March 31, 2022. The entire GNPA as on March 31, 2023 and December 31, 2023, comes from PFC's private sector exposure.

Comfortable capital position
The company's gearing level has been improving since FY19 owing to the rise in internal accruals. As on March 31, 2023, the gearing levels improved to 7.5x and 6.7x as on December 31, 2023 from 8.0x as on March 31, 2022. The capital adequacy ratio (CAR) has also increased to 24% as on March 31, 2023 and 27% as on December 31, 2023, from 23% as on March 31, 2022. Going forward, the CAR is expected to remain at adequate level owing to lower risk weight applicable to the exposures backed by state government guarantees.

Diversified resource base
As a quasi-sovereign financial institution, PFC is able to manage a well-diversified resource profile and can mobilise funds at cost-effective rates from various sources, such as external commercial borrowings (ECBs), international agencies like the Asian Development Bank and KFW Development Bank, domestic financial institutions, long-term bonds, bank loans, commercial papers (CPs), capital gains, tax exemption bonds, infrastructure bonds, and tax-free bonds.

The borrowings by PFC have increased by 13% y-o-y to ₹362,638 crore as on March 31, 2023 and further rose to ₹394,113 crore as on December 31, 2023 (+9% YTD). The borrowing profile remained largely stable in FY23, with the majority of the borrowings coming from domestic bonds (57%), followed by Rupee term loan from banks and financial institutions (19%), foreign currency borrowings (18%), subordinated bonds (3%), 54 EC bonds (2%), and the balance by cash credit or overdraft or line of credit. The borrowing mix as on December 31, 2023 remained at similar level to March 31, 2023.

Key weaknesses

Sectoral concentration of operations, although diversification initiated; customer-wise concentrated operations
Owing to its mandate, the operations of PFC are concentrated towards the power sector. Going forward, CARE Ratings expects the loan book diversification to improve owing to the company foraying into infrastructure lending. Under the infrastructure sector, the company has sanctions of ₹16,647 crore and disbursals of ₹1,016 crore, the share of infrastructure lending in the overall loan book is negligible to 0.24% as on March 31, 2023, although it is expected to rise in the next two to three years.

PFC was exempted from following the single entity or group exposure norms and concentration limits that are applicable to non-banking finance companies (NBFCs) up to March 31, 2022. Owing to its business model and strategic importance to the GoI, the Reserve Bank of India (RBI), vide its letter dated August 24, 2022, allowed the existing exposure as on August 24, 2022, to run off until maturity without invoking any regulatory violation and conform to the RBI credit concentration norms with regard to new exposure. The borrower concentration continues to make the company's credit profile vulnerable, with the top 20 customers contributing to 61% of the total loans as on March 31, 2023, although improved from 64% of the total loans as on March 31, 2022. Furthermore, the entire top 10 customers are from the government sector.

The state-wise concentration persists for PFC, with 15% of the gross loans as on March 31, 2023, towards Telangana and the top four states out of 29 states and Union Territories (Telangana, Tamil Nadu, Uttar Pradesh and Rajasthan) make majority of the proportion of the loan, i.e., 55% of the gross loans as on March 31, 2023.

Owing to the mandate for wholesale lending, CARE Ratings expects the customer-wise concentration will persist going forward.

Liquidity: Adequate

PFC's asset liability maturity (ALM) profile is typically characterised by sizeable cumulative negative mismatches in up to one-year buckets, given the relatively long tenure of the loans extended by it. As per the ALM statement as on March 31, 2023, PFC has positive cumulative mismatches for all time buckets except over two months to three months' time bucket. Also, if the interest components are not considered, there is negative cumulative mismatches from 15 days to over five years' time bucket. To mitigate the negative cumulative mismatches, the company has short-term bank lines of ₹10,000 crore. The liquidity profile of PFC is expected to remain comfortable with PFC's strong financial flexibility arising from sovereign ownership and the diversified funding profile as well as undrawn sanctioned bank lines. Any gaps between the outflows and inflows are partially bridged through cash and investments in government securities and sizeable unutilised bank lines.

Environment, social, and governance (ESG) risks

Given that PFC is engaged in the lending business, it is exposed to the environmental risks indirectly through their portfolio of assets. In case the entities on which PFC has an exposure faces environmental or regulatory risks, it can translate into credit risks for PFC.

PFC is focusing on financing the renewable sector with 11% of its loan book towards it, which translates to ₹48,198 crore as on March 31, 2023, comprising solar, wind and hydro projects, etc. PFC established its Green Bond Framework in October 2017, as approved by the Climate Bonds Initiative, London, UK. The Green Bond framework for funding renewable projects (viz, solar and wind) has been updated in August 2021, to align with the latest set of guidelines. PFC had issued its first US Dollar Green bond in December 2017 and raised US$ 400 million (₹2,575 crore). Furthermore, in September 2021, PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (₹2,597 crore).

Applicable criteria

Definition of Default
Factoring Linkages Government Support
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Withdrawal Policy
Short Term Instruments
Non Banking Financial Companies

About the company and industry

Industry classification

Macro-economic indicator	Sector	Industry	Basic industry
Financial Services	Financial services	Finance	Non-banking financial company (NBFC)

PFC was set up in the year 1986 as a financial institution dedicated to power sector financing. The corporation was notified as a public financial institution in 1990 under the Companies Act, 1956. Until 1996, PFC lent exclusively to the public sector entities. Since 1996, it has expanded its customer profile to include private sector power utilities and projects. In 2010, the RBI had classified the company as an Infrastructure Finance Company (NBFC-ND-IFC). The product portfolio of PFC includes financial products and services like rupee term loans, short-term loans, equipment lease financing and transitional financing services, etc, for various power projects in the generation, transmission and distribution sector. PFC'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.

Brief Financials (₹ crore)	31-03-2022 (A)	31-03-2023 (A)	9MFY24 (UA)
Total income	38,591	39,666	33,785
PAT	10,022	11,605	10,232

Brief Financials (₹ crore)	31-03-2022 (A)	31-03-2023 (A)	9MFY24 (UA)
Interest coverage (times)	1.54	1.61	1.61
Total assets	390,258	440,789	484,135
Net NPA (%)	1.76	1.07	0.90
ROTA (%)	2.58	2.79	2.95

A: Audited UA: Unaudited. Note: The above results are the latest financial results available.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
7.38% Tax Free Bond Series 94-B	INE134E07307	22-Nov-2012	7.38	22-Nov-2027	25.00	CARE AAA; Stable
7.38% Tax Free Bonds Series 95 B	INE134E07323	29-Nov-2012	7.38	29-Nov-2027	100.00	CARE AAA; Stable
7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.36	04-Jan-2028	179.99	CARE AAA; Stable
7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	INE134E07349	04-Jan-2013	7.86	04-Jan-2028	177.01	CARE AAA; Stable
7.04% TR-2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.04	28-Mar-2028	13.35	CARE AAA; Stable
7.54% TR 2 TAX FREE BONDS 12-13	INE134E07364	28-Mar-2013	7.54	28-Mar-2028	55.85	CARE AAA; Stable
9.00% PFC BOND SERIES 101-B	INE134E08FL2	11-Mar-2013	9	11-Mar-2028	1370.00	CARE AAA; Stable
8.90% PFC BOND SERIES 102-A (III)	INE134E08FO6	18-Mar-2013	8.9	18-Mar-2028	403.00	CARE AAA; Stable
8.94% PFC BOND SERIES 103	INE134E08FQ1	25-Mar-2013	8.94	25-Mar-2028	2807.00	CARE AAA; Stable
KFW Development Bank	Foreign Currency Term Loan			30-Jun-35	41.34	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan**			15-Apr-23	0.00	Withdrawn
Asian Development Bank	Foreign Currency Term Loan**			15-Oct-23	0.00	Withdrawn
Asian Development Bank	Foreign Currency Term Loan			15-Oct-25	19.93	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Apr-26	4.92	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Oct-26	5.03	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Apr-27	3.47	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Apr-27	0.82	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Asian Development Bank	Foreign Currency Term Loan			15-Oct-27	2.81	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Apr-28	1.93	CARE AAA; Stable
Asian Development Bank	Foreign Currency Term Loan			15-Oct-28	1.00	CARE AAA; Stable
Credit National	Foreign Currency Term Loan			30-Jun-28	14.35	CARE AAA; Stable
8.46% Tax Free Bond Series 107-B	INE134E07380	30-Aug-2013	8.46	30-Aug-2028	1,011.00	CARE AAA; Stable
8.54% TAX FREE BONDS 13-14 SERIES 2A	INE134E07430	16-Nov-2013	8.54	16-Nov-2028	932.70	CARE AAA; Stable
8.79% TAX FREE BONDS 13-14 SERIES 2B	INE134E07448	16-Nov-2013	8.79	16-Nov-2028	353.32	CARE AAA; Stable
8.67% TAX FREE BONDS 13-14 SERIES 3A	INE134E07455	16-Nov-2013	8.67	16-Nov-2033	1,067.38	CARE AAA; Stable
8.92% TAX FREE BONDS 13-14 SERIES 3B	INE134E07463	16-Nov-2013	8.92	16-Nov-2033	861.96	CARE AAA; Stable
9.70% PFC SUBORDINATED TIER II BOND SERIES-114	INE134E08FX7**	21-Feb-2014	9.7	21-Feb-2024	0.00	Withdrawn
9.37% PFC BOND SERIES 117 OPTION-B	INE134E08GD7	19-Aug-2014	9.37	19-Aug-2024	855.00	CARE AAA; Stable
9.39% PFC BOND SERIES 118 OPTION B-II	INE134E08GG0	27-Aug-2014	9.39	27-Aug-2024	460.00	CARE AAA; Stable
9.39% PFC BOND SERIES 118 OPTION B-III	INE134E08GH8	27-Aug-2014	9.39	27-Aug-2029	460.00	CARE AAA; Stable
8.98% PFC BOND SERIES 120 Option -A	INE134E08GK2	08-Oct-2014	8.98	08-Oct-2024	961.00	CARE AAA; Stable
8.98% PFC BOND SERIES 120 Option -B	INE134E08GL0	08-Oct-2014	8.98	08-Oct-2024	950.00	CARE AAA; Stable
8 48 TX USC BND SRS 124 C	INE134E08GU1	09-Dec-2014	8.48	09-Dec-2024	1,000.00	CARE AAA; Stable
8 65 TX USC BND SRS 125	INE134E08GV9	29-Dec-2014	8.65	29-Dec-2024	2,826.00	CARE AAA; Stable
8 65 TX USC BND SRS 126	INE134E08GW7	05-Jan-2015	8.65	05-Jan-2025	5,000.00	CARE AAA; Stable
8 20 TX USC BND SRS 128	INE134E08GY3	10-Mar-2015	8.2	10-Mar-2025	1,600.00	CARE AAA; Stable
8 39 TX USC BND SRS 130 C	INE134E08HD5	19-Mar-2015	8.39	19-Apr-2025	925.00	CARE AAA; Stable
8 41 TX USC BND SRS 131 C	INE134E08HG8	27-Mar-2015	8.41	27-Mar-2025	5,000.00	CARE AAA; Stable
7 16 TF SEC BND SRS 136	INE134E07521	17-Jul-2015	7.16	17-Jul-2025	300.00	CARE AAA; Stable
7.11% TAXFREE BONDS 1A 17.10.2025	INE134E07539	17-Oct-2015	7.11	17-Oct-2025	75.10	CARE AAA; Stable
7.36% TAXFREE BONDS 1B 17.10.2015	INE134E07547	17-Oct-2015	7.36	17-Oct-2025	79.35	CARE AAA; Stable
7.27% TAXFREE BONDS 2A 17.10.2015	INE134E07554	17-Oct-2015	7.27	17-Oct-2030	131.33	CARE AAA; Stable
7.52% TAXFREE BONDS 2B 17.10.2015	INE134E07562	17-Oct-2015	7.52	17-Oct-2030	45.18	CARE AAA; Stable
7.35% TAXFREE BONDS 3A 17.10.2015	INE134E07570	17-Oct-2015	7.35	17-Oct-2035	213.57	CARE AAA; Stable
7.60% TAXFREE BONDS 3B 17.10.2015	INE134E07588	17-Oct-2015	7.6	17-Oct-2035	155.48	CARE AAA; Stable
8 40 TX USC BND SRS 141 B	INE134E08HX3	18-Sep-2015	8.4	18-Sep-2025	1,000.00	CARE AAA; Stable
8 03 TX USC BND SRS 147	INE134E08IE1	02-May-2016	8.03	02-May-2026	1,000.00	CARE AAA; Stable
7 63 TX USC BND SRS 150 B	INE134E08II2	16-Aug-2016	7.63	16-Aug-2026	1,675.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
7 56 TX USC BND SRS 151 B	INE134E08IK8	16-Sep-2016	7.56	16-Sep-2026	210.00	CARE AAA; Stable
7 55 TX USC BND SRS 152	INE134E08IL6	26-Sep-2016	7.55	26-Sep-2026	4,000.00	CARE AAA; Stable
7 23 TX USC BND SRS 155	INE134E08IO0	05-Jan-2017	7.23	05-Jan-2027	2,635.00	CARE AAA; Stable
156	INE134E08IP7	11-01-2017	7.10%	11-Jan-27	200.00	CARE AAA; Stable
158	INE134E08IR3	20-01-2017	7.18%	20-Jan-27	1,335.00	CARE AAA; Stable
160	INE134E08IT9	20-02-2017	7.60%	20-Feb-27	1,465.00	CARE AAA; Stable
164	INE134E08IX1	22-03-2017	7.75%	22-Mar-27	2,000.00	CARE AAA; Stable
7 44 TX USC BND SRS 168 B	INE134E08JC3	12-Jun-2017	7.44	12-Jun-2027	1,540.00	CARE AAA; Stable
7 30 TX USC BND SRS 169 B	INE134E08JE9	08-Aug-2017	7.3	08-Aug-2027	1,500.00	CARE AAA; Stable
7 65 TX USC BND SRS 170 B	INE134E08JG4	22-Nov-2017	7.65	22-Nov-2027	2,001.00	CARE AAA; Stable
7 62 TX USC BND SRS 171	INE134E08JH2	15-Dec-2017	7.62	15-Dec-2027	5,000.00	CARE AAA; Stable
7 74 BS 172 TAXABLE BONDS 29 01 2028	INE134E08JI0	30-Jan-2018	7.74	30-Jan-2028	850.00	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	831.16	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	2418.69	CARE AAA; Stable
3.75% USD GREEN BONDS 2027	XS1725342288	06-12-2017	3.75	06-12-2027	43.15	CARE AAA; Stable
5 75 SEC 54EC BD SR 2 1819 10	INE134E07745**	31-Oct-2018	5.75	31-Oct-2023	0.00	Withdrawn
5 75 SEC 54EC BD SR 2 1819 01	INE134E07778**	31-Jan-2019	5.75	31-Jan-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 2 1819 02	INE134E07786**	28-Feb-2019	5.75	28-Feb-2024	0.00	Withdrawn
5.75 SEC 54EC BD SR 2 1819 03	INE134E07794	31-Mar-2019	5.75	31-Mar-2024	145.38	CARE AAA; Stable
7 85 TX USC BND SRS 177	INE134E08JP5	03-Apr-2018	7.85	03-Apr-2028	3,855.00	CARE AAA; Stable
8 95 TX USC BND SRS 178	INE134E08JQ3	10-Oct-2018	8.95	10-Oct-2028	3,000.00	CARE AAA; Stable
8 67 TX USC BND SRS 179 A	INE134E08JR1	19-Nov-2018	8.67	19-Nov-2028	1,007.00	CARE AAA; Stable
8 64 TX USC BND SRS 179 B	INE134E08JS9	19-Nov-2018	8.64	19-Nov-2033	528.40	CARE AAA; Stable
8 75 TX USC BND SRS 180	INE134E08JT7	22-Feb-2019	8.75	22-Feb-2034	2,654.00	CARE AAA; Stable
9 25 TX USC BND SRS 184 A	INE134E08JY7	25-Mar-2019	9.25	25-Sep-2024	2,000.00	CARE AAA; Stable
9 10 TX USC BND SRS 184 B	INE134E08JX9	25-Mar-2019	9.1	25-Mar-2029	2411.50	CARE AAA; Stable
8 98 TX USC BND SRS 185	INE134E08JZ4	28-Mar-2019	8.98	28-Mar-2029	1,000.00	CARE AAA; Stable
5.25% USD 300 MN NOTES 2028	XS1864036576	10-08-2018	5.25	10-08-2028	2,493.49	CARE AAA; Stable
6 15 GMTN BONDS USD 500MN	US73928RAA41 (REG S) ; US73928QAA67 (144A)	06-12-2018	6.15	06-12-2028	4,155.82	CARE AAA; Stable
Canara Bank	Rupee Term Loan**			20-Feb-2024	0.00	withdrawn
Punjab National Bank	Rupee Term Loan			25-Feb-2025	375.00	CARE AAA; Stable
Bank of India	Rupee Term Loan			02-Mar-2025	1,000.00	CARE AAA; Stable
Union Bank of India	Rupee Term Loan**			15-Mar-2024	0.00	withdrawn
HDFC Bank	Rupee Term Loan**			05-Oct-2023	0.00	withdrawn
Punjab National Bank	Rupee Term Loan**			24-Dec-2023	0.00	withdrawn
Canara Bank	Rupee Term Loan**			28-Dec-2023	0.00	withdrawn
Canara Bank	Rupee Term Loan**			15-Jan-2024	0.00	withdrawn
Bank of India	Rupee Term Loan**			21-Jan-2024	0.00	withdrawn

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Bank of India	Rupee Term Loan**			21-Jan-2024	0.00	withdrawn
NSSF	Rupee Term Loan			27-Dec-2028	7,500.00	CARE AAA; Stable
Bank of Baroda	Foreign Currency Term Loan**			26-Sep-23	0.00	withdrawn
Bank of Tokyo-MUFJ, Singapore	Foreign Currency Term Loan			01-Feb-24	265.01	CARE AAA; Stable
Mizuho Bank, Singapore	Foreign Currency Term Loan			01-Feb-24	0.00	withdrawn
Norinchukin Bank, Singapore	Foreign Currency Term Loan**			01-Feb-24	0.00	withdrawn
5.75 SEC 54EC BD SR 3 1920 04	INE134E07810	30-Apr-2019	5.75	30-Apr-2024	48.91	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 05	INE134E07828	31-May-2019	5.75	31-May-2024	72.72	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 06	INE134E07836	30-Jun-2019	5.75	30-Jun-2024	81.73	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 07	INE134E07844	31-Jul-2019	5.75	31-Jul-2024	117.29	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 08	INE134E07851	31-Aug-2019	5.75	31-Aug-2024	105.73	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 09	INE134E07869	30-Sep-2019	5.75	30-Sep-2024	102.03	CARE AAA; Stable
5.75 SEC 54EC BD SR 3 1920 10	INE134E07877	01-Nov-2019	5.75	31-Oct-2024	92.09	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 11	INE134E07885	30-Nov-2019	5.75	30-Nov-2024	89.96	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 12	INE134E07893	31-Dec-2019	5.75	31-Dec-2024	93.08	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 01	INE134E07901	31-Jan-2020	5.75	31-Jan-2025	94.02	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 02	INE134E07919	29-Feb-2020	5.75	01-Mar-2025	107.88	CARE AAA; Stable
5 75 SEC 54EC BD SR3 1920 03	INE134E07927	31-Mar-2020	5.75	31-Mar-2025	129.01	CARE AAA; Stable
8 7929 TX USC BND SRS 186	INE134E08KA5	30-Apr-2019	8.79	30-Apr-2034	2578.90	CARE AAA; Stable
8 85 TX USC BND SRS 187 B	INE134E08KC1	27-May-2019	8.85	27-May-2029	1,982.00	CARE AAA; Stable
8 10 TX USC BND SRS 188	INE134E08KD9	04-Jun-2019	8.1	04-Jun-2024	691.10	CARE AAA; Stable
8 15 TX USC BND SRS 189	INE134E08KE7	08-Aug-2019	8.15	08-Aug-2034	4,035.00	CARE AAA; Stable
8 25 TX USC BND SRS 190	INE134E08KF4	06-Sep-2019	8.25	06-Sep-2034	4,016.00	CARE AAA; Stable
7 42 TX USC BND SRS 192	INE134E08KH0	19-Nov-2019	7.42	19-Nov-2024	3,000.00	CARE AAA; Stable
7 93 TX USC BND SRS 193	INE134E08KI8	31-Dec-2019	7.93	31-Dec-2029	4,711.00	CARE AAA; Stable
7 86 TX USC BND SRS 195	INE134E08KK4	14-Jan-2020	7.86	12-Apr-2030	1,100.00	CARE AAA; Stable
7 41 TX USC BND SRS 196	INE134E08KL2	25-Feb-2020	7.41	25-Feb-2030	2,500.00	CARE AAA; Stable
7 41 TX USC BND SRS 197	INE134E08KM0	02-Mar-2020	7.41	15-May-2030	5,000.00	CARE AAA; Stable
3 75 USD BONDS 2024	XS2009878880	18-06-2019	3.75	18-06-2024	3324.66	CARE AAA; Stable
4 50 USD BONDS 2029	XS2013531061	18-06-2019	4.5	18-06-2029	4986.98	CARE AAA; Stable
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	2077.91	CARE AAA; Stable
3 25 USD BONDS 2024	XS2049301042	16-09-2019	3.25	16-09-2024	415.58	CARE AAA; Stable
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	3324.66	CARE AAA; Stable
3 90 USD BONDS 2029	XS2051369671	16-09-2019	3.9	16-09-2029	415.58	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	831.16	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	4986.98	CARE AAA; Stable
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	355.68	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
3 95 USD BONDS 2030	US73928RAB24 (REG S); US73928QAB41 (144A)	23-01-2020	3.95	23-04-2030	59.91	CARE AAA; Stable
Canara Bank	Rupee Term Loan 1			21-Jun-24	500.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan 2			24-Jun-2024	500.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan			29-Jun-2024	1,000.00	CARE AAA; Stable
Indian Bank	Rupee Term Loan			29-Jun-26	1,800.00	CARE AAA; Stable
Union Bank of India	Rupee Term Loan			30-Sep-24	100.00	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan			30-Sep-25	112.50	CARE AAA; Stable
Indian Bank	Rupee Term Loan			02-Jan-2027	54.80	CARE AAA; Stable
Indian Bank	Rupee Term Loan			02-Jan-2027	445.20	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	500.00	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	470.00	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	1,170.00	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	262.20	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	167.80	CARE AAA; Stable
SBI	Rupee Term Loan			19-Dec-2024	430.00	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan			20-Mar-2025	333.33	CARE AAA; Stable
Canara Bank	Rupee Term Loan			20-Mar-2024	218.75	CARE AAA; Stable
Union Bank of India	Rupee Term Loan			23-Mar-2025	625.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan			23-Mar-2026	200.00	CARE AAA; Stable
UCO Bank	Rupee Term Loan**			31-Mar-2023	0.00	withdrawn
Union Bank of India	Rupee Term Loan			15-Jan-2025	400	CARE AAA; Stable
State Bank of India	Foreign Currency Term Loan			20-Dec-24	2077.91	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 04	INE134E07935	30-Apr-2020	5.75	30-Apr-2025	12.44	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 05	INE134E07943	31-May-2020	5.75	31-May-2025	39.39	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 06	INE134E07950	30-Jun-2020	5.75	30-Jun-2025	117.99	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 07	INE134E07976	31-Jul-2020	5.75	31-Jul-2025	82.56	CARE AAA; Stable
5 75 SEC 54EC BD SR 4 2021 08	INE134E07984	31-Aug-2020	5	31-Aug-2025	26.03	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 09	INE134E07992	30-Sep-2020	5	30-Sep-2025	61.44	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 10	INE134E07AA8	01-Nov-2020	5	31-Oct-2025	45.90	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 11	INE134E07AB6	01-Dec-2020	5	30-Nov-2025	48.87	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 12	INE134E07AC4	31-Dec-2020	5	31-Dec-2025	86.18	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 01	INE134E07AD2	31-Jan-2021	5	31-Jan-2026	76.54	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 02	INE134E07AE0	28-Feb-2021	5	28-Feb-2026	101.96	CARE AAA; Stable
5 00 SEC 54EC BD SR 4 2021 03	INE134E07AF7	31-Mar-2021	5	31-Mar-2026	238.47	CARE AAA; Stable
4 80 SEC TAX NCD PI TR I SER I CAT III-IV	INE134E07AH3**	22-Jan-2021	4.8	22-Jan-2024	0.00	Withdrawn
5 65 SEC TAX NCD PI TR I SER II CAT I-II	INE134E07AI1	22-Jan-2021	5.65	22-Jan-2026	27.05	CARE AAA; Stable
5 80 SEC TAX NCD PI TR I SER II CAT III-IV	INE134E07AJ9	22-Jan-2021	5.8	22-Jan-2026	3.50	CARE AAA; Stable
6 63 SEC TAX NCD PI TR I SER III CAT I-II	INE134E07AK7	22-Jan-2021	6.63	22-Jan-2031	0.50	CARE AAA; Stable
6 82 SEC TAX NCD PI TR I SER III CAT III-IV	INE134E07AL5	22-Jan-2021	6.82	22-Jan-2031	28.74	CARE AAA; Stable
6 80 SEC TAX NCD PI TR I SER IV CAT I-II	INE134E07AM3	22-Jan-2021	6.8	22-Jan-2031	33.67	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV	INE134E07AN1	22-Jan-2021	7	22-Jan-2031	1,635.53	CARE AAA; Stable
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II	INE134E07AO9	22-Jan-2021	7.3	22-Jan-2031	10.35	CARE AAA; Stable
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV	INE134E07AP6	22-Jan-2021	7.5	22-Jan-2031	1,250.73	CARE AAA; Stable
6 78 SEC TAX NCD PI TR I SER VI CAT I-II	INE134E07AQ4	22-Jan-2021	6.78	22-Jan-2036	3.50	CARE AAA; Stable
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV	INE134E07AR2	22-Jan-2021	6.97	22-Jan-2036	53.36	CARE AAA; Stable
6 95 SEC TAX NCD PI TR I SER VII CAT I-II	INE134E07AS0	22-Jan-2021	6.95	22-Jan-2036	50.05	CARE AAA; Stable
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV	INE134E07AT8	22-Jan-2021	7.15	22-Jan-2036	1,330.05	CARE AAA; Stable
7 16 TX USC BND SRS 199B	INE134E08KP3	24-Apr-2020	7.16	24-Apr-2025	1,320.00	CARE AAA; Stable
7 40 TX USC BND SRS 200	INE134E08KQ1	08-May-2020	7.4	08-May-2030	2,920.00	CARE AAA; Stable
7 68 TX USC BND SRS 201	INE134E08KR9	15-May-2020	7.68	15-Jul-2030	3,101.30	CARE AAA; Stable
7 17 TX USC BND SRS 202B	INE134E08KT5	22-May-2020	7.17	22-May-2025	810.00	CARE AAA; Stable
7 79 TX USC BND SRS 202C	INE134E08KU3	22-May-2020	7.79	22-Jul-2030	1,936.00	CARE AAA; Stable
7 75 TX USC BND SRS 203B	INE134E08KV1	11-Jun-2020	7.75	11-Jun-2030	3,318.00	CARE AAA; Stable
7 41 TX USC BND SRS 196R1	INE134E08KL2	14-Jul-2020	7.41	25-Feb-2030	1,500.00	CARE AAA; Stable
5 77 TX USC BND SRS 204A	INE134E08KX7	28-Jul-2020	5.77	11-Apr-2025	900.00	CARE AAA; Stable
6 88 TX USC BND SRS 204B	INE134E08KY5	28-Jul-2020	6.88	11-Apr-2031	1,300.00	CARE AAA; Stable
7 05 TX USC BND SRS 205A	INE134E08KZ2	10-Aug-2020	7.05	10-Aug-2030	1,610.10	CARE AAA; Stable
7 20 TX USC BND SRS 205B	INE134E08LA3	10-Aug-2020	7.2	10-Aug-2035	1,605.70	CARE AAA; Stable
7 04 TX USC BND SRS 207	INE134E08LC9	09-Sep-2020	7.04	16-Dec-2030	1,097.40	CARE AAA; Stable
6 50 TX USC BND SRS 208	INE134E08LD7	17-Sep-2020	6.5	17-Sep-2025	2,806.00	CARE AAA; Stable
7 34 TX USC BND SRS 209	INE134E08LE5	29-Sep-2020	7.34	29-Sep-2035	1,711.00	CARE AAA; Stable
7 04 TX USC BND SRS 207R1	INE134E08LC9	11-Nov-2020	7.04	16-Dec-2030	2,549.10	CARE AAA; Stable
3 35 USD BONDS 2031	XS2282240907	28-01-2021	3.35	16-05-2031	4,155.82	CARE AAA; Stable
State Bank of India	Rupee Term Loan			10-Jul-2025	2,855.00	CARE AAA; Stable
Indian Bank	Rupee Term Loan			28-Sep-2025	562.50	CARE AAA; Stable
Union Bank of India	Rupee Term Loan			30-Sep-2025	900.00	CARE AAA; Stable
Bank of India	Rupee Term Loan			11-Sep-2026	750.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan			22-Sep-2026	1000	CARE AAA; Stable
EXIM Bank	Foreign Currency Term Loan			13-Oct-25	831.16	CARE AAA; Stable
State Bank of India	Foreign Currency Term Loan			05-Nov-25	1246.75	CARE AAA; Stable
Punjab National Bank	Foreign Currency Term Loan			05-Nov-25	831.16	CARE AAA; Stable
DBS Bank	Foreign Currency Term Loan			05-Nov-25	415.58	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 04	INE134E07AU6	30-Apr-2021	5	30-Apr-2026	74.66	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 05	INE134E07AV4	31-May-2021	5	31-May-2026	66.60	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 06	INE134E07AW2	30-Jun-2021	5	30-Jun-2026	103.86	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 07	INE134E07AX0	31-Jul-2021	5	31-Jul-2026	131.00	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 08	INE134E07AY8	31-Aug-2021	5	31-Aug-2026	106.04	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 09	INE134E07AZ5	30-Sep-2021	5	30-Sep-2026	135.76	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 10	INE134E07BA6	31-Oct-2021	5	31-Oct-2026	94.42	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 11	INE134E07BB4	30-Nov-2021	5	30-Nov-2026	84.94	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
5 00 SEC 54EC BD SR 5 2122 12	INE134E07BC2	31-Dec-2021	5	31-Dec-2026	125.81	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 01	INE134E07BD0	31-Jan-2022	5	31-Jan-2027	111.14	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 02	INE134E07BE8	28-Feb-2022	5	28-Feb-2027	130.49	CARE AAA; Stable
5 00 SEC 54EC BD SR 5 2122 03	INE134E07BF5	31-Mar-2022	5	31-Mar-2027	269.93	CARE AAA; Stable
6 35 TX USC BND SRS 210A STRPP1	INE134E08LF2	30-Jun-2021	6.35	30-Jun-2025	405.60	CARE AAA; Stable
6 35 TX USC BND SRS 210A STRPP2	INE134E08LG0	30-Jun-2021	6.35	30-Jun-2026	540.80	CARE AAA; Stable
6 35 TX USC BND SRS 210A STRPP3	INE134E08LH8	30-Jun-2021	6.35	30-Jun-2027	405.60	CARE AAA; Stable
7 11 TX USC BND SRS 210B	INE134E08LI6	30-Jun-2021	7.11	30-Jun-2036	1,933.50	CARE AAA; Stable
4 05 TX USC BND SRS 211 Floating	INE134E08LJ4	02-Aug-2021	6.21	02-Aug-2024	1,985.00	CARE AAA; Stable
7 15 TX USC BND SRS 212B	INE134E08LL0	27-Aug-2021	7.15	27-Aug-2036	2,343.70	CARE AAA; Stable
6 09 TX USC BND SRS 212 A	INE134E08LK2	27-Aug-2021	6.09	27-Aug-2026	2,450.00	CARE AAA; Stable
6 95 TX UNS BND SRS 213	INE134E08LM8	01-Oct-2021	6.95	01-Oct-2031	1,988.00	CARE AAA; Stable
6 92 TX USC BND SRS 214 BBETF	INE134E08LN6	21-Dec-2021	6.92	14-Apr-2032	1,180.00	CARE AAA; Stable
7 66 TX UNS BND SRS 226A	INE134E08MH6	27-Mar-2023	7.66	15-Apr-2033	1200.00	CARE AAA; Stable
7 70 TX UNS BND SRS 226B	INE134E08MI4	27-Mar-2023	7.7	15-Apr-2033	583.50	CARE AAA; Stable
7 70 TX UNS BND SRS 227A	INE134E08MK0	31-Mar-2023	7.7	15-Sep-2026	1200.00	CARE AAA; Stable
7 77 TX UNS BND SRS 227B	INE134E08MJ2	31-Mar-2023	7.77	15-Apr-2028	1390.00	CARE AAA; Stable
1 841 EUR BOND 2028	XS2384373341	20-09-2021	1.84	21-09-2028	2760.15	CARE AAA; Stable
Bank of India	Rupee Term Loan			18-Sep-2028	50.00	CARE AAA; Stable
Bank of India	Rupee Term Loan			18-Sep-2028	100.00	CARE AAA; Stable
Bank of India	Rupee Term Loan			18-Sep-2028	50.00	CARE AAA; Stable
Bank of India	Rupee Term Loan			18-Sep-2028	300.00	CARE AAA; Stable
UCO Bank	Rupee Term Loan			24-Sep-2026	1,000.00	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan			27-Sep-2026	425.00	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan			27-Sep-2026	75.00	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan			29-Sep-2026	5.00	CARE AAA; Stable
HDFC Bank	Rupee Term Loan			30-Sep-2025	3,000.00	CARE AAA; Stable
Central Bank of India	Rupee Term Loan			31-Mar-2027	1,000.00	CARE AAA; Stable
Union Bank of India	Rupee Term Loan			31-Mar-2028	3,000.00	CARE AAA; Stable
IIFCL	Rupee Term Loan			30-Sep-2026	1,000.00	CARE AAA; Stable
Yes Bank	WCDL				300.00	CARE AAA; Stable
State Bank of India	Foreign Currency Term Loan			30-Nov-26	2285.70	CARE AAA; Stable
Bank of Baroda	Foreign Currency Term Loan			30-Nov-26	1246.75	CARE AAA; Stable
Canara Bank	Foreign Currency Term Loan			30-Nov-26	831.16	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 04	INE134E07BG3	30-Apr-2022	5	30-Apr-2027	182.00	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 05	INE134E07BH1	31-May-2022	5	31-May-2027	190.40	CARE AAA; Stable
35 00 SEC 54EC BD SR 6 2223 06	INE134E07BI9	30-Jun-2022	5	30-Jun-2027	180.62	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 07	INE134E07BJ7	31-Jul-2022	5	31-Jul-2027	253.08	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 08	INE134E07BK5	31-Aug-2022	5	31-Aug-2027	146.19	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 09	INE134E07BL3	30-Sep-2022	5	30-Sep-2027	214.67	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 10	INE134E07BM1	31-Oct-2022	5	31-Oct-2027	176.41	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 11	INE134E07BN9	30-Nov-2022	5	30-Nov-2027	200.25	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
5 00 SEC 54EC BD SR 6 2223 12	INE134E07BO7	31-Dec-2022	5	31-Dec-2027	212.29	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 01	INE134E07BP4	31-Jan-2023	5	31-Jan-2028	191.69	CARE AAA; Stable
7 13 TX UNS BND SRS 215	INE134E08LO4	10-Aug-2022	7.13	10-Aug-2025	2,420.00	CARE AAA; Stable
7 13 TX UNS BND SRS 216	INE134E08LP1	24-Aug-2022	7.13	15-Jul-2026	3,000.00	CARE AAA; Stable
7 42 TX UNS BND SRS 217A	INE134E08LQ9	08-Sep-2022	7.42	08-Sep-2032	4,000.00	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP1	INE134E08LR7	08-Sep-2022	7.15	08-Sep-2025	276.40	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP2	INE134E08LS5	08-Sep-2022	7.15	08-Sep-2026	276.40	CARE AAA; Stable
7 15 TX USC BND SRS 217B STRPP3	INE134E08LT3	08-Sep-2022	7.15	08-Sep-2027	276.40	CARE AAA; Stable
7 59 TX UNS BND SRS 218	INE134E08LU1	03-Nov-2022	7.59	03-Nov-2025	1,450.00	CARE AAA; Stable
7 65 TX UNS BND SRS 219	INE134E08LV9	14-Nov-2022	7.65	14-Nov-2037	4,000.00	CARE AAA; Stable
7 58 TX UNS BND SRS 220 BBETF	INE134E08LW7	14-Dec-2022	7.58	15-Apr-2033	470.00	CARE AAA; Stable
7 72 TX UNS BND SRS 221A	INE134E08LY3	19-Dec-2022	7.72	19-Dec-2037	2,782.70	CARE AAA; Stable
7 59 TX UNS BND SRS 221B	INE134E08LX5	19-Dec-2022	7.59	14-Jan-2028	3,500.00	CARE AAA; Stable
7 58 TX UNS BND SRS 222	INE134E08LZ0	27-Dec-2022	7.58	15-Jan-2026	2,540.00	CARE AAA; Stable
7 64 TX UNS BND SRS 223	INE134E08MA1	22-Feb-2023	7.64	22-Feb-2033	3,500.00	CARE AAA; Stable
7 82 TX UNS BND SRS 224	INE134E08MB9	06-Mar-2023	7.82	06-Mar-2038	3,468.50	CARE AAA; Stable
7 77 TX UNS BND SRS 225A	INE134E08MC7	13-Mar-2023	7.77	15-Jul-2026	3,262.70	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP I	INE134E08MF0	13-Mar-2023	7.82	13-Mar-2030	625.00	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP II	INE134E08MG8	13-Mar-2023	7.82	13-Mar-2031	625.00	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP III	INE134E08ME3	13-Mar-2023	7.82	13-Mar-2032	625.00	CARE AAA; Stable
7 82 TX USC BND SRS 225B STRPP IV	INE134E08MD5	13-Mar-2023	7.82	13-Mar-2033	625.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan			28-Jun-2028	2,250.00	CARE AAA; Stable
Canara Bank	Rupee Term Loan			30-Jun-2028	250.00	CARE AAA; Stable
IOB	Rupee Term Loan			30-Sep-2028	1,000.00	CARE AAA; Stable
Bank Of Baroda	Rupee Term Loan			17-Nov-2029	1,500.00	CARE AAA; Stable
Bank Of Baroda	Rupee Term Loan			17-Nov-2029	500.00	CARE AAA; Stable
Bank Of Baroda	Rupee Term Loan			17-Nov-2029	850.00	CARE AAA; Stable
Bank Of Baroda	Rupee Term Loan			17-Nov-2029	1,100.00	CARE AAA; Stable
Bank Of Baroda	Rupee Term Loan			17-Nov-2029	1,050.00	CARE AAA; Stable
KEB Hana BANK	Rupee Term Loan			17-Nov-2025	100.00	CARE AAA; Stable
IndusInd Bank	Working Capital Demand Loan				500.00	CARE AAA; Stable
Mizuho Bank	Working Capital Demand Loan				250.00	CARE AAA; Stable
IDFC Bank	Working Capital Demand Loan				350.00	CARE AAA; Stable
ICICI Bank	Working Capital Demand Loan				6000	CARE AAA; Stable
State Bank of India	Working Capital Demand Loan				3,500.00	CARE AAA; Stable
RBL Bank	Working Capital Demand Loan				300.00	CARE AAA; Stable
Citi Bank	Working Capital Demand Loan				50.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
State Bank of India, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-26	1,036.38	CARE AAA; Stable
State Bank of India, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-27	1,036.38	CARE AAA; Stable
State Bank of India, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-28	1,036.69	CARE AAA; Stable
MUFG Bank, Ltd., GIFT Branch	Foreign Currency Term Loan			28-Dec-26	221.32	CARE AAA; Stable
MUFG Bank, Ltd., GIFT Branch	Foreign Currency Term Loan			28-Dec-27	221.32	CARE AAA; Stable
MUFG Bank, Ltd., GIFT Branch	Foreign Currency Term Loan			28-Dec-28	221.32	CARE AAA; Stable
Norinchukin Bank, Singapore	Foreign Currency Term Loan	28-Dec-22		28-Dec-26	98.03	CARE AAA; Stable
Norinchukin Bank, Singapore	Foreign Currency Term Loan	28-Dec-22		28-Dec-27	98.03	CARE AAA; Stable
Crédit Agricole Corporate and Investment Bank, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-26	97.17	CARE AAA; Stable
Crédit Agricole Corporate and Investment Bank, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-27	97.17	CARE AAA; Stable
Crédit Agricole Corporate and Investment Bank, Hong Kong Branch	Foreign Currency Term Loan			28-Dec-28	97.17	CARE AAA; Stable
KFW Development Bank	Foreign Currency Term Loan			15-Nov-31	703.94	CARE AAA; Stable
Sumitomo Mitsui Banking Corporation, Singapore Branch	Foreign Currency Term Loan			05-Jan-30	868.30	CARE AAA; Stable
Uco Bank	Rupee Term Loan			30-Mar-2028	500	CARE AAA; Stable
Uco Bank	Rupee Term Loan			30-Mar-2028	500	CARE AAA; Stable
Punjab and Sind Bank	Rupee Term Loan			30-Mar-2029	604.5	CARE AAA; Stable
Punjab and Sind Bank	Rupee Term Loan			30-Mar-2029	395.5	CARE AAA; Stable
Indian Overseas Bank	Unsecured Rupee Term Loan			30-Mar-2029	500	CARE AAA; Stable
NabFID	Rupee Term Loan			31-Mar-2038	3500	CARE AAA; Stable
State Bank of India	Short Term Foreign Currency Loan**			15-Dec-23	0.00	withdrawn
ICICI Bank	Short Term Foreign Currency Loan**			29-Dec-23	0.00	withdrawn
State Bank of India	Foreign Currency Non-Resident Loan			27-Mar-24	855.32	CARE A1+
DBS Bank	Foreign Currency Non-Resident Loan *			28-Dec-23	490.22	CARE A1+
State Bank of India	Foreign Currency Non-Resident Loan			27-Mar-24	850.97	CARE A1+
ICICI Bank	Foreign Currency Non-Resident Loan			28-Mar-24	853.72	CARE A1+
State Bank of India	Foreign Currency Non-Resident Loan			30-Mar-24	1,268.74	CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
HDFC Bank	Working Capital Demand Loan				3,500.00	CARE A1+
5 00 SEC 54EC BD SR 6 2223 02	INE134E07BQ2	28-Feb-2023	5	28-Feb-2028	212.41	CARE AAA; Stable
5 00 SEC 54EC BD SR 6 2223 03	INE134E07BR0	31-Mar-2023	5	31-Mar-2028	440.88	CARE AAA; Stable
Bond Series 228A	INE134E08ML8	20-Apr-23	7.55	15-Jul-26	2330.00	CARE AAA; Stable
Bond Series 228B	INE134E08MM6	20-Apr-23	7.62	15-Jul-33	2102.00	CARE AAA; Stable
Bond Series 229	INE134E08MN4	10-May-23	7.44	10-May-28	1550.00	CARE AAA; Stable
Bond Series 230	INE134E08MO2	22-May-23	7.37	22-May-26	2990.00	CARE AAA; Stable
Bond Series 195 (R-1)	INE134E08KK4	01-Jun-23	7.86 Effective Yield 7.39	12-Apr-30	1260.00	CARE AAA; Stable
Bond Series 214 (R-1)	INE134E08LN6	01-Jun-23	6.92 Effective Yield 7.39	14-Apr-32	1330.00	CARE AAA; Stable
Bond Series 231	INE134E08MP9	20-Jun-23	7.48	19-Jun-38	3896.90	CARE AAA; Stable
Bond Series 202B-R1	INE134E08KT5	12-Jul-23	7.17 Effective Yield 7.53	22-May-25	3100.00	CARE AAA; Stable
Bond Series 232	INE134E08MQ7	12-Jul-23	7.57	12-Jul-33	3000.00	CARE AAA; Stable
Bond Series 233A ZCB	INE134E08MS3	25-Aug-23	0	25-Aug-26	492.45	CARE AAA; Stable
Bond Series 233B	INE134E08MT1	25-Aug-23	7.64	25-Aug-26	2500.00	CARE AAA; Stable
Bond Series 233C	INE134E08MR5	25-Aug-23	7.60	25-Aug-33	3500.00	CARE AAA; Stable
Bond Series 234	INE134E08MU9	30-Nov-23	7.7	30-Nov-33	2625.00	CARE AAA; Stable
Bond Series 235	INE134E08MV7	15-Dec-23	7.69	15-Dec-38	3335.00	CARE AAA; Stable
Series I - Category I & II	INE134E07CG1	01-Aug-23	7.45	01-Aug-26	62.17	CARE AAA; Stable
Series I - Category III & IV	INE134E07CF3	01-Aug-23	7.50	01-Aug-26	59.93	CARE AAA; Stable
Series II - Category I & II	INE134E07CI7	01-Aug-23	7.47	01-Aug-33	362.51	CARE AAA; Stable
Series II - Category III & IV	INE134E07CH9	01-Aug-23	7.53	01-Aug-33	45.48	CARE AAA; Stable
Series III - Category I & II	INE134E07CJ5	01-Aug-23	7.50	01-Aug-38	183.71	CARE AAA; Stable
Series III - Category III & IV	INE134E07CK3	01-Aug-23	7.55	01-Aug-38	2110.68	CARE AAA; Stable
54EC - April	INE134E07BT6	30-Apr-23	5.25	30-Apr-28	171.00	CARE AAA; Stable
54EC - May	INE134E07BV2	31-May-23	5.25	31-May-28	216.65	CARE AAA; Stable
54EC - June	INE134E07CE6	30-Jun-23	5.25	30-Jun-28	229.09	CARE AAA; Stable
54EC - Jul	INE134E07CD8	31-Jul-23	5.25	31-Jul-28	335.11	CARE AAA; Stable
54EC - Aug	INE134E07CC0	31-Aug-23	5.25	31-Aug-28	197.70	CARE AAA; Stable
54EC - Sep	INE134E07CB2	30-Sep-23	5.25	30-Sep-28	203.78	CARE AAA; Stable
54EC - Oct	INE134E07CA4	31-Oct-23	5.25	31-Oct-28	206.55	CARE AAA; Stable
54EC – Nov	INE134E07BZ3	30-Nov-23	5.25	30-Nov-28	189.83	CARE AAA; Stable
54EC – Dec (Lot-1)	INE134E07BY6	31-Dec-23	5.25	31-Dec-28	202.23	CARE AAA; Stable
Bond Series 237A	INE134E08MX3	22-Feb-24	7.60	13-Apr-29	3000.00	CARE AAA; Stable
Bond Series 237B	INE134E08MY1	22-Feb-24	7.49	22-Feb-34	3000.00	CARE AAA; Stable
Bond Series 238	INE134E08MZ8	13-Mar-24	7.55	15-Apr-27	2754.00	CARE AAA; Stable
54EC – Jan	INE134E07BX8	31-Jan-24	5.25	31-Jan-29	500.00	CARE AAA; Stable
54EC – Feb (Lot-1)	INE134E07BU4	15-Feb-24	5.25	29-Feb-28	105.73	CARE AAA; Stable
South Indian Bank Ltd.	Rupee Term Loan	31-May-23		31-May-28	200.00	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	05-Jul-23		05-Jul-28	2627.00	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	06-Jul-23		05-Jul-28	35.00	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	07-Jul-23		05-Jul-28	46.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
HDFC Bank	Rupee Term Loan	19-Sep-23		05-Jul-28	1010.00	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	22-Sep-2023		05-Jul-2028	60.95	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	25-Sep-23		05-Jul-2028	221.05	CARE AAA; Stable
South Indian Bank Ltd.	Rupee Term Loan	19-Sep-23		19-Sep-28	156.35	CARE AAA; Stable
South Indian Bank Ltd.	Rupee Term Loan	22-Sep-2023		19-Sep-28	9.44	CARE AAA; Stable
South Indian Bank Ltd.	Rupee Term Loan	25-Sep-23		19-Sep-28	34.21	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	25-Sep-23		25-Sep-30	1626.22	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	27-Sep-23		25-Sep-30	1782.91	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	27-Sep-23		25-Sep-30	590.87	CARE AAA; Stable
Union Bank of India	Rupee Term Loan	27-Sep-23		27-Sep-29	837.19	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan	29-Sep-23		29-Sep-28	99.36	CARE AAA; Stable
Punjab National Bank	Rupee Term Loan	20-Nov-2023		29-Sep-2028	828.66	CARE AAA; Stable
State Bank of India	Rupee Term Loan	30-Sep-23		30-Sep-33	1225.86	CARE AAA; Stable
State Bank of India	Rupee Term Loan	25-Oct-2023		30-Sep-2033	805.00	CARE AAA; Stable
State Bank of India	Rupee Term Loan	26-Oct-2023		30-Sep-2033	86.23	CARE AAA; Stable
State Bank of India	Rupee Term Loan	27-Oct-2023		30-Sep-2033	190.65	CARE AAA; Stable
State Bank of India	Rupee Term Loan	01-Nov-2023		30-Sep-2033	499.70	CARE AAA; Stable
State Bank of India	Rupee Term Loan	09-Nov-2023		30-Sep-2033	180.57	CARE AAA; Stable
State Bank of India	Rupee Term Loan	10-Nov-2023		30-Sep-2033	607.68	CARE AAA; Stable
State Bank of India	Rupee Term Loan	13-Nov-2023		30-Sep-2033	302.91	CARE AAA; Stable
State Bank of India	Rupee Term Loan	14-Nov-2023		30-Sep-2033	183.34	CARE AAA; Stable
State Bank of India	Rupee Term Loan	16-Nov-2023		30-Sep-2033	356.95	CARE AAA; Stable
State Bank of India	Rupee Term Loan	17-Nov-2023		30-Sep-2033	1022.89	CARE AAA; Stable
State Bank of India	Rupee Term Loan	20-Nov-2023		30-Sep-2033	1538.22	CARE AAA; Stable
State Bank of India	Rupee Term Loan	30-Sep-23		30-Sep-33	350.25	CARE AAA; Stable
State Bank of India	Rupee Term Loan	25-Oct-2023		30-Sep-2033	230.00	CARE AAA; Stable
State Bank of India	Rupee Term Loan	26-Oct-2023		30-Sep-2033	24.64	CARE AAA; Stable
State Bank of India	Rupee Term Loan	27-Oct-2023		30-Sep-2033	54.47	CARE AAA; Stable
State Bank of India	Rupee Term Loan	01-Nov-2023		30-Sep-2033	142.77	CARE AAA; Stable
State Bank of India	Rupee Term Loan	09-Nov-2023		30-Sep-2033	51.59	CARE AAA; Stable
State Bank of India	Rupee Term Loan	10-Nov-2023		30-Sep-2033	173.62	CARE AAA; Stable
State Bank of India	Rupee Term Loan	13-Nov-2023		30-Sep-2033	86.54	CARE AAA; Stable
State Bank of India	Rupee Term Loan	14-Nov-2023		30-Sep-2033	52.38	CARE AAA; Stable
State Bank of India	Rupee Term Loan	16-Nov-2023		30-Sep-2033	101.99	CARE AAA; Stable
State Bank of India	Rupee Term Loan	17-Nov-2023		30-Sep-2033	292.26	CARE AAA; Stable
State Bank of India	Rupee Term Loan	20-Nov-2023		30-Sep-2033	439.49	CARE AAA; Stable
Japan Bank for International Cooperation	Foreign Currency Loan			20-Apr-38	121.27	CARE AAA; Stable
Axis Bank	Foreign Currency Loan	19-Dec-23		19-Dec-28	415.58	CARE AAA; Stable
Bank of Baroda	Foreign Currency Loan	25-Sep-23		25-Sep-28	2077.91	CARE AAA; Stable
Bank of Baroda	Foreign Currency Loan	27-Sep-23		27-Sep-28	2077.91	CARE AAA; Stable
Japan Bank for International Cooperation	Foreign Currency Loan	27-Sep-23		20-Jul-36	58.44	CARE AAA; Stable
IDBI Bank	Foreign Currency Loan	19-Dec-23		19-12-2028	831.16	CARE AAA; Stable
Export Import Bank of India	Foreign Currency Loan	30-Nov-21		30-Nov-26	831.16	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Norinchukin Bank, Singapore	Foreign Currency Loan	28-Dec-22		28-Dec-28	98.03	CARE AAA; Stable
HSBC Bank	Foreign Currency Loan	19-Dec-23		19-Dec-28	1662.33	CARE AAA; Stable
HDFC Bank Ltd.	RTL			05-09-2030	1,267.27	CARE AAA; Stable
Bank of India	RTL			02-03-2027	971.91	CARE AAA; Stable
National Bank for Financing Infrastructure and Dev	RTL			01-03-2039	737.57	CARE AAA; Stable
Bank of India	RTL			02-03-2027	420.39	CARE AAA; Stable
External Commercial Borrowings				20-04-2038	4492.75	CARE AAA; Stable
National Bank for Financing Infrastructure and Dev	RTL			01-03-2039	262.43	CARE AAA; Stable
Karnataka Bank Ltd.	RTL			08-02-2026	196.57	CARE AAA; Stable
Karnataka Bank Ltd.	RTL			08-02-2026	53.43	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	06-Mar-24		05-Sep-30	384.14	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	07-Mar-24		05-Sep-30	1289.27	CARE AAA; Stable
HDFC Bank	Rupee Term Loan	08-Mar-24		05-Sep-30	59.32	CARE AAA; Stable
Proposed- Long term					1,15,519.90	CARE AAA; Stable
Bank of Baroda	Short Term Loan			23.06.2024	82.00	CARE A1+
Bank of Baroda	Short Term Loan			28.06.2024	1418.00	CARE A1+
HDFC Bank	Short Term Loan			04.07.2024	644.00	CARE A1+
HDFC Bank	Short Term Loan			20-Jun-2024	1862.50	CARE A1+
HDFC Bank	Short Term Loan			26-Jun-2024	521.50	CARE A1+
HDFC Bank	Short Term Loan			27-Jun-2024	247.50	CARE A1+
ICICI Bank	Foreign Currency Non-Resident Loan			28-Jun-24	1229.30	CARE A1+
State Bank of India	Foreign Currency Loan	27-Dec-23		27-Dec-24	915	CARE A1+
Proposed – Short term					15,518.85	CARE A1+
State Bank of India	Foreign Currency Loan	19-Dec-23		19-Dec-28	2077.91	CARE AAA; Stable/ CARE A1+
Bank of China	Foreign Currency Loan	28-Dec-22		28-Dec-26	217.63	CARE AAA; Stable/ CARE A1+
Bank of China	Foreign Currency Loan	28-Dec-22		28-Dec-27	217.63	CARE AAA; Stable/ CARE A1+
Bank of China	Foreign Currency Loan	28-Dec-22		28-Dec-28	217.63	CARE AAA; Stable/ CARE A1+
SBI Shinsei	Foreign Currency Loan	28-Dec-22		28-Dec-26	39.21	CARE AAA; Stable/ CARE A1+
SBI Shinsei	Foreign Currency Loan	28-Dec-22		28-Dec-27	39.21	CARE AAA; Stable/ CARE A1+
SBI Shinsei	Foreign Currency Loan	28-Dec-22		28-Dec-28	39.21	CARE AAA; Stable/ CARE A1+
Gunma Bank	Foreign Currency Loan	28-Dec-22		28-Dec-26	39.21	CARE AAA; Stable/ CARE A1+
Gunma Bank	Foreign Currency Loan	28-Dec-22		28-Dec-27	39.21	CARE AAA; Stable/ CARE A1+
Gunma Bank	Foreign Currency Loan	28-Dec-22		28-Dec-28	39.21	CARE AAA; Stable/ CARE A1+
SBI Shinsei	Foreign Currency Loan	05-Jan-23		05-Jan-30	117.64	CARE AAA; Stable/ CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
NTT TC Leasing Co., Ltd	Foreign Currency Loan	05-Jan-23		05-Jan-30	235.28	CARE AAA; Stable/ CARE A1+
Chang Hwa Commercial Bank, Ltd.	Foreign Currency Loan	05-Jan-23		05-Jan-30	176.46	CARE AAA; Stable/ CARE A1+
Taiwan Cooperative Bank, Offshore Banking Branch	Foreign Currency Loan	05-Jan-23		05-Jan-30	176.46	CARE AAA; Stable/ CARE A1+
External Commercial Borrowings				19-12-2028	4,981.72	CARE AAA; Stable/ CARE A1+
Proposed- LT/ST					11,346.38	CARE AAA; Stable/ CARE A1+
Bond Series 236 (Perpetual)	INE134E08MW5	15-Feb-24	7.88	Perpetual, unless the Call Option is exercised on the Call Option Date (17th February, 2034 or any annually from this date after) subject to receipt of the prior approval of the Reserve Bank of India.	100	CARE AAA; Stable
Perpetual bonds- Proposed	NA	NA	NA	NA	400.00	CARE AAA; Stable

* not withdrawn as no dues certificate not received
** being withdrawn on receipt of no dues certificate

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Borrowings-Market Borrowing Programme	LT	5237.50	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	4)CARE AAA; Stable (05-Jul-22)		
2	Borrowings-Market Borrowing Programme	LT	4226.36	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)
3	Debt-Subordinate Debt	LT	-	-	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					(20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	(05-Jul-22)		
4	Borrowings-Market Borrowing Programme	LT	20037.00	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)
5	Borrowings-Market Borrowing Programme	LT	2000.01	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)			
6	Borrowings-Market Borrowing Programme	LT	14520.00	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)
7	Borrowings-Market Borrowing Programme	LT	14198.26	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					(03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)			
8	Short Term Instruments-Short Term Borrowing	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (01-Oct-20)
9	Borrowings-Market Borrowing Programme	LT	32777.81	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)
10	Short Term Instruments-Short Term Borrowing	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
						4)CARE A1+ (05-Jul-22)		
11	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (01-Oct-20)
12	Borrowings-Market Borrowing Programme	LT	65046.41	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (01-Oct-20)
13	Short Term Instruments-Short Term Borrowing	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
14	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (01-Oct-20)
15	Borrowings-Market Borrowing Programme	LT	49935.74	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (07-Jan-21) 2)CARE AAA; Stable (27-Nov-20) 3)CARE AAA; Stable (01-Oct-20)
16	Short Term Instruments-Short Term Borrowing	ST	-	-	-	-	-	1)Withdrawn (27-Nov-20) 2)CARE A1+ (01-Oct-20)
17	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (07-Jan-21) 2)CARE A1+ (27-Nov-20) 3)CARE A1+ (01-Oct-20)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
						4)CARE A1+ (05-Jul-22)		
18	Short Term Instruments-Short Term Borrowing	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (07-Jan-21)
19	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (30-Mar-21)
20	Short Term Instruments-Short Term Borrowing	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (30-Mar-21)
21	Borrowings-Market Borrowing Programme	LT	39715.86	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (30-Mar-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	4)CARE AAA; Stable (05-Jul-22)		
22	Borrowings-Market Borrowing Programme	LT	72000.00	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23) 2)CARE AAA; Stable (13-Feb-23) 3)CARE AAA; Stable (31-Jan-23) 4)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (28-Mar-22)	-
23	Short Term Instruments-Short Term Borrowing	ST	8257.62	CARE A1+	1)CARE A1+ (06-Feb-24) 2)CARE A1+ (24-Jan-24) 3)CARE A1+ (26-Oct-23) 4)CARE A1+ (20-Sep-23) 5)CARE A1+ (03-Aug-23)	1)CARE A1+ (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (28-Mar-22)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					6)CARE A1+ (25-Jul-23)			
24	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	-	1)Withdrawn (31-Mar-23) 2)CARE A1+ (13-Feb-23) 3)CARE A1+ (31-Jan-23) 4)CARE A1+ (05-Jul-22)	1)CARE A1+ (28-Mar-22)	-
25	Borrowings-Market Borrowing Programme	LT	87500.00	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24) 2)CARE AAA; Stable (24-Jan-24) 3)CARE AAA; Stable (26-Oct-23) 4)CARE AAA; Stable (20-Sep-23) 5)CARE AAA; Stable (03-Aug-23) 6)CARE AAA; Stable (25-Jul-23)	1)CARE AAA; Stable (31-Mar-23)	-	-
26	Short Term Instruments-Short Term Borrowing	ST	7000.00	CARE A1+	1)CARE A1+ (06-Feb-24) 2)CARE A1+ (24-Jan-24) 3)CARE A1+ (26-Oct-23) 4)CARE A1+ (20-Sep-23)	1)CARE A1+ (31-Mar-23)	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
					5)CARE A1+ (03-Aug-23) 6)CARE A1+ (25-Jul-23)			
27	Commercial Paper-Commercial Paper (Standalone)	ST	-	-	1)Withdrawn (26-Oct-23) 2)CARE A1+ (20-Sep-23) 3)CARE A1+ (03-Aug-23) 4)CARE A1+ (25-Jul-23)	1)CARE A1+ (31-Mar-23)	-	-
28	Bonds-Perpetual Bonds	LT	500.00	CARE AAA; Stable	1)CARE AAA; Stable (06-Feb-24)	-	-	-
29	Borrowings-Market Borrowing Programme	LT/ST	10000.00	CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+ (06-Feb-24) 2)CARE AAA; Stable / CARE A1+ (24-Jan-24)	-	-	-
30	Borrowings-Market Borrowing Programme	LT	105000.00	CARE AAA; Stable				
31	Short Term Instruments-Short Term Borrowing	ST	15000.00	CARE A1+				
32	Borrowings-Market Borrowing Programme	LT/ST	10000.00	CARE AAA; Stable / CARE A1+				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities

Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Borrowings-Market Borrowing Programme	Simple
2	Debt-Subordinate debt	Complex
3	Short-term instruments-Short-term borrowing	Simple
4	Bonds-Perpetual Bonds	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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The ratings issued by CARE Ratings 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 has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings 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 have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings 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 is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

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CRISIL Ratings

Rating Rationale

March 22, 2024 | Mumbai

Power Finance Corporation Limited

'CRISIL AAA/Stable' assigned to Long-Term Borrowing Programme; 'CRISIL A1+' assigned to Short Term Borrowing programme

Rating Action

Total Bank Loan Facilities Rated	**Rs.10000 Crore**
Long Term Rating	**CRISIL AAA/Stable (Reaffirmed)**

Rs.10000 Crore Long-Term Borrowing Programme^*	**CRISIL AAA/Stable (Assigned)**
Rs.105000 Crore Long-Term Borrowing Programme^	**CRISIL AAA/Stable (Assigned)**
Rs.15000 Crore Short-Term Borrowing Programme^	**CRISIL A1+ (Assigned)**
Rs.10000 Crore Long-Term Borrowing Programme%*	**CRISIL AAA/Stable (Reaffirmed)**
Rs.88000 Crore Long-Term Borrowing Programme% (Enhanced from Rs.79600 Crore)	**CRISIL AAA/Stable (Reaffirmed)**
Rs.7000 Crore Short-Term Borrowing Programme% (Reduced from Rs.15400 crore)	**CRISIL A1+ (Reaffirmed)**
Rs.1000 Crore Perpetual Non Convertible Debentures	**CRISIL AAA/Stable (Reaffirmed)**
Long-Term Borrowing Programme Aggregating Rs.482000 Crore ~	**CRISIL AAA/Stable (Reaffirmed)**
Subordinated Non-Convertible Debentures Aggregating Rs.13000 Crore (Reduced from Rs.15000 Crore)	**CRISIL AAA/Stable (Reaffirmed)**
Bonds Aggregating Rs.65989.14 Crore# (Reduced from Rs 66,128.47 Crore)	**CRISIL AAA/Stable (Reaffirmed)**

^Borrowing programme for fiscal 2025 (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 1,30,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,30,000 crore, total incremental long-term borrowing programme not to exceed Rs 1,05,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 15,000 crore (including commercial paper upto Rs 5,000 Crore), at any point in time during fiscal 2025. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

%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 105,000 crore. The long-term borrowing programme inter-alia includes tax-free bonds under Section 10 of the Income Tax Act. Within the borrowing programme of Rs 1,05,000 crore, total incremental long-term borrowing programme not to exceed Rs 88,000 crore (including perpetual non-convertible debentures upto Rs 500 Crore); total incremental short-term borrowing programme not to exceeed Rs 7,000 crore (including commercial paper upto Rs 5,400 Crore), at any point in time during fiscal 2024. The long term borrowing programme also includes Public Issue of Taxable Non-Convertible Debentures

**To be interchangeable with short term borrowing programme*

^Short term borrowing programme for fiscal 2023 (refers to financial year, April 1 to March 31).

~Borrowing programme for previous fiscals

#This amount excludes long-term borrowing programmes for fiscals 2021, 2022 and 2023, which are listed separately in the rows above. However, the amount includes Rs 5,000 crore of extra budgetary resources to be raised on behalf of the Ministry of Power.

&Limit for working capital demand loan/overdraft facility/cash credit/line of credit/bank guarantee. Total working capital borrowing not to exceed board-approved limit of Rs 10,000 crore. However, quantum of sanctioned working capital facilities may be different from the Board-approved limit for outstanding working capital borrowing.

Note: Institutional bonds, 54EC Capital Gain Tax Exemption Bonds, Tax free bonds, Zero coupon bonds, infrastructure bonds and term loans from banks/financial institution are part of long-term borrowing programme

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL AAA/Stable'** rating to the long term borrowing programme of Power Finance Corporation Limited (PFC) and its **'CRISIL A1+'** rating to the short term borrowing programme of the company. CRISIL Ratings has also reaffirmed its ratings on the other debt instruments and bank facilities of PFC at 'CRISIL AAA/Stable/CRISIL A1+'

CRISIL Ratings has **withdrawn** its rating on subordinate debt of Rs 2000 crore and bonds of Rs 139.33 crore (See 'Annexure: Details of rating withdrawn' for details) as the outstanding against the same is nil and on receipt of confirmation from the debenture trustee. The withdrawal is in line with the policy of CRISIL Ratings.

The ratings continue to reflect the strategic importance of PFC to the GoI, given the key role the company plays in financing the Indian power sector, and majority ownership by the government. The ratings also factor in a strong market position and adequate capitalisation and resource profile. These strengths are partially offset by inherent vulnerability of the asset quality to the weak credit risk profiles of borrowers and significant sectoral and customer concentration in revenue.

The consolidated asset quality has shown sequential improvement led by steady resolution of delinquent private sector exposures and no slippages since last 8 quarters. On a consolidated basis, gross non-performing assets (NPAs) and net NPAs were lower at 3.13% and 0.86%, respectively, as on December 31, 2023, versus 3.91% and 1.15% on December 31, 2022. On a standalone basis, gross NPAs and net NPAs stood at 3.52% and 0.90%, respectively, as on December 31, 2023 (3.91% and 1.07% on March 31, 2023)–as against 4.21% and 1.19% on December 31, 2022. Most of the NPA accounts are under a resolution process/or at advanced stages of resolution. Further, with most of the stress in the private sector recognised, there may not be further large private sector slippages in the near to medium term.

Government of India (GoI) had announced, Revamped Distribution Sector Scheme (RDSS) reforms-based and results-linked scheme with an outlay of 3.04 lakh crore over a period of five years, which would be available till fiscal 2026. REC Ltd (REC) and PFC have been appointed as nodal lending agencies for facilitating the implementation of this scheme. The scheme aims to improve operational efficiencies and financial sustainability of distribution companies (discoms) by providing reform-linked financial assistance for strengthening the supply. In fiscal 2022, GoI announced late payment surcharge (LPS) scheme to address dues of discoms to generation and transmission companies. PFC has extended financial assistance to various discoms under the rules, to clear their outstanding dues. PFC, along with REC shall act as the nodal agency to monitor implementation of these rules.

Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of PFC and its subsidiaries including REC. Furthermore, CRISIL Ratings factors in support from the majority owner, GoI, given the company's key role in financing the Indian power sector.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Strategic importance to and majority ownership by GoI**

  The company plays a major role in implementing government policies, and is important for financing India's power sector, particularly government sector power utilities (87% of the consolidated loan book as on December 31, 2023). PFC is the nodal agency for the development of ultra-mega power projects and the integrated power development scheme, RDSS and LPS and is also the bid process coordinator for the Independent Transmission Projects scheme. It plays a developmental role in channelling finance to meet the power sector's large funding requirement, particularly of state power utilities (SPUs). PFC and REC is also the nodal agency for channeling finance towards the rural electrification programme under the Deendayal Upadhyaya Gram Jyoti Yojana (formerly known as Rajiv Gandhi Grameen Vidyutikaran Yojana) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana, or Saubhagya scheme, and the National Electricity Fund Scheme. PFC and REC are the lending partners for the announced discom package. In fiscal 2022, GoI announced LPS to address dues of discoms to generation and transmission companies. PFC has extended financial assistance (disbursed Rs 78,994 crore as of December 31, 2023) to various discoms under the rules, to clear their outstanding dues. PFC shall also act as the nodal agency to monitor implementation of these rules.

  GoI remains the majority shareholder, with a stake of 56% as on December 31, 2023. The government supports the company financially and operationally in various ways, including conferring special status to raise capital gains tax exemption bonds. GoI has strong strategic reasons and a moral obligation to support PFC, both on an ongoing basis and in the event of distress, given the latter's role in implementing the government's power sector policies and GoI's majority ownership in the company.

- **Dominant market position in the power financing segment**

  PFC plays an important role in the Indian power sector, not only by providing finance but also by implementing GoI's power sector policies. The company, at a consolidated level, is the largest lender to the power sector and plays a key role in channeling finance to SPUs. PFC has forayed into newer business opportunities, diversifying its portfolio from conventional energy sector, with more focus on renewable energy and infrastructure & logistic sector. The gross consolidated loan book grew by 19% year-on-year to Rs 9.54 lakh crore as on December 31, 2023, from Rs 8.05 lakh crore a year earlier (Rs 8.57 lakh crore as on March 31, 2023). The share of SPUs in the consolidated loan book stood at 87% as on December 31, 2023. Loans outstanding to SPUs on a consolidated basis stood at Rs 8.0 lakh crore as on this date.

- **Adequate capitalisation**

  As on December 31, 2023, on a standalone basis, Tier-I CAR and overall CAR stood at 24.28% and 26.86%, (21.61% and 24.37%, respectively, as on March 31, 2023). Capitalisation is expected to remain adequate over the medium term, supported by a demonstrated ability to raise capital through public issues. Networth to net NPA ratio on a standalone basis for PFC is 15.9 times as on December 31, 2023; 15.1 times as on March 31, 2023. Accretion to networth is supported by the ability to maintain stable interest spreads and a low operating expense ratio and provision costs. The standalone return on assets ratio was 3.1% and return on equity were 20.0% for the nine months of fiscal 2024 (2.7% and 18.3%, respectively, for corresponding period of previous fiscal). Ability to contain credit costs and hence improve profitability and capitalisation will remain a key monitorable.

- **Sufficient resource profile**

  Borrowing costs are competitive and the resource base, though wholesale, is diversified. Debt instruments have wide market acceptability, which is also reflective in its average cost of borrowing compared to peers (7.53% for nine months period ended December 31, 2023). The standalone resource profile as on December 31, 2023, comprises bonds (62%), term loans (19%), and other borrowings (1%). The company also has access to foreign currency borrowing, which comprised 18% of the total borrowing as on the same date. As per the board-approved policy for exchange rate risks, PFC has hedged 87% of its total foreign currency borrowing (92% hedged with residual maturity of up to five years) as on December 31, 2023. The company has also received government in 2017 approval to raise capital gain bonds under Section 54 EC, which further support the resource profile.

Weakness:

- **Inherent vulnerability in asset quality, and significant sectoral and customer concentration**
  PFC's asset quality remains inherently vulnerable to the weak credit risk profiles of borrowers. The company caters only to the power sector, with 87% of its consolidated loan book as on December 31, 2023, to government sector power utilities (including generation, transmission, and discoms). SPUs, especially discoms, are an inherently weak asset class because of their poor financial risk profiles. Effective execution of various reform measures is extremely critical for SPUs to produce the desired positive impact, and broad-based political consensus is necessary to implement the much-needed tariff increases to ensure sustained improvement in their performance. NPAs and restructured assets from the SPUs book had risen sharply in fiscal 2017 owing to alignment with the restructuring norms of Reserve Bank of India. However, the downgraded accounts had been paying dues regularly, and a majority of them were upgraded in fiscal 2018. Furthermore, various dispensation schemes by the GOI such as RDSS and LPS have also helped support asset quality for these exposures. Accordingly, NPAs (stage III assets as per IND AS) remained nil from this portfolio (nil as on December 31, 2023)

  PFC (consolidated) also has 13% exposure to private sector power players, which have remained vulnerable to asset quality risks historically due to issues around fuel availability, challenges with passing on fuel price increases and absence of long term power purchase agreements. However, due to steady progress in resolution of stressed assets, PFC's asset quality has been on an improving trend with gross NPAs (stage III assets as per IND-AS) of 3.13% as on December 31, 2023 (3.91% as on December 31, 2022), all from its private sector book (on a consolidated basis). As on December 31, 2023, 19% of private sector loans have been recognised as stage III assets on which the company has a provision coverage of 74% on a consolidated basis.

Liquidity: Superior

Asset liability maturity (ALM) profile of PFC shows that liquidity position is superior. As of December 31, 2023, the structural liquidity of PFC had positive cumulative mismatches up to one year. The mismatches, if any, are managed mainly through unutilised bank lines. Additionally, debt repayments are well staggered across months, supporting liquidity.

As on February 29, 2024, the company (on a standalone basis) had liquidity cushion in form of Rs. 1390.89 crore of cash and equivalents and Rs 12,600 crore of unutilised cash credit lines against debt obligation of Rs 6166 crore over the three months till May 2024. Further, PFC has raised funds of around Rs 76,300 crore in the nine months period of fiscal 2024 through bonds, term loans from banks and capital market instruments.

ESG Profile

CRISIL Ratings believes that PFC Environment, Social, and Governance (ESG) profile supports its already strong credit risk profile.

The ESG profile for financial sector entities typically factors in governance as a key differentiator. The sector has reasonable social impact because of its substantial employee and customer base, and it can play a key role in promoting financial inclusion. While the sector does not have a direct adverse environmental impact, the lending decisions may have a bearing on environment.

PFC has a continuous focus on strengthening various aspects of its ESG profile.

PFC Finance's key ESG Highlights:

- ESG disclosures of the company are evolving and it is in the process of further strengthening the disclosures going forward.
- PFC continues to have sizeable exposure (39% of loan book towards generation companies as on December 31, 2023) as on towards fossil fuel projects, which in turn impacts the environment. However, the company has consciously aimed to increase lending to renewable projects (12% of loan book as of December 31, 2023). PFC has issued its first USD Green bond in December, 2017 and raised US $400 million (Rs 2,575 crore) under the Green Bond Framework for funding renewable project. Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (Rs 2,597 crore)
- 43% of the board members are independent directors and the PFC has a dedicated investor grievance redressal mechanism.

There is growing importance of ESG among investors and lenders. PFC commitment to ESG principles will play a key role in enhancing stakeholder confidence, given the sizable share of market borrowings in its overall debt and access to both domestic and foreign capital markets.

Outlook: Stable

CRISIL Ratings believes GoI will retain its majority stake in PFC, which will continue to play a critical role in implementing government policies related to financing the Indian power sector over the medium term. The company is also likely to retain its strong position in the infrastructure-financing segment, while maintaining healthy capitalisation.

The rating on the perpetual bonds remains sensitive to the capital buffer maintained by PFC over regulatory capital requirements; rating transition on these instruments could potentially be sharper than that on other debt instruments and bank facilities.

Rating Sensitivity factors

Downward scenarios

- Government shareholding declining below 50% and/or diminution of government support
- Significant deterioration in asset quality, thereby impacting profitability and capitalisation

About the Company

PFC was established in 1986 by GoI as an institution dedicated to funding and developing the power sector in India. Until 1996, it lent exclusively to public sector entities. Since then, it has expanded its customer profile to include private sector power

utilities and projects. PFC aims to promote balanced and integrated development of the power sector by providing finance to low-cost, efficient, and reliable projects.

In March 2019, PFC completed the acquisition of GoI's 52.6% stake in REC for Rs 14,500 crore. PFC and REC will remain strategically important to the government, which would provide them timely, need-based support. They will continue to play their respective policy roles and will remain the nodal agencies for implementing power sector policies. Further, they are expected to operate all functions independently as they do currently.

On a consolidated basis, PFC reported profit after tax (PAT) of Rs 21,179 crore and total income (net of interest) of Rs 30,608 crore in fiscal 2023 (Rs 18,768 crore and 31,636 crore, respectively in the previous fiscal). On a standalone basis, PFC reported PAT of Rs 11,605 crore and total income (net of interest) of Rs 16,383 crore in fiscal 2023 as against Rs 10,022 crore and Rs 15,920 crore, respectively in the previous fiscal.

Key financials (PFC; standalone)

As on / for the period ended March 31,	Unit	2023	2022
Total income (net of interest expenses)	Rs crore	16,383	15,920
PAT	Rs crore	11,605	10,022
Gross NPA	%	3.91	5.61
Overall capital adequacy ratio	%	24.37	23.48

As on / for the period ended December 31,	Unit	2023	2022
Total income (net of interest expenses)	Rs crore	13,028	12,338
PAT	Rs crore	10,231	8,113
Gross NPA	%	3.52	4.21
Overall capital adequacy ratio	%	26.86	24.41

Key financial (PFC; consolidated)

As on/for the period ended March 31,	Unit	2023	2022
Total income (net of interest expenses)	Rs crore	30,608	31,636
PAT	Rs crore	21179	18768
Gross NPA	%	3.66	5.02

As on/for the period ended December 31,	Unit	2023	2022
Total income (net of interest expenses)	Rs crore	24,189	23,171
PAT	Rs crore	18,905	15,050
Gross NPA	%	3.13	3.91

Any other information: Not applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Issue	Coupon Rate (%)	Maturity Date	Amount (Rs.Cr)	Complexity Levels	Rating
INE134E07AI1	Bonds	22-Jan-2021	5.65%	22-Jan-2026	27.05	Simple	CRISIL AAA/Stable
INE134E07AJ9	Bonds	22-Jan-2021	5.80%	22-Jan-2026	3.5	Simple	CRISIL AAA/Stable
INE134E07AK7	Bonds	22-Jan-2021	6.63%	22-Jan-2031	0.5	Simple	CRISIL AAA/Stable
INE134E07AL5	Bonds	22-Jan-2021	6.82%	22-Jan-2031	28.74	Simple	CRISIL AAA/Stable
INE134E07AM3	Bonds	22-Jan-2021	6.80%	22-Jan-2031	33.67	Simple	CRISIL AAA/Stable
INE134E07AN1	Bonds	22-Jan-2021	7%	22-Jan-2031	1635.53	Simple	CRISIL AAA/Stable
INE134E07AO9	Bonds	22-Jan-2021	7.30%	22-Jan-2031	10.35	Simple	CRISIL AAA/Stable

INE134E07AP6	Bonds	22-Jan-2021	7.50%	22-Jan-2031	1250.73	Simple	CRISIL AAA/Stable
INE134E07AQ4	Bonds	22-Jan-2021	6.78%	22-Jan-2036	3.5	Simple	CRISIL AAA/Stable
INE134E07AS0	Bonds	22-Jan-2021	6.95%	22-Jan-2036	50.05	Simple	CRISIL AAA/Stable
INE134E08LN6	Bonds	21-Dec-2021	6.92%	14-Apr-2032	1180	Simple	CRISIL AAA/Stable
INE134E08LO4	Bonds	10-Aug-2022	7.13%	8-Aug-2025	2420	Simple	CRISIL AAA/Stable
INE134E08LP1	Bonds	24-Aug-2022	7.13%	15-Jul-2026	3000	Simple	CRISIL AAA/Stable
INE134E08LQ9	Bonds	8-Sep-2022	7.42%	8-Sep-2032	4000	Simple	CRISIL AAA/Stable
INE134E08LR7	Bonds	8-Sep-2022	7.15%	8-Sep-2025	276.4	Simple	CRISIL AAA/Stable
INE134E08LS5	Bonds	8-Sep-2022	7.15%	8-Sep-2026	276.4	Simple	CRISIL AAA/Stable
INE134E08LT3	Bonds	8-Sep-2022	7.15%	8-Sep-2027	276.4	Simple	CRISIL AAA/Stable
INE134E08LU1	Bonds	3-Nov-2022	7.59%	3-Nov-2025	1450	Simple	CRISIL AAA/Stable
INE134E08LW7	Bonds	14-Dec-2022	7.58%	15-Apr-2033	470	Simple	CRISIL AAA/Stable
INE134E08LX5	Bonds	19-Dec-2022	7.59%	17-Jan-2028	3500	Simple	CRISIL AAA/Stable
INE134E08LY3	Bonds	19-Dec-2022	7.72%	19-Dec-2037	2782.7	Simple	CRISIL AAA/Stable
INE134E08LZ0	Bonds	27-Dec-2022	7.58%	15-Jan-2026	2540	Simple	CRISIL AAA/Stable
INE134E08MC7	Bonds	13-Mar-2023	7.77%	15-Jul-2026	3262.7	Simple	CRISIL AAA/Stable
INE134E08MD5	Bonds	13-Mar-2023	7.82%	11-Mar-2033	625	Simple	CRISIL AAA/Stable
INE134E08ME3	Bonds	13-Mar-2023	7.82%	12-Mar-2032	625	Simple	CRISIL AAA/Stable
INE134E08MF0	Bonds	13-Mar-2023	7.82%	13-Mar-2030	625	Simple	CRISIL AAA/Stable
INE134E08MG8	Bonds	13-Mar-2023	7.82%	13-Mar-2031	625	Simple	CRISIL AAA/Stable
INE134E08MJ2	Bonds	31-Mar-2023	8%	15-Apr-2028	1390	Simple	CRISIL AAA/Stable
INE134E08MK0	Bonds	31-Mar-2023	8%	15-Sep-2026	1200	Simple	CRISIL AAA/Stable
INE134E08MH6	Bonds	27-Mar-2023	8%	15-Apr-2033	1200	Complex	CRISIL AAA/Stable
INE134E08MI4	Bonds	27-Mar-2023	8%	15-Apr-2033	583.5	Simple	CRISIL AAA/Stable
INE134E08ML8	Bonds	20-Apr-2023	7.55%	15-Jul-2026	2330	Simple	CRISIL AAA/Stable
INE134E08MM6	Bonds	20-Apr-2023	7.62%	15-Jul-2033	2102	Complex	CRISIL AAA/Stable
INE134E08MN4	Bonds	10-May-2023	7.44%	10-May-2028	1550	Complex	CRISIL AAA/Stable
INE134E08MO2	Bonds	22-May-2023	7.37%	22-May-2026	2990	Simple	CRISIL AAA/Stable
INE134E07CF3	Bonds	1-Aug-2023	7.50%	1-Aug-2026	59.93	Simple	CRISIL AAA/Stable
INE134E07CG1	Bonds	1-Aug-2023	7.45%	1-Aug-2026	62.17	Simple	CRISIL AAA/Stable
INE134E07CH9	Bonds	1-Aug-2023	7.53%	1-Aug-2033	45.48	Simple	CRISIL AAA/Stable
INE134E07CI7	Bonds	1-Aug-2023	7.47%	1-Aug-2033	362.51	Simple	CRISIL AAA/Stable
INE134E07CJ5	Bonds	1-Aug-2023	7.50%	1-Aug-2038	183.71	Simple	CRISIL AAA/Stable
INE134E07CK3	Bonds	1-Aug-2023	7.55%	1-Aug-2038	2110.68	Simple	CRISIL AAA/Stable
INE134E08MP9	Bonds	20-Jun-2023	7.48%	19-Jun-2038	3896.9	Simple	CRISIL AAA/Stable
INE134E08MQ7	Bonds	12-Jul-2023	7.57%	12-Jul-2033	3000	Simple	CRISIL AAA/Stable

INE134E08MR5	Bonds	25-Aug-2023	7.60%	25-Aug-2033	3500	Simple	CRISIL AAA/Stable
INE134E08MS3	Bonds	25-Aug-2023	Zero Interest	25-Aug-2026	597.69	Simple	CRISIL AAA/Stable
INE134E08MT1	Bonds	25-Aug-2023	7.64%	25-Aug-2026	2500	Simple	CRISIL AAA/Stable
INE134E08MU9	Bonds	30-Nov-2023	7.70%	30-Nov-2033	2625	Simple	CRISIL AAA/Stable
INE134E08MV7	Bonds	15-Dec-2023	7.69%	15-Dec-2038	3335	Simple	CRISIL AAA/Stable
INE134E08MW5	Bonds	15-Feb-2024	7.88%	31-Dec-9999	100	Simple	CRISIL AAA/Stable
INE134E08MX3	Bonds	22-Feb-2024	7.60%	13-Apr-2029	3000	Simple	CRISIL AAA/Stable
INE134E08MY1	Bonds	22-Feb-2024	7.49%	22-Feb-2034	3000	Simple	CRISIL AAA/Stable
INE134E08MZ8	Bonds	13-Mar-2024	7.55%	15-Apr-2027	2,754.00	Simple	CRISIL AAA/Stable
INE134E07794	Capital Gain Tax Exemption Bonds	31-Mar-2019	5.75%	31-Mar-2024	145.38	Simple	CRISIL AAA/Stable
INE134E07810	Capital Gain Tax Exemption Bonds	30-Apr-2019	5.75%	30-Apr-2024	48.91	Simple	CRISIL AAA/Stable
INE134E07828	Capital Gain Tax Exemption Bonds	31-May-2019	5.75%	31-May-2024	72.72	Simple	CRISIL AAA/Stable
INE134E07836	Capital Gain Tax Exemption Bonds	30-Jun-2019	5.75%	30-Jun-2024	81.73	Simple	CRISIL AAA/Stable
INE134E07844	Capital Gain Tax Exemption Bonds	31-Jul-2019	5.75%	31-Jul-2024	117.29	Simple	CRISIL AAA/Stable
INE134E07851	Capital Gain Tax Exemption Bonds	31-Aug-2019	5.75%	31-Aug-2024	105.73	Simple	CRISIL AAA/Stable
INE134E07869	Capital Gain Tax Exemption Bonds	30-Sep-2019	5.75%	30-Sep-2024	102.03	Simple	CRISIL AAA/Stable
INE134E07877	Capital Gain Tax Exemption Bonds	31-Oct-2019	5.75%	31-Oct-2024	92.09	Simple	CRISIL AAA/Stable
INE134E07885	Capital Gain Tax Exemption Bonds	30-Nov-2019	5.75%	30-Nov-2024	89.96	Simple	CRISIL AAA/Stable
INE134E07893	Capital Gain Tax Exemption Bonds	31-Dec-2019	5.75%	31-Dec-2024	93.08	Simple	CRISIL AAA/Stable
INE134E07901	Capital Gain Tax Exemption Bonds	31-Jan-2020	5.75%	31-Jan-2025	94	Simple	CRISIL AAA/Stable
INE134E07919	Capital Gain Tax Exemption Bonds	29-Feb-2020	5.75%	28-Feb-2025	107.88	Simple	CRISIL AAA/Stable
INE134E07927	Capital Gain Tax Exemption Bonds	31-Mar-2020	5.75%	31-Mar-2025	129.01	Simple	CRISIL AAA/Stable
INE134E07935	Capital Gain Tax Exemption Bonds	30-Apr-2020	5.75%	30-Apr-2025	12.44	Simple	CRISIL AAA/Stable
INE134E07943	Capital Gain Tax Exemption Bonds	31-May-2020	5.75%	31-May-2025	39.39	Simple	CRISIL AAA/Stable
INE134E07950	Capital Gain Tax Exemption Bonds	30-Jun-2020	5.75%	30-Jun-2025	117.99	Simple	CRISIL AAA/Stable
INE134E07976	Capital Gain Tax Exemption Bonds	31-Jul-2020	5.75%	31-Jul-2025	82.56	Simple	CRISIL AAA/Stable
INE134E07984	Capital Gain Tax Exemption Bonds	31-Aug-2020	5.00%	31-Aug-2025	26.03	Simple	CRISIL AAA/Stable
INE134E07992	Capital Gain Tax Exemption Bonds	30-Sep-2020	5.00%	30-Sep-2025	61.44	Simple	CRISIL AAA/Stable
INE134E07AA8	Capital Gain Tax Exemption Bonds	31-Oct-2020	5.00%	31-Oct-2025	45.9	Simple	CRISIL AAA/Stable
INE134E07AB6	Capital Gain Tax Exemption Bonds	30-Nov-2020	5.00%	30-Nov-2025	48.87	Simple	CRISIL AAA/Stable
INE134E07AC4	Capital Gain Tax Exemption Bonds	31-Dec-2020	5.00%	31-Dec-2025	86.18	Simple	CRISIL AAA/Stable
INE134E07AD2	Capital Gain Tax Exemption Bonds	31-Jan-2021	5.00%	31-Jan-2026	76.54	Simple	CRISIL AAA/Stable
INE134E07AE0	Capital Gain Tax Exemption Bonds	28-Feb-2021	5.00%	28-Feb-2026	101.96	Simple	CRISIL AAA/Stable
INE134E07AF7	Capital Gain Tax Exemption Bonds	31-Mar-2021	5.00%	31-Mar-2026	238.47	Simple	CRISIL AAA/Stable
INE134E07AU6	Capital Gain Tax Exemption Bonds	30-Apr-2021	5%	30-Apr-2026	74.66	Simple	CRISIL AAA/Stable
INE134E07AV4	Capital Gain Tax Exemption Bonds	31-May-2021	5.00%	31-May-2026	66.6	Simple	CRISIL AAA/Stable

INE134E07AW2	Capital Gain Tax Exemption Bonds	30-Jun-2021	5.00%	30-Jun-2026	103.86	Simple	CRISIL AAA/Stable
INE134E07AX0	Capital Gain Tax Exemption Bonds	31-Jul-2021	5.00%	31-Jul-2026	131	Simple	CRISIL AAA/Stable
INE134E07AY8	Capital Gain Tax Exemption Bonds	31-Aug-2021	5%	31-Aug-2026	106.04	Simple	CRISIL AAA/Stable
INE134E07AZ5	Capital Gain Tax Exemption Bonds	30-Sep-2021	5.00%	30-Sep-2026	135.76	Simple	CRISIL AAA/Stable
INE134E07BA6	Capital Gain Tax Exemption Bonds	31-Oct-2021	5%	31-Oct-2026	94.42	Simple	CRISIL AAA/Stable
INE134E07BB4	Capital Gain Tax Exemption Bonds	30-Nov-2021	5%	30-Nov-2026	84.94	Simple	CRISIL AAA/Stable
INE134E07BC2	Capital Gain Tax Exemption Bonds	31-Dec-2021	5%	31-Dec-2026	125.81	Simple	CRISIL AAA/Stable
INE134E07BD0	Capital Gain Tax Exemption Bonds	31-Jan-2022	5%	31-Jan-2027	111.14	Simple	CRISIL AAA/Stable
INE134E07BE8	Capital Gain Tax Exemption Bonds	28-Feb-2022	5%	28-Feb-2027	130.49	Simple	CRISIL AAA/Stable
INE134E07BF5	Capital Gain Tax Exemption Bonds	31-Mar-2022	5%	31-Mar-2027	269.93	Simple	CRISIL AAA/Stable
INE134E07BG3	Capital Gain Tax Exemption Bonds	30-Apr-2022	5%	30-Apr-2027	182	Simple	CRISIL AAA/Stable
INE134E07BH1	Capital Gain Tax Exemption Bonds	31-May-2022	5%	31-May-2027	190.4	Simple	CRISIL AAA/Stable
INE134E07BI9	Capital Gain Tax Exemption Bonds	30-Jun-2022	5%	30-Jun-2027	180.62	Simple	CRISIL AAA/Stable
INE134E07BJ7	Capital Gain Tax Exemption Bonds	31-Jul-2022	5%	31-Jul-2027	253.08	Simple	CRISIL AAA/Stable
INE134E07BK5	Capital Gain Tax Exemption Bonds	31-Aug-2022	5%	31-Aug-2027	146.19	Simple	CRISIL AAA/Stable
INE134E07BL3	Capital Gain Tax Exemption Bonds	30-Sep-2022	5%	30-Sep-2027	214.67	Simple	CRISIL AAA/Stable
INE134E07BM1	Capital Gain Tax Exemption Bonds	31-Oct-2022	5%	31-Oct-2027	176.41	Simple	CRISIL AAA/Stable
INE134E07BO7	Capital Gain Tax Exemption Bonds	31-Dec-2022	5%	31-Dec-2027	212.29	Simple	CRISIL AAA/Stable
INE134E07BP4	Capital Gain Tax Exemption Bonds	31-Jan-2023	5%	31-Jan-2028	191.69	Simple	CRISIL AAA/Stable
INE134E07BQ2	Capital Gain Tax Exemption Bonds	28-Feb-2023	5%	29-Feb-2028	212.41	Simple	CRISIL AAA/Stable
INE134E07BR0	Capital Gain Tax Exemption Bonds	31-Mar-2023	5%	31-Mar-2028	440.88	Simple	CRISIL AAA/Stable
INE134E07BT6	Capital Gain Tax Exemption Bonds	30-Apr-2023	5.25%	30-Apr-2028	500	Simple	CRISIL AAA/Stable
INE134E07BV2	Capital Gain Tax Exemption Bonds	31-May-2023	5.25%	31-May-2028	500	Simple	CRISIL AAA/Stable
INE134E07BU4	Capital Gain Tax Exemption Bonds	29-Feb-2024	5.25%	28-Feb-2029	105.73	Simple	CRISIL AAA/Stable
INE134E07BW0	Capital Gain Tax Exemption Bonds	31-Mar-2024	5.25%	31-Mar-2029	500	Simple	CRISIL AAA/Stable
INE134E07BX8	Capital Gain Tax Exemption Bonds	31-Jan-2024	5.25%	31-Jan-2029	500	Simple	CRISIL AAA/Stable
INE134E07BY6	Capital Gain Tax Exemption Bonds	31-Dec-2023	5.25%	31-Dec-2028	500	Simple	CRISIL AAA/Stable
INE134E07BZ3	Capital Gain Tax Exemption Bonds	30-Nov-2023	5.25%	30-Nov-2028	500	Simple	CRISIL AAA/Stable
INE134E07CA4	Capital Gain Tax Exemption Bonds	31-Oct-2023	5.25%	31-Oct-2028	500	Simple	CRISIL AAA/Stable
INE134E07CB2	Capital Gain Tax Exemption Bonds	30-Sep-2023	5.25%	30-Sep-2028	500	Simple	CRISIL AAA/Stable
INE134E07CC0	Capital Gain Tax Exemption Bonds	31-Aug-2023	5.25%	31-Aug-2028	500	Simple	CRISIL AAA/Stable
INE134E07CD8	Capital Gain Tax Exemption Bonds	31-Jul-2023	5.25%	31-Jul-2028	500	Simple	CRISIL AAA/Stable
INE134E07CE6	Capital Gain Tax Exemption Bonds	30-Jun-2023	5.25%	30-Jun-2028	500	Simple	CRISIL AAA/Stable
INE134E07BN9	Capital Gain Tax Exemption Bonds	30-Nov-2022	5.00%	31-Dec-2026	200.25	Simple	CRISIL AAA/Stable
INE134E07208	Tax Free Bonds	1-Feb-2012	8.30%	1-Feb-2027	1280.58	Simple	CRISIL AAA/Stable
INE134E07307	Tax Free Bonds	22-Nov-2012	7.38%	22-Nov-2027	25	Simple	CRISIL AAA/Stable

INE134E07323	Tax Free Bonds	29-Nov-2012	7.38%	29-Nov-2027	100	Simple	CRISIL AAA/Stable
INE134E07349	Tax Free Bonds	4-Jan-2013	7.36%	4-Jan-2028	176.21	Simple	CRISIL AAA/Stable
INE134E07349	Tax Free Bonds	4-Jan-2013	7.86%	4-Jan-2028	180.78	Simple	CRISIL AAA/Stable
INE134E07364	Tax Free Bonds	28-Mar-2013	7.04%	28-Mar-2028	13.35	Simple	CRISIL AAA/Stable
INE134E07364	Tax Free Bonds	28-Mar-2013	7.54%	28-Mar-2028	55.85	Simple	CRISIL AAA/Stable
INE134E07380	Tax Free Bonds	30-Aug-2013	8.46%	30-Aug-2028	1011.1	Simple	CRISIL AAA/Stable
INE134E07430	Tax Free Bonds	16-Nov-2013	8.54%	16-Nov-2028	932.7	Simple	CRISIL AAA/Stable
INE134E07448	Tax Free Bonds	16-Nov-2013	8.79%	16-Nov-2028	353.32	Simple	CRISIL AAA/Stable
INE134E07455	Tax Free Bonds	16-Nov-2013	8.67%	16-Nov-2033	1067.38	Simple	CRISIL AAA/Stable
INE134E07463	Tax Free Bonds	16-Nov-2013	8.92%	16-Nov-2033	861.96	Simple	CRISIL AAA/Stable
INE134E07539	Tax Free Bonds	17-Oct-2015	7.11%	17-Oct-2025	75.1	Simple	CRISIL AAA/Stable
INE134E07547	Tax Free Bonds	17-Oct-2015	7.36%	17-Oct-2025	79.35	Simple	CRISIL AAA/Stable
INE134E07554	Tax Free Bonds	17-Oct-2015	7.27%	17-Oct-2030	131.33	Simple	CRISIL AAA/Stable
INE134E07562	Tax Free Bonds	17-Oct-2015	7.52%	17-Oct-2030	45.18	Simple	CRISIL AAA/Stable
INE134E07570	Tax Free Bonds	17-Oct-2015	7.35%	17-Oct-2035	213.57	Simple	CRISIL AAA/Stable
INE134E07588	Tax Free Bonds	17-Oct-2015	7.60%	17-Oct-2035	155.5	Simple	CRISIL AAA/Stable
INE134E08BP2	Tax Free Bonds	7-Aug-2009	8.60%	7-Aug-2024	866.5	Simple	CRISIL AAA/Stable
INE134E08CN5	Tax Free Bonds	15-Dec-2009	8.50%	15-Dec-2024	351	Simple	CRISIL AAA/Stable
INE134E08CP0	Tax Free Bonds	15-Jan-2010	8.80%	15-Jan-2025	1172.6	Simple	CRISIL AAA/Stable
INE134E08CS4	Tax Free Bonds	15-Mar-2010	8.90%	15-Mar-2025	184	Simple	CRISIL AAA/Stable
INE134E08CV8	Tax Free Bonds	30-Mar-2010	8.95%	30-Mar-2025	492	Simple	CRISIL AAA/Stable
INE134E08CY2	Tax Free Bonds	14-May-2010	8.70%	14-May-2025	1337.5	Simple	CRISIL AAA/Stable
INE134E08DA0	Tax Free Bonds	15-Jun-2010	8.75%	15-Jun-2025	1532	Simple	CRISIL AAA/Stable
INE134E08DB8	Tax Free Bonds	15-Jun-2010	8.85%	15-Jun-2030	633	Simple	CRISIL AAA/Stable
INE134E08DJ1	Tax Free Bonds	15-Dec-2010	9.05%	15-Dec-2030	385.4	Simple	CRISIL AAA/Stable
INE134E08DU8	Tax Free Bonds	1-Sep-2011	9.45%	1-Sep-2026	2568	Simple	CRISIL AAA/Stable
INE134E08SR2	Tax Free Bonds	1-Aug-2011	9.46%	1-Aug-2026	1105	Simple	CRISIL AAA/Stable
INE134E07091	Infrastructure Bonds	31-Mar-2011	8.50%	31-Mar-2026	5.27	Complex	CRISIL AAA/Stable
INE134E07109	Institutional bonds	31-Mar-2011	8.50%	31-Mar-2026	19.3	Complex	CRISIL AAA/Stable
INE134E07125	Institutional bonds	15-Oct-2011	7.75%	15-Oct-2026	217.99	Simple	CRISIL AAA/Stable
INE134E07141	Institutional bonds	25-Nov-2011	8.16%	25-Nov-2026	209.34	Simple	CRISIL AAA/Stable
INE134E07174	Institutional bonds	21-Nov-2011	8.75%	21-Nov-2026	2.86	Complex	CRISIL AAA/Stable
INE134E07182	Institutional bonds	21-Nov-2011	8.75%	21-Nov-2026	7.77	Complex	CRISIL AAA/Stable
INE134E07232	Institutional bonds	30-Mar-2012	8.72%	30-Mar-2027	0.87	Complex	CRISIL AAA/Stable
INE134E07240	Institutional bonds	30-Mar-2012	8.72%	30-Mar-2027	2.4	Simple	CRISIL AAA/Stable
INE134E07521	Institutional bonds	17-Jul-2015	7.16%	17-Jul-2025	300	Simple	CRISIL AAA/Stable

INE134E08DI3	Institutional bonds	15-Dec-2010	9.05%	15-Dec-2025	192.7	Simple	CRISIL AAA/Stable
INE134E08DS2	Institutional bonds	1-Aug-2011	9.46%	1-Aug-2026	1078.9	Simple	CRISIL AAA/Stable
INE134E08FL2	Institutional bonds	11-Mar-2013	9.00%	11-Mar-2028	1370	Simple	CRISIL AAA/Stable
INE134E08FO6	Institutional bonds	18-Mar-2013	8.90%	18-Mar-2028	403	Simple	CRISIL AAA/Stable
INE134E08FQ1	Institutional bonds	25-Mar-2013	8.94%	25-Mar-2028	2807	Simple	CRISIL AAA/Stable
INE134E08GD7	Institutional bonds	19-Aug-2014	9.37%	19-Aug-2024	855	Simple	CRISIL AAA/Stable
INE134E08GG0	Institutional bonds	27-Aug-2014	9.39%	27-Aug-2024	460	Simple	CRISIL AAA/Stable
INE134E08GH8	Institutional bonds	27-Aug-2014	9.39%	27-Aug-2029	460	Simple	CRISIL AAA/Stable
INE134E08GK2	Institutional bonds	8-Oct-2014	8.98%	8-Oct-2024	961	Complex	CRISIL AAA/Stable
INE134E08GL0	Institutional bonds	8-Oct-2014	8.98%	8-Oct-2024	950	Complex	CRISIL AAA/Stable
INE134E08GU1	Institutional bonds	9-Dec-2014	8.48%	9-Dec-2024	1000	Simple	CRISIL AAA/Stable
INE134E08GV9	Institutional bonds	29-Dec-2014	8.65%	28-Dec-2024	2826	Simple	CRISIL AAA/Stable
INE134E08GW7	Institutional bonds	5-Jan-2015	8.65%	4-Jan-2025	5000	Simple	CRISIL AAA/Stable
INE134E08GY3	Institutional bonds	10-Mar-2015	8.20%	10-Mar-2025	1600	Simple	CRISIL AAA/Stable
INE134E08HD5	Institutional bonds	19-Mar-2015	8.39%	19-Apr-2025	925	Simple	CRISIL AAA/Stable
INE134E08HG8	Institutional bonds	27-Mar-2015	8.41%	27-Mar-2025	5000	Simple	CRISIL AAA/Stable
INE134E08HX3	Institutional bonds	18-Sep-2015	8.40%	18-Sep-2025	1000	Simple	CRISIL AAA/Stable
INE134E08IE1	Institutional bonds	2-May-2016	8.03%	2-May-2026	1000	Complex	CRISIL AAA/Stable
INE134E08II2	Institutional bonds	16-Aug-2016	7.63%	14-Aug-2026	1675	Simple	CRISIL AAA/Stable
INE134E08IK8	Institutional bonds	16-Sep-2016	7.56%	16-Sep-2026	210	Simple	CRISIL AAA/Stable
INE134E08IL6	Institutional bonds	26-Sep-2016	7.55%	25-Sep-2026	4000	Simple	CRISIL AAA/Stable
INE134E08IO0	Institutional bonds	5-Jan-2017	7.23%	5-Jan-2027	2635	Simple	CRISIL AAA/Stable
INE134E08IP7	Institutional bonds	11-Jan-2017	7.10%	11-Jan-2027	200	Simple	CRISIL AAA/Stable
INE134E08IR3	Institutional bonds	20-Jan-2017	7.18%	20-Jan-2027	1335	Simple	CRISIL AAA/Stable
INE134E08IT9	Institutional bonds	20-Feb-2017	7.60%	20-Feb-2027	1465	Simple	CRISIL AAA/Stable
INE134E08IX1	Institutional bonds	22-Mar-2017	7.75%	22-Mar-2027	2000	Simple	CRISIL AAA/Stable
INE134E08JC3	Institutional bonds	12-Jun-2017	7.44%	11-Jun-2027	1540	Simple	CRISIL AAA/Stable
INE134E08JE9	Institutional bonds	8-Aug-2017	7.30%	7-Aug-2027	1500	Simple	CRISIL AAA/Stable
INE134E08JG4	Institutional bonds	22-Nov-2017	7.65%	22-Nov-2027	2001	Simple	CRISIL AAA/Stable
INE134E08JH2	Institutional bonds	15-Dec-2017	7.62%	15-Dec-2027	5000	Simple	CRISIL AAA/Stable
INE134E08JI0	Institutional bonds	30-Jan-2018	7.74%	29-Jan-2028	850	Complex	CRISIL AAA/Stable
INE134E08JP5	Institutional bonds	3-Apr-2018	7.85%	3-Apr-2028	3855	Simple	CRISIL AAA/Stable
INE134E08JQ3	Institutional bonds	10-Oct-2018	8.95%	10-Oct-2028	3000	Simple	CRISIL AAA/Stable
INE134E08JR1	Institutional bonds	19-Nov-2018	8.67%	18-Nov-2028	1007.4	Simple	CRISIL AAA/Stable
INE134E08JS9	Institutional bonds	19-Nov-2018	8.64%	19-Nov-2033	528.4	Simple	CRISIL AAA/Stable
INE134E08JT7	Institutional bonds	22-Feb-2019	8.75%	22-Feb-2034	2654	Simple	CRISIL AAA/Stable

INE134E08KA5	Institutional bonds	30-Apr-2019	8.79%	29-Apr-2034	2578.9	Simple	CRISIL AAA/Stable
INE134E08KC1	Institutional bonds	27-May-2019	8.85%	25-May-2029	1982.1	Simple	CRISIL AAA/Stable
INE134E08KD9	Institutional bonds	4-Jun-2019	8.10%	4-Jun-2024	691.1	Simple	CRISIL AAA/Stable
INE134E08KE7	Institutional bonds	8-Aug-2019	8.15%	8-Aug-2034	4035	Simple	CRISIL AAA/Stable
INE134E08KF4	Institutional bonds	6-Sep-2019	8.25%	6-Sep-2034	4016	Simple	CRISIL AAA/Stable
INE134E08KH0	Institutional bonds	19-Nov-2019	7.42%	19-Nov-2024	3000	Simple	CRISIL AAA/Stable
INE134E08KI8	Institutional bonds	31-Dec-2019	7.93%	31-Dec-2029	4710.5	Simple	CRISIL AAA/Stable
INE134E08KK4	Institutional bonds	14-Jan-2020	7.86%	12-Apr-2030	1100	Simple	CRISIL AAA/Stable
INE134E08KL2	Institutional bonds	25-Feb-2020	7.41%	25-Feb-2030	2500	Simple	CRISIL AAA/Stable
INE134E08KL2	Institutional bonds	14-Jul-2020	7.41%	25-Feb-2030	1500	Simple	CRISIL AAA/Stable
INE134E08KM0	Institutional bonds	2-Mar-2020	7.41%	15-May-2030	5000	Simple	CRISIL AAA/Stable
INE134E08KP3	Institutional bonds	24-Apr-2020	7.16%	24-Apr-2025	1320	Simple	CRISIL AAA/Stable
INE134E08KQ1	Institutional bonds	8-May-2020	7.40%	8-May-2030	2920	Simple	CRISIL AAA/Stable
INE134E08KR9	Institutional bonds	15-May-2020	7.68%	15-Jul-2030	3101.3	Simple	CRISIL AAA/Stable
INE134E08KT5	Institutional bonds	22-May-2020	7.17%	22-May-2025	810	Simple	CRISIL AAA/Stable
INE134E08KU3	Institutional bonds	22-May-2020	7.79%	22-Jul-2030	1936	Simple	CRISIL AAA/Stable
INE134E08KV1	Institutional bonds	11-Jun-2020	7.75%	11-Jun-2030	3318	Simple	CRISIL AAA/Stable
INE134E08KX7	Institutional bonds	28-Jul-2020	5.77%	11-Apr-2025	900	Simple	CRISIL AAA/Stable
INE134E08KY5	Institutional bonds	28-Jul-2020	6.88%	11-Apr-2031	1300	Simple	CRISIL AAA/Stable
INE134E08KZ2	Institutional bonds	10-Aug-2020	7.05%	9-Aug-2030	1610.1	Simple	CRISIL AAA/Stable
INE134E08LA3	Institutional bonds	10-Aug-2020	7.20%	10-Aug-2035	1605.7	Simple	CRISIL AAA/Stable
INE134E08LC9	Institutional bonds	9-Sep-2020	7.04%	16-Dec-2030	1097.4	Simple	CRISIL AAA/Stable
INE134E08LD7	Institutional bonds	17-Sep-2020	6.50%	17-Sep-2025	2806	Simple	CRISIL AAA/Stable
INE134E08LE5	Institutional bonds	29-Sep-2020	7.34%	29-Sep-2035	1711	Simple	CRISIL AAA/Stable
INE134E08LF2	Institutional bonds	30-Jun-2021	6.35%	30-Jun-2025	405.6	Simple	CRISIL AAA/Stable
INE134E08LG0	Institutional bonds	30-Jun-2021	6.35%	30-Jun-2026	540.8	Simple	CRISIL AAA/Stable
INE134E08LH8	Institutional bonds	30-Jun-2021	6.35%	30-Jun-2027	405.6	Simple	CRISIL AAA/Stable
INE134E08LI6	Institutional bonds	30-Jun-2021	7.11%	30-Jun-2036	1933.5	Simple	CRISIL AAA/Stable
INE134E08LJ4	Institutional bonds	2-Aug-2021	3 Month T-Bill Linked	2-Aug-2024	1985	Simple	CRISIL AAA/Stable
INE134E08LK2	Institutional bonds	27-Aug-2021	6.09%	27-Aug-2026	2450	Simple	CRISIL AAA/Stable
INE134E08LL0	Institutional bonds	27-Aug-2021	7.15%	27-Aug-2036	2343.7	Simple	CRISIL AAA/Stable
INE134E08LM8	Institutional bonds	1-Oct-2021	6.95%	1-Oct-2031	1988	Simple	CRISIL AAA/Stable
INE134E08JX9	Subordinated debt issue	25-Mar-2019	9.10%	23-Mar-2029	2411.5	Simple	CRISIL AAA/Stable
INE134E08JY7	Subordinated debt issue	25-Mar-2019	9.25%	25-Sep-2024	2000	Simple	CRISIL AAA/Stable
INE134E08JZ4	Subordinated debt issue	28-Mar-2019	8.98%	28-Mar-2029	1000	Simple	CRISIL AAA/Stable

US73928QAA67	Foreign Currency Bond	6-Dec-2018	6.15%	6-Dec-2028	4155.82	Simple	CRISIL AAA/Stable
US73928QAB41	Foreign Currency Bond	23-Jan-2020	3.95%	23-Apr-2030	831.16	Simple	CRISIL AAA/Stable
US73928QAB41	Foreign Currency Bond	23-Jan-2020	3.95%	23-Apr-2030	4986.98	Simple	CRISIL AAA/Stable
US73928QAB41	Foreign Currency Bond	23-Jan-2020	3.95%	23-Apr-2030	355.68	Simple	CRISIL AAA/Stable
US73928QAB41	Foreign Currency Bond	23-Jan-2020	3.95%	23-Apr-2030	59.91	Simple	CRISIL AAA/Stable
XS1725342288	Foreign Currency Bond	6-Dec-2017	3.75%	6-Dec-2027	831.16	Simple	CRISIL AAA/Stable
XS1725342288	Foreign Currency Bond	6-Dec-2017	3.75%	6-Dec-2027	2450.34	Simple	CRISIL AAA/Stable
XS1725342288	Foreign Currency Bond	6-Dec-2017	3.75%	6-Dec-2027	43.15	Simple	CRISIL AAA/Stable
XS1864036576	Foreign Currency Bond	10-Aug-2018	5.25%	10-Aug-2028	2493.49	Simple	CRISIL AAA/Stable
XS2009878880	Foreign Currency Bond	18-Jun-2019	3.75%	18-Jun-2024	3324.66	Simple	CRISIL AAA/Stable
XS2013531061	Foreign Currency Bond	18-Jun-2019	4.50%	18-Jun-2029	4986.98	Simple	CRISIL AAA/Stable
XS2049301042	Foreign Currency Bond	16-Sep-2019	3.25%	16-Sep-2024	2077.91	Simple	CRISIL AAA/Stable
XS2049301042	Foreign Currency Bond	16-Sep-2019	3.25%	16-Sep-2024	415.58	Simple	CRISIL AAA/Stable
XS2051369671	Foreign Currency Bond	16-Sep-2019	3.90%	16-Sep-2029	3324.66	Simple	CRISIL AAA/Stable
XS2051369671	Foreign Currency Bond	16-Sep-2019	3.90%	16-Sep-2029	415.58	Simple	CRISIL AAA/Stable
XS2282240907	Foreign Currency Bond	28-Jan-2021	3.35%	16-May-2031	4155.82	Simple	CRISIL AAA/Stable
XS2384373341	Foreign Currency Bond	20-Sep-2021	1.84%	21-Sep-2028	2760.15	Simple	CRISIL AAA/Stable
NA	Subordinated debt issue^^	NA	NA	NA	5788.5	Complex	CRISIL AAA/Stable
NA	Cash Credit#	NA	NA	NA	10000	NA	CRISIL AAA/Stable
NA	Long Term Borrowing Programme (FY24)^^	NA	NA	NA	98000	Simple	CRISIL AAA/Stable
NA	Short Term Borrowing Programme (FY24)^^	NA	NA	NA	7000	Simple	CRISIL A1+
NA	Long Term Borrowing Programme (FY25)^^	NA	NA	NA	115000	Simple	CRISIL AAA/Stable
NA	Short Term Borrowing Programme (FY25)^^	NA	NA	NA	15000	Simple	CRISIL A1+
NA	Long Term Borrowing Programme (FY22)^^	NA	NA	NA	84195.14	Simple	CRISIL AAA/Stable
NA	Long Term Borrowing Programme (FY23)^^	NA	NA	NA	72000	Simple	CRISIL AAA/Stable
NA	Perpetual Non-Convertible Debentures@^^	NA	NA	NA	1000	Complex	CRISIL AAA/Stable
NA	Short Term Loan (HDFC Bank)	20-Jun-2023	NA	20-Jun-2024	1862.5	Simple	CRISIL A1+
NA	Short Term Loan (HDFC Bank)	26-Jun-2023	NA	26-Jun-2024	521.5	Simple	CRISIL A1+
NA	Short Term Loan (HDFC Bank)	27-Jun-2023	NA	27-Jun-2024	247.5	Simple	CRISIL A1+
NA	Short Term Loan (HDFC Bank)	4-Jul-2023	NA	4-Jul-2024	644	Simple	CRISIL A1+

NA	Short Term Loan (Bank of Baroda)	23-Jun-2023	NA	23-Jun-2024	82	Simple	CRISIL A1+
NA	Short Term Loan (Bank of Baroda)	28-Jun-2023	NA	28-Jun-2024	1418	Simple	CRISIL A1+
NA	Working Capital Demand Loan (IndusInd Bank)	21-Dec-2023	NA	21-Dec-2024	250	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Mizuho Bank)	25-Aug-2023	NA	25-Aug-2024	250	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (IDFC First Bank)	29-Jul-2023	NA	29-Jul-2024	350	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (ICICI Bank)	9-Nov-2023	NA	9-Nov-2024	6000	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (HDFC Bank)	24-Mar-2023	NA	24-Mar-2024	1800	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (State Bank of India)	9-Mar-2023	NA	9-Mar-2024	2500	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Yes Bank)	25-Jun-2023	NA	25-Jun-2024	300	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (RBL Bank)	26-Apr-2023	NA	28-Feb-2024	300	Simple	CRISIL AAA/Stable
NA	Working Capital Demand Loan (Citi Bank)	27-Feb-2023	NA	27-Feb-2024	50	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (KFW)	3-Jan-2023	NA	15-Nov-2031	703.94	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (KFW)	19-Jun-1995	NA	30-Jun-2035	41.34	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	10-Dec-2007	NA	15-Oct-2025	19.93	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	8-Feb-2008	NA	15-Apr-2026	4.92	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	20-Feb-2008	NA	15-Oct-2026	5.03	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	16-Apr-2008	NA	15-Apr-2027	3.47	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	15-May-2008	NA	15-Apr-2027	0.82	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	14-Jul-2008	NA	15-Oct-2027	2.91	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	4-Aug-2008	NA	15-Apr-2028	1.93	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Asian Development Bank)	5-Sep-2008	NA	15-Oct-2028	1	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan(Credit National)	29-Apr-1989	NA	30-Jun-2028	14.35	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan	1-Feb-2019	NA	1-Feb-2024	482.64	Simple	CRISIL AAA/Stable

	(Mizuho Bank)						
NA	Foreign Currency Term Loan(Bank of Baroda)	30-Nov-2021	NA	30-Nov-2026	1246.75	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan(Bank of Baroda)	27-Sep-2023	NA	27-Sep-2028	2077.91	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan(Bank of Baroda)	27-Sep-2023	NA	27-Sep-2028	2077.91	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Bank of Tokyo-MUFG)	1-Feb-2019	NA	1-Feb-2024	265.01	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (MUFG)	28-Dec-2022	NA	28-Dec-2026	221.32	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (MUFG)	28-Dec-2022	NA	28-Dec-2027	221.32	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (MUFG)	28-Dec-2022	NA	28-Dec-2028	221.32	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (The Norinchukin Bank)	1-Feb-2019	NA	1-Feb-2024	217.63	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (The Norinchukin Bank)	28-Dec-2022	NA	28-Dec-2028	98.03	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (The Norinchukin Bank)	28-Dec-2022	NA	28-Dec-2028	98.03	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (The Norinchukin Bank)	28-Dec-2022	NA	28-Dec-2028	98.03	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (EXIM Bank)	30-Nov-2021	NA	30-Nov-2026	831.16	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (EXIM Bank)	13-Oct-2020	NA	13-Oct-2025	831.16	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (DBS Bank)	5-Nov-2020	NA	5-Nov-2025	415.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Canara Bank)	30-Nov-2021	NA	30-Nov-2026	831.16	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Punjab National Bank)	5-Nov-2020	NA	5-Nov-2025	831.16	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Crédit Agricole Corporate and Investment Bank)	28-Dec-2022	NA	28-Dec-2026	97.17	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Crédit Agricole Corporate and Investment Bank)	28-Dec-2022	NA	28-Dec-2027	97.17	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Crédit Agricole Corporate and Investment Bank)	28-Dec-2022	NA	28-Dec-2028	97.17	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (ICICI Bank)	29-Mar-2023	NA	28-Mar-2024	853.72	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (ICICI Bank)	30-Jun-2023	NA	28-Jun-2024	1266.89	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (JBIC	20-Jun-2023	NA	20-Apr-2038	121.27	Simple	CRISIL AAA/Stable

	Bank)						
NA	Foreign Currency Term Loan (JBIC Bank)	27-Sep-2023	NA	20-Jun-2036	58.44	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	20-Dec-2019	NA	20-Dec-2024	2077.91	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	5-Nov-2020	NA	5-Nov-2025	1246.75	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	30-Nov-2021	NA	30-Nov-2026	2285.7	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	19-Dec-2023	NA	19-Dec-2028	2077.91	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	27-Mar-2023	NA	27-Mar-2024	914.28	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (State Bank of India)	28-Mar-2023	NA	27-Mar-2024	850.97	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (State Bank of India)	31-Mar-2023	NA	30-Mar-2024	1268.74	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (State Bank of India)	27-Mar-2023	NA	27-Mar-2024	855.32	Simple	CRISIL A1+
NA	Foreign Currency Term Loan (State Bank of India)	28-Dec-2022	NA	28-Dec-2026	1036.38	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	28-Dec-2022	NA	28-Dec-2027	1036.38	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India)	28-Dec-2022	NA	28-Dec-2028	1036.69	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India, Shinsei)	28-Dec-2022	NA	28-Dec-2026	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India, Shinsei)	28-Dec-2022	NA	28-Dec-2027	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India, Shinsei)	28-Dec-2022	NA	28-Dec-2028	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (State Bank of India, Shinsei)	5-Jan-2023	NA	5-Jan-2030	117.64	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Bank of China)	28-Dec-2022	NA	28-Dec-2026	217.63	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Bank of China)	28-Dec-2022	NA	28-Dec-2026	217.63	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Bank of China)	28-Dec-2022	NA	28-Dec-2026	217.63	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Gunma Bank)	28-Dec-2022	NA	28-Dec-2026	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Gunma Bank)	28-Dec-2022	NA	28-Dec-2027	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Gunma Bank)	28-Dec-2022	NA	28-Dec-2028	39.21	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (NTT	5-Jan-2023	NA	5-Jan-2030	235.28	Simple	CRISIL AAA/Stable

	TC Leasing Co.)						
NA	Foreign Currency Term Loan (Chang Hwa Commercial Bank)	5-Jan-2023	NA	5-Jan-2030	176.49	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Taiwan Cooperative Bank)	5-Jan-2023	NA	5-Jan-2030	176.48	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Sumitomo Mitsui Banking Corporation)	5-Jan-2023	NA	5-Jan-2030	868.3	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (IDBI Bank)	19-Dec-2023	NA	19-Dec-2028	831.16	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (Axis Bank)	19-Dec-2023	NA	19-Dec-2028	415.58	Simple	CRISIL AAA/Stable
NA	Foreign Currency Term Loan (HSBC Bank)	19-Dec-2023	NA	19-Dec-2028	1662.33	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	20-Feb-2019	NA	20-Feb-2024	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	21-Jun-2019	NA	21-Jun-2024	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	24-Jun-2019	NA	24-Jun-2024	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	29-Jun-2019	NA	29-Jun-2024	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	15-Jan-2019	NA	15-Jan-2024	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	23-Mar-2020	NA	23-Mar-2026	200	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	22-Sep-2020	NA	22-Sep-2026	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	28-Jun-2022	NA	28-Jun-2028	2250	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Canara Bank)	30-Jun-2022	NA	30-Jun-2028	250	Simple	CRISIL AAA/Stable
NA	Long Term Loan (OBC)	25-Feb-2019	NA	25-Feb-2025	375	Simple	CRISIL AAA/Stable
NA	Long Term Loan (OBC)	30-Sep-2019	NA	30-Sep-2025	112.5	Simple	CRISIL AAA/Stable
NA	Long Term Loan (OBC)	20-Mar-2020	NA	20-Mar-2025	333.33	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	21-Jan-2019	NA	21-Jan-2024	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	30-Jan-2019	NA	21-Jan-2024	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	11-Sep-2020	NA	11-Sep-2026	750	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	18-Sep-2021	NA	18-Sep-2028	50	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	20-Sep-2021	NA	18-Sep-2028	100	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	22-Sep-2021	NA	18-Sep-2028	50	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	24-Sep-2021	NA	18-Sep-2028	300	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of India)	2-Mar-2019	NA	2-Mar-2025	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Corporation Bank)	30-Sep-2019	NA	30-Sep-2024	100	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	10-Jul-2020	NA	10-Jul-2025	2855	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	27-Dec-2019	NA	19-Dec-2024	470	Simple	CRISIL AAA/Stable

NA	Long Term Loan (State Bank of India)	30-Dec-2019	NA	19-Dec-2024	1170	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	31-Dec-2019	NA	19-Dec-2024	262.2	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	1-Jan-2020	NA	19-Dec-2024	167.8	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	2-Jan-2020	NA	19-Dec-2024	430	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	30-Sep-2023	NA	19-Dec-2024	1225.86	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	30-Sep-2023	NA	30-Sep-2033	350.25	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	19-Dec-2019	NA	19-Dec-2024	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	25-Oct-2023	NA	30-Sep-2033	805	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	26-Oct-2023	NA	30-Sep-2033	86.23	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	27-Oct-2023	NA	30-Sep-2033	190.65	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	1-Nov-2023	NA	30-Sep-2033	499.7	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	9-Nov-2023	NA	30-Sep-2033	180.57	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	10-Nov-2023	NA	30-Sep-2033	607.68	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	13-Nov-2023	NA	30-Sep-2033	302.91	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	14-Nov-2023	NA	30-Sep-2033	183.34	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	16-Nov-2023	NA	30-Sep-2033	356.95	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	17-Nov-2023	NA	30-Sep-2033	1022.89	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	20-Nov-2023	NA	30-Sep-2033	1538.22	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	25-Oct-2023	NA	30-Sep-2033	230	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	26-Oct-2023	NA	30-Sep-2033	24.64	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	27-Oct-2023	NA	30-Sep-2033	54.47	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	1-Nov-2023	NA	30-Sep-2033	142.77	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	9-Nov-2023	NA	30-Sep-2033	51.59	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	10-Nov-2023	NA	30-Sep-2033	173.62	Simple	CRISIL AAA/Stable

NA	Long Term Loan (State Bank of India)	13-Nov-2023	NA	30-Sep-2033	86.54	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	14-Nov-2023	NA	30-Sep-2033	52.38	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	16-Nov-2023	NA	30-Sep-2033	101.99	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	17-Nov-2023	NA	30-Sep-2033	292.26	Simple	CRISIL AAA/Stable
NA	Long Term Loan (State Bank of India)	20-Nov-2023	NA	30-Sep-2033	439.49	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Union Bank of India)	30-Sep-2020	NA	30-Sep-2025	900	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Union Bank of India)	23-Mar-2020	NA	23-Mar-2025	625	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Union Bank of India)	31-Mar-2022	NA	31-Mar-2028	3000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Union Bank of India)	27-Sep-2023	NA	27-Sep-2029	837.19	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	30-Sep-2021	NA	30-Sep-2025	3000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	5-Jul-2023	NA	5-Jul-2028	2627	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	6-Jul-2023	NA	5-Jul-2028	35	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	7-Jul-2023	NA	5-Jul-2028	46	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	19-Sep-2023	NA	5-Jul-2028	1010	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	22-Sep-2023	NA	5-Jul-2028	60.95	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	25-Sep-2023	NA	5-Jul-2028	221.05	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	25-Sep-2023	NA	25-Sep-2030	1626.22	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	26-Sep-2023	NA	25-Sep-2030	1782.91	Simple	CRISIL AAA/Stable
NA	Long Term Loan (HDFC Bank)	27-Sep-2023	NA	25-Sep-2030	590.87	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Andhra Bank)	31-Mar-2020	NA	15-Jan-2025	400	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab National Bank)	27-Sep-2021	NA	27-Sep-2026	425	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab National Bank)	29-Sep-2021	NA	27-Sep-2026	75	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab National Bank)	29-Sep-2021	NA	29-Sep-2026	5	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab National Bank)	29-Sep-2023	NA	29-Sep-2028	99.36	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab National Bank)	20-Nov-2023	NA	29-Sep-2028	828.66	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab & Sind Bank)	30-Mar-2023	NA	30-Mar-2029	604.5	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Punjab & Sind Bank)	31-Mar-2023	NA	30-Mar-2029	395.5	Simple	CRISIL AAA/Stable
NA	Long Term Loan (UCO bank)	30-Mar-2023	NA	30-Mar-2028	500	Simple	CRISIL AAA/Stable

NA	Long Term Loan (UCO bank)	31-Mar-2023	NA	30-Mar-2028	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (UCO bank)	24-Sep-2021	NA	24-Sep-2026	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Indian Overseas Bank)	30-Sep-2022	NA	30-Sep-2028	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Indian Overseas Bank)	30-Mar-2023	NA	30-Mar-2029	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of Baroda)	17-Nov-2022	NA	17-Nov-2029	1500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of Baroda)	19-Nov-2022	NA	17-Nov-2029	500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of Baroda)	21-Nov-2022	NA	17-Nov-2029	850	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of Baroda)	22-Nov-2022	NA	17-Nov-2029	1100	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Bank of Baroda)	24-Nov-2022	NA	17-Nov-2029	1050	Simple	CRISIL AAA/Stable
NA	Long Term Loan (KEB Hana Bank)	17-Nov-2022	NA	17-Nov-2025	100	Simple	CRISIL AAA/Stable
NA	Long Term Loan (IIFCL)	30-Sep-2021	NA	30-Sep-2026	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (National Small Savings Fund)	27-Dec-2018	NA	27-Dec-2028	7500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (NABFID)	31-Mar-2023	NA	31-Mar-2038	3500	Simple	CRISIL AAA/Stable
NA	Long Term Loan (Central Bank)	31-Mar-2022	NA	31-Mar-2027	1000	Simple	CRISIL AAA/Stable
NA	Long Term Loan (South Indian Bank)	22-Sep-2023	NA	19-Sep-2028	9.44	Simple	CRISIL AAA/Stable
NA	Long Term Loan (South Indian Bank)	25-Sep-2023	NA	19-Sep-2028	34.21	Simple	CRISIL AAA/Stable
NA	Long Term Loan (South Indian Bank)	19-Sep-2023	NA	19-Sep-2028	156.35	Simple	CRISIL AAA/Stable
NA	Long Term Loan (South Indian Bank)	31-May-2023	NA	31-May-2028	200	Simple	CRISIL AAA/Stable

@Part of borrowing programme for fiscal 2021
^^Not yet issued
#Limit for working capital demand loan/overdraft facility/cash credit/line of credit/bank guarantee. Total working capital borrowing not to exceed board-approved limit of Rs 10,000 crore. However, quantum of sanctioned working capital facilities may be different from the Board-approved limit for outstanding working capital borrowing.

Annexure: Details of rating withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs. Crore)	Complexity	Rating
INE134E07AH3	Bonds	22/Jan/2021	4.80%	22/Jan/2024	1.96	Simple	Withdrawn
INE134E07778	Capital Gain Tax Exemption Bonds	31/Jan/2019	5.75%	31/Jan/2024	70.63	Simple	Withdrawn
INE134E07786	Capital Gain Tax Exemption Bonds	28/Feb/2019	5.75%	28/Feb/2024	66.74	Simple	Withdrawn
INE134E08FX7	Subordinated debt issue	21/Feb/2014	9.70%	21/Feb/2024	2000	Simple	Withdrawn

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
REC	Full	Subsidiary
PFC Consulting Ltd	Full	Subsidiary
Energy Efficiently Services Ltd	Proportionate	Joint venture
Chattisgarh Surguja Power Ltd	Proportionate	Associate
Coastal Karnataka Power Ltd	Proportionate	Associate
Coastal Maharashtra Mega Power Ltd	Proportionate	Associate
Coastal Tamil Nadu Power Ltd	Proportionate	Associate
Orissa Integrated Power Ltd	Proportionate	Associate
Sakhigopal Integrated Power Company Ltd	Proportionate	Associate
Ghogarpalli Integrated Power Company Ltd	Proportionate	Associate

Tatiya Andhra Mega Power Ltd	Proportionate	Associate
Deoghar Mega Power Ltd	Proportionate	Associate
Cheyyur Infra Ltd	Proportionate	Associate
Odisha Infrapower Ltd	Proportionate	Associate
Deoghar Infrapower Ltd	Proportionate	Associate
Bihar Infrapower Ltd	Proportionate	Associate
Jharkhand Infrapower Ltd	Proportionate	Associate

**as at March 31, 2023*

Annexure - Rating History for last 3 Years

	Current			2024 (History)		2023		2022		2021		Start of 2021
Instrument	**Type**	**Outstanding Amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Rating**
Fund Based Facilities	LT	10000.0	CRISIL AAA/Stable	25-01-24	CRISIL AAA/Stable	25-10-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	20-09-23	CRISIL AAA/Stable		--	08-01-21	CRISIL AAA/Stable	--
			--		--	01-08-23	CRISIL AAA/Stable		--		--	--
			--		--	12-04-23	CRISIL AAA/Stable		--		--	--
			--		--	30-03-23	CRISIL AAA/Stable		--		--	--
			--		--	13-02-23	CRISIL AAA/Stable		--		--	--
Bond	LT	65989.04	CRISIL AAA/Stable	25-01-24	CRISIL AAA/Stable	25-10-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	20-09-23	CRISIL AAA/Stable		--	08-01-21	CRISIL AAA/Stable	--
			--		--	01-08-23	CRISIL AAA/Stable		--		--	--
			--		--	12-04-23	CRISIL AAA/Stable		--		--	--
			--		--	30-03-23	CRISIL AAA/Stable		--		--	--
			--		--	13-02-23	CRISIL AAA/Stable		--		--	--
Long-Term Borrowing Programme	LT	666600.0	CRISIL AAA/Stable	25-01-24	CRISIL AAA/Stable	25-10-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	20-09-23	CRISIL AAA/Stable		--	08-01-21	CRISIL AAA/Stable	--
			--		--	01-08-23	CRISIL AAA/Stable		--		--	--
			--		--	12-04-23	CRISIL AAA/Stable		--		--	--
			--		--	30-03-23	CRISIL AAA/Stable		--		--	--
			--		--	13-02-23	CRISIL AAA/Stable		--		--	--
Perpetual Non Convertible Debentures	LT	1000.0	CRISIL AAA/Stable	25-01-24	CRISIL AAA/Stable	25-10-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	20-09-23	CRISIL AAA/Stable		--	08-01-21	CRISIL AAA/Stable	--
			--		--	01-08-23	CRISIL AAA/Stable		--		--	--
			--		--	12-04-23	CRISIL AAA/Stable		--		--	--
			--		--	30-03-23	CRISIL AAA/Stable		--		--	--
			--		--	13-02-23	CRISIL AAA/Stable		--		--	--
Short Term Borrowing programme	ST	50400.0	CRISIL A1+	25-01-24	CRISIL A1+	25-10-23	CRISIL A1+	24-03-22	CRISIL A1+	31-03-21	CRISIL A1+	CRISIL A1+
			--		--	20-09-23	CRISIL A1+		--	08-01-21	CRISIL A1+	--
			--		--	01-08-23	CRISIL A1+		--		--	--
			--		--	12-04-23	CRISIL A1+		--		--	--
			--		--	30-03-23	CRISIL A1+		--		--	--
			--		--	13-02-23	CRISIL		--		--	--

							A1+					
Subordinated Non-Convertible Debentures	LT	13000.0	CRISIL AAA/Stable	25-01-24	CRISIL AAA/Stable	25-10-23	CRISIL AAA/Stable	24-03-22	CRISIL AAA/Stable	31-03-21	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	20-09-23	CRISIL AAA/Stable		--	08-01-21	CRISIL AAA/Stable	--
			--		--	01-08-23	CRISIL AAA/Stable		--		--	--
			--		--	12-04-23	CRISIL AAA/Stable		--		--	--
			--		--	30-03-23	CRISIL AAA/Stable		--		--	--
			--		--	13-02-23	CRISIL AAA/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of bank lenders & facilities*

Facility	Amount (Rs crore)	Name of lender	Rating
Short-term loan	3275.5	HDFC Bank Limited	CRISIL A1+
Short-term loan	1500	Bank of Baroda	CRISIL A1+
Working capital demand loan	500	Indusind Bank	CRISIL AAA/Stable
Working capital demand loan	250	Mizuho Bank	CRISIL AAA/Stable
Working capital demand loan	350	IDFC First Bank Limited	CRISIL AAA/Stable
Working capital demand loan	6000	ICICI Bank Limited	CRISIL AAA/Stable
Working capital demand loan	1800	HDFC Bank Limited	CRISIL AAA/Stable
Working capital demand loan	3000	State Bank of India	CRISIL AAA/Stable
Working capital demand loan	300	YES Bank Limited	CRISIL AAA/Stable
Working capital demand loan	300	RBL Bank Limited	CRISIL AAA/Stable
Working capital demand loan	50	Citi Bank	CRISIL AAA/Stable
Foreign currency term loan#	745.28	KFW	CRISIL AAA/Stable
Foreign currency term loan$	40.01	Asian Development Bank	CRISIL AAA/Stable
Foreign currency term loan#	14.35	Credit National	CRISIL AAA/Stable
Foreign currency term loan$	7688.27	State Bank of India	CRISIL AAA/Stable
Foreign currency term loan$	914.28	State Bank of India	CRISIL A1+
Foreign currency term loan#	2975.03	State Bank of India	CRISIL A1+
Foreign currency term loan&	3109.45	State Bank of India	CRISIL AAA/Stable
Foreign currency term loan&	235.27	State Bank of India (Shinsei)	CRISIL AAA/Stable
Foreign currency term loan$	5402.57	Bank of Baroda	CRISIL AAA/Stable
Foreign currency term loan&	265.01	Bank of Tokyo-MUFG	CRISIL AAA/Stable
Foreign currency term loan&	511.73	The Norinchukin Bank	CRISIL AAA/Stable
Foreign currency term loan$	1662.33	Export Import Bank of India	CRISIL AAA/Stable
Foreign currency term loan$	415.58	DBS Bank Limited	CRISIL AAA/Stable
Foreign currency term loan&	291.51	Crédit Agricole Corporate and Investment Bank	CRISIL AAA/Stable
Foreign currency term loan#	853.72	ICICI Bank Limited	CRISIL A1+
Foreign currency term loan&	1266.89	ICICI Bank Limited	CRISIL A1+
Foreign currency term loan&	663.96	MUFG Bank	CRISIL AAA/Stable
Foreign currency term loan&	482.64	Mizuho Bank, Singapore	CRISIL AAA/Stable
Foreign currency term loan&	868.30	Sumitomo Mitsui Banking Corporation	CRISIL AAA/Stable
Foreign currency term loan&	652.90	Bank of China	CRISIL AAA/Stable
Foreign currency term loan&	117.63	Gunma Bank Limited	CRISIL AAA/Stable
Foreign currency term loan&	235.28	NTT TC Leasing Co.	CRISIL AAA/Stable
Foreign currency term loan&	176.46	Chang Hwa Commercial Bank	CRISIL AAA/Stable
Foreign currency term loan&	176.46	Taiwan Cooperative Bank	CRISIL AAA/Stable
Foreign currency term loan&	179.73	Japan Bank for International Cooperation	CRISIL AAA/Stable
Foreign currency term loan$	831.16	IDBI Bank Limited	CRISIL AAA/Stable
Foreign currency term loan$	415.58	Axis Bank Limited	CRISIL AAA/Stable
Foreign currency term loan$	1662.33	The Hongkong and Shanghai Banking Corporation Limited	CRISIL AAA/Stable
Foreign currency term loan$	831.16	Punjab National Bank	CRISIL AAA/Stable
Foreign currency term loan$	831.16	Canara Bank	CRISIL AAA/Stable
Long-term loan	7200	Canara Bank	CRISIL AAA/Stable
Long-term loan	820.83	Oriental National bank	CRISIL AAA/Stable
Long-term loan	4250	Bank of India	CRISIL AAA/Stable
Long-term loan	100	Corporation Bank	CRISIL AAA/Stable
Long-term loan	14855	State Bank of India	CRISIL AAA/Stable
Long-term loan	5362.19	Union Bank of India	CRISIL AAA/Stable
Long-term loan	11000	HDFC Bank Limited	CRISIL AAA/Stable
Long-term loan	400	Andhra Bank Limited	CRISIL AAA/Stable

Long-term loan	**1433.02**	**Punjab National Bank**	**CRISIL AAA/Stable**
Long-term loan	**2000**	**UCO bank**	**CRISIL AAA/Stable**
Long-term loan	**1500**	**Indian Overseas Bank**	**CRISIL AAA/Stable**
Long-term loan	**5000**	**Bank of Baroda**	**CRISIL AAA/Stable**
Long-term loan	**100**	**KEB Hana Bank**	**CRISIL AAA/Stable**
Long-term loan	**1000**	**IIFCL**	**CRISIL AAA/Stable**
Long-term loan	**7500**	**National Small Savings Fund**	**CRISIL AAA/Stable**
Long-term loan	**1000**	**Central Bank**	**CRISIL AAA/Stable**
Long-term loan	**400**	**South Indian Bank**	**CRISIL AAA/Stable**
Long-term loan	**3500**	**The National Bank for Financing Infrastructure and Development**	**CRISIL AAA/Stable**
Long-term loan	**1000**	**Punjab & Sind Bank**	**CRISIL AAA/Stable**

**Bank Lenders are part of Borrowing program of company.*
$ Exchange rate as on December 31, 2023: 1 USD = INR 0.0120
 # Exchange rate as on December 31, 2023: 1 EUR = INR 0.0109
& Exchange rate as on December 31, 2023: 1 JPY = INR 1.7001

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Banks and Financial Institutions
Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support
CRISILs Criteria for Consolidation
CRISILs Criteria for rating short term debt

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Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants,
221-223, Deen Dayal Marg,
New Delhi – 110002

Mehra Goel & Co.
Chartered Accountants,
309, Chiranjiv Tower,
43, Nehru Place, New Delhi – 110019

Independent Auditor's Review Report on unaudited Standalone Financial Results for the Quarter & Nine Months ended 31st December, 2024 of the Power Finance Corporation Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors,
Power Finance Corporation Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Power Finance Corporation Limited (the "Company") for the quarter & nine months ended 31st December 2024 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors of the Company, in its meeting held on 12th February 2025, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to issue a report on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules

issued thereunder and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.

5. Other Matters

To measure the fair value of loan assets and undisbursed letter of comfort, Expected Credit Loss (ECL) has been calculated as per requirement of Ind AS 109 by an outside agency appointed by the Company. The assumptions (i.e. credit rating/risk score/probability of default etc. with respect to the borrowers) considered in the calculation of ECL are technical in nature, hence, we have relied upon the same.

The unaudited standalone financial results of the Company for the corresponding quarter & nine months ended 31th December 2023 and year ended 31st March, 2024 were reviewed/audited by the predecessor Joint Statutory Auditors of the Company respectively. They had expressed unmodified conclusion vide their report dated 08th February, 2024 and 15th May 2024 on such financial results.

Our conclusion on the statement is not modified in respect of the above matters.

for Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm's Registration No.: 000038N

T.V.A. & CO. New Delhi Chartered Accountants

Anil K. Thakur
Partner
Membership No. 088722
UDIN: 25088722BMUJQC3448

for Mehra Goel & Co.
Chartered Accountants
Firm's Registration No.:000517N

Mehra Goel & Co. FRN: 000517N New Delhi Chartered Accountants

CA Aneesh Mallick
Partner
Membership No. 548598
UDIN: 25548598BMFXMQ9956

Place: New Delhi
Date: 12th February 2025

Power Finance Corporation Limited

Regd. Office :Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi. Website: https://www.pfcindia.com

Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31.12.2024

(A Maharatna Company)

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2024 (Un-Audited)	30.09.2024 (Un-Audited)	31.12.2023 (Un-Audited)	31.12.2024 (Un-Audited)	31.12.2023 (Un-Audited)	31.03.2024 (Audited)
	Revenue from Operations						
(i)	Interest Income	12,417.22	11,908.98	11,331.26	36,153.23	32,147.41	43,641.14
(ii)	Dividend Income	592.33	1,248.09	506.40	1,840.43	1,581.35	2,276.01
(iii)	Fees and Commission Income	34.14	49.50	14.84	166.70	50.01	105.31
I.	**Total Revenue from Operations**	**13,043.69**	**13,206.57**	**11,852.50**	**38,160.36**	**33,778.77**	**46,022.46**
II.	Other Income	8.84	8.74	1.83	23.72	6.23	11.64
III.	**Total Income (I+II)**	**13,052.53**	**13,215.31**	**11,854.33**	**38,184.08**	**33,785.00**	**46,034.10**
	Expenses						
(i)	Finance Costs	7,723.05	7,500.68	7,173.51	22,722.74	20,757.34	28,013.78
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	(45.71)	309.96	223.13	205.38	(140.78)	(213.09)
(iii)	Fees and Commission Expense	10.04	4.99	2.19	20.42	12.96	24.40
(iv)	Net Loss / (Gain) on Fair Value changes	38.17	(159.20)	(64.41)	(347.84)	70.84	109.73
(v)	Impairment on Financial Instruments	74.48	(124.10)	262.60	12.40	165.87	(171.15)
(vi)	Employee Benefit Expenses	64.04	58.94	63.66	185.85	185.11	242.72
(vii)	Depreciation, Amortisation and Impairment	5.41	4.29	5.11	13.38	12.69	18.40
(viii)	Corporate Social Responsibility Expenses	64.84	127.38	5.13	193.74	10.45	217.51
(ix)	Other Expenses	38.91	39.88	33.88	106.95	104.80	166.11
IV.	**Total Expenses**	**7,973.23**	**7,762.82**	**7,704.80**	**23,113.02**	**21,179.28**	**28,408.41**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**	**5,079.30**	**5,452.49**	**4,149.53**	**15,071.06**	**12,605.72**	**17,625.69**
VI.	Exceptional Items	-	-	-	-	-	-
VII.	**Profit/(Loss) Before Tax (V-VI)**	**5,079.30**	**5,452.49**	**4,149.53**	**15,071.06**	**12,605.72**	**17,625.69**
	Tax Expense:						
	(1) Current Tax:						
	- Current Year	928.18	883.34	749.43	2,602.33	2,191.38	2,988.34
	- Earlier Years	-	-	-	-	-	(15.54)
	(2) Deferred Tax Expense / (Income)	(3.80)	198.71	22.90	225.49	182.77	285.87
VIII.	**Total Tax Expense**	**924.38**	**1,082.05**	**772.33**	**2,827.82**	**2,374.15**	**3,258.67**
IX.	**Profit/(Loss) for the period from Continuing Operations (VII-VIII)**	**4,154.92**	**4,370.44**	**3,377.20**	**12,243.24**	**10,231.57**	**14,367.02**
X.	**Profit/(Loss) from Discontinued Operations (After Tax)**	-	-	-	-	-	-
XI.	**Profit/(Loss) for the period (from continuing and discontinued operations) (IX+X)**	**4,154.92**	**4,370.44**	**3,377.20**	**12,243.24**	**10,231.57**	**14,367.02**
	Other Comprehensive Income						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(1.44)	(1.43)	(0.90)	(4.30)	(2.41)	(5.73)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(645.20)	330.74	500.53	33.04	1,111.02	1,577.82
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	0.36	0.37	0.24	1.09	0.63	1.46
	- Net Gain / (Loss) on Fair Value of Equity Instruments	109.72	(105.63)	(85.00)	(52.14)	(147.01)	(190.10)
	Sub-Total (A)	**(536.56)**	**224.05**	**414.87**	**(22.31)**	**962.23**	**1,383.45**
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	257.79	(284.83)	(96.82)	(8.83)	(208.96)	(208.59)
	- Cost of Hedging Reserve	(252.36)	215.17	103.02	(17.78)	225.40	215.28
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	(64.88)	71.68	24.37	2.22	52.59	52.50
	- Cost of Hedging Reserve	63.52	(54.15)	(25.93)	4.48	(56.73)	(54.18)
	Sub-Total (B)	**4.07**	**(52.13)**	**4.64**	**(19.91)**	**12.30**	**5.01**
XII.	**Other Comprehensive Income (A+B)**	**(532.49)**	**171.92**	**419.51**	**(42.22)**	**974.53**	**1,388.46**
XIII.	**Total Comprehensive Income for the period (XI+XII)**	**3,622.43**	**4,542.36**	**3,796.71**	**12,201.02**	**11,206.10**	**15,755.48**
XIV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	3,300.10	3,300.10	3,300.10	3,300.10	3,300.10	3,300.10
XV.	Other Equity (As per Audited Balance Sheet as at 31st March)	NA	NA	NA	NA	NA	75,903.39
XVI.	**Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:**						
	(1) For continuing operations (in ₹)	12.59	13.24	10.23	37.10	31.00	43.53
	(2) For discontinued operations (in ₹)	-	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	12.59	13.24	10.23	37.10	31.00	43.53

* EPS for the Quarters and Nine Months is not annualised.

See accompanying Notes to the Unaudited Standalone Financial Results.

T.V.A. & CO. New Delhi Chartered Accountants

पावर फाइनेंस कॉर्पोरेशन लिमिटेड Power Finance Corporation Limited "कर्जनिधि" 1, बाराखंबा लेन, कनॉट प्लेस, "URJANIDHI" 1, Barakhamba Lane, Connaught Place, New Delhi-110 001 नई दिल्ली-110 001

Mehra Goel & Co. FRN: 000517N New Delhi Chartered Accountants

Notes:-

1	These unaudited standalone financial results of the Company for the quarter and nine months ended 31.12.2024 have been reviewed and recommended by the Audit Committee (consisting of one Non-Executive Director and two Executive Directors pending appointment of Independent Directors by Govt. of India) and subsequently approved and taken on record by the Board of Directors of the Company (the Board) in their respective meetings held on 12.02.2025. The Joint Statutory Auditors of the Company for the FY 2024-25 have conducted limited review of these financial results in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2	These unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
3	The Board of Directors of the Company in their meeting held on 12.02.2025 declared third interim dividend @35% on the paid up equity share capital i.e. ₹ 3.50 /- per equity share of ₹ 10/- each for the FY 2024-25. The Company had earlier paid ₹ 6.75/- as interim dividend for the FY 2024-25.
4	The Company recognises impairment loss allowance on loan assets in accordance with the Board approved Expected Credit Loss (ECL) policy and report obtained from an independent agency, appointed by the Company for assessment of ECL as per Ind AS 109 'Financial Instruments'. Details in this regard are given below:

(₹ in crore)

S. No.	Particulars	As on 31.12.2024			As on 31.03.2024		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
a)	Loan Outstanding	4,90,322.28	13,501.43	5,03,823.71	4,65,388.68	16,073.22	4,81,461.90
b)	Impairment Loss Allowance *	4,068.59	9,907.67	13,976.26	3,908.78	11,962.53	15,871.31
c)	Impairment Loss Allowance Coverage (%) (b/a)	0.83%	73.38%	2.77%	0.84%	74.43%	3.30%

*including impairment loss allowance on Letter of Comfort amounting to ₹ 50.31 crore (as at 31.03.2024 ₹ 48.63 crore).

5	As a matter of prudence, income on credit impaired loans is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.
6	Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at **Annexure A**.
7	The Company raises funds in different currencies through a mix of term loans from banks/ financial institutions/ Govt. agencies and non-convertible securities of different tenors. During the nine months ended 31.12.2024, the Company has not defaulted in servicing of its borrowings.

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8	During the quarter ended 31.12.2024, the amounts raised by the Company from issue of non-convertible securities have been fully utilized and there are no material deviation(s) from the stated objects in the offer document/ information memorandum. Disclosure as per the Regulation 52 (7) & 52 (7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at **Annexure B.**
9	In compliance of Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, all the secured listed non-convertible debt securities of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. The Company has maintained security cover of **1.03** times as per the terms of offer document / information memorandum sufficient to discharge the principal and interest thereon at all times for the secured listed non-convertible debt securities issued. The security cover disclosure in the prescribed format is attached at **Annexure C**. Further, security cover maintained by the Company for all secured non-convertible debt securities is **1.02** times.
10	The Company's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108 "Operating Segments".
11	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period figures.

Parminder Chopra
Chairman & Managing Director
DIN – 08530587

Place: New Delhi
Date : 12.02.2025

Annexure-A

Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31.12.2024 on standalone basis:

Particulars	As at / For the quarter ended 31.12.2024	As at / For the nine months ended 31.12.2024
(i) Debt to Equity Ratio (times)	4.78	
(ii) Outstanding Redeemable Preference Shares	-	
(iii) Capital redemption reserve/debenture redemption reserve	-	
(iv) Net Worth (₹ in crore)	88,363.42	
(v) Net profit after tax (₹ in crore)	4,154.92	12,243.24
(vi) Earnings per share (Not annualised) (in ₹)		
Basic	12.59	37.10
Diluted	12.59	37.10
(vii) Total Debt to Total Assets (times)	0.79	
(viii) Operating Margin (%)	38.87	39.43
(ix) Net Profit Margin (%)	31.83	32.06
(x) Other Sector Specific Ratios (%)		
Gross Credit Impaired Assets Ratio	2.68	
Net Credit Impaired Assets Ratio	0.71	
CRAR	24.15	

Note:

1) Debt to Equity ratio = Net Debt / (Equity Share Capital + Other Equity). Net debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
2) Net worth = Equity Share Capital + Other Equity.
3) Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} / Total assets.
4) Operating Margin = (Profit before Tax - Other Income) / Total Revenue from operations.
5) Net profit margin = Net profit After Tax/Total Income.
6) Gross Credit Impaired Assets Ratio = Gross Credit Impaired Assets /Gross Loan Assets.
7) Net Credit Impaired Assets Ratio = Net Credit Impaired Assets /Gross Loan Assets.
8) CRAR = Total Capital Fund (Tier 1 Capital +Tier 2 Capital) / Risk weighted assets, calculated as per applicable RBI guidelines.
9) Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current Liability Ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Company.

Annexure B

Disclosure in compliance with Regulation 52(7) & 52(7A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation,2015, as amended, for the quarter ended 31st December, 2024.

Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public Issues/Private Placement)	Type of instrument	Date of raising of funds	Amount Raised (Rs. In Crore)	Funds Utilized (Rs. In Crore)	Any deviation (Yes/No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Power Finance Corporation Limited	INE134E08NG6	Private Placement	NCD	10th December, 2024	3,200.00	3,200.00	No	NA	-
Power Finance Corporation Limited	INE134E08NF8	Private Placement	NCD	10th December, 2024	3,052.00	3,052.00	No	NA	-
Power Finance Corporation Limited	INE134E08NI2	Private Placement	NCD	23rd December, 2024	2,700.00	2,700.00	No	NA	-
Power Finance Corporation Limited	INE134E08NH4	Private Placement	NCD	23rd December, 2024	2,545.00	2,545.00	No	NA	-
				Total	**11,497.00**	**11,497.00**			

T.V.A. & CO. New Delhi Chartered Accountants

पावर फाइनेंस कॉर्पोरेशन लिमिटेड Power Finance Corporation Limited "ऊर्जानिधि" 1, बाराखंबा लेन, कनॉट प्लेस, "URJANIDHI" 1, Barakhamba Lane, Connaught Place, New Delhi-110 001 नई दिल्ली-110 001

Mehra Goel & Co. FRN: 000[illegible]N New Delhi Chartered Accountants

Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Power Finance Corporation Limited
Mode of fund raising	Private placement
Type of instrument	Non-convertible Securities
Date of raising funds	10-December-24 (two options), 23-December-24 (two options)
Amount raised	Rs 11,497 Crores
Report filed for quarter ended	31-December-2024
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	
Date of approval	
Explanation for the deviation! variation	
Comments of the audit committee after review	
Comments of the auditors, if any	

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original Object	Modified Object, if any	Original Allocation	Modified Allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. Crore and in %)	Remarks, if any
NA						

Deviation could mean:
a. Deviation in the objects or purposes for which the funds have been raised.
b. Deviation in the amount of funds actually utilized as against what was originally disclosed.

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Annexure C

Security Cover Disclosure as Per Regulation 54(3) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Amount in ₹ crores)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P
Particulars		Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate					Debt not backed by any assets offered for security #
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued &other debt with pari-passu charge	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)	
												Relating to Column F			
		Book Value	Book Value	Yes/No	Book Value	Book Value									
Assets															
Property, Plant and Equipment *	Land and Building	NA	NA	Yes	3.34	-	41.81	-	45.15	-	-	14.36	-	14.36	-
Capital Work-in- Progress					-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets					-	-	33.61	-	33.61	-	-	-	-	-	-
Goodwill					-	-	-	-	-	-	-	-	-	-	-
Intangible Assets under Development					-	-	11.98	-	11.98	-	-	-	-	-	-
Intangible Assets					-	-	0.01	-	0.01	-	-	-	-	-	-
Investments					-	-	20,870.83	-	20,870.83	-	-	-	-	-	-
Loans (book Debt) **/***	Book Debts			Yes	25,742.22	3,578.57	4,65,149.20	-	4,94,469.99	-	-	-	15,844.93	15,844.93	-
Inventories					-	-	-	-	-	-	-	-	-	-	-
Trade Receivables					-	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents					-	-	403.38	-	403.38	-	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents					-	-	293.56	-	293.56	-	-	-	-	-	-
Others					-	-	16,072.15	-	16,072.15	-	-	-	-	-	-
Total					**25,745.57**	**3,578.57**	**5,02,876.53**		**5,32,200.66**	-	-	**14.36**	**15,844.93**	**15,859.29**	-
Liabilities															
Debt securities to which this certificate pertains		-	NA	Yes	**15,365.53**	-	-	-	**15,365.53**						-
Other debt sharing pari-passu charge with above debt		Not to be filled		No	9,882.94	-	-	-	**9,882.94**						-
Other Debt					-	-	-	-	-						-
Subordinated debt					-	-	3,755.30	-	**3,755.30**						3,755.30
Borrowings				No	-	2,818.15	1,22,106.93	-	**1,24,925.08**						1,22,106.93
Debt Securities					-	-	2,78,538.96	-	**2,78,538.96**						2,78,538.96
Others					-	-	-	-	-						-
Trade Payables					-	-	7.43	-	**7.43**						-
Lease liabilities					-	-	-	-	-						-
Provisions					-	-	379.51	-	**379.51**						-
Others					-	-	10,982.49	-	**10,982.49**						-
Total		-	-	-	**25,248.47**	**2,818.15**	**4,15,770.63**	-	**4,43,837.24**						4,04,401.19
Cover on Book Value															
Cover on Market Value**															
		Exclusive Security cover ratio	NA		**Pari- Passu Security cover ratio**	**1.03**									

We confirm that the Company has complied with the covenants mentioned in the disclosure documents of the secured redeemable Non-convertible debentures for the period ended Dec 31, 2024.

* The market value of ₹ 12.73 Cr & ₹ 1.63 Cr (total ₹ 14.36 Cr) of the immovable properties are on the basis of certified valuation done on 19th May 2022 & 26th May 2022 respectively.

** Loans (Book Debts) shared by pari passu charge are calculated based on security cover requirements as per information memorandum for securities.

***Loans (Book Debts) shared by pari passu charge includes charge against 54EC bonds amounting to ₹ 9,882.94 Cr for which this certificate is not being issued.

****Security Cover ratio is calculated only on debt for which this certificate is being issued.

Applicable only for debt securities, borrowings and subordinated debt.







Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants,
221-223, Deen Dayal Marg,
New Delhi – 110002

Mehra Goel & Co.
Chartered Accountants,
309, Chiranjiv Tower,
43, Nehru Place, New Delhi – 110019

Independent Auditor's Review Report on unaudited consolidated financial results for the Quarter & Nine months ended 31st December 2024 of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To,
The Board of Directors,
Power Finance Corporation Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Power Finance Corporation Limited (the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group'), and its share of the net profit / (loss) after tax and total comprehensive income / (loss) of its Associates for the quarter & nine months ended 31st December 2024 (the 'Statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors in its meeting held on 12th February 2025, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued there under, and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India and also considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor'. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time, to the extent applicable.

4. The Statement includes the financial results of the following entities:

	Name of the Entity	Status
Parent		
1	Power Finance Corporation Limited	Reviewed
Subsidiaries:		
1	REC Limited*	Reviewed
2	PFC Consulting Limited*	Unreviewed
3	PFC Projects Limited (previously known as Coastal Karnataka Power Limited) **	Unreviewed
4	PFC Infra Finance IFSC Limited**	Unreviewed
Associates:**		
1	Orissa Integrated Power Limited	Unreviewed
2	Coastal Tamil Nadu Power Limited	Unreviewed
3	Deoghar Infra Limited	Unreviewed
4	Bihar Infrapower Limited	Unreviewed
5	Sakhigopal Integrated Power Company Limited	Unreviewed
6	Ghogarpalli Integrated Power Company Limited	Unreviewed
7	Deoghar Mega Power Limited	Unreviewed
8	Cheyyur Infra Limited	Unreviewed
9	Odisha Infrapower Limited	Unreviewed
10	Bihar Mega Power Limited	Unreviewed
11	Jharkhand Infrapower Limited	Unreviewed

**Consolidated financial results considered for consolidation*

*** Standalone financial results considered for consolidation*

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatements.

6. **Other Matters**

a. We did not review the unaudited financial results of a subsidiary included in the unaudited consolidated financial results, whose financial results reflect Group's share of total revenue of ₹14,203.46 crore and ₹40,719.10 crore, total net profit after tax of ₹ 4,076.35 crore and ₹11,574.25 crore and total comprehensive income (net of tax) of ₹ 4,779.02 crore and ₹ 11,107.59 crore for the quarter and nine months ended 31st December, 2024 respectively, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other independent auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

b. The unaudited consolidated financial results includes the financial results of three other subsidiaries which have not been reviewed, which reflect Group's share of total revenues of ₹ 122.53 crore & ₹ 195.54 crore, total net profit after tax of ₹82.37 crore & ₹119.56 crore and total comprehensive income of ₹ 84.06 crore & ₹121.69 crore for the quarter and nine months ended 31st December, 2024 respectively based on their financial results which stated to have been reviewed by the management of the respective Subsidiaries.

Further, the unaudited consolidated financial results also includes the unaudited financial results in respect of 11 Associates referred to in paragraph 4 above, whose financial results reflects Group's share of net profit after tax of ₹ 0.01 crore & ₹ 0.01 crore and total comprehensive income of ₹ 0.01 crore & ₹ 0.01 crore for the quarter and nine months ended 31st December, 2024 respectively, based on their financial results which stated to have been reviewed by the management of the respective Associates.

The unreviewed financial results of above 3 Subsidiaries and 11 Associates have been furnished to us by the management of the parent, and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on managements' reviewed financial results. In our opinion and according to the information and explanations given to us by the management of the parent, these unreviewed financial information are not material to the Group.

c. Expected Credit Loss (ECL) on loan assets and undisbursed letter of comfort has been measured as per requirement of Ind AS 109 by an outside agency appointed by the Parent and its Subsidiary, REC Limited. The assumptions (i.e. credit rating/risk score/probability of default etc. with respect to the borrowers) considered in the calculation of ECL are technical in nature, hence, we have relied upon the same.

d. The unaudited consolidated financial results of the Group for the corresponding quarter & nine months ended 31st December, 2023, and year ended 31st March, 2024 were reviewed/audited by the predecessor Joint Statutory Auditors of the Group. They had expressed unmodified conclusion vide their report dated 8th February, 2024 and 15th May, 2024 respectively on such financial results.

Our conclusion is not modified in respect of these matters.

for Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm's Registration No.: 000038N

Anil K. Thakur
Partner
Membership No. 088722
UDIN: 25088722BMUJGB4562

for Mehra Goel & Co.
Chartered Accountants
Firm's Registration No.:00517N

CA Aneesh Mallick
Partner
Membership No. 548598
UDIN: 25548598BMFXMP4875

Place: New Delhi
Date: 12th February 2025

Power Finance Corporation Limited

Regd. Office :Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi. Website: https://www.pfcindia.com

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months ended 31.12.2024

(A Maharatna Company)

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2024 (Un-Audited)	30.09.2024 (Un-Audited)	31.12.2023 (Un-Audited)	31.12.2024 (Un-Audited)	31.12.2023 (Un-Audited)	31.03.2024 (Audited)
	Revenue from Operations						
(i)	Interest Income	26,400.27	25,398.22	23,283.63	76,324.86	66,194.21	90,085.40
(ii)	Dividend Income	44.37	22.48	21.31	66.86	43.26	68.53
(iii)	Fees and Commission Income	109.87	97.76	67.97	337.60	193.67	341.35
(iv)	Other Operating Income	243.53	203.33	198.92	507.27	524.18	601.44
I.	**Total Revenue from Operations**	**26,798.04**	**25,721.79**	**23,571.83**	**77,236.59**	**66,955.32**	**91,096.72**
II.	Other Income	23.80	32.94	21.57	76.66	43.21	78.15
III.	**Total Income (I+II)**	**26,821.84**	**25,754.73**	**23,593.40**	**77,313.25**	**66,998.53**	**91,174.87**
	Expenses						
(i)	Finance Costs	16,560.17	16,006.41	14,827.24	48,085.98	42,809.90	57,962.20
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	13.41	350.72	199.22	366.21	(34.16)	(46.52)
(iii)	Fees and Commission Expense	11.65	9.35	7.80	28.99	28.34	36.32
(iv)	Net Loss / (Gain) on Fair Value changes	(45.26)	(156.28)	(48.88)	(714.40)	(267.91)	(364.76)
(v)	Impairment on Financial Instruments	(8.92)	(262.34)	319.00	257.52	(480.09)	(1,550.77)
(vi)	Cost of Services Rendered	33.08	42.20	6.56	107.55	182.56	180.84
(vii)	Employee Benefit Expenses	123.10	128.60	137.16	380.83	369.20	496.76
(viii)	Depreciation, Amortisation and Impairment	14.57	13.04	13.81	39.92	38.55	53.40
(ix)	Corporate Social Responsibility Expenses	185.22	159.97	93.00	398.01	144.26	470.47
(x)	Other Expenses	118.52	95.19	77.17	284.81	216.76	348.63
IV.	**Total Expenses**	**17,005.55**	**16,386.87**	**15,632.08**	**49,235.43**	**43,007.41**	**57,586.57**
V.	Share of Profit / (Loss) in Joint Venture and Associates	0.01	-	-	0.01	-	(0.18)
VI.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV+V)**	**9,816.30**	**9,367.86**	**7,961.32**	**28,077.83**	**23,991.12**	**33,588.12**
VII.	**Exceptional Items**	-	-	-	-	-	-
VIII.	**Profit/(Loss) Before Tax (VI-VII)**	**9,816.30**	**9,367.86**	**7,961.32**	**28,077.83**	**23,991.12**	**33,588.12**
	Tax Expense:						
	(1) Current Tax:						
	- Current Year	2,000.98	1,953.38	1,659.10	5,701.97	4,663.61	6,370.07
	- Earlier Years	(0.35)	-	1.34	(0.35)	1.43	(11.74)
	(2) Deferred Tax Expense / (Income)	56.11	199.58	6.44	219.69	421.33	768.61
IX.	**Total Tax Expense**	**2,056.74**	**2,152.96**	**1,666.88**	**5,921.31**	**5,086.37**	**7,126.94**
X.	**Profit/(Loss) for the period from Continuing Operations (VIII-IX)**	**7,759.56**	**7,214.90**	**6,294.44**	**22,156.52**	**18,904.75**	**26,461.18**
XI.	**Profit/(Loss) from Discontinued Operations (After Tax)**	-	-	-	-	-	-
XII.	**Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)**	**7,759.56**	**7,214.90**	**6,294.44**	**22,156.52**	**18,904.75**	**26,461.18**
	Other Comprehensive Income						
(A)	(i) Items that will not be reclassified to Profit or Loss						
	- Re-measurement of Defined Benefit Plans	(2.00)	0.79	2.83	(3.03)	2.37	(6.72)
	- Net Gain / (Loss) on Fair Value of Equity Instruments	(694.18)	327.43	509.64	8.79	1,154.71	1,674.16
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-					
	- Re-measurement of Defined Benefit Plans	0.50	(0.19)	(0.70)	0.77	(0.57)	1.71
	- Net Gain / (Loss) on Fair Value of Equity Instruments	110.30	(105.36)	(91.40)	(52.14)	(153.83)	(194.96)
	Sub-Total (A)	**(585.38)**	**222.67**	**420.37**	**(45.61)**	**1,002.68**	**1,474.19**
(B)	(i) Items that will be reclassified to Profit or Loss						
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge	797.92	(1,776.64)	(842.51)	1,809.63	(953.56)	(3,478.56)
	- Cost of Hedging Reserve	211.75	35.88	(260.31)	(2,428.71)	752.29	4,759.47
	- Exchange differences in translating the financials of foreign operations	2.25	0.41	-	2.84	-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss	-					
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge	(200.82)	447.14	286.10	(455.45)	239.99	875.49
	- Cost of Hedging Reserve	(53.29)	(9.03)	95.55	611.26	(189.34)	(1,197.86)
	- Exchange differences in translating the financials of foreign operations	(0.56)	(0.15)	-	(0.71)	-	-
	Sub-Total (B)	**757.25**	**(1,302.39)**	**(721.17)**	**(461.14)**	**(150.62)**	**958.54**
XIII.	**Other Comprehensive Income (A+B)**	**171.87**	**(1,079.72)**	**(300.80)**	**(506.75)**	**852.06**	**2,432.73**
XIV.	**Total Comprehensive Income (XII+XIII)**	**7,931.43**	**6,135.18**	**5,993.64**	**21,649.77**	**19,756.81**	**28,893.91**

T.V.A. & CO. New Delhi Chartered Accountants

Mehra Goel & Co. Chartered Accountants

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
	Profit attributable to:						
	- Owners of the Company	5,828.79	5,302.43	4,727.40	16,674.36	14,136.80	19,761.16
	- Non-Controlling Interest	1,930.77	1,912.47	1,567.04	5,482.16	4,767.95	6,700.02
		7,759.56	**7,214.90**	**6,294.44**	**22,156.52**	**18,904.75**	**26,461.18**
	Other Comprehensive Income attributable to:						
	- Owners of the Company	(160.95)	(486.76)	40.36	(285.72)	910.06	1,938.11
	- Non-Controlling Interest	332.82	(592.96)	(341.16)	(221.03)	(58.00)	494.62
		171.87	**(1,079.72)**	**(300.80)**	**(506.75)**	**852.06**	**2,432.73**
	Total Comprehensive Income attributable to:						
	- Owners of the Company	5,667.84	4,815.67	4,767.76	16,388.64	15,046.86	21,699.27
	- Non-Controlling Interest	2,263.59	1,319.51	1,225.88	5,261.13	4,709.95	7,194.64
		7,931.43	**6,135.18**	**5,993.64**	**21,649.77**	**19,756.81**	**28,893.91**
XV.	Paid up Equity Share Capital (Face Value ₹ 10/- each)	3,300.10	3,300.10	3,300.10	3,300.10	3,300.10	3,300.10
XVI.	Other Equity (As per Audited Balance Sheet as at 31st March)	NA	NA	NA	NA	NA	97,846.67
XVII.	**Basic and Diluted Earnings Per Equity Share (Face Value of ₹ 10/- each)*:**						
	(1) For continuing operations (in ₹)	17.66	16.07	14.33	50.53	42.84	59.88
	(2) For discontinued operations (in ₹)	-	-	-	-	-	-
	(3) For continuing and discontinued operations (in ₹)	17.66	16.07	14.33	50.53	42.84	59.88

* EPS for the Quarters and Nine Months is not annualised.

See accompanying Notes to the Unaudited Consolidated Financial Results.

T.V.A. & CO. New Delhi Chartered Accountants

पावर फाइनेंस कॉर्पोरेशन लिमिटेड Power Finance Corporation Limited "ऊर्जानिधि" 1, बाराखंबा लेन, कनॉट प्लेस, "URJANIDHI" 1, Barakhamba Lane, Connaught Place New Delhi-110 001 नई दिल्ली-110 001

Mehra Goel & Co. FRN: 000517N New Delhi Chartered Accountants

Notes:-

1	These unaudited consolidated financial results of the Group for the quarter and nine months ended 31.12.2024 have been reviewed and recommended by the Audit Committee (consisting of one Non-Executive Director and two Executive Directors pending appointment of Independent Directors by Govt. of India) and subsequently approved & taken on record by the Board of Directors of the Company (the Board) in their respective meetings held on 12.02.2025. The Joint Statutory Auditors of the Company for the FY 2024-25 have conducted limited review of these financial results in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2	These unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
3	These unaudited consolidated financial results include the quarterly limited reviewed consolidated financial results of one subsidiary; management approved consolidated financial results of one subsidiary and management approved standalone financial results of two subsidiaries and eleven associates. The Financial results of these subsidiaries and associates have been consolidated in accordance with Ind AS 110 – 'Consolidated Financial Statements' and Ind AS 28 – 'Investments in Associates and Joint Ventures'.
4	The Board of Directors of the Company in their meeting held on 12.02.2025 declared third interim dividend @ 35% on the paid up equity share capital i.e. ₹ 3.50 /- per equity share of ₹ 10/- each for FY 2024-25. The Company had earlier paid ₹ 6.75/- as interim dividend for the FY 2024-25.
5	In respect of the Company and its subsidiary REC Ltd., impairment loss allowance on loan assets has been provided in accordance with the Board approved Expected Credit Loss (ECL) policy and based on the report obtained from an independent agency, appointed by the respective companies for assessment of ECL as per Ind AS 109 'Financial Instruments'. Details in this regard are given below:

(₹ in crore)

S. No.	Particulars	As on 31.12.2024			As on 31.03.2024		
		Stage 1 & 2	Stage 3	Total	Stage 1 & 2	Stage 3	Total
a)	Loan Outstanding	10,44,888.76	24,547.43	10,69,436.19	9,60,940.12	29,883.55	9,90,823.67
b)	Impairment Loss Allowance *	8,131.00	16,742.90	24,873.90	6,867.48	21,416.33	28,283.81
c)	Impairment Loss Allowance Coverage (%) (b/a)	0.78%	68.21%	2.33%	0.71%	71.67%	2.85%

*including impairment loss allowance on Letter of Comfort (LoC) amounting to ₹ 67.94 Crore. (as at 31.03.2024 ₹ 80.65 Crore.)

6	As a matter of prudence, income on credit impaired loans is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

T.V.A. & CO. New Delhi Chartered Accountants

Mehra Goel & Co. FRN: 000517N New Delhi Chartered Accountants

7	Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is attached at **Annexure A**.
8	The Group's operations comprise of only one business segment - lending to power, logistics and infrastructure sector. Hence, there is no other reportable business / geographical segment as per Ind AS 108 "Operating Segments".
9	Figures for the previous periods have been regrouped / rearranged wherever necessary, in order to make them comparable with the current period figures.

Place: New Delhi
Date : 12.02.2025

Parminder Chopra
Chairman & Managing Director
DIN – 08530587

T.V.A. & CO. New Delhi Chartered Accountants

Power Finance Corporation Limited "ऊर्जानिधि" 1, बाराखंबा लेन, कनॉट प्लेस, नई दिल्ली-110 001 "URJANIDHI" 1, Barakhamba Lane, Connaught Place New Delhi-110 001

Mehra Goel & Co. FRN 000517N New Delhi Chartered Accountants

Annexure-A

Disclosure as per the Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31.12.2024 on consolidated basis:

Particulars	As at / For the quarter ended 31.12.2024	As at / For the nine months ended 31.12.2024
(i) Debt to Equity Ratio (times)	6.02	
(ii) Outstanding Redeemable Preference Shares	-	
(iii) Capital redemption reserve/debenture redemption reserve	-	
(iv) Net Worth (₹ in crore)	1,14,494.16	
(v) Net profit after tax (₹ in crore)	7,759.56	22,156.52
(vi) Earnings per share (Not annualised) (in ₹)		
Basic	17.66	50.53
Diluted	17.66	50.53
(vii) Total Debt to Total Assets (times)	0.81	
(viii) Operating Margin (%)	36.54	36.25
(ix) Net Profit Margin (%)	28.93	28.66
(x) Other Sector Specific Ratios (%) Gross Credit Impaired Assets Ratio Net Credit Impaired Assets Ratio	2.30 0.73	

Note:

1) Debt to Equity ratio = Net Debt / (Equity Share Capital + Other Equity+ Non-Controlling Interest). Net debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
2) Net worth = Equity Share Capital + Other Equity.
3) Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} / Total assets.
4) Operating Margin = (Profit before Tax - Other Income) / Total Revenue from operations.
5) Net profit margin = Net profit After Tax/Total Income.
6) Gross Credit Impaired Assets Ratio = Gross Credit Impaired Assets /Gross Loan Assets.
7) Net Credit Impaired Assets Ratio = Net Credit Impaired Assets /Gross Loan Assets.
8) Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Current Liability Ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Group.

T.V.A. & CO. New Delhi Chartered Accountants

Power Finance Corporation Limited, 1, Barakhamba Lane, Connaught Place, New Delhi-110 001

Mehra Goel & Co. Chartered Accountants

Information (other than financial results) – Integrated Filing (Financial) for the quarter and nine months ended December 31, 2024

(In accordance with the SEBI circular no. SEBI/HO/CFD-PoD/CIR/P/2024/185 dated December 31, 2024)

S.No.	Particulars	Remarks
B.	Statement of deviation or variation for proceeds of public issue, right issue, preferential issue, qualified institutions placement, etc.	No issue of equity shares during the quarter, hence not applicable.
C.	Disclosure of outstanding default on loan and debt securities	No default hence not applicable
D.	Format for disclosure of related party transaction (applicable only for half yearly filings i.e. 2nd and 4th quarter)	Not applicable
E.	Statement of impact of audit qualifications (for audit report with modified opinion) submitted along with annual audited financial results – (Standalone and Consolidated separately) (applicable only for annual filing i.e. 4th quarter)	Not applicable

Manish Kumar 12/2/2025

(Manish Kumar Agrawal)
GM & Company Secretary

12/2/25

(Mohammad Salim)
GM (Finance)

Place: New Delhi
Date: February 12, 2025

Power Finance Corporation Limited

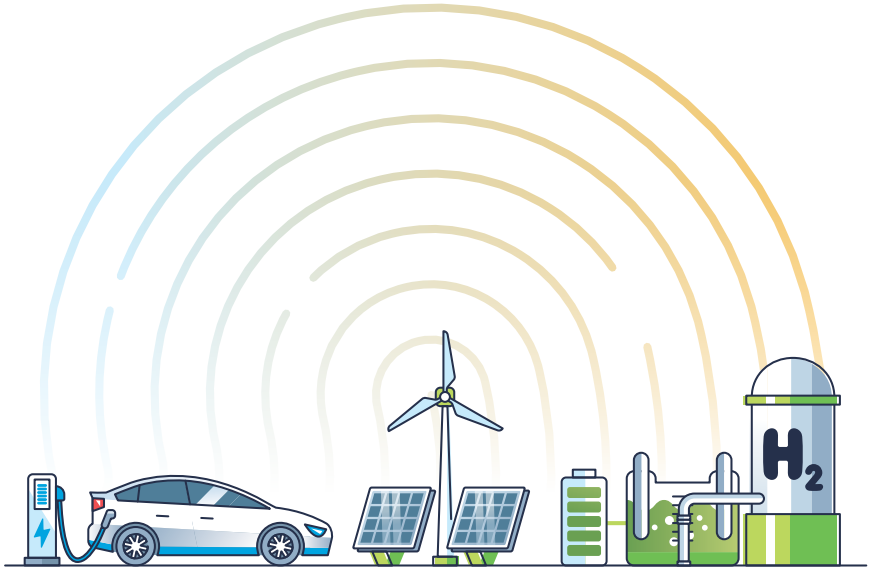
(A Maharatna Company)



Committed to
India's Energy Transition

38th Annual Report 2023-24





Committed to **India's Energy Transition**

The Indian power sector is undergoing a significant transformation as the nation takes confident strides into the future, aligned with its vision of a 'Viksit Bharat'. The increasing demand for reliable and affordable power to fuel India's rapid economic growth, along with its commitment to decarbonise this growth, is propelling a green energy transition.

As India's leading financial institution dedicated to the power sector, Power Finance Corporation (PFC) has been at the forefront of this transformation. We have not only facilitated the development of critical power infrastructure projects across the country but have also supported one-fourth of its renewable energy installed capacity.

Given the India government's ambitious targets for renewable energy capacity additions and ensuring access to electricity for all, we remain committed to powering India's sustainable development journey where economic progress and environmental stewardship advance in perfect sync.

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CORPORATE OVERVIEW

Board of Directors



Sitting *(left to right)*

Parminder Chopra Chairman & Managing Director
Bhaskar Bhattacharya Independent Director
Usha Sajeev Nair Independent Director

Standing *(left to right)*

Manoj Sharma Director (Commercial)
Prasanna Tantri Independent Director
Shashank Misra Director (Govt. Nominee)
Sandeep Kumar Director (Finance)
Rajiv Ranjan Jha Director (Projects)

Senior Management*



Simmi R. Nakra
CVO



P. K. Sinha
Executive Director



Saurav Kumar Shah
Executive Director



Manoj Kumar Rana
Executive Director



Dr. G. Jawahar
Executive Director



Raj Kumar Malhotra
Executive Director



R. K. Chaturvedi
Executive Director



V. Packirisamy
Executive Director



Rajesh Kumar Shahi
Executive Director



Ali Shah
Executive Director



Sanjay Sharma
Executive Director



Hemant Kumar Das
Executive Director



Pawan Kumar
Executive Director



P. Shanmuga Sundaram
Executive Director



Manish Kumar Agarwal
Company Secretary

** As on 30th July, 2024*

Empowering Progress for India

Power Finance Corporation Limited is proud to be recognised as India's largest government-owned NBFC, specialising in offering financial support to the country's power and infrastructure sectors. We are the nodal agency for the Revamped Distribution Sector Scheme (RDSS), Ultra Mega Power Projects (UMPPs), and Integrated Power Development Scheme (IPDS), and act as the Bid Process Coordinator for Independent Transmission Projects (ITPs).

Incorporated in 1986, Power Finance Corporation Ltd. (PFC) is a Schedule-A Maharatna Central Public Sector Enterprise (CPSE). We offer a range of products and services that meet the needs of the power sector, such as rupee-term loans, short-term loans, equipment lease financing, and transitional financing services for various power projects in the generation, transmission, and distribution sectors.

Our continued focus on expansion and diversification has led us to foray into the infrastructure and logistics sectors. We cater to e-vehicle fleets, charging infrastructure, roads, ports, metro rail, smart cities, and other significant infrastructure projects. Our clients encompass central and state power utilities, power equipment manufacturers, state government departments, and developers involved in large-scale infrastructure projects.



Vision

To be the leading institutional partner for the power and allied infrastructure sectors in India and overseas across the value chain.

Mission

PFC would be the most preferred Financial Institution; providing affordable and competitive products and services with efficient and internationally integrated sourcing and servicing, partnering the reforms in the Indian Power Sector and enhancing value to its stakeholders; by promoting efficient investments in the power and allied sectors in India and abroad.

We will achieve this by being a dynamic, flexible, forward-looking, trustworthy, socially responsible organisation, sensitive to our stakeholders' interests, profitable and sustainable at all times, with transparency and integrity in operations.

PFC Group Structure

Subsidiaries

PFC Consulting Limited

Shareholding: ***100%***

PFC Consulting, a wholly owned subsidiary, offers consultancy services, including transaction advisory and project development, specifically tailored to meet the needs of India's power sector.

REC Limited

Shareholding: ***52.63%***

REC is an NBFC with infrastructure loan status, specialising in financing and promoting power sector projects throughout India.

PFC Projects

Shareholding: ***100%***

PFC Projects Ltd (PPL) is an equal joint venture between Power Finance Corporation (PFC) and REC Ltd. It was established to manage and revive stressed or non-performing assets within the power sector. PPL actively seeks technical and strategic investor partners to operate and maintain these acquired assets, ensuring their optimal performance and contribution to the energy infrastructure.

PFC Infra Finance IFSC

Shareholding: ***100%***

PFC Infra Finance IFSC Ltd, a wholly owned subsidiary, was established on February 11, 2024. With this, PFC became the first government NBFC to launch a finance company in the International Financial Services Centre (IFSC) at GIFT City, Gujarat. The subsidiary focuses on providing financial solutions for infrastructure projects, particularly in renewable energy, leveraging global capital and expertise available at IFSC. PFC aims to expand its financing capabilities and enhance its global presence, offering innovative and efficient financial solutions to its clients through the subsidiary.

Associates

Ultra Mega Power Projects

UMPP is a Government of India initiative aimed at establishing large-scale power projects. Under UMPP, we have formed a Special Purpose Vehicle (SPV) tasked with securing clearances, acquiring land and water, and ensuring coal commitments to expedite UMPPs for private companies.



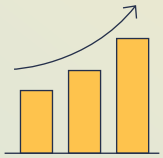
Key Facts

1

भारत सरकार
GOVERNMENT OF INDIA
सत्यमेव जयते

Majority owned by the Government of India

2



Highest profit-making NBFC in India

3

Key financial partner of the Government for driving reforms and developments in the power sector

4

FORTUNE 500

#37
in Fortune 500 India 2023

5

1st
Government NBFC to establish a Finance Company in IFSC Gift City

6



Highest long-term domestic rating of 'AAA'

Evolving with Purpose

Expert Solutions that Power Growth

We provide a comprehensive suite of financial solutions tailored to the unique needs of the power sector and allied infrastructure projects. As a leading NBFC and trusted government partner, we utilise our expertise to deliver customised and expansive financial services to our clients.

We offer a comprehensive range of financial solutions that cater to the entire power value chain, from generation to transmission and distribution, aligned with India's ambitious power infrastructure goals. Our clients get access to the best-in-class financial products to drive their projects forward and deliver sustainable growth. From traditional loan options to innovative financing alternatives, we are committed to supporting the energy and infrastructure sectors with reliable and competitive solutions.



Product Spectrum

Fund-based Products

- **Project Term Loans** *(Indian Rupee and foreign currency)*
- **Corporate Loans**
- **Debt Refinancing**
- **Lease Financing** *for the purchase of equipment*
- **Line of Credit for Import of Coal**
- **Credit Facility** *for the purchase of power through power exchanges*
- **Short/Medium-Term Loan** *to equipment manufacturers*
- **Buyer's Line of Credit**
- **Grants/Interest-free Loans** *for studies/consultancies*
- **Lease Financing** *for wind power projects*

Non-Fund-based Products

- **Guarantee for Performance of Contract/Obligations in Power Purchase Agreements** *(PPAs)*
- **Letter of Comfort** *(LoC)*

Sources of Funds

- **54 EC Bonds**
- **Term Loans/Bonds**

Milestones

Inception...

Since our incorporation in 1986, we have been consistently achieving milestones marking a path of growth, innovation, and leadership in India's power sector. From our early lending activities to groundbreaking financial initiatives, each milestone is a step forward in our journey towards becoming the largest power sector financier in India.

This timeline showcases the key achievements that have shaped our legacy, showcasing our dedication to advancing India's power and infrastructure development.

1986
Established as a fully Government-owned enterprise

1988
Initiated lending operations

1998
Secured registration as an NBFC with the Reserve Bank of India

2007
Launched IPO, listed on BSE and NSE.
Attained Navratna Status





2024
Established a foreign subsidiary in IFSC, GIFT City

2023
Exceeded ₹4 trillion in loan assets. Diversified into Infrastructure and Logistics

2017
Issued the first green bond, raising $400 million

2019
Acquired REC, became India's largest power sector financier

2014
Achieved ₹2 trillion in loan assets

2010
Recognised by RBI as an infrastructure finance company. Conducted FPO, reducing GOI shareholding to 56%

..to Impact

JOURNEY THROUGH IFSC GIFT CITY

Gateway to Ambition

Our entry into IFSC GIFT City heralds a strategic leap into the global financial arena. Positioned at the crossroads of ambition and opportunity, this move underscores PFC's commitment to expanding its influence beyond borders. Anchored in GIFT City's robust ecosystem, we navigate towards international growth to shape the future of global finance.

Vision

PFC aims to expand its business and sustain long-term growth by establishing a foreign subsidiary in the IFSC GIFT City.

The incorporation of PFC's IFSC entity signifies a strategic leap towards globalising its operations, opening up new avenues in the international lending arena and significantly expanding its influence. This move aligns with India's vision to establish IFSC GIFT City as a leading global financial hub, and our commitment to support national infrastructure goals with our enhanced financial capabilities.

By facilitating foreign currency lending, particularly in the power and infrastructure sectors, we aim to accelerate sectoral growth and leverage international capital for funding large-scale projects within India.

The recent infusion of ₹100 crore in April 2024 has strengthened our presence within the IFSC at GIFT City, leveraging the city's state-of-the-art infrastructure and favourable regulatory environment to solidify our position in the global financial landscape.

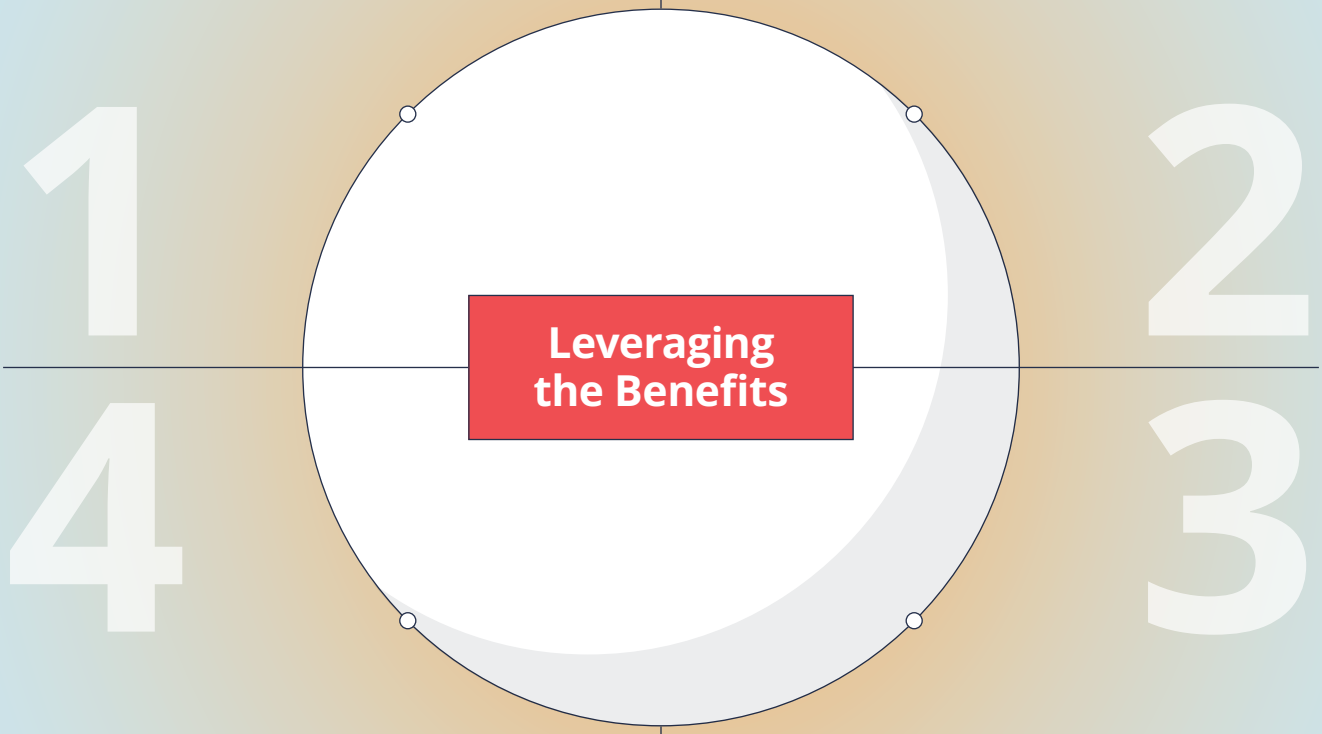


GIFT City offers state-of-the-art facilities

tailored for global financial activities

100% Tax Exemption:

Enjoy complete exemption from taxes for the first 10 consecutive years



Various exemptions under the Companies Act and other regulations enhance

operational efficiency and competitiveness

No GST on Services

Services provided within the IFSC are exempt from Goods and Services Tax

OUR PERFORMANCE

Profit After Tax

₹14,367 crore
in FY 2023-24 vs.
₹11,605 crore in FY 2022-23

24% ↑
in Profit After Tax

Loan Asset Book

₹4,81,462 crore
in FY 2023-24 vs.
₹4,22,498 crore in FY 2022-23

14% ↑
in Loan Asset Book

RE Loan Book

₹60,208 crore
in FY 2023-24 vs.
₹48,198 crore in FY 2022-23

25% ↑
y-o-y in renewable loan book

54EC Bonds Portfolio

₹8,994 crore
in FY 2023-24 vs.
₹6,600 crore in FY 2022-23

36% ↑
y-o-y in 54EC bonds portfolio

Pursuing Excellence

Performance at a Glance

PARTICULARS	2019-20	2020-21	2021-22	2022-23	2023-24
RESOURCES (At the end of the year) *(₹ crore)*					
Equity Capital	2,640	2,640	2,640	2,640	**3,300.10**
Reserves and Surplus	42,524	49,753	56,710	65,562	**75,903.39**
BORROWINGS (Principal outstanding) *(₹ crore)*					
(i) Domestic Borrowings	2,55,751	2,75,259	2,63,839.76	2,98,084	**3,34,547**
(ii) Foreign Currency Borrowings	47,701	49,836	56,288.37	64,554	**72,836**
FINANCING OPERATIONS (during the year) *(₹ crore)*					
Sanctions	1,11,089	1,66,370	51,616	2,31,625	**2,82,269**
Disbursements	67,997	88,302	51,242	85,756	**1,27,656**
WORKING RESULTS (for the year) *(₹ crore)*					
Total Income	33,371	37,767	38,591	39,666	**46,034.10**
Total Expenses	25,179	27,559	26,364	25,495	**28,408.41**
Profit Before Tax	8,193	10,207	12,228	14,171	**17,625.69**
Tax Expense	2,537	1,763	2,206	2,565	**3,258.67**
Profit After Tax	5,655	8,444	10,022	11,605	**14,367.02**
NO. OF EMPLOYEES					
No. of Employees	484	483	501	519	**545**

Note: 1. Sanctions and Disbursements are excluding R-APDRP/IPDS/RDSS.

STATEMENT OF VALUE ADDED AND KEY RATIOS

Measuring Our Efficiency

Statement of Value Added

PARTICULARS	2022-23	2023-24
VALUE ADDED		
Net interest income	14,363	**15,627**
Non-interest income	2,020	**2,393**
Operating expenses excluding staff cost, depreciation, amortisation, and CSR expenses	(2,045)	**(87)**
Impairment and write-off	296	**171**
Value added available for distribution	14,634	**18,104**
DISTRIBUTION OF VALUE ADDED		
For equity shareholders as dividend	2,640	**4,818**
For employees as remuneration and other benefits	219	**243**
For society as CSR expense	225	**218**
For the government as an income tax	2,565	**3,259**
For reinvestment, expansion, and growth: Depreciation, Amortisation, Retained Earnings, Reserves	8,984	**9,566**
Distribution of value added	14,634	**18,104**

Key Ratios

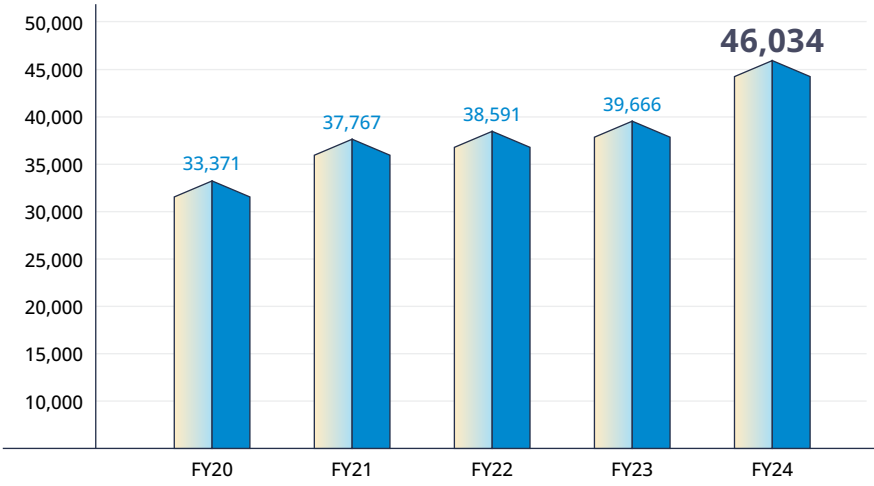
Financial Year	2022-23	2023-24
P/E Ratio	3.45	**8.96**
Capital Risk-Weighted Assets Ratio (%)	24.37	**25.41**
Net Profit Margin (%)	29.26	**31.21**
Net NPA (%)	1.07	**0.85**
Net Debt to Equity Ratio (x)	5.32	**5.14**
EPS (₹)	35.17	**43.53**
Book Value Per Share (₹)	258.33	**240.00**

KEY PERFORMANCE INDICATORS

Financial Performance

Total Income

(₹ crore)

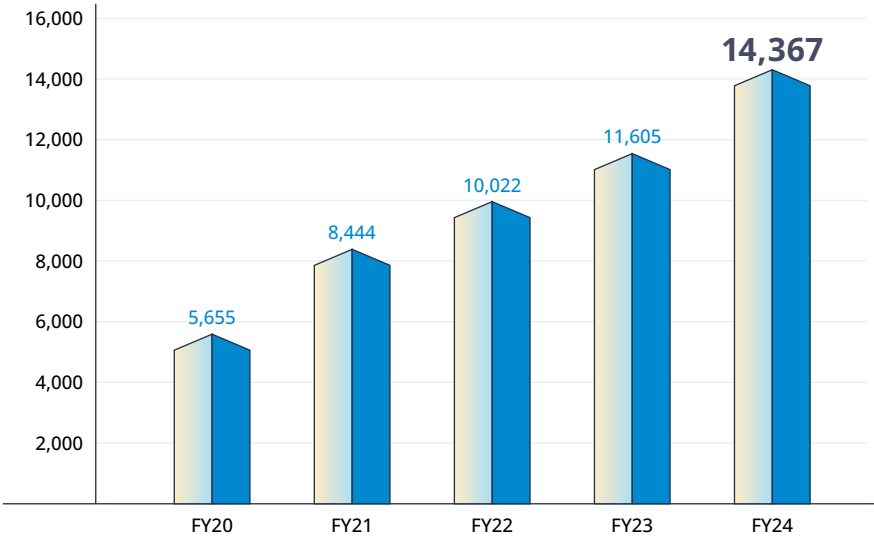


16%
Y-o-Y Growth

9.86%
5-year CAGR Growth

Profit After Tax (PAT)

(₹ crore)



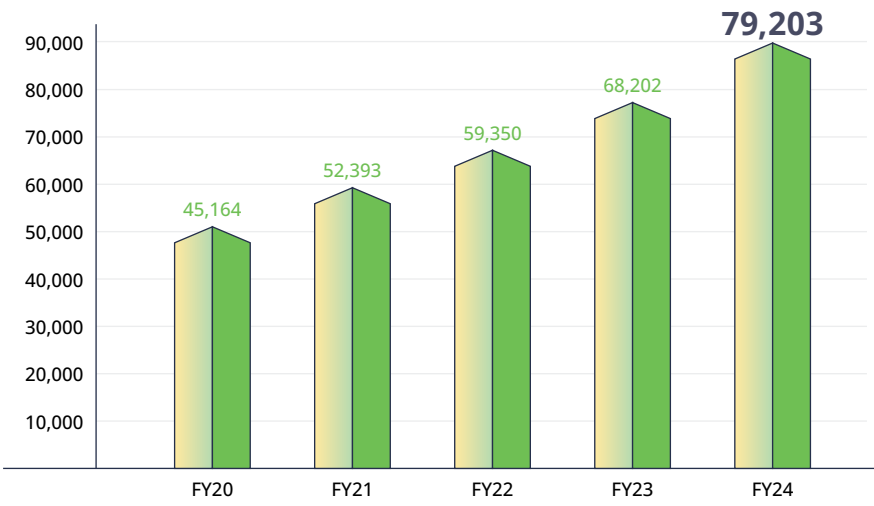
24%
Y-o-Y Growth

15.62%
5-year CAGR Growth

Operational Performance

Net Worth

(₹ crore)

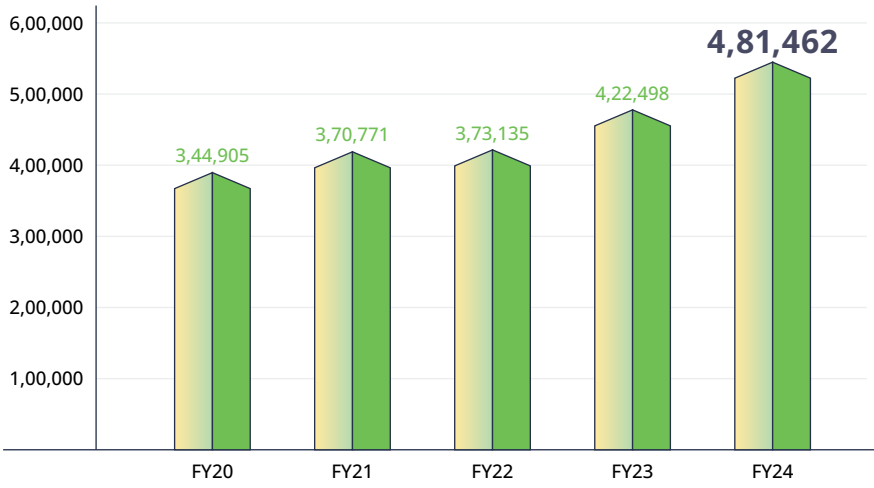


16%
Y-o-Y Growth

12.84%
5-year CAGR Growth

Loan Asset Book

(₹ crore)



14%
Y-o-Y Growth

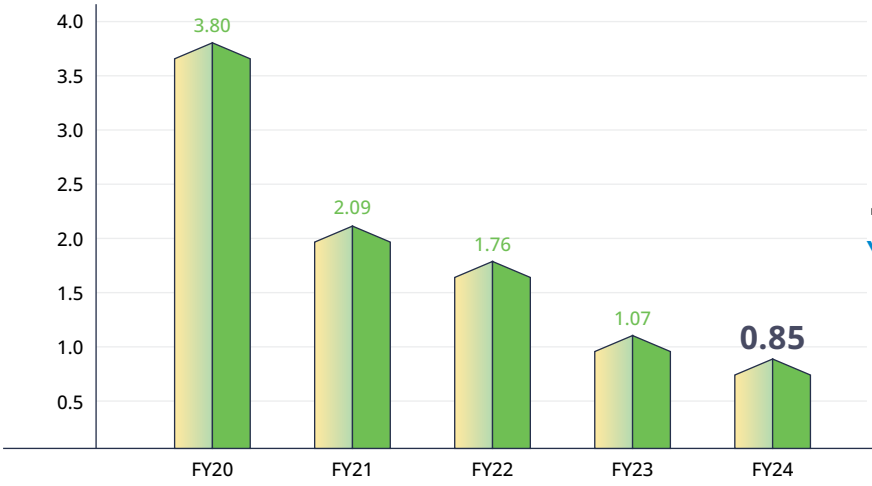
8.88%
5-year CAGR Growth

KEY PERFORMANCE INDICATORS

Operational Performance

Net NPA Ratio

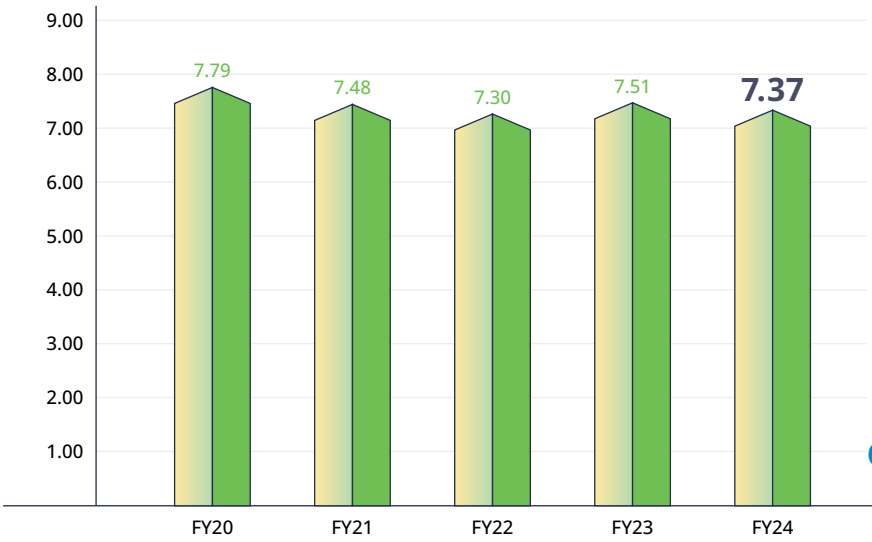
(%)



22 bps
Y-o-Y Decline

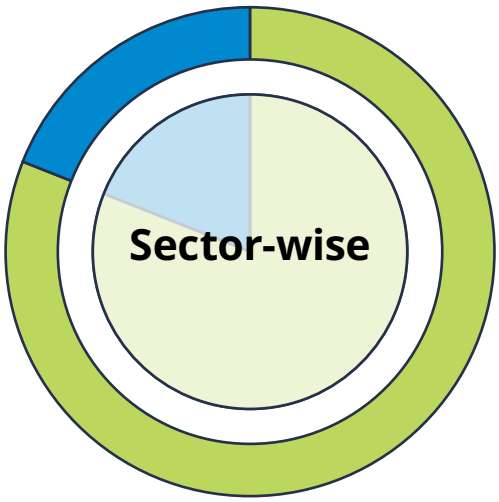
Cost of Funds

(%)

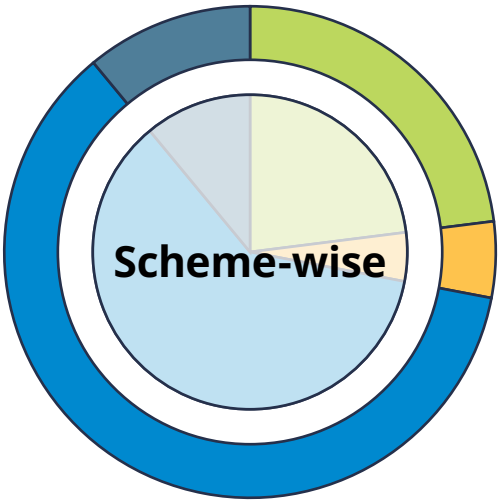


Consistent
Over the years

Disbursements



Government	81%
Private Sector	19%



Generation	23%
Transmission	5%
Distribution	61%
Others	11%

Asset Synopsis FY 2023-24

Zero
NPA added in more than 1 year

74%
Provisioning maintained on NPA assets (Stage III)

₹1,27,656 crore
Disbursements

A GREENER VISION

Embracing ESG for a Sustainable and a Greener Tomorrow

In an era where environmental, social, and governance (ESG) factors are becoming paramount for business success, our Company is at the forefront of adopting a comprehensive approach to sustainability. Our dedication to sustainable development is reflected in our strategic initiatives and collaborations.

Dedicated ESG Focal Point

ESG Unit

A dedicated unit established to steer ESG initiatives.

Training Programmes

Capacity development programmes to foster a culture of sustainability within PFC.



Enabling Low-Cost Funding for Energy Transition

Foreign Subsidiary

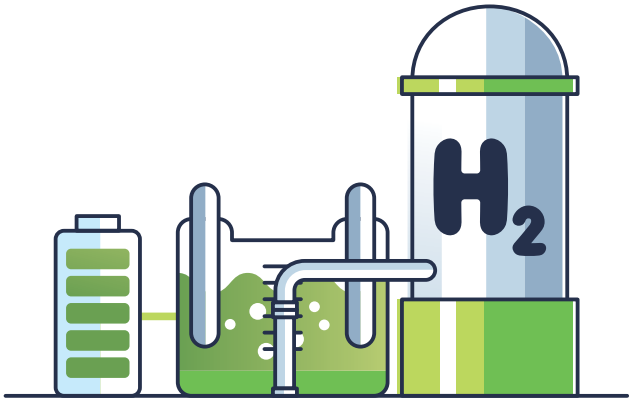
Established in IFSC GIFT City to mobilise competitive funding.

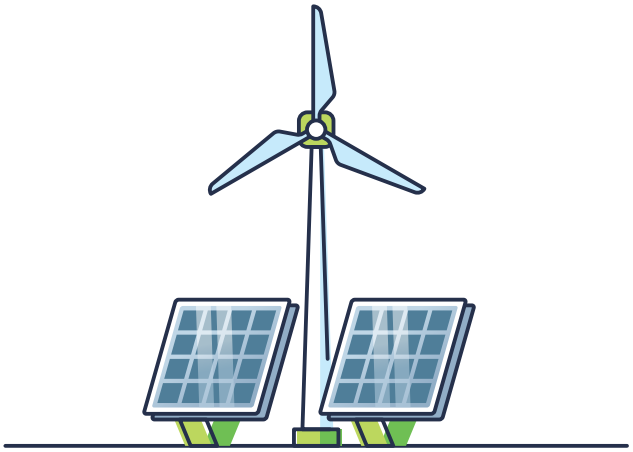
Energy Transition

Supporting the nation's growth through low-cost funding for energy projects.



With our endeavour to integrate ESG principles into decision making, PFC will pave the way for a future where economic development and environmental stewardship go hand in hand.





Expanding Green Portfolio

Diverse Financing

Supporting the entire green spectrum from traditional renewable energy to emerging technologies.

Innovative Projects

Investments in e-mobility, waste-to-energy, biofuels, and desalination.



Strengthening Green Partnerships

Asia Transition Finance Study Group

PFC becomes the first Indian member to join.

Collaborations

Partnering with the Council on Energy, Environment, and Water (CEEW) to advance India's Net Zero goals.

Strategic Tie-Up

Collaboration with Japan's NEDO to promote environment-friendly power supplies.

PARTNERING FOR PROGRESS

Strategic Support for National Reforms

In line with the government's vision to create a cleaner, more sustainable India, we play an active role in driving the transformation forward. Committed to financing clean and secure energy solutions, we drive the nation's progress through innovative and strategic initiatives.

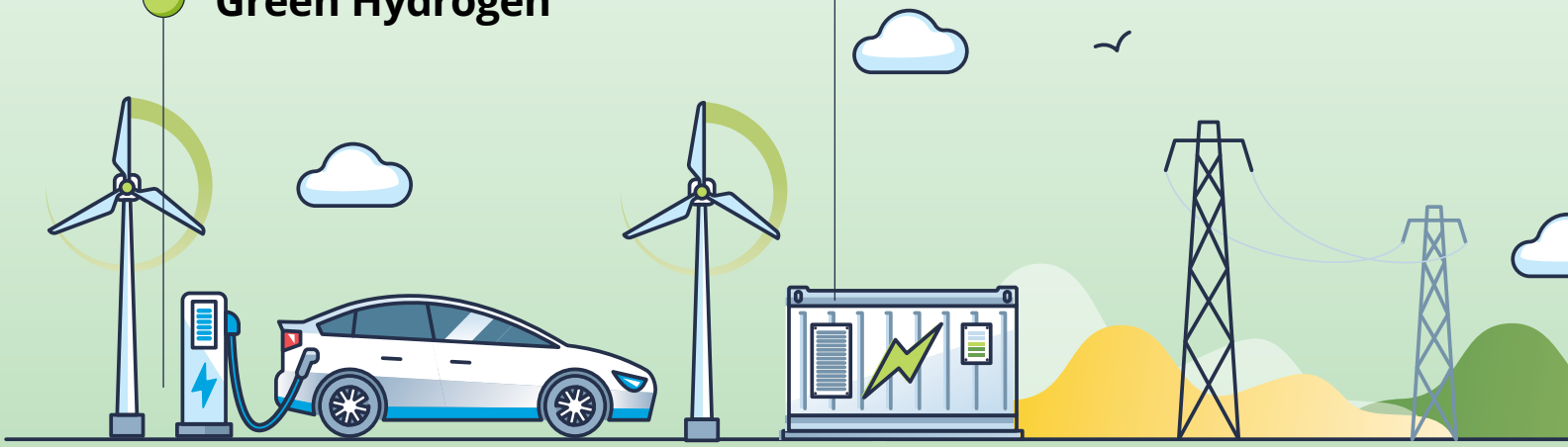
Here is how we are shaping the future of India's energy and infrastructure landscape.

Supporting Clean Technologies

- **Solar**
- **Wind**
- **Energy Storage**
- **E-mobility**
- **Green Hydrogen**

Ensuring Energy Security

- **Conventional Generation**
- **Renovation and Modernisation of Existing Infrastructure**



The Motto Guiding us towards a New Direction

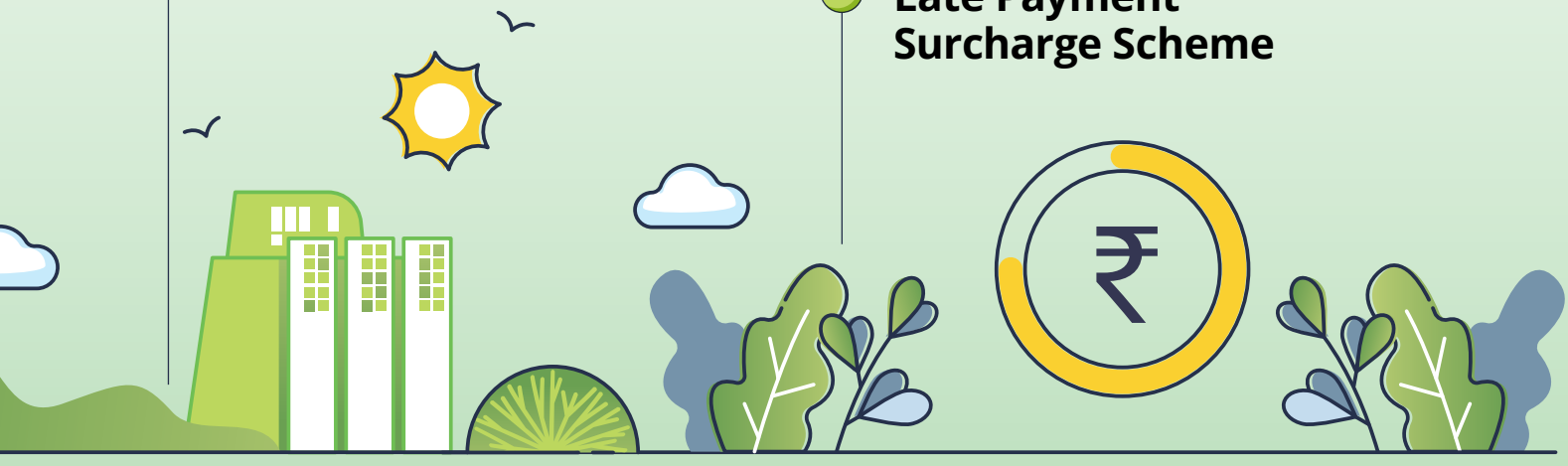
By focusing on clean and emerging technologies, bolstering energy security, and driving infrastructure growth, we are committed to the nation's advancement. As a trusted partner to the government, we continue to support crucial reforms, ensuring a resilient and efficient power sector. Guided by the philosophy of 'Nayi Soch Nayi Raahein' and innovative approaches, we are moving in a new direction, shaping a brighter and greener future for India.

Driving India's Infrastructure and Logistics Growth

- **Accelerating Projects Critical to National Progress**
- **Supporting Large-scale Greenfield Projects**

Facilitating Power Sector Reforms

- **Financing Reform Measures**
- **Revamped Distribution Sector Scheme**
- **Late Payment Surcharge Scheme**



Letter to Shareholders

Ladies and Gentlemen,

It is with immense pride and joy that I place before you at the 38th Annual General Meeting our extraordinary achievements over the past year.

Setting Records: Thriving Profits and Unprecedented Growth

During the year, we have achieved unprecedented levels of business growth and profitability. I am delighted to share that we have achieved our highest-ever annual profit of ₹14,367 crore, marking a remarkable 24% increase from FY 22-23. Our loan sanctions soared to a record ₹2.82 lakh crore, while disbursements reached an all-time high of ₹1,27,656 crore, a staggering 49% increase from the previous year. For the first time in PFC's history, our disbursements have crossed the ₹1 lakh crore mark.

Our market capitalisation soared past ₹1 trillion and currently stands at an impressive ₹1.8 trillion. Our loan asset book has grown by 14%, now standing at an impressive ₹4.8 lakh crore. The renewable portfolio has surpassed ₹60,000 crore over the last year, highlighting our commitment to sustainable growth. PFC's net worth has surged by 16% to ₹79,203 crore, showcasing our robust financial health. We have maintained a strong CRAR of 25.41%, underscoring our financial resilience. We declared the highest-ever dividend of ₹13.50 per share for FY 23-24, which, when adjusted for bonus shares, stands at ₹16.88 per share. Furthermore, our shareholders have witnessed a more than 2.5 times increase in share price this fiscal year. These achievements reflect our unwavering commitment to excellence and set a solid foundation for continued success.

Macroeconomic Scenario and Power Sector Outlook

The global economic scenario in 2023-24 presented unique challenges, with geopolitical tensions, supply chain disruptions, and inflationary pressures impacting economies worldwide. However, amidst these challenges, India emerged as a beacon of resilience and growth, proving its mettle as a global economic powerhouse.

India's economy continued its robust growth trajectory in 2023-24, fueled by strong domestic demand, prudent fiscal policies, and a vibrant digital ecosystem. The government's unwavering commitment to infrastructure development, coupled with targeted reforms and initiatives, has created a conducive environment for sustained economic expansion.

The power sector, in particular, has witnessed significant progress and transformation in recent years, with the government introducing various policy measures aiming to address the Energy Trilemma of balancing the three dimensions of Energy Security, Energy Equity and Environmental Sustainability of Energy Systems. As a result of these interventions, India has been steadily improving its ranking in World Energy Trilemma Index published by the World Energy Council. The government's ambitious targets for renewable energy capacity addition, along with the rapid adoption of electric vehicles and energy-efficient technologies, have propelled India's energy transition towards a cleaner and greener future.

Looking ahead, we believe that the Indian power sector holds immense growth potential. The government's focus on expanding access to electricity for all, coupled with the increasing demand for reliable and affordable power, presents a unique opportunity for the sector to thrive.

However, we also recognise the challenges that lie ahead. The transition to a cleaner energy mix, the need for robust transmission and distribution infrastructure, and the imperative of ensuring affordable electricity for all are some of the key issues that need to be addressed.

At PFC, we are committed to working collaboratively with all stakeholders to overcome these challenges and realise the full potential of India's power sector. We will continue to leverage our expertise, financial resources, and technological capabilities to support the development of sustainable and resilient power infrastructure across the country.

“Our market capitalisation soared past ₹1 trillion and currently stands at an impressive ₹1.8 trillion. Our loan asset book has grown by 14%, now standing at an impressive ₹4.8 lakh crore. The renewable portfolio has surpassed ₹60,000 crore over the last year, highlighting our commitment to sustainable growth.”



Parminder Chopra
Chairman and Managing Director

LETTER TO SHAREHOLDERS



Smt. Parminder Chopra, CMD, along with His Excellency Vincenzo De Luca, Ambassador of Italy and Shri Ajay Sharma, MD & Head Commercial Banking, HSBC India exchanging agreement with HSBC and SACE, the Export Credit Agency of Italy for EUR 200 Million Loan.

Beyond Boundaries: Financing Tomorrow's Innovations

Our journey of growth and innovation continued with our strategic diversification of lending. We have played a pivotal role in accelerating the country's infrastructure development by supporting large-scale greenfield projects. Our commitment to progress is evident in our financial assistance to pioneering projects in emerging areas such as e-mobility, desalination plants, ports, and bio ethanol plants etc. This year, we sanctioned a total of ₹82,327 crore towards these groundbreaking projects. These efforts not only diversify our portfolio but also contribute significantly to the nation's sustainable and futuristic development.

Driving Efficiency: Lowest NPAs in 8 Years

We took significant strides in reducing our Non-Performing Assets (NPAs) in 2023-24 through effective stress resolution. We have achieved the lowest NPA levels in the last eight years, with net NPAs now at a commendable 0.85%. This is a testament to our diligent efforts and strategic approach to managing our assets. We successfully resolved two stressed assets with an exposure of ₹1,063 crore, recovering over 90% of the principal amount. These accomplishments underscore our commitment to maintaining a healthy and resilient financial portfolio, ensuring sustainable growth for PFC.

Smart Finance: Innovating Debt Structures for Stability

Our borrowing strategy this year has been both dynamic and innovative, ensuring robust financial stability and growth. We successfully raised about ₹1 lakh crore, maintaining a strategic mix of 82% domestic and 18% foreign currency borrowing, along with a balanced approach between short-term and long-term funding. We ventured into debt markets with new structures like Zero Coupon Bonds (ZCB) and Perpetual Debt Instruments (PDI). These measures have allowed us to strategically balance market factors such as liquidity, prevailing and future interest rate scenarios, and our substantial funding needs.

Our second issue of public taxable bonds was met with overwhelming enthusiasm, raising ₹2,824 crore and receiving over five times oversubscription. We also increased our 54 EC Capital Gain Bond mobilisation by 36% compared to the previous fiscal year. PFC's inclusion in the MSCI Global Standard Index is a significant milestone,

enhancing our visibility among global investors. Through active liability management, we focused on replacing high-cost debt whenever opportunities arose, further solidifying our financial resilience and strategic growth.

Empowering India: Transforming Infrastructure Nationwide

Our commitment to supporting Government of India schemes has yielded remarkable results this fiscal year. Under the Revamped Distribution Sector Scheme (RDSS), we have made significant strides in reducing losses, with tenders floated for 96% of sanctioned works and awards placed for 79% of these works. In the realm of smart metering, we awarded works for 5.08 crore meters, which is 57% of the total sanctioned meters. We also electrified 30,000 Particularly Vulnerable Tribal Households out of the 71,000 sanctioned, ensuring that progress reaches even the most remote corners of our nation. Additionally, we have trained over 1,600 DISCOM personnel, enhancing their skills and capacity.

In order to effectively administer the Late Payment Surcharge (LPS) Rules, we have revamped the PRAAPTI portal, ensuring efficient processing and transparency. We disbursed loans worth ₹21,500 crore to clear legacy dues, leading to a 70% decline in these dues from their peak level of ₹1.40 lakh crore. Notably, current dues are now being paid within the stipulated time frame, reflecting improved financial discipline and operational efficiency apart from providing the required liquidity into the power sector value chain. These efforts highlight our unwavering dedication to advancing national schemes and driving financial sustainability of the distribution sector across India.

Leading Innovation: Pioneering Ventures Globally

Talking of new initiatives, I am delighted to announce that we have become the first government Non-Banking Financial Company (NBFC) to establish a foreign subsidiary in the International Financial Services Centre (IFSC) at GIFT City. This subsidiary has been setup as a Finance Company in IFSC. This strategic move not only elevates PFC's brand to a global level but also brings a host of



Smt. Parminder Chopra, CMD welcoming Shri Manohar Lal, Hon'ble Union Minister (Power and Housing & Urban Affairs) at PFC's 39th Foundation Day Celebrations held in New Delhi

LETTER TO SHAREHOLDERS

regulatory advantages. Our IFSC entity enjoys a 100% tax exemption on income for 10 consecutive years, no GST on services, and benefits on withholding tax, among other incentives. This initiative positions us to leverage global opportunities and drive our growth trajectory forward, ensuring PFC remains at the forefront of innovation and excellence in the financial sector.

Further, we have signed an MoU with the Government of Goa and the World Bank to establish the first Blended Finance Facility, funding climate projects and setting a precedent for innovative financing. Additionally, PFC is the first government firm to collaborate with SACE, an Italian export credit agency, under its 'Push Strategy' initiative, enhancing Indo-Italian cooperation with an innovative ECA-backed financing facility.

Sustainable Future: Leading ESG Practices and Partnerships

Our dedication to Environmental, Social, and Governance (ESG) initiatives is stronger than ever.

We had committed last year on gradually integrating ESG into our operations. I am happy to share that this year, we have taken a step forward in our ESG journey. PFC on July 16, 2024 has released its first ever ESG Report on the occasion of PFC's Foundation Day. The report was released by the Hon'ble Cabinet Minister of Power and Housing & Urban Affairs, Shri Manohar Lal. The report highlights our ESG practices and our commitment in advancing India's clean energy goals and creating a more greener & sustainable future. This detailed ESG Report is now available as part of our Annual Report.

We are proud to be the first Indian member of the Asia Transition Finance Study Group, where we will represent India's perspective and facilitate efficient energy transition financing across Asian nations. Our collaboration with the Council on Energy, Environment and Water (CEEW) underscores our commitment to advancing India's Net Zero goal. Furthermore, our strategic tie-up with Japan's New Energy and Industrial Technology Development Organization (NEDO) aims to promote the creation of environment-friendly power supplies.

It is heartening to note that our CSR initiatives are making a substantial impact. Apart from our focus on areas of health & nutrition and fulfillment of power and energy needs of the society, PFC has also been promoting cutting edge scientific research as part of its CSR initiative. We are setting up a state-of-the-art Anatomy Lab at IIT Madras and establishing the Interdisciplinary Centre for Energy Research (ICER) at the Indian Institute of Science (IISc) to advance research in green hydrogen and net-zero



Smt. Parminder Chopra, CMD, Shri Rajiv Ranjan Jha, Director (Projects) and Shri Manoj Sharma, Director (Commercial) and along with Shri Arunabha Ghosh, CEO, Council on Energy, Environment and Water (CEEW) during the MoU signing ceremony. PFC & CEEW have announced a strategic collaboration to advance PFC's commitment to becoming a leading net-zero financier, aligning with India's ambitious 2070 Net Zero target.



Smt. Parminder Chopra, CMD welcoming Shri Shripad Yesso Naik, Hon'ble Minister of State (Power and New & Renewable Energy) at PFC's 39th Foundation Day Celebrations held in New Delhi

technologies. We are also launching Artificial Intelligence (AI) Labs in schools and government polytechnic colleges to foster innovation from the ground up.

At PFC, we are committed to upholding the highest standards of transparency, accountability, and disclosure. As a publicly listed company, we adhere to a comprehensive framework of corporate governance frameworks and policies such as the Companies Act, 2013, SEBI's Listing Obligations & Disclosure Requirements Regulations, DPE Guidelines etc. We also have various risk management Committees at Board level & senior management levels which oversees the key functions of our company and provide strategic directions in each area.

This ensures that every aspect of our work is guided by principles that promote integrity, fairness, and responsible conduct.

Awards and Accolades

Our unwavering commitment to excellence, innovation, and sustainable growth has been recognised with several prestigious awards. PFC received SCOPE's Meritorious Award for "Best Managed Financial Institution" in the Maharatna/Navratna PSEs category. Additionally, we were honoured with the South Asian Federation of Accountants' award for Best Presented Accounts/Annual Report for the second consecutive year. Our CSR efforts have been honoured with the CSR Champion Award during the Outlook Planet Sustainability Summit & Awards, 2024. Furthermore, PFC was ranked 37th among the largest 500 Indian companies by Fortune India 2023.

These accolades highlight our dedication to setting high standards and achieving remarkable milestones. Together, we will continue to illuminate every corner of India, driving progress and building a brighter, more sustainable future.

Concluding Remarks

In conclusion, I extend my heartfelt gratitude to our esteemed stakeholders — the Hon'ble Union Minister of Power, Hon'ble Minister of State for Power, officials from the Power Ministry, our dedicated Board of Directors, client utilities, employees, various ministries, investors, auditors, regulators, and all other stakeholders of PFC. Your unwavering support and collaborative efforts have been pivotal in our journey to success. We remain committed to our mission of powering India's growth and contributing to a brighter and more sustainable future for all.



Parminder Chopra
Chairman & Managing Director

NOTICE

POWER FINANCE CORPORATION LIMITED

CIN: L65910DL1986GOI024862
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110001, India
Tel: +91 11 23456000, Email id: investorsgrievance@pfcindia.com
Website: www.pfcindia.com

Notice is hereby given that the Thirty Eighth Annual General Meeting of the members of Power Finance Corporation Limited will be held on **Wednesday, the August 21, 2024 at 11:00 A.M**. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a. the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2024 including the Audited Balance Sheet as on March 31, 2024 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and comments of Comptroller and Auditor General of India thereon.

   b. the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024 including the Audited Balance Sheet as on March 31, 2024 and the Statement of Profit & Loss for the year ended on that date and the Reports of Statutory Auditor and comments of Comptroller and Auditor General of India thereon.

2. To confirm the payment of Interim Dividend and declare Final Dividend on Equity Shares for the financial year 2023-24.

3. To appoint a Director in place of Shri Manoj Sharma (DIN: 06822395), who retires by rotation and being eligible, offers himself for re-appointment.

4. To fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESS

5. Appointment of Shri Shashank Misra, (DIN: 08364288) as Director (Government Nominee).

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to Section 161 and other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder, Regulation 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), Shri Shashank Misra (DIN: 08364288), Joint Secretary, who was appointed by the Board on recommendation of the Nomination & Remuneration Committee as Director (Government Nominee) on the Board of PFC w.e.f. June 25, 2024 pursuant to Ministry of Power Government of India order No. 8 /1/2007- PFC Desk dated June 25, 2024 issued in exercise of powers conferred by the Articles of Association of the Company and in respect of whom the Company has received a notice in writing proposing his candidature for Directorship under Section 160 of the Act, be and is hereby appointed as the Director (Government Nominee) on the Board of Directors of Power Finance Corporation Limited w.e.f. June 25, 2024 liable to retire by rotation, on terms & conditions determined by the Govt. of India from time to time."

6. Appointment of Shri Sandeep Kumar, (DIN: 08529035) as Director (Finance).

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder, Regulation 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), Shri Sandeep Kumar, (DIN: 08529035), who was appointed by the Board on recommendation of the Nomination & Remuneration Committee as Director (Finance) on the Board of PFC w.e.f. July 11, 2024 pursuant to Ministry of Power, Government of India Order No. 24-8/1/2023-PFC (MoP)-Part-I dated July 11, 2024 issued in exercise of powers conferred by the Articles of Association of the Company and in respect of whom the Company has received a notice in writing proposing his candidature for Directorship under Section 160 of the Act, be and is hereby appointed as the Director

(Finance) on the Board of Directors of Power Finance Corporation Limited w.e.f. July 11, 2024 liable to retire by rotation, on terms & conditions determined by the Govt. of India from time to time."

By order of the Board of Directors



Manish Kumar Agarwal
Company Secretary and Compliance Officer

Registered office:
"Urjanidhi", 1, Barakhamba Lane,
Connaught Place,
New Delhi- 110001
CIN: L65910DL1986GOI024862
Date: July 30, 2024

NOTES:-

1. In view of the recent MCA Circular dated September 25, 2023 and SEBI Circular dated October 07, 2023 and other notifications in force, the 38th AGM of the Company is being conducted through VC/OAVM facility, without physical presence of members at a common venue. The deemed venue for the 38th AGM shall be the Registered office of the Company.

2. The Company has enabled the Members to participate at the 38th AGM through the VC facility provided by KFin Technologies Limited (KFintech), Registrar and Share Transfer Agents (RTA). The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.

3. As per the provisions under the MCA Circulars, Members attending the 38th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. The Company is providing the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The remote e-voting period shall commence at 10.00 a.m on August 18, 2024 and will end at 5.00 p.m. on August 20, 2024. The e-voting module shall be disabled by KFintech at 5.00 p.m. on August 20, 2024. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 38th AGM being held through VC.

5. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

   Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

6. The Company has fixed Thursday, August 15, 2024 as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 38th AGM.

   A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date. Members are eligible to cast vote only if they are holding shares as on that date. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.

7. The Company has appointed Smt. Nayan Handa, Partner, M/s Mehta & Mehta, Company Secretaries (FCS No.:11993,C.P No.:18686) to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

8. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 38th AGM is being held through VC as per the MCA Circulars, accordingly the facility for appointment of proxies by the Members will not be made available for the 38th AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

9. Corporate Members are required to send a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to nayan@mehta-mehta.in with a copy marked to evoting@kfintech.com.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. The Register of Members and Share Transfer books will remain closed from Friday, August 16, 2024 to Wednesday, August 21, 2024 (both days inclusive).

12. In line with the MCA Circulars, the notice of the 38th AGM along with the Annual Report 2023-24 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2023-24 will also be available on the Company's website at https://pfcindia.com/ensite/Home/VS/72, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech, RTA at https://evoting.kfintech.com/

13. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Director retiring by rotation and seeking re-appointment /appointment under item no. 3, 5 and 6 respectively of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.

14. The Board of Directors of Power Finance Corporation Ltd. recommended final dividend @ ₹2.5/- (Rupee two and paisa fifty only) per equity share (subject to deduction of TDS) on the face value of the paid-up equity shares of ₹10/- per share for the FY 2023-24 subject to approval of shareholders in the ensuing Annual General Meeting. This is in addition to the interim dividend of ₹11.00/- (Rupee eleven only) per equity share (subject to deduction of TDS) for the FY 2023-24 already declared and paid during the year. The final dividend, if declared, will be paid within the statutory period of 30 days from the date of approval at AGM.

15. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Acts, 2020 and 2021 dividend declared and paid by the Company after April 1, 2020, is taxable in the hands of shareholders. The Company is required to deduct the tax at source on the distribution of dividend income to its shareholders at the applicable rates. The rate for deducting TDS may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act 1961. Certain category of shareholders such as Mutual Funds and Insurance Companies are exempted while for other category like Foreign Portfolio Investor tax has to be deducted at 20% (plus surcharge and cess) or at a beneficial tax rate applicable under Double Taxation Avoidance Agreement (DTAA).

    Companies require certain categories of shareholders to submit few details and required documents in order to determine the applicable rate for TDS. Say for example in respect of shareholders in category of Mutual Funds, Insurance companies, etc. companies seek certain set of documents like PAN, registration certificate, self-declaration, etc. in order to determine TDS rates. These details and documents are required to be provided by shareholders to every such company who declare dividends. Generally in respect of shareholders like Mutual Funds, Insurance companies, Foreign Portfolio Investors, etc. these details and documents are provide by their custodian on behalf of shareholders to every such company which is declaring dividend.

    The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

    This will provide an alternative to custodians to upload documents of their mutual fund/insurance companies/ FPI clients if already not done on NSDL platform, which will be auto downloaded to RTAs as per the beneficiary positions as of a record date without a need for Issuer / RTAs to track several emails received from custodians. Further, reports containing details of demat accounts for which investor documents are downloaded will be available to issuers/ RTAs, thereby facilitating reconciliation.

16. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2024-25 under section 139 of the Companies Act, 2013. The members may authorize the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2024-25 as may be deemed fit by the Board.

17. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

18. The Members holding shares in electronic form are requested to update PAN, Address with PIN, Email mobile number, bank account details and nomination with their Depository Participants (DPs) with whom they are maintaining their demat accounts.

    Members holding shares in physical form are requested to advise for any change/updations to KFin Technologies Limited. The said updation/changes related to physical shares to be intimated in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said forms can be downloaded from the RTA website- Investor Support Center (ISC) webpage at https://ris.kfintech.com/clientservices/isc/default.aspx

    The SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023 vide its circular dated March 16, 2023.

19. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. The shares in respect of which the dividends have not been paid or claimed

for a period of seven consecutive years or more, are also liable to be transferred to the demat account of the IEPF Authority. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The details of investors' (whose payment is due) are available on company's website so as to enable the investors to claim the same.

20. Members holding shares in multiple folios in physical mode are requested to apply for consolidation of their holdings in one folio to the Company or KFintech, RTA of the Company along with relevant Share Certificates. A Letter of Confirmation would be issued after making requisite changes which the member has to submit with Depository Participant for Demat.

21. Members who hold shares in physical form are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in name, address, email address, telephone/ mobile numbers, nominations, power of attorney, or bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to RTA of the Company and in case of shares held in electronic mode, to their respective Depository Participants.

22. The Members holding physical shares in single name or jointly are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the RTA website. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said form can be downloaded from the RTA website-Investor Support Center (ISC) webpage at https://ris.kfintech.com/clientservices/isc/default.aspx.

23. Members desirous of getting any information on financial statements and any other item(s) of business of this Meeting are requested to address their queries to Company Secretary of the Company through email on agm2024@pfcindia.com at least fifteen days prior to the date of the meeting. The same will be replied by the Company suitably.

24. All documents referred to in the accompanying Notice and the Explanatory Statement and Statutory Registers shall be available electronically on Company's website at www.pfcindia.com up to the date of AGM i.e. August 21, 2024.

25. The Results on resolutions shall be declared after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.pfcindia.com) and on KFintech's website (https://evoting.kfintech.com) and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E- voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of KFintech for facilitating remote e-voting for AGM.

The remote e-voting period shall commence at 10.00 a.m. on August 18, 2024 and will end at 5.00 p.m. on August 20, 2024. The e-voting module shall be disabled by KFintech at 5.00 p.m. on August 20, 2024.

Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

Procedure and Instructions for remote e-voting

I. Instructions for remote e-voting by **Individual shareholders** holding shares of the company in Demat mode.

As per SEBI circular on e-voting Facility, dated December 9, 2020, all individual shareholders holding shares of the Company in the demat mode can cast their vote, by way of single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Accordingly, the procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1
	3. Alternatively by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasitoken/home/login or Click on the **"Login"** icon and opt for "My Easi New (Token)" (only applicable when using the URL www.cdslindia.com) II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasitoken/home/login II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com. click on E voting. II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.
Individual Shareholders holding securities in demat mode with CDSL Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Individual Members who are voting through the facilities provided by their Depository Participants, contact their respective Depository Participants on their helpline/contact details.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 1800 2109 911

II Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) **In case of Members receiving an e-mail from KFintech [applicable to members whose email IDs are registered with the Company / Depository Participant(s)]:**

i. Launch an internet browser and open https://evoting.kfintech.com

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 8212, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering the above details Click on - Login.

iv. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

v. On successful login, the system will prompt you to select the EVEN of Power Finance Corporation Limited and click on 'Submit'.

vi. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date i.e. August 15, 2024 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

viii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

ix. You may then cast your vote by selecting an appropriate option and click on "Submit".

x. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID: nayan@mehta-mehta.in with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

(B) **In case of Members who have not registered their e-mail address:**

i. Please follow the steps for registration of e-mail address as mentioned in point no 18 of Notes.

ii. Please follow all steps above to cast your vote by electronic means after registration of Email ID.

III. In case of any queries, you may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available in the downloads section of KFintech's website https://evoting.kfintech.com or contact Ms. Swati Reddy (Unit: POWER FINANCE CORPORATION LIMITED), at einward.ris@kfintech.com and evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. Members who have acquired shares after the dispatch of the Annual Report and on or before the cut-off date i.e. August 15, 2024, may obtain the User

ID and Password for exercising their right to vote by electronic means as follows:

a. If the e-mail or mobile number of the member is registered against Folio No./ DP ID Client ID:

The member may send SMS: MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL : MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> POW1234567

OR

The member may go to the home page of https://evoting.kfintech.com, and click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at einward.ris@kfintech.com.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC:

1. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com/ by clicking "Video Conference tab" and login through the user id and password provided in the mail received from KFintech. The link for the AGM will be available in the shareholder/members login where the "Event" and the "Name of the company" can be selected. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.
2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
3. Members are encouraged to join the Meeting using Google Chrome (preferred browser) for better experience.
4. Members will be required to grant access to the web-cam to enable two-way video conferencing.
5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
6. Members who may want to express their views or ask questions may visit https://emeetings.kfintech.com/ and click on the tab "Post Your Questions" to post their queries in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall remain active from August 18, 2024 and August 19, 2024.
7. In addition to the above mentioned step, the Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. Accordingly, the Members may visit https://emeetings.kfintech.com/ and click on 'Speaker Registration' during the period from August 18, 2024 and August 19, 2024. Members shall be provided a 'queue number' before the AGM. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon ("Thumb sign") on the left side of the screen to cast their votes.
9. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech Limited at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

ITEM NO. 5

The following statement sets out the material facts relating to the special business mentioned in item No.5 of the accompanying Notice:

To Appoint of Shri Shashank Misra, (DIN: 08364288) as a Director (Government Nominee).

Pursuant to the Ministry of Power, Government of India, Order No.8 /1/2007- PFC Desk dated June 25, 2024, has appointed Shri Shashank Misra, Joint Secretary, Ministry of Power as Director (Government Nominee) on the Board of Directors of Power Finance Corporation Limited w.e.f. June 25, 2024.

The above appointment of Shri Shashank Misra as Director, (Government Nominee) on the Board of the Company, requires approval of the Members in the General Meeting in terms of Regulation 17(1C) of SEBI Listing Regulations. The terms and conditions regulating the appointment of Shri Shashank Misra would be as determined by the Government of India from time to time.

His brief resume, inter-alia, giving nature of expertise in specific functional area is being provided, which forms part of this notice. Shri Shashank Misra, is concerned and interested, in the resolution. The Company has received a notice in writing, proposing his candidature for the office of Director in terms of Section 160 of the Act.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 5 of this notice for your approval as an Ordinary Resolution.

ITEM NO. 6

The following statement sets out the material facts relating to the special business mentioned in item No.6 of the accompanying Notice:

To Appoint Shri Sandeep Kumar, (DIN: 8529035) as Director (Finance).

Pursuant to the Ministry of Power, Government of India, Order No. 24-8/1/2023-PFC (MoP)-Part-I dated July 11, 2024, the Board of Directors on recommendation of the Nomination & Remuneration Committee appointed Shri Sandeep Kumar as Additional Director and Director (Finance) on the Board of Directors of Power Finance Corporation Limited w.e.f. July 11, 2024.

The above appointment of Shri Sandeep Kumar as Director (Finance) on the Board of the Company, requires approval of the Members in the General Meeting in terms of Regulation 17(1C) of SEBI Listing Regulations. The terms and conditions regulating the appointment of Shri Sandeep Kumar would be as determined by the Government of India from time to time.

His brief resume, inter-alia, giving nature of expertise in specific functional area is being provided which forms part of this notice. Shri Sandeep Kumar, is concerned and interested, in the resolution. The Company has received a notice in writing, proposing his candidature for the office of Director in terms of Section 160 of the Act.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 6 of this notice for your approval as an Ordinary Resolution.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT/ APPOINTMENT AT 38TH AGM UNDER ITEM NO. 3, 5 and 6

Name	Shri Manoj Sharma	Shri Shashank Misra	Shri Sandeep Kumar
Date of Birth and Age	March 10, 1966 (58 years)	March 16,1983 (41 years)	March 20, 1966 (58 years)
Qualification	• Qualified Chartered Accountant • Degree in Law (LLB).	• IAS Officer (Madhya Pradesh: 2007). • B. Tech degree in Electrical Engineering from IIT Delhi.	• Qualified Chartered Accountant. • Bachelor's degree in Commerce (Honours) • Post Graduate Diploma in Computer Application.
Date of Appointment	August 29, 2022	June 25, 2024	July 11, 2024
Terms and Conditions of Appointment	Appointed as Director (Commercial) by President of India through Ministry of Power for a period from the date of his assumption of charge of the post till the date of his superannuation or until further orders, whichever is the earlier.	Terms & conditions of appointment will be governed by Order No.8/1/2007-PFC Desk of Ministry of Power, Government of India dated June 25, 2024.	Appointed as Director (Finance) by President of India through Ministry of Power for a period from the date of his assumption of charge of the post till the date of his superannuation or until further orders, whichever is the earlier.
Remuneration	As per standard terms of appointment issued by President of India through Ministry of Power.	As per standard terms of appointment.	As per standard terms of appointment issued by President of India through Ministry of Power.
Expertise in Functional Areas	He is a chartered accountant with a degree in law (LLB). He joined PFC in 1990 and was working as Executive Director (In charge) of Commercial Division before assuming charge as Director (Commercial), PFC. He has more than 32 years of experience in power sector. In PFC, he has handled multiple areas & domains including institutional appraisal & development, entity appraisal, legal & documentation, taxation, budget, audit, preparation of financial statements & audit reports, financial analysis, resource mobilization, debt syndication and consultancy assignments on financial/ commercial aspects in power sector.	He is posted as Joint Secretary in the Ministry of Power, Government of India. He has been appointed as Government Nominee Director on the Board of Power Finance Corporation Limited (PFC) by Ministry of Power, Government of India w.e.f. June 25, 2024. He is also a Government Nominee Director on the Board of REC Limited. Prior to joining in Ministry of Power, he has served in Department of Revenue, Ministry of Finance, Government of India.	He has a distinguished career spanning over 34 years in the power and financial sectors. Before his appointment as Director (Finance), he was Executive Director (Finance) since January 1, 2020 and is holding the position of Chief Financial Officer (CFO) PFC. Throughout his tenure at PFC, he has held various positions within the finance function, consistently demonstrating his expertise and contributing significantly to the company's success and profitability. He is a proven leader with a strong track record of managing cross-functional teams, fostering innovation to enhance customer and employee experiences, and solidifying PFC's market position. His diversified experience encompasses fund mobilisation, cash management, asset-liability management, lending operations, stressed asset management, policy formulation, tax planning, financial accounting and management control system.

Name	Shri Manoj Sharma	Shri Shashank Misra	Shri Sandeep Kumar
	He is overall in-charge of Commercial Division which is responsible for Appraisal of State Sector Utilities, Promoter Appraisal in Private Sector, Integrated Rating & Ranking of Distribution Utilities, Legal matters, Capacity Building, Administration, Public Relations, CSR and Rajbhasha. He is guiding the RDSS function in performing the nodal agency's role, thus enabling the implementation of RDSS scheme in States/ UTs allocated to PFC, with an objective to improve operational efficiencies and financial sustainability of the power distribution sector. He is engaged with various MoP assignments aimed at institutional development of power sector. During the last 3 decades, he has been associated with entire spectrum of PFC's loan assets, covering formulation of lending policies, putting in place a policy framework to guide appraisal with a structured format for financial analysis, compliance with applicable regulatory and statutory frameworks, monitoring conditions, facilitating disbursement, resolution mechanism for stressed accounts, etc. He is Chairman of PFC Projects Ltd., a subsidiary of PFC, an SPV for submission of lenders' backed resolution plan by PFC for resolution of stressed assets. He is also representing PFC as Nominee Director on the Board of REC Ltd.		He has been pivotal in implementing systemic improvements such as IT transformation, loan disbursement procedures, Ind-AS implementation and loan recovery guidelines & has also been instrumental in managing the non-capex loan portfolio, executing Government Schemes like LIS & LPS and advancing PFC's Environmental, Social and Governance (ESG) initiatives.
Number of Meetings of the Board held during the tenure and number of Board Meetings attended	15/16	NA	NA
Relationship with any other Director, Manager and other KMP of the Company	NIL	NIL	NIL
Number of shares held in the company	NIL	NIL	15,575
Directorship in other companies	• REC Limited • PFC Projects Limited • Jharkhand Infrapower Limited • PFC Consulting Limited • Bihar Mega Power Limited • Deoghar Mega Power Limited • PFC Infra Finance IFSC Limited	REC Limited	• Kanpur Electricity Supply Company Limited • Purvanchal Vidyut Vitran Nigam Limited • Dakshinanchal Vidyut Vitran Nigam Limited • Pashcimananchal Vidyut Vitran Nigam Limited • U.P Power Corporation Limited • Madhyanchal Vidyut Vitran Nigam Limited • Northern Power Distribution Company of Telangana Limited • Orissa Integrated Power Limited • Odisha Infrapower Limited
Chairman/Membership of committees* across all public companies (as on the date of Notice)	**REC Limited** • Audit Committee • Stakeholders' Relationship Committee	NIL	**Power Finance Corporation Ltd** • Stakeholder Relationship and Shareholders'/Investors' Grievance Committee
Details of listed entities from which resigned in the past three years	NIL	NIL	NIL

* Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee.

Director's Profile



Smt. Parminder Chopra
Chairman and Managing Director
DIN: 08530587

Smt. Parminder Chopra, was appointed as Chairman and Managing Director, Power Finance Corporation Limited (PFC) w.e.f. August 14, 2023 and was holding additional charge of Director (Finance) till July 10, 2024. Previously, she was holding the additional charge of Chairman and Managing Director (CMD) w.e.f June 01, 2023.

She has over 36 years of varied experience in Power and Financial Sectors. As the Chairman and Managing Director, she is providing impetus to PFC's crucial role of financing India's energy transition goals apart from funding power & infrastructure sectors. Under her leadership, PFC has significantly increased funding to clean energy projects including funding of Electric Vehicles, Bio fuels, hybrid renewables, renewable equipment manufacturing etc. and has emerged as the principal financier of clean energy projects. She is also playing a critical role in implementation of key power sector initiatives of the Government of India including Revamped Distribution Sector Scheme (RDSS) and Late Payment Surcharge (LPS) rules.

Prior to being appointed as Chairman and Managing Director, Smt. Chopra held the post of Director (Finance) since July 07, 2020, where she facilitated robust financial performance of PFC. She also played a key role in the successful implementation of ₹1.12 trillion Liquidity Infusion Scheme (LIS) for the power distribution sector, which was rolled out as part of Atmanirbhar Bharat initiative by Govt. of India.

Prior to joining PFC, Smt. Chopra has served in power sector majors like NHPC Limited and Power Grid Corporation of India Limited. She is in a unique position to leverage the rare blend of experience in Power and Financial Sectors and lead PFC's transformational journey.

Smt. Chopra holds a Bachelor's degree in Commerce from Delhi University and is a qualified Cost and Management Accountant. She also has a Post Graduate Diploma in Business Management. She has attended programmes on Risk Management and Global Management in world renowned institutes i.e. Harvard University, USA and European School of Management.

Smt. Parminder Chopra holds 2500 equity shares in the Company.



Shri Rajiv Ranjan Jha
Director (Projects)
DIN: 03523954

Shri Rajiv Ranjan Jha, aged 58 years has been working with Power Finance Corporation Limited (PFC) since March 1997. He has been holding Charge of Director (Projects) since October 28, 2021.

He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and a Diploma in Management from IGNOU. He has overall 36 years of experience and had been holding the position as Executive Director (Projects), PFC since May 27, 2019. Previously, he has been handling the PFC's loan portfolio in Western Region including State Sector Coordination Work in the States of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh and Goa. He has earlier handled the entire loan portfolio in Consortium Lending with PFC as lead FI. He has also handled the entire Renewable Energy loan portfolio of PFC. He has also worked on Project Appraisal (especially for Independent Private Power Projects) & Ultra Mega Power Projects in PFC. He has also been instrumental in resolution of stressed assets which led to reduction in net NPA of PFC over the years.

He is overall in-charge of Projects Division which is responsible for Business Development & Project Finance functions entailing Appraisal & Structuring, Risk Analysis, Disbursement & Credit Monitoring, Policy, and handling of Stressed Assets. Also spearheaded PFC efforts in supporting MoP for Implementation of LPS & system driven data compilation via Praapti Portal, Consultant Empanelment for Third Party Sampling of Coal, Shakti B (v) (member of Steering Committee and Bid Evaluation Committee), Strategy Preparation for Import of Coal, Pan India Stressed Asset Monitoring, amongst others.

Before joining PFC, he has worked with Visakhapatnam Steel Plant from November 1988 to February 1997 and dealt with Operation and Maintenance of their coal based Captive Power Plant and also in Material Planning.

Shri Rajiv Ranjan Jha holds 20,005 equity shares in the Company.



Shri Manoj Sharma
Director (Commercial)
DIN: 06822395

Shri Manoj Sharma, 58 years, is a chartered accountant with a degree in law (LLB). He joined PFC in 1990 and was working as Executive Director (In charge) of Commercial Division before assuming charge as Director (Commercial), PFC. He has more than 33 years of experience in power sector. In PFC, he has handled multiple areas & domains including institutional appraisal & development, entity appraisal, legal & documentation, taxation, budget, audit, preparation of financial statements & audit reports, financial analysis, resource mobilization, debt syndication and consultancy assignments on financial/commercial aspects in power sector.

He is overall in-charge of Commercial Division which is responsible for Appraisal of State Sector Utilities, Promoter Appraisal in Private Sector, Integrated Rating & Ranking of Distribution Utilities, Legal matters, Capacity Building, Administration, Public Relations, CSR and Rajbhasha. He is guiding the RDSS function in performing the nodal agency's role, thus enabling the implementation of RDSS scheme in States/UTs allocated to PFC, with an objective to improve operational efficiencies and financial sustainability of the power distribution sector. He is engaged with various MoP assignments aimed at institutional development of power sector.

During the last 3 decades, he has been associated with entire spectrum of PFC's loan assets, covering formulation of lending policies, putting in place a policy framework to guide appraisal with a structured format for financial analysis, compliance with applicable regulatory and statutory frameworks, monitoring conditions, facilitating disbursement, resolution mechanism for stressed accounts, etc. He is Chairman of PFC Projects Ltd., a subsidiary of PFC, an SPV for submission of lenders' backed resolution plan by PFC for resolution of stressed assets. He is also representing PFC as Nominee Director on the Board of REC Ltd.

Shri Manoj Sharma holds nil equity shares in the Company.



Shri Sandeep Kumar
Director (Finance)
DIN: 08529035

Shri Sandeep Kumar has assumed the charge of Director (Finance) at Power Finance Corporation Limited (PFC) w.e.f. 11 July 2024 on appointment by Govt. of India. Before this appointment, he was Executive Director (Finance) at PFC since 01.01.2020 and is holding the position of Chief Financial Officer (CFO), PFC.

Shri Sandeep Kumar has a distinguished career spanning over 34 years in the power and financial sectors. He holds a Bachelor's degree in Commerce (Honours) and is a Fellow Member of the Institute of Chartered Accountants of India. Throughout his tenure at PFC, he has held various positions within the finance function, consistently demonstrating his expertise and contributing significantly to the company's success and profitability.

He is a proven leader with a strong track record of managing cross-functional teams, fostering innovation to enhance customer and employee experiences, and solidifying PFC's market position. His diversified experience encompasses fund mobilisation, cash management, asset-liability management, lending operations, stressed asset management, policy formulation, tax planning, financial accounting and management control systems.

He has been pivotal in implementing systemic improvements such as IT transformation, loan disbursement procedures, Ind-AS implementation and loan recovery guidelines & has also been instrumental in managing the non-capex loan portfolio, executing Government Schemes like LIS & LPS and advancing PFC's Environmental, Social and Governance (ESG) initiatives.

Shri Sandeep Kumar holds 15,575 equity shares in the Company.



Shri Shashank Misra
Government Nominee Director
DIN:08364288

Shri Shashank Misra is an IAS Officer (Madhya Pradesh: 2007) and holds B. Tech degree in Electrical Engineering from IIT Delhi. Presently, he is posted as Joint Secretary in the Ministry of Power, Government of India. He was appointed as Government Nominee Director on the Board of Power Finance Corporation Limited (PFC) by Ministry of Power, Government of India w.e.f. 25.06.2024. He is also a Government Nominee Director on the Board of REC Limited. Prior to joining in Ministry of Power, he has served in Department of Revenue, Ministry of Finance, Government of India.

He has also worked in various capacities in Madhya Pradesh Government which includes Managing Director of Madhya Pradesh Road Development Corporation Limited, Madhya Pradesh Building Development Corporation Limited, & Madhya Pradesh State Asset Management Company Limited, Chairman of Ujjain Smart City Limited and as CEO of Madhya Pradesh Rural Road Development Authority.

Shri Shashank Misra holds nil equity shares in the Company.



Shri Bhaskar Bhattacharya
Independent Director
DIN: 09406292

Shri Bhaskar Bhattacharya, 66 years, is an Honours Graduate in Commerce and Bachelor degree in Law. He also holds a Post Graduate Diploma in Business Management. He has been acting as an Advocate for more than 29 years. He is the Ex- Chairman of Hooghly Tax Advocates Bar Association and Member of West Bengal Taxation Tribunal. He has also worked as a Gen-Secretary in a NGO named Nibedan.

Shri Bhaskar Bhattacharya holds nil equity shares in the Company.



Smt. Usha Sajeev Nair
Independent Director
DIN: 09408454

Smt. Usha Sajeev Nair, 47 years, holds a graduation degree in Bachelors of Arts. She is a female entrepreneur engaged in her own business in Dadra and Nagar Haveli and Daman and Diu providing employment and support to a number of families for quite some time now. Besides this, she is actively engaged in social work for upliftment of needy people. In the period of COVID pandemic, She together with her support team provided food, medical supplies, masks, sanitizers, gloves etc to people in distress. She is also engaged in raising women issues, support to old and homeless people and orphans.

Smt. Usha Sajeev Nair holds nil equity shares in the Company.



Shri Prasanna Tantri
Independent Director
DIN: 06471864

Shri Prasanna Tantri, 42 years, holds a B.Com degree from Mangalore University and is a qualified Cost Accountant. He has also done Fellow Programme Management and Post Graduate Programme in Management from Indian School of Business and also holds a Ph.D from Deakin University. At present, he is an Associate Professor in the Finance area at the Indian School of Business and Executive Director of the Centre for Analytical Finance at ISB. His research areas include- banking, financial inclusion, financial contagion, regulation, and the relationship between politics and finance.

Shri Prasanna Tantri holds nil equity shares in the Company.

Report of the Board of Directors' FY 2023-24

Dear Shareholders,

On behalf of the Board of Directors, it is my privilege to present the 38th Annual Report of your Company for the Financial Year ended March 31, 2024, along with the Audited Standalone and Consolidated Financial Statements and Auditor's Report thereon.

The year 2023-24 was excellent for your Company as it demonstrated remarkable resilience to achieve significant milestones in operational and financial performance. Your Company has played an important part in accelerating the progress of the Indian economy, which was amongst the fastest growing economies in 2023-24. The performance highlights of your Company for the financial year 2023-24 are briefly mentioned here to give an overview of accomplishments on all fronts:

1. PFC'S DYNAMIC GROWTH AND FINANCIAL ROBUSTNESS: DRIVING FORCE FOR SUSTAINABLE FUTURE

i. FINANCIAL EXCELLENCE (STANDALONE) - OPTIMISING SHAREHOLDER GAINS

- Highest Profit making NBFC in India in FY2023-24 with 24% increase registered in Profit After Tax from ₹11,605 crore in FY2022-23 to ₹14,367 crore in FY2023-24.
- Networth increased by 16% on account of increasing profits i.e. ₹79,203 crore as at March 31, 2024 vs. ₹68,202 crore as at March 31, 2023.
- The Board of Directors of the Company has recommended final dividend (₹825.03 crore) @ 25% on the paid up equity share capital i.e. ₹2.50 /- per equity share of ₹10/- each for the FY2023-24, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Company had also paid interim dividend (₹3,630.11 crore) of ₹11.00 /- per equity share of ₹ 10 /- each during FY2023-24. Thus, the total dividend declared for the FY2023-24 is (₹4455.14 crore) i.e. ₹13.50/- per equity share of ₹10 each.
- In September 2023, the Company issued bonus equity shares in the ratio of 1:4, i.e. 1 new equity share of ₹10/- each for every 4 equity shares and consequently issued 66,00,20,352 new equity shares of ₹10/- each.
- 36% year on year increase in 54EC bonds portfolio with 54EC bonds-a low-cost fund avenue available to PFC of ₹8,994 crore as on March 31, 2024 vs. ₹6,600 crore as on March 31, 2023

ii. PERSISTENT AND CONTINUOUS OPERATIONAL ADVANCEMENT

- 14% double digit growth recorded in loan asset book with ₹4,81,462 crore as on March 31, 2024 vs. ₹4,22,498 crore as on March 31, 2023 and 49% increase in disbursement, from ₹85,756 crore in FY2022-23 to ₹1,27,656 crore in FY2023-24
- Renewable loan asset portfolio crossed ₹60,000 crore with 25% year on year growth in renewable loan book with ₹60,208 crore as on March 31, 2024 vs. ₹48,198 crore as on March 31, 2023.
- Stressed asset book reduced by more than 45% in the last 5 years with ₹16,073 crore as on March 31, 2024 vs. ₹29,540 crore as on March 31, 2019 i.e. decrease of 46% Net NPA Levels at 0.85% for FY2023-24.

iii. EXPANDING PFC'S BUSINESS AND MAINTAINING LONG-TERM GROWTH TRAJECTORY

- First Govt. NBFC to establish a foreign subsidiary 'PFC Infra Finance IFSC Limited' in IFSC GIFT City. This subsidiary has been setup as a Finance Company in IFSC. A landmark milestone which will open avenues in international lending space for PFC.
- Conducive regulatory environment: 100% tax exemption for 10 consecutive years; no GST applicable on services; exemptions in provisions of Companies Act, etc.
- IFSC entity will contribute to the growth of power and infrastructure sector by lending in foreign currency
- 37th in Fortune 500 India'2023

iv. STRONG CONSOLIDATED PERFORMANCE YEAR ON YEAR

- Highest ever PAT with an increase 25% i.e. ₹26,461 crore in FY2023-24 vs. ₹21,179 crore in FY2022-23.
- Growth of 16% in consolidated loan asset book. ₹9,90,824 crore as on March 31, 2024 vs. ₹8,57,500 crore as on March 31, 2023.
- Increase of 20% in consolidated net worth (Including Non-controlling interest) ₹1,34,289 crore as on March 31, 2024 vs. ₹1,11,981 crore as on March 31, 2023.
- The consolidated net NPA ratio at below 1%. The Net NPA ratio of 0.85% in FY2023-24 vs. 1.03% in FY2022-23. Gross NPA ratio of 3.02% in FY2023-24 vs. 3.66% in FY2022-23.
- PFC Group is the nodal agency for implementation of LPS Rules and has been instrumental in reduction of legacy dues of DISCOMs by more than 70%.

v. SOUND ASSET HEALTH

- Total provision of ₹11,963 crore towards Stage- III Loan Assets as at the end of FY2023-24 against ₹4,81,462 crore Total Gross Loan Assets. The Net Stage-III Assets stands at ₹4,110.70 crore as on March 31, 2024, which is 0.85% to the Total Gross Loan Assets.

- In addition to above, provision of ₹3,732.95 crore and ₹175.83 crore on Stage-I Loan Assets and Stage-II Loan Assets respectively is available as on March 31, 2024.
- The details of resolution plans implemented during FY2023-24:

Sr. No.	Name of Borrower	Principal O/s prior to date of Resolution (₹ in crore)
1	Mytrah Vayu Tungbhadra Private Limited	650.51
2	Dans Energy Private Limited	412.99

vi. ENHANCING SUSTAINABLE COLLABORATIONS

- First member from India to join Asia transition Finance Study Group.
- Collaborated with Council on Energy, Environment and Water (CEEW) to advance India's Net Zero Goal.
- Strategic tie up with Japan's New Energy and Industrial Technology Development Organisation (NEDO) to promote creation of environment friendly power supplies.

2. FINANCIAL SYNOPSIS

i. PROFITABILITY

(₹ in crore)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Total Income	**46,034.10**	**39,665.63**	**91,174.87**	**77,625.19**
Profit Before Tax	**17,625.69**	**14,170.62**	**33,588.12**	**26,496.07**
Tax expenses	3,258.67	2,565.15	7,126.94	5,317.48
Profit After Tax	**14,367.02**	**11,605.47**	**26,461.18**	**21,178.59**
Owners of the Company			19,761.16	15,889.33
Non-Controlling Interests			6,700.02	5,289.36
Total Comprehensive Income	**15,755.48**	**11,445.80**	**28,893.91**	**20,047.88**
Owners of the Company			21,699.27	15,218.55
Non-Controlling Interests			7,194.64	4,829.33

ii. RESERVE & SURPLUS

(₹ in crore)

Particulars	Standalone		Consolidated*	
	2023-24	2022-23	2023-24	2022-23
Opening Balance of Surplus	12,648.64	8,863.49	18,236.28	12,757.10
Profit after tax for the year	14,367.02	11,605.47	19,761.16	15,889.33
Re-Measurement of Defined Benefit Plans	(4.27)	(2.68)	(4.66)	(5.04)
Transfer towards Reserve for Bad & Doubtful Debts u/s 36(1)(viia)(c) of Income Tax Act, 1961	(712.12)	(529.39)	(1,074.12)	(529.39)
Transfer to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	(2,804.90)	(2,372.31)	(4,419.18)	(3,780.27)
Transfer to Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934	(2,873.40)	(2,321.09)	(4,349.20)	(3,484.93)
Transfer to Debenture Redemption Reserve	-	-	-	-
Transfer to General Reserve	-	-	-	-
Transfer to Interest Differential Reserve - KFW Loan (net)	(2.18)	(0.90)	(2.18)	(0.90)
Dividends	(4,818.15)	(2,640.08)	(4,818.16)	(2,640.08)
Dividend Distribution Tax	-	-	-	-
Transfer from Debenture Redemption Reserve on account of utilisation	-	-	-	-
Transfer from OCI – Equity Instruments	-	-	-	-
Other Comprehensive Income / (Expense)	-	-	-	-
Reclassification of gain/loss on sale of equity instrument measured at OCI	164.76	46.13	190.02	48.77
Pooling of interest accounting for common control business combination	-	-	-	-
Impairment Reserve	(89.18)	-	(89.18)	-
Adjustments	-	-	(17.45)	(18.30)
Closing Balance of Surplus	**15,876.21**	**12,648.64**	**23,413.33**	**18,236.28**

* Attributable to owners of the Company (PFC)

3. OPERATIONAL SYNOPSIS

i. ASSET QUALITY

(₹ in crore)

Particulars	2023-24	2022-23
Gross Loan Assets	**4,81,462**	422498
Stage III Assets	**16,073**	16502
Provision on Stage III Assets	**11,963**	11999
Gross Stage III as % of Gross Loan Assets	**3.34%**	3.91%
Net Stage III as % of Gross Loan Assets	**0.85%**	1.07%

In addition to above, provision of ₹3,732.95 crore and ₹175.83 crore on Stage-I Loan Assets and Stage-II Loan Assets respectively is available as on March 31, 2024.

ii. KEY FINANCIAL RATIOS OF THE COMPANY FOR FY2023-24 VIS-À-VIS FY2022-23 ARE GIVEN BELOW:

Ratio	As at March 31, 2024	As at March 31, 2023	Remarks
Net Debt Equity Ratio	**5.14**	5.32	No significant change
Operating Margin %	**38.27%**	35.70%	
Net Profit Margin %	**31.21%**	29.26%	
CRAR %	**25.41%**	24.37%	
Return on Net Worth (%)	**19.49%**	18.20%	

iii. SANCTION / DISBURSEMENT (EXCLUDING RDSS/ IPDS/ R-APDRP)

During FY2023-24, your Company sanctioned loans to the tune of ₹2,82,269 crore, thereby registering an increase of 21% over the previous year's sanctioned amount of ₹2,31,625 crore. Loans disbursed during FY2023-24 were ₹1,27,656 crore, showing an increase of 48.86% over the previous year's disbursed amount of ₹85,756 crore.

The details of cumulative sector wise sanctions and disbursements are provided in below:

(₹ in crore)

Sr. No.	SECTOR	FY2023-24		FY2022-23	
	Category	Sanctions	Disbursement	Sanctions	Disbursements
1	State sector	**2,16,167**	**96,349**	1,49,300	57,963
2	Central sector	**14,648**	**1,459**	26,704	3,063
3	Joint sector	**8,804**	**5,855**	19,418	2,300
4	Private sector	**42,650**	**23,993**	36,203	22,430
	Total	**2,82,269**	**1,27,656**	**2,31,625**	**85,756**

4. AWARDS & RECOGNITION

Environmental:

1. PFC secured the 3rd position in the "Swachhta Ranking" for offices in the NDMC area under Swachh Bharat Mission led by Hon'ble Prime Minister emphasising PFC's dedication to cleanliness and vision for a garbage free India.
2. PFC was conferred with the prestigious "Swachhta Pakhwada Award 2023" for its exemplary performance under Swachh Bharat Abhiyan.

Social & Governance

3. PFC was ranked 2nd among Central Public Sector Enterprises for procuring goods and services from MSME Businesses in the ₹10 crore to ₹100 crore range in the FY2022-23. This achievement highlights PFC's commitment to diversity and empowerment in procurement practices.
4. PFC secured SCOPE's Meritorious Award for "Best Managed Financial Institution" in the Institutional Category-I (Maharatna/Navratna PSEs). The award was presented by Shri Jagdeep Dhankar, Hon'ble Vice President of India.
5. PFC won the prestigious "South Asian Federation of Accountants (SAFA) Gold Award in Best Presented Accounts/Annual Report Awards (BPA) for the Financial Year 2021-22 in the 'Public Sector Entities' category.
6. PFC was conferred with the prestigious Indian Chamber of Commerce Award in the category of "Operational Excellence" at the 12th PSE excellence Awards.

Others

7. PFC was selected as India's "Leading Infrastructure Finance Company" at the BFSI & FinTech Summit 2024 by Dun & Bradstreet.

8. 'Rajbhasha Kirti' Puruskar for Best performance in Official Language - PFC won the prestigious 'Rajbhasha Kirti' third prize for the year 2022-23 in the category of Public Sector Undertakings in Region 'A' for best performance in the implementation of Official Language Policy.

5. BORROWINGS

i. BORROWINGS FROM DOMESTIC MARKET

During the FY2023-24, an amount of ₹84,846.19 crore was mobilized through domestic market as per the details given below:-

(₹ in crore)

Source	Amount
Private Placement of Unsecured Taxable Bonds	42,851.89
Term Loan from Banks & FIs	34,462.69
Commercial Paper	1966.13
Public Issue of Secured Taxable Bonds	2,824.48
54EC Capital Gain Tax Exemption Bonds	2741.00
Total	**84,846.19**

Further, for maintaining adequate liquidity, credit lines to the tune of ₹14,250 crore were sanctioned as on March 31, 2024 by various scheduled commercial banks to the Company for short-term funding generally without any commitment charges.

RBI has prescribed Liquidity Coverage Ratio (LCR) framework for NBFCs. These guidelines aims for maintenance of a liquidity buffer in terms of LCR by ensuring that NBFCs have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC maintains sufficient liquidity buffer in the form of HQLA as prescribed.

ii. EXTERNAL BORROWINGS

The foreign currency denominated borrowings during FY2023-24 are as follows:

(₹ in crore)

Sr. No.	Source	Amount
1.	Foreign Currency Term Loans	13,246.68
2.	Short-Term Loans in Foreign Currency	4,221.31
	Total	**17,467.99**

GREEN BONDS

PFC established its Green Bond Framework in October, 2017 as approved by Climate Bonds Initiative (CBI), London, UK. The Green Bond framework for funding renewable projects (viz. Solar and Wind) has been updated in August, 2021 to align with the latest set of guidelines namely Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA). In this context, an agreement was executed between PFC & Climate Bonds Initiative.

PFC has issued its first USD Green bond in December, 2017 and raised US $400 million (₹2,575 crore) at a coupon of 3.75% and these bonds are listed on the London Stock Exchange's new International Securities Market (ISM) and Singapore Stock Exchange. Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (₹2,597 crore) at a coupon of 1.841% and these bonds are listed on the Singapore Stock Exchange, India INX and NSE IFSC. Annual update to the holders of the bonds, as required under the PFC's Green bond framework is as follows:-

The funds raised under Green bonds have been utilised to finance renewable energy projects as per the "Eligible Projects" under PFC's Green Bond Framework. As at March 31, 2024, outstanding loan balances of Solar & Wind energy projects funded by PFC are ₹19,610 crore & ₹16,551 crore respectively. The total capacity of Solar & Wind energy projects funded by PFC and which are outstanding as on March 31, 2024 is 13,492 MW. Accordingly, PFC green bond portfolio is more than the amount raised through issue of green bonds.

EXTERNALLY AIDED PROJECTS

Outstanding balance from multilateral/ bilateral agencies as at March 31, 2024 is as follows:

Source	Amount
KFW	EUR 80,815,756.91*
Credit National	EUR 1,114,888.62
ADB	USD 4,814,004.45

* Includes EUR 58,747,000.56 disbursed by KFW in FY2022-23 and EUR 17,763,829.26 in FY2023-24 under Discom Investment Facility (ODA Loan- Without Govt. Guarantee).

6. CREDIT RATING

Your Company has been assigned the highest ratings by Domestic Credit Rating Agencies and Sovereign Rating by International Credit Rating Agencies as at March 31, 2024:

Sr. No.	Rating Agency	Long-Term Rating	Short-Term Rating
Domestic Credit Rating Agencies (Borrowing Programme)			
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+
International Credit Rating Agencies (Issuer Rating)			
1.	Fitch Ratings		BBB-
2.	Moody's		Baa3

Your Company believes that these credit ratings enables us to develop strong relationship with our lenders and borrow funds at competitive rates.

7. MEMORANDUM OF UNDERSTANDING WITH GOVT. OF INDIA

Your Company has been consistently accorded 'Excellent' Rating by Government of India since FY 1993-94 except

for two financial years. For the FY2022-23, your Company was accorded 'Excellent' rating. The rating for FY2023-24 is still awaited.

In FY2023-24, the achievement of your Company on some of the key MoU parameters (on standalone basis) has been: Revenue from Operations ₹46,022.46 crore, Loans Disbursed to Total Funds Available 99.98%, Overdue loans to Total Loans 0.05%, NPA to Total Loans 0.87%, and Cost of raising funds through Bonds as compared to similarly rated CPSEs (-)16.42 bps.

8. SUBSIDIARIES

A. REC LIMITED

REC is also 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). Its business activities involve financing projects in the complete power sector value chain, be it generation, transmission or distribution and also logistics and infrastructure sector. REC provides financial assistance to state electricity boards, state governments, central/state power utilities, independent power producers, rural electric cooperatives and private sector utilities.

During the FY2023-24, the total income of REC was ₹47,571 crore and the net profit was ₹14,145 crore on consolidated basis.

The detailed operational and financial performance of REC is available on its website i.e. www.recindia.nic.in .

The following subsidiaries of REC as on March 31, 2024 are also subsidiaries of PFC:

i. REC Power Development & Consultancy Ltd.
ii. Chandil Transmission Limited
iii. Dumka Transmission Limited
iv. Koderma Transmission Limited
v. Mandar Transmission Limited
vi. Meerut Shamli Power Transmission Limited
vii. Luhri Power Transmission Limited
viii. Neres XVI Power Transmission Limited
ix. Khavda II-D Transmission Limited
x. Jalpura Khurja Power Transmission Limited
xi. Kallam Transco Limited
xii. Rajasthan Part I Power Transmission Limited
xiii. Shongtong Power Transmission Limited
xiv. Khavda IV C Power Transmission Limited
xv. Khavda IV-E2 Power Transmission Limited
xvi. Khavda IV A Power Transmission Limited
xvii. Khavda V-A Power Transmission Limited
xviii. Rajasthan IV A Power Transmission Limited
xix. Rajasthan IV C Power Transmission Limited
xx. Rajasthan IV HI Power Transmission Limited
xxi. Rajasthan IV E Power Transmission Limited
xxii. Tumkur-II REZ Power Transmission Limited
xxiii. NERGS-I Power Transmission Limited
xxiv. Kankani Power Transmission Limited
xxv. ERES-XXXIX Power Transmission Limited

B. PFC CONSULTING LIMITED

Your Company had been offering consultancy support to the Power Sector through PFC Consulting Limited, its wholly-owned subsidiary. The Services offered by PFCCL are broadly in the following areas:

- Transaction Advisory: End-to-End solutions in Transaction Advisory Services across different areas in power sector (Selection of Sellers/Developers, Reform & Restructuring, Independent Transmission Projects, Privatisation of Electricity Distribution in Union Territories, Resolution Plan and RE-Bundling).
- Project Development: Project Development & implementation of various GoI initiatives (Ultra Mega Power Projects, Lender's Independent Engineer, Lender's Insurance Advisor, Setting up of Manufacturing Zone for power and renewable energy equipment).
- PMA / PMC / GoI Schemes: Project management & change agents focusing on revamped solutions & aiming for loss reduction (Revamped Distribution Sector Scheme, Procurement of Power, DEEP Portal, Coal Linkage Auction under SHAKTI Scheme, Pilot Scheme, PRAAPTI Portal, Integrated Power Development Scheme).
- Smart Solutions: Smart solutions to improve performance & processes, productivity & pro-active planning (Smart Metering, Energy Portfolio Management).
- Policy Formulation Support: Support to Government/ Regulators for formulation of Policies, Regulatory framework and Guidelines & SBDs.
- Other Services: Strategy, Regulatory, Tariff Support, fund mobilisation and other aspects of power sector-.

Till date, consultancy services have been rendered by PFCCL to its clients spread across India. The total no. of projects/assignments undertaken as on date are more than 200.

Further, during the FY2023-24, the total income of PFCCL is ₹267.07 crore and the net profit earned is ₹158.67 crore. The net worth of PFCCL as on March 31, 2024 is ₹239.49 crore.

Your Company is designated by Ministry of Power (MoP) as the 'Nodal Agency' for facilitating development of Ultra Mega Power Projects and its wholly-owned subsidiary i.e.

PFC Consulting Limited is the 'Bid Process Coordinator' for Independent Transmission Projects.

As on March 31, 2024, the subsidiaries of PFCCL incorporated as Special Purpose Vehicles (SPVs) are as follows:

1. Chhatarpur Transmission Limited
2. Siot Transmission Limited
3. Joda Barbil Transmission Limited
4. Ramakanali B -Panagarh Transmission Limited
5. Paradeep Transmission Limited
6. Gola B -Ramgarh B Transmission Limited
7. Khavda PS1 and 3 Transmission Limited
8. Pune- III Transmission Limited
9. Barmer I Transmission Limited
10. KPS III HVDC Transmission Limited
11. Sirohi Transmission Limited
12. Beawar - Mandsaur Transmission Limited
13. South Olpad Transmission Limited
14. Bhadla-III & Bikaner-III Transmission Limited
15. Jamnagar Transmission Limited
16. Bhuj II Transmission Limited
17. Angul Sundargarh Transmission Limited

C. PFC INFRA FINANCE IFSC LIMITED

PFC Infra Finance IFSC Limited was incorporated on February 11, 2024 as wholly-owned subsidiary of Power Finance Corporation Limited. Your Company is the first Govt. NBFC which has established a subsidiary in the International Financial Services Centre (IFSC) at GIFT City, Gujarat. This subsidiary has been setup as a Finance Company in IFSC. IFSC provides a unique platform to access global capital and expertise, which will enable your Company to provide even more efficient and innovative financing solutions to the clients. PFC's entry into the IFSC shall open up new business opportunities and establish its global presence. This Company will focus on providing financial solutions for infrastructure projects across various sectors, including renewable energy. It will unlock avenues in international lending space and help in taking PFC's brand global.

D. PFC PROJECTS LIMITED

Coastal Karnataka Power Limited (CKPL), a wholly-owned company of PFC Ltd. was set up for developing the UMPPs in the State of Karnataka as per the mandate from GoI. Accordingly, CKPL's MoA was amended to enable Bidding in lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL).

E. OTHER SUBSIDIARIES ESTABLISHED FOR DEVELOPMENT OF UMPP'S

i. Coastal Tamil Nadu Power Limited
ii. Orissa Integrated Power Limited
iii. Sakhigopal Integrated Power Company Limited
iv. Ghogarpalli Integrated Power Company Limited
v. Deoghar Mega Power Limited
vi. Cheyyur Infra Limited
vii. Odisha Infrapower Limited
viii. Deoghar Infra Limited
ix. Bihar Infrapower Limited
x. Bihar Mega Power Limited
xi. Jharkhand Infrapower Limited

9. PROACTIVE RISK MANAGEMENT THROUGH A MULTI LAYERED RISK FRAMEWORK

i. ASSET LIABILITY MANAGEMENT

Your Company has put in place a sound and robust Asset Liability Management Policy formulated in line with the RBI's guidelines to establish focus on liquidity and interest rate risk management process in PFC. Measurement and monitoring of Liquidity risk is done through cash flow approach; and for Interest rate risk, it is done through traditional gap analysis technique as detailed in RBI guidelines. Such analysis is made on periodical basis in various time buckets and is used for critical decisions regarding the time, volume and maturity profile of the borrowings and creation of mix of assets and liabilities in terms of time period (short, medium and long-term) and in terms of fixed and floating interest rates. The details of the asset liability management maturity pattern are given at Note No. 53.1 of the Notes to Accounts of the Standalone Financial statements forming part of this Annual Report.

ii. FOREIGN CURRENCY RISK MANAGEMENT

Your Company has put in place "Policy for Management of Risks on Foreign Currency Borrowings" to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

As on March 31, 2024, the total o/s foreign currency liabilities stand at USD eqv 8,736 mn, and the borrowings denominated in different currencies are USD 6,940 mn, JPY 2,09,309 mn & EUR 382 mn. Out of the total foreign currency borrowing portfolio 88% is hedged i.e. USD eqv 7,694 mn. Also, 93% of the FC portfolio with residual maturity up to 5 years is hedged.

iii. INFORMATION SECURITY RISK MANAGEMENT

Your Company has in place an IT Strategy Committee in compliance with the RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance

Practices for the NBFC sector, The Committee reviews the IT strategies in sync with the corporate strategy & Board policy, and monitors the IT risks, controls, cyber security arrangements and other matters related to IT Governance ensuring an effective and robust system in place. In line with the RBI Master Direction for NBFCs, your Company has implemented its IT policy and other policies on Change Management, Information Security, Business Continuity Management and Cyber Security.

iv. INTEGRATED ENTERPRISE WIDE RISK MANAGEMENT

In order to manage risks faced by your Company, it has put in place an Integrated Enterprise Wide Risk Management Policy (IRM policy). For implementation of the policy, your Company has constituted the Risk Management Committee. Under the IRM policy, the Company has to identify the principal risks which may have an impact on its profitability/revenues. In this regard, the Company has identified 11 significant risk parameters which arise from the Company's business model and from its use of financial instruments. These risk parameters cover the major operational risks, financial risks, market risks, regulatory risks etc. faced by the Company and are regularly assessed as per the Risk Assessment Criteria. Further, the Company also maintains a risk register which serves as repository of relevant information related to various risks.

10. PFC A STRATEGIC PARTNER OF GOVT. OF INDIA IN BRINGING POWER SECTOR REFORMS

i. REVAMPED DISTRIBUTION SECTOR SCHEME (RDSS) & INTEGRATED POWER DEVELOPMENT SCHEME (with RESTRUCTURED ACCELERATED POWER DEVELOPMENT AND REFORM PROGRAMME (R-APDRP) SUBSUMED IN IT)

The Company is involved in various GoI programmes for the power sector including acting as the Nodal Agency for operationalisation and implementation of Revamped Distribution Sector Scheme (RDSS) launched by Govt. of India in July, 2021. PFC was also the designated nodal agency for operationalisation of IPDS and R-APDRP Schemes. Both of the Schemes have been Sunset in March, 2022.

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 operationalisation 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 implementation period of the Scheme is 5 Years (FY2021-22 to FY2025-26). The Scheme has an outlay of ₹3,03,758 crore with an estimated gross budgetary support of ₹97,631 crore from the GoI.

Financial Assistance under RDSS:

For States allocated to PFC, projects for loss reduction and metering have been sanctioned for 24 Distribution Utilities across 13 States. Details as on March 31,2024 are tabulated below:

(₹ in crore)

Project	Approved Cost	GoI Component (GBS)	GoI Grant Disbursement^
Metering	56,691	10,401	5
Loss Reduction	56,183	34,903	3,304
Total	**1,12,874**	**45,304**	**3,308**

^In addition, MoP has also disbursed ₹158 crore for other than the Project activities e.g. nodal agency fee (₹ 38 crore), training & capacity building etc.

Role of PFC in the implementation of RDSS Scheme and other activities/Initiatives under RDSS.

Wide range of activities being performed by PFC under RDSS and for other allied Schemes of GoI are listed below:

Core Activities

- Overall facilitation and Programme management including appraisal of projects, quality monitoring, monitoring compliance of scheme guidelines, resolving queries of DISCOMs etc.
- Annual result evaluation framework of DISCOMs including monitoring of regulatory parameters e.g. subsidy accounting, Govt. dues, analysis of tariff orders, analysis of sales data etc.
- Capacity building/training programme for skills development of DISCOMs' employees.

Supporting Activities for allied programmes of GoI

- Co-ordinating with DISCOMs/ CEA/ MoP for State Sector Distribution Projects covered under National Infrastructure Pipeline (NIP)
- Sanction and monitoring of electrification of over 70,000 Particularly Vulnerable Tribal Groups (PVTG) households under PM JANMAN Programme being funded under RDSS.
- Facilitation with DISCOMs for Ease of Living (EoL) parameters; PM-KUSUM; Border area electrification; left-out household electrification; supply to BSNL Telecom towers in remote areas etc.

Other Concurrent Activities

- PFC is supporting the States by preparing Model Bidding Documents for Automation and ERP projects under RDSS; monitoring of implementation of SCADA systems; development of Integrated web portal for various government Schemes including RDSS; tie-up with multi-lateral agencies viz. ADB, KfW for funding under RDSS and USAID, GiZ etc. for training & capacity building of DISCOM personnel

Impact of RDSS in Power Distribution Sector

Various regulatory as well as corporate governance related reform measures being implemented in the DISCOMs (*inter alia* including RDSS), have started showing desired results:

- Tariff orders are being issued regularly.
- Reduction in Average AT&C loss of distribution utilities in country from 22.3% in FY 21 to 15.4% in FY 23.
- For FY 22 and FY 23, there has been an improvement in the average revenue realisation by the DISCOMs.
- Quarterly accounts are now being submitted regularly.
- Timely payments of subsidy and Govt. department dues by State Governments have also contributed to increased revenue.
- Over 100% receipt of Subsidy by DISCOMs for the 2nd consecutive year.
- Scheme also places strong emphasis on enhancing consumer satisfaction with improvement in service quality, leading to increased consumer trust and loyalty.

Integrated Power Development Scheme (IPDS) (including R-APDRP subsumed)

The erstwhile Scheme of IPDS (including R-APDRP subsumed) launched by Ministry of Power, Government of India in order to provide impetus to strengthening of power distribution sector, consumer/system metering, IT enablement of distribution sector, Digital technology initiatives, new & innovative technologies etc. in urban areas were subsumed in RDSS Scheme. The Schemes have been Sunset in March, 2022.

Achievements of IPDS (including R-APDRP subsumed)

- The Schemes have helped in making a difference in the lives of around 10 crore urban electricity consumers living in 3,600 towns across the country where the Power Distribution infrastructure has been upgraded.
- IT and Technical interventions coupled with administrative and other measures undertaken under the Schemes have helped in improvement of Billing/Collection efficiency for reduction in Aggregate Technical and Commercial (AT&C) losses.
- There has been an increase 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' was made operational in all DISCOMs.
- Capacity building/training of Utility personnel has also 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, your Company is contributing towards improving operational efficiency and financial health of Power Distribution Sector of the Country.

ii. LATE PAYMENT SURCHARGE RULE, 2022

Ministry of Power (MoP) vide Gazette Notification dated June 03, 2022, notified "The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022" (LPS Rules). These rules provide a mechanism for settlement of outstanding dues of Generating Companies, Inter-State Transmission Licensees and Electricity Trading Licensees.

Your Company has been designated by MoP as the Nodal Agency for implementation of LPS Rules, 2022. PFC shall be responsible for all the activities related to implementation of the said Rules including regular review and monitoring.

For operationalisation of Rules, PRAAPTI Portal (developed and managed by PFC Consulting Ltd.) acts as an information portal wherein suppliers enter invoice details and Discoms update the corresponding payment information to ensure invoice and payment tracking of power bills in the country. Based on the information available on PRAAPTI, regulations are imposed on defaulting Discoms as per LPS Rules, 2022 by Grid Controller of India Limited.

With the implementation of Electricity (LPS and Related Matters) Rules, 2022, remarkable improvement has been seen in recovery of outstanding dues of suppliers including Generating Companies, Transmission Companies and Traders. Against legacy dues of ₹1,39,947 crore as on June 3, 2022, 13 States/UTs have paid instalment of ₹1,00,724 crore (22 EMIs) up to May 2024 i.e. 72% of total legacy dues. Further, 20 States/UTs reported to have no outstanding dues as on June 03, 2022. Now the legacy dues (overdues) have reduced from ₹1,39,947 crore to ₹39,223 crore and as on date there is no default in payment of instalments for legacy dues by States.

In view of provision of regulation under LPS Rules, 2022, the Distribution companies are paying their current dues in time. Since implementation of the rule, as on May 07, 2024, total bills amounting to ₹8,47,611 crore have been settled against total billed amount of ₹9,21,183 crore from May 2022 (excluding EMI Payments against legacy dues and including Disputed Invoices).

iii. INDEPENDENT TRANSMISSION PROJECTS (ITPs)

MoP has initiated Tariff Based Competitive Bidding Process (TBCB) for development and strengthening of transmission system through private sector participation. Mop designated PFC Consulting Ltd. as Bid Process Coordinator (BPC)

The objective is to develop transmission capacities in India and to bring in the potential investors after preliminary works like survey, route identification, etc.

As on March 31, 2024, 77 SPVs (69 are related to inter-state transmission scheme and 8 are related to intra-state transmission scheme), 2 by your Company and other 75 by its wholly-owned subsidiary (PFC Consulting Ltd.) have been established for ITPs.

Further, during the FY23-24, following SPVs established for development of transmission projects has been transferred to the successful bidders selected through TBCB:

i. Ananthpuram Kurnool Transmission Limited
ii. Fatehgarh III Beawar Transmission Limited
iii. Beawar Dausa Transmission Limited
iv. Fatehgarh III Transmission Limited
v. Bhadla III Transmission Limited
vi. Fatehgarh IV Transmission Limited
vii. Bikaner III Neemrana Transmission Limited
viii. Bikaner III Neemrana II Transmission Limited
ix. Neemrana II Kotputli Transmission Limited
x. Neemrana II Bareilly Transmission Limited
xi. Koppal II Gadag II Transmission Limited
xii. Halvad Transmission Limited
xiii. Vataman Transmission Limited
xiv. Tirwa Transmission Limited
xv. Jewar Transmission Limited
xvi. Solapur Transmission Limited

As on March 31, 2024, out of 77 SPVs, 55 SPVs (50 are related to inter-state transmission scheme and 5 are related to intra-state transmission scheme) were transferred to the successful bidders. Further, due to de-notification of schemes by MoP, 5 SPVs were closed.

iv. ULTRA MEGA POWER PROJECT (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 MoP, Government of India for which your Company 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.

Your Company incorporated a total of 19 Special Purpose Vehicles (SPVs) as its wholly-owned subsidiaries for 14 UMPPs. Out of these, 4 UMPPs are awarded and 4 UMPPs are closed.

In reference to closed UMPPs, SPVs namely Tatiya Andhra Mega Power Ltd. (2nd Andhra UMPP), Coastal Maharashtra Mega Power Ltd. (Munge UMPP) and Chhattisgarh Surguja Power Ltd. (Chhattisgarh UMPP) are striked-off from the records of RoC in FY22-23. Further, SPV namely Coastal Karnataka Power Ltd. (Karnataka UMPP) is being utilised by PFC for bidding reg. stressed projects (name of the SPV changed to PFC Projects Ltd.).

It was deliberated in MoP that UMPPs may be closed in view of the country making energy transition. Further, MoP directed PFC to take necessary action for closure of 6 UMPPs. Accordingly, PFC/PFCCL has initiated the process.

11. INITIATIVES FOR MONITORING DISCOM'S PERFORMANCE

i. ANNUAL INTEGRATED RATING OF STATE DISTRIBUTION UTILITIES

Ministry of Power has taken various reform initiatives, to bring about improvements in the Distribution Sector and has put in place an Integrated Rating Methodology for an objective evaluation of performance of Distribution Utilities. The objective of the Integrated Rating is to rate all utilities in the power distribution sector based on their financial performance and their ability to sustain the performance level. Private Distribution Utilities and Power Departments are also being included to provide complete sectoral coverage.

The methodology adopted attempts to objectively adjudge the performance of distribution utilities against various parameters broadly classified under i) Financial Sustainability parameters ii) Performance Excellence parameters and iii) External Environment parameters. For the introduction of Power Departments in the rating exercise, a subset of metrics with modified weightages from the overall methodology have been utilised for rating.

These ratings were carried out by the reputed consultant M/s. McKinsey & Company and co-ordinated by your Company. These ratings are immensely beneficial as a diagnostic tool in the hands of the State Governments as well as Utilities to build on their strengths and work on areas requiring improvements so as to improve their operational efficiency and financial sustainability. Twelfth Integrated Ratings for FY2022-23, covering 72 Utilities/ departments across the country and *inter se* ranking of the Utilities was released by the Hon'ble Minister of Power, New & Renewable Energy on March 11, 2024.

ii. ANNUAL PERFORMANCE REPORT OF POWER UTILITIES

PFC publishes the Report on Performance of State Power Utilities on an annual basis. The Report covers a range of key financial and operational parameters such as profitability, gap between average cost of supply and average revenue, net worth, receivables, payables, AT&C losses and consumption pattern of the sector at utility, state and national level. The report covers distribution utilities in all the States and UTs of India including major private distribution utilities and all State Gencos/ Transcos/ Trading utilities, offering a comprehensive insight into the performance of the Indian Power Sector.

The report for the period 2020-21 to 2022-23 with inputs received from the state power utilities up to April 2024 has been published.

iii. CATEGORISATION OF UTILITIES

For purposes of funding, your Company classifies State Power Generation and Transmission entities into A++, A+, A, B and C categories. The categorisation (biannually) of State Power Generation and Transmission entities is arrived based on the evaluation of entity's performance against specific parameters covering operational & financial performance including regulatory environment, availability of audited accounts, etc. as per categorisation policy.

With respect to State Power Distribution entities (including PDs/entities with integrated operations), your Company's categorisation policy provides for adoption of MoP's Integrated Ratings by aligning such ratings/gradings with PFC's standard categories of A+, A, B, C and D.

The categorisation of Borrowers in the Logistics and Non-Power Infrastructure sector is carried out on the basis of recommendations of the Internal Committee considering the strengths and weaknesses of the project.

The categorisation enables PFC to determine pricing of loans and stipulation of security to the state power entities.

12. OTHER MAJOR INVESTMENTS

i. POWER EXCHANGE INDIA LIMITED

Power Exchange India Limited (PXIL) is India's first institutionally promoted Power Exchange that provides innovative and credible solutions to transform the Indian Power Markets. PXIL, provides nation-wide, electronic exchange for trading of power and handles power trading and transmission clearance, simultaneously, it provides transparent, neutral and efficient electronic platform. PXIL offers various products such as Day Ahead, Day Ahead Contingency, Any Day, Intra Day and Weekly Contracts. PXIL provides trading platform for Renewable Energy Certificates. PFC's investment in equity shares of PXIL as on March 31, 2024 is ₹3.22 crore. PFC's investment value as on March 31, 2024 is ₹4.78 crore.

ii. ENERGY EFFICIENCY SERVICES LIMITED

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. The shareholding of your Company (along with its subsidiary REC) as on March 31, 2024 is 21.49%.

iii. PTC INDIA LIMITED

PTC India Limited (PTC) was jointly promoted by Power Grid, NTPC, NHPC and PFC. PFC has invested ₹12 crore in PTC which is 4.05% of PTC's total equity. PTC is the leading provider of power trading solutions in India, a Government of India initiated public-private partnership, whose primary focus is to develop a commercially vibrant power market in the country.

iv. NHPC LIMITED

PFC has initially invested 26,05,42,051 equity shares of NHPC Limited at the rate of ₹21.78 per share (including securities transaction tax, brokerage and other charges) amounting to ₹567.46 crore in April 2016 during disinvestment by GoI through offer for sale route. PFC has sold 14,28,62,859 number of equities shares till March 31, 2024. As on March 31, 2024 PFC holds 11,76,79,192 shares of NHPC Limited valued at ₹1,055.58 crore. NHPC has reported profit after tax of ₹3,745 crore for the financial year 2023-24 as compared to Profit after Tax of ₹ 3,834 crore for Financial year 2022-23.

v. COAL INDIA LIMITED

PFC has invested 1,39,64,530 equity shares of Coal India Limited at the rate of ₹358.58 per share (including securities transaction tax, brokerage and other charges) amounting to ₹500.74 crore in February 2015 through offer for sale route. As on March 31, 2023, PFC holds 1,39,64,530 equity shares of Coal India Limited valued at ₹606.20 crore. CIL has reported profit after tax of ₹15,766.83 crore for the financial year 2023-24 as compared to Profit after Tax of ₹14,802 crore for Financial year 2022-23.

13. PRESIDENTIAL DIRECTIVES

During last 3 years, there has been no Presidential Directive.

14. RIGHT TO INFORMATION: EMPOWERING CITIZENS THROUGH TRANSPARENT COMMUNICATION

The Right to Information is a fundamental right under the Constitution of India. The basic object of the Right to Information Act is to empower the citizens, promote transparency and accountability in the working of the Government, contain corruption, and make our democracy work for the people in real sense. It goes without saying that an informed citizen is better equipped to keep necessary vigil on the instruments of governance and make the government more accountable to the governed. The Act is a big step towards making the citizens informed about the activities of the Government. The information seekers, have, subject to few exceptions, an overriding right under the Act, to get information lying in the possession of the Public Authorities.

An elaborate mechanism has been set up in PFC to deal with requests received under the RTI Act, 2005. PFC has implemented the Right to Information Act, 2005 to provide information to the citizens of India and also to maintain accountability and transparency in the working of the Company. The Company has designated a Public Information Officer (PIO) and a First Appellate Authority (RTI) at its registered office for effective implementation of the RTI Act. The relevant information/disclosures are also made available on the official website (www.pfcindia.com) of the Company. During the period from April 01, 2023 to March 31, 2024, all 120 applications received under the RTI Act, were duly processed and replied to. PFC has also complied with the requirement of filing of online RTI Quarterly Returns on the portal of Central Information Commission (CIC) during the said period.

Further, in order to strengthen compliance of the provisions of disclosures as contained in Section 4 of the RTI Act, 2005, Department of Personnel & Training (DoPT) vide its OM No. 1/6/2011-IR dated 15.04.2013 issued guidelines on the following :-

(i) Suo moto disclosure of more items under Section 4;

(ii) Guidelines for digital publication of proactive disclosure under Section 4;

(iii) Guidelines for certain clauses of Section 4(1)(b) to make disclosure more effective;

(iv) Compliance mechanism for suo-moto disclosure (proactive disclosure) under RTI Act, 2005.

In compliance of the aforesaid Guidelines, PFC has placed the requisite information on the website of the Company.

Besides the above, PFC is also linked with the online RTI Portal of Govt. of India, Department of Personnel & Training (https://rtionline.gov.in), which enables citizens of India, to file RTI applications/first appeals online along with payment gateway. Payment can be made through internet banking of SBI & its associate banks, debit/ credit cards of Master/ Visa and RuPay cards.

15. CORPORATE SOCIAL RESPONSIBILITY

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Corporation becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood, Rural Development etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition'.

The CSR Report under Companies (CSR Policy), Rules is annexed herewith.

16. HR INITIATIVES

CAPACITY BUILDING:

Investing in employee capacity building is crucial for achieving our strategic objectives and maintaining a competitive edge. During FY2023-24, the focus on conducting customised programmes was maintained to ensure specific skill development aligned with the corporate goals.

The programmes on critical areas including Environmental, Social and Governance (ESG), AML, KYC, CFT, General Management Programmes, Stressed Asset Resolution under the Insolvency & Bankruptcy Code, 2016, Public Procurement through GeM Portal, Advanced Excel, Conduct, Discipline & Appeal (CDA) Rules of PFC, etc. were organised along with other need-based programmes.

In addition to the above, other compliance-related programmes such as Awareness Workshop on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, Occupational Health & Safety Hazards, Office etiquettes were organised.

All the fresh recruits of PFC attended a 3-week Foundation course of National Power Training Institute (NPTI) wherein they were trained on Basics of Power Sector, Renewables & Solar Energy, Government Schemes, Energy Transition, Energy Conservation & Energy Efficiency, SCADA, and Project Appraisal among other topics. Employees are also encouraged to participate in Conferences related to energy and infrastructure sector, promoting continuous learning and exposure to the industry.

Your Company nominates senior executives in Leadership development programmes of premier management

institutes like IIMs to equip them with skills to take on leadership roles.

During the year a total of 2484 man-days training were achieved through conducting various in- house programmes and sponsoring PFC employees to the programmes organised by other external training agencies.

EMPLOYEE ENGAGEMENT ACTIVITIES

A dedicated employee engagement Portal viz. Portal for Enhancing Engagement, Promote Awareness & Learning (PEEPAL) has been created for all employees to increase Information/Knowledge sharing within the organisation and increase employee engagement and inclusiveness.

The Knowledge Sharing Platform initiative was commenced in the year 2023 with the aim of fostering a culture of continuous learning and collaboration within PFC. This initiative aims to develop employees' communication skills, subject matter expertise, facilitate cross-functional knowledge exchange and enhance overall organisational performance. The sessions conducted on this platform are readily available in form of presentations/recordings on the PEEPAL portal for wider dissemination of knowledge.

PFC is a founding member of Power Sports Control Board (PSCB). PFC employees participated with full vigour and enthusiasm in various Inter-CPSU sports tournaments like Badminton, Chess, Carrom, Table Tennis & Cricket organised by the PSCB member organisations during the FY2023-24. PFC Men's team has won 1st prize in Carrom tournament and PFC Women's team has won 3rd prize in Table Tennis tournament.

PFC also celebrated its Foundation Day for its employees & their family member on July 16, 2023 at JLN Stadium, New Delhi.

TALENT MANAGEMENT

Your Company has put in place effective talent acquisition and retention practices, which are benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity.

The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review. Your Company recruited 57 executives in FY2023-24 and the attrition during the period from April 01, 2023 to March 31, 2024 was 0.75%.

EMPLOYEE WELFARE MEASURES

Your Company is committed to strive towards adopting the best management practices of the industry and take up new initiatives for enhancing the productivity of employees.

An effective package of employee welfare measures which include comprehensive insurance, medical facilities and other amenities lead to a healthy and productive workforce. During the period, several employee related policies and facilities like TA rules, Promotion policy, Service rule etc. were reviewed and revised.

EMBRACING DIVERSITY & FOSTERING INLCUSION

The Company follows the Presidential Directives and guidelines issued by the Government of India to promote inclusive growth. The status is presented under:

i. Status of Reservation of Posts for various categories (as on March 31, 2024)

Group	Total Employees	SC[1]	SC%	ST[2]	ST%	OBC[3]	OBC%	EWS[4]	EWS%
A	529	97	18.33%	36	6.80%	109	20.60%	8	1.51%
B	11	1	9.09%	1	9.09%	0	0.00%	0	0.00%
C	5	1	20.00%	1	20.00%	3	60.00%	0	0.00%
D	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**545**	**99**	**18.16%**	**38**	**6.97%**	**112**	**20.55%**	**8**	**1.46%**

PFC makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ ESM[5]/ PwBD[6] employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions. Separate Liaison officers have been appointed to look into the matter of reservations. PFC has uploaded dashboard about the details of backlog of any reserved post on career page of PFC website. During the year there was no backlog reserved post.

* Grievance redressal cell as per the statutory requirements are in place in the corporation.

[1]Scheduled Caste [3]Economically Weaker Section [5]Persons with Benchmark Disabilities
[2]Scheduled Tribe [4]Other Backward Classes [6]Ex-Servicemen

ii. Empowering diversity: Women's representation in workforce

Your Company has women in important and critical functional areas. Women representations have gone up across hierarchical levels. The Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. Women constitute 21.46% of the total work force.

Group	Total Employees as on March 31, 2024	Number of Women Employees	Percentage of overall staff strength
A	529	115	21.73%
B	11	1	9.09%
C	5	1	20.00%
D	0	0	0.00%
Total	**545**	**117**	**21.46%**

PFC as part of its social responsibility makes all efforts to ensure compliance of the Directives and guidelines issued by the Government of India from time to time pertaining to the welfare of female employees.

iii. Ensuring a Secure Work Environment: Compliance With Sexual Harassment Prevention

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of complaints filed during the financial year 2023-24-NIL

b) Number of complaints disposed of during the financial year 2023-24-NIL

c) Number of complaints pending as on end of the financial year 2023-24-NIL

17. VIGILANCE – ENHANCING TRUST AND ACCOUNTABILITY

The function of PFC's Vigilance Unit is to perform as an effective tool of the Corporation. During the Financial Year 2023-24, the Vigilance Unit has done preventive vigilance, by constantly emphasising on periodic & surprise inspections of various units. During the period, the Vigilance Unit has also issued instructions/operative guidelines to rationalise systems and procedures in order to eliminate gaps and confirming transparency in day to day operations. As a new initiative, the PFC has organised various outreach meetings for the vendors of the PFC, Regional office (South) and (West) and PFCCL to educate them about PIDPI, public procurement, latest trends in public procurement, integrity, ongoing changes etc. The vendors were sensitised about PIDPI by Vigilance Officials.

The Vigilance Unit carried out detailed investigation in respect of complaints registered during this period.

Power Finance Corporation Limited observed Vigilance Awareness Week from 30.10.2023 to 05.11.2023. On the occasion, banners showing observance of the Vigilance Awareness Week were displayed at the prime locations in and outside the office premises. Theme of Vigilance Awareness Week -2023 i.e. "Say no to Corruption; Commit to the Nation" was also displayed on desktops of all the employees of the corporation. Publicity of the event was also done through social media such as Facebook, Twitter (X) and Instagram. Vigilance Unit also provided link on intranet and PFC website for varied administration of e-pledge on Integrity.

During the week-long celebrations, the Vigilance Unit organised various competitions/events for employees such as Slogan writing competition, Poem Writing competition and Pictorial Competition on the subjects related to Vigilance. These competitions were open to all regular employees of this Corporation including those posted in the regional offices. The aim of these competitions was to stimulate the creativity, imagination and originality of the employees to enable them to come out with innovative ideas about dealing with Good Governance. As a part of sequence of events being held during 3 months VAW-2023 campaign, a training programme on Conduct, Discipline and Appeal Rules, workshop on "Ethics and Governance" and talk session on the topic "Vigilance Awareness" and "Say no to Corruption; Commit to the Nation was organised for the employees of the Corporation. The talk session was taken by Shri P. Daniel, Secretary, CVC, and Shri Pankaj Agarwal, Secretary Power in presence of senior officials of the Corporation. In addition to this, a workshop on PIDPI, Preventive Vigilance and PFC CDA Rules were organised by PFCCL for its employees on the subject of Preventive Vigilance. Shri R.N. Nayak, Ex-Director, CVC has taken the sessions. All the employees of PFCCL have actively participated in the event.

In compliance of the instructions of CVC, the sensitive posts in the Corporation have been identified and the concerned officers were rotated on a regular basis. Agreed lists and List of officers of Doubtful Integrity for the year 2024 were prepared in respect of corporate office at Delhi and regional offices at Mumbai and Chennai in consultation with the CBI. Prescribed periodical statistical returns were sent to CVC, CBI, MOP on time.

The Vigilance Unit continuously functioned for systemic improvements with a view to increase transparency, objectivity and accountability in the operations of the corporation. Thus, it has contributed towards strengthening in the functioning of the organisation.

18. OFFICIAL LANGUAGE

PFC always gives utmost priority to Official Language Hindi in all its official working. It is a matter of great pride that PFC has been awarded the prestigious 'Rajbhasha

Kirti Puraskaar' 3rd Prize for the year 2022-23 (in Public Sector Category in Region 'A') by the Department of Official Language, Ministry of Home Affairs for its concerted efforts made towards implementation of Official Language Policy. The Prize has been received by PFC for consecutively 10th time.

PFC celebrated Hindi Day on September 14, 2023 and Hindi Month from September 14, 2023 to October 13, 2023 successfully. Six (6) competitions, viz. 'Hindi Tippan evam Aalekhan', 'Chitra Kuchh Bolte Hain', 'Rajbhasha Niti, Niyam Pratiyogita', 'Samanya Gyan Prashnottari Pratiyogita', Smaran Shakti Pratiyogita and 'Special Competition for Senior Executives' were conducted during the Hindi Month to encourage and motivate employees to continue working in Hindi. During Hindi Month, a Kavi Sammelan along with employee's performances was also organised on October 10, 2023 for PFC employees at Kamani Auditorium.

During the year, Seven (7) Hindi workshops were organised on various topics in which 364 employees participated. A Rajbhasha Sammelan was organised at Puri, Odisha for the Executive Directors and HoUs of the Corporation from May 05, 2003 to May 07, 2023. A Hindi Seminar was also organised on October 09, 2023 on the subject "Pracheen Bharat Aur Hindi" in which 55 employees participated. Apart from the competitions held during the Hindi month, Five (5) Hindi competitions, viz. 'Shabd Vyuh Bhedan Pratiyogita', 'Mera Desh, Meri Bhasha, Meri Pahchan', 'Shabd Manthan Pratiyogita', 'Samanya Gyan Hindi Pratiyogita' and a special competition on the occasion of World Hindi Day on January 10, 2024 were also conducted during the year in order to promote the usage of Official Language in which 266 entries were received from the employees. Review meetings with various units, internal inspections and Personal contact programme were conducted for the purpose of reviewing the Rajbhasha related work being done by these units and employees. To motivate the employees towards Hindi, the book "Kurukshetra" written by renowned poet and writer Ramdhari Singh Dinkar was distributed to all the employees.

The meeting of Hindi Advisory Committee, Ministry of Power was held on August 17, 2023. The meeting was presided over by Shri R. K. Singh, Hon'ble Minister of Power and New & Renewable Energy. During the meeting, the Corporation was honoured with "Rajbhasha Samman" for the year 2022-23 by the Hon'ble Power Minister for its significant contribution towards the implementation of the Official Language Policy and organising the meeting of Hindi Advisory Committee.

Inspections were carried out by the Northern Regional Implementation Office-1, (Delhi), Department of Official Language, Ministry of Home Affairs and the Ministry of Power on May 02, 2023 and May 18, 2023, respectively; regarding implementation of Official Language in the Corporation and they appreciated the efforts being made by PFC towards the same.

Four (4) issues of the house journal, "Urja Deepti", were published and uploaded on the PFC website as well as the website of the Department of Official Language, Ministry of Home Affairs. The house journal, "Urja Deepti", was awarded Second prize for "Shreshth Grih Patrika" among the magazines/journals published by the member undertakings of NARAKAS (Upkram-1) Delhi during January to December 2023 in the meeting held by NARAKAS (Upkram-1) on January 24, 2024.

All these efforts acted as motivational tools for creating possibilities of progressive use of Official Language in the Corporation.

19. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, it is confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. AUDITORS

i. STATUTORY AUDITORS

Prem Gupta & Company, Chartered Accountants and Chokshi & Chokshi LLP, Chartered Accountants were appointed as Joint Statutory Auditors of the Company for FY2023-24 by the Office of the Comptroller & Auditor General of India.

The Joint Statutory Auditors have audited the accounts of the Company for the FY2023-24 and have given their report without any qualification, reservation, adverse remark or disclaimer. The copy of the audit report is annexed herewith.

ii. SECRETARIAL AUDIT

Your Company had engaged M/s. Mehta & Mehta, Company Secretaries as Secretarial Auditors for FY2023-24. Secretarial Audit Report is annexed herewith.

The observations of the Secretarial Auditor and reply of the management on the observations, for the FY2023-24 along with copy of the audit report is annexed herewith.

iii. COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller and Auditor General of India (C&AG) has mentioned that on the basis of audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report. The copy of the report of C&AG is annexed herewith.

21. DIGITISING GOVERNANCE PRACTICES BY LEVERAGING TECHNOLOGY

Pursuant to the Companies Act, 2013, the Companies are permitted to send documents like Notice of Annual General Meeting, Annual Report etc. through electronic means to its members at their registered e-mail addresses. PFC, being a socially responsive Company actively supports the implementation of 'Green Initiative' of the Ministry of Corporate Affairs (MCA). Your Company has effected electronic delivery of Notices and Annual Reports to shareholders, whose email ids are registered. Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in Annual General Meeting (AGM). The Company will also be conducting the AGM this year through video conferencing/other audio-visual means. Members can refer to the detailed instructions for e-voting and electronic participation in the AGM, as provided in the Notice of AGM.

22. STATUTORY DISCLOSURES

i. Your Company is a non-deposit taking NBFC, and thus has not accepted any public deposits during the FY2023-24. The Board of Directors of the Company has passed requisite resolution in this regard, in compliance of RBI Guidelines.

   Further, Perpetual Debt Instruments (PDI) of ₹100.00 crore was issued by your company during FY2023-24.

ii. No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and company's operations during the FY2023-24.

iii. The Company maintains an adequate system of Internal Control, including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company procedures/policies. For details, please refer to the 'Management Discussion and Analysis Report' annexed to this report.

iv. Information on composition, terms of reference and number of meetings of the Board and its Committees held during the year, Whistle-Blower Policy, remuneration to Whole time Directors, sitting fees to Independent Directors and details regarding IEPF and web-links for familiarisation programmes of Directors, Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, Policy for determining Material Subsidiaries, etc. have been provided in the 'Report on Corporate Governance', prepared in compliance with the provisions of SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance, 2010, as amended from time to time, which forms part of this Annual Report.

v. Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given, securities provided or investment made by a company engaged in the business of financing of companies or of providing infrastructural facilities in the ordinary course of its business are not applicable to the Company, hence no disclosure is required to be made. Further, details of investments are appearing at note no. 11 of the Notes to Accounts of the standalone financial statements.

vi. The provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder relating to managerial remuneration are not applicable to Government companies, therefore no disclosure is required to be made.

vii. The Company has not issued any stock options to the Directors or any employee of the Company during the FY2023-24.

viii. The Central Government has not prescribed the maintenance of cost records for the products/ services of the Company under the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013. Accordingly, cost accounts and records are not required to be maintained by the Company.

ix. During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against PFC by its officers or employees.

x. The Company is compliant with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

xi. The Independent Directors of the Company are nominated/appointed by the President of India

acting through the administrative ministry, i.e. MoP. Accordingly, the appointing authority considers the integrity, expertise and experience of the individual to be nominated/appointed. In the FY2023-24 no new Independent Directors were appointed on the Board of PFC.

xii. There are no significant particulars, relating to conservation of energy and technology absorption as your Company does not own any manufacturing facility.

xiii. The Foreign exchange outgo for the FY2023-24 aggregated to ₹11,409.41 crore. The payments are majorly for the purpose of servicing principal and interest component of foreign currency borrowings. The Foreign exchange earnings for the FY2023-24 were nil.

xiv. Total expenditure for the FY2023-24 amounted to ₹28,408.41 crore as against total expenditure of ₹25,495.01 crore in FY2022-23. Out of it, finance cost amounted to ₹28,013.78 crore in FY2023-24 as compared to ₹23,282.57 crore in FY2022-23. This constituted 98.61 % of total expenses in FY2023-24. During FY2023-24, employee benefit expenses and other expenses were ₹242.72 crore and ₹166.11 crore respectively against ₹219.01 crore and ₹128.55 crore respectively in the previous year.

xv. M/s. ASA & Associates LLP, Chartered Accountants, appointed for testing adequacy and operative effectiveness of Internal financial control over financial reporting, has certified that the Company maintains an adequate system of internal financial controls, evaluates and makes an assessment of its adequacy and effectiveness in a satisfactory manner which takes care of requirements under Companies Act, 2013.

xvi. The Annual Return of PFC for FY2022-23 is available on the link The Annual Return of PFC for FY2022-23 is available on the link https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Annual_Return/Annual_Return_22_23.pdf and for FY2023-24 it shall be made available on your Company's website www.pfcindia.com.

xvii. The details of Debenture trustees appointed by the Company for the different series of Bonds issued by your Company are annexed herewith.

xviii. During the year no application has been made or any proceedings pending against PFC under the Insolvency and Bankruptcy Code, 2016. Further, details of the difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions, are not applicable.

xix. Procurement from Micro & Small Enterprises

Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 to support marketing of products produced and services rendered by them. In compliance to the policy, annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) are uploaded on PFC's website for the benefit of MSEs.

Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 to support marketing of products produced and services rendered by them. In compliance to the policy, annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) are uploaded on PFC website for the benefit of MSEs.

The benefits to MSEs like exemption from tender fees and earnest money deposit, purchase preference, interest on delayed payments and exemption from prior experience - prior turnover criteria subject to meeting of quality and technical specifications are also extended to encourage these enterprises.

During the financial year, your Company has procured products and services from MSEs, which constituted 69.82% of the total annual procurement value, against the mandate of 25% set by Ministry of Micro, Small and Medium Enterprises, Govt. of India. During the year, 338 MSEs were benefited out of which 21 MSEs belonged to SC/ST category and 67 MSEs were owned by women.

PFC is also registered on the Trade Receivables Discounting System (TReDS) platform for financing of trade receivables of Micro, Small & Medium Enterprises (MSMEs). TReDS platform facilitates the discounting of invoices of MSMEs leading to prompt generation of working capital for their regular business operations.

Your Company had also organised/participated in 03 vendor development programmes in co-ordination with Ministry of Micro, Small and Medium Enterprises, Govt. of India to encourage participation of Micro and Small Enterprises.

The details of the procurements made from Micro, Small and Medium Enterprises (MSEs) during the FY2023-24 and the targets for FY2024-25 as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 along with Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 is as under:

(₹ in crore)

Sr. No.	Particulars	FY2023-24	Tentative Target for FY2024-25
I.	Total annual procurement (in value)	**58.54**	202.39
II.	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	**40.87**	50.60
III.	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs	**0.19**	8.10
IV.	%age of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	**69.82%**	25.00%
V.	%age of procurement from only MSEs owned by SC/ST entrepreneurs out of total procurement	**0.34%**	4.00%
VI.	Total number of vendor development programmes for MSEs	**3**	2
VII.	Confirmation of uploading annual MSE procurement profile on your website by hyperlink of same	https://pfcindia.com/ensite/Home/VS/125	

23. INFORMATION TECHNOLOGY INITIATIVES

PFC has embarked on several information technology initiatives aimed at gaining strategic advantage through encouraging creative and innovative utilisation of technology to accomplish the Corporation's goals. PFC advocates for responsible management of information access and delivers a secure, dependable technology framework alongside high-quality user services and support, with the aim of addressing the continuously evolving business requirements while ensuring the regulatory compliances.

Compliance to guidelines issued by statutory bodies

The compliance guidelines issued by various statutory & regulatory bodies are being followed and implemented at PFC. As per the guidelines issued by RBI vide Master Directions to NBFCs, the IT Strategy & IT Steering committees have been constituted and regular meetings are conducted. IT policy has been implemented & IT audits are being carried out on annual basis.

Augmentation of Cyber Security arrangements

PFC is committed to work towards aligning itself with the changing threat landscape and has initiated significant measures to enhance its cyber security. PFC has enhanced the following security services.

a) PFC has implemented the SOAR (Security Orchestration, Automation & Response) system which covers the security for Servers, Endpoint systems, Managed Detection and Response solutions to protect PFC's IT infrastructure from Security Threats and Vulnerabilities.

b) Anti-APT Devices, Next Generation Firewall, IPv6 for increased cybersecurity posture.

PFC observes "Cyber Jagrukta Diwas" on the first Wednesday of every month to raise awareness about cyber security among its employees including casual staff.

PFC is ensuring 24x7 real-time monitoring of its IT infrastructure to detect, alert and respond to avert cyber incidents, minimise service disruptions and maintain high availability of critical systems & services.

Digital Transformation & ERP Implementation

PFC has taken up initiatives for a complete digital transformation as per the laid down IT roadmap to adopt state-of-the-art technology which can ensure PFC to adopt the industry best practices & standards. As part of this, PFC is upgrading to a "Comprehensive Single Stack IT ERP platform" to ensure end-to-end integration and digitisation of the processes and services.

Automation of Business Processes & Paperless Office

PFC remains steadfast in harnessing Information Technology to empower its employees in efficiently fulfilling business functions. Implementation of collaboration tools for online meetings, adoption of an e-Office solution for streamlined file processing, conducting paperless digital board meetings through BoardPac, and transitioning to paperless employee claims are among the initiatives undertaken by PFC to enhance organisational efficiency through technological utilisation.

Remote Work Facility

PFC has provided a facility to its employees to work remotely with secure, remote access to the Company's internal resources, data & networks in order to attend work exigencies when not in office.

Business Continuity arrangement

It is very crucial to safeguard the business operations of PFC in order to ensure business continuity. PFC has established a disaster recovery site on a private cloud to replicate the existing data centre setup in a different seismic zone. With this, PFC can continue its business operation during any disaster.

PFC Website

The bi-lingual PFC website is maintained with up-to-date information as per "Guidelines for Indian Government Websites". The face uplifted website provides more comprehensive information to meet the needs of external stakeholders.

Business Analytics

MIS portal for Business intelligence and Decision Support System are in place and enriched regularly with required metrics for fast and effective decisions.

24. ESTABLISHMENT OF VIGIL MECHANISM

Your Company has established stringent vigil mechanism by way of implementing various codes and policies like fair practices code, code of conduct, code for prevention of insider training, fraud prevention policy, policy on related party transactions, public procurement policy, whistle-blower policy, etc. The details are also posted on the Corporation's website.

25. GRIEVANCE REDRESSAL

PFC has a Grievance Redressal System for dealing with grievances of the public at large. The status of the Public grievances are also available in PFC web portal under public domain. The link for accessing the same is as under:-

https://pfcindia.com/ensite/Home/VS/61

The systems are duly notified and the Nodal Officers ensure quick redressal of grievances within the permissible time frame. PFC has also notified Citizen's Charter to ensure transparency in its work activities. The Charter is available on the website of PFC to facilitate easy access.

26. STATUTORY AND OTHER INFORMATION

Information required to be furnished as per the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE's Guidelines on Corporate Governance for CPSEs and other applicable statutory provisions is annexed to this report as follows:

Particulars	Annexure
Management Discussion and Analysis Report	A
Integrated Reporting	B
Report on Corporate Governance	C
Business Responsibility and Sustainability Report	D
ESG Report (Environment, Social & Governance)	E
Secretarial Audit Report	F
Annual Report on CSR Activities	G
Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties (AOC-2)	H
Details of Debenture Trustees	I

27. ACKNOWLEDGEMENT

Your Board of Directors acknowledge and place on record their appreciation for the assistance, co-operation and encouragement extended to the Company by the Government of India particularly the Ministry of Power, Ministry of Finance, Ministry of Corporate Affairs, State Governments, Reserve Bank of India, Department of Public Enterprises, NITI Aayog, DIPAM, Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Ministry of Micro, Small and Medium Enterprises, and other concerned Government departments/agencies at the Central and State level etc.

The Company is also thankful to the Comptroller & Auditor General of India, the Statutory Auditors, Secretarial Auditor and RBI Auditors and the bankers for their constructive suggestions and co-operation.

Your Directors would also like to convey their gratitude to the shareholders, investors, clients and customers for their unwavering trust and support. Last but not the least the directors would like to thank the employees for their continuing support and contribution in ensuring an excellent all round performance.



(Parminder Chopra)
Chairman and Managing Director
DIN: 08530587

Place: New Delhi
Dated: July 30, 2024

Annexure A of Board's Report

Management Discussion & Analysis Report

The Management of the Company (PFC) is pleased to present its Report on Industry scenario including Company's performance during the FY2023-24.

(A) INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian power sector is one of the most diversified in the world. The entire electricity supply chain has undergone a phase of transformation in the process of advancing reforms in the sector.

The power sector in India is a crucial component of the country's infrastructure and economic development. It plays a pivotal role in supporting various industries, sustaining livelihoods, and powering the nation's growth trajectory, providing fuel to power the rest of the economy.

India is the third-largest producer and consumer of electricity worldwide, after China, USA.

The Government of India plays a pivotal role in shaping and improving the power sector through policy formulation, regulatory oversight, infrastructure development, and financial support. Some initiatives by the Government to boost the Indian power sector are as below:

- The Union Cabinet has sanctioned the PM-Surya Ghar: Muft Bijli Yojana. This initiative, with a total budget of ₹75,021 crore (US $9 billion) aims to install rooftop solar systems and offer complimentary electricity of up to 300 units per month to one crore households.
- In the Budget for 2024, the government's power sector initiatives have been allocated funds that are 50% higher. Increased funds have been allocated to green hydrogen, solar power, and green-energy corridors in line with the renewable energy target for 2030.
- In the Union Budget 2022-23, the government allocated ₹7,327 crore (US $885 million) for the solar power sector including grid, off-grid, and PM-KUSUM projects.
- Under the Union Budget 2022-23, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems.
- Production Linked Incentive Scheme (Tranche II) on 'National Programme on High Efficiency Solar PV Modules,' with an outlay of ₹19,500 crore (US $2.47 billion) was approved and launched.
- In 2023, the Government introduced the "Scheme for Viability Gap Funding (VGF) for development of Battery Energy Storage System (BESS)", with an initial outlay of ₹9,400 crore including a budgetary support of ₹3,760 crore. The scheme envisages development of 4,000 MWh of BESS projects by 2030-31, with a financial support of up to 40% of the capital cost as budgetary support in the form of Viability Gap Funding (VGF). The implementation of the scheme is expected to bring down the cost of battery storage systems increasing their viability.
- In FY 23, the Government announced the National Green Hydrogen Mission. The initial outlay for the Mission will be ₹19,744 crore, including an outlay of ₹17,490 crore for the SIGHT programme, ₹1,466 crore for pilot projects, ₹400 crore for R&D and ₹388 crore towards other Mission components. The mission among other objectives will support in development of green hydrogen production capacity of at least five MMT (Million Metric Tonne) per annum with an associated renewable energy capacity addition of about 125 GW in the country.
- In order to meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

Generation

Installed Capacity

India has made substantial strides in increasing its power generation capacity over the years. It has a diverse energy mix comprising coal, natural gas, hydroelectric, nuclear, and renewable sources like solar and wind. Coal-based power plants still dominate the sector, but there's a growing emphasis on renewables to address environmental concerns and energy security.

India's power sector continues to witness significant growth in installed capacity across various energy sources. The total installed capacity as on March 31, 2024 was 4,41,970 MW.

Thermal is a major source of electricity generation in India, contributing around 55% (2,43,217 MW), followed by renewable energy sources (RES) around 33% (1,43,645 MW), hydro around 11% (46,928 MW) and nuclear around 2% (8,180 MW). The installed capacity stood at around 24% (1,07,669 MW) in state sector, around 52% (2,29,847 MW) in private sector and around 24% (1,04,453MW) in central sector.

India's power installed capacity reflects a dynamic landscape. Continued efforts to diversify the energy mix, enhance efficiency, and address key challenges will be essential to meet the country's growing energy needs while advancing towards a cleaner and more sustainable energy future.

India has emerged as one of the world's leading renewable energy markets, with ambitious targets for capacity addition in solar, wind, and other renewable sources. Government initiatives such as the National Solar Mission

and various state policies have incentivised renewable energy development, attracting investments and driving technological advancements.

The total fund requirement for generation capacity addition for the period 2022-2027 is estimated to be ₹14,54,188 crore and for the period 2027-2032 has been estimated to be ₹19,06,406 crore. The estimate of fund requirement for 2027-32 does not include advance action for the projects which may get commissioned after March 31, 2032.

RE-Bundling

MoP, GoI notified the scheme for Flexibility in Generation and Scheduling of Thermal/Hydro Power Stations through bundling with Renewable energy and storage power, for bundling of cheaper Renewable Energy (RE) with costlier Thermal Power, to promote Energy Transition and enable the beneficiary DISCOM achieve RPO at least costs while working towards NET Zero Emissions goal of 2070 by achieving target generation of 500 GW from non-Fossil fuels based sources. Our subsidiary, PFCCL has been nominated as Bid Process Coordinator by Ministry of Power for implementation of the scheme.

Transmission

Transmission plays a crucial role in the power sector, serving as the backbone of electricity delivery from generation sources to distribution networks and end consumers.

Transmission infrastructure comprises high-voltage transmission lines, substations, transformers, and associated equipment used to transmit electricity over long distances. India has an extensive transmission network spanning thousands of kilometers, connecting power generation facilities to load centres and ensuring the smooth flow of electricity across regions.

During FY2023-24, 14,203 Ckms (Circuit km) of transmission lines have been added comprising of 2,119 Ckm of 765 kV, 6,088 Ckm of 400 kV and 5,996 Ckm of 220 kV.

MoP has initiated Tariff Based Competitive Bidding Process (TBCB) for development and strengthening of transmission system through private sector participation. MoP designated PFC Consulting Limited (A wholly-owned subsidiary of PFC Ltd.) as Bid Process Coordinator (BPC).

The objective is to develop transmission capacities in India and to bring in the potential investors after preliminary works like survey, route identification, etc.

During the FY 2023-24, 16 SPVs established for development of transmission projects, has been transferred to the successful bidders selected through TBCB.

India's transmission infrastructure is undergoing expansion and modernisation to cater to growing electricity demand, integrate renewable energy sources, and enhance grid reliability and resilience. Investments are being made in upgrading existing transmission lines, constructing new transmission corridors, and deploying smart grid technologies to enable real-time monitoring, remote operation, and predictive maintenance.

Distribution

The distribution sector is a critical component of India's power industry, responsible for delivering electricity to homes, businesses, industries, and other consumers, efficiently, reliably, and affordably. It involves the operation of distribution networks, substations, transformers, and meters to manage the flow of electricity.

Distribution operations are primarily managed by distribution companies (DISCOMs) at the state level. DISCOMs procure electricity from various sources, including power generators and traders, and distribute it to consumers within their respective jurisdictions. Some states have multiple DISCOMs, while others operate as single entities.

Distribution losses, comprising technical losses (due to resistance in wires and equipment) and commercial losses (resulting from theft, billing errors, and non-payment), are a significant concern in the distribution sector. High distribution losses reduce the financial viability of DISCOMs and contribute to financial distress in the power sector. Improving distribution efficiency through infrastructure upgrades, loss reduction measures, and revenue management strategies is critical for DISCOMs' sustainability.

To improve the operational and financial health of DISCOMs, the Government has been implementing various schemes like the Revamped Distribution Sector Scheme (RDSS), Late Payment Surcharge (LPS) scheme, Smart metering etc.

Revamped Distribution Sector Scheme (RDSS)

A Reforms-based and Results-linked, Distribution Sector Scheme has been formulated by Ministry of Power to improve the operational efficiencies and financial sustainability of DISCOMs.

The objectives of the Scheme are:

- to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector;
- Reduce AT&C losses to pan-India levels of 12-15% by 2024-25 and Reduce ACS-ARR gap to zero by 2024-25.

PFC and its subsidiary REC Limited are the designated nodal agencies for operationalisation of the said scheme. The implementation period of the Scheme is 5 years (FY2021-22 to FY2025-26).

RDSS has an outlay of ₹3,03,758 crore with an estimated gross budgetary support from Central Government of ₹97,631 crore.

Late Payment Surcharge Rule, 2022

Ministry of Power (MoP) vide Gazette Notification dated June 03, 2022, notified "The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022" (LPS Rules). These rules provide a mechanism for settlement of outstanding dues of Generating Companies, Inter-State Transmission Licensees and Electricity Trading Licensees.

Power Finance Corporation Limited (PFC) has been designated by MoP, as the Nodal Agency for implementation of LPS Rules, 2022. PFC shall be responsible for all the activities related to implementation of the said Rules including regular review and monitoring.

For operationalisation of Rules, PRAAPTI Portal (developed and managed by PFC Consulting Ltd.) acts as an information portal wherein suppliers enter invoice details and Discoms update the corresponding payment amount to ensure invoice and payment tracking of power bills in the country. Based on the information available on PRAAPTI, regulations are imposed on defaulting Discoms as per LPS Rules, 2022 by Grid Controller of India Limited.

With the implementation of Electricity (LPS and Related Matters) Rules, 2022, remarkable improvement has been seen in recovery of outstanding dues of Suppliers including Generating Companies, Transmission Companies and Traders. Against legacy dues of ₹1,39,947 crore as on June 03, 2022, 13 States/UTs have paid instalment of ₹1,00,724 crore (22 EMIs) up to May 2024 i.e. 72% of total legacy dues. Further, 20 States/ UTs reported to have no outstanding dues as on June 03, 2022. Now the legacy dues (overdues) have reduced from ₹1,39,947 crore to ₹39,223 crore and as on date there is no default in payment of instalments for legacy dues by States.

In view of provision of regulation under LPS Rules, 2022, the Distribution companies are paying their current dues in time. Since implementation of the rule, as on May 07, 2024, total bills amounting to ₹8,47,611 crore have been settled against total billed amount of ₹9,21,183 crore from May 2022 (excluding EMI Payments against legacy dues and including Disputed Invoices).

Smart Metering

Our subsidiary, PFC Consulting Limited is handling projects on implementation of Advanced Metering Infrastructure (AMI) for State Discoms which includes procurement of Smart Meters, AMI Communication System, Back-End IT System, Meter Data Management System (MDMS), integration of Head End System (HES) with MDMS and MDMS with existing Discom applications, data analytics, capacity building of Discoms, Manpower, O&M of the complete system and handover of the System to Discoms. PFCCL is undertaking implementation of Smart Metering for about 6.58 lakh consumers in the following State/UT:

i. Shimla & Dharamshala Towns of Himachal Pradesh for about 1.51 lakh consumers under IPDS Scheme of Govt. of India. The Smart Meters have been successfully commissioned and are in operation.

ii. UT of Puducherry for about 4.07 lakh consumers under RDSS Scheme of Govt. of India

(B) OPPORTUNITIES & THREATS

Opportunities

Last year, PFC added funding to Logistics and Infrastructure sectors to its business line, and is now a part of India's accelerated infrastructure development by supporting projects critical to nation's progress and large scale green field projects. Since receiving approval, PFC has already sanctioned ₹82,327 crore and disbursed ₹7,008 crore.

Your Company is the first Govt. NBFC which has established a wholly-owned subsidiary, PFC Infra Finance IFSC Limited, in the International Financial Services Centre (IFSC) at GIFT City, Gujarat. This subsidiary has been setup as a Finance Company in IFSC. IFSC provides a unique platform to access global capital and expertise, which will enable your Company to provide even more efficient and innovative financing solutions to the clients. PFC's entry into the IFSC shall open up new business opportunities and establish its global presence. This Company will focus on providing financial solutions for infrastructure projects across various sectors, including renewable energy. It will unlock avenues in international lending space and help in taking PFC's brand global.

The long-term business strategy of PFC

- Grow lending by maintaining share in conventional sectors and expanding portfolio to emerging power sectors as well as infrastructure sectors.
- Adapt a paradigm shift in account management and customer experience principles by providing differentiated services, innovative products and re-imagining existing processes to cater to the changing customer mix.
- Optimise the cost of funds by increasing the share of 54EC bonds, institutionalising a dedicated team for sourcing MDB loans, re-imagining the hedging strategy and fine-tuning resource mobilisation process.
- Position to become the nodal agency for Net-Zero, to pursue immediate dispensations in the interim to lower the cost of funds.
- Re-purpose PFCCL to become a thought leader in the Net-Zero/new energy sectors and support PFC in the go-to-market activities in these sectors.
- Re-align organisation as per the key objectives of PFC.
- Tap new talent resources and revamp performance management system.

Threats, Risks & Concerns

Inspite of the fact that PFC is a very sound financial player in power sector, its business is not free from risks.

Keeping in view its nature of operations, the Company regularly identifies emerging risks and takes timely action to address and manage the same. The following are some of the risks and concerns faced by your Company:

Credit risk

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. Your Company 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, of credit risk mitigation measures.

Liquidity risk

Liquidity risk primarily arises due to the maturity mismatch associated with assets and liabilities of the Company. Liquidity risk involves the inability of the Company to fund increase in assets, manage unplanned changes in funding sources and to meet obligations when required. It could require us to raise funds or liquidate assets on unfavourable terms. We manage liquidity risk through a mix of strategies, including forward-looking resource mobilisation based on projected disbursements and maturing obligations.

Foreign currency exchange risk

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. Our foreign currency borrowings could expose us to foreign currency exchange rate risk. The foreign currency risk is managed by lending in foreign currency and through derivative products (such as currency forwards, options, principal only swaps, interest rate swaps and forward rate agreements) offered by banks who are authorised dealers.

Legal risk

Legal risk arises from the uncertainty of the enforceability of contracts relating to the obligations of our borrowers. This could be on account of delay in the process of enforcement or difficulty in the applicability of contractual obligations. We seek to minimise legal risk through legal documentation that is drafted to protect our interests to the greatest extent possible.

Interest rate risk

Interest rates are dynamic and dependent on various internal and external factors including cost of borrowing, liquidity in the market, competitors' rates, movement of benchmarks such as AAA bond/GSEC yields and RBI policy changes. Changes in market interest rates will adversely affect the Company's financial condition. The primary interest rate-related risks that the Company faces are from timing differences. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

Changes in legislation

PFC is a listed Government company and a public financial institution under the Companies Act. It is registered with the RBI as a non-deposit taking systemically important NBFC and was classified as an IFC in July 2010. As a result, various legislations are applicable to PFC like Companies Act, 2013, Securities and Exchange Board of India Regulations, DPE's Guidelines for CPSEs, RBI act and guidelines, Tax regulations etc. Changes in these legislations could affect our Company's results/ operations.

(C) SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE

Company's main business is to provide financial assistance to the power and infrastructure sector and Company does not have any separate reportable segments.

(D) OUTLOOK

Your Company is a leading Non-Banking Financial Company (NBFC) and Maharatna Central Public Sector Enterprise (CPSE). Established in 1986, it has played a critical role in developing core power related infrastructure in India. It has strong expertise in power sector as well as managing a large loan portfolio and large-scale resource mobilisation.

PFC is a critical vehicle for government to drive policy/ scheme implementation in the power sector and has been the nodal agency for various government schemes (e.g. UMPP, RDSS/ IPDS/ (RAPDRP subsumed in it), Liquidity Infusion Scheme (LIS) and Late Payment Surcharge Scheme (LPS) and as a bid process coordinator through its wholly-owned subsidiary PFC Consulting Limited for the ITP scheme.

PFC provides a comprehensive range of financial products and related advisory and other services from project conceptualisation to the post-commissioning stage to our clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernisation projects. PFC 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. Your Company also provide various fee-based technical advisory and consultancy services for power sector projects through our wholly-owned subsidiary.

Over the years, PFC has always been on the forefront of innovation, be it funding emerging areas such as Solar, Wind, EV etc. or tapping international markets through green bond. It has now added Logistics and Infrastructure funding also to its line of business which will form part of our future lending business going forward. PFC has also expanded its global footprint with presence in IFSC

GIFT City by establishing a wholly-owned subsidiary, PFC Infra Finance IFSC Limited in India's first International Financial Services Centre (IFSC) in GIFT City Gujarat. This subsidiary has been setup as a Finance Company in IFSC. The subsidiary has been setup to support the energy transition journey and facilitate low cost funding for India's power sector.

(E) INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Statutory Auditors of the Company i.e. Prem Gupta & Company, Chartered Accountants and Chokshi & Chokshi LLP, Chartered Accountants have given their Report on the Internal Financial Controls stating that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PFC is an ISO certified Company. These stringent internal control processes and credit review mechanisms reduce the number of defaults and ultimately contribute in gaining the faith of all the stakeholders.

(F) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company continued to accomplish a healthy growth during the FY2023-24. The total income stood at ₹46,034 crore and the net profit earned was ₹14,367 crore.

Further, Net Worth (share capital plus all reserves) of the Company grew by 16% in FY2023-24 to ₹79,203 crore as compared to ₹68,202 crore in FY2022-23. The gross loan assets recorded a growth of 14%, ₹4,81,462 crore as at March 31, 2024 from ₹4,22,498 crore as at March 31, 2023.

The net Debt Equity Ratio was 5.14 times in FY2023-24 as compared to 5.32 times in FY2022-23. The Operating Margin % has increased from 35.70% in FY2022-23 to 38.27% in FY2023-24 and the Net Profit Margin% has increased from 29.26% in FY2022-23 to 31.21% in FY2023-24.

In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 01, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

(G) ESG AT PFC

In FY 23, the Company outlined its vision for integrating ESG principles into its core business operations. To achieve this, we established a dedicated ESG Department. Building on this commitment, this year's annual report includes the first-ever, in-depth ESG section, detailing our initiatives across Environmental, Social and Governance factors.

(H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Your Company focuses on capability building and takes various initiatives to significantly contribute in enhancing the skills and knowledge of our workforce in alignment with our organisational goals. An effective package of employee welfare measures which include comprehensive insurance, medical facilities and other amenities lead to a healthy and productive workforce. During the period, several employee related policies and facilities like TA rules, Promotion policy, Service rule etc. were reviewed and revised.

Your Company has put in place effective talent acquisition and retention practices, which are benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity. The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review. The attrition during the period from April 01, 2023 to March 31, 2024 was 0.75%. Total Number of employees on the rolls of the Company as on March 31, 2024 was 545.

For more details on the HR related practices, kindly refer the ESG section.

(I) CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT (CSR & SD)

Your Company, through its Corporate Social Responsibility and Sustainable Development initiatives, aims to become a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has been implemented wide range of activities in the field of Environment Sustainability, Rural Development, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition'.

For more details on the CSR related practices, kindly refer the ESG section.

(J) RENEWABLE AND CLEAN DEVELOPMENT MECHANISM

The growth of renewable energy sector in India is critical for ensuring energy security, environmental sustainability, economic growth, technological innovation, improved access to energy, reduced pollution, and global leadership in sustainable development. Investing in

renewable energy is not only a strategic necessity but also a significant opportunity for India to achieve long-term sustainable growth.

The Ministries of Power and New & Renewable Energy have rolled out a slew of reforms to push mainstreaming of energy from green and sustainable sources and achieve the 500 GW target.

PFC has strategically increased its focus on renewable energy projects, including solar, wind, biomass and small hydro projects, to capitalise on the GoI's various renewable energy initiatives. Your Company is the largest Renewable energy financer in India, supporting 50 GW renewable capacity in the country amounting to 25% of India's total non-fossil fuel based installed capacity.

As on March 31, 2024, PFC's Gross Loan assets comprised of ₹60,208 crore in Renewable energy as compared to ₹48,198 crore as on March 31, 2023 registering a growth of 25%.

During FY2023-24, with an aim to position itself as the focal funding agency for energy transition, PFC executed various Memorandum of Understanding (MoU) amounting to more than 2.37 lakh crore with 20 companies both in public and private sector. These MoUs were signed with Solar, Wind Power, Green Hydrogen, Battery Storage, Electric Vehicle companies as well as the manufacturers of green energy equipment among others in the clean energy space.

Cautionary Note

Certain statements in the "Management Discussion and Analysis" section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook. Readers are cautioned not to place undue reliance on these forward-looking statements.

Annexure B of Board's Report

Integrated Reporting

Integrated Reporting (IR) provides a comprehensive picture of an organisation's performance, integrating financial and non-financial metrics. This approach aims to provide a holistic view of an organisation's performance, strategy, and impact on various capitals, such as financial, manufactured, intellectual, human, social, and natural.

This disclosure is prepared voluntarily and is structured using the capitals model of value creation, adopted by the International Integrated Reporting Council (IIRC) in the International Framework and explains our dependence and impact on the forms of capital that are fundamental to our ability to create value over the long-term.

The capitals are categorised in the above said framework as financial, manufactured, intellectual, human, social & relationship and natural.

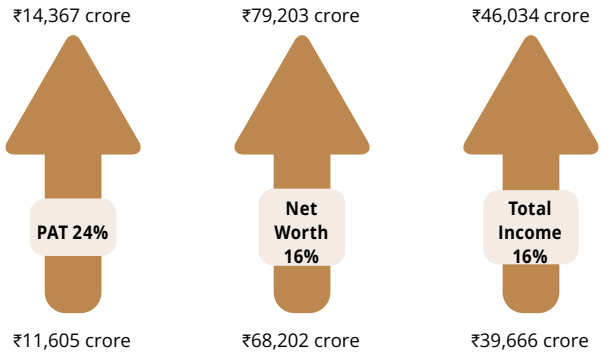
THE SIX CAPITALS

Financial capital

Financial capital encompasses the funds available to an organisation for use in the production of goods or the provision of services. This includes equity, debt, grants, and any other forms of financial instruments. It is essential for operational activities, investment in new projects, and overall sustainability. Managing financial capital effectively impacts an organisation's ability to generate future economic benefits. This is a very important capital because it also serves as a medium of exchange that can obtain value through conversion into other forms of capital like manufactured, natural, human, social, & intellectual capitals.

The accrued financial capital is given to shareholders as dividend and interest on debt instruments. Different taxes are paid to the government thereby promoting the overall growth of our country. Main financials of your Company are as below:

FY2023-24



FY2022-23

The above volumes speak for themselves. PFC through its financial capital is contributing in creating superior value for its stakeholders especially by playing the role of a pioneer in power sector funding and as a result contributing to the development of power sector of the country.

Manufactured capital

Manufactured Capital encompasses physical infrastructure or technology pertaining to it, including buildings, equipment, infrastructure etc. PFC is not a Manufacturing Company and offers financial assistance mainly to Power Sector projects. Further, it has also started financing in the Infrastructure and Logistics sector. However, PFC contributes to manufactured capital by way of its tangible and intangible infrastructure. Power being a critical input into industrial activity, services sector as well as in the day-to-day life of common man, PFC's contribution lies in significant creation of power infrastructure across the country.

PFC is headquartered in New Delhi also maintains regional offices to facilitate its business operations.

PFC has implemented state-of-the-art data centre providing various IT services and housing ERP application system to integrate all the business functions. PFC invests in physical assets, which includes physical infrastructure, IT systems & infrastructure to improve efficiency and delivery mechanism, which ultimately leads to better services to all the associated stakeholders.

Existing manufactured capital enables PFC to be able to be responsive to market needs, enabling the employees to work remotely, efficiently and seamlessly to enhance productivity and operational effectiveness.

Manufactured capital is also helping PFC in focusing on creating other forms of capital more particularly Human Capital and Intellectual capital.

Intellectual capital

Intellectual capital consists of organisational knowledge-based intangibles and is associated with brand and reputation of the Company. This includes patents, copyrights, software, organisational systems, procedures that an organisation has developed and intellectual property. It drives innovation, competitive advantage, and organisational learning. Intellectual capital enables organisations to improve processes, develop new products, and enhance the market position.

Your Company plays a strategic role in the initiatives of the Government of India for the development of the power sector in India and works with Government of India agencies, state governments, power sector utilities, other power sector intermediaries and private sector clients for the development and implementation of policies and for structural and procedural reforms in the power sector in India. It is involved in various GoI programmes relating to the power

sector, including acting as the nodal agency for Revamped Distribution Sector Scheme (RDSS), Ultra Mega Power Projects (UMPPs), Integrated Power Development Scheme (IPDS), bid process coordinator for Independent Transmission Projects (ITPs), DISCOM Liquidity Package under Atmanirbhar Bharat and Late Payment Surcharge (LPS) Rules, 2022.

Keeping in view the role of PFC in development of Indian power sector, PFC has developed sound organisational systems, procedures, software and protocols which are proving PFC a competitive edge and helping it in developing brand and reputation in the market.

Since Intellectual capital mainly relates to human resource, PFC has put in place effective human resource acquisition and maintenance system, which is benchmarked with best corporate practices designed to meet the organisational needs.

Through these organisational systems, procedures and protocols i.e. Intellectual Capital, PFC has acquired the knowledge and intellect necessary for its operation and processes. In order to sustain in this dynamic business environment, PFC continues to prepare its talent pool and create Intellectual capital to embrace disruptions, to innovate, to be able to adapt to the changes brought by transformed business models.

Human Capital

Human capital refers to the skills, experience, and competencies of the people within the organisation. This also includes their motivation, engagement, and overall well-being. Human capital is crucial for the development and execution of strategy, operational efficiency, and organisational culture. Investing in human capital leads to higher productivity, innovation, and customer satisfaction.

PFC is having highly skilled, professionally qualified and experienced workforce. PFC follows the best management practices of the industry. Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce.

During FY2023-24, the focus on conducting customised programmes was maintained to ensure specific skill development aligned with the corporate goals. The programmes on critical areas including Environmental, Social and Governance (ESG), AML, KYC, CFT, General Management Programmes, Stressed Asset Resolution under the Insolvency & Bankruptcy Code, 2016, Public Procurement through GeM Portal, Advanced Excel, Conduct, Discipline & Appeal (CDA) Rules of PFC, etc. were organised along with other need-based programmes.

By doing so PFC has been able to create a strong Human Capital and as a result of this highly motivated workforce, PFC could achieve the outstanding growth year by year. The growth of PFC is contributing in the growth of country and creating value to its stakeholders. This highly motivated workforce is bringing change in the society at large.

Social and Relationship Capital

Social and relationship capital encompasses the relationships and networks that organisations have with stakeholders such as clients, investors, suppliers, communities, government and regulators. This also includes social cohesion, shared values, and institutional arrangements. Strong social and relationship capital builds trust and loyalty, facilitating smoother operations and collaborative opportunities. It enhances the organisation's reputation and ability to create value collectively with stakeholders.

PFC has a CSR and Sustainability policy in place. The aim of the policy is to ensure that the Company becomes socially responsible corporate entity committed to improving the quality of life of the society at large. PFC has implemented wide range of activities in the field of Environment Sustainability, Rural Development, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition'.

PFC as a part of its social responsibility makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ PwD employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions.

PFC always wants to bring change in the lives of the people and the society at large. PFC consistently strives towards meeting the expectations of the society so as to help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. PFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

Natural Capital

Natural capital includes all environmental resources and ecosystem services that an organisation depends on or impacts. This includes air, water, land, minerals, forests, biodiversity, and ecosystem health. Sustainable management of natural capital ensures long-term viability and regulatory compliance. It helps in mitigating environmental risks and aligning business practices with ecological sustainability goals.

PFC always endeavours to protect environment by minimising consumption of natural resources and also by minimising wastage of the same. PFC endeavours to reduce its paper consumption through IT solutions by digitalising processes, wherever possible. PFC, being a Financial Institution, has limited applicability of mechanism to recycle products and waste, however, the Company has installed an Organic Composting machine in the office premises for recycling organic waste generated on routine basis in the office building kitchen/pantry etc.

PFC has gone paperless, wherever possible, thereby empowering its employees to work with lesser carbon footprint.

With a vision of accelerating India's net-zero goal, PFC is funding renewables in a big way. The renewable loan asset portfolio has shown a growth of 25%, i.e. ₹ 60,208 crores as on March 31, 2024 against ₹ 48,198 crores as on March 31, 2023.

During FY2023-24, your Company secured the 3rd position in the "Swachhta Ranking" for offices in the NDMC area under Swachh Bharat Mission led by Hon'ble Prime Minister emphasising PFC's dedication to cleanliness and vision for a garbage free India. It was conferred with the prestigious "Swachhta Pakhwada Award 2023" for its exemplary performance under Swachh Bharat Abhiyan. PFC was also conferred with the prestigious Indian Chamber of Commerce Gold Award as the "Top Financing Institution" in the Renewable Energy and Energy Efficiency (RE & EE) category at the 11TH Green Energy Summit.

Your Company through such measures contributes in preservation and enhancing natural capital. Through investment in renewable products, promoting renewable energy and works towards integrating positive environmental action in business, PFC is committed to create Natural Capital.

Annexure C of Board's Report

Report on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At PFC, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. PFC is adhering to the best recognised Corporate Governance practices and continuously benchmarking itself against each such practice in our endeavour to meet the expectations of the stakeholders. Corporate Governance at PFC is managing the business in an ethical and responsible manner geared to sustainable value creation for stakeholders within the prevalent regulatory framework.

The Company believes in adopting the best practices that are followed in the area of Corporate Governance across the globe and has a strong legacy of fair, transparent and ethical governance practices.

A report in line with all mandatory requirements for corporate governance as outlined by the Companies Act, 2013, ("the Act"), SEBI's Listing Obligations and Disclosure Requirements Regulations, 2015 ("SEBI LODR Regulations"), the Department of Public Enterprises' Guidelines on Corporate Governance for Central Public Sector Enterprises ("DPE Guidelines") and the Institute of Company Secretaries of India's Secretarial Standards ("Secretarial Standards") is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

CORPORATE GOVERNANCE PHILOSOPHY OF PFC:

Your Company's Corporate Governance philosophy is based on two core principles. These are:

i. Management must have the executive freedom to drive the enterprise forward for sustainable growth without undue restraints; and

ii. This freedom of management should be exercised within the framework of regulatory environment and effective accountability.

Your Company's corporate structure, conduct of business and disclosure practices have been accordingly aligned to its Corporate Governance Philosophy.

The Company firmly endorses the principles of governing disclosures and obligations as provided in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as guiding force. The Company has ensured compliance with the objectives of 'the principles of Corporate Governance' stated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. BOARD OF DIRECTORS

The Board of Directors of your Company provides leadership, objective judgement and strategic guidance to the Company. It reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board Charter can be said to be governed within the framework set out in the Companies Act, Memorandum of Association, Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and internal codes/procedures of the Company etc.

It reviews corporate policies, overall performance, accounting and reporting standards and other significant areas of management, corporate governance and regulatory compliance. Your Company's Board consists of eminent individuals with diverse experience and expertise.

Composition

PFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India as on March 31, 2024 holds 55.99% of the total paid-up share capital of the Company and as per Articles of Association of the Company, the power to appoint Directors vests in the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

During the FY2023-24, the following changes took place in the composition of the Board of Directors of the Company:-

(i) Consequent upon reaching the age of superannuation, Shri Ravinder Singh Dhillon, Chairman and Managing Director, ceased to be a Member of the Board w.e.f. June 01, 2023.

(ii) Smt. Parminder Chopra, Director (Finance) was given the additional charge of Chairman and Managing Director by Ministry of Power, Government of India w.e.f. June 01, 2023.

(iii) Consequent upon appointment by Ministry of Power, Government of India, Smt. Parminder Chopra assumed the charge of Chairman and Managing Director w.e.f. August 14, 2023.

(iv) Smt. Parminder Chopra, Chairman and Managing Director was given the additional charge of Director (Finance) by Ministry of Power, Government of India w.e.f. August 14, 2023.

As on March 31, 2024 the Company's Board comprised of seven Directors which includes three Whole Time Functional Directors, one Part Time Government Nominee Director and three Non-Official Part Time (Independent) Directors, including one Independent Women Director. During the FY2023-24, the composition of the Board of Directors was not in conformity with

the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has been requesting Ministry of Power, Government of India, the appointing authority, to expedite appointment of the requisite number of Independent Directors on the Board of the Company to enable the Company to comply with the applicable provisions.

The composition of Board of Directors as on March 31, 2024 was as follows:

Whole Time Directors		
i)	Smt. Parminder Chopra	Chairman and Managing Director, Chief Executive Officer and Key Managerial Personnel Additional Charge Director (Finance), Chief Financial Officer#
ii)	Shri Rajiv Ranjan Jha	Director (Projects) and Key Managerial Personnel
iii)	Shri Manoj Sharma	Director (Commercial) and Key Managerial Personnel
Government Nominee Director		
iv)	Shri Ajay Tewari	Director (Government Nominee)
Non-Official Part Time (Independent) Director		
v)	Shri Bhaskar Bhattacharya	Independent Director
vi)	Smt. Usha Sajeev Nair	Independent Director
vii)	Shri Prasanna Tantri	Independent Director

CFO up to 13.08.2023 and again appointed w.e.f. 08.11.2023 up to 14.05.2024.

Subsequently, Shri Shashank Misra, Joint Secretary, Ministry of Power joined as Government Nominee Director on the board of the Company w.e.f June 25, 2024 vice Shri. Ajay Tewari. Additional Secretary, Ministry of Power. Further, Shri. Sandeep Kumar was appointed, as Director (Finance) w.e.f July 11, 2024 by Ministry of Power. He was also appointed the CFO of the Company by the Board of Director of w.e.f May 15, 2024.

Pursuant to RBI's Master Direction, PFC Formulated a Fit and Proper Policy for ascertaining the fit and proper status of the Directors of the Company. The Nomination and Remuneration Committee of the Company has in terms of the said policy ascertained all the Members on the Board of the Company as fit and proper for the FY2023-24.

Further, pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority. A copy of the same is annexed herewith.

Key skills, expertise, competencies and attributes of the Board

Being a Government Company, the power to appoint Functional/Official Part-time Directors/Non-Official Part-time Directors (Independent Directors) vests with the President of India, acting through the administrative ministry. The Ministry of Power ensures that the Directors appointed to the Board of the Company have the requisite skills and expertise in the areas required to conduct the affairs of the Company. Brief profiles of the Directors which include their qualification and experience are mentioned in the Annual Report.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company, which are available with the Board:

- Financial Management
- Power Sector Domain Expertise
- Project Appraisal
- Legal
- Corporate Planning & Strategy
- Risk Management
- Leadership
- Environmental & Social Concern
- Board Practices & Governance
- Business Development

Matrix providing the Skills/ Expertise/ Competence of the members of the Board:

	KEY QUALIFICATIONS OF THE BOARD								
	Area of expertise								
Name of the Director	**Financial management**	**Power sector domain expertise**	**Legal**	**Project appraisal**	**Corporate planning & Strategy**	**Risk Management**	**Leadership**	**Board practices & Governance**	**Environment & Social**
Smt. Parminder Chopra	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shri Rajiv Ranjan Jha	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shri Manoj Sharma	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shri Ajay Tewari	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shri Bhaskar Bhattacharya	✓		✓		✓	✓	✓	✓	✓
Smt. Usha Sajeev Nair	✓				✓	✓	✓	✓	✓
Shri Prasanna Tantri	✓				✓	✓	✓	✓	✓

The absence of tick mark against a member's name, does not necessarily mean that the said member does not possess the corresponding skill or Expertise.

Board Meetings

The meetings of the Board are generally held at the registered office of the Company and are scheduled well in advance. The Board of PFC meets regularly. The meetings of Board are governed by a structured agenda and any member of the Board is free to recommend inclusion of any subject matter in the agenda for deliberations. Detailed agenda papers including explanatory notes are circulated in advance on all major issues to facilitate the Board to take well-informed and independent decisions. Your Company follows Secretarial Standard-1 on Meetings of the Board of Directors as issued by Institute of Company Secretaries of India in its true letter and spirit.

During the year under review, the Board met Sixteen (16) times on the following dates:

(i) May 09, 2023 (ii) May 27, 2023 (iii) May 30, 2023 (iv) July 03, 2023 (v) August 11, 2023 (vi) August 19, 2023 (vii) September 12, 2023 (viii) September 28, 2023 (ix) November 08, 2023 (x) January 04, 2024 (xi) January 12, 2024 (xii) February 08, 2024 (xiii) February 06, 2024 (xiv) February 29, 2024 (xv) March 11, 2024 & (xvi) March 22, 2024

Annual General Meeting

The last Annual General Meeting of the Company was held on September 12, 2023.

Directors' attendance (physical presence/through video conferencing) at the Board Meetings held during the FY2023-24 and at the last Annual General Meeting, number of directorships in other companies and Membership/Chairmanship in the committees of other companies of the Members of the Board etc. are as follows:

Name and Designation	Board Meetings		No of other Directorships as on March 31, 2024*	Chairmanship/Membership in the committees of other companies as on March 31, 2024**		Attendance at the last AGM held on September 12, 2023
	Held during the tenure	Attended		Member	Chairman	
Smt. Parminder Chopra CMD & Addl. charge Director (Finance) (w.e.f. 14.08.2023)	11	11	2	1$	Nil	Present
Director (Finance) & Addl. charge CMD (w.e.f. 01.06.2023 to 13.08.2023)	2	2	NA			
Director (Finance) (up to 30.05.2023)	3	3	NA			
Shri R. S. Dhillon CMD(up to 30.05.2023)	3	3	Superannuated w.e.f. 01.06.2023			
Shri Rajiv Ranjan Jha Director (Projects)	16	16	6#b	2	Nil	Present
Shri Manoj Sharma Director (Commercial)	16	15	7#a	2	Nil	Present
Shri Ajay Tewari Director (Government Nominee)	16	12	3#c	Nil	Nil	Present
Shri Bhaskar Bhattacharya Independent Director	16	16	Nil	1	Nil	Present
Smt. Usha Sajeev Nair Independent Director	16	16	Nil	Nil	1	Present
Shri Prasanna Tantri Independent Director	16	16	Nil	Nil	1	Present

$ By virtue of holding Additional Charge of Director (Finance).

* Does not include Directorship in Private Companies, Section 8 Companies under the Companies Act, 2013 and Foreign Companies.

** Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Shareholders'/Investors' Grievance Committee.

Details of Directorship in Listed Entities:

#a Nominee Director of PFC in REC Limited

#b Nominee Director of PFC in PTC India Limited

#c Government Nominee Director in SJVN Limited & THDC India Limited

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he/she is a Director. None of the Directors of the Company are in any way related to each other.

Separate Meeting of Independent Directors

Two Separate Meetings of Independent Directors was held on September 30, 2023 and March 13, 2024 & March 15, 2024 (Adjourned) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting.

Declaration by Independent Director

The Independent Directors in the first meeting of the Board, of the FY2023-24 held on May 09, 2023, gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs.

Further, all the Independent Directors in the first meeting of the Board of the FY2024-25 held on April 15, 2024 gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfill the conditions specified in Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY2023-24.

Familiarisation programme for Independent Directors

The details of familiarisation programmes imparted to Independent Directors are displayed on the Company's website after completion of the programme. The details posted on the website can be accessed by following the web link given hereunder:

https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Investors/Equities/Disclosure/04012024/Disclosure%20under%20Regulation%2046%20(2)%20(i)%20of%20SEBIHR.pdf

2. BOARD LEVEL COMMITTEES

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

As on March 31, 2024, the Board had the following Committees:-

i) Audit Committee of Directors
ii) Nomination and Remuneration Committee
iii) Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee
iv) Board Level Risk Management Committee
v) CSR & Sustainable Development Committee of Directors
vi) HR Committee
vii) Investment Committee of Directors
viii) Board Level IT Strategy Committee
ix) ALM Committee of Functional Directors

2.1 Audit Committee of Directors

As per the requirements under the Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms, the Board of Directors of the Company has constituted an Audit Committee of Directors.

As on March 31, 2024, the Audit Committee comprised of the following:

Sr. No.	Name of Member	Designation
1.	Shri Prasanna Tantri, Independent Director	Chairman
2.	Shri Bhaskar Bhattacharya, Independent Director	Member
3.	Shri Rajiv Ranjan Jha, Director (Projects)	Member

The role, terms of reference, scope and authority of Audit Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms. The meetings of the committee, during the year, were chaired by an Independent Director.

During the FY2023-24, Seven (7) meetings of the Audit Committee were held i.e. (i) May 27, 2023 (ii) August 11, 2023 (iii) September 27, 2023 (iv) November 08, 2023 (v) January 04, 2024 (vi) February 08, 2024 & (vii) February 16, 2024.

The details of the meetings attended (physical presence/ through video conferencing) by members during the FY2023-24 are as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Shri Prasanna Tantri	Chairman	7	7
2.	Shri Bhaskar Bhattacharya	Member	7	7
3.	Shri Rajiv Ranjan Jha	Member	7	7

Director (Finance) and Director (Commercial) are the permanent invitees to the meetings of the said committee. Further, the head of Internal Audit, Independent Internal Auditors and representative of the Statutory Auditor(s) were invited to the Audit Committee Meetings for interacting with the Members of the Committee as and when required. The Company Secretary continued to be the Secretary to the Committee.

2.2 Nomination and Remuneration Committee

Your Company is a Central Public Sector Undertaking, and accordingly the appointment of CMD & Directors and fixation of their remuneration are decided by President of India in terms of the Articles of Association of the Company. However, your Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

As on March 31, 2024 the Nomination and Remuneration Committee comprised of the following:

Sr. No.	Name of Member	Designation
1.	Smt. Usha Sajeev Nair, Independent Director	Chairperson
2.	Shri Bhaskar Bhattacharya, Independent Director	Member
3.	Shri Prasanna Tantri, Independent Director	Member

Director (Finance), Director (Projects) and Director (Commercial) are permanent invitees to the meetings of the said committee. The Company Secretary acts as the Secretary to the Committee.

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

During the FY2023-24, Five (5) meetings of the Nomination and Remuneration Committee were held i.e. (i) May 09, 2023 (ii) May 27, 2023 (iii) August 19, 2023 (iv) November 08, 2023 & (v) February 16, 2024.

The detail of the meeting attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Smt. Usha Sajeev Nair	Chairperson	5	5
2.	Shri Bhaskar Bhattacharya	Member	5	5
3.	Shri Prasanna Tantri	Member	5	5

Remuneration Policy

Your Company is a Central Public Sector Undertaking in which all members of the Board are appointed by the President of India through the administrative ministry i.e. Ministry of Power, Government of India, which, *inter alia*, fixes the remuneration of such Whole Time Directors through their respective appointment orders/pay fixation orders. The appointment and remuneration of other employees of the Company is done as per the DPE guidelines. The members of the Board, apart from receiving Directors' remuneration, in case of CMD and Whole Time Directors, do not have any material pecuniary relationship or transaction with the Company, its promoters or its subsidiary, which in the judgement of Board may affect independence of judgement of Directors. PFC being a Government Company, the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

The Ministry of Corporate Affairs (MCA) vide its notification dated June 05, 2015 has *inter alia* exempted the Government Companies in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the Company, as per its own evaluation methodology. Accordingly, PFC being a Government company is exempted in terms of above notification as the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

Further, MCA vide Notification dated July 05, 2017 prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, is also not applicable to Government Companies.

However, the said requirements are still not exempted under the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 for Government Companies. Accordingly, a draft evaluation policy has been referred to Ministry of Power seeking guidance in the matter, who has in turn further referred the said draft policy to the CPSE policy division for further examination.

In the meantime, till the response from Ministry is received, the Independent Directors in their Separate Meeting held on March 13, 2024 & March 15, 2024 (Adjourned) evaluated the performance of Non-Independent Directors including the Chairman for the FY2023-24.

Remuneration of Whole Time Directors

The remuneration paid to whole time directors including the Chairman & Managing Director was as per the terms and conditions of their appointment.

Details of remuneration of Whole Time Directors of the Company during FY2023-24 are given below:

Name of the Director	Salary (₹)	Benefits (₹)	Bonus/ Commission ex-gratia (₹)	Performance linked incentives (₹)	Stock Options (₹)	Total (₹)	Number of shares held as on March 31, 2024
Smt. Parminder Chopra	47,98,055	20,07,346	0	33,77,949	0	1,01,83,350	2,500
Shri Rajiv Ranjan Jha	50,57,029	17,13,731	0	36,17,890	0	1,03,88,650	20,005
Shri Manoj Sharma	47,89,794	15,20,212	0	33,05,369	0	96,15,375	0
Shri Ravinder Singh Dhillon	65,36,032	7,06,260	0	29,36,644	0	1,01,78,936	NA

Notes:

1. Salary & Allowances have been considered on paid basis for the period working in capacity of Director.
2. Above information does not include Lease Rent, Non-Taxable allowances & Perquisites, Non-Taxable Medical reimbursement, Contribution to Superannuation Benefits except Employer's contribution towards NPS.etc.
3. The performance linked incentives are paid as per the Performance Related Pay (PRP) System of the Company.
4. The appointment of Directors and terms of appointment including remuneration, notice period, severance fees, if any etc. are decided by President of India.
5. Shri Ravinder Singh Dhillon superannuated w.e.f. 01.06.2023.

Remuneration of Non-Executive Directors/ Independent and Government Nominee Directors

The Independent & Government Nominee Directors do not have any material pecuniary relationship or transactions with the Company. However, the Independent Directors were paid the sitting fees i.e. ₹40,000/- for attending each Meeting of the Board of Directors and ₹30,000/- for attending each Meeting of Committee of Directors.

Government Nominee Director is not entitled to any remuneration or sitting fee from the Company.

As on March 31, 2024 , Shri Prasanna Tantri, Independent Director, Shri Bhaskar Bhattacharya, Independent Director, Smt. Usha Sajeev Nair, Independent Director and Shri Ajay Tewari, Government Nominee Director held nil shares in the Company.

Senior management

Shri Manish Kumar Agarwal was appointed as Compliance officer & Company Secretary and is designated as Key Managerial Personnel w.e.f. May 01, 2023 vice Shri Manohar Balwani who on attaining the age of superannuation ceased to be the Company Secretary of the Company w.e.f. May 01, 2023.

a) The details of senior management personnel as on March 31, 2024 are as follows:

Sr. No.	Employee Name	Designation
1.	Sandeep Kumar	Executive Director
2.	Pranab Kumar Sinha	Executive Director
3.	Saurav Kumar Shah	Executive Director
4.	Manoj Kumar Rana	Executive Director
5.	Raj Kumar Malhotra	Executive Director
6.	Rajeev Kumar Chaturvedi	Executive Director
7.	Packirisamy V.	Executive Director
8.	Rajesh Kumar Shahi	Executive Director
9.	Ali Shah	Executive Director
10.	Sanjay Sharma	Chief Risk Officer (CRO), Executive Director
11.	Hemant Kumar Das	Executive Director
12.	Pawan Kumar	Chief Compliance Officer (CCO), Executive Director
13.	Shunmuga Sundaram Palanivel	Executive Director
14.	Manish Kumar Agarwal	Compliance Officer and Company Secretary, Key Managerial Personnel

b) The details of changes in senior management personnel during FY2023-24 are as follows:

Sr. No.	Employee Name	Designation	Remarks
1.	Rajesh Kumar Bhardwaj	Executive Director	Superannuated
2.	Virendra Kumar Jain	Executive Director	Superannuated
3.	Samidha Jain	Executive Director	Superannuated
4.	Manohar Balwani	Executive Director	Superannuated
5.	Sanjay Mehrotra	Executive Director	Lien

2.3 Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee

The Company has set up a Stakeholders Relationship and Shareholders'/Investors' Grievance Committee to look into the redressal of the complaints of investors as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to looks into various aspects of interest of shareholders of the Company, specifically into the redressal of requests, complaints or grievances from various security holders including shareholders and debenture holders, such as non-receipt of dividend credit/ warrants, non-receipt of interest on debentures etc.

As on March 31, 2024 the Stakeholders Relationship and Shareholders'/Investors' Grievance Committee comprised of the following:

Sr. No.	Name of the Members	Designation
1.	Smt. Usha Sajeev Nair, Independent Director	Chairperson
2.	Smt. Parminder Chopra, Additional Charge Director (Finance)	Member
3.	Shri Rajiv Ranjan Jha, Director (Projects)	Member

During the FY2023-24, Four (4) meetings of the Stakeholder Relationship and Shareholders'/Investors' Grievance Committee were held i.e. (i) May 30, 2023 (ii) August 10, 2023 (iii) November 09, 2023 & (iv) February 08, 2024

The detail of the meeting attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Smt. Usha Sajeev Nair	Chairperson	4	4
2.	Smt Parminder Chopra	Member	4	1*
3.	Shri Rajiv Ranjan Jha	Member	4	3

* Director (Finance) is the member of the sub-committee. Meeting not attended by virtue of holding fulltime/additional charge of CMD along with charge of Director (Finance).

Information on investor complaints for the year ended March 31, 2024 is as follows:

Particulars	Equity	Bonds
Pending at the beginning of the year	8	0
Received during the year	1,897	15
Disposed off during the year	1,900	15
Lying unresolved at the end of the year	5*	0

* Complaints received at the end of quarter, were subsequently resolved by April 05, 2024.

2.4 Board Level Risk Management Committee

The Board of Directors constituted a Board Level Risk Management Committee to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on March 31, 2024 the Board Level Risk Management Committee comprised of the following:

Sr. No.	Name of the Members	Designation
1.	Smt. Parminder Chopra, CMD and Additional Charge Director (Finance)	Chairperson
2.	Shri Bhaskar Bhattacharya, Independent Director	Member
3.	Shri Rajiv Ranjan Jha, Director (Projects)	Member
4.	Shri Manoj Sharma, Director (Commercial)	Member

During the FY2023-24, three (3) meetings of the Board Level Risk Management Committee were held on (i) June 09, 2023 (ii) November 09, 2023 & (iii) January 04, 2024.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Smt. Parminder Chopra	Chairperson	3	3
2.	Shri Bhaskar Bhattacharya	Member	3	3
3.	Shri Rajiv Ranjan Jha	Member	3	2
4.	Shri Manoj Sharma	Member	3	3

Chief Risk Officer (CRO) is a Permanent Invitee to all the meetings of Board Level Risk Management Committee.

2.5 CSR & Sustainable Development Committee

CSR & Sustainable Development Committee has been constituted to give direction to the CSR and SD activities of the Company and to make recommendations to the Board of Directors for taking up various CSR & SD projects.

As on March 31, 2024, the CSR & Sustainable Development Committee comprised of the following:

Sr. No.	Name of the Members	Designation
1.	Shri Prasanna Tantri, Independent Director	Chairman
2.	Smt. Usha Sajeev Nair, Independent Director	Member
3.	Smt. Parminder Chopra, Additional Charge Director (Finance)	Member
4.	Shri Rajiv Ranjan Jha, Director (Projects)	Member
5.	Shri Manoj Sharma, Director (Commercial)	Member

During the FY2023-24, Eleven (11) meetings of the CSR & Sustainable Development Committee of Directors were held on (i) May 09, 2023 (ii) May 30, 2023 (iii) August 10, 2023 & August 11, 2023 (Adjourned) (iv) September 11, 2023 (v) October 20, 2023 (vi) November 08, 2023 (vii) January 04, 2024 (viii) January 12, 2024 (ix) February 16, 2024 (x) February 28, 2024 & (xi) March 22, 2024.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Shri Prasanna Tantri	Chairman	11	11
2.	Smt Usha Sajeev Nair	Member	11	11
3.	Smt Parminder Chopra	Member	9*	4*
4.	Shri Rajiv Ranjan Jha	Member	11	10
5.	Shri Manoj Sharma	Member	11	11

* Director (Finance) is the member of the sub-committee. Meeting not attended by virtue of holding fulltime/additional charge of CMD along with charge of Director (Finance).

2.6 Investment Committee of Directors

The Investment Committee of Directors has been constituted for approving equity investment in IPOs of Central Power Sector Undertakings and also other related matters like exit/sale decisions, the number of shares to be applied through IPO, individual investment limit in each company on case to case basis, etc.

As on March 31, 2024 the Investment Committee of Directors comprised of the following:

Sr. No.	Name of the Members	Designation
1.	Smt. Parminder Chopra, CMD & Additional Charge Director (Finance)	Chairperson
2.	Smt. Usha Sajeev Nair, Independent Director	Member
3.	Shri Rajiv Ranjan Jha, Director (Projects)	Member
4.	Shri Manoj Sharma, Director (Commercial)	Member

During the FY2023-24, one (1) meetings of the Investment Committee of Directors was held on January 04, 2024.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Sr. No.	Name of Member	Designation	No. of Meetings	
			Held during the tenure	Attended
1.	Smt. Parminder Chopra	Chairperson	1	1
2.	Smt. Usha Sajeev Nair	Member	1	1
3.	Shri Rajiv Ranjan Jha	Member	1	Nil
4.	Shri Manoj Sharma	Member	1	1

2.7 HR Committee

HR Committee has been constituted to consider and submit their recommendations to the Board of Directors on all HR related matters before they are submitted to the Board for approval.

As on March 31, 2024, the HR Committee comprised of the following:

Name	Designation
Shri Manoj Sharma, Director (Commercial)	Chairman
Smt. Parminder Chopra, Additional Charge Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member

During the FY2023-24, two (2) meetings of the HR Committee was held on (i) June 30, 2023 & (ii) November 07, 2023.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY2023-24 is as follows:

Name of Member	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri Manoj Sharma	Chairman	2	2
Smt. Parminder Chopra	Member	2	0*
Shri Rajiv Ranjan Jha	Member	2	2

* Director (Finance) is the member of the sub-committee. Meeting not attended by virtue of holding fulltime/additional charge of CMD along with charge of Director (Finance).

2.8 Board Level IT Strategy Committee

Pursuant to RBI's Master Directions for Information Technology Governance, Risk, Controls and Assurance Practices, the Board of Directors of the Company constituted the Board Level IT Strategy Committee w.e.f. March 22, 2024 in place of IT Strategy Committee.

As on March 31, 2024, the Board Level IT Strategy Committee comprised of the following:

Sr. No.	Name of the Members	Designation
1.	Shri Bhaskar Bhattacharya, Independent Director	Chairman
2.	Smt. Parminder Chopra, Additional Charge Director (Finance)	Member
3.	Shri Rajiv Ranjan Jha, Director (Projects)	Member
4.	Shri. Manoj Sharma, Director (Commercial)	Member

During the FY2023-24, nil meetings of the Board Level IT Strategy Committee were held.

Chief Information Security Officer (CISO) is the Permanent Invitee to all the meetings of Board Level IT Strategy Committee. Company Secretary shall act as the Secretary to the Committee.

2.9 ALM Committee of Functional Directors

ALM Committee of Functional Directors has been constituted as per PFC's Asset Liability Management Policy formulated in line with the RBI's guidelines.

As on March 31, 2024 the ALM Committee of Functional Directors comprised of the following:

Name	Designation
Smt. Parminder Chopra, Additional Charge Director (Finance)	Chairperson
Shri Rajiv Ranjan Jha, Director (Projects)	Member

During the FY2023-24, one (1) meeting of the ALM Committee of Functional Directors was held on March 29, 2024.

The detail of the meeting attended by members during the FY2023-24 is as follows:

Name of Member	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Parminder Chopra	Chairperson	1	1
Shri Rajiv Ranjan Jha	Member	1	1

3. BONUS ISSUE COMMITTEE OF FUNCTIONAL DIRECTORS

The Board in its meeting held on August 11, 2023 had constituted a Bonus Issue Committee for deciding/ approving the allotment of bonus shares and deal with related matters thereto. The Bonus shares were allotted to shareholders on September 22, 2023 and admitted for trading on stock exchanges on October 05, 2023.

4. GENERAL BODY MEETING

a) The details of the last three Annual General Meetings of the Company are as under:

AGM	Date	Day	Time	Venue	Special Resolution Passed
35th	September 21, 2021	Tuesday	12:30 p.m.	At the Registered Office of the Corporation through Video Conferencing	Nil
36th	September 21, 2022	Wednesday	11:30 a.m.	At the Registered Office of the Corporation through Video Conferencing	• To appoint Shri Bhaskar Bhattacharya (DIN: 09406292), as Director of the Company • To appoint Smt. Usha Sajeev Nair (DIN: 09408454), as Director of the Company • To appoint Shri Prasanna Tantri (DIN: 06471864), as Director of the Company • To change Object Clause of the Memorandum of Association of the Company
37th	September 12, 2023	Tuesday	11:30 a.m.	At the Registered Office of the Corporation through Video Conferencing	NIL

b) Postal Ballot:

No Special resolution was passed last year through Postal Ballot. Further, no special resolution is proposed to be conducted through Postal ballot up to the ensuing AGM.

c) Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during financial year 2023-24.

5. DISCLOSURES

1. The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has formulated a "Policy on Related Party Transaction" and on dealing with related party transactions and the same is available at https://pfcindia.com/ensite/Default/ViewFile/?id=1683559406964_POLICY%20ON%20MATERIALITY%20OF%20RPT13012023.pdf&path=Page

2. Neither any penalty nor any stricture has been imposed by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital market during the last three years. However, during FY2023-24, the Company was in receipt of notices of penalty from National Stock Exchange and Bombay Stock Exchange for non-compliance of the requirement of composition of the Board. As the said compliances are beyond the ambit of PFC, the Company is following up with the stock exchanges for waiver of the said fine(s) and has also requested Ministry of Power to expedite the process of appointment of requisite number of Independent Directors on the Board of the Company.

   During the FY2023-24, NSE informed the Company that they have partly waived the penalty under Regulation 17 and 18 of SEBI (LODR) for quarter ended December 31, 2021 and under Regulation 17 of SEBI (LODR) for the quarter ended March 31, 2022.

3. Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

   Disclosure regarding complaints under the said act during the FY2023-24 is as under:

Particulars	Number of complaints
Number of complaints filed during the FY2023-24	NIL
Number of complaints disposed of during the FY2023-24	NIL
Number of complaints pending as on end of the FY2023-24	NIL

4. In terms of the requirements under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to, *inter alia*, establish a 'Vigil Mechanism'/ 'Whistle-Blower Policy' for Directors and Employees to report their genuine concerns or grievances, about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. As an integral part of such Vigil Mechanism, the Whistle-Blower Policy of PFC has been put in place and it is affirmed that no personnel has been denied access to the Audit Committee. The status of complaints under whistle-blower policy is 'Nil' for calendar year 2023. The same was reported in the quarterly and half yearly report under PFC Whistle-Blower Policy. The same is available at https://www.pfcindia.com/Home/VS/126.

5. PPursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has formulated

a "Policy on Material Subsidiary" and the same is available at https://pfcindia.com/ensite/Default/ViewFile/?id=156155285427 4_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page.

No item of expenditure was debited in books of account which was not for the purpose of the business. Further, no expense was incurred which was personal in nature and was incurred for the Board of Directors and Top Management.

6. The Company has not issued any Stock Options/ ESOPs during the financial year 2023-24.

7. Your Company has broadly complied with all requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India, as amended from time to time, except for the compliances related to appointment of requisite number of Independent Directors. The status of adoption of non-mandatory requirements is as under:

   i. **The Board:** The Company is headed by an executive Chairman.

   ii. **Shareholder Rights:** The quarterly/ half yearly/ annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means of Communication" of the Corporate Governance report and also displayed on the website of the Company.

   iii. **Modified opinion(s) in audit report:** It is always Company's endeavour to move towards a regime of financial statements with unmodified audit opinion. The Company has received unmodified report from its statutory auditors in FY2023-24.

   iv. **Reporting of Internal Auditor:** The Internal auditors of the Company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

8. The Company has laid down the procedures to inform the board about the risk assessment and minimisation. The Board of Directors of the Company periodically reviews these procedures to ensure risks are managed through a properly defined framework.

9. The total fee paid by your Company to the Statutory Auditors is ₹1.56 crore. Any of the subsidiary of PFC has not taken any services from Statutory Auditors of PFC (including entities in network firm) and accordingly didn't paid any fees to Statutory Auditors of PFC.

   In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 01, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

6. MEANS OF COMMUNICATION

The Company recognises communication as a key element of the overall Corporate Governance framework and therefore emphasises continuous, efficient and relevant communication to public at large. The Company communicates with its shareholders through its annual report, general meeting, newspapers and disclosures through website. The Company also communicates with its institutional shareholders through investor conferences, conference calls etc. While the Quarterly/Annual Financial results are published in national newspapers like The Economic Times, The Navbharat Times, The Hindustan Times, Business Standard, Business Standard (Hindi), The Financial Express, Jansatta (Hindi), Mint, Hindustan (H), etc., the same are also available on the website of the Company, viz. www.pfcindia.com and are also submitted to stock exchanges for wider dissemination.

All important information pertaining to the Company is mentioned in the Annual Report of the Company containing *inter alia* audited accounts, consolidated financial statements, directors' report, auditors' report, report on corporate governance which is circulated to the members and other entitled persons for each financial year.

7. CEO / CFO CERTIFICATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by CEO and CFO was placed before the Board of Directors at its meetings held on May 15, 2024. (Copy enclosed at Annexure I of this Report).

8. COMPLIANCE WITH APPLICABLE LAWS

The Company has a robust Compliance monitoring system in place. The Board periodically reviews the status of compliances to ensure proper compliance of all laws applicable to the Company.

9. CODE OF CONDUCT

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company i.e. www.pfcindia.com.

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at Annexure II of this Report.

10. CODE FOR PREVENTION OF INSIDER TRADING

In pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations,

2018, your Company has formulated the comprehensive Code i.e. "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" to preserve the confidentiality and to prevent misuse of un-published price sensitive information. All Designated Persons and other Connected Persons as mentioned in the Code have a duty to safeguard the confidentiality of all such information obtained in the course of his or her assignment at the company and not to misuse his or her position or information to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the securities of the Company and the consequences of non-compliance. The Company Secretary has been appointed as Compliance Officer and is responsible for ensuring adherence of the said Code.

In line with the requirement of the said Code, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board. The Compliance Officer notified the closure of trading window on the website of the company well in advance restraining all the designated persons and their relatives not to deal in the securities of the Company when the trading window is closed.

The copy of the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" is also available on the company website

https://pfcindia.com/ensite/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page

11. SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date	Time	Venue
August 21, 2024	11:00 am	Through Video Conferencing (VC)

The 38th Annual General Meeting shall be held through Video Conferencing/Other Audio Visual Means. The Company will provide facility to shareholders to attend the said AGM electronically and also enable shareholders to exercise their right to vote through electronic means at the said AGM. Details regarding participation in the said AGM and other relevant information is appearing in the Notice of the 38th AGM of the Company.

b) Financial calendar for FY2024-25 (Tentative)

Particulars	Date
Financial year	April 01, 2024 to March 31, 2025
Un-audited financial results for the first three quarters	Will be announced within 45 days from the end of each quarter.
Audited Financial Results	Audited Financial Results will be announced on or before 60 days from the end of financial year.
AGM (Next year)	August/September 2025

c) Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from August 16, 2024 to August 21, 2024

d) Payment of Dividend

- **Dividend Distribution Policy**

  The Company has formulated a Dividend Distribution Policy in compliance of Regulation 43A of the SEBI (LODR) Regulations, which, inter-alia, specifies the external and internal factors including financial parameters, that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

  The policy is available on PFC's website at https://pfcindia.com/ensite/Default/ViewFile/?id=154600918077 8_DividendDistribution.pdf&path=Page

- **Dividend details for the FY2023-24**

The Board of Directors of the Company, has recommended payment of final dividend of ₹2.5 per equity share (subject to deduction of TDS) for the financial year ended March 31, 2024 on the paid up equity share capital of the Company, which will be paid after approval at the Annual General Meeting. This is in addition to the Interim Dividend of ₹11 per share (subject to deduction of TDS) already declared and paid during the year in three tranches on the paid up equity share capital of the Company. Thus, the total dividend for the FY2023-24 amounts to ₹13.5 per equity share (subject to deduction of TDS).

The final dividend on equity shares as recommended by the Board of Directors, subject to the provisions of the Companies Act, if approved by the members at the Annual General Meeting, will be paid to the Members or their mandates whose names appear on the Company's Register of Members on July 26, 2024 in respect of physical shares. In respect of dematerialised shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours on July 26, 2024 The Dividend, if declared at the AGM, would be paid to the shareholders within 30 days from the date of declaration of the same at the AGM.

- ## Dividend History

Year	Total Paid-up Capital (₹ in crore)	Total Amount of Dividend paid (₹ in crore)	Rate of Dividend (%)	Date of Payment (Interim & Final)
2019-20	2,640.08 (Interim)	2,508.07	95	March 12, 2020
	Total	**2,508.07**	**95**	-
2020-21	2,640.08 (Interim)	2,112.06	80	March 31, 2021
	2,640.08 (Final)	528.02	20	October 12, 2021
	Total	**2,640.08**	**100**	
2021-22	2,640.08 (1st Interim)	594.02	22.5	September 10, 2021
	2,640.08 (2nd Interim)	660.00	25	December 10, 2021
	2,640.08 (3rd Interim)	1,584.05	60	March 11, 2022
	2,640.08 (Final)	330.00	12.5	October 11, 2022
	Total	**3,168.00**	**120**	
2022-23	2,640.08 (1st Interim)	594.00	22.5	September 09, 2022
	2,640.08 (2nd Interim)	792.00	30	December 08, 2022
	2,640.08 (3rd Interim)	924.00	35	March 10, 2023
	3,300.10 * (Final)	1,188.00	45	September 27, 2023
	Total	**3,498.00**	**132.50**	
2023-24	3,300.10 (1st Interim)	1,485.00	45	December 07, 2023
	3,300.10 (2nd Interim)	1,155.00	35	February 29, 2024
	3,300.10 (3rd Interim)	990.00	30	March 30, 2024
	3,300.10 (Final)	825.00	25 (Recommended)	Yet to be declared & paid
	Total	**4455.00**	**135.00**	

* Share capital increased to ₹3300.10 crore due to Bonus Issue in the ratio of 1:4.

Status of Unclaimed Amounts and Shares/ Dividend/ Bonds transferred to IEPF Account:

Bonds

The total unclaimed and unpaid amount as on March 31, 2024 was ₹72,77,96,870.52 (principal plus interest). The unpaid/unclaimed amount of bonds transferred to IEPF during FY2023-24 is ₹3,47,497.

Unclaimed Dividend-Equity

The unclaimed balance amount of dividend (equity) as on March 31, 2024 was ₹ 5.48 crore (approx.). The unclaimed dividend of ₹ 26,60,765 became due for transfer during the year ended March 31, 2024 and was accordingly transferred to Investor Education and Protection Fund (IEPF).

Equity Shares transferred to IEPF

As per the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 {IEPF Rules}, all shares in respect of which dividend has not been claimed for seven consecutive years, are required to be transferred by the Company to the Demat Account of the IEPF Authority. Accordingly, the Company has transferred 2,117 Equity shares (of ₹10/- each) to the Demat Account of IEPF Authority during 2023-24. As on March 31, 2024, the number of equity shares held in Demat account to IEPF Authority were 1,36,236.

The members who have a claim on the above dividend and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividends/shares, so transferred to the IEPF Authority.

Nodal Officer

Pursuant to Rule 7(2A) of the IEPF Rules, the following persons are the Nodal Officers of the Company:-

Nodal Officer	Sh. Manish Kr. Agarwal
Deputy Nodal Officer in respect of bonds/debentures	Sh. Gian Singh, CGM (RMD-II)

e) Listing on Stock Exchanges

PFC shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)
Exchange Plaza,
Bandra–Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Code: PFC EQ

BSE Limited (BSE)
Floor – 25, PJ Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 532810

Stock Code (ISIN) : INE134E01011

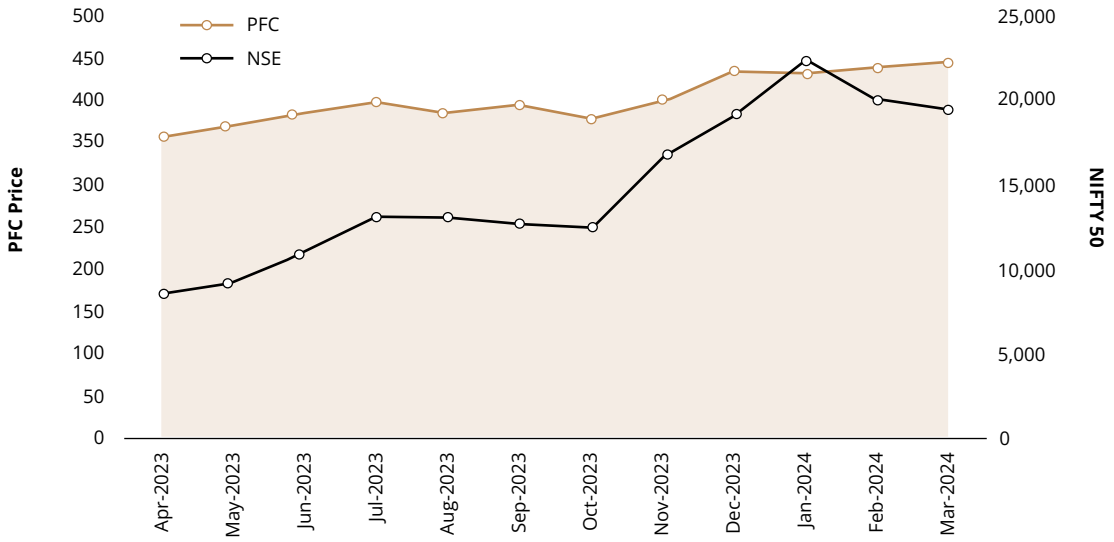
The annual listing fees for the FY2023-24 have been paid to NSE and BSE.

f) Market Price Data

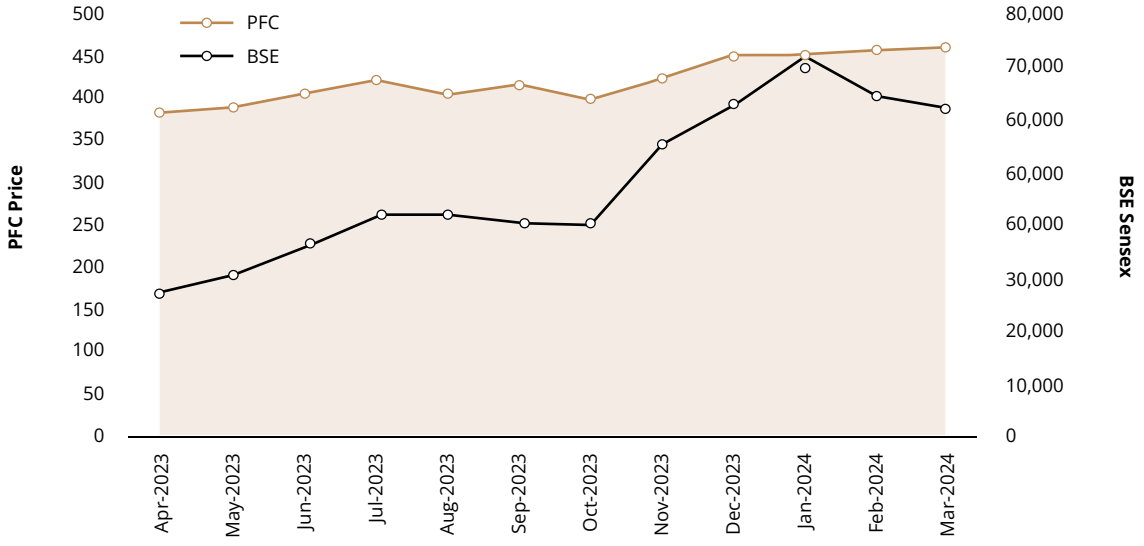
Month	High (₹)		Low (₹)		Closing (₹)	
	NSE	BSE	NSE	BSE	NSE	BSE
April'23	170.30	170.30	151.65	151.65	169.90	169.90
May'23	183.45	183.35	158.65	159.30	182.40	182.40
June'23	220.25	220.00	181.80	181.65	215.90	215.75
July'23	262.00	261.85	215.50	215.5	261.40	261.35
August'23	277.20	277.20	249.55	249.55	260.20	260.30
September'23	313.90	313.90	225.25	225.25	251.90	251.90
October'23	258.20	258.15	225.50	225.6	246.60	246.70
November'23	338.25	337.50	237.85	238	334.90	334.95
December'23	428.75	428.00	337.00	337	382.60	382.45
January'24	453.70	453.75	379.20	379.15	443.25	443.35
February'24	477.80	477.80	387.40	387.5	400.70	400.65
March'24	435.05	434.80	351.70	351.85	390.25	390.2

g) Performance in comparison to indices NSE NIFTY, BSE Sensex and PFC

PFC Share price and NIFTY 50



PFC share price and BSE Sensex



h) Registrar and Transfer Agent for Equity Shares

Communication Address

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana, India - 500 032
Tel: +91 40 67162222
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Transfer of equity shares in electronic from are done through the depositories with no involvement of the Company. Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to the Company to register the transfer.

SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat mode. However, investors are not barred from holding shares in physical form.

j) Details of Demat Suspense Account

The details of shares in the Demat Suspense account as on March 31, 2024 are as follows:

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2023.	3	1432
Bonus allotment of shares on September 22, 2023 (1:4 ratio)	155	9125
Add: Bonus shares issued to shares lying in suspense account as on April 1, 2023.	-	358
Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2023-24.	12*	4195
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2023-24.	9	2763
Less: Number of shares which were transferred to IEPF Account during the year 2023-24.	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e., March 31, 2024.	149	8152

* out of which in 3 cases shares pending for transfer to respective shareholders account due to some formalities at the respective shareholders end.

The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares.

k) Distribution of shareholding

- **Distribution of shareholding as on March 31, 2024**

Sr. No.	Amount	No. of shareholders	% of shareholders	Amount (₹)	% of shares
1	1-5000	7,01,306	99.11	1,47,17,90,170	4.46
2	5001-10000	2,970	0.42	21,23,78,470	0.64
3	10001-20000	1,405	0.20	19,63,48,340	0.59
4	20001-30000	485	0.07	11,99,94,270	0.36
5	30001-40000	232	0.03	8,07,23,000	0.24
6	40001-50000	147	0.02	6,72,03,710	0.20
7	50001-100000	320	0.05	22,76,35,820	0.69
8	100001 & Above	714	0.10	30,62,49,43,820	92.80
	Total	**7,07,579**	**100**	**33,00,10,17,600**	**100.00**

- **Shareholding pattern as on March 31, 2024:**

Category	Total No. of shares	% to Equity
President of India	1,84,78,64,722	55.99
Foreign Portfolio - CORP	56,73,70,602	17.19
Mutual Funds	41,69,43,279	12.63
Resident Individuals	22,42,76,392	6.80
Qualified Institutional Buyers	15,40,81,499	4.67
Bodies Corporates	3,57,71,034	1.08
Alternative Investment Fund	2,14,51,413	0.65
HUF	1,07,80,305	0.33
Insurance Companies	80,50,696	0.24
Non Resident Indian	48,20,995	0.15
Non Resident Indians non repatriable	37,95,403	0.12
Trusts	14,28,414	0.04
NBFC	14,05,536	0.04
Employees	10,54,325	0.03
Clearing Members	51,777	0.00
IEPF	1,36,236	0.00
Banks	7,94,172	0.02
Key Managerial Personnel	24,905	0.00
Indian Financial Institutions	35	0.00
Foreign Portfolio Investors	20	0.00
Total	**3,30,01,01,760**	**100**

l) Dematerialisation of Shares

Number of shares held in dematerialised form with NSDL, CDSL and physical mode as on March 31, 2024.

Description	No. of Shares	% to total Capital Issued
NSDL	3,17,36,53,184	96.17
CDSL	12,64,28,676	3.83
Physical	19,900	0.00
Total	**3,30,01,01,760**	**100**

m) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

n) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place Currency Risk Management (CRM) policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

o) Address for correspondence

Registered Office

'Urjanidhi', 1, Barakhamba Lane,
Connaught Place,
New Delhi – 110 001

Company Secretary

Shri Manish Kumar Agarwal
Tel: +91 11 23456020
Fax: +91 11 23456786
E-mail: investorsgrievance@pfcindia.com

p) Credit Ratings

During the FY2023-24, Company's both long-term & short-term domestic borrowing programme (including bank loans) continued to be the highest rating.

- **Domestic Rating assigned by CRISIL, ICRA and CARE**
  - Long-term domestic borrowing programme Rating - CRISIL AAA, ICRA AAA and CARE AAA
  - Short-term domestic borrowing programme Rating - CRISIL A1+, ICRA A1+ and CARE A1+
- **International Rating**
  - The Company's international credit ratings continue to be Baa3 and BBB- assigned by International Credit Rating Agencies Moody's and Fitch respectively.

q) Preferential Allotment / Qualified Institutions Placement

During the year, company has not raised any money by way of Preferential Allotment/Qualified Institutions placement of shares or other convertible securities.

Annexure I of Report on Corporate Governance

Certificate to the Board of Directors under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors that:

We have reviewed financial statements and the statement of cash flows for the year ended 31.03.2024 and that to the best of our knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee that:-

i) There are no significant changes in internal control over financial reporting during the year;

ii) There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and

iii) There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Parminder Chopra)
Chairman & Managing Director/ CEO and Director (Finance) (addl. charge)/CFO
DIN: 08530587

Date: May 10, 2024

Annexure II of Report on Corporate Governance

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance:

"All the members of the Board and Senior Management Personnel have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management' for the financial year ended on March 31, 2024."

Sd/-
(Parminder Chopra)
Chairman & Managing Director
DIN: 08530587

Annexure III of Report on Corporate Governance

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
Power Finance Corporation Limited
'URJANIDHI' 1, Barakhamba Lane,
Connaught Place, New Delhi – 110 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of P**ower Finance Corporation Limited having CIN: L65910DL1986GOI024862** and having registered office at 'URJANIDHI'1, Barakhamba Lane, Connaught Place, New Delhi 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Smt. Parminder Chopra	08530587	14.08.2023*
2.	Shri Ajay Tewari	09633300	09.06.2022
3.	Shri Bhaskar Bhattacharya	09406292	23.12.2021
4.	Smt. Usha Sajeev Nair	09408454	23.12.2021
5.	Shri Prasanna Tantri	06471864	23.12.2021
6.	Shri Rajiv Ranjan Jha	03523954	28.10.2021
7.	Shri Manoj Sharma	06822395	29.08.2022

* Original date of appointment was July 01, 2020.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta**,
Company Secretaries
(ICSI Unique Code: P1996MH007500)

Sd/-
CS Nayan Handa
Partner
FCS No.: 11993
CP No.: 18686

Place: New Delhi
Date: July 25, 2024
UDIN: FO11993F000824563

Certificate on Corporate Governance

To,
The Members,
POWER FINANCE CORPORATION LIMITED,
'URJANIDHI', 1, BARAKHAMBA LANE,
CONNAUGHT PLACE, NEW DELHI 110001

We have examined the compliance of the conditions of Corporate Governance by Power Finance Corporation Limited, (herewith referred as the Company') for the period ended on March 31, 2024 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises Government of India.

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations and in the guidelines on corporate governance issued by the Department of Public Enterprises except that:

i. The company has not complied with the provision of Regulation 17 (1)(b) of SEBI (LODR) Regulations, 2015, regarding the requirement of having at least half of the Board of Directors as independent, for which company has received notice from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

ii. The company has not complied with the provision of Regulation 17 (10) of SEBI (LODR) Regulations, 2015, w.r.t. the performance evaluation of the director.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the company

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta**,
Company Secretaries
(ICSI Unique Code: P1996MH007500)

Sd/-
Nayan Handa
Partner
FCS No. 11993
CP No.: 18686
UDIN: F011993F000824970

Place: Delhi
Date: July 25, 2024

Annexure D of Board's Report

Business Responsibility and Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910DL1986GOI024862
2.	Name of the Listed Entity	Power Finance Corporation Limited
3.	Year of incorporation	July 16, 1986
4.	Registered office address	Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001
5.	Corporate address	Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001
6.	E-mail	investorsgrievance@pfcindia.com
7.	Telephone	011-23456000
8.	Website	https://pfcindia.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	NSE & BSE
11.	Paid-up Capital	₹ 3300.10 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri Manish Kumar Agarwal Company Secretary 011-23456740 mk_agarwal@pfcindia.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis
14.	Name of Assurance Provider	M/s Mehta & Mehta
15.	Type of Assurance obtained	Reasonable Assurance

II. Products / Services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial and Insurance Service	Financial and Credit leasing activities	99.97%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/ Service	NIC Code	% of total turnover contributed
1.	Other Financial Services and Activities - Other Credit Granting	64920	99.97%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	3	3
International	NA	0	0

19. Market Served by the entity:

a) Number of locations

Location	Number
National (No. of States)	36*
International (No. of Countries)	0

* PFC serves the Indian markets and its business extends throughout the country (28 states and 8 UT's). For resource mobilisation purpose, the Company also taps international capital markets besides domestic markets.

b) What is the contribution of exports as a percentage of the total turnover of the entity?

-

c) A brief on type of customers

Interest-bearing loans to private sector borrowers and Central & State utilities are among PFC's main offerings. Our 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, infrastructure and logistics and activities that have a forward or backward link with power projects. Long-term, medium-term, and short-term loans, among other loans for the whole power industry value chain, are among the company's main offerings. State governments, independent power producers, state & central power utilities are among the company's clients.

IV. Employees

20. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	529	414	78.26	115	21.73
2	Other than Permanent (E)	0	0	0.00	0	0.00
3	Total employees (D+E)	529	414	78.26	115	21.73
Workers						
4	Permanent (F)	16	14	87.5	2	12.5
5	Other than Permanent (G)	0	0	0.00	0	0.00
6	Total workers (F+G)	16	14	87.5	2	12.5

b) Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	17	16	94.11	1	5.88
2	Other than Permanent (E)	0	0	0.00	0	0.00
3	Total differently abled employees (D+E)	17	16	94.11	1	5.88
Differently abled Workers						
4	Permanent (F)	1	1	100	0	0
5	Other than Permanent (G)	0	0	0.00	0	0.00
6	Total differently abled workers (F+G)	1	1	100	0	0

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57
Key Management Personnel	4	1	25

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022- 23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	**2.24%**	**1.80%**	**2.14%**	2.32%	0.98%	2.04%	4.01%	2.08%	3.62%
Permanent Workers	**17.14%**	**0.00%**	**15.38%**	0.00%	0.00%	0.00%	5.13%	0.00%	4.44%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Name of holding / subsidiary / associate companies / joint venture

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	PFC Consulting Limited	Subsidiary	100	No
2	PFC Projects Ltd	Subsidiary	100	No
3	PFC Infra Finance IFSC Limited	Subsidiary	100	No
4	REC Limited	Subsidiary	52.63	No
5	Coastal Tamil Nadu Power Limited	Subsidiary	100	No
6	Orissa Integrated Power Limited	Subsidiary	100	No
7	Sakhigopal Integrated Power Company Limited	Subsidiary	100	No
8	Ghogarpalli Integrated Power Company Limited	Subsidiary	100	No
9	Deoghar Mega Power Limited	Subsidiary	100	No
10	Cheyyur Infra Limited	Subsidiary	100	No
11	Odisha Infrapower Limited	Subsidiary	100	No
12	Deoghar Infra Limited	Subsidiary	100	No
13	Bihar Infrapower Limited	Subsidiary	100	No
14	Bihar Mega Power Limited	Subsidiary	100	No
15	Jharkhand Infrapower Limited	Subsidiary	100	No
16	Chattarpur Transmission Limited	Subsidiary	Wholly-owned subsidiaries of PFCCL	No
17	Siot Transmission Limited	Subsidiary		No
18	Joda Barbil Transmission Limited	Subsidiary		No
19	Ramakanali B -Panagarh Transmission Limited	Subsidiary		No
20	Paradeep Transmission Limited	Subsidiary		No
21	Gola B -Ramgarh B Transmission Limited	Subsidiary		No
22	Khavda PS1 And 3 Transmission Limited	Subsidiary		No
23	Pune- III Transmission Limited	Subsidiary		No
24	Barmer I Transmission Limited	Subsidiary		No
25	KPS III HVDC Transmission Limited	Subsidiary		No
26	Sirohi Transmission Limited	Subsidiary		No
27	Beawar - Mandsaur Transmission Limited	Subsidiary		No
28	South Olpad Transmission Limited	Subsidiary		No
29	Bhadla-III & Bikaner-III Transmission Limited	Subsidiary		No
30	Jamnagar Transmission Limited	Subsidiary		No
31	Bhuj II Transmission Limited	Subsidiary		No
32	Angul Sundargarh Transmission Limited	Subsidiary		No
33	REC Power Development & Consultancy Ltd.	Subsidiary	Wholly-owned subsidiaries of REC Limited	No
34	Chandil Transmission Limited	Subsidiary		No
35	Dumka Transmission Limited	Subsidiary		No
36	Koderma Transmission Limited	Subsidiary		No
37	Mandar Transmission Limited	Subsidiary		No
38	Meerut Shamli Power Transmission Limited	Subsidiary		No
39	Luhri Power Transmission Limited	Subsidiary		No
40	Neres XVI Power Transmission Limited	Subsidiary		No
41	Khavda II-D Transmission Limited	Subsidiary		No
42	Jalpura Khurja Power Transmission Limited	Subsidiary		No
43	Kallam Transco Limited	Subsidiary		No
44	Rajasthan Part I Power Transmission Limited	Subsidiary		No
45	Shongtong Power Transmission Limited	Subsidiary		No
46	Khavda IV C Power Transmission Limited	Subsidiary		No
47	Khavda IV-E2 Power Transmission Limited	Subsidiary		No
48	Khavda IV A Power Transmission Limited	Subsidiary		No
49	Khavda V-A Power Transmission Limited	Subsidiary		No
50	Rajasthan IV A Power Transmission Limited	Subsidiary		No
51	Rajasthan IV C Power Transmission Limited	Subsidiary		No

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
52	Rajasthan IV HJ Power Transmission Limited	Subsidiary		No
53	Rajasthan IV E Power Transmission Limited	Subsidiary		No
54	Tumkur-II REZ Power Transmission Limited	Subsidiary		No
55	NERGS-I Power Transmission Limited	Subsidiary		No
56	Kankani Power Transmission Limited	Subsidiary		No
57	ERES-XXXIX Power Transmission Limited	Subsidiary		No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in ₹) 4,60,22,46,99,853.87

(iii) Net worth (in ₹) 7,92,03,47,55,257.26

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://pfcindia.com/ensite/Home/VS/45	0	0	-	0	0	NA
Investors (other than shareholders)*	Yes https://www.pfcindia.com/Home/VS/74	15	0	NA	5651	0	NA
Shareholders*	Yes https://www.pfcapps.com/Bondgreivance/bond_complaint.aspx https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Fair_Practices_Code/Fair%20Practice%20Code.pdf	1897	5	Complaints received during the year, were subsequently resolved by April 5, 2024	2624	8	Complaints received at the end of quarter, were subsequently resolved by April 4, 2023.
Employees and workers	Yes. The Company has a dedicated policy for handling grievances. The policy is available to employees on the Company intranet. It provides a 3-tier system which allows all permanent employees to escalate their grievances at multiple levels. At Stage - I, Grievances are resolved within a week. If grievance is not satisfactorily redressed, the grievance is resolved within 10 days of written representation in Stage II. If not satisfied with the outcome at Stage II, the aggrieved employee may appeal to higher level. Decision is taken at Stage III within 1 month from the date of receipt of written representation.	0	0	NA	0	0	NA
Customers	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/AboutUs/Corporate_Overview/Citizens_Charter/citizen%20Charter%2011062024HR.pdf	20	2	The complaints were resolved subsequently.	0	0	NA
Value Chain Partners	NA	NA	NA	NA	NA	NA	NA
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

* Details of Investors (including Bond Holders) /Shareholder are covered)

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Regulatory and Legal Compliance	Risk	Risk- The risk of non-compliance exposes the organization to legal penalties and financial losses resulting from failure to comply with industry laws and regulations. Failure to adhere to the laws would directly affect the company's revenue, and valuations and could lead to a loss of reputation and business opportunities. More compliant companies tend to have improved performances and better process efficiency. Compliance gives assurance and provides a broader insight to the investors.	Strong oversight over the company's compliance regularly. PFC has a Fair Practice Code, whistle-blower, vigilance and fraud risk management policies in place and adherence to all the applicable laws and regulations to safeguard the interests of the investors and other stakeholders.	Negative- Non-compliance would lead to loss of reputation and consequently affect the business activities.
2	Low Carbon Financing	Opportunity	The company's integration of environmental, social, and governance considerations into its lending practices presents an opportunity to support environmentally friendly activities and finance sustainable initiatives, driving positive change and fostering long-term growth.	In order to promote the development of the renewable energy sector multiple initiatives like lower interest rates, additional rebates, higher extent of funding etc. are undertaken for financing of renewable energy projects.	Positive: This enhances the company's reputation, attracts investors, offers a competitive edge and fosters long-term value creation.
3	Data Security and Data Privacy	Risk	The risk of a data breach poses a threat to the exposure of our customer's personally identifiable information, which in turn impacts our business relationship with them. This potential breach jeopardizes the confidentiality, integrity and security of sensitive customer data, potentially leading to breaches of trust and damaging our reputation.	PFC has developed a comprehensive cyber security framework to safeguard its IT assets, PFC has taken substantial initiatives to augment the cyber security arrangements. PFC has implemented Anti-APT Devices, Next-Generation Firewall, IPv6 for increased cybersecurity posture and also inducted Managed Detection & Response Services for proactive cyber security protection. As per the guidelines of the Ministry of Power, the "Cyber Jagrukta Diwas" is being conducted every first Wednesday of the month at PFC, contributing to a vigilant cyber-safe environment.	Negative: In the unfortunate case of a data breach, the company would experience adverse effects on its business operations. This could include disruptions to services, financial losses, damage to the company's reputation and erosion of customer trust. Additionally, such incidents would increase the risk of regulatory scrutiny and potential penalties from regulatory authorities.
4	Corporate Governance and Business Ethics	Risk	Adhering to business ethics underscores the company's dedication to promoting ethical behaviour and maintaining integrity in all its dealings. By prioritizing ethical conduct, the company aims to not only retain its existing customer base but also attract new customers to the company. Upholding these values fosters trust, strengthens relationships and reinforces the company's reputation as a responsible and trustworthy financial institution.	At PFC, we are committed to upholding the highest standards of transparency, accountability, and disclosure. As a publicly listed company, we adhere to a comprehensive framework of corporate governance frameworks and policies such as the Companies Act, 2013, SEBI's Listing Obligations & Disclosure Requirements Regulations, DPE Guidelines etc.	Negative: Unethical behaviour could directly impact the reputation of the company. It could also lead to loss of morale and employee productivity thereby affecting the top-line growth. By upholding ethical standards and treating both customers and employees with integrity and respect, the company cultivates a positive work environment and strengthens relationships with stakeholders.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Employee Health and Positive Work Environment	Opportunity	This boosts efficiency, reduces employee attrition, increases capabilities and creativity within the company and enhances diversity which in turn enhances customer experience.		Positive: A strong workforce with higher engagement, retention rate and diversity in the workforce brings new perspectives, experiences and ideas which enable innovation, enhance performance enable a positive culture in the organization and highlight the Company's efforts toward creating a conducive work environment.
6	ESG Governance and Board Oversight	Opportunity	Having an efficacious ESG oversight on the board level will augment the overall ESG performance and reflect the company's commitment to integrating responsible business practices within its growth model. Integrating ESG into the business practices would propel an enhanced risk management, governance, accountability reporting and decision-making. It would build the ability to identify and manage risks and opportunities related to environmental and social impact as well as build trust and transparency amongst investors and stakeholders.	To have a focussed approach towards ESG, a dedicated Environment, Social, and Governance (ESG) unit has been established. This centralised ESG unit will work in close collaboration with various stakeholders to chart the ESG course for PFC.	Positive: Leadership oversight on the ESG strategy, action plan, and performance fosters a positive impact on the environment and community. It also enables the Company to further embed robust monitoring mechanisms across ESG initiatives and business practices.

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	**a)**	**Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b)	**Has the policy been approved by the Board? (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c)	**Web-link of the Policies, if available**	Please refer to the note below								
		Name of the Policy	Weblinks								
		CSR and Sustainability Policy	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/CSR/CSR%20Policy.pdf								
		Fair Practice Code	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Fair_Practices_Code/Fair%20Practice%20Code.pdf								
		Code of Business Conduct and Ethics	https://pfcindia.com/ensite/Default/ViewFile/?id=1472556128687_Code%20of%20Conduct%2017042015.pdf&path=Page&Name=Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel								
		Anti-Fraud Policy	https://pfcindia.com/ensite/Default/ViewFile/?id=1471520577857_ANTI%20FRAUD%20POLICY%2005_11_2011.pdf&path=Page&Name=Anti%20Fraud%20Policy								
		Whistle-Blower Policy	https://pfcindia.com/ensite/Default/ViewFile/?id=1490188785276_WBP.pdf&path=Page								
		Policy on Related Party Transactions	https://pfcindia.com/ensite/Default/ViewFile/?id=1683559406964_POLICY%20ON%20MATERIALITY%20OF%20RPT13012023.pdf&path=Page								
		Policy on Material Subsidiary	https://pfcindia.com/ensite/Default/ViewFile/?id=1561552854274_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
	Dividend Distribution Policy	https://pfcindia.com/ensite/Default/ViewFile/?id=1546009180778_DividendDistribution.pdf&path=Page								
	Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for regulating, monitoring & reporting of trading in the securities of Power Finance Corporation Limited	https://pfcindia.com/ensite/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page								
	Policy for Determination of Materiality of Events	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Policy_for_Determination_of_Materiality_of_Events/Final%20Policy%20for%20Determination%20of%20Materiality%20of%20Events17052019.pdf								
2.	**Whether the entity has translated the policy into procedures. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Y	Y	-	Y	-	Y	Y	Y	Y
4.	**Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	PFC is an ISO 9001:2015 and ISO 45001: 2018 certified company.								
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	During the year 2023-24, a Materiality Assessment was done to identify our materials topics, following which our current performance and gaps were identified. We are currently in the process of identifying the commitments and targets to be set								
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	Once the targets are identified, processes and tasks will be developed to monitor the organization-wise performance. However, PFC has taken several initiatives in ESG, for more details please refer to the ESG Section in our latest Annual Report								
Governance, leadership and oversight										
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	Please refer to the Chairman & Managing Director's Message in the ESG Section of the Annual Report								
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Board of Directors								
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	At PFC, the Board is at the pinnacle of the governance structure. PFC's Board Committee on CSR & Sustainable Development guides the company's CSR and SD initiatives. The Committee advises the Board of Directors to pursue different CSR and SD initiatives.								

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									Quarterly/Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors									Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency

P1	P2	P3	P4	P5	P6	P7	P8	P9
All policies are evaluated internally at regular intervals.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

a) The entity does not consider the Principles material to its business (Yes/No)

b) The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)

c) The entity does not have the financial or/human and technical resources available for the task (Yes/No)

d) It is planned to be done in the next financial year (Yes/No)

e) Any other reason (please specify) -

SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	Familiarisation Programme for Independent Directors	14.2%
Key Managerial Personnel	1	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013	25%
Employees	5	1. Environmental, social, and governance (ESG) 2. YOGA 3. Health & Stress Management for Enhanced Productivity 4. Ethics & Governance 5. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 6. Conduct, Discipline & Appeal (CDA) Rules of PFC	46%
Workers	1	YOGA	19%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	NSE & BSE*	32,33,200	Penal actions prescribed for non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulation 76 of SEBI (Depositories & Participants) Regulation 2018, (Regulation 17(1)).	Yes
	2	RBI**	8,80,000	Non-compliance with certain provisions of the RBI's directions on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies	--
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NA	NA
Punishment	NIL	NIL	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
*On receipt of letter/e-mail from stock exchanges imposing fine on PFC, the Company requests the exchange to withdraw their letters (imposing fine) as PFC is a CPSE under the administrative control of MOP, Government of India and the Directors on the Board of PFC are appointed by President of India, through Ministry of Power, Government of India.	
**Under the aforesaid RBI Circular regarding Liquidity Risk Management Framework, the Company is required to maintain Liquidity Coverage Ratio w.e.f. 01.12.2020 in the form of High-Quality Liquid Assets (HQLA). The Company has included callable Fixed Deposit (FDs) with scheduled commercial Banks as part of HQLA. RBI has considered these deposits as ineligible assets as HQLA for the computation of LCR. Thus, RBI has imposed penalty on the grounds of deficiencies in regulatory compliance considering that prescribed Liquidity Ratio has not been maintained as on 31.03.2022	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

In order to guarantee fair dealing and transparency in lending operations, the Company has implemented the Fair Practices Code (FPC), which is based on RBI principles. PFC has a comprehensive Code of Business Conduct & Ethics for Board Members and Senior Management, an Anti-Fraud Policy to prevent and detect fraud, and Conduct, Discipline, and Appeal (CDA) Rules serve as a guide for all executives including the Board of Directors and Senior Management Personnel to ensure compliance with applicable anti-bribery laws, rules, and regulations. The Company has zero tolerance for any form of bribery or corruption and is committed to acting professionally, fairly, and with integrity in all of its business dealings.

The web links of the above-said policies are annexed herewith-

https://www.pfcindia.com/Default/ViewFile/?id=1472556128687_Code%20of%20Conduct%2017042015.pdf&path=Page&Name=Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel

https://pfcindia.com/ensite/Default/ViewFile/?id=1471520577857_ANTI%20FRAUD%20POLICY%2005_11_2011.pdf&path=Page&Name=Anti%20Fraud%20Policy

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	**Nil**	Nil
KMPs	**Nil**	Nil
Employees	**Nil**	Nil
Workers	**Nil**	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	**NIL**	**NA**	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	**NIL**	**NA**	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	**Not Applicable**	Not Applicable

Considering the nature of the business of the entity, the said ratio is not very significant as the cost of goods /services procured is negligible

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	**NA**	NA
	b. Number of trading houses where purchases are made from	**NA**	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	**NA**	NA
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	**NA**	NA
	b. Number of dealers / distributors to whom sales are made	**NA**	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	**NA**	NA
Shares of RPTs in	a. Purchases (Purchases with related parties/ total purchases)	**NA**	NA
	b. Sales (Sales to related parties/ total sales)	**NA**	NA
	c. Loans & advances (Loans & advances given to related parties / total loans and advances)	**0.05%**	0.05%
	d. Investments (Investments in related parties / total investments made)	**71.95%**	83.45%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Not Applicable	

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes. The company has a code of business conduct and ethics that covers a variety of topics, including how to handle conflicts of interest for board members and senior management. A clear procedure that allows Directors to abstain from conversations involving conflicts of interest has been established to resolve these conflicts. Directors have a responsibility to carry out their responsibilities in an honest way and the best interests of the company.

They must carry out their duties free from outside interference that can impair their capacity to make independent, unbiased decisions, which are essential for the Company's success. Furthermore, it is forbidden for Directors to misuse their positions to directly or indirectly benefit themselves at the expense of the Company. The Board of Directors and senior management submit an annual declaration confirming their adherence to the Code of Conduct. The BoDs are also required to submit the annual declaration confirming their participation in other companies.

The Policy is available at https://www.pfcindia.com/Home/VS/63

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe



ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	Current Financial Year FY 2023-24	Previous Financial Year FY 2022-23	Details of improvements in environmental and social impacts
R & D	Given the nature of the business, R&D and CAPEX are not applicable to the company.		
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Given the nature of the business, this is not applicable to the company. However, the Company follows the guidelines set forth by the Government of India (GoI) on procurement procedures and the reservations made for Micro, Small, and Medium-Sized Enterprises (MSMEs).

PFC aggressively encourages sourcing from MSME suppliers and the usage of the Government e-marketplace (GeM) platform for procurements. The company's defined Procurement Guidelines are followed in all material and service sourcing and procurement. PFC uses evaluation criteria that consider energy efficiency requirements when acquiring equipment, and star-rated items such as air conditioners, laptops, computers, and lighting fixtures are considered.

b. If yes, what percentage of inputs were sourced sustainably?

PFC has enforced obligatory procurement of common-use products and services through the GeM (Government e-Marketplace) site, giving preference to MSMEs and MII in accordance with government instructions.

The GeM site was used for 93.44 percent of all purchases of goods and services made in the fiscal year 2023–2024, with 69.82 percent of those purchases coming from MSMEs.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging): NA

(b) E-waste: NA

(c) Hazardous waste: NA

(d) other waste: NA

Note: PFC has few systems in place for waste disposal, recycling, and reuse because it is a financial organisation. Nonetheless, a 50-kilogram composting machine has been built, which turns moist debris into organic compost that may be planted on the property. PFC produces no hazardous waste and very little e-waste or plastic garbage. By corporate policies, registered recyclers are used to get rid of obsolete IT equipment. Furthermore, PFC has promoted alternatives including jute bags, cloth bags, and paper folders, greatly reducing the usage of plastic.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

NA

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name ofProduct/ Service	% of total Turnovercontributed	Boundary for which the Life Cycle Perspective / Assessment wasconducted	Whether conducted byindependent externalagency (Yes/No)	Results communicatedin public domain (Yes/No) If yes, providethe web-link.
			NA		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk/ concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-2023 Previous Financial Year
NA		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste (No. of IT Units safely disposed)*	-	-	-	-	-	-
Hazardous waste	NA					
Other waste						

* Note: PFC has disposed of the waste through an authorised E-waste vendor. During FY23-24, 106 units were disposed of the IT units and during FY 22-23, 215 IT Units were disposed of.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains



ESSENTIAL INDICATORS

1. a Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	414	414	100%	414	100%	NA	NA	414	100%	0	0
Female	115	115	100%	115	100%	115	100%	NA	NA	0	0
Total	**529**	**529**	**100%**	**529**	**100%**	**115**	**22%**	**414**	**78%**	**0**	**0**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(b) Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	14	14	100%	14	100%	NA	NA	14	100%	0	0
Female	2	2	100%	2	100%	2	100%	NA	NA	0	0
Total	**16**	**16**	**100%**	**16**	**100%**	**2**	**13%**	**14**	**88%**	**0**	**0**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023 -24 Current Financial Year	FY 2022 -23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	**0.001**	0.001

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100.00**	**100.00**	**Y**	100.00	100.00	Y
Gratuity	**100.00**	**100.00**	**Y**	100.00	100.00	Y
ESI	**0**	**0**	**NA**	0	0	NA
Others -	**100**	**100**	**Y**	100	100	Y
1. PRMS						
2. LEAVE ENCASHMENT						
3. NPS						

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Indeed, our offices have specifically built restrooms with grab rails, accessible doors, braille-aided elevators and elevated toilet seats to meet the unique requirements of people with disabilities. The office entry to the building includes additional amenities like rails, ramps, and specially built physical barriers in addition to restrooms.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

PFC adamantly rejects discrimination of any kind and guarantees equal opportunity for people with disabilities by prescribed norms. We uphold the value of diversity and maintain a discrimination-free environment. No differentiation or prejudice based on characteristics such as race, gender, religion, disability, age, sexual orientation, gender identity, gender expression, caring responsibilities, marital or civil partnership status, or any other protected class as defined by applicable laws is tolerated. Moreover, the company firmly believes in fostering an inclusive work culture and providing equal opportunities to all its employees. By the Equal Remuneration Act of 1976, men and women employees get equal compensation. The official equal opportunity policy is now being developed and, if approved, will be posted on the corporate website.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	**100%**	**100%**	**-**	**-**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes. The Company has a dedicated policy for handling grievances. The policy is available to employees on the Company intranet. It provides a 3-tier system which allows all permanent employees to escalate their grievances at multiple levels. At Stage - I, Grievances are resolved within a week. If grievances are not satisfactorily redressed, the grievance is resolved within 10 days of written representation in Stage II. If not satisfied with the outcome at Stage II, the aggrieved employee may appeal to a higher level. Decision is taken at Stage III within 1 month from the date of receipt of written representation. Additionally, there is a Whistle-blower Initiative (WI) that provides a formal platform to share grievances on various matters. Employees are informed about the details of the grievance mechanism and WI through a specific module, and new recruits are sensitized to the WI mechanism as part of their induction program. The company has a policy on the prevention, prohibition, and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The ICC Members list is published on the Company's Notice Board of PFC. The company regularly sensitizes its employees on the prevention of sexual harassment at the workplace through training and awareness programs held regularly.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	**529**	**529**	**100%**	**519**	**519**	**100%**
Male	414	414	100%	393	393	100%
Female	115	115	100%	107	107	100%
Total Permanent Workers	**16**	**16**	**100%**	**19**	**19**	**100%**
Male	14	14	100%	17	17	100%
Female	2	2	100%	2	2	100%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B /A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F/D)
Employees										
Male	414	77	19%	260	63%	393	66	17%	259	66%
Female	115	26	23%	71	62%	107	20	19%	92	86%
Total	**529**	**104**	**20%**	**331**	**63%**	**500**	**86**	**17%**	**351**	**70%**
Workers										
Male	14	4	24%	8	57%	17	7	41%	7	41%
Female	2	1	50%	2	100%	2	1	50%	1	50%
Total	**16**	**5**	**26%**	**10**	**63%**	**19**	**8**	**42%**	**8**	**42%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	414	414	100.00%	393	393	100.00%
Female	115	115	100.00%	107	107	100.00%
Total	**529**	**529**	**100.00%**	**500**	**500**	**100.00%**
Workers						
Male	14	14	100%	17	17	100%
Female	2	2	100%	2	2	100%
Total	**16**	**16**	**100%**	**19**	**19**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

PFC has taken several initiatives to ensure the physical & mental health and well-being of its employees are maintained:

Health and Safety includes the following:

Training Conducted in FY 2023-24:

1. Workshop on Health & Stress Management for Enhanced Productivity
2. Awareness Workshop on Yoga
3. Workshop for building a team of Internal Quality Auditors as per ISO 9001:2015 & ISO 45001:2018
4. Workshop on ISO 45001:2018 - Occupational Health & Safety standards

Apart from the above, during FY 2023-24, a total of 8 medical camps were organized for employees at the PFC Corporate Office, PFCCL and Regional offices in Mumbai & Chennai. A daily virtual Yoga session is also being organized for all employees & workers. To support the health and well-being of all, the Corporation has a dedicated doctor's room at the Corporate office. Doctors specializing in fields such as Allopathic, Ayurvedic, Gynaecology, Homeopathy, and Naturopathy are available during working hours as per the notified schedule. Additionally, a Wellness Centre has been established at our Corporate office to cater to emergency health situations and first aid for employees in nursing facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

PFC has a well-defined process in place to identify the health risks and hazards with the following Measures undertaken by the company to ensure a safe and healthy workplace

- Fire Training is conducted every year
- Evacuation drill is conducted every year
- Fire safety advisories are released
- Fire safety signage is provided at different points
- E-surveillance and alert monitoring is performed
- Fire and burglar alarms for fire detection with fire and smoke sensors. Fire extinguishers for firefighting

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

PFC has a designated Security Officer who addresses the issues related to security, sensors, fire alarms etc

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. PFC covers all employees and workforce under the company's Group Personal Accidental Insurance Scheme (GPAIS). The workforce has access to medical healthcare services with medical rooms at PFC. Several Physical & Mental Wellbeing Sessions are conducted to promote wellness at work and off the job.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2023-2024	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Please refer to the answer in response to question 10 a.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil			Nil		
Health & Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	NA
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

NA

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We carry out routine audits to make sure value chain participants have deposited and withheld required dues (vendors)

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL			
Workers				

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Being a CPSE, the company complies with DPE employment standards when it comes to retirement or job termination. In addition, the company offers its retired employees welfare benefits including post-retirement medical coverage.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   PFC is aware that a variety of stakeholders are impacted by its operations, including consumers, authorities, competitors, business partners, and communities. The organisation thinks that building and sustaining solid, long-lasting relationships with these stakeholders requires open communication and genuine interaction. PFC learns about the direct and indirect effects of its operations on the social, environmental, and economic spheres by interacting with a variety of stakeholders. Stakeholder input, direction, and criticism allow PFC to function as a conscientious corporate citizen.

   The organisation evaluates corporate plans and operations, identifies material challenges, and assesses services, and solutions through targeted, proactive interactions with different stakeholder groups. This strategy has a favourable impact on the external and internal surroundings while reducing the risk to one's reputation. The company's external and internal stakeholders have been mapped. Employees and staff of the company are considered internal stakeholders. External stakeholders include government bodies and regulatory authorities such as State Government(s), Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges, equity shareholders, bondholders, creditors, bankers, borrowers, and customers from the public and private sectors. PFC actively interacts with these stakeholders all year round using a variety of techniques.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Please refer to our FY 23-24 Annual Report's Stakeholder Engagement section under the ESG part.				

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Please refer to our FY 23-24 Annual Report's Stakeholder Engagement section under the ESG part.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Please refer to our FY 23-24 Annual Report's Stakeholder Engagement section under the ESG part.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Please refer to the CSR Report in the Annual report FY23-24.

PRINCIPLE 5 Businesses should respect and promote human rights



ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format: Training / Awareness program on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 is considered under human rights issues training

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	529	147	28%	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	**529**	**147**	**28%**	**-**	**-**	**-**
Workers						
Permanent	16	0	0	-	-	-
Other than permanent	-	0	0	-	-	-
Total Workers	**16**	**0**	**0**	**-**	**-**	**-**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24				FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than minimum Wage	Total (D)	Equal to Minimum Wage		More than minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees									
Permanent	All permanent employees are being remunerated in accordance with the guidelines of DPE, which are higher than minimum wages.								
Male									
Female									
Other than permanent									
Male									
Female									
Workers									
Permanent	All permanent workers are being remunerated in accordance with the guidelines of DPE, which are higher than minimum wages.								
Male									
Female									
Other than permanent									
Male									
Female									

3. Details of remuneration/ salary/ wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	10388650	1	10183350
Key Managerial Personnel	2	5856965		
Employees other than BoD and KMP	417	3362044	115	3177291
Workers	17	2365527	2	2126881

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	**19.19%**	18.88%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, employees are free to voice their concerns or grievances to Senior Management or the human resources department without worrying about facing consequences or retribution. The POSH Policy and the Whistle-Blower Policy both address PFC's stated policy for defending the human rights of its workers, stakeholders, and employees. PFC has established POSH committees, also known as Internal Compliance Committees.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Human rights are seen as essential and basic principles, and the Company takes great pride in defending and preserving them. In addition to promoting and defending human rights, we work to make sure that all business and employment operations are carried out fairly and morally. We routinely assess the status of the resolution of grievances or complaints from our staff, vendors, or clients in order to uphold accountability and openness. In order to properly address matters pertaining to human rights, we have established committees and policies. Any kind of abuse—verbal, psychological, sexual, or physical—is not tolerated by the company.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	**0**	**0**	**NA**	0	0	NA
Discrimination at workplace	**0**	**0**	**NA**	0	0	NA
Child Labour	**0**	**0**	**NA**	0	0	NA
Forced Labour/Involuntary Labour	**0**	**0**	**NA**	0	0	NA
Wages	**0**	**0**	**NA**	0	0	NA
Other Human rights related issues	**0**	**0**	**NA**	0	0	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	**0**	0
Complaints on POSH as a % of female employees / workers	**0**	0
Complaints on POSH upheld	**0**	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The company has an Internal Committee that takes all reasonable measures to ensure that any person who has lodged a complaint under or given evidence or other assistance as part of an Inquiry, in good faith, is protected and not subjected to any Retaliatory Conduct. Employees are provided with multiple channels to address a wide range of concerns, including issues related to discrimination and human rights violations. The company has an open-door policy, allowing employees to escalate their concerns to management/POSH IC.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

We periodically assess the aforementioned human rights requirements and, if required, include them in our contracts and agreements.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There hasn't been a need to take corrective action towards addressing health and safety as no such incidents have been present.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

The company didn't face any situation to modify the business process.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The company upholds the principle of Human Rights in all its dealings.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Indeed, our offices have specifically built restrooms with grab rails, braille-aided elevators accessible doors, and elevated toilet seats to meet the unique requirements of people with disabilities. The office entry to the building includes additional amenities like rails, ramps, and specially built physical barriers in addition to restrooms.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment



ESSENTIAL INDICATORS

1. Details of total energy consumption (in GJ) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	**6,387.23**	6,028.1
Total fuel consumption (E)	**10.8**	25
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**6,398.03**	6,053.1
Total energy consumed (A+B+C+D+E+F)	**6,398.03**	6,053.1
Energy intensity per rupee of turnover (Total energy consumed/turnover in Cr.)	**0.13**	0.20
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	**Not Applicable**	Not Applicable
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency?
Yes, M/s Mehta & Mehta

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	**23,684**	26,639
(iii) Third party water (tanker)	-	-
(iv) Seawater / desalinated water	-	-
(v) Water from municipal corporation	**2,647.49**	3,229.7
(vi) Others- Water Bottles	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**26,331.5**	29,868.7
Total volume of water consumption (in kilolitres)	**26,331.5**	29,868.7
Water intensity per rupee of turnover (Total water consumption / turnover in Cr)	**0.5**	0.8
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	**Not Applicable**	Not Applicable
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency?
Yes, M/s Mehta & Mehta

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties (Municipal Sewers)	-	-
No treatment	1,608	2,232
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**1,608**	**2,232**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
Yes, M/s Mehta & Mehta

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable. Being a provider of financial services, the company only uses water for human consumption. Not applicable. Being a provider of financial services, the company only uses water for human consumption.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx		The company is in the financial sector and hence this has limited applicability to PFC.	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency-
No Yes, M/s Mehta & Mehta

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	TCO_2e	**0.8**	1.9
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	TCO_2e	**1,268.57**	1,197.2
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions /turnover in Cr)	$MTCO_2e$/Per rupee of turnover	**0.02**	0.03
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		**Not Applicable**	Not Applicable
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
Yes, M/s Mehta & Mehta

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Since the company is a financial institution, the greenhouse gas emissions are negligible. Nonetheless, the business has taken several steps to lessen its indirect footprint because it is a conscientious entity dedicated to sustainability. By adopting green energy measures, PFC has shown that it is committed to environmental sustainability. The firm has also put in place a number of energy-saving strategies, such as using star-rated, energy-efficient equipment, which have drastically reduced power usage and, as a result, Scope 2 emissions. The corporation has implemented measures to enhance environmental consciousness and bolster the Government of India's "Green Initiatives." These include electronically informing shareholders via audited financial statements, notifications, and circulars. Additionally, the company has implemented an e-office file management system to make PFC a paperless organization.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	
E-waste (B)	-	
Bio-medical waste (C)	-	
Construction and demolition waste (D)	-	
Battery waste (E)	-	
Radioactive waste (F)	-	
Other Hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil). Please specify, if any. (G)	-	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	
Total (A+B + C + D + E + F + G + H)	-	
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Not Applicable	Not Applicable
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Not Applicable	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
Yes, M/s Mehta & Mehta

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Please refer to the ESG Section in our latest Annual Report.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
1	Not Applicable		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Not Applicable			

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Not Applicable

(ii) Nature of operations: Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format: Not Applicable

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others	Not Applicable	
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
---No treatment	Not Applicable	
---With treatment – please specify level of treatment		

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(ii) Into Groundwater	Not Applicable	
---No treatment		
---With treatment – please specify level of treatment		
(iii) Into Seawater		
---No treatment		
---With treatment – please specify level of treatment		
(iv) Sent to third-parties		
---No treatment		
---With treatment – please specify level of treatment		
(v) Others		
---No treatment		
---With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
Yes, M/s Mehta & Mehta

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	Currently, the company is in the process of assessing the methodology to measure the Scope 3 emissions. Once the systems are in place, PFC will report the Scope 3 emission data.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
Yes, M/s Mehta & Mehta

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
PFC is continuously poised to utilise Information Technology to enable its employees to cater to business functions efficiently. Implementation of collaboration tools for online meetings, e-Office solutions for efficient file processing, paperless digital board meetings and paperless employee claims are a few of the areas to mention as part of PFC's initiative to improve organisational efficiency with the use of technology and at the same time to contribute for an environment-friendly society.			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

To guarantee that IT operations and services are always available to its users during disruptions, PFC keeps up a business continuity and catastrophe management strategy. The organisation takes a proactive posture to protect operations, making sure that business operations go on as usual even in trying situations. Access to business applications and IT services will shift to the Disaster Recovery (DR) Site, which is housed on a private cloud infrastructure at the Mumbai Data Center and is managed by a cloud service provider accredited by MEITy, in the case of a disaster. Business Continuity Plan (BCP) is an internal document and is not available in the public domain.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations. (As below)

The Company holds membership in ten trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
1	Central Board of Irrigation & Power	National
2	SCOPE	National
3	World Energy Council	International
4	Confederation of Indian Industry	National
5	Institute of Internal Auditors	National
6	Power HR Forum	National
7	Institute of Public Enterprise	National
8	ICSI	National
9	CIGRE	International
10	India Habitat Centre	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available

To encourage and enable PFC to make use of this dynamic medium of interaction, a Framework and Guidelines for use of the Social Media have been formulated and duly approved by the Board. These guidelines would enable PFC to create and implement its strategy for the use of social media. The Framework and Guidelines in this document have been formulated to help PFC to make use of social media platforms to engage more meaningfully with its various stakeholders. Social media's characteristics of connectedness, collaboration and community have the potential of ensuring broad-based consultation and will help PFC reduce the gap while receiving immediate feedback on services delivered.

PFC facilitated a Shram daan/Cleanliness Drive at Shram Shakti Bhawan building and its surroundings during the observance of the Swachhta Pakhwada 2023. Similarly, on the occasion of World Environment Day 2023, PFC organised a plantation drive to administer a pledge to employees emphasising its commitment towards promoting environmental conservation under the Mission LiFE initiative.

PFC cultivated and leveraged sponsor relationships to access new opportunities, projects, and roles on various occasions. PFC has recently sanctioned financial assistance in the form of sponsorships to academic, cultural and sporting events such as its recent sponsorship Support towards the Confederation of Indian Industry's International Conference on Green Hydrogen 2023. The conference aimed to highlight the key applications, emerging landscape and opportunities, key technologies and prospects for manufacturing, cost economics etc. PFC also supported IIT Roorkee's "International Conference on Future of Water Resources. Today, there is an urgent need for policy action on water to shape a sustainable financial system. This was

because of academic development opportunities, strategic event planning, brand building and wide publicity benefits PFC had garnered across the delegates, officials and dignitaries.

Besides this, India showcased its innovative technologies and power generation practices, at the 26th World Energy Congress, which was held in Rotterdam, Netherlands. The India Pavilion at the Congress aimed to be a hub for showcasing innovative technologies and power generation practices, reinforcing India's commitment to environmental conservation on the global stage. Central Public Sector Enterprises under the Ministry of Power, Ministry of New & Renewable Energy, Ministry of Coal and Ministry of Petroleum & Natural Gas including PFC had participated in the India Pavilion, giving a collective testimony to India's leadership in global energy transition. Themed 'Redesigning Energy for People and Planet', the four-day gathering marked the World Energy Council's centenary in world energy.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development



ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Mass Awareness Campaign on COVID-related Social Behavior Norms in Aspirational districts identified by NITI Aayog	GEM/2023/B/4398818	27.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Installation of RO Units in Government /Government Aided Schools of Ferozepur District, Punjab	GEM/2023/B/4399334	27.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Providing services of Automatized Sweeping Collection & Transportation of Municipal Solid Waste (MSW) in Fourteen wards of Varanasi Municipal Area	GEM/2023/B/4408884	29.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Skill development training for 2500 nos. of unemployed youth belonging to SC/ST/OBC/PwD/ Women/EWS of society through CIPET- Phase-II	GEM/2023/B/4400395	27.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Up-gradation of Various Government Schools in Khammam District, Telangana	GEM/2023/B/4401889	27.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Construction of School Building in KB Hedgewar School, Tiswadi, Goa	GEM/2023/B/4400562	27.12.2023	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45
Project for upgradation of School of Government Schools in Siddharthnagar District, Uttar Pradesh	GEM/2024/B/4418129	01.01.2024	Yes	Yes	https://pfcindia.com/ensite/Home/VS/45

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
1				NA		

3. Describe the mechanisms to receive and redress grievances of the community.

Given the nature of our business, this has limited applicability. Nonetheless, we understand that we have a duty to address a range of societal challenges. In keeping with this, we carry out our Corporate Social Responsibility (CSR) via a number of NGOs and implementation partners. These partners collaborate closely with our committed CSR team to conduct different initiatives on the ground, engage with project beneficiaries and solicit their input, among other things.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	**69.82%**	66.09%
Directly sourced within India	**100%**	100%

Given that PFC is in the financial services, the procurement of goods and services mentioned in the report are only for operational/Administrative purposes.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	**NIL**	NIL
Semi-urban	**NIL**	NIL
Urban	**NIL**	NIL
Metropolitan	**100%**	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational district	Amount spent (in ₹)
1	Arunachal Pradesh	Lohit, Nimsai	3.93
2	Andhra Pradesh	Vizianagram	1.01
3	Uttar Pradesh	Sonbhadra	1.06
4	Uttar Pradesh	Siddarthnagar	1.01
5	West Bengal	Dakshin Dinajpur	2.59

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 has been notified by the Indian government in order to facilitate the marketing of goods and services produced and provided by MSEs. For the benefit of Micro & Small Enterprises (MSEs), the annual procurement plan that includes the products to be purchased from MSEs is placed on the PFC website by the policy.

(b) From which marginalized /vulnerable groups do you procure?

PFC is required by law to obtain at least 25% of its total procurement from Micro, Small, and Medium-Sized Businesses (MSEs). Furthermore, at least 4% of the aforementioned 25% must come only from MSEs owned by SC/ST entrepreneurs, and at least 3% must come exclusively from MSEs owned by women entrepreneurs.

(c) What percentage of total procurement (by value) does it constitute?

93.44 per cent of all purchases of products and services made in the fiscal year 2023–2024 were made through the GeM site, with 69.82 per cent coming from MSMEs. 309 MSEs received benefits throughout the year, 19 of which were owned by women and 48 of which were under the SC/ST category.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1	Not Applicable			
2				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	Project Title	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalised groups
1	Project for construction of State of Art Building for Interdisciplinary Centre for Energy Research (ICER), IISc Bengaluru, Karnataka	300	30
2	Project for development works in 35 villages of Bundi District, Rajasthan	14,000	30
3	Procurement and Installation of Sewer utility Vehicle with Jetting machine (01 no.) and Mobile toilets (05 nos.) for Daman Municipal Council, Daman (UT) to ensure proper sanitation and also for prevention of adverse health effects	44,282	50
4	Project for supply, installation and commissioning of 500 nos. of Solar based LED Street Lighting System (SLS) in various villages of Sonbhadra Region, Uttar Pradesh	50,000	30
5	Project for Installation and Commissioning of Sewage Treatment Plant (STP) in SGGS Vidya Kender, Delhi	250	75
6	Expansion of student residential facilities and other development works at Swami Vedanand Ved Vidyalaya in Kuteti, Uttrakashi under CSR activity	50 students each year	50
7	Rectification of toilets constructed by PFC in FY 2014-15 under Swachh Bharat Swachh Vidyalaya Abhiyanin the State of Andhra Pradesh	Students of 613 schools	30
8	Rectification of toilets constructed by PFC in FY 2014-15 under Swachh Bharat Swachh Vidyalaya Abhiyanin the State of Rajasthan	Students of 494 schools	30
9	Supply, Installation and Commissioning of 02 nos. of Solar Power Plants (SPV) in 2 Govt. Schools and 1160 nos. Solar Street Lighting System(SLS) in villages of Lohit and Namsai district of Arunachal Pradesh	20,000	100
10	Project for Procurement and installation of Medical Equipment for Swami Vivekananda Blood Centre, Coimbatore, Tamilnadu	20,000	30
11	Project for development of public garden with energy efficient technology in Sambhajinagar, Maharastra	6,30,000	30
12	Project for supply installation and Commissioning of 200 nos. LED High Mast Lighting systems in various villages of Muzzafarnagr, Uttar Pradesh	5,00,000	50
13	Project for procuremnet of ambulance for Seva Bharthi Chevayur, Kozhikode, Kerela	1,200	30
14	Project for Supply, Instlation and Commissioning of 500 Nos. LED Street Lightening system in various villages of Siddarthnagar, District, Uttar Pradesh	50,000	50
15	Project for construction of Common Facility Centre(CFC) building, for installation of cotton processing machinery, jointly funded by Central, State Government and Ekvira Cotton to Fabric Association (SPV) in Dhule District, Maharashtra	25,000	75
16	'Project for installation of 32 RO Water Treatment Plants in 32 Villages of Ongole, Prakasam District, Andhra Pradesh	16,000	50
17	Project for supply and installation of 20 nos. of Solar Photovoltaic (PV) powered pumping Structures pump with 5 HP capacity of motor and water tank for irrigation in Purba and Paschim Medinipur Districts of West Bengal	2,000	100
18	Project of Infrastructure development works in the Bhojpur District, Bihar:-		
	a) Construction of Boundary wall in Government Hospital, Piro Block	500	NA
	b) Re-Development and Beautification of Padaw Maidan in Piro Block	2,00,000	30
	c) Construction of Gateway to the Fort of Historical importance of Freedom Fighter Veer Kunwar Singh in Jagdishpur block	NA	NA
	d) Construction of Bus-stand near Naya Tola Morin Jagdishpur Block	1,82,500	30
19	Proposal for undertaking CSR Project of Organising Medical Camps for the 37th National Games, Goa	10,000	NA
20	Proposal for supply, installation and commissioning of 30 KW capacity of off Grid SPV Power Plant in 3 nos. Sub-divisional Health Centre in Jhanjharpur Parliamentary Constituency, Bihar	1,00,000	50
21	Project for supply, installation and commissioning of 150 nos. of Solar based LED Street Lighting Systems in Arrah, Bihar	20,000	50
22	Proposal for Procurement of Ultrathin Sanitary Napkins Manufacturing unit, Tehsil: Soraon, Prayagraj, Phulpur Constituency (U.P)	50,000 Each Year	50
23	Project for Fisheries community development in Machlipatnam, Andhra Pradesh	20,000	50
24	Procurement of Hockey Sports Material / Equipment for Sarawathi Vidya Mandiram School	503	30
25	CSR Project of Developmental works in 28 villages of Bihiya block in the Bhojpur District, Bihar under the 'Bhojpur Village Development Programme', Bihar	40,000	30

Sl. No.	Project Title	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalised groups
26	Project for supply, installation and commissioning of cumulative 100 kWp Grid Connected Solar Power Plant at Taluk Head Quarters Hospital, Vaikom, Kottayam District, Kerala	23,000	30
27	Project for supply, installation and commissioning of 500 nos. of Solar based LED Street Lighting Systems in various strategic locations, Vijinagram, Andhra Pradesh	50,000	50
28	Construction of Boys Hostel Block and Entrance Gate for "Netaji Subhas Chandra Bose Military Academy" complex in Silvassa, UT of Daman & Diu	550	10
29	Project for Supply, installation and commissioning of 750 nos. of Solar based LED Street Lighting System (SLS) in various strategic locations of Amethi Parliamentary Constituency , Uttar Pradesh	75,000	50
30	Project for Supply, Installation and Commissioning of 500 nos. SPV LED Street Lighting Systems at Various blocks of Akbarpur Parliamentary Constituency , Kanpur, Uttar Pradesh	50,000	50
31	Project for upgradation of Healthcare Services in Campus Hospital and Kitchen utensils for Dinning Hall in Netaji Subhas Chandra Bose Military Academy, Daman	700	10
32	Project for supply, installation and commissioning of 63 nos. of Solar based LED High-Mast Street Lighting Systems in various villages of Azamgarh Parliamentary Constituency, Uttar Pradesh	50,000	50
33	Project for undertaking CSR Project for Procurement of Medical equipment's in Goa Medical College & Hospital, Bambolin	8,10,000	30
34	Project for Construction of Community Training & Health Care Centre (G+3) at Eternal University, The Kalgidhar Trust, Baru Sahib, Sirmaur District, Himachal Pradesh	120 students each year	10
35	Project for strengthening Healthcare Delivery through Equipment Upgradation in various Government Hospitals of Satna District, Madhya Pradesh	1,00,000	30
36	Proposal for setting up of research undergraduate Anatomy laboratory in the department of Medical Sciences and Technology in IIT, Madras	1,000 Each year	30
37	Project for providing medical equipment's for upgradation of Healthcare Services in Family Health Centre's of Pallickathodu and Mutholy Gram panchayat, Kerala	35,000	30
38	Project for Construction of Dining Hall along with other infrastructural facilities for Mid-Day Meal Beneficiaries in premises of Manipal Pre-University College, Udupi, Karnataka	330	30
39	Project for setting up of Artificial Intelligence (AI) Labs-IOT Labs in 11 nos. of Govt. Higher Secondary (10+2) Schools, and 02 nos. of Govt. Polytechnic Colleges in Balurghat Block of District Dakshin Dinajpur of West Bengal	3,000 Students each Year	50
40	Contribution to Swachh Bharat Kosh	NA	NA

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner



ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

In order to reassure all of its borrowers of the company's dedication to fair dealing and transparency in its business dealings, PFC adheres to the Fair Practices Code (FPC) for its lending operations based on RBI principles. The Board of Directors checks that the Fair Practices Code is being followed on a regular basis. Regarding the Fair Practices Code, no complaints were filed during the fiscal year 2023–2024.

The Fair Practices Code may be accessed at https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Fair_Practices_Code/Fair%20Practice%20Code.pdf

Additionally, PFC has a system in place wherein customer feedback forms, covering topics such as the appropriateness of PFC goods and services, the time required for loan approval and execution, and the settlement of customer concerns, are sent to our borrowers and lenders regularly. After analysing and reviewing the input, any appropriate remedial action is implemented as needed.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Given the nature of the business, this is not applicable to the Company
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	-	NIL	NIL	-
Advertising	NIL	NIL	-	NIL	NIL	-
Cyber-security	NIL	NIL	-	NIL	NIL	-
Delivery of Products	NIL	NIL	-	NIL	NIL	-
Quality of Products	NIL	NIL	-	NIL	NIL	-
Restrictive Trade Practices	NIL	NIL	-	NIL	NIL	-
Unfair Trade Practices	NIL	NIL	-	NIL	NIL	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

PFC does indeed have a structure and policy for cyber security. To protect its IT assets, PFC has created a thorough cyber security framework and made significant efforts to strengthen the cyber security procedures. PFC has implemented Anti-APT Devices, Next Generation Firewall, and IPv6 for increased cybersecurity posture and also inducted Managed Detection & Response Services for proactive cyber security protection.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such instance has occurred during the reporting period.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

NIL

b. Percentage of data breaches involving personally identifiable information of customers

NIL

c. Impact, if any, of the data breaches

NA

LEADERSHIP INDICATORS

1. Channels / Platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information pertaining to our products and services is available on the corporate web page- https://pfcindia.com/ensite In addition, we also use various digital and social media platforms for disseminating information related to our products and services

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Continuous and contextual communication across the customer lifecycle through - press releases, regular customer engagements, company website, social media campaigns, use of video content, awareness campaigns, feature-based audio-visual content for ease of understanding, etc. have helped us to educate and create awareness amongst our customers and society at large.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

PFC does indeed have a well-defined disaster management and recovery plan in place. The policy outlines the steps and protocols to guarantee that, in the case of disruptions or emergencies, users may always access IT operations and services. Located in a distinct seismic zone, the Disaster Recovery facility has been carefully activated (Mumbai). In the event of a disaster or cyber security crisis, PFC will be able to carry on with business as usual.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Being an NBFC that provides financial products, the company makes sure that its customers are provided with sufficient disclosures through loan agreements, documentation, and their corporate website.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN BRSR OF POWER FINANCE CORPORATION LIMITED

To the Board of Directors of Power Finance Corporation Limited,

We have undertaken to perform a reasonable assurance engagement for Power Finance Corporation dated [date] concerning the agreed Sustainability Information listed below (the "Identified Sustainability Information") by the criteria stated below. This sustainability information is included in the company's BRSR for the year ending March 2024.

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31st March 2024 is summarised below:

Identified Sustainability Information Subject to assurance	Period Subject to assurance	Level of Assurance	Reporting criteria
BRSR Core (Refer to Appendix A)	From 1st April, 2023 to 31st March, 2024	Reasonable assurance	• Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) • Guidance note for BRSR format issued by SEBI • Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard) (Revised)

Our reasonable assurance engagement was with respect to the year ended March 2024 information only unless otherwise stated. We have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers, and environmental and social professionals.

For the purposes of the remainder of our assurance report:

- 'Information subject to Reasonable Assurance' refers to the Identified Sustainability Information identified above that was subject to reasonable assurance.
- 'Assured Sustainability Information' refers to all Identified Sustainability Information subject to assurance (reasonable assurance); and
- 'Applicable Criteria' refers to the reporting criteria relevant to the information subject to assurance as identified above.

Criteria: The criteria used by the company to prepare the Identified Sustainability Information is summarized in **ANNEXURE 1**:

Intended use or purpose

The ISI and our reasonable assurance report are intended for users who have reasonable knowledge of the BRSR attributes, the reporting criteria and ISI and who have read the information in the ISI with reasonable diligence and understand that the ISI is prepared and assured at appropriate levels of materiality.

Responsibilities for the Assured Sustainability Information

The management of the Company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Assured Sustainability Information and appropriately referring to or describing the criteria; and
- preparing the Assured Sustainability Information in accordance with the Applicable Criteria.

Those charged with governance are responsible for overseeing the reporting process for the Company's Assured Sustainability Information.

Exclusions

Our assurance scope excludes the following, and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the "Scope of Assurance".
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Any other information included in the Company's Annual Report that is not covered under our reasonable assurance on BRSR Core attributes conclusion on the select BRSR attributes.

Inherent Limitations

The preparation of the BRSR information requires the management to establish or interpret the criteria, make determinations about the relevancy of the information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR metrics, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example, GHG emissions, water footprint, and energy footprint. Obtaining sufficient appropriate evidence to support our opinion/conclusion does not reduce the uncertainty in the amount and metrics.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information," issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information, whether due to fraud or error and responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures, and agreeing or reconciling with underlying records.

Summary of the work we performed as the basis for our opinion/ conclusion

We exercised professional judgement and maintained professional and scepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

Reasonable Assurance Opinion

In our opinion, the Power Finance Corporation Limited Identified Sustainability Information in the Business Responsibility and Sustainability Reporting for the period 1st April, 2023 to 31st March, 2024, subject to reasonable assurance is prepared, in all material respects, in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards) (Revised).

The nature, timing, and extent of the procedures selected depended on our judgement, including an assessment of the risks of material misstatement of the information subject to reasonable assurance, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the information subject to reasonable assurance and the engagement circumstances. We also obtained an understanding of the internal control relevant to the information subject to reasonable assurance in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, we:

- Assessed the suitability of the criteria used by the entity in preparing the reasonable assurance information;
- Evaluated the appropriateness of reporting policies, quantification methods and models used in the preparation of the information subject to reasonable assurance and the reasonableness of estimates made by the entity; and
- Evaluated the overall presentation of the information subject to reasonable assurance.
- Made inquiries of relevant staff at the corporate office responsible for the preparation of the information subject to reasonable assurance applied analytical procedures, as appropriate

For certain data, we have relied on the BRSR Report provided by the Company. This opinion is formed on the basis of our assessment of the criteria, policies, methods, and models used by the entity, as well as our evaluation of the overall presentation and our reliance on external information where applicable.

Restriction on Use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Power Finance Corporation Limited at the request of the company solely to assist the company in reporting on the company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

Report on Other Legal and Regulatory Requirements

As an assurance provider, we have conducted our engagement in accordance with the applicable legal and regulatory requirements relevant to Business Responsibility and Sustainability Reporting (BRSR) as mandated by SEBI and the Companies Act, 2013. Our procedures included verifying compliance with pertinent environmental regulations, social governance standards, and specific disclosure requirements outlined in the BRSR framework. For example, we ensured that the company's adherence to the Environmental Protection Act, 1986, and its waste management and emissions protocols were properly implemented and documented. Additionally, we reviewed the implementation of policies consistent with the Occupational Safety, Health, and Working Conditions Code, 2020, to ensure employee health and safety standards are maintained. Our assurance engagement underscores our commitment to providing a reliable and comprehensive evaluation of the company's adherence to these legal and regulatory requirements.

For Mehta & Mehta
Company Secretaries

Sd/-
CS Nayan Handa
Partner
FCS No. 11993
CP No.: 18686
UDIN: F011993F000833836

Place of Signature: New Delhi
Date: July 26, 2024

ANNEXURE 1

The criteria used by the company to prepare the Identified Sustainability Information is summarized below:

Attribute	Parameter	Measurement
Greenhouse gas (GHG) footprint	Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	GHG (CO_2e) Emission in MT Direct emissions from an organization's owned- or controlled sources
	Total Scope 2 emissions (Break-up of the GHG (CO_2e) into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	GHG (CO_2e) Emission in MT Indirect emissions from the generation of energy that is purchased from a utility provider
	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue
Water footprint	Total water consumption	Kiloliter
	Water consumption intensity	Kiloliter
	Water Discharge by destination and levels of Treatment	Kiloliter
Energy footprint	Total energy consumed	In Joules or multiples
	% of energy consumed from renewable sources	In % terms
	Energy intensity	Per Rupee of turnover
Embracing circularity - details related to waste management by the entity	Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Radioactive waste (F) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated (A+B + C + D + E + F + G + H) Waste intensity Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method	Not Applicable
Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms
	Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked) No. of fatalities
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms
	Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported Complaints on POSH as a % of female employees/workers Complaints on POSH upheld
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases Directly sourced from MSMEs/ small producers and from within India	In % terms – As % of total purchases by value
	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	In % terms – As % of total wage cost
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms
	Number of days of accounts payable	(Accounts payable *365) / Cost of goods/ services procured

Attribute	Parameter	Measurement
Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties	Purchases from trading houses as % of total purchases Number of trading houses where purchases are made from Purchases from top 10 trading houses as % of total purchases from trading houses Sales to dealers / distributors as % of total sales Number of dealers / distributors to whom sales are made Sales to top 10 dealers / distributors as % of total sales to dealers / distributors
	Loans and advances & investments with related parties	Share of RPTs (as respective %age) in - • Purchases • Sales • Loans & advances • Investments

(Include the criteria used for preparing the Sustainability Information)

ESG Report

Contents

- Message from PFC's Chairman & Managing Director
- Approach towards Stakeholder Engagement & Materiality Assessment
- Pillar I – Preserving the Planet
- Pillar II – Promoting the Pathway towards Inclusive Society
- Pillar III – Pursuing Prudence



Introduction

As we move forward on our ESG journey, we present our first ESG report. This report, prepared by PFC's ESG team with support from USAID, highlights our initiatives across environmental, social and governance indicators and outlines our endeavours to contribute to India's sustainability and climate change goals. It captures PFC's commitment to sustainability in our operations and underscores PFC's key role in shaping the energy transition landscape in India while also supporting the nation's energy security aspirations

ESG Team



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Deepa Jain
Assistant Manager, ESG
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Message from PFC's Chairman & Managing Director

PFC is committed to embracing ESG and sustainability principles as we continue to reach new heights

~ Parminder Chopra, CMD



The power sector is of paramount importance in India, serving as a foundation for economic growth. Access to electricity is considered fundamental for improving living standards, supporting essential services, and fostering overall development. As India's economy experiences rapid growth, our demand for power will also continue to rise. To meet this increasing demand, capacity additions need to ramp up and with increasing concerns around climate change world-over as well as in India, we need to accelerate our transition towards sustainable sources of power generation.

Throughout its journey of almost four decades, PFC has played an important role in the development of power sector in India. PFC has been a strategic partner of the Government of India, committed to supporting the government's policies and programs for growth of the power sector. PFC is proud to have been one of the pioneers in supporting clean energy transition in India. We are the largest renewable energy financier in India, having supported around 50 GW renewable energy capacity, which is around 25% of India's non-fossil fuel based installed capacity.

The world around us is transitioning in more ways than one. There is an increasingly greater focus on environmental, social and governance or ESG parameters, and ESG is recognized as a path to new frontiers of business transformation and growth. As a leading entity in India's financial sector, we recognize the need to be forward looking, socially responsible and sensitive to the interest of all stakeholders. We aim to promote environmental responsibility, social well-being, and strong governance.

To fulfil this objective, a dedicated ESG Unit was set up in PFC in 2023, formalizing PFC's ESG initiatives and shaping the organization's path towards incorporating ESG parameters in our functions and processes. PFC is partnering with global institutions as it embraces ESG. We appointed Boston Consulting Group (BCG) for developing our approach and roadmap towards ESG and have partnered with the United States Agency for International Development (USAID) for developing PFC's ESG strategy and its subsequent implementation. We have instituted our vision for ESG - Powering Progress through Sustainability, supported by three pillars – Preserving the Planet, Promoting the pathway towards Inclusive Society and Pursuing Prudence. These pillars embody our commitment to ESG and sustainability and would guide our path in our ESG journey.

For us, true sustainability means staying committed to responsible growth for everyone, both now and in the future. As an organization, we are more determined than ever to integrate ESG priorities into the core of our operations. We are incorporating ESG into our people practices, our lending activities, and our office operations. Our focus on ESG is reflected in our ongoing efforts to create ESG awareness within our organization, building a culture of responsibility and sustainability. We conducted our first ever ESG Materiality Assessment exercise this year, reaching out to our key stakeholders and understanding their concerns and expectations from PFC, to identify and prioritize ESG issues that are relevant to our operations.

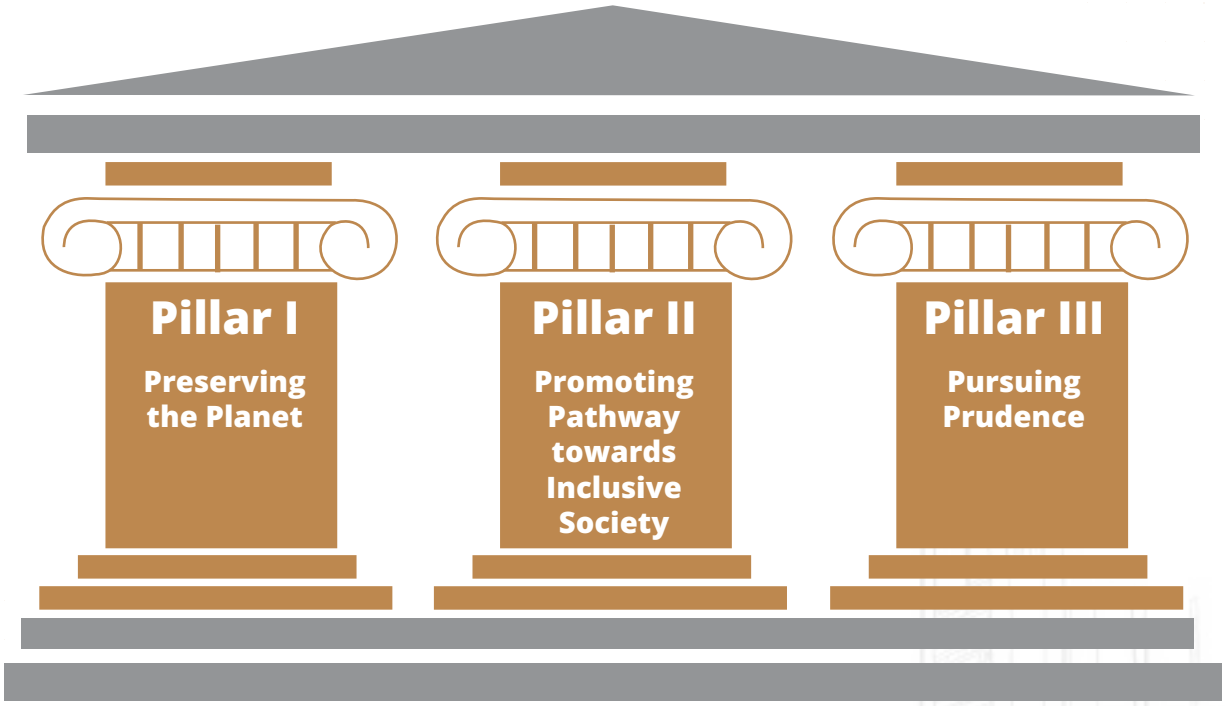
With the publication of our first ESG report, we have taken a step towards more transparent disclosures in the realm of ESG. We extend our gratitude to our stakeholders for their support as we advance on this transformative journey towards a sustainable future. Going forward, we are confident in our ability to create a positive and lasting impact as we move towards a more greener and a sustainable future.

ESG VISION OF PFC

POWERING PROGRESS THROUGH SUSTAINABILITY

PFC is committed to playing a leading role in shaping a sustainable and resilient future for India.

PILLARS OF ESG VISION

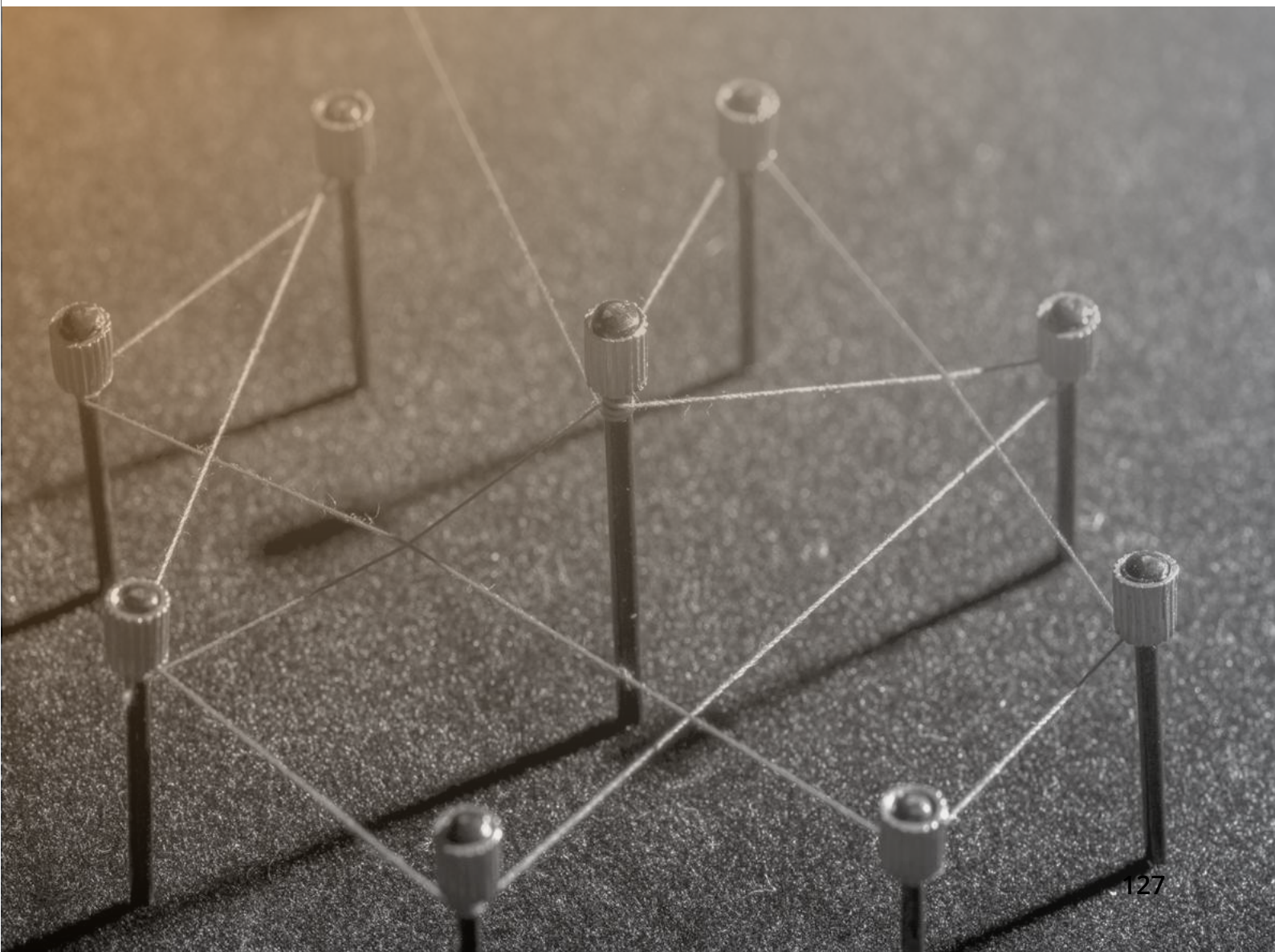


We are committed to lead by example in fostering a sustainable low-carbon economy & driving national growth by ensuring fair and sustainable financing solutions, while preserving the environment.

We strive to make a meaningful impact not only for ourselves but also for our stakeholders. At the forefront of our corporate ethos is fostering a diverse, inclusive, and engaged workforce, as well as enabling the community through our Corporate Social Responsibility (CSR) efforts.

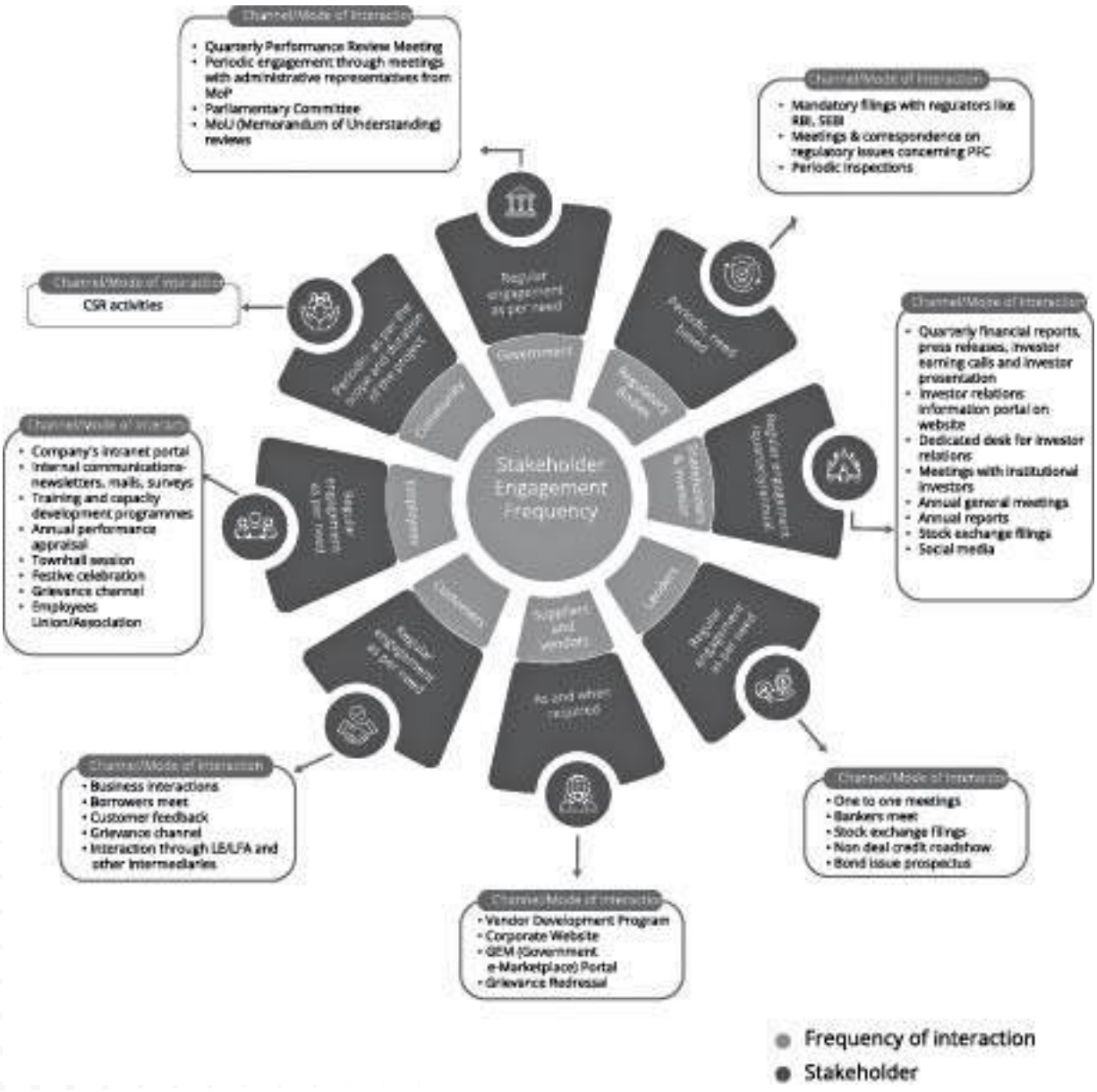
At our core, we prioritize upholding unwavering integrity, maintaining stakeholders' trust, and establishing transparency and accountability through robust corporate governance & risk management practices.

Approach towards Stakeholder Engagement & Materiality Assessment



At PFC, we recognize the importance of stakeholder engagement in driving our business processes and sustainability journey. Regular, structured engagement with our stakeholders provides valuable insights aligning our strategies and business processes. This engagement allows us to identify key areas that we need to focus on for long term sustainable growth. We employ various channels of communication to reach out to our key stakeholders and understand their concerns and their expectations. PFC has a structured approach for engaging with various stakeholders, both within and outside the organization. As part of its regular business activities, PFC reaches out to its stakeholders through various feedback mechanisms including meetings, roadshows, conferences and events, etc.

Stakeholder Engagement Frequency



ESG Materiality Assessment

As an initial step towards starting its ESG journey, PFC conducted its first ever stakeholder engagement and materiality assessment exercise in March-April 2024. A preliminary list of material topics across environment, social and governance parameters was prepared based on the evolving business environment, emerging focus areas in ESG, topics reviewed and reported by peers, the organization's business context, various national and international reporting frameworks, and secondary research. A questionnaire was developed to capture the perspective of various stakeholders on the identified topics.

Stakeholders were identified based on their level of interest and influence on PFC's activities. The questionnaire was circulated to stakeholders in the form of an online survey.

Responses were collected and analyzed to identify priority topics of high significance to PFC, integrating feedback from both internal and external stakeholders into the selection process of material topics.



Our Material Topics



LOW PRIORITY

- Employee Engagement
- Customer Experience and Customer Satisfaction
- Diversity and Inclusion
- Responsible Procurement
- Natural Resource Consumption and Management



MEDIUM PRIORITY

- ESG Governance and Board Oversight
- Transparency in Procurement
- Digitization of Business Processes
- Participating in Community Development



HIGH PRIORITY

- Regulatory and Legal Compliance
- Corporate Governance and Business Ethics
- Data Security and Data Privacy
- Financial Performance
- Employee Health and Positive Work Environment
- Reporting and Disclosures
- Enterprise Risk Management
- Grievance Redressal Mechanism
- Code of Conduct
- Low Carbon Financing



Pillar I – Preserving the Planet



PFC is in a unique position to be a change making agent, as the country progresses on the pathway towards energy transition

HIGHLIGHTS

50 GW RE capacity supported

More than **Rs. 60,000 crores** RE Loanbook

Rs. 2.37 lakh crore worth MoUs signed in clean energy space

MATERIAL TOPICS

₹

Low Carbon Financing

Natural Resource Consumption and Management

INTRODUCTION

The power sector holds immense importance in India, serving as a foundation for economic growth, societal advancement, and environmental sustainability. Throughout our journey, we have played a pivotal role in the development of power sector in India.

In recent years, there has been an increasing focus on climate change, with the transition to renewable and clean sources of energy recognized as a major pathway towards managing the same. PFC has been financing the clean energy transition of India, including projects supporting climate adaptation and climate mitigation such as energy efficiency and e-mobility. We have also expanded our financing mandate to include infrastructure projects, further broadening our ambit to support environment friendly projects. This section provides a brief overview of how our initiatives, business activities and operational practices are aligned with the objective of safeguarding the environment.

PFC – The Green Financing Partner of the Nation

PFC is the largest renewable sector financier in the country, having supported 50 GW renewable capacity in India, which is around 25% of India's total non-fossil fuel based installed capacity (around 190.57 GW as per CEA, March 2024). Till now, PFC has cumulatively disbursed more than Rs. 1 lakh crores in renewable energy sector.

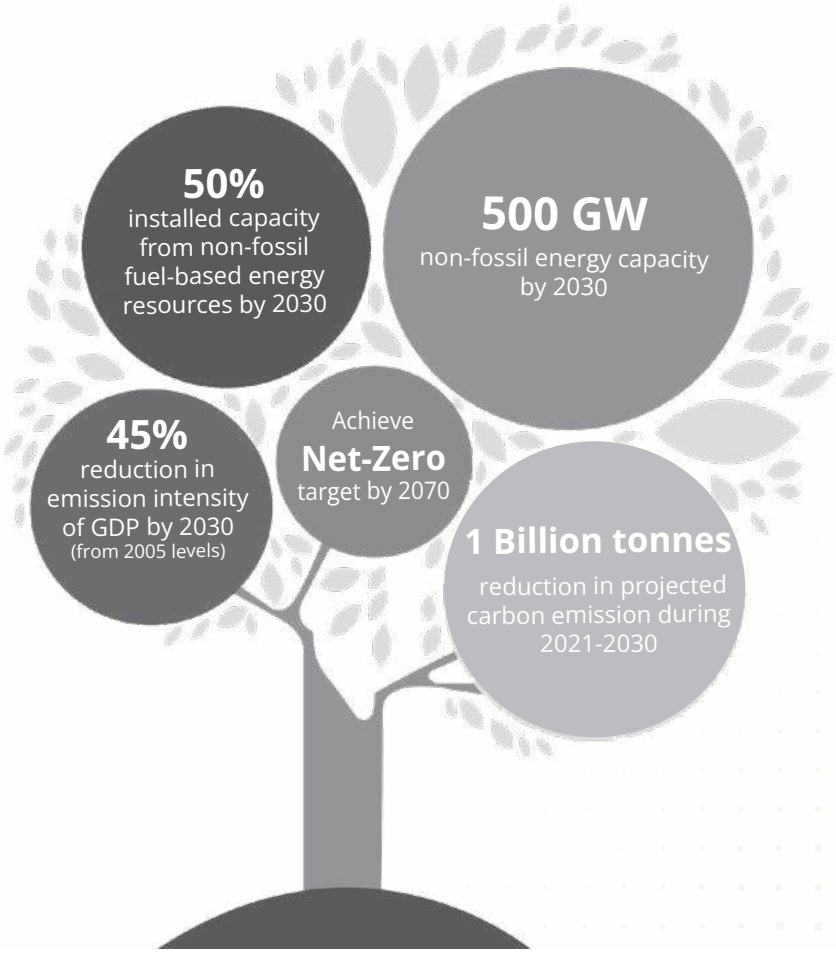
> ***PFC is the largest renewable sector financier in the country***

> ***PFC has disbursed more than Rs. 1 lakh crores in the renewable sector***

We have been at the forefront of financing of renewables since 2015-16 and are actively funding projects supporting energy transition across renewable energy, e-mobility, energy efficiency, etc.

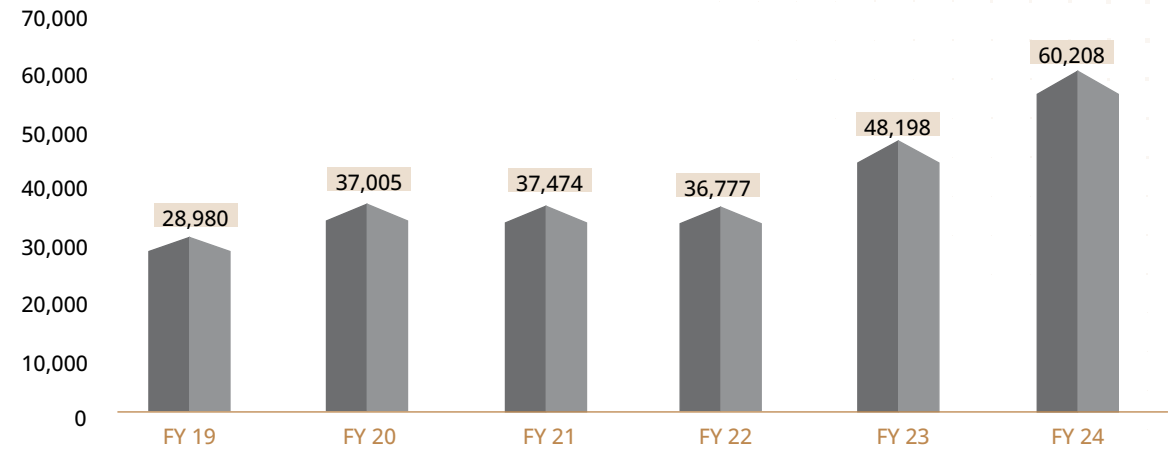
Going forward also, we are committed to supporting Government of India's Panchamrit goals for energy transition.

PANCHAMRIT GOALS
OF GOVERNMENT OF INDIA



PFC's RE loan book has grown at a CAGR (compounded annual growth rate) of 16% over the last five years, having more than doubled from Rs. 28,980 crores in FY19 to Rs. 60,208 crores in FY24. In the last one year itself, we have seen a 25% growth in our RE loanbook. This exemplifies PFC's strong commitment to the RE sector.

RE Loan Book Growth over the years (Rs in crores)



Financing solutions and policy support for energy transition

PFC has been the pioneer in the clean energy financing space. Over the years, we have implemented multiple measures to promote financing for the sector, such as creating enabling policies, processes and credit products. We are committed to continuously customizing our products and policies to fund emerging segments and technologies in the clean energy sector.

Vast Enabling Environment Developed to Promote Clean Energy Financing

Attractive Interest Rates

- Offer lower interest rates (1.0-1.5% lower) compared to conventional generation projects.
- Additional financial incentives are also provided, once the project is commissioned.

Processes

- Specialized divisions for financing Solar, Wind and Energy Efficiency projects.
- Web-based loan application system for faster appraisal
- Standard Loan Documents for solar projects to reduce documentation time

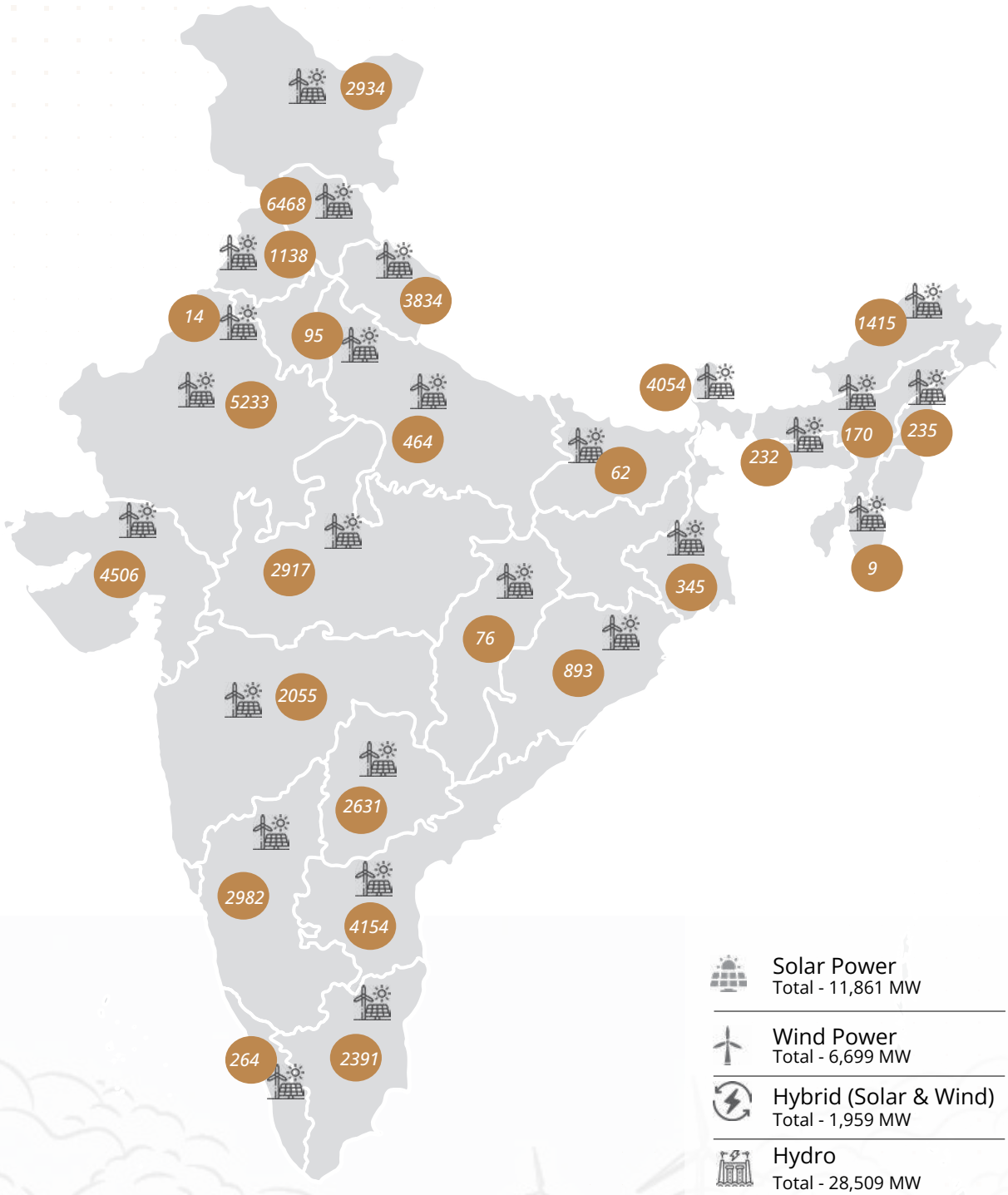
New products

- Letter of Undertaking to RE project developers, which can be used in lieu of Performance Bank Guarantee, for participating in tariff-based bidding
- Introduced financial products for meeting capital expenditure for setting up manufacturing of equipment for RE projects
- Project Specific Funding to RE Equipment Manufacturers/ EPC (Engineering Procurement and Construction) Contractors

Financial Covenants

- To facilitate quick financial closure, option for sole lending for debt up to Rs. 2000 Crores
- Reduced prepayment premium

PFC has supported the development of 50 GW Renewable Energy Capacity across India



Solar Power
Total - 11,861 MW

Wind Power
Total - 6,699 MW

Hybrid (Solar & Wind)
Total - 1,959 MW

Hydro
Total - 28,509 MW

Renewable (Others#)
Total - 540 MW

**Capacity supported in MW (Mega Watt) state-wise as on 31st March 2024- cumulative of hydro, solar, wind, hybirid, waste to energy projects)*

Total Capacity supported- 49,568 MW

#Includes Waste to Energy, Biomass, Bagasse

Rs. 2.37 trillion worth MoUs inked in clean energy space

During India's G20 presidency, PFC signed MoUs with 20 companies, in both public and private sector.

Projects covered in the area of solar, wind, battery storage, green hydrogen, electric vehicle etc.

This underscores PFC's commitment to playing a pivotal role in supporting Government of India's journey toward green energy transition



MoUs signed for financing clean energy projects

Building Global Partnerships: Green Financing Solutions

PFC is actively securing green financing from international markets to support green projects. We have successfully raised green funds through bonds and loans across the US, Europe and Asia.

Our green bond framework, approved in September 2021, governs the deployment of green bond proceeds and is a single methodology in place for all future green financing instruments. This ensures that the principles of the framework are applied to each instrument issued and the proceeds are invested in renewable energy and energy efficiency projects.

The framework is aligned with the Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA) and the Green Loan Principles (GLP) published by the Loan Markets Association (LMA), Asia Pacific Loan Market Association (APLMA) and Loan Syndications and Trading Association (LSTA) in 2021.

Euro Green Bond

- 300 Mn Euro issue, 2021
- 1st Euro denominated green bond from India
- Listed on India, Luxembourg and Singapore Stock exchange
- Climate Bonds Certified

USD Green Bond

- 400 Mn USD issue, 2017
- Listed on India, London and Singapore Stock exchange
- Climate Bonds Certified

Green Credit Line

- JPY 30 Bn Green Credit Line from Japan Bank for International Cooperation (JBIC) in 2022
- Credit line extended under JBIC's GREEN (Global action for Reconciling Economic growth and Environmental preservation) operations

PFC expands its global footprint with presence in IFSC GIFT City

Continuing with our endeavour to be the pioneer in green financing, PFC is the first government NBFC to establish a wholly owned subsidiary, PFC Infra Finance IFSC Limited in India's first International Financial Services Centre (IFSC) in GIFT City Gujarat. The subsidiary has been setup to support energy transition journey and facilitate low cost funding for India's power sector.

Strengthening Green Partnerships

As we seek to continue supporting the development of India's energy sector, we are collaborating with national as well as international organizations.

Asia Transition Finance Study Group (ATFSG)

- PFC is the first member from India to join Asia Transition Finance Study Group
- This initiative, spearheaded by Japanese Ministry of Economy, Trade and Industry (METI), aims at fostering cooperation and promoting sustainable transition finance across Asian countries
- As a member, PFC has the opportunity to shape the climate financing landscape and contribute to policy formulation for effective energy transition financing



Partnering for sustainable transition finance

Collaboration with Japan's NEDO to promote innovation

- PFC has collaborated with Japan's New Energy and Industrial Technology Development Organization (NEDO) in January 2024 to promote innovation in the fields of environment, energy, and industrial technology
- NEDO is currently developing a project "Micro Sub-station with Power Voltage Transformer" with an Indian collaborator.
- The aim is to disseminate the outcome of the demonstration project to Indian DISCOMs, showcasing optimized energy distribution and consumption through sustainable practices and energy-efficient technology

MoU with CEEW – Knowledge Partnership in new energy

- In February 2024, PFC entered into an MoU with the Council on Energy, Environment and Water (CEEW), one of Asia's leading not-for-profit policy research institutions.
- This partnership would support collaboration in net zero financing across new age critical clean energy technologies such as offshore wind, Mobility, Battery Energy Storage, Green Hydrogen and Carbon Capture, Utilisation and Storage (CCUS)

Partnership with USAID

- PFC has partnered with USAID for its green financing initiatives and ESG activities
- USAID, through its South Asia Regional Energy Partnership (SAREP) program, is supporting PFC in strengthening its ESG function through creating enabling framework, capacity building, improving ESG disclosures etc.

MoU with Government of Goa – Blended Finance Facility

- In February 2024, PFC entered into a MoU with Government of Goa to set up Blended Finance Facility, aimed at supporting the state's climate ambitions.
- This collaborative effort, in partnership with The World Bank, aims to promote low-carbon, climate-resilient development.
- PFC will utilize innovative blended finance mechanisms to fund key climate projects such as renewable energy, green hydrogen, electric vehicles, waste-to-wealth technology and nature-based solutions, thus contributing to energy transition.



MoU signed with Government of Goa for Blended Finance Facility

Protecting the Environment through our Actions



Waste Management

- Organic Waste - PFC has installed an organic composting machine of 50 kg capacity in the office premises for recycling organic waste generated on routine basis in the office building kitchen/pantry etc. It can recycle wet materials into 10% within 24 hours and can convert 90% material into organic compost. The produced organic compost has been used by PFC for plantation in the premises and nearby plants.
- E-Waste management– PFC responsibly disposes of e- waste (including old, unserviceable & obsolete IT equipment) through registered recyclers/ re-processors under Central Pollution Control Board, Government of India & State Pollution Control Committee/ Board after following due process as per norms.
- Reducing plastic Use - PFC has also reduced plastic use to very minimal and encourages use of substitutes such as jute bags, cloth bags, paper folders etc.

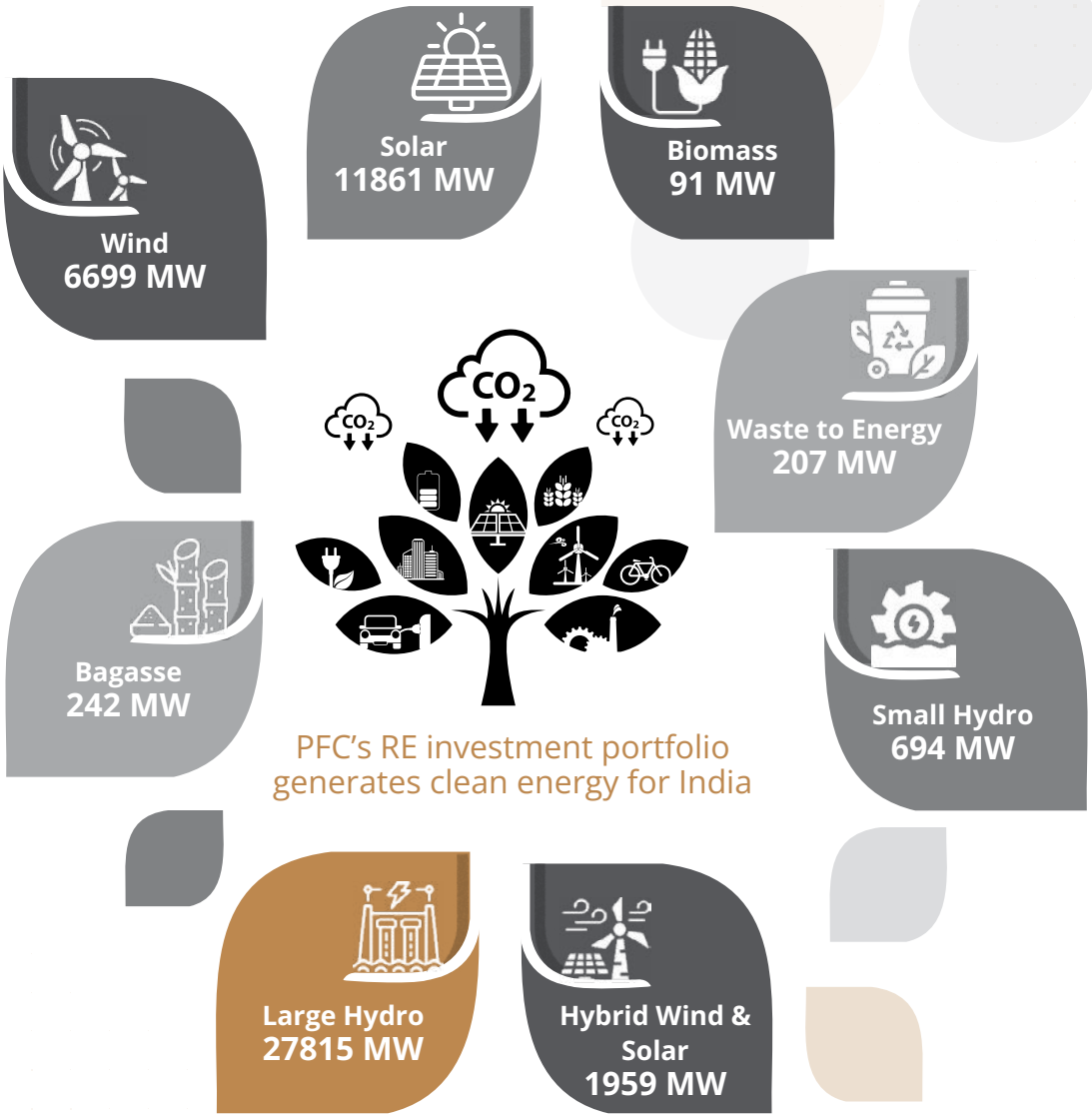


Embracing Digitization for sustainability

- In line with our commitment to environmental sustainability, we have transitioned to paper-less process wherever feasible, thereby reducing our direct carbon footprint. PFC is committed to utilizing Information Technology for enhancing efficiency of business processes. To that effect, PFC has adopted various initiatives, including implementing collaboration tools for online meetings, e-office solution for efficient file processing, paperless digital board meetings, among others, to reduce the impact of its operations on the natural environment.

PFC has actively financed clean energy projects in the country since 2015 onwards.

The RE capacity PFC has supported has CO_2 emission avoidance potential of 885 Lakh Tonnes per year*, equivalent to the amount of CO_2 absorbed by 354 Crore trees in a year**



Notes

*Assumptions for estimation of CO_2 emission avoidance potential

- Estimation based on Capacity Utilization Factor (CUF)/ Plant Load Factor (PLF) of each category as per Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2020.
- PLF for Large Hydro calculated based on large hydro generation from April 2023 to March 2024 and installed capacity as on31.03.2024 (CEA)
- CUF of wind power approximated based on data from National Institute of Wind Energy, Ministry of New and Renewable Energy,Government of India
- Grid Emission Factor (inc. RES) (tCO_2/MWh) of 0.716 tonne CO_2 per MWh (CEA December 2023)

** Assuming 25kg CO_2 absorbed by a tree a year (EcoTree International)

Supporting India's transportation sector decarbonization: Funding E-mobility

India's mobility sector is one of the fastest growing in the world. While transport expansion drives industrial and social advancement, it also presents significant environmental challenges. The surge in vehicles on Indian roads has led to heightened vehicular emissions, including CO_2, nitrogen oxides (NOX), and fine particulate matter (PM2.5), posing both health and environmental concerns.



At present, road transport accounts for 12% of India's energy-related CO_2 emissions. With the growing demand for private mobility and goods transportation, energy consumption and CO_2 emissions from road transport are expected to double by 2050 (International Energy Agency).

Increasing use of private cars, an expanding truck fleet, and continued reliance on petrol and diesel will have an adverse impact on India's environment in the coming years. Hence, there is a pressing need to shift the growth in the mobility sector to electric vehicles. The Government of India has taken policy measures to promote electric vehicles through schemes like Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles scheme (FAME), PM E-bus Seva, among others. Financing plays a major role in the adoption of EVs, which are conventionally more expensive than ICE (Internal Combustion Engine) vehicles.

Project Highlight

PFC has embarked on supporting India's mobility sector decarbonization through financing E-vehicles.

To promote emission-free transport solutions, PFC has sanctioned a loan of Rs 633 crores to Gensol Engineering Ltd.

The loan will be used for procurement of 5000 electric four-wheelers and 1000 electric three-wheelers for last mile logistics/urban delivery.

The electric four-wheelers will be operated by BluSmart Mobility, a ride hailing business.

Project Impact

It is estimated that 5000 electric four- wheelers proposed to be funded by PFC and deployed by BluSmart would cover **1500+ million km**

This would result in **1.13+ lakh tonnes CO_2 emission avoidance**

Equivalent to CO_2 absorption by **51.5 lakh fully grown trees in one year**

Implementing State-of-the-art Energy Efficient Public Street Lighting System in Maharashtra



Energy efficiency technology refers to products that consume less energy while delivering the same output. Energy efficiency projects aim to reduce energy demand and are set to play a crucial role in achieving India's NDC and net zero goals. As per the International Energy Agency, deployment of energy efficiency measures, in addition to clean energy technologies, shall form the core of energy transition. India has been able to achieve an emission reduction of 2418 $MtCO_2e$ ((Million Tonnes of carbon dioxide equivalent) upto 2019-20; an additional emission reduction of 1335 $MtCO_2e$ is required over 2020-30, out of which 740 $MtCO_2e$ is targeted contribution from energy efficiency measures. A large quantum of investment is required in energy efficiency projects to meet this emission reduction goal.

Project Highlight

- In FY24, PFC financed a Rs. 35 crores public street lighting project to implement energy efficiency measures across Sangli, Miraj, and Kupwad municipal areas in Maharashtra.
- The project involves replacing existing, less efficient streetlights with high efficacy smart LED streetlights.
- New LED luminaries would be installed on vacant poles, existing switching points would be replaced with Internet of Things (IOT) based Centralised Control Monitoring System (CCMS) using GPRS/GSM technology.
- Additionally, it includes Implementation of wireless communication technology for individual lamp control through Customised Lighting Software (CMS).
- A state-of-the-art Lighting Management System (LMS) would be installed for remote operation of the LED luminaires.

Project Impact

84.5% - Expected reduction in energy consumption

20,000 metric tons - Estimated decrease of CO_2 emission

Equivalent to CO_2 absorption by **9.24 lakh mature trees**

Fostering Sustainable Waste Management: Maharashtra's First Integrated Waste to Energy Project

As India seeks avenues to reduce the emission intensity of its economy, there is a great emphasis on adopting cleaner sources of energy. Waste to Energy (WTE) is a process technology that generates energy (heat and electricity) from waste as a fuel source. By converting non-recyclable waste into clean and renewable energy, WTE projects can reduce the burden on landfills. This approach upholds the principles of sustainability, where waste becomes a valuable resource, benefitting both the environment and the community.



Project Highlight

- To promote circular economy and sustainable waste management practices, PFC sanctioned Rs. 172 Crores to Antony Lara Renewable Energy Private Limited for setting up a 14 MW WTE plant at Pimpri Chinchwad, Pune.
- Successfully commissioned during FY24, this project is funded through JBIC (Japan Bank for International Cooperation) green credit line to PFC.
- This Integrated WTE Project represents Maharashtra's first such venture into waste-to-energy conversion and signifies a major milestone in the region's sustainable development journey.
- 14 MW of power generated from 700 TPD non-recyclable dry waste through controlled incineration meeting all emission standards.
- State-of-the-art facility to process 1,000 Tonnes Per Day (TPD) of municipal waste, including recovery of recyclable materials and conversion of wet waste into compost.
- It utilizes recycled water from the Chikali Sewage Treatment Plant (STP), eliminating the need for fresh-water dependency and conserving valuable resources.
- Electricity generated to serve as the primary energy source for Pimpri-Chinchwad Municipal Corporation (PCMC) sewage treatment plants and water pumping facilities.

Project Impact

Estimated ~**7 lakh tonnes** of CO_2 equivalent emission avoided annually by diverting waste from landfills and reducing methane emissions

Emission avoidance equivalent to ~**1.5 lakh passenger cars'** emissions

Supporting Water Conservation through recycling: Waste Water Treatment Project in Nagpur and Chandrapur



Water is indispensable for sustaining all forms of life on our planet. Water bodies serve as habitats for diverse ecosystems. Water features as one of the United Nations Sustainable Development Goals (SDGs), SDG 6 – Clean Water and Sanitation, which aims to ensure availability and sustainable management of water and sanitation for all. Additionally, water plays a role in achieving other SDGs due to its importance in agriculture, health, and well-being and for preserving aquatic ecosystems.

According to the World Bank, India has 18 percent of the world's population, but only 4 percent of its water resources, making it among the most water-stressed in the world. There is a requirement of greater emphasis on sustainable use of water throughout the country, by employing the global adage of reduce, reuse, and recycle.

Project Highlight

PFC has sanctioned Rs. 480 crores for Nagpur Wastewater Management Plant and Rs. 50 crores for Chandrapur Wastewater Management Plant.

Chandrapur Wastewater Management Plant features a 70 MLD Million Litres per Day (MLD) sewage water treatment facility for Chandrapur City and tertiary treatment of 50 MLD for industrial reuse.

Nagpur Wastewater Management Plant comprises a 200 MLD sewage water treatment facility for Nagpur City and tertiary treatment of 190 MLD for industrial reuse.

Treated water from both facilities is supplied to local power plants for meeting cooling requirements. Reuse of water ensures that freshwater is available for use by local residents.

Project Impact

Increased availability of freshwater for residents **(240 MLD)** due to the utilization of treated water in power plant

Provision of clean water for farming and fishing, s**upporting livelihoods** for marginalized sections of society

Power plants using **recycled sewage water for cooling purposes** can operate throughout the year, even during period of water stress, especially in the summers, which is crucial to support peak loads

Since peak power demand includes demand from irrigation pumps, avoidance of power plant shutdown also **supports agriculture and thereby food security**

Desalination projects in four districts in Gujarat

Gujarat, a semi-arid state on India's west coast, traditionally relies on the Sardar Sarovar Dam for freshwater. Changes in the water utilization patterns of upstream states and low and erratic rainfall have led to water scarcity in the state in the recent years. Hence, there is a need to augment freshwater availability to address water shortages, through various means. Setting up of desalination projects, which can convert seawater to drinking water, is one method of supplementing the state's water supply.



Project Highlight

PFC, as a sole lender, has financed Rs. 1156 crore towards setting up four desalinations plants with a combined capacity of 270 MLD (Million Liters per Day) desalination projects across Gujarat.

These desalination plants are strategically situated in water-stressed areas within the Kutch, Dwarka, Somnath, and Bhavnagar districts of Gujarat.

Project Impact

Provision of high-quality water meeting WHO (World Health Organization) standards, benefitting approximately **5.5 lakh households**

Cost savings for the state of Gujarat on water supply, from Rs. 65-70 per kiloliter (KL) from the Sardar Sarovar Dam to Rs. 40-45 per KL from the desalination plants

Employment generation opportunities for local population, contributing to social development in the state

Potential for **industry-government collaboration** to explore productive uses for the brine generated during desalination

Pillar II – Promoting the Pathway towards Inclusive Society



PFC is committed to supporting its people and the society and ensuring inclusivity.

HIGHLIGHTS

- Highest profit per employee **Rs. 26.46 Crore**
- Women ratio **21.5%,** highest among Maharatna PSUs
- CSR Expenditure Sanctioned in FY24 **215 Crore**
- **2484** Training Man-days
- **Zero Gender** Pay-gap at grade level
- **100%** return to work after maternity
- Low attrition rate of **0.7%**

MATERIAL TOPICS

- Employee Engagement
- Diversity and Inclusion
- Employee Health and Positive Work Environment
- Transparent and Responsible Procurement
- Participating in Community Development
- Customer experience and customer satisfaction

INTRODUCTION

PFC believes that the fundamental cornerstone of its long-term sustainable growth are its people. As we reflect on the past year, we have created great value for our stakeholders that was shaped by the passion and dedication of our team. At PFC, people are at the heart of everything we do. They are the driving force behind our continued success, and we pride ourselves on a culture with a commitment to inclusivity, well-being, growth, respect and trust.

We are committed to the growth and development of people and society, within PFC, and outside PFC. Being a responsible public sector institution, PFC has a strong culture of supporting communities through our targeted CSR programs. Our procurement policies are also aligned with our aim to support the society.

This section provides a brief overview of our employee practices and community development and CSR activities and procurement policies, which are aligned with our vision of promoting our people and supporting the society.

Celebrating our People

Prioritizing people has enabled us to create a fair, inclusive, empathetic, and safe workplace, resulting in long-term loyalty and positive brand recognition for PFC.

At PFC, we take immense pride in having developed an environment where our employees grow both personally and professionally. We have always prioritized employee engagement, offering competitive benefits and promoting a healthy work-life balance. We are delighted to share that our attrition rate last year was 0.7%, which is a testament to employee satisfaction.

We recognize the pivotal role that talent plays in the success of an organization. We are committed to hiring and retaining the best and brightest talent from across the country. Our approach to hiring is about finding individuals who share our values, embody our culture, and have the skills and passion to make a purposeful impact.

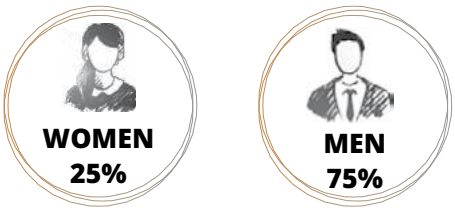
> *Notably, 25% of the campus recruits last year comprised women candidates*

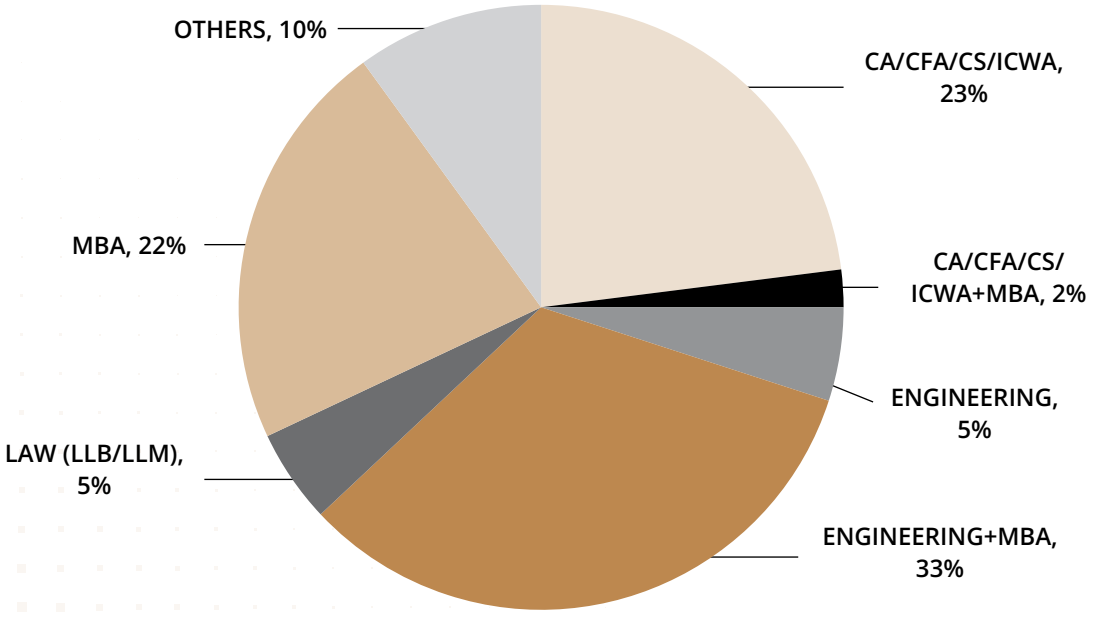
The diverse talent pool of PFC includes professionals from Management, Engineering, Accountancy, Legal, & IT domain.

25% of the campus recruits last year comprised women candidates. At PFC, our people-centric culture fuels our success. We prioritize inclusivity, valuing each individual's contribution and providing opportunities for growth through training, mentorship, and career advancement.

> *Our low attrition rate is a testament to employee satisfaction*

NEW HIRES





Diversity and Inclusion

We are committed to fostering an inclusive and equitable workplace where all our employees are treated with respect and fairness. Ensuring pay equity has always been a top priority for us, and our compensation structure, driven by Government of India guidelines, ensures that pay is not dependent on gender.

As a public sector employer, PFC ensures equality of opportunity for all citizens regarding employment or appointment to any post. We do not discriminate on grounds of religion, race, caste, gender, descent, place of birth or residence. This commitment is reflected in our diverse workforce. Despite a lean staff count of around 550 PFC has employees from more than 20 states and union territories of India, exemplifying our dedication to diversity. PFC has a balance workforce, with participation from all age group – Gen-Z, Millennials, Gen-X.

Ensuring Pay Parity

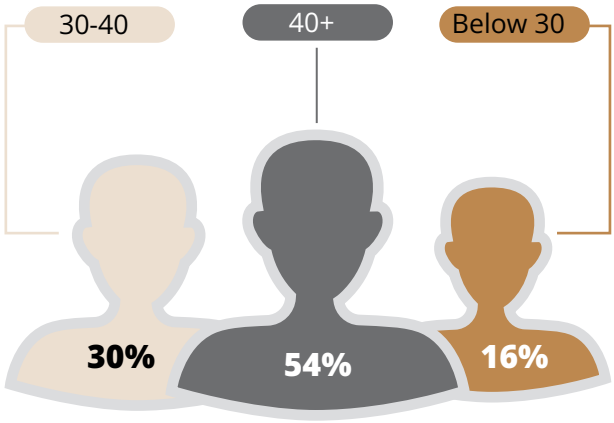
PFC pays equal remuneration to men and women employees in accordance with the Equal Remuneration Act, 1976. There is no discrimination based on gender. The pay and allowances offered by PFC are determined by the Department of Public Enterprises (DPE), Ministry of Finance (Government of India) for all the CPSEs in a grade-wise manner without any gender-based disparities.

As a Government of India undertaking, PFC strictly adheres to all the labour legislations implemented by the Indian Government. This includes laws on minimum wages, equal remuneration, child labour, contract labour, workers' compensation, maternity benefits, etc.

Promoting Representation and Inclusion

To ensure adequate representation of marginalised sections, various safeguards, relaxations, and

Employees by age-group



concessions are available for employees belonging to Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC) categories (socially and economically disadvantaged sections of society, as designated by the Government of India) and Persons with Disabilities.

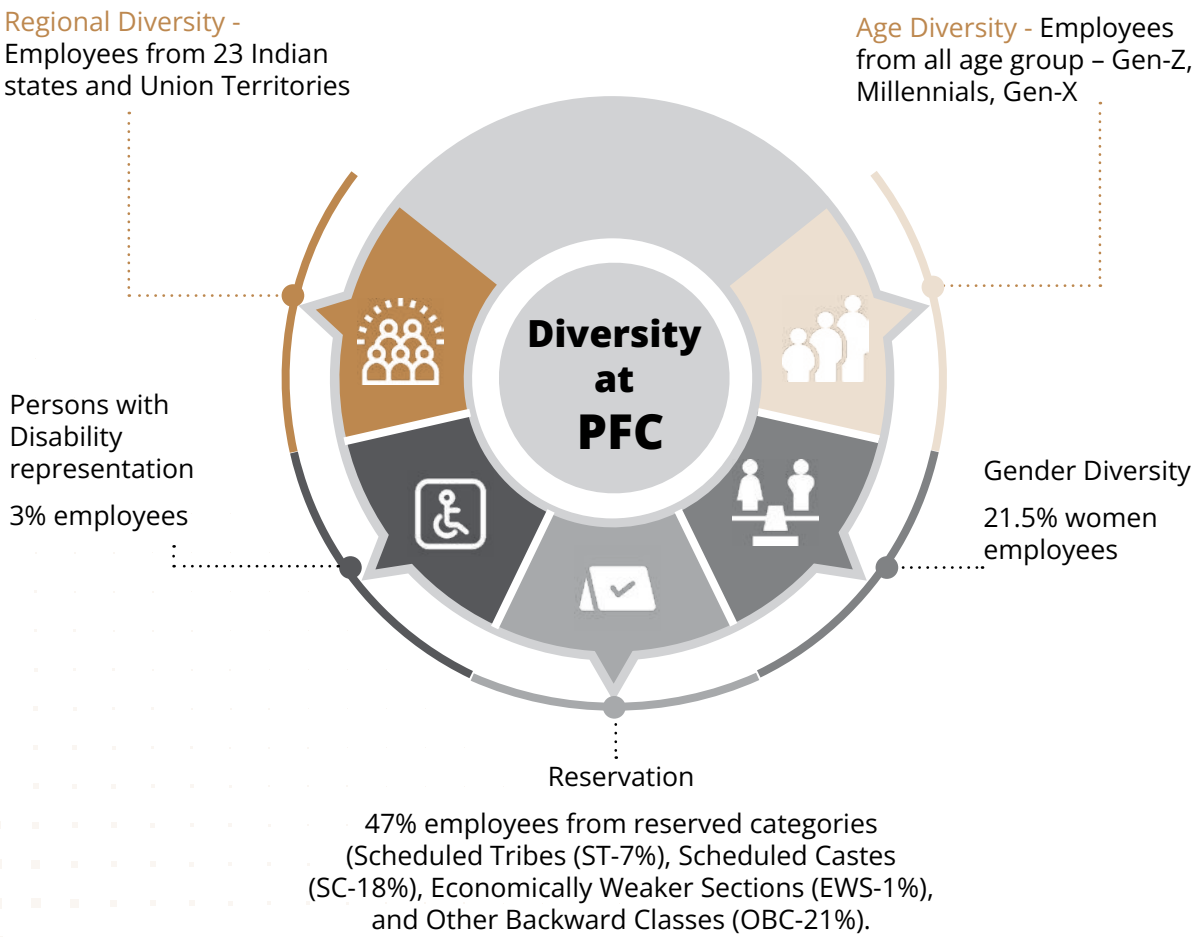
The Economically Weaker Section (EWS) from the general category is provided with a 10% reservation, in line with government guidelines. The PFC SC/ST/OBC Employees' Welfare Association is recognised by the organization for bringing any issues faced by the employees belonging to these categories to the notice of the management.

A Special Reservation Cell composed of Liaison Officers for SC/ST/OBC/EWS/PwD (Persons with Disability) is also in place to address the grievances, if any, of employees from these groups. An Internal Grievance Redressal Cell for Scheduled Caste communities is also established in PFC. Various selection committees for recruitment and promotion include representatives from SC/ST, OBC, minority and women. The measures undertaken to secure the representation of SC/ST/OBC and their welfare in PFC are also examined by Parliamentary Committees and National Commissions from time to time.

We celebrate the linguistic diversity of our employees by organizing Linguistic Harmony Day during Communal Harmony Week in November.



Creating an inclusive atmosphere for women employees



Women Empowerment

At PFC, the representation of women in the total workforce is around 21.5%, which is the highest among Maharatna PSUs. We have a Board Diversity Policy to ensure diverse representation at the highest levels in the organization. We're extremely proud to be led by Ms. Parminder Chopra, the first woman CMD (Chairman and Managing Director of PFC and one of the two women directors on our board.

Gender -diverse workforce with 21.5% representation of women employees

We conduct regular gender-awareness and sensitization programs with the help of experts to create a safe and supportive work environment, empower marginalized groups, promote inclusivity and diversity, and encourage active participation. An Internal Complaints Committee has also been constituted under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to regulate and administer complaints on sexual harassment.

100% of the employees going on maternity/paternity leave returned to work after availing the leave.

PFC has a supportive and enabling environment for women. We celebrate International Women's Day each year.

We are proud to state that PFC has a zero gender pay gap across levels and departments of the organization.

Employee Engagement

At PFC, we take pride in the culture that we have created, which places our people at the forefront. Our people drive our success and fuel our growth. We have an inclusive work environment where every individual has the freedom to express themselves, contribute in their own way, and feel valued and respected. We provide our people with training programs, mentorship opportunities and career advancement opportunities to help them achieve professional distinction and personal fulfilment.

We strongly believe that engaged employees are more focused, productive, innovative, and aligned with the company's goals. We have invested in employee development programs to ensure that our employees have tremendous growth opportunities on a professional and personal level.

Regular employee engagement activities are the hallmark of PFC's culture, providing a platform to build cross-functional teams and nurture interpersonal bonding among the employees. Cross-functional knowledge sharing sessions are conducted on a regular basis to nurture interpersonal skills and common awareness among all employees.

Performance Management

As part of our nurturing work culture which emphasizes employee growth and development, we have instituted a well-structured performance management system. 100% of our workforce actively participates in regular performance and career development reviews. Our annual performance management system consists of three levels of reviews. This comprehensive evaluation allows us to acknowledge and reward employees for their contributions throughout the year. This reflective practice embodies our ethos of continuous improvement, cultivating a culture of ongoing learning and enhancement.

Training and Development

PFC offers learning and development opportunities to employees across all levels in the organization. There is a well-structured 3-week induction program for all new joiners, which is conducted by premier institutions such as National Power Training Institute, Faridabad. As employees progress in their careers and take up new responsibilities, they are supported through promotee training programs and accelerated management programs. To ensure that our workforce remains up-to-date with industry trends and regulatory changes, we conduct regular trainings on topics like risk management, leadership, vigilance, gender equality, stressed asset resolution, public procurement through GeM, among others. In FY24, PFC invested 2484 manpower days in training.

Capacity Building for ESG

PFC places a strong emphasis on promoting awareness in the field of ESG among its employees and top management and has organized three ESG workshops in the past year.

Multilateral Investment Guarantee Agency (MIGA) Workshop - ESG consideration into lending processes

MIGA, a World Bank member is mandated to promote cross-border investment in developing countries by providing guarantees to investors and lenders. In February 2024, a team of experts from MIGA, USA travelled to India to conduct a one full day specialized workshop for PFC employees. The workshop focused on E&S (Environmental and Social) risk assessments and its implementation, MIGA performance standards and climate risk management.



Employees attending MIGA workshop on ESG

Attended by more than 40 senior-level executives, the event was a resounding success, fostering meaningful discussions and insights on integrating ESG considerations into PFC's operations.

ESG Workshops for PFC employees



PFC's employees actively participating in ESG Workshop

PFC's ESG Unit organized two workshops on "ESG and Materiality Assessment" on April 3rd and 4th, 2024. Facilitated by USAID's SAREP program, the workshops held at the PFC office in Delhi were aimed at engaging with all employees of PFC and introducing the concept and practices of ESG. In alignment with PFC's commitment to sustainability and corporate responsibility, the workshops provided participants with comprehensive insights into the foundational principles of ESG.

While one workshop was held for all employees of PFC, another workshop was specifically organized for management team of PFC. The workshops sought to build an understanding of various ESG issues and their relevance for PFC and integrate employees' perspectives into the PFC's ESG journey, through a materiality assessment survey.

The workshop served as a platform for empowering PFC employees to become catalysts for positive change, driving impactful transformations and

embracing sustainability in response to climate change, in line with the Government of India's energy transition and climate action plans.

Activities

We regularly organize a variety of events aimed at fostering a vibrant and cohesive community within the organization. These events include family picnics, sports tournaments, poetry competitions and plays etc., inviting employees and their family members to exhibit their talents and strengthen bonds. We celebrate major festivals in the office, providing employees a chance to come together and share in the festivities. We celebrate Foundation Day in July every year, where employees put together cultural performances. During this event, we also acknowledge the outstanding academic performance of meritorious children of our employees. We actively encourage our employees to participate in various sports competitions organized by the Power Sports Control Board (PSCB).

Employee Associations and Groups

PFC employees can be broadly classified into two categories – executive and non-executive. Regular interactions and informal meetings are held with the associations formed by the employees of both categories. The executive category employees are represented by the PFC Executives Association and those in the non-executive category are represented by PFC Employees' Union. Both these associations are recognised by PFC for discussions and deliberations on various issues from either side.

Open Communication

PFC actively promotes engagement and open communication within the organization. We have adopted various new initiatives to support our employee engagement. We organized our first ever Town Hall in July 2023, presenting our employees with an opportunity to discuss the business and the way forward with PFC senior leadership. We also conduct surveys at regular intervals to seek employee feedback on critical issues.



New Year celebrations at PFC



PEEPAL Portal – In order to encourage open communication, recognition, learning and create a sense of belonging among employees, we have created an internal portal called PEEPAL (Portal for Enhancing Engagement and Promoting Awareness and Learning).

FEATURES OF PEEPAL:	PURPOSE OF PEEPAL:
Posts Any employee can create a post and other employees can interact with it, facilitating informal discussions	Sharing of knowledge among different units
	Collaboration across units on work areas
Quiz Room EDs/ HoUs can pose questions under Quiz Room relating to their unit/function area or any relevant topic and employees can voluntarily participate and submit answers during the quiz period.	Informal engagement channel to promote interaction among employees
	Dissemination of information about company-wide initiatives
Chat Room Employees can post information/updates under the chat room relating to their functional areas or/of general awareness relevant for PFCians.	Recognition and appreciation mechanism for teams

Employee Health and Well-being

At PFC, we are strongly committed to creating a culture that prioritizes the physical, mental, and emotional health of our employees. We take a holistic approach to the health and well-being of our employees by offering a range of resources to support them in all aspects of their lives.

Health Benefits

PFC provides a comprehensive suite of health benefits to its employees and their dependent family members. The benefits are also extended to retired employees and their dependents in the form of Post-Retirement Medical Facilities. A paperless system of medical claims reimbursement has been implemented to ensure quicker and hassle-free processing. PFC has put in place provisions like a special nursing facility and annual health check-up to ensure health and medical fitness of all our employees. To support employees' healthcare needs while at work, a medical consultation facility through a doctor is made available to all employees in the office.

Parental Leave Benefits

PFC has undertaken several initiatives to support its employees as they embark on a new role as parents. For its female employees, PFC offers maternity leaves as per statute. Although there is no statute on paternity leave in India, PFC's male employees are entitled to receive 15 days of paternity leave to be availed at the onset of parenthood. Furthermore, we offer childcare leave to all female employees to support them in balancing work and family responsibilities.

Flexi-timing

PFC introduced flexi-timing last year for all its employees, whereby, 2-hour flexibility has been provided in office timings subject to completion of minimum prescribed hours. The flexibility has helped employees to avoid peak-hour traffic and manage work-life balance in a better way leading to reduced stress and improved productivity.

Post-retirement benefits

We ensure compliance with the social security legislations on Provident Fund and Gratuity, as well as the NPS (National Pension System) for all our employees. Further, in the unfortunate event of death or permanent total disablement causing separation from service before retirement, we offer an Economic Rehabilitation Scheme to compensate for the loss of pay till the normal notional date of superannuation. Additionally, in case of death during service, financial assistance in the form of a lump-sum amount is provided under Death Relief Scheme to the bereaved family.

Health and Wellness Programs

In order to ensure the physical and mental well-being of employees, PFC organizes various activities such as regular yoga sessions on all working days, workshops on stress management and regular health check-up camps. Further, to cater to first aid and other preliminary medical needs of employees, a wellness centre has been set up in the office premises in March 2024.

Transparent and Responsible Procurement

At PFC, we are committed to maintaining a fair, transparent, and equitable procurement process. We utilize the Government of India's online procurement platform, the Government e-Marketplace (GEM), to ensure efficient and transparent procurement.

In line with the directives of the Government of India, we prioritize sourcing from micro and small enterprises (MSEs). To encourage these enterprises, we extend various benefits such as exemption from tender fees and earnest money deposits, purchase preferences, interest on delayed payments, and exemptions from prior experience and turnover criteria, provided they meet the quality and technical specifications. During the financial year, we procured products and services worth Rs. 58.54 crore, out of which products and services from MSE's constituted Rs. 40.87 crore or 69.82%, exemplifying PFC's commitment to promoting and supporting the MSE sector.

CSR and Community Development

Being a responsible public sector undertaking, PFC is committed to supporting the society through its CSR and sustainability initiatives. We are proud of our role in empowering communities through our focused CSR programs. PFC has cumulatively sanctioned Rs.1664 crore and disbursed Rs.1411 crore under CSR activities from FY 2010-11 to FY 2023-24. In FY2023-24, PFC has sanctioned Rs 215 Crore and Disbursed Rs 148 Crore towards CSR.

PFC CSR Spending (all figures are in rupees crores)

MAJOR SECTORS	SANCTIONED AMOUNT	AMOUNT DISBURSED	SANCTIONED AMOUNT	AMOUNT DISBURSED	CUMULATIVE SANCTION	CUMULATIVE DISBURSEMENT
	FY 2010 -11 to FY 2022-23		FY 2023-24		TILL 31.03.2024	
Renewable Energy and Energy Efficient and Environment-friendly Technologies	169	149	4	5	173	154
Sanitation and Provision of Safe Drinking Water	353	347	80	78	433	425
Skill Development and Livelihood	157	142	18	5	175	147
Education	102	73	29	15	131	88
Health and Activites related to Persons with Disabilities (PwDs)	461	388	62	28	523	416
Others	207	164	23	17	230	181
TOTAL	**1449**	**1263**	**215**	**148**	**1664**	**1411**

CSR Project Highlights

1. PFC partners with Indian Institute of Science (IISc) for new energy research building

In March 2023, PFC sanctioned assistance of Rs. 42 crores for a new Interdisciplinary Centre for Energy Research (ICER) building at the Indian Institute of Science (IISc) in Bengaluru.

ICER's research initiatives focus on a spectrum of renewable energy domains, including net zero technology development for green hydrogen, pioneering research, and development activities on green energy technologies such as the generation of hydrogen and other biofuels from biomass, advance batteries and energy storage systems & sustainable technologies. The building will be constructed over the next two years. Foundation stone of the building was laid by Union Power Minister Shri R. K. Singh.



Foundation stone laying ceremony of IISC's new energy research building

2. Skill Development for Youth

The Government of India has laid tremendous emphasis on skill development as a means to unlocking the country's potential and reaping the benefits of our demographic dividend. PFC supports this mission of the Government of India and is working towards skill development of the youth.

PFC entered into a Memorandum of Agreement (MoA) with Central Institute of Petrochemicals Engineering & Technology (CIPET) for conducting industrial skill development programs for persons belonging to Scheduled Castes (SC)/Scheduled Tribes (ST)/Other Backward Classes (OBCs)/ Persons with Disability (PwD)/Economically Weak Sections (EwS) and women. CIPET is a public sector institution under the Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers. PFC contributed Rs 10 Crore as financial assistance for the program.



Training under progress at one of the CIPET centres

The objective of the skill development training program was to equip the unemployed youths with technical & professional skills and make them employable. Under the MoA with PFC, CPIET conducted 6 months' (960 hours) Residential Skill Development Training Programme for 1000 participants spread across 19 CIPET Centres in India. The participants were selected based on a well-structured selection process. Priority was accorded to applicants from "Aspirational Districts" notified by Government of India.

CIPET centres enrolled the candidates in National Skills Qualifications Framework (NSQF) aligned and National Skills Qualifications Committee (NSQC) approved trades / skill development training programmes like plastics processing, injection moulding, CNC milling, among others. The program combined classroom-based training with industry exposure, offering participants the opportunity to interact with business leaders and also undertake visits to industries.

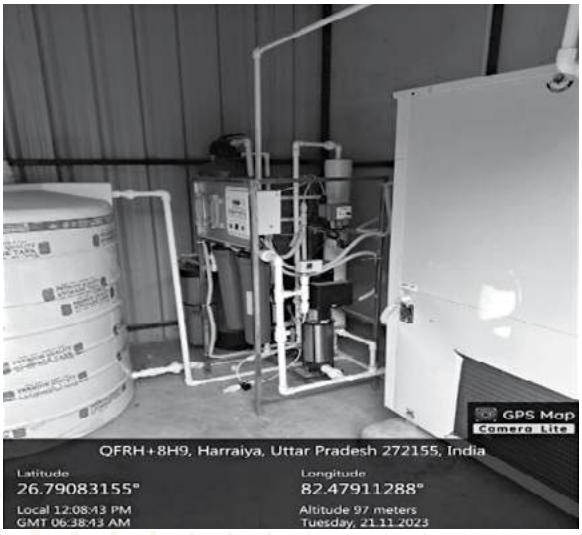
CIPET provided placement assistance for 85% of trainees in the plastics processing & allied industries with an average salary of 12,000/- per month. With this, not only did the program enhance the skill and competency level of the participants but also contributed to improvement in their socio-economic status.

Sl. No.	Category	Men	Women	Total
1.	SC	166	34	200
2.	ST	106	29	135
3.	OBC	464	64	528
4.	EWS	116	25	141
	Total	**852**	**152**	**1004**

3. Any Time Water Machines in Uttar Pradesh

Access to improved water supply and sanitation, and better management of water resources, can boost countries' economic growth. Availability of clean and safe drinking water is crucial for public health. Water is recognized as one of the UN SDGs under SDG 6 - Ensure access to water and sanitation.

Basti District in state of Uttar Pradesh has contaminated groundwater, with presence of arsenic. In order to make provision for safe drinking water for the people of Basti region, PFC funded a project for supply, installation and commissioning of 50 Any Time Water Machine (ATWM) These ATWMs, installed at a cost of Rs. 3.98 Crore, provide hygienic drinking water to a population of more than 10,000 people.



Any Time Water Machine in Uttar Pradesh

4. Anatomy laboratory in Department of Medical Sciences and Technology, IIT Madras

Driving innovation and research to create cutting edge technology in healthcare is an important thrust area in building capability and capacity towards Atmanirbhar Bharat. PFC, as a part of its CSR initiative is supporting IIT Madras in setting up of a state of the art research undergraduate anatomy laboratory in their Department of Medical Sciences and Technology.

The lab, representing the first of its kind in India, is designed to provide a unique hands-on learning experience to students. The amount funded by PFC for this project is Rs. 16.25 crores. The lab would include a virtual dissection table, synthetic skeletal system and cadavers and Artificial Reality (AR)/ Virtual Reality (VR) based tools.

The purpose of the anatomy lab is to translate theoretical classroom teaching into demonstrable practical lessons that would enrich the hands-on skill sets of the students. Further, it aims to utilize and develop technology-integrated teaching platforms that aid and assist knowledge transfer in a dry lab set up on par with the traditional cadaveric lab.



Anatomy Lab at IIT Madras

Pillar III – Pursuing Prudence



PFC is committed to maintaining the highest levels of business ethics and corporate governance across all areas of business, to support our long term growth

HIGHLIGHTS

2 Women in Board of Directors

290 mandays invested in Vigilance training programs

16 Board Meetings in FY24

9 Board Level Committees

MATERIAL TOPICS

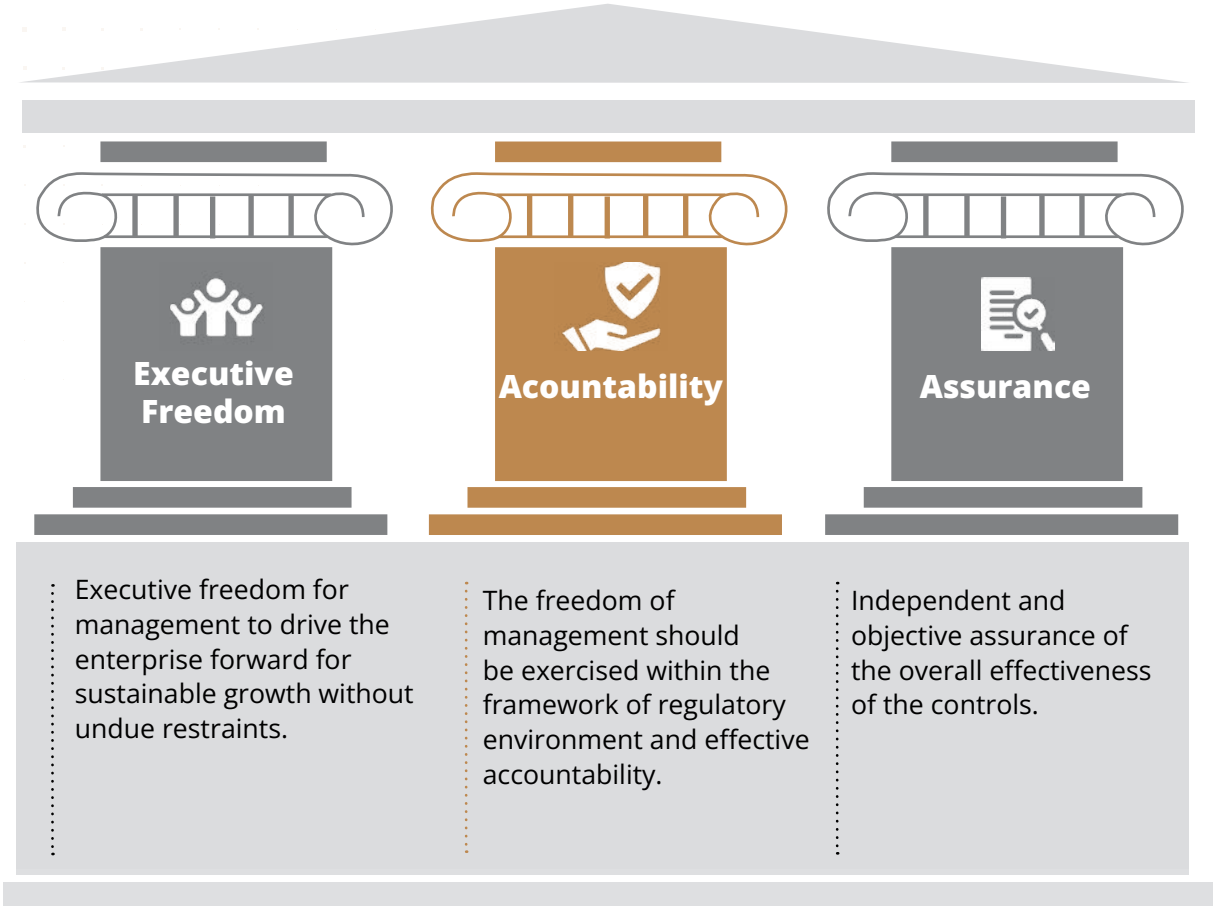
- Enterprise Risk Management
- Reporting and Disclosures
- Corporate Governance and Business Ethics
- Code of Conduct
- Regulatory and Legal Compliance
- Data Security and Data Privacy
- Grievance Redressal Mechanism
- Financial Performance
- Digitization of Business Processes

INTRODUCTION

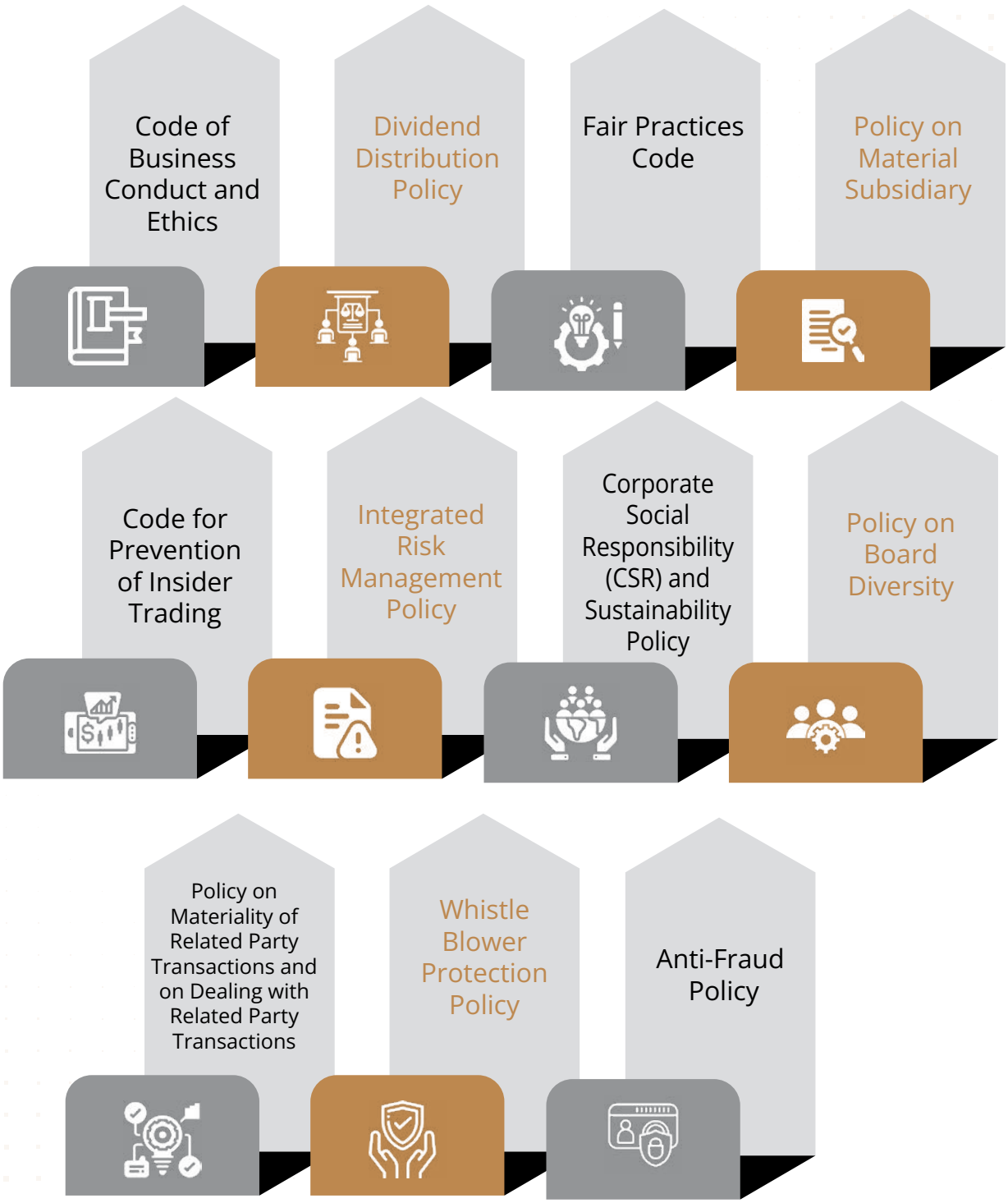
As a Maharatna corporation and India's largest NBFC, PFC is committed to pursuing prudence in every action and decision we undertake. Our leadership is committed to shape the organizational culture and promote innovation while upholding the highest standards of transparency, accountability, responsible governance, disclosures, and ethical standards. Our governance exemplifies a progressive approach integrating financial performance with environmental stewardship and social responsibility.

At PFC, our commitment to transparent governance goes beyond compliance which is reflected in our dedication to ethics and integrity. This is embedded throughout our corporate frameworks which not just allow us to mitigate risk but help unlock new opportunities, enabling us to create value for our stakeholders. This section highlights our commitment to uphold the highest levels of corporate governance across all spheres of our operation.

Philosophy of Corporate Governance



Policy Framework



Code of Business Conduct and Ethics

At PFC, we prioritize ethical standards and integrity throughout our organization. Our code of business conduct and ethics guides our board members and senior management, ensuring they act with honesty, fairness, and integrity. Aligned with our vision and values, this code promotes transparent processes to achieve our mission and objectives, ensuring that our actions are consistent with the highest ethical standards.

Dividend Distribution Policy

PFC consistently pays dividends, affirming its commitment to sustainable value for stakeholders. Dividends are declared at the Annual General Meeting based on Board recommendations, with discretion for interim dividends. Dividend decisions are made in accordance with the Government of India regulations and RBI regulations.

Fair Practices Code

PFC has developed the Fair Practices Code (FPC) for its lending operations based on the RBI guidelines, which intends to provide assurance to all the borrowers of the Company's commitment to fair dealing and transparency in its businesses transactions.

Policy on Material Subsidiary

PFC has framed the policy on 'Material Subsidiary' in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

A subsidiary shall be considered as material whose - income exceeds 10% of PFC's consolidated income as per the audited financial statement(s) of the previous accounting year; or net worth exceeds 10% of PFC's consolidated net worth as per the audited financial statement(s) of the previous accounting year.

Code for Prevention of Insider Trading

In compliance with SEBI regulations, PFC has developed the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited." This comprehensive code aims to prevent the misuse of sensitive information and ensure confidentiality. All designated and connected persons are obligated to safeguard information and refrain from using it for personal gain or benefiting third parties. The code outlines procedures, disclosures, and consequences of non-compliance, with the Company Secretary serving as the Compliance Officer to oversee adherence.

Integrated Risk Management Policy

PFC has instituted an Integrated Risk Management Policy (IRM policy) to manage major operational, financial, market and regulatory risks, etc. These risks are identified and assessed as per their risk assessment criteria to enable prioritization of risks, which in turn helps management focus on top risks.

Corporate Social Responsibility (CSR) and Sustainability Policy

Through its CSR and Sustainable Development initiatives, PFC undertakes projects focusing mainly on the fulfillment of energy needs of the society. We aim to ensure that we become a socially responsible corporate entity committed to improve the quality of life of the society at large.

Endeavors as a socially responsible corporate entity:

- Promote and leverage green technologies to produce goods and services that contribute to social and environmental sustainability.
- Undertake projects that provide energy, water, and sanitation facilities to the communities.

- Manage activities supporting differently abled persons and the health sector.
- Resolve issues which are of foremost concern in the national development agenda such as safe drinking water for all, provision of toilets especially for girls, health and sanitation, education etc.
- Contribute to inclusive growth and equitable development in society through education, capacity building measures, empowerment of the marginalized and underprivileged sections/ communities.

Policy on Board Diversity

PFC recognizes the importance and benefits of a diverse board which brings together individuals from different backgrounds, experiences, perspectives, and expertise and enriches the board discussions and drives superior outcomes. We believe that a diverse board enhances decision-making by utilizing different skills, qualifications, professional experience, and knowledge.

Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions

PFC has framed the Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions in accordance with the applicable provisions of Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended.

Whistle Blower Protection Policy

PFC is committed to the highest possible standards of ethical practices and moral business conduct. Over the years, PFC has put in place various policies, procedures, and systems to guide employees within and outside the organization, including the 'Anti-Fraud Policy' and 'Code of Business Conduct for Board Members and Senior Management'. An integral part of the Vigil Mechanism, the Whistle Blower Protection Policy has been introduced to empower the Directors and Employees of PFC and/ or its subsidiary companies to detect and report any improper activity within the company.

The policy empowers directors and employees of PFC and/or its subsidiaries to report concerns regarding unethical behavior, fraud, or code of conduct violations. It covers disclosing improper activities like malpractices, financial impropriety, fraud, law violations, negligence endangering the environment or public safety, unethical behavior, or criminal activity. This includes attempts to conceal such actions, which could impact the company's business or reputation. Overall, the policy fosters a culture of transparency and accountability within the organization.

Anti-Fraud Policy

Maintaining integrity and trust is paramount at PFC. To mitigate risks, enhance compliance, and promote sustainable growth, PFC's anti-fraud policy serves to enforce controls and aids in prevention and detection of fraud. This policy promotes consistent ethical behavior by assigning responsibility for the development of controls and providing guidelines for reporting and conduct of investigations of suspected fraudulent behavior.

The policy applies to any fraud or suspected fraud in PFC involving employees (including contractual employees) as well as stakeholders, consultants, vendors, suppliers, service providers, contractors, lenders, borrowers, outside agencies and/or any other parties with a business relationship with PFC.

Board of Directors



CMD & Functional Directors



Government Nominee Director



Independent Directors

- PFC's Board of Directors comprises of highly capable and experienced individuals. The Board consists of Chairman and Managing Director, two whole time directors, one Government of India nominee director and three independent directors. The Board functions either by itself as a full Board or through various committees constituted to oversee specific operational areas. Board meetings and meetings of the board level committees are held at regular intervals.
- In accordance with Article 86 of Articles of Association (AoA) of PFC, the directors on the board of PFC are appointed by President of India, through Ministry of Power, Government of India.
- Functional Directors are appointed by Public Enterprises Selection Board (PESB), an independent body constituted by Government of India.
- The Ministry of Power appoints the independent directors based on recommendations of a Search Committee after obtaining the approval of Appointments Committee of the Cabinet (ACC).
- The Ministry of Power also appoints a Government Nominee Director on the Board of the Company.

Board Committees

PFC has constituted board committees for efficient functioning of the organization and focused decision making. The board committees comprise of full time and part time directors.

1. Audit Committee of Directors – Responsible for oversight of financial reporting and disclosure for the organization
2. Nomination and Remuneration Committee - Responsible for compliances such as recommendation of directors appointment, etc. in line with relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.
3. Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee – Responsible for resolving grievances of shareholders and investors of PFC
4. HR Committee – Responsible for making recommendations to the Board of Directors on all HR related matters
5. CSR & Sustainable Development Committee of Directors – Responsible for implementing the Corporate Social Responsibility and Sustainability policy and making recommendations to the Board on taking up CSR & SD projects
6. Board Level Risk Management Committee – Responsible for monitoring and review of risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.
7. Investment Committee of Directors – Responsible for approving equity investment in IPOs of Central Power Sector Undertakings, investment limits, exit/sale decisions
8. ALM Committee of Functional Directors – Responsible for management of market risks through measuring, monitoring, and managing liquidity, exchange rate and interest rate risks
8. IT Strategy Committee - Responsible for guiding in preparation of IT Strategy, establishing effectiveness of IT Governance and Information Security Governance structure and ensuring processes are in place for assessing and managing IT and cybersecurity risks.



Business Ethics and Accountability

PFC believes in conducting business with the highest standards of ethics and transparency.

We have built a culture of honesty and fairness and have zero-tolerance towards bribery, fraud and corruption. PFC has a strong code of conduct that defines the expectations for behavior within the organization to further our purpose and values and reflects our commitment to uphold the trust of our stakeholders. We have set a benchmark in the form of code of conduct which is applicable to all our employees, senior management personnel and directors.

At PFC, we regularly conduct trainings on the code of conduct and an acknowledgement is taken from the employee at the completion of the training.

- **CDA Rules** – Conduct, Discipline and Appeal Rules notified by the Department of Public Enterprises (DPE) are applicable to all employees of PFC. CDA Rules provide guidelines on acceptable behaviours and ethical considerations for all employees of PFC.
- **CoC –** PFC has a Code of Business Conduct and Ethics Policy in place that is applicable to board members and senior management. The policy lays down guidelines on following ethical and transparent business processes.



Grievance Redressal Mechanism

PFC places a high priority on ensuring that complaints from all stakeholder groups are addressed promptly and effectively. To achieve this, we have implemented a formal grievance redressal mechanism that caters to the concerns of all stakeholders. The grievance redressal mechanism for all stakeholders is available on PFC's corporate website, which includes the processes as well as the relevant contact details for designated officials in-charge of grievance redressal.

Internal Stakeholders

Grievance Redressal Policy

PFC has a dedicated policy for handling grievances which is available to the employees on the company intranet. The policy consists of a 4-tier system which allows all permanent employees to escalate their grievances at multiple levels. There is a dedicated Grievance Redressal Committee in place for managing employee grievances.

Internal Complaints Committee for Sexual Harassment

To foster a safe workplace for women employees, PFC has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Vigil Mechanism

In terms of the requirements under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, PFC has established a 'Vigil Mechanism'/ 'Whistle-Blower Policy' for Directors and Employees to report their genuine concerns or grievances, about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

External Stakeholders

Shareholders

PFC has setup Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee to ensure redressal of the complaints of investors as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In case of non-receipt of dividend or any other dividend related query, a shareholder can contact the PFC's registrar and transfer agent. There is also a dedicated desk to resolve queries of shareholders. Further, PFC has a dedicated Investor Relations Cell to provide information to investors on PFC's performance and to have better and transparent communication with institutional investors.

Bondholders

For any bond related queries such as non-receipt of interest, updating of bank details etc., the bondholder can contact PFC's registrar and transfer agent. Additionally, there is a dedicated desk for resolving their queries. For 54EC bonds, PFC has two dedicated help desk- one for handling queries from application till allotment stage and another for post allotment queries. The queries are responded to within 24 hours.

Customers /Borrowers

In accordance with RBI Fair Practice Code, PFC has established a Borrowers Grievance Redressal Mechanism, for any grievance related to:

a. Charging of interest, interest on interest and penal interest
b. Waiver of interest on interest
c. Terms & conditions set out in the loan documents
d. Interpretation of covenants of loan documents
e. Matters relating to PFC policy regulating terms & conditions of loan documents

Vendors/Suppliers

PFC is mandated to conduct its procurement through the Government e Marketplace (GeM), a government owned and national public procurement portal of goods and services. Vendors can raise complaints on the GeM Incident Management System, which is designed to handle complaints and grievances regarding the GeM vendors and participants.

Others/Public/Community

PIDPI (Public Interest Disclosures and Protection of Informer) complaints - PIDPI is an independent mechanism set up by the Government of India and is available for the general public to lodge complaints for disclosure on any allegation of corruption or misuse of office. This is an offline as well an online portal wherein the complaints can be lodged 24X7. The complaint received under PIDPI are handled by a designated independent government body, being the Central Vigilance Commission (CVC).

Centralised Public Grievance Redress and Monitoring System (CPGRAMS) - CPGRAMS is an online platform available to the citizens 24x7 to lodge their grievances to the public authorities on any subject related to service delivery. It is a single portal connected to all the ministries/departments of Government of India and States. The status of public grievances is available on the PFC web portal and is accessible to all stakeholders.

Right to Information (RTI) – PFC has implemented the Right to Information Act, 2005 to provide information to the citizens of India and to maintain accountability and transparency in the working of the Company. For effective implementation of the RTI Act, PFC has designated its Company Secretary as Public Information Officer (PIO) to review and respond to RTI applications. Further, an Executive Director level officer has been designated as a First Appellate Authority (RTI) in PFC to review RTI appeals.

Risk Management Framework

At PFC, we have adopted a comprehensive risk management framework enabling us to proactively identify, assess, manage, and mitigate risks, ensuring organizational resilience, and sustainability. We have established an Integrated Risk Management Policy (IRM policy) to manage risks.

PFC has a three-tiered risk management framework, including a dedicated risk management unit, a risk management sub-committee and then a board level committee.



Corporate Risk Management Unit (CRM Unit), headed by Chief Risk Officer is involved in the process of identification, measurement and mitigation of risks.

Under the IRM policy, risk parameters covering the major operational, financial, market and regulatory risks, etc. are identified and assessed as per their risk assessment criteria to enable prioritization and management of risks.

The Risk Status Report and Risk Register are prepared on quarterly basis and placed before the Risk Management Sub Committee (RMSC) and the Board Level Risk Management Committee (BLRMC). These reports/documents include aspects pertaining to operational risks, financial risks, market risks, quantifiable and non-quantifiable risks, etc. faced by the organization. They assist in recording identified risks and related information in a structured manner.

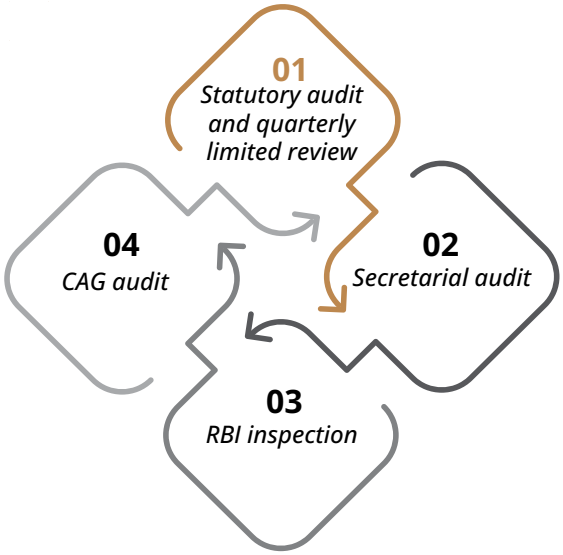
In addition to the above, all new loan policies and modifications of existing loan policies are reviewed by CRO from risk perspective. Furthermore, the lending proposals are also seen from the angle of inherent risks and their mitigation as identified by the appraising units.

Regulatory Compliance Control

PFC maintains an adequate system of internal control, including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations, and company procedures/ policies. Being a listed public sector financial institution, PFC is subject to regulations of RBI, SEBI, and Government of India.

PFC has a well-structured compliance function headed by Chief Compliance Officer (CCO) and which is supported by a comprehensive audit mechanism.

Type of Audits/Inspections at PFC:



Vigilance Function – Promoting transparency and accountability

At PFC, a proactive Vigilance Unit functioning as a robust vigil mechanism forms the cornerstone of transparency, accountability, and ethical conduct in our business practices. PFC's Vigilance Unit ensures the highest level of integrity across the organisation, implementing preventive, punitive as well as participatory measures in order to establish effective vigilance systems and processes.

The Chief Vigilance Officer (CVO) is a functionary appointed by the Government of India for overseeing all matters pertaining to vigilance. The CVO heads PFC's Vigilance Unit.

CVO's functions can broadly be divided into three categories, as under:

- Preventive vigilance
- Punitive vigilance
- Surveillance and detection

Regular awareness workshops/trainings are conducted by the Vigilance Unit on different aspects to ensure greatest level of integrity across the organization. During the Financial Year 2023-24, nine workshops/trainings were organized for the employees as a preventative vigilance measure.

Vigilance Awareness Week

PFC observed Vigilance Awareness Week in the month of November 2023 with the theme given by Central Vigilance Commission "Say No to Corruption; Commit to the Nation".



"भ्रष्टाचार का विरोध करें; राष्ट्र के प्रति समर्पित रहें".

Integrity Pledge

On the first day of the Vigilance Awareness Week, all PFC employees gathered at the PFC Conference Hall and took the Integrity Pledge as per guidelines of the CVC (Central Vigilance Commission. Later, employees took the e-pledge by logging onto the website of the CVC.

Seminars and Workshops

PFC organised various thought-provoking, interactive seminars and workshops addressed by subject matter experts from the industry. A workshop on "Ethics and Governance", talk sessions on the topics "Vigilance Awareness" and "Say no to Corruption; Commit to the Nation" were organized for PFC employees. The sessions were conducted by Shri P. Daniel, Secretary, CVC, and Shri Pankaj Agarwal, Secretary Power respectively and all the directors along with other senior officials of the corporation were present in the talk sessions.



Employees attending workshop on Ethics and Governance

Employee Sensitization Activities

Numerous activities were organized on the theme of integrity and vigilance to spread awareness amongst employees, including debate/ elocution, slogan writing competition, pictorial competition, poem writing competition as well as a quiz on Vigilance Administration and PIDPI.

Awareness Drive

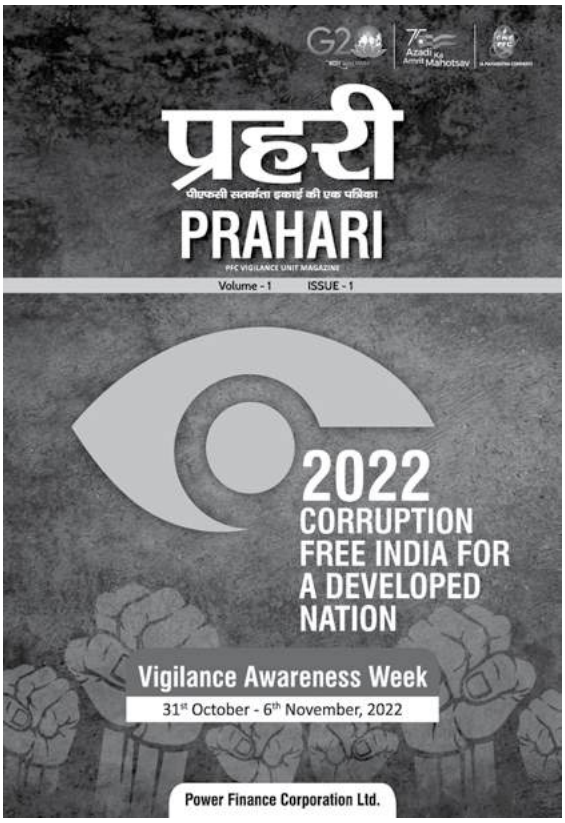
On the occasion of Vigilance Awareness Week, banners showing observance of the Vigilance Awareness Week were displayed at prime locations in and outside of corporate office of PFC, PFCCL and regional offices. PFC printed and released brochure on PIDPI resolution in hard copy as well as in e-copy. Brochures on PIDPI were also printed and displayed on the websites of PFC and PFCCL as well as the organization's intranet.

Vendor Outreach

PFC organized various outreach meetings for vendors of PFC head office in Delhi and PFC's, Regional Office (South) and (West) and PFCCL to educate them about PIDPI, public procurement, latest trends in public procurement, integrity, ongoing changes etc. Vendors were sensitized about PIDPI by vigilance officials.



Brochures released as part of Vigilance Awareness Week



Prahari Magazine

The first edition of PFC's vigilance magazine 'Prahari' was released in 2022 containing articles related to vigilance, power and allied sector and award-winning entries of the Vigilance Awareness Week. The second edition shall be released shortly.

Information Technology Policies & Practices

A. The Management Systems Unit at PFC is committed to delivering strategic advantage by promoting the creative and innovative use of technology to achieve the organization's objectives. The unit promotes effective stewardship of information access and provides a secure, reliable technology infrastructure along with quality customer-oriented services and support, to meet the ever-changing business needs. PFC has undertaken multiple Information Technology (IT) initiatives to help streamline operations, reduce costs, improve efficiency, optimise resource utilization, and devote talent to core business to enable better services and relationship with stakeholders.

B. State-of-the-art Datacentre: In order to provide continuous technological support through reliable infrastructure, PFC has established a state-of-the-art Data Centre which is operational 24x7, housing database, applications, network, MS exchange email, enterprise antivirus, advance threat protection servers hosted on rack mounted dual processor servers with full power & data redundancy protection systems. Comprehensive network security system with two stage firewalling for server zone and with intrusion detection & prevention system, antivirus, content filtering systems are put in place to strengthen the information system security.

Network environment of fastest Gigabit Local Area Network with fibre backbone with Layer-3 switching technologies and the exchange email servers implemented at PFC serves as a backbone of corporation's communications. These electronic based communication systems are used to disseminate routine and critical business information in a quick and efficient manner. IT equipment are used to send business status reports to executives at various levels, to update employees on critical business projects and to connect with business partners and customers.

C. Cyber Security Governance: Cyber risks form an integral part of PFC risk management framework. PFC MS-IT Infrastructure Unit is committed to working towards aligning itself with the changing threat landscape. The cyber security framework for the financial institution widely covers the following domains:

Cyber Security Framework				
Cyber Security Policy	Cyber Security Strategy	Continuous Surveillance	→	**Cyber Security Operations Center (C-SOC)**
Risk/Gap Assessment	IT Architecture			
Network and Database Security	Cyber Security Policy			
		Reporting Cyber Incidents	→	**Cyber Security Incident Reporting (CSIR)**
Cyber Crisis Management Plan	Cyber Security Preparedness Indicators			
IT Organization Structure	Cyber Security Awareness			
↓				
Baseline Cyber Security and Resilience requirements				

D. Information and Cyber Security: Information is an asset to all NBFCs, and information Security (IS) refers to the protection of these assets in order to achieve organizational goals. The purpose of Information Security (IS) is to control access to sensitive information. The controls are implemented to ensure the use of IT resources only by legitimate users. It widely covers the following domains:,

Controls for IT Infrastrucute

Preventive Control

- Application Security Life Cycle (ASLC). Vulnerablility Assessment and Penetration Testing (VAPT), Antivirus, Vendor Risk Assessment, Firewall, Instrusion Detection System (IDS)
- Access Management
- Distributed Denial of Service (DDos) mitigation

Responsive Control

- Security Operation Centre (SOC) Monitoring
- Web Application Firewall
- Network Operation Centre (NOC) Monitoring
- RED Teaming exercises

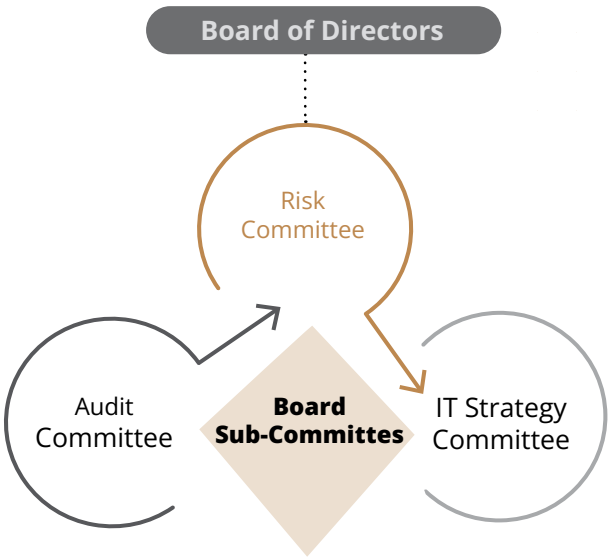
Detective Control

- Incident Response Plan
- Cyber Crisis Management Plan (CCMP)
- Forensic Agreements with partners

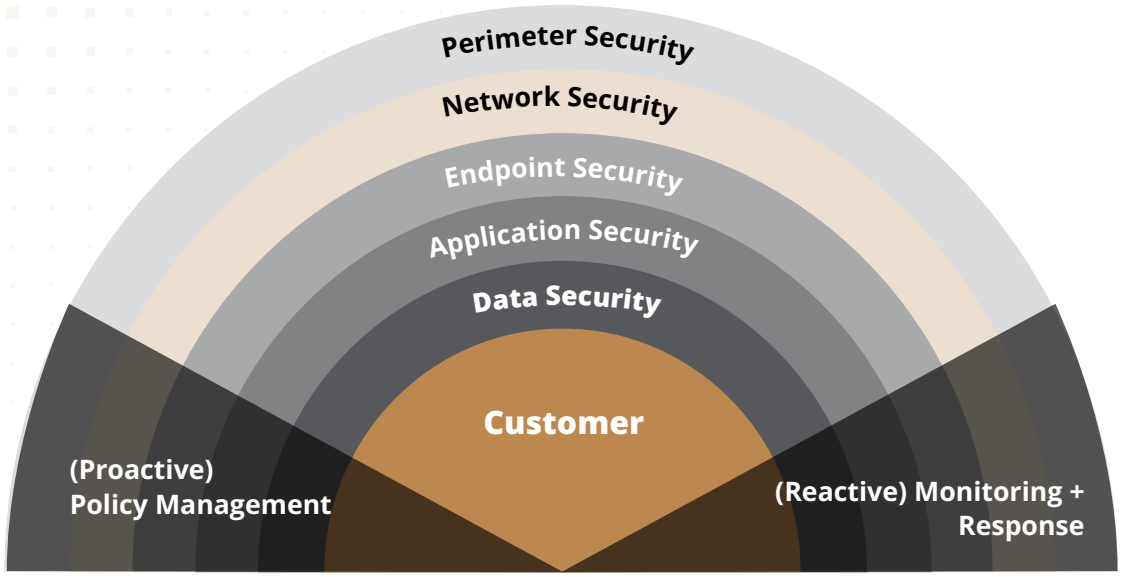
E. Cyber Awareness: PFC conducts regular cyber awareness programs for its employees and same is also catered through Cyber Jagarukta Diwas which is conducted on the first Wednesday of every month. Further, IT awareness training is imparted to all employees of the corporation with a focus on best practices, safe & secure usage of IT Systems of PFC in ever growing cyber security threats, vulnerabilities & risk landscape.

F. Information Technology Governance: IT governance is a formal framework that provides a structure for organization to ensure that IT investments support business objectives. PFC has a robust IT strategy to support the business objectives. IT Governance Stakeholders includes Board of Directors (BODs), IT Strategy Committee, IT Steering Committee, Business Executives, Chief Information Officer (CIO), Chief Technology Officers (CTO), Chief Risk Officer and Risk Committees.

Governance Structure for Information Technology



G. The Layered defence approach: PFC has adopted a layered approach to ensure the integrity, confidentiality & availability of sensitive data, which is important because there is no single security control that can keep hackers out. The goal of layered security is to prevent a single security vulnerability from compromising an entire system. Having multiple layers of security protects the IT systems even when one of those layers fails, making it harder for attackers to accomplish their goals and provides more time to the IT team to respond to the threat.



H. IT Policy: PFC has formulated a board approved IT Policy based on RBI master direction for NBFCs, which has been vetted by the National Informatics Centre (NIC). To build awareness regarding IT policies, circulars are shared from time to time with all employees.

I. Augmentation of IT Infrastructure: To keep pace with the demand for high-speed computing by the organisation, PFC regularly updates its IT infrastructure. PFC has enhanced the following ICT infrastructure services:

   a) PFC's corporate office in Delhi has implemented the SOAR (Security Orchestration, Automation & Response) system which covers the security for servers, endpoint systems, managed detection and response solutions to protect PFC's IT infrastructure from security threats and vulnerabilities.

   b) PFC Perimeter Security is upgraded to the latest firewalls which enable enhanced security.

J. Business Continuity Plan / Disaster Recovery (DR): PFC has implemented its Disaster Recovery (DR) site in Mumbai to ensure continuity of business operations in case of any disaster incident.

K. Remote Work Facility: PFC has provided its employees with a secure remote access facility to the company's internal resources, data & networks, enabling them to work remotely if required.

L. Red Team: PFC has constituted its internal red team to simulate attacks & vulnerabilities to assess and improve the IT security posture of the organization. The goal of a red team is to think like potential attackers, identify weaknesses and help the organization strengthen its defences.

M. Paperless E-Office: PFC has implemented a paperless E-office which is a major transition from traditional paper-based file approval processes to digital workflows. This improved efficiency, reduced costs & enhanced environmental sustainability by reducing paper consumption and recording the history of the transactions at every step.

N. Disaster Recovery (DR) Drills: At present, PFC conducts at least two DR drills in a financial year to ensure that the organization is ready to handle unexpected disruptions or disasters. These drills are essential for identifying gaps in the disaster recovery plan & improving the organization's ability to respond effectively during any eventuality.

Awards & Accolades














37th amongst largest 500 Indian Companies as per FORTUNE India 2023 Rankings


South Asian Federation of Accountants (SAFA) Gold Award in Best Presented Accounts (BPA) for the FY 2021-22


SCOPE's Meritorious Award for the Best Managed Bank, Financial Institution, or Insurance Company


Awarded as India's "Leading Infrastructure Finance Company" at the BFSI & FinTech Summit 2024 by Dun & Bradstreet


2nd among Central Public Sector Enterprises for procuring goods and services from MSME Businesses in the Rs 10 crore to Rs 100 crore range in the FY 2022-23


CSR Award in the Non-Fossil Fuel business category at the Outlook Planet Sustainability Summit & Awards 2024

Annexure F of the Board's Report

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

{Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
POWER FINANCE CORPORATION LIMITED,
'URJANIDHI', 1, Barakhamba Lane,
Connaught Place, New Delhi 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **POWER FINANCE CORPORATION LIMITED** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the period under review not applicable to the Company);

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**during the period under review not applicable to the Company);**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

(j) Other law specifically applicable to companies:

a. TheDepartmentofPublicenterprisesGuidelines.

b. Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023

c. The Competition Act, 2002;

d. The Right to information Act, 2005;

e. E-waste (Management and handling) Rules, 2011;

f. Labour and social security laws and

g. Regulation and prevention of Money laundering Act, 2002;

We have examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards mentioned above subject to the following observations:

i. During the period under review, the company has not complied with the provision of Regulation 17 (1)(b) of SEBI (LODR) Regulations, 2015, regarding the requirement of having at least half of the Board of Directors as independent, for which company has received notice from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

ii. During the period under review, the company has not complied with the provision of Regulation 17 (10) of SEBI (LODR) Regulations, 2015, w.r.t. the performance evaluation of director.

We further report that:

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company at its Annual General Meeting held on 12 September 2023, declare the final dividend of ₹ 4.50/- per equity share (Face value of ₹ 10/- each) amounting to ₹ 1,188.04 crore for the Financial Year 2022-23.

2. The Board of Directors of the company at its meeting held on 8 November 2023 declared First Interim Dividend of ₹4.50/- per equity share of face Value of ₹10/- each, on 8 February 2024 declared Second interim dividend of ₹3.50/- per equity share of face Value of ₹10/- each, on 11 March 2024 declared Third interim dividend of ₹ 3.00/- per equity share of face Value of ₹10/- each for the year 2023-24.

3. The company approved Bonus shares to shareholders during the Annual General Meeting held on September 12, 2023 at a ratio of 1:4, one fully paid-up bonus equity share of ₹10/- each for every four existing fully paid-up equity shares .

For **Mehta & Mehta**,
Company Secretaries
(ICSI Unique Code P1996MH007500)

sd/-
Nayan Handa
Partner
FCS No: 11993
CP No.: 18686
UDIN: F011993F000705466

Place: Delhi
Date: 10.07.2024

Note: This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

Annexure A of Secretarial Audit Report

To,
The Members,
POWER FINANCE CORPORATION LIMITED,
'URJANIDHI', 1, Barakhamba Lane,
Connaught Place, New Delhi 110001

Our report of even date is to be read along with this letter.

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta**,
Company Secretaries
(ICSI Unique Code P1996MH007500)

sd/-
Nayan Handa
Partner
FCS No: 11993
CP No.: 18686
UDIN: F011993F000705466

Place: Delhi
Date: 10.07.2024

Annexure II of Secretarial Audit Report

Observations of the Secretarial Auditor alongwith explanations to the same required to be included in the Directors Report to the shareholders for the FY2023-24.

Sl. no.	Observation	Explanation
1.	During the period under review, the company has not complied with the provision of Regulation 17 (1) (b) of SEBI (LODR) Regulations, 2015, regarding the requirement of having at least half of the Board of Directors as independent, for which company has received notice from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).	PFC being a Government Company and in terms of clause 86 of Articles of Association (AoA) of PFC, the members of the Board of PFC are appointed by President of India, through Ministry of Power, Government of India. Accordingly, the Company has from time to time requested Ministry of Power (MoP), Government of India to expedite appointment of requisite number of Independent Director(s) on the Board of the Company to enable it to comply with the requisite provisions under SEBI (LODR), Regulations 2015 and DPE guidelines. In view of above, PFC has also requested the Stock Exchanges for waiver of fine, response of the Stock Exchanges in this regard is awaited.
2.	During the period under review, the company has not complied with the provision of Regulation 17 (10) of SEBI (LODR) Regulations, 2015, w.r.t. the performance evaluation of director.	PFC being a Government Company and in terms of Clause 86 of Articles of Association (AoA) of the Company, the appointment of Functional Directors, Government Nominee Directors and Independent Directors of PFC are made by Government of India. The terms & conditions of such appointment including remuneration and evaluation vests with the Government of India. All the members of the Board are appointed by President of India, through Ministry of Power, Government of India and are subjected to periodic performance review and that, the Company's performance is also periodically reviewed with reference to annual MoU signed between PFC and Government. Further, PFC being a Listed Entity, in compliance thereof, a draft Board Evaluation Policy was formulated & recommended by the Nomination and Remuneration Committee for approval of Board of Directors. The Board of Directors directed to submit the draft Policy to Ministry of Power seeking guidance in the matter. In compliance, the draft Policy was sent to the Ministry of Power for its guidance. Furthermore, it was informed by MoP that the draft Board evaluation policy has been referred to the CPSE policy division for further examination.

Annexure G of the Board's Report

Annual Report on CSR Activities for the FY2023-24

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY.

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Corporation becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has been implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood, Rural Development etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition'.

2. COMPOSITION OF CSR COMMITTEE AS ON MARCH 31, 2024

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Prasanna Tantri	Chairman/Independent Director	9	9
2.	Smt Usha Sajeev Nair	Member/Independent Director	9	9
3.	Smt Parminder Chopra	Member/Addl.Charge. Director (Finance)	9	2
4.	Shri Rajiv Ranjan Jha	Member/Director (Projects)	9	8
5.	Shri Manoj Sharma	Member/Director (Commercial)	9	9

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

(a)	Composition of CSR committee	https://pfcindia.com/ensite/Home/VS/10231
(b)	CSR Policy	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/CSR/CSR%20Policy.pdf
(c)	CSR projects approved by the board	https://pfcindia.com/ensite/DocumentRepository/ckfinder/files/CSR/englishCSR.pdf

4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).

The impact assessment was carried out by M/s Institute of Public Enterprise (IPE). Following is project wise key findings from the Impact Assessment Studies:

Sl. No.	Name of Project	Cost of Project (in ₹ Cr.)	Key findings of Project
1	Mass Awareness Campaign on COVID-related Social Behavior Norms in Aspirational districts identified by NITI Aayog	3.49	a. The messages regarding social behavior norms during the COVID-19 pandemic were strategically positioned in 20 aspirational districts across the country. b. In each district, there were 100 hoardings of different sizes, ensuring effective communication with the public. c. The project raised awareness regarding the spread and prevention of COVID-19, leading to a decrease in panic among the population. d. The dissemination of information regarding social behavior norms has been proven effective in reducing the rapid transmission of the COVID-19 virus, as it has reached a significant portion of the population.

Sl. No.	Name of Project	Cost of Project (in ₹ Cr.)	Key findings of Project
2	Installation of RO Units in Government/Government Aided Schools of Ferozepur District, Punjab	6.76	a. The project created awareness about the water borne diseases and other health problems and emphasized about the importance of potable drinking water among schoolchildren, resulting in improved children's academic achievements and good health. b. RO drinking water is being utilized for mid-day meals preparation in all most all schools where PFC installed RO water plants in Ferozepur district.
3	Providing services of Automatized Sweeping Collection & Transportation of Municipal Solid Waste (MSW) in Fourteen wards of Varanasi Municipal Area	8.00	a. The project has provided Automatized Sweeping Collection & Transportation of Municipal Solid Waste (MSW) in 14 wards of Varanasi Municipal Area resulting in improved cleanliness resulting in beautification of the city. b. It resulted in high impact as automatized sweeping collection &transportation of Municipal Solid Waste resulted in beautification of the city. c. Awareness about cleanliness, waste segregation at the source and residents are reminded to use separate green and blue bins for their garbage. d. This approach ensured the financial sustainability of the project and created job opportunities for 1000 local people directly and many more people indirectly in 14 wards of Varanasi Nagar Nigam.
4	Skill development training for 2500 nos. of unemployed youth belonging to SC/ST/OBC/PwD/Women/EWS of society through CIPET – Phase-II	14.93	a. Under this initiative, the candidates underwent comprehensive training in theory, practical skills, industry exposure, on-the-job training, computer proficiency, and communication skills specifically tailored for the petrochemicals and plastics manufacturing sector. b. The courses were job-oriented and has resulted 80% to 85% of placement for all the students who have successfully completed the course with a salary range of ₹8000 to 15000 per month. c. The courses also encouraged youth to take up entrepreneurship in various auxiliary industries relating to plastics manufacturing. d. The project also improved the socio-economic conditions as they were placed immediately after the completion of the course with reasonable pay packages.
5	Up-gradation of Various Government Schools in Khammam District, Telangana	9.44	a. This project had a significant impact on the government school education system in Khammam district. b. This project provided three forms of educational infrastructure provisions in Khammam district by providing additional classrooms, dual desks, and wall exhibits presenting a range of textbooks content utilizing the Building as Learning Aid (BALA) concept. c. Additional class rooms and dual desk bench provided has improved the seating arrangements and concentration level and increased the academic performance. d. BALA concept improved the basic learning of mathematical and science concept.
6	Construction of School Building in KB Hedgewar School, Tiswadi, Goa	3.40	a. The project had a positive outcome on learning patterns as students have separate building and the ventilated classrooms. b. It increases the students' strength and reduction in dropouts. c. The project provided good educational infrastructure and also improved facilities such as separate toilets for boys and girls, staff rooms for teachers and an office space, an open aired multipurpose hall, etc.
7	Project for upgradation of School of Government Schools in Siddharthnagar District, Uttar Pradesh	9.24	a. The project resulted in improved self-learning skills through Building as Learning Aid (BALA) and also introduction to smart classroom initiatives in government schools. The teachers were utilizing preloaded content on different subjects and material downloaded from the internet to teach children about various topics helping the children to understand science experiments – physics, chemistry, and biological sciences through online. b. The project aimed towards repairs and renewal of school infrastructure in Siddharthnagar resulting in improved safety and security of children. c. The project had resulted in high impact and positive transformation among primary schools' children enhancing the students' LSRW (Learning, Speaking, Reading, Writing) skills in Hindi and English subjects.

* The process for study of impact assessment study of all above stated CSR Projects were started in FY2023-24, however, the report has been submitted by IPE in May 2024.

The detailed impact assessment report is available at https://pfcindia.com/ensite/Home/VS/45

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

S No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-22	39.39	39.39
2	2022-23	Nil	Nil
3	2023-24	Nil	Nil
	Total	**39.39**	**39.39**

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5).

₹10,769.72 crore

7. (a) Two percent of average net profit of the company as per section 135(5)

₹215.39 crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c).

₹215.39 crore

8. (a) CSR amount spent or unspent for the financial year:

(₹ in Crores)

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
99.37	116.02	April 30, 2024	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
1	Project for construction of State of Art Building for Interdisciplinary Centre for Energy Research (ICER), IISc Bengaluru, Karnataka	Item (ii) – Promoting education	No	Karnataka	Bangalore	24	12.66	-	12.66	No	IISc Bengaluru	CSR00007370
2	Project for development works in 35 villages of Bundi District	Item (x) – Rural development projects	No	Rajasthan	Bundi	12	7.50	0.75	6.75	Yes	Zila Parishad, Bundi/ PMA	NA
3	Procurement and Installation of Sewer utility Vehicle with Jetting machine (01 no.) and Mobile toilets (05 nos.) for Daman Municipal Council, Daman (UT)	Item (i) – Sanitation and healthcare	No	Daman	Daman	10	1.44	1.30	0.14	Yes	Daman Municipal Council/PMA	NA
4	Project for supply, installation and commissioning of 500 nos. of Solar based LED Street Lighting System (SLS) in various villages of Sonbhadra Region	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Uttar Pradesh	Sonbhadra	9	1.06	0.53	0.53	No	U.P Small Industries Corporation Ltd. (UPSIC)	CSR00023463
5	Project for Installation and Commissioning of Sewage Treatment Plant (STP) in SGGS Vidya Kender, Delhi	Item (i) – Sanitation and healthcare	Yes	Delhi	Delhi	8	0.48	0.29	0.19	No	Indo-German Institute of Advanced Technology	CSR00051518
6	Expansion of student residential facilities and other development works at Swami Vedanand Ved Vidyalaya in Kuteti, Uttrakashi	Item (ii) – Promoting education	No	Uttarakhand	Kuteti	12	1.02	0.10	0.92	Yes	Telecommunication Consultants India Limited (TCIL)/PMA	NA
7	Rectification of toilets constructed by PFC in FY2014-15 under Swachh Bharat Swachh Vidyalaya Abhiyanin -Geotagging	Item (i) – Sanitation and healthcare	No	Andhra Pradesh	Multi-District	1.5	2.94	2.16	0.78	Yes	PFC on its own	NA
8	Rectification of toilets constructed by PFC in FY2014-15 under Swachh Bharat Swachh Vidyalaya Abhiyanin- Geotagging	Item (i) - Sanitation and healthcare	No	Rajasthan	Multi-District	1.5	0.64	0.42	0.22	Yes	PFC on its own	NA
9	Project for Supply, Installation and Commissioning of 02 nos. of Solar Power Plants (SPV) in 2 Govt. Schools and 1160 nos. Solar Street Lighting System (SLS) in villages of Lohit and Namsai district of Arunachal Pradesh	Item (iv) – Environmental sustainability(Solar appilication/energy efficient LED lighting	No	Arunachal Pradesh	Lohit & Namsai	12	3.93	-	3.93	No	Arunachal Pradesh Energy Development Agency (APEDA)	CSR00047578

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
10	Project for Procurement and installation of Medical Equipment for Swami Vivekananda Blood Centre	Item (i) – Healthcare	No	Tamil Nadu	Coimbatore	8	0.95	-	0.95	Yes	HITES Ltd./PMA	NA
11	Project for development of public garden with energy efficient technology	Item (iv) – Environmental sustainability/ Livelihood enhancement	No	Maharastra	Sambhajinagar	6	10.57	-	10.57	Yes	Broadcast Engineering Consultants India Ltd. (BECIL)/PMA	NA
12	Project for supply installation and commissioning of 200 nos. LED High Mast Lighting systems in various villages of Muzzafarnagr District	Item (iv) – Environmental sustainability (Solar appilication/energy efficient LED lighting	No	Uttar Pradesh	Muzzafarnagar	8	2.45	0.86	1.59	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
13	Project for procurement of ambulance for Seva Bharthi Chevayur	Item (i) – Healthcare	No	Kerela	Kozhikode	8	0.21	-	0.21	Yes	HITES Ltd./PMA	NA
14	Project for Supply installation and commissioning of 500 Nos. LED Street Lightning system in various villages of Siddarthnagar	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Uttar Pradesh	Siddarthnagar	8	1.01	-	1.01	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
15	Project for construction of Common Facility Centre(CFC) building, for installation of cotton processing machinery	Item (iv) – Environmental sustainability/ Livelihood enhancement	No	Maharashtra	Dhule	12	7.50	-	7.50	No	Dhule District Administration (DDA)	CSR00044789
16	Project for installation of 32 RO Water Treatment Plants in 32 Villages of Ongole	Item (i) – Sanitation Item (ii) – Promoting education	No	Andhra Pradesh	Prakasam	12	2.50	0.25	2.25	Yes	District Collector & District Magistrate, Prakasam	NA
17	Project for supply and installation of 20 nos. of Solar Photovoltaic (PV) powered pumping Structures pump with 5 HP capacity of motor and water tank for irrigation	Item (iv) – Environmental sustainability (Solar application/ Renewable Energy and Energy Efficient and Environment-friendly Technologies	No	West Bengal	Purba and Paschim Medinipur	8	1.14	-	1.14	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
18	a) Construction of Boundary wall in Government Hospital, Piro Block	Item (i) – Sanitation and healthcare	No	Bihar	Bhojpur	12	0.37	-	0.37	Yes	NHPC Ltd/PMA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
	b) Re-Development and Beautification of Padaw Maidan in Piro Block	Item (i) – Sanitation and healthcare	No	Bihar	Bhojpur	12	3.50	-	3.50	Yes	NHPC Ltd/PMA	NA
	c) Construction of Gateway to the Fort of Historical importance of Freedom Fighter Veer Kunwar Singh in Jagdishpur block	v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art	No	Bihar	Bhojpur	12	4.93	-	4.93	Yes	NHPC Ltd/PMA	NA
	d) Construction of Bus-stand near Naya Tola Morin Jagdishpur Block	(x) rural development projects	No	Bihar	Bhojpur	12	2.83	-	2.83	Yes	NHPC Ltd/PMA	NA
19	Project of organising Medical Camps for the 37th National Games	Item (i) – Healthcare	No	Goa	Goa	0.5	2.57	0.64	1.93	Yes	Sports Authority of Goa	NA
20	Project for supply, installation and commissioning of 30 KW capacity of off Grid SPV Power Plant in 3 nos. Sub-divisional Health Centre in Jhanjharpur Parliamentary Constituency	Item (i) – Healthcare	No	Bihar	Madhubani	8	1.13	-	1.13	No	U.P Small Industries Corporation Ltd. (UPSIC)	CSR00023463
21	Project for supply, installation and commissioning of 150 nos. of Solar based LED Street Lighting Systems	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Bihar	Bhojpur	3	0.30	-	0.30	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
22	Proposal for Procurement of Ultrathin Sanitary Napkins Manufacturing unit in Soraon	Item (i) – Sanitation and healthcare	No	Uttar Pradesh	Prayagraj	6	0.26	-	0.26	Yes	HITES Ltd./PMA	NA
23	Project for Fisheries community development in Machlipatnam	Item (i) – Healthcare	No	Andhra Pradesh	Machlipatnam	10	0.34	-	0.34	No	District Collector of Krishna District, Andhra Pradesh	CSR00033025
24	Procurement of Hockey Sports Material/Equipment for Sarawathi Vidya Mandiram School	Item (vii) – Sports	No	Kerala	Kozhikode	6	0.06	-	0.06	Yes	HITES Ltd./PMA	NA
25	Project of Developmental works in 28 villages of Bihiya block in the Bhojpur	(x) rural development projects	No	Bihar	Bhojpur	12	3.94	-	3.94	Yes	NHPC Ltd/PMA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
26	Project for supply, installation and commissioning of cumulative 100 kWp Grid Connected Solar Power Plant at Taluk Head Quarters Hospital	Item (i) – Healthcare	No	Kerala	Kottayam	8	0.68	-	0.68	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
27	Project for supply, installation and commissioning of 500 nos. of Solar based LED Street Lighting Systems various villages of Vizianagram	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Andhra Pradesh	Vizianagram	8	1.01	-	1.01	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
28	Project for construction of Boys Hostel Block and Entrance Gate for Netaji Subhas Chandra Bose Military Academy	(ii) – Promoting education	No	Daman & Diu	Silvassa	24	12.30	-	12.30	Yes	Telecommunication Consultants India Limited (TCIL)/PMA	NA
29	Project for Supply, installation and commissioning of 750 nos. of Solar based LED Street Lighting System (SLS) in various strategic locations of Amethi Parliamentary Constituency	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Uttar Pradesh	Amethi	8	1.52	-	1.52	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
30	Project for Supply, Installation and Commissioning of 500 nos. SPV LED Street Lighting Systems at Various blocks of Akbarpur Parliamentary Constituency	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Uttar Pradesh	Kanpur	8	1.01	-	1.01	Yes	Electronics and Instruments Limited (REIL)/PMA	NA
31	Project for upgradation of Healthcare Services in Campus Hospital and Kitchen utensils for Dinning Hall in Netaji Subhas Chandra Bose Military Academy	Item (i) – Healthcare	No	Daman & Diu	Silvassa	6	1.59	-	1.59	Yes	HITES Ltd./PMA	NA
32	Project for supply, installation and commissioning of 63 nos. of Solar based LED High-Mast Street Lighting Systems in various villages of Azamgarh Parliamentary Constituency	Item (iv) – Environmental sustainability (Solar application/energy efficient LED lighting	No	Uttar Pradesh	Azamgarh	6	0.24	-	0.24	Yes	U.P Small Industries Corporation Ltd. (UPSIC)	CSR00023463
33	Project for undertaking CSR Project for Procurement of Medical equipment's in Goa Medical College & Hospital, Bambolin	Item (i) – Healthcare	No	Goa	Bambolin	12	4.00	-	4.00	Yes	Goa CSR Authority	NA
34	Project for Construction of Community Training & Health Care Centre (G+3) at Eternal University	Item (i) – Healthcare	No	Himachal Pradesh	Sirmaur	18	5.50	-	5.50	Yes	Telecommunication Consultants India Limited (TCIL)/PMA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
35	Project for strengthening Healthcare Delivery through Equipment Upgradation in various Government Hospitals in Satna	Item (i) – Healthcare	No	Madhya Pradesh	Satna	6	4.88	-	4.88	No	District Health Society, Satna	CSR00064010
36	Proposal for setting up of research undergraduate Anatomy laboratory in the department of Medical Sciences and Technology in IIT, Madras	Item (i) – Healthcare	No	Tamil nadu	Coimbatore	6	16.24	8.10	8.15	No	IIT Madras	CSR00004320
37	Project for providing medical equipment's for upgradation of Healthcare Services in Family Health Centre's of Pallickathodu and Mutholy Gram panchayat	Item (i) – Healthcare	No	Kerala	Kottayam	6	0.75	-	0.75	Yes	HITES Ltd./PMA	NA
38	Project for Construction of Dining Hall along with other infrastructural facilities for Mid-Day Meal Beneficiaries in premises of Manipal Pre-University College	Item (i) – Healthcare & Nutrition	No	Karnataka	Udupi	8	0.89	-	0.89	Yes	HITES Ltd./PMA	NA
39	Project for setting up of Artificial Intelligence (AI) Labs-IOT Labs in 11 nos. of Govt. Higher Secondary (10+2) Schools, and 02 nos. of Govt. Polytechnic Colleges in Balurghat Block	Item (ii) – Promoting education	No	West Bengal	Dakshin Dinajpur	6	2.59	-	2.59	Yes	Indian Telephone Industries Limited (ITI Ltd.)/PMA	NA
	TOTAL							**15.40**	**116.02**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Reg. no.
1	Contribution to Swachh Bharat Kosh	Item (i) – Healthcare	No	PAN India	NA	77.46	Yes	NA	NA
						77.46			

(d) Amount spent in Administrative Overheads

₹ 6.51 crore

(e) Amount spent on Impact Assessment, if applicable

Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹ 99.37 crore

Note: The total CSR amount charged to Standalone Statement of Profit and Loss during FY2023-24 is ₹ 217.50 crore. Out of this, ₹2.11 crore pertains to projects sanctioned against the budget of the period upto 31.03.2020, whereas, the remaining amount i.e. ₹ 215.39 crore pertains to projects sanctioned against the budget of FY2023-24.

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	215.39
(ii)	Total amount spent for the Financial Year	215.39*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

* The amount spent includes an amount of ₹ 116.02 crore towards ongoing projects and the same has been deposited in Unspent CSR Account as per requirements of Section 135(6) of Companies Act, 2013.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ in Crores)

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account u/s 135(6)	Cumulative Amount spent till Previous Years	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
					Name of the Fund	Amount	Date of transfer	
1	Till FY2019-20	217.59*	165.16	2.11	NA	NA	NA	50.32
2	FY2020-21	Nil	NA	NA	NA	NA	NA	Nil
3	FY2021-22	54.87	13.98	9.82	NA	NA	NA	31.07
4	FY2022-23	106.34	NA	23.49	NA	NA	NA	82.85
	Total	**378.80**	**179.14**	**35.42**				**164.24**

* Not required to be transferred as the provision of Section 135 (6) was made effective from the FY2020-21.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(₹ in Crores)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed/ Ongoing
1	44	Relief & Rehabilitation activities in the flood affected areas of Uttarakhand for re-building of infrastructure destroyed during calamity.	2013-14	90	3.00	0.13	3.00	Completed
2	138	Project for Providing Renewable Energy systems in various backward villages/ blocks of Durgi and Veldurthy Mandals in Guntur District, Andhra Pradesh	2018-19	10	2.45	0.25	2.45	Completed
3	154	Project for supply, installation and commissioning of 500 nos. LED based Solar Street Lighting System (SLS) in various villages of Basti Region, Uttar Pradesh, Phase-II	2018-19	8	1.16	0.02	1.12	Completed, AMC under progress
4	157	Installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Bikaner Region (Phase-II), Rajasthan.	2018-19	6	1.40	0.03	1.37	Completed, AMC under progress
5	145	Project for supply, installation and commissioning of 500 nos. LED based Solar Street Lighting System (SLS) in various villages of Mahbubnagar and Ranga Reddy Districts in Telangana state.	2018-19	6	1.40	0.03	1.40	Completed
6	139	Supply, installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Agra,UP	2018-19	6	1.13	0.02	1.13	Completed
7	142	Supply, installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Baghpat, UP	2018-19	12	1.13	0.05	1.13	Completed
8	166	Project for Supply, installation and commissioning of 12 nos. of Solar PV Highmast Lighting Systems (SHMLS) in various locations of Khagaria Distt. Bihar	2018-19	2	0.13	0.00	0.12	Completed, AMC under progress
9	155	Supply, installation and commissioning of 100 nos. of Solar PV High-mast Lighting Systems in various locations of Giridih Region, Jharkhand	2018-19	6	1.06	0.02	1.04	Completed, AMC under progress
10	141	Supply, installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Lalganj Parliamentary Constituency, Uttar Pradesh	2018-19	6	1.13	0.02	1.13	Completed
11	222	Financial Assistance to construct new hostel building for SC/ST students in campus of V.M.H.E High School, siwan through Executive Engineer, Local Area Engineering Organisation (LAEO), Work Division-1 Siwan under the CSR initiative of PFC Limited.	2018-19	36	3.84	0.31	3.13	Completed
12	148	Project for supply, installment and commissioning of 100 (White LED) SHMLS in Basti Region	2018-19	28	1.15	0.01	1.11	Completed, AMC under progress

(₹ in Crores)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed/ Ongoing
13	135	Project of creating Adarsh Panchayat project in three villages, Bhandari, Manchi and maheshpur of Bhandari Panchayat in Belsand Block, Sitamarhi District of Bihar and transformation of two Government Schools in Bhandari	2018-19	48	2.56	(0.14)	2.33	Completed. Un-utlised amount refunded
14	162	Project for Creating 100 model Anganwadi centres along with provision of other infrastructural facilities in Shravasti District, Uttar Pradesh through District administration, Shravasti	2019-20	35	4.18	0.87	2.94	Ongoing
15	189	Project for providing 5 kWp Stand Alone SPV Power Plants in each 37 nos. of ASHA Schools supported by Army Wives Welfare Association (AWWA) all over India through Rajasthan Electronics and Instruments Ltd. (REIL)	2019-20	5	1.76	0.03	1.65	Completed, AMC under progress
16	164	Supply, Installation and Commissioning of 500 nos. of Solar Photovoltaic LED Street Lighting Systems (SLSs) in various villages of Hamirpur, Himachal Pradesh	2019-20	7	1.12	0.02	1.07	Completed, AMC under progress
17	188	Project for Supply, Installation and Commissioning of Grid connected SPV Power Plants with a cumulative capacity of 100 kwP at ISKCON Temple, New Delhi through Rajasthan Electronics and Instruments Ltd. (REIL)	2019-20	9	0.48	0.01	0.46	Completed, AMC under progress
18	186	Project for construction of Ground Floor of 100 Bedded Multi Specialty Hospital at Trimbakeshwar Nashik for Shri Ramkrishna Arogya Sansthan	2019-20	30	7.82	0.42	6.28	Ongoing
		Total				**2.11**		

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS).

(a) Date of creation or acquisition of the capital asset(s) : Nil

(b) Amount of CSR spent for creation or acquisition of capital asset : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5).

Unspent CSR amount of ₹ 116.02 crore pertains to ongoing projects (multi-year) where payment is made in tranches upon achievement of milestone till completion of projects. Accordingly, the said amount has been deposited in Unspent CSR Account as per requirements of Section 135(6) of Companies Act, 2013.

Sd/-
(Parminder Chopra)
Chairman and Managing Director
DIN: 08530587

Sd/-
(Prasanna Tantri)
Chairman, CSR Committee
DIN: 06471864

Annexure H of Board's Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

S. No.	Particulars	Details
1.	Details of contracts or arrangements or transactions not at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	There was no transaction attracting the applicable provisions of sub-section (1) of section 188 of the Companies Act, 2013.
(b)	Nature of contracts/ arrangements / transactions	
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	PFC Projects Limited (PPL) (erstwhile Coastal Karnataka Power Limited (CKPL)), Subsidiary of PFC
(b)	Nature of contracts/ arrangements/ transactions	Subject to approval of Board of PPL, PPL was allowed to provide NoC to NCLT for conducting the challenge process with the condition that expenses incurred by PPL shall be borne by successful resolution applicant (SRA) declared in the said challenge process.
(c)	Duration of the contracts/ arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	--
(e)	Date(s) of approval by the Board, if any:	January 04, 2024
(f)	Amount paid as advances, if any:	

For and on behalf of the Board of Directors

Sd/-
(Parminder Chopra)
Chairman and Managing Director
DIN: 08530587

Place: New Delhi
Date: July 30, 2024

ANNEXURE-I of BOARDS' REPORT

DEBENTURE TRUSTEES APPOINTED BY THE COMPANY FOR THE DIFFERENT SERIES OF BONDS AS ON MARCH 31, 2024

Name of Debenture Trustee	Bond Series
IDBI Trusteeship Services Ltd Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai – 400 001	8.60% TAX BOND SERIES-57 C
	8.50% TAXU BOND SERIES-61
	8.80% TAXU BOND SERIES-62B
	8.90% TAXU BONDS SERIES-63
	8.95% TAXU BOND SERIES-64
PNB Investment Services Limited, 10 Rakeshdeep Building, Yusuf Sarai Commercial Complex, Gulmohar Enclave, New Delhi – 110049	8.7% TAXU Bond Series-65
	8.75% TAXU PFC BONDS-66 B SERIES
	8.85% TAXU PFC BONDS-66 C SERIES
	9.05% TAXU PFC BONDS-71-SERIES
	9.46% TAXU PFC Bond Series - 76-B
	9.45% TAXU PFC Bond Series - 77-B
	7.75% SEC TAX FREE PFC BONDS - Series 79-B
	8.16% SEC TAX FREE PFC BONDS - Series 80-B
	Infrasturcture Bond (2011-12) trache 1-Series -III
	Infrasturcture Bond (2011-12) trache 1-Series -IV
	8.43% Series III Private Placement
	8.43% Series IV Private Placement
Catalyst Trusteeship Ltd (Formerly GDA Trusteeship Ltd.) GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038	7.38% Tax Free Bond Series 94-B
	7.38% Tax Free Bonds Series 95-B
	9.00% PFC BOND SERIES 101-B
	8.90% PFC BOND SERIES 102-A (III)
	8.94% PFC BOND SERIES 103
	9.37% PFC BOND SERIES 117-B
	9.39% PFC BOND SERIES 118-B-II
	9.39% PFC BOND SERIES 118-B-III
	8.98% PFC BOND SERIES 120-A
	8.98% PFC BOND SERIES 120-B
	8.48% PFC BOND SERIES 124-C
	8.65% PFC BOND SERIES 125
	8.65% PFC BOND SERIES 126
	8.20% PFC BOND SERIES 128
	8.39% PFC BOND SERIES 130-C
	8.41% PFC BOND SERIES 131-C
	7.16% PFC BOND SERIES 136
	8.40% PFC BOND SERIES 141-B
	8.03% PFC BOND SERIES 147
	7.63% PFC BOND SERIES 150-B
	7.56% PFC BOND SERIES 151-B
	7.55% PFC BOND SERIES 152
	7.273 PFC BOND SERIES 155
	7.10% PFC BOND SERIES 156 - GoI Fully Serviced Bond
	7.10% PFC BOND SERIES 158- GoI Fully Serviced Bond
	7.60% PFC BOND SERIES 160-GoI Fully Serviced Bond
	7.75% PFC BOND SERIES 164- GoI Fully Serviced Bond
	7.44% PFC BOND SERIES 168-B
	7.44% PFC BOND SERIES 169-B

Name of Debenture Trustee	Bond Series
	7.27% TAXFREE BONDS 2A 2015-16
	7.52% TAXFREE BONDS 2B 2015-16
	7.35% TAXFREE BONDS 3A 2015-16
	7.60% TAXFREE BONDS 3B 2015-16
Vistra ITCL (India) Ltd (Formerly IL&FS Trust Company Ltd.) IL&FS Financial Centre Plot C - 22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051	8.46% TAX FREE BOND SERIES 107-B
	7.36%15YRS TAX FREE BOND20 12-13 TR SERIES 2
	7.86%15YRS TAX FREE BOND20 12-13 TR SERIES 2
	7.04 TAX FREE BOND20 12-13 TR 2
	7.54 TAX FREE BOND20 12-13 TR 2
	8.54% Tax Free Bonds 13-14 Series 2A
	8.79% Tax Free Bonds 13-14 Series 2B
	8.67% Tax Free Bonds 13-14 Series 3A
	8.92% Tax Free Bonds 13-14 Series 3B
Beacon Trusteeship Ltd 4C&D, Siddhivinayak Chambers Gandhi Nagar, Opp. MIG Cricket Club Bandra (E), Mumbai 400051	8.95 TX USC BOND SRS 178
	8.67 TX USC BND SRS 179 A
	8.64 TX USC BND SRS 179 B
	8.75% TX USC BOND SRS 180
	9.25 % TX USC BOND SRS 184(A)
	9.10% TX USC BOND SRS 184(B)
	8.98% TX USC BOND SRS 185
	8.7929% TX USC BOND SRS 186
	8.85% TX USC BOND SRS 187- B
	8.10% TX USC BOND SRS 188
	8.15% TX USC BOND SRS 189
	8.25% TX USC BOND SRS 190
	7.42% TX USC BOND SRS 192
	7.93% TX USC BOND SRS 193
	7.86% TX USB BOND SRS195
	7.41% TX USB BOND SRS196&196R
	7.41% TX USB BOND SRS197
	7 16 TX USC BND SRS 199B
	7 40 TX USC BND SRS 200
	7 68 TX USC BND SRS 201
	7 17 TX USC BND SRS 202B
	7.79 TX USC BND SRS 202C
	7 75 TX USC BND SRS 203B
	5 77 TX USC BND SRS 204A
	6 88 TX USC BND SRS 204B
	7 05 TX USC BND SRS 205A
	7 20 TX USC BND SRS 205B
	7 04 TX USC BND SRS 207&207R
	6 50 TX USC BND SRS 208
	7 34 TX USC BND SRS 209
	6 35 TX USC BND SRS 210A STRPP1
	6 35 TX USC BND SRS 210A STRPP2
	6 35 TX USC BND SRS 210A STRPP3
	7 11 TX USC BND SRS 210B
	4 05 TX USC BND SRS 211 Floating
	7 15 TX USC BND SRS 212B
	6 09 TX USC BND SRS 212 A
	6 95 TX UNS BND SRS 213

Name of Debenture Trustee	Bond Series
	6 92 TX USC BND SRS 214 BBETF
	7 13 TX UNS BND SRS 215
	7 13 TX UNS BND SRS 216
	7 42 TX UNS BND SRS 217A
	7 15 TX USC BND SRS 217B STRPP1
	7 15 TX USC BND SRS 217B STRPP2
	7 15 TX USC BND SRS 217B STRPP3
	7 59 TX UNS BND SRS 218
	7 65 TX UNS BND SRS 219
	7 58 TX UNS BND SRS 220 BBETF
	7 72 TX UNS BND SRS 221A
	7 59 TX UNS BND SRS 221B
	7 58 TX UNS BND SRS 222
	7 64 TX UNS BND SRS 223
	7 82 TX UNS BND SRS 224
	7 77 TX UNS BND SRS 225A
	7 82 TX USC BND SRS 225B STRPP I
	7 82 TX USC BND SRS 225B STRPP II
	7 82 TX USC BND SRS 225B STRPP III
	7 82 TX USC BND SRS 225B STRPP IV
	7 66 TX UNS BND SRS 226A
	7 70 TX UNS BND SRS 226B
	7 70 TX UNS BND SRS 227A
	7 77 TX UNS BND SRS 227B
	5 65 SEC TAX NCD PI TR I SER II CAT I-II
	5 80 SEC TAX NCD PI TR I SER II CAT III-IV
	6 63 SEC TAX NCD PI TR I SER III CAT I-II
	6 82 SEC TAX NCD PI TR I SER III CAT III-IV
	6 80 SEC TAX NCD PI TR I SER IV CAT I-II
	7 00 SEC TAX NCD PI TR I SER IV CAT III-IV
	10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II
	10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV
	6 78 SEC TAX NCD PI TR I SER VI CAT I-II
	6 97 SEC TAX NCD PI TR I SER VI CAT III-IV
	6 95 SEC TAX NCD PI TR I SER VII CAT I-II
	7 15 SEC TAX NCD PI TR I SER VII CAT III-IV
	7 45 SEC TAX NCD 2324 PI TR I SR I CAT I-II
	7 50 SEC TAX NCD 2324 PI TR I SR I CAT III-IV
	7 47 SEC TAX NCD 2324 PI TR I SR II CAT I-II
	7 53 SEC TAX NCD 2324 PI TR I SR II CAT III-IV
	7 50 SEC TAX NCD 2324 PI TR I SR III CAT I-II
	7 55 SEC TAX NCD 2324 PI TR I SR III CAT III-IV
	7 55 TX UNS BND SRS 228A
	7 62 TX UNS BND SRS 228B
	7 44 TX UNS BND SRS 229 (2Y Put Call)
	7 37 TX UNS BND SRS 230
	7 86 TX UNS BND SRS 195 R1
	6 92 TX UNS BND SRS 214 R1
	7 48 TX UNS BND SRS 231
	7 17 TX UNS BND SRS 202B R1
	7 57 TX UNS BND SRS 232

Name of Debenture Trustee	Bond Series
	7 64 TX UNS BND SRS 233B
	7 60 TX UNS BND SRS 233C
	7 70 TX UNS BND SRS 234
	7 69 TX UNS BND SRS 235
	7.60 TX UNS BND SRS 237A
	7.49 TX UNS BND SRS 237B
	7 55 TX UNS BND SRS 238
	ZCB TX UNS BND SRS 233A YTM 7 65
	7.88 PERPETUAL TX UNS BND SRS 236
	5.75% PFC 54 EC BOND SERIES III
	5.00% PFC 54 EC BOND SERIES IV
	5.00% PFC 54 EC BOND SERIES V
	5.00% PFC 54 EC BOND SERIES VI
	5.25% SEC 54EC BD SR VII 2324

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at 31.03.2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31.03.2024, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

3. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments- Loan Assets** The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion / framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss. The key indicators underlying for assessment of impairment allowance are periodically appraised by the management. The most significant areas where we identified greater levels of management judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations.	**Our audit procedures included:** • The Company has availed services of an independent expert for assessment of ECL, whose report has been provided to us.. We verified the criterion / framework with applicable regulatory requirement along with Company's internal guidelines and procedures in respect of the impairment allowance. • Verified loan assets by applying the standard audit procedures with respect to the credit appraisal, sanctioning, documentation, review and monitoring process of the Company. Also, loan balances were verified basis external confirmation from the borrowers and assessed quality of the borrower based on recovery and other criteria as per the credit policy of the Company. • We have reviewed the underlying assumptions and broad methodology of ECL assessment. • Components and calculations in the study for impairment allowance carried out by the independent expert have been test checked, discussed with the management and relied upon by us. Also, our audit procedure in this regard is limited since certain parameters of study being considered confidential have not been shared by the aforesaid expert.

Sr. No.	Key Audit Matter	Auditors' Response
	The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets out of total assets in the Standalone Financial Statements, impairment of loan assets has been considered as Key Audit Matter in our audit. [Refer Note No. 40.1.2 and 40.1.3 to the Standalone Financial Statements read with Accounting Policy No. 5.4.1 (iii)]	We considered the credit impairment charge and provision recognised in the books of account and assessed that the related disclosures are given in the financial statements.
(ii)	**Fair Valuation of Derivative financial instruments** The Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Company's board approved currency risk management policy. Derivative contracts are either categorised at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorised at FVTPL is recognised in Statement of Profit and Loss and that of Hedge Accounting is recognised in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/ assumptions/ estimate by contracting bank could lead to a material effect on the income statement. (Refer Note No. 40.4 and 41 to the Standalone Financial Statements read with Accounting Policy No. 5.3)	**Our audit procedures included:** The Company has availed services of an independent expert for preparation of a model for derivative accounting as per Ind AS 109. Discussed with management to have an understanding of its perception and also reviewed policy of the Company for risk management. Evaluated key internal controls over classification of derivative instruments. The Company obtains fair value of derivatives from the counterparty banks as on the reporting date, which are relied upon by us. Our procedure included evaluation of details of various financial derivative contracts outstanding as on 31.03.2024 and fair value thereof. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in Statement of Profit & Loss and other comprehensive income in case of derivatives contracts under cash flow hedge. Based on the aforesaid procedure, we have reviewed accounting of derivatives in the books of account and assessed that the related disclosures are given in the financial statements.

4. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to

cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

6. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. OTHER MATTERS

(a) As per past practice, in respect of loan assets and undisbursed letter of comfort, the Company has provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Company, which *inter alia* includes assumptions based on technical parameters / certain aspects.

(b) The Standalone Financial Information of the Company for the year ended 31.03.2023 included in the Standalone Financial Statements, were audited by the then Joint Statutory Auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Standalone Financial Statements vide their audit report dated 27.05.2023.

Our opinion is not modified in respect of the above matters.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and on the basis of such examination of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. The Comptroller and Auditor General of India has issued the directions indicating the areas to be examined in terms of sub-section 5 of Section 143 of the Act, the compliance of which is set out in **"Annexure B"**.

II. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows, dealt with by this Report are in agreement with the books of account;

d) In our opinion and to the best of our information and explanation given to us, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) As per notification number G.S.R. 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**;

g) As per notification number G.S.R. 463 (E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company;

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note No. 46 to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented (refer Note No. 10.3) that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that (refer Note No. 18.15), to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

v. As stated in Note No. 24.2 to the Standalone Financial Statements:

(a) The final dividend proposed for the previous year, declared and paid by the Company during the year declared is in compliance with Section 123 of the Companies Act, 2013, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except that audit trail was not enabled at the database level for accounting software Oracle ERP to log any direct data changes up to 11.03.2024, which has since been enabled with effect from 12.03.2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rule 2014 is applicable from 01.04.2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31.03.2024.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No.: 520318
UDIN: 24520318BKDFCT8678

Place: Mumbai
Date: 15.05.2024

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No.: 100770
UDIN: 24100770BKCORV9663

Annexure A

to Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para 8 (I) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended 31.03.2024)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars, of intangible assets.

(b) Based on the information and explanation given to us, the Company's management carries out the physical verification of Property, Plant and Equipment once in a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification.

(c) Based on our examination of the records of the Company we report that, the title deeds, comprising all immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date. Further, in respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) As informed to us, no proceedings have been initiated or are pending against the Company as at the date of Balance Sheet for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is a Non-Banking Financial Company and does not have any inventory. Thus, clause 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, during the year, in aggregate, from banks or financial institutions which are unsecured and do not require any filing of quarterly returns or statements with the banks by the Company.

(iii) During the year, the Company has made investments in, provided guarantees and granted loans / advances in the nature of loans, secured / unsecured to companies, firms, limited liability partnerships, and other parties. In this regard, we report hereunder:

(a) The Company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made, guarantees provided, if any and the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, *prima facie*, not prejudicial to the Company's interest.

(c) Being a registered Non-Banking Financial Company (NBFC), the Company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets except credit impaired assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days are as under. The Company takes steps for recovery of the principal and interest as per its defined procedures, which in our opinion are reasonable.

No. of borrowers	Principal amount overdue (₹ in crore)	Interest overdue* (₹ in crore)	Total overdue (₹ in crore)
21	10,564.14	14,139.01	24,703.15

* The same has not been recognised as income as a matter of prudence as per practices of the Company.

(e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the Company is to give loans.

(f) To the best of our knowledge and according to information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to information and explanation given to us the Company has not given any loan or given any guarantee or provided any security in contravention of Section 185 of the Companies Act, 2013 to the extent applicable to the Company.

Further in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), the Company is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. In respect of investments the Company has complied with the provisions of Section 186(1) of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposit from public to which directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of Companies Act, 2013 and rules made thereunder are applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(vii) In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the Company, we report that:

(a) The Company is regular in depositing with appropriate Authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, and other statutory dues as applicable to it and there is no undisputed amount payable in respect of aforesaid dues outstanding for a period of more than six months from the date they become payable as on 31.03.2024, as per the accounts of the Company.

(b) According to the information and explanations given to us and as certified by the management on which we have relied upon, the disputed statutory dues aggregating to ₹108.66 crore have been deposited/ on account of disputes/deposited under protest and the matters are pending before appropriate authorities as detailed below:

Name of the Statute	Nature of the Dues	Total Disputed Amount (₹ in crore)	Amount Paid under protest / adjusted by IT Authorities (₹ in crore)	Pending Amount (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	71.91	71.91	-	AY 2016-17	CIT (Appeals), Delhi
		20.30	20.30	-	AY 2018-19	
		16.45	16.45	-	AY 2020-21	
Chapter V of Finance Act, 1994	Interest	0.09	-	-	January 2016 to November 2016	Commissioner, CE&ST, LTU, New Delhi
Chapter V of Finance Act, 1994	Interest	0.07	-	-	December 2016 to June 2017	Commissioner, CE&ST, LTU, New Delhi

(viii) As per information and explanation given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or on the payment of interest thereon to any lender.

(b) According to the information and explanations given to us the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) As per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company other than temporary usage pending receipts from long-term sources.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has raised ₹ 2,824.48 crore through Public issue of non–convertible debentures during FY 2023-24 and fully utilised the proceeds towards the purposes for which it was raised.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) We have been informed by the management that no whistle-blower complaints have been received by the Company during the year.

(xii) According to information and explanation given to us the Company is not a Nidhi Company. Hence, the Nidhi Rules, 2014 are not applicable to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable. The details have been disclosed in the Financial Statements as per the requirement of the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is a Non-Banking Financial Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the Company is B- 14.00004 dated 28-07-2010.

(b) According to the information and explanations given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.

(xvii) On the basis of our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date to a special account, within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act.

(xxi) The clause 3 (xxi) of the order is not applicable to the Standalone Financial Statements, hence no comment is given.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No.: 520318
UDIN: 24520318BKDFCT8678

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No.: 100770
UDIN: 24100770BKCORV9663

Place: Mumbai
Date: 15.05.2024

Annexure B

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para 8 (III) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to the Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended 31.03.2024)

As required under Section 143(5) of the Companies Act, 2013 with respect to the directions issued by The Comptroller & Auditor General of India, we report that:

Sr. No.	Directions	Replies
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT system. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us we have not come across any instance having significant implications on the integrity of accounts.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender company)	There is no such case and the Company is regular in servicing its debts and borrowing obligations.
3	Whether funds (grants / subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilised as per its term and conditions? List the cases of deviation.	Government of India funds / limits released by Ministry of Power to the Company for the projects sanctioned under RDSS Scheme, have been released onward to the concerned beneficiary DISCOMs / Power Depts. through PFMS for implementation of sanctioned Projects. Further, these assigned funds/ limits have been accounted for/ utilised as per specified Scheme guidelines and terms & conditions of the sanction.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No.: 520318
UDIN: 24520318BKDFCT8678

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No.: 100770
UDIN: 24100770BKCORV9663

Place: Mumbai
Date: 15.05.2024

Annexure C

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para 8 (II)(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended 31.03.2024)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone financial statements of Power Finance Corporation Limited ("the Company") as of 31.03.2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

3. MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the Management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No.: 520318
UDIN: 24520318BKDFCT8678

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No.: 100770
UDIN: 24100770BKCORV9663

Place: Mumbai
Date: 15.05.2024

Non-Banking Financial Companies Auditors' Report

for the year ended 31.03.2024

To The Board of Directors of
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane,
Connaught Place, New Delhi - 110 001

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprises the Balance Sheet as at 31.03.2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Standalone Financial Statements") and issued our audit report dated 15.05.2024. These financial statements are the responsibility of the Company's management. Our responsibility was to express an opinion on these financial statements based on our audit. Our audit was conducted in the manner specified under the section "Auditor's Responsibility for the Audit of the Financial Statements" of the said audit report. We also draw reference to the section Responsibilities of Management and "Those Charged with Governance for the Financial Statements" in the Audit Report which applies to this report.

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India (RBI), on the matters specified in Chapter – II of the said Directions to the extent applicable to the Company, based on our audit referred to the aforesaid paragraph and according to the information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that:

1. The Company is engaged in the business of Non-Banking Financial Institution, having valid certificate of registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No. B-14.00004 dated 28.07.2010 in lieu of earlier certificate no. 14.00004 dated 10.02.1998. Further, the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2024.
2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. The Company is registered as Non-deposit accepting Infrastructure Finance Company with RBI. The Board of Directors has passed resolution in its meeting held on 29.02.2024 for non-acceptance of any public deposit in future without obtaining prior written permission of Reserve Bank of India.
4. The Company has not accepted any public deposits during the financial year 2023-24.
5. The Standalone Financial Statements of the Company for the year 2023-24 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder. Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of the Act for adoption of a mechanism for preparation of Standalone Financial Statements, the Company is required to make provision of impairment loss as per Ind AS 109 and not required to follow the Prudential norms relating to income recognition, asset classification and provisioning (IRACP norms) for Bad and Doubtful debts in terms of Directions 2016. However, in this regard, in compliance of RBI Notification No. DOR(NBFC). CC.PD.No.109/22.10.106/2019-20 dated 13.03.2020, the Company has calculated provision required under IRACP Norms (including standard assets provisions) and the Company has appropriated an amount of Rs.89.18 crore to "Impairment Reserve" as on 31.03.2024.
6. As per information and explanation given to us, the Statement of capital funds, risk assets / exposure and risk asset ratio (DNBS 03 Return) has been filed by the Company for all the quarters of FY 2023-24 based on provisional Standalone Financial Results, including CRAR of respective quarters, drawn on the date of filing within the stipulated period, in compliance with RBI norms. Further, CRAR based on audited Standalone Financial Statements for the year ended 31.03.2024 has been correctly arrived at and it is in compliance with minimum prescribed CRAR by RBI.

   We have no responsibility to update this report for events occurring after the date of submission of signed copy of this report. Also, this report is issued solely for reference of the Company pursuant to the requirement as per the said Directions and is not to be used or distributed for any other purpose.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No.: 520318
UDIN: 24520318BKDFCT8678

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No.: 100770
UDIN: 24100770BKCORV9663

Place: Mumbai
Date: 15.05.2024

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(B) of the Companies Act, 2013 on The Financial Statements of Power Finance Corporation Limited for the Year Ended 31 March 2024

The preparation of financial statements of Power Finance Corporation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Finance Corporation Limited for the year ended 31 March 2024 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors' and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143 (6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(S. Ahlladini Panda)
Director General of Audit (Energy)

Place: New Delhi
Date: 19.07.2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	7	21.76	22.14
(b)	Bank Balance other than Cash and Cash Equivalents	8	200.05	1,595.96
(c)	Derivative Financial Instruments	9	4,462.03	4,803.40
(d)	Trade Receivables	12A	-	0.29
(e)	Loans	10	4,69,928.41	4,10,829.15
(f)	Investments	11	20,219.95	17,304.14
(g)	Other Financial Assets	12B	6,052.91	5,388.74
	Total Financial Assets (1)		**5,00,885.11**	**4,39,943.82**
2	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)	13	243.81	210.28
(b)	Deferred Tax Assets (Net)	37	3,557.16	4,033.31
(c)	Property, Plant and Equipment	14	42.08	44.00
(d)	Intangible Assets under development	14	11.20	11.20
(e)	Intangible Assets	14	0.02	0.04
(f)	Right-of-use Assets	15	33.95	34.40
(g)	Other Non-Financial Assets	16	809.68	556.01
	Total Non-Financial Assets (2)		**4,697.90**	**4,889.24**
	Total Assets (1+2)		**5,05,583.01**	**4,44,833.06**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	9	353.73	24.32
(b)	Trade Payables	20A		
	(i) Total outstanding dues of Micro, Small and Medium Enterprises		0.20	0.02
	(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		14.72	13.39
(c)	Debt Securities	17	2,94,267.80	2,59,827.05
(d)	Borrowings (other than Debt Securities)	18	1,16,606.04	1,01,228.89
(e)	Subordinated Liabilities	19	5,519.72	9,311.84
(f)	Other Financial Liabilities	20B	8,633.29	5,521.34
	Total Financial Liabilities (1)		**4,25,395.50**	**3,75,926.85**
2	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	13	15.31	105.02
(b)	Provisions	21	412.09	323.65
(c)	Other Non-Financial Liabilities	22	556.62	275.31
	Total Non-Financial Liabilities (2)		**984.02**	**703.98**
	Total Liabilities (1+2)		**4,26,379.52**	**3,76,630.83**
3	**Equity**			
(a)	Equity Share Capital	23	3,300.10	2,640.08
(b)	Other Equity	24	75,903.39	65,562.15
	Total Equity (3)		**79,203.49**	**68,202.23**
	Total Liabilities and Equity (1+2+3)		**5,05,583.01**	**4,44,833.06**

The accompanying notes 1 to 60 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN: 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN: 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No.: 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No.: 100770

Place: Mumbai
Date: 15.05.2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
REVENUE FROM OPERATIONS				
(i)	Interest Income	25	43,641.14	37,645.31
(ii)	Dividend Income	26	2,276.01	1,744.81
(iii)	Fees and Commission Income	27	105.31	261.63
I.	**Total Revenue from Operations**		**46,022.46**	**39,651.75**
II.	Other Income	28	11.64	13.88
III.	**Total Income (I+II)**		**46,034.10**	**39,665.63**
EXPENSES				
(i)	Finance Costs	29	28,013.78	23,282.57
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	30	(213.09)	1,975.23
(iii)	Fees and Commission Expense	31	24.40	12.06
(iv)	Net Loss / (Gain) on Fair Value changes	32	109.73	(70.56)
(v)	Impairment on Financial Instruments	33	(171.15)	(296.21)
(vi)	Employee Benefit Expenses	34	242.72	219.01
(vii)	Depreciation, Amortisation and Impairment	14/15	18.40	19.06
(viii)	Corporate Social Responsibility Expenses	35	217.51	225.30
(ix)	Other Expenses	36	166.11	128.55
IV.	**Total Expenses**		**28,408.41**	**25,495.01**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**		**17,625.69**	**14,170.62**
VI.	Exceptional Items		-	-
VII.	**Profit/(Loss) Before Tax (V-VI)**		**17,625.69**	**14,170.62**
	Tax Expense:	37		
	(1) Current Tax:			
	- Current Year		2,988.34	2,381.18
	- Earlier Years		(15.54)	(50.94)
	(2) Deferred Tax Expense / (Income)		285.87	234.91
VIII.	**Total Tax Expense**		**3,258.67**	**2,565.15**
IX.	**Profit/(Loss) from Continuing Operations (VII-VIII)**		**14,367.02**	**11,605.47**
X.	**Profit/(Loss) from Discontinued Operations (After Tax)**		**-**	**-**
XI.	**Profit/(Loss) (from continuing and discontinued operations) (IX+X)**		**14,367.02**	**11,605.47**
	Other Comprehensive Income			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(5.73)	(3.62)
	- Net Gain / (Loss) on Fair Value of Equity Instruments		1,577.82	145.74
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		1.46	0.94
	- Net Gain / (Loss) on Fair Value of Equity Instruments		(190.10)	10.16
	Sub-Total (A)		**1,383.45**	**153.22**
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge		(208.59)	390.02
	- Cost of Hedging Reserve		215.28	(808.14)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains / (Loss) in Cash Flow Hedge		52.50	(98.16)
	- Cost of Hedging Reserve		(54.18)	203.39
	Sub-Total (B)		**5.01**	**(312.89)**
XII.	**Other Comprehensive Income (A+B)**		**1,388.46**	**(159.67)**
XIII.	**Total Comprehensive Income (XI+XII)**		**15,755.48**	**11,445.80**
XIV.	**Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):**	38		
	(1) For continuing operations (in ₹)		43.53	35.17
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		43.53	35.17

The accompanying notes 1 to 60 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN: 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN: 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No.: 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No.: 100770

Place: Mumbai
Date: 15.05.2024

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Restated Opening Balance	Changes during the period	Closing Balance
Issued, Subscribed and fully paid up:					
Year ended March 31, 2023	2,640.08	-	2,640.08	-	2,640.08
Year ended March 31, 2024	2,640.08	-	2,640.08	660.02	3,300.10

Refer note 23 for details.

B. OTHER EQUITY

FY 2023-24

(₹ in crore)

Particulars	Other Reserves									Retained Earnings	Other Comprehensive Income			Total
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Impairment Reserve	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve		Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Cost of Hedging Reserve	
Balance as at 31.03.2023	**8,559.23**	**529.39**	**599.85**	**26,511.31**	**-**	**2,776.54**	**(467.57)**	**64.97**	**14,691.55**	**12,648.64**	**55.54**	**492.20**	**(899.50)**	**65,562.15**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	14,367.02	-	-	-	14,367.02
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	-	(4.27)	-	-	-	(4.27)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	1,387.72	(156.09)	161.10	1,392.73
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,362.75**	**1,387.72**	**(156.09)**	**161.10**	**15,755.48**
Dividends	-	-	-	-	-	-	-	-	-	(4,818.15)	-	-	-	(4,818.15)
Transfer to / from Retained Earnings	2,873.40	715.09	-	2,767.28	89.18	-	-	-	-	(6,444.95)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(29.25)	-	-	-	-	-	-	29.25	-	-	-	-	-
Reclassification of gain / (loss) on sale / extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	-	164.76	(164.76)	-	-	-
Utilised for issue of Bonus Equity Shares	-	-	-	-	-	(660.02)	-	-	-	-	-	-	-	(660.02)
Expenses incurred on issue of Bonus Equity shares	-	-	-	-	-	(0.78)	-	-	-	-	-	-	-	(0.78)
Additions / Deletions during the period (net)	-	(2.97)	-	37.62	-	-	64.72	2.18	-	(36.84)	-	-	-	64.71
Balance as at 31.03.2024	**11,432.63**	**1,212.26**	**599.85**	**29,316.21**	**89.18**	**2,115.74**	**(402.85)**	**67.15**	**14,720.80**	**15,876.21**	**1,278.50**	**336.11**	**(738.40)**	**75,903.39**

FY 2022-23

(₹ in crore)

Particulars	Other Reserves										Other Comprehensive Income			
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Impairment Reserve	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Cost of Hedging Reserve	Total
Balance as at 31.03.2022	**6,238.14**	**576.44**	**599.85**	**24,139.00**	**-**	**2,776.54**	**(513.80)**	**64.07**	**14,115.11**	**8,863.49**	**(54.23)**	**200.34**	**(294.75)**	**56,710.20**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance as at 31.03.2022														
Profit for the year	-	-	-	-	-	-	-	-	-	11,605.47	-	-	-	11,605.47
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	-	(2.68)	-	-	-	(2.68)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	155.90	291.86	(604.75)	(156.99)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,602.79**	**155.90**	**291.86**	**(604.75)**	**11,445.80**
Dividends	-	-	-	-	-	-	-	-	-	(2,640.08)	-	-	-	(2,640.08)
Transfer to / from Retained Earnings	2,321.09	590.10	-	2,363.47	-	-	-	-	-	(5,274.66)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(576.44)	-	-	-	-	-	-	576.44	-	-	-		-
Reclassification of gain / (loss) on sale / extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	-	46.13	(46.13)	-	-	-
Additions / Deletions during the year (net)	-	(60.71)	-	8.84	-	-	46.23	0.90	-	50.97	-	-	-	46.23
Balance as at 31.03.2023	**8,559.23**	**529.39**	**599.85**	**26,511.31**	**-**	**2,776.54**	**(467.57)**	**64.97**	**14,691.55**	**12,648.64**	**55.54**	**492.20**	**(899.50)**	**65,562.15**

The accompanying notes 1 to 60 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN: 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN: 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No.: 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No.: 100770

Place: Mumbai
Date: 15.05.2024

Standalone Statement of Cash Flows

for year ended March 31, 2024

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2024	Year ended 31.03.2023
I.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit before Tax	**17,625.69**	**14,170.62**
	Adjustments for:		
	Loss / (Gain) on derecognition of Property, Plant and Equipment (net)	3.36	2.88
	Loss / (Gain) on Fair value changes (Net)	109.73	(70.56)
	Unrealised Foreign Exchange Translation Loss / (Gain)	(64.92)	4,099.52
	Depreciation and Amortisation	18.40	19.06
	Impairment on Financial Instruments	(171.15)	(296.21)
	Effective Interest Rate in respect of Loan assets and borrowings/ debt securities	(111.57)	(22.40)
	Interest expense on Zero Coupon Bonds and Commercial Papers	(96.65)	42.06
	Other interest expense	3.14	0.87
	Interest accrued on investments	(28.63)	(0.42)
	Provision for unspent CSR created	116.02	106.34
	Provision (others) created	59.09	56.40
	Operating profit before Working Capital Changes:	**17,462.51**	**18,108.16**
	Increase / Decrease:		
	Loans (Net)	(59,036.70)	(50,181.78)
	Other Financial and Non-Financial Assets	689.29	1,666.92
	Derivative	443.13	(2,096.53)
	Other Financial & Non-Financial Liabilities and Provisions	4,804.15	(841.69)
	Cash used before Exceptional Items	**(35,637.62)**	**(33,344.92)**
	Exceptional Items	-	-
	Cash used in Operations Before Tax	**(35,637.62)**	**(33,344.92)**
	Income Tax paid	(3,082.78)	(2,472.02)
	Income Tax Refund	39.97	57.89
	Net Cash Inflow / (Outflow) from Operating Activities	**(38,680.43)**	**(35,759.05)**
II.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Proceeds from disposal of Property, Plant and Equipment	0.18	0.21
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(288.24)	(83.80)
	Sale / (Purchase) of Other Investments	(1,184.75)	(630.38)
	Net Cash Inflow / (Outflow) from Investing Activities	**(1,472.81)**	**(713.97)**
III.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Raising of Bonds (including premium) (Net of Redemptions)	32,696.99	26,390.86
	Raising of Long-Term Loans (Net of Repayments)	9,185.54	4,055.42
	Raising of Foreign Currency Loans (Net of Repayments)	8,411.61	4,212.82
	Raising of Subordinated Liabilities (Net of Redemptions)	(3,700.00)	-
	Raising of Working Capital Demand Loan/ OD/ CC/ Line of Credit (Net of Repayments)	(1,622.35)	3,755.24
	Expenses on issue of bonus equity shares	(0.78)	-
	Payment of Dividend	(4,818.15)	(2,640.08)
	Payment of Lease Liability	(0.00)	(0.01)
	Net Cash Inflow / (Outflow) from Financing Activities	**40,152.86**	**35,774.25**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**(0.38)**	**(698.77)**
	Add: Cash and Cash Equivalents at beginning of the financial year	22.14	720.91
	Cash and Cash Equivalents at the end of the period	**21.76**	**22.14**

Standalone Statement of Cash Flows

for year ended March 31, 2024

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2024	Year ended 31.03.2023
	Details of Cash and Cash Equivalents at the end of the period:		
	Balances with Banks (of the nature of cash and cash equivalents)		
	- In current accounts	21.76	22.14
	- Cheques, Drafts on hand including postage and Imprest	0.00	0.00
	Total Cash and Cash Equivalents at the end of the period	**21.76**	**22.14**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Company has cash outflow of an amount of ₹ 101.48 crore (previous year ₹ 118.96 crore) towards Corporate Social Responsibility. (Refer Note 35)

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds / Debenture*	Term Loans**	Foreign Currency Loans	WCDL/ Loan against term deposit	Subordinated Liabilities	Total
	Opening Balance as at 01.04.2022	**1,88,637.19**	**65,762.48**	**56,288.37**	**228.59**	**9,211.50**	**3,20,128.13**
	Cash Flow During the Year (Net)	26,390.86	4,055.42	4,212.82	3,755.24	(0.00)	38,414.34
	Non-Cash Changes due to:						
	Amortisation of discount / interest on Zero Coupon Bond / Financial Charges on Commercial Paper	42.06	-	-	-	-	42.06
	Variation in Exchange Rates	-	-	4,053.30	-	-	4,053.30
	Closing Balance as at 31.03.2023	**2,15,070.11**	**69,817.90**	**64,554.49**	**3,983.83**	**9,211.50**	**3,62,637.83**
	Cash Flow During the Year (Net)	32,696.99	9,185.54	8,411.61	(1,622.35)	(3,700.00)	44,971.79
	Non-Cash Changes due to:						
	Amortisation of discount on Zero Coupon Bonds & Financial Charges on Commercial Papers	(96.65)	-	-	-	-	(96.65)
	Variation in Exchange Rates	-	-	(129.64)	-	-	(129.64)
	Closing Balance as at 31.03.2024	**2,47,670.45**	**79,003.44**	**72,836.46**	**2,361.48**	**5,511.50**	**4,07,383.33**

* Foreign Currency Notes form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

** Foreign Currency Loans and Foreign Currency Loans- Multilateral/Bilateral Agencies form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

The accompanying notes 1 to 60 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN: 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN: 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No.: 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No.: 100770

Place: Mumbai
Date: 15.05.2024

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

1. COMPANY INFORMATION

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986. The Company is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001 and conferred with 'Maharatna' Status by the Govt. of India.

The Company is a Government Company engaged in extending financial assistance to power, logistics and infrastructure sector and is registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company being a Government owned NBFC-IFC is placed in Middle layer under Master Direction (NBFC-Scale Based Regulation), 2023 issued by RBI.

Equity shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited.

Further, various debt securities of the Company are also listed on the stock exchanges.

2. STATEMENT OF COMPLIANCE

The Standalone Financial Statements of the Company comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines. The Standalone Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Standalone Financial Statements have been approved for issue by Board of Directors (BoD) of the Company on 15.05.2024.

4. STANDARDS / AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

During the FY 2023-24, the Ministry of Corporate Affairs (MCA) has not notified any new Indian Accounting Standards (Ind AS) or made amendments thereto.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information in regard to preparation of the Standalone Financial Statements is given below:

5.1 Basis of Preparation and Measurement

These Standalone Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period. The functional currency of the Company is Indian Rupees.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

5.2 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.3 Derivative Financial Instruments

(i) The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cash flow hedge or fair value hedge. The Company designates certain derivative contracts as cash flow hedges.

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognised immediately in Statement of Profit and Loss.

(v) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vi) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss.

5.4 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Statement of Profit and Loss.

5.4.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Company while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain / loss measured using the previous EIR as calculated before the modification, is recognised in the Statement of Profit and Loss in period during which such renegotiations occur.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Company's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realise the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Company to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company transfers the cumulative gain / loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

credit quality, the Company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Company measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

(iv) De-recognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in Equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

5.4.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial guarantee

A financial guarantee issued by the Company is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Statement of Profit and Loss.

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Statement of Profit and Loss.

5.5 Investment in Subsidiaries, Joint Ventures and Associates

Investment in equity shares of subsidiaries, joint ventures and associates are accounted at cost, less impairment if any.

5.6 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realisable value.

(ii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received / approved, subject to necessary adjustment in the year of final settlement.

(iii) Cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance or servicing costs of PPE are recognised in Statement of Profit and Loss as incurred.

(iv) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(v) Depreciation is recognised so as to write-off the cost of assets less their residual values as per written down value method, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except for cell phones where useful life has been estimated by the Company as 2 years. Residual value is estimated as 5% of the original cost of PPE.

(vi) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/ up to the date on which the asset is available for use/ disposed.

(vii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(viii) Items of PPE costing up to ₹ 5,000/ – each are fully depreciated, in the year of purchase.

5.7 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use.

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Company as 5 years.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.8 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the financial statements. However, contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

5.9 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when currently there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

5.10 Recognition of Income and Expenditure

(i) Interest income, on financial assets subsequently measured at amortised cost, is recognised using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Interest on financial assets subsequently measured at fair value through profit and loss(FVTPL), is recognised on accrual basis in accordance with

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

the terms of the respective contract and disclosed separately under the head 'Interest Income'

(iii) Rebate on account of timely payment of dues by borrowers is recognised on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(iv) Income from services rendered is recognised based on the terms of agreements / arrangements with reference to the stage of completion of contract at the reporting date.

(v) Dividend income from investments including those measured at FVTPL, is recognised in Statement of Profit and Loss under the head 'Dividend Income' when the Company's right to receive dividend is established and the amount of dividend can be measured reliably.

(vi) Interest expense on financial liabilities subsequently measured at amortised cost is recognised using Effective Interest Rate (EIR) method.

(vii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(viii) A Prepaid expense up to ₹ 1,00,000/ – is recognised as expense upon initial recognition in the Statement of Profit and Loss.

5.11 Expenditure on issue of shares

Expenditure on issue of shares is charged to the securities premium account.

5.12 Employee Benefits

(i) Defined Contribution Plan

Company's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan

The Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit, and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain / loss on re-measurement of gratuity and other post-employment defined benefit plans are recognised in Other Comprehensive Income (OCI). Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

(iii) Other long-term employee benefits

The Company's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Statement of Profit and Loss.

(iv) Short-term employee benefits

Short-term employee benefits such as salaries and wages are recognised in the Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognised at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the Loan on a prospective basis.

5.13 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets / liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

5.14 Leases

For recognition, measurement and presentation of lease contracts, the Company applies the principles of Ind AS 116 'Leases'.

(i) The Company as a lessee

The Company at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (a) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Company has the right to direct the use of the identified asset.

The Company at inception of a lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short-term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Company's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right-of-use asset as a component of finance cost in the Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Company in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of lease at the reporting date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

5.15 Foreign Currency Transactions and Translations

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the financial statements before April 1, 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term monetary item.

5.16 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise material accounting policy information.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

5.17 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

5.18 Dividends

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

5.19 Earnings Per Share

Basic earnings per equity share is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

6. USE OF ESTIMATES AND MANAGEMENT JUDGEMENT

In preparation of the Standalone Financial Statements, the Management is required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognised prospectively in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & future periods if it affects both current & future periods.

6.1 Significant Management Judgements

In order to enhance understanding of the Standalone Financial Statements, information about significant areas of critical judgements, apart from those involving estimation (Note 6.2), in applying accounting policies that have the most significant effect on the amounts

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

recognised in the Standalone Financial Statements, are as under:

(i) Deferred tax Liability on Special Reserve

The Company had passed a Board resolution that it has no intention to withdraw any amount from the Special Reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961. Accordingly, the Special Reserve created and maintained cannot be withdrawn and as there is no future tax incidence, the Company does not create deferred tax liability on the said reserve.

(ii) Non-recognition of income on Credit Impaired loan assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on credit impaired loan assets

Outstanding amount of unamortised transaction cost is credited to Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) The Company along with its subsidiary RECL is holding 21.49 % stake in equity share capital of Energy Efficiency Services Limited (EESL). However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 28'Investment in Associates and Joint Ventures', the Company does not have any significant influence , accordingly EESL has not been considered as an associate company.

b) Ultra-Mega Power Projects (UMPPs) are managed as per the mandate from Government of India (GoI) and the Company does not have the practical ability to direct the relevant activities of these UMPPs unilaterally. The Company therefore, considers its investment in respective UMPPs as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as Associates for the purpose of financial statements.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Company has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities – Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL)/ debt/ equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Statement of Profit and Loss on repayment of FITL or sale/ redemption of debt/ equity instruments.

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in change in recoverable amount of the assets. The Company makes significant judgement in identifying the default and significant increase in credit risk (SICR) based on available information.

6.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined Benefit Obligation (DBO)

The Company's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses as detailed at Note 44.2.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan, LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g. inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/ collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 40.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Company applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/ liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details are disclosed at Note 42.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 37 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Company reviews its estimate of the useful lives of depreciable / amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 14 for details on useful lives and carrying values of PPE and Intangible assets.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

7. CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	Balances with Banks (of the nature of cash and cash equivalents)		
	- In Current Accounts	21.76	22.14
	- Cheques, Drafts on hand including Postage and Imprest	0.00	0.00
	Total Cash and Cash Equivalents	**21.76**	**22.14**

8. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Earmarked Balances with Banks for		
	- Bank Deposit (Callable) / Demand Deposits - HQLA (Refer Note 54.6)	-	1,473.26
	- Unpaid Dividend	5.48	5.63
	- Unpaid - Bonds / Interest on Bonds etc.	72.78	72.70
	- Amount received under GOI schemes	0.00	1.78
	- Current Accounts with Banks - Unspent CSR Purposes (Refer Note 35.4)	121.79	42.59
	Total Bank Balance other than Cash and Cash Equivalents	**200.05**	**1,595.96**

9. DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivative contracts for hedging Currency & Interest Rate risk. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	Currency Derivatives						
	- Spot and Forwards	-	-	-	1,014.18	20.40	21.06
	- Currency Swaps	11,219.24	318.87	128.47	4,521.93	460.12	-
	- Options	65,398.47	3,915.73	220.72	48,020.93	3,891.63	3.26
	Total Currency Derivatives (i)	**76,617.71**	**4,234.60**	**349.19**	**53,557.04**	**4,372.15**	**24.32**
(ii)	Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	15,655.69	227.43	4.54	10,549.12	431.25	-
	Total Interest Rate Derivatives (ii)	**15,655.69**	**227.43**	**4.54**	**10,549.12**	**431.25**	**-**
	Total Derivative Financial Instruments (i+ii)	**92,273.40**	**4,462.03**	**353.73**	**64,106.16**	**4,803.40**	**24.32**

Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	Cash Flow Hedging (Designated)						
	- Currency Derivatives	76,617.71	4,234.61	349.19	47,904.29	3,986.16	3.26
	- Interest Rate Derivatives	12,506.09	196.75	4.54	7,399.52	364.11	-
	Total Cash Flow Hedging (Designated) (i)	**89,123.80**	**4,431.36**	**353.73**	**55,303.81**	**4,350.27**	**3.26**
(ii)	Undesignated Derivatives	3,149.60	30.67	-	8,802.35	453.13	21.06
	Total Undesignated Derivatives (ii)	**3,149.60**	**30.67**	**-**	**8,802.35**	**453.13**	**21.06**
	Total Derivative Financial Instruments (i+ii)	**92,273.40**	**4,462.03**	**353.73**	**64,106.16**	**4,803.40**	**24.32**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

9.1. Details of Forward Rate Agreements / Interest Rate Swaps:

(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
(i)	Notional principal of swap agreements	**15,655.69**	10,549.12
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	**227.43**	431.25
(iii)	Collateral required by upon entering into swaps	**-**	-
(iv)	Concentration of credit risk arising from swaps	Refer note [a] below	
(v)	Fair value of swap book (obtained from counterparty banks)	**222.89**	431.25

[a] The Company enters into swap agreements with Category-I Authorised Dealer Banks (PSU Banks, Private Indian Banks & Foreign Banks), in accordance with the RBI guidelines. All the swap agreements entered into with the banks are well within the limits defined in the Board approved "Policy for Management of Risks on Foreign Currency Borrowings".

9.2. Details of nature and terms of Forward Rate Agreements / Interest Rate Swaps

Benchmark	As at 31.03.2024	As at 31.03.2023	Terms
	Notional principal (₹ in crore)		
FBIL G-Sec	**3,149.60**	3,149.60	Fixed Receivable Vs Floating Payable
USD SOFR	**12,506.09**	7,399.52*	Fixed Payable Vs Floating Receivable
Total	**15,655.69**	**10,549.12**	

*on USD LIBOR

9.3. The Company does not hold any exchange traded Interest Rate (IR) derivatives as at 31.03.2024 (as at 31.03.2023 Nil).

9.4. Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars Currency Derivatives	As at 31.03.2024		As at 31.03.2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging [b] & [c]	**76,617.71**	**15,655.69** [a]	53,557.03	10,549.12[a]
(ii)	Marked to Market Positions (MTM)				
	a) Asset (+MTM)	**4,234.60**	**227.43**	4,372.15	431.25
	b) Liability (-MTM)	**349.19**	**4.54**	24.32	-
(iii)	Credit Exposure	**9,968.91**	**345.89**	8,310.48	526.47
(iv)	Unhedged Foreign Currency Exposures [b]	**8,688.98**	**13,158.21**	23,779.03	8,758.90

[a] Interest rate d(a) Interest rate derivatives include derivatives on rupee liabilities of ₹ 3,149.60 crore as at 31.03.2024 (as at 31.03.2023 ₹ 3,149.60 crore).

[b] Includes JPY loan liability hedged for one leg (USD/JPY) Nil as at 31.03.2024 (as at 31.03.2023 ₹ 5,653.18 crore).

[c] Includes JPY loan liability hedged separately for USD/JPY leg and USD/INR leg for ₹ 12,470.23 crore as at 31.03.2024 (as at 31.03.2023, Includes JPY and EURO loan liability hedged separately for USD/JPY or EURO/USD leg and USD/INR leg for ₹ 7,128 crore).

9.5. Refer Note 40.3 and Note 40.4 qualitative disclosures on Derivatives and Note 41 for disclosures related to hedge accounting.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

10. LOANS

The Company has categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Loans to Borrowers***		
(i)	Term Loans	4,43,873.03	3,98,800.80
(ii)	Buyer's Line of Credit	1,896.63	2,086.95
(iii)	Working Capital Loans	35,155.62	21,073.36
(iv)	Others -Deferred Payment Guarantee	536.62	536.62
(v)	**Principal Outstanding (i to iv)**	**4,81,461.90**	**4,22,497.73**
(vi)	Interest accrued but not due on Loans	4,270.07	4,077.36
(vii)	Interest accrued & due on Loans	213.41	418.14
(viii)	Unamortised Fee on Loans	(194.29)	(139.41)
	Gross Carrying Amount (v to viii)	**4,85,751.09**	**4,26,853.82**
	Less: Impairment loss allowance	(15,822.68)	(16,024.67)
	Net Carrying Amount	**4,69,928.41**	**4,10,829.15**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	2,10,196.31	1,95,573.46
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	1,87,653.29	1,68,744.12
(iv)	Unsecured	87,901.49	62,536.24
	Gross Security-wise classification	**4,85,751.09**	**4,26,853.82**
	Less: Impairment loss allowance	(15,822.68)	(16,024.67)
	Net Security-wise classification	**4,69,928.41**	**4,10,829.15**
(C)I	**Loans in India**		
(i)	Public Sector	3,93,489.05	3,53,941.30
(ii)	Private Sector	92,262.04	72,912.52
	Gross Carrying Amount of Loans in India	**4,85,751.09**	**4,26,853.82**
	Less: Impairment loss allowance	(15,822.68)	(16,024.67)
	Net Carrying amount of Loans in India	**4,69,928.41**	**4,10,829.15**
(C)II	**Loans Outside India**		
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**4,69,928.41**	**4,10,829.15**

* For details of Loans pledged as security refer Note 17.6, 17.7, 17.11 and 18.4.

10.1 During the year, the Company has sent letters to borrowers seeking confirmation of balances as at 31.03.2024 except where loans have been recalled or pending before court/NCLT. Confirmation for 100% of the said balances have been received.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

10.2 The details of resolution plans implemented during the year:

(₹ in crore)

Sr. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off including impairment on investments	Remarks
FY 2023-24						
1	Mytrah Vayu Tungbhadra Private Limited	Restructuring with change in ownership outside NCLT	**650.51**	**422.68**	**29.25**	Sustainable loan amounting to ₹ 581.80 crore is continuing in the books of the Company as at 31.03.2024. Further, Optionally Convertible Debentures (OCDs) of the borrower company were received (Refer note 11.1).
2	Dans Energy Private Limited	Restructuring without change in ownership outside NCLT	**412.99**	**127.82**	**-**	Sustainable debt amounting to ₹ 441.45 crore is continuing in the books of the Company as at 31.03.2024. Further, Optionally Convertible Debentures (OCDs) of the borrower company were received (Refer note 11.1).
	Total		**1,063.50**	**550.50**	**29.25**	
FY 2022-23						
1	Suzlon Energy Ltd.	One Time Settlement	239.04	1.07	56.66	Entire Loan Principal is realised. Loan stands settled as at 31.03.2023. Further, Optionally convertible debentures (OCDs) and Compulsorily convertible preference shares (CCPS) held were converted into equity shares of the borrower Company & of the borrower's group Company respectively (Refer note 11.1).
2	South-East UP Power Transmission Company Limited	Resolution with change in ownership through NCLT	2,262.91	1,131.47	-	Besides realisation of full loan principal, interest / delayed interest income of ₹ 298.77 crore has been received. Loan stands settled as at 31.03.2023.
3	Jhabua Power Limited	Resolution with change in ownership through NCLT	764.33	469.22	-	Resolution proceeds/ Non-convertible Debentures/ Equity Shares of the borrower Company received resulting in realisation of full loan principal and Interest/delayed interest income of ₹ 4.13 crore. Loan stands settled as at 31.03.2023.
4	Ind Barath Energy Utkal Ltd. (IBUEL)	Resolution with change in ownership through NCLT	1,367.91	1,098.57	901.25	Resolution proceeds and Equity Shares of the borrower Company received/allotted under resolution. Loan stands settled as at 31.03.2023.
	Total		**4,634.19**	**2,700.33**	**957.91**	

10.3 The Company has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10.4. For details of credit risk exposure and management by the Company, refer Note 40.1.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

11. INVESTMENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-Total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Government Securities	1,898.61	-	-	-	-	1,898.61
(ii)	Debt securities	411.78	-	46.77	46.77	-	458.55
(iii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,600.70	14,600.70
	- Associates	-	-	-	-	0.55	0.55
	- Others	-	3,053.27	193.98	3,247.25	-	3,247.25
(iv)	Preference Shares	87.24	-	-	-	-	87.24
	Total Investments	**2,397.63**	**3,053.27**	**240.75**	**3,294.02**	**14,601.25**	**20,292.90**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	2,397.63	3,053.27	240.75	3,294.02	14,601.25	20,292.90
	Gross Geography wise investment	**2,397.63**	**3,053.27**	**240.75**	**3,294.02**	**14,601.25**	**20,292.90**
	Less: Impairment loss allowance	(72.95)	-	-	-	-	(72.95)
	Net Geography wise investment	**2,324.68**	**3,053.27**	**240.75**	**3,294.02**	**14,601.25**	**20,219.95**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-Total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Government Securities	526.25	-	-	-	-	526.25
(ii)	Debt securities	422.24	-	50.00	50.00	-	472.24
(iii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.70	14,500.70
	- Associates	-	-	-	-	0.55	0.55
	- Others	-	1,722.21	69.36	1,791.57	-	1,791.57
(iv)	Preference Shares	85.78	-	-	-	-	85.78
	Total Investments	**1,034.27**	**1,722.21**	**119.36**	**1,841.57**	**14,501.25**	**17,377.09**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,034.27	1,722.22	119.36	1,841.58	14,501.25	17,377.09
	Gross Geography wise investment	**1,034.27**	**1,722.22**	**119.36**	**1,841.58**	**14,501.25**	**17,377.09**
	Less: Impairment loss allowance	(72.95)	-	-	-	-	(72.95)
	Net Geography wise investment	**961.32**	**1,722.21**	**119.36**	**1,841.57**	**14,501.25**	**17,304.14**

* Others includes Investment in Subsidiaries and Associates which have been carried at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

11.1 Details of Investments

Sr. No.	Particulars	Measured at	As at 31.03.2024			As at 31.03.2023		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities ******	Amortised Cost	17,95,02,700	100	1,898.61	5,00,00,000	100	526.25
(ii)	**Debt securities ******							
	- Bonds from State Power Corporation- Quoted	Amortised Cost	3,000	10,00,000	300.25	3,000	10,00,000	300.08
	Debentures - Unquoted							
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	FVTPL	6,13,23,236	10	33.34	6,77,98,654	10	35.64
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	FVTPL	2,47,00,125	10	13.43	2,73,08,331	10	14.36
	- Essar Power Transmission Company Ltd. - Series C - OCD	FVTPL	68,79,504	10	0.00	68,79,504	10	0.00
	- RKM Powergen Pvt. Ltd. - Series A - OCD	FVTPL	41,93,96,250	100	0.00	41,93,96,250	100	0.00
	- RKM Powergen Pvt. Ltd. - Series B - OCD	FVTPL	1,34,71,484	100	0.00	1,34,71,484	100	0.00
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	FVTPL	2,32,72,410	100	0.00	2,32,72,410	100	0.00
	- Mytrah Vayu Tungbhadra Pvt. Ltd. - Series A- OCD	FVTPL	29,25,000	100	0.00	-	-	-
	- Mytrah Vayu Tungbhadra Pvt .Ltd. - Series B- OCD	FVTPL	1,86,24,000	100	0.00	-	-	-
	- DANS Energy Pvt. Ltd. - OCD	FVTPL	2,37,42,000	100	0.00	-	-	-
	- Jhabua Power Limited - NCD	Amortised Cost	1,11,53,499	100	111.53	1,24,81,294	100	122.16
(iii)	**Equity Instruments**							
	Subsidiaries							
	- REC Ltd. - Quoted	Cost	1,38,59,93,662	10	14,500.50	1,38,59,93,662	10	14,500.50
	- PFC Consulting Ltd. - Unquoted *	Cost	52,246	10	0.15	52,246	10	0.15
	- PFC Projects Ltd. - Unquoted *	Cost	50,000	10	0.05	50,000	10	0.05
	- PFC Infra Finance IFSC Limited - Unquoted *****	Cost	10,00,00,000	10	100.00	-	-	-
	Associates							
	- Companies for development of Ultra Mega Power Projects (11 companies) - Unquoted *	Cost	5,50,000	10	0.55	5,50,000	10	0.55
	Others							
	- PTC India Limited - Quoted	Designated - FVTOCI	1,20,00,000	10	223.14	1,20,00,000	10	102.06
	- Coal India Limited - Quoted ****	Designated - FVTOCI	1,39,64,530	10	606.20	1,39,64,530	10	298.35
	- NHPC Limited - Quoted	Designated - FVTOCI	11,76,79,192	10	1,055.58	15,53,24,170	10	624.40
	- Power Exchange India Limited - Unquoted *	Designated - FVTOCI	32,20,000	10	4.78	32,20,000	10	3.59
	- Suzlon Energy Limited - Quoted	Designated - FVTOCI	13,31,04,997	2	537.74	13,31,04,997	2	105.15
	- Energy Efficiency Services Limited - Unquoted	Designated - FVTOCI	24,55,00,000	10	181.06	24,55,00,000	10	158.08
	- Jhabua Power Limited - Unquoted ***	Designated - FVTOCI	6,90,45,455	10	440.04	6,90,45,455	10	429.40
	- Ind Barath Energy Utkal Limited - Unquoted	Designated - FVTOCI	239	10	4.73	239	10	1.18
	- RattanIndia Power Limited - Quoted	FVTPL	23,51,27,715	10	193.98	23,51,27,715	10	69.36
	- RKM PowerGen Pvt. Ltd. - Unquoted	FVTPL	40,39,15,920	10	0.00	40,39,15,920	10	0.00
(iv)	**Preference Shares - Unquoted**							
	- Adani Power Limited - RPS **	Amortised Cost	59,82,371	100	14.29	59,82,371	100	12.83
	- RattanIndia Power Limited - RPS	Amortised Cost	7,29,49,786	10	72.95	7,29,49,786	10	72.95
	- RattanIndia Power Limited - OCCRPS	FVTPL	10,99,93,397	10	-	10,99,93,397	10	-
	Total Investments				20,292.90			17,377.09
	Less: Impairment Loss Allowance				(72.95)			(72.95)
	Net Investments				20,219.95			17,304.14

RPS - Redeemable Preference Shares, OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares, CCPS - Compulsorily Convertible Preference Shares, OCD - Optionally Convertible Debenture, NCD - Non-Convertible Debentures

* Investment held in physical form.

** Formerly Raipur Energen Ltd. (REL), a wholly-owned subsidiary, merged with its Holding Company i.e. Adani Power Limited.

*** Equity shares held by the lender's trustee on behalf of Company.

**** Earmarked for HQLA. Refer Note 54.6 for disclosure regarding High Quality Liquid Assets (HQLA).

*****Equity shares subscribed but not paid in respect of wholly-owned subsidiary M/s PFC Infra Finance IFSC Limited (PIFIL) incorporated on 11.02.2024. The amount has been remitted by PFC to PIFIL on 10.04.2024 and accordingly shown as Other Financial Liabilities as on 31.03.2024.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

11.2 Movement of impairment loss allowance on investments

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Opening Balance	72.95	73.15
Add: Impairment loss allowance recognised during the year	-	-
Less: Reversal of excess impairment loss allowance during the year	-	(0.20)
Closing Balance	**72.95**	**72.95**

11.3 Details of Investment in Subsidiaries and Associates

Sr. No.	Name of investee company	Principal place of business / Country of incorporation	Proportion of ownership interest as at	
			31.03.2024	31.03.2023
A.	**Subsidiaries:**			
(i)	REC Limited	India	**52.63%**	52.63%
(ii)	PFC Consulting Limited	India	**100%**	100%
(iii)	PFC Projects Limited	India	**100%**	100%
(iv)	PFC Infra Finance IFSC Limited (PIFIL) (Refer note 11.4)	India	**100%**	-
B	**Associates*:**			
(i)	Orissa Integrated Power Limited	India	**100%**	100%
(ii)	Coastal Tamil Nadu Power Limited	India	**100%**	100%
(iii)	Sakhigopal Integrated Power Company Limited	India	**100%**	100%
(iv)	Ghogarpalli Integrated Power Company Limited	India	**100%**	100%
(v)	Deoghar Mega Power Limited	India	**100%**	100%
(vi)	Cheyyur Infra Limited	India	**100%**	100%
(vii)	Odisha Infrapower Limited	India	**100%**	100%
(viii)	Deoghar Infra Limited	India	**100%**	100%
(ix)	Bihar Infrapower Limited	India	**100%**	100%
(x)	Bihar Mega Power Limited	India	**100%**	100%
(xi)	Jharkhand Infrapower Limited	India	**100%**	100%

* Investment in each associate is ₹ 0.05 crore as at 31.03.2024 and 31.03.2023. These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) with the intention to hand over the same to successful bidders on completion of the bidding process.

11.4 The Company has received NoC from RBI on 09.01.2024 for setting up wholly-owned subsidiary financial company at IFSC Gift City, Gujarat, India. Accordingly, a wholly-owned subsidiary namely "PFC Infra Finance IFSC Limited "has been incorporated on 11.02.2024. Equity shares subscribed but not paid has been remitted by PFC to PIFIL on 10.04.2024 and accordingly shown as Other Financial Liabilities as on 31.03.2024.

11.5 At initial recognition, the Company made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Company's main operation is to extend financial assistance to power, logistics and infrastructure sector. Thus, in order to insulate Standalone Statement of Profit and Loss from price fluctuations of these instruments, the Management believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Details of FVTOCI instruments derecognised during the year:

Details of investment	No. of shares / units derecognised	Fair Value as on date of de-recognition	Cumulative gain / (loss) on de-recognition
FY 2023-24			
NHPC Limited[(a)]	3,76,44,978	246.76	164.76
FY 2022-23			
NHPC Limited[(a)]	3,09,62,813	113.57	46.13

[(a)] These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain have been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

Subsequent to de-recognition of such investments, the Company has transferred the cumulative gain / loss on such shares within Equity (from Reserve for Equity Instruments through OCI to Retained Earnings) during the year. Refer Standalone Statement of Changes in Equity for further details.

11.6 Refer Note 42 for details of fair valuation of investments.

12A TRADE RECEIVABLES

The Company has categorised trade receivables at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured	-	0.29
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables- credit impaired	0.81	0.81
	Sub-Total (i to iv)	**0.81**	**1.10**
(v)	Less: Impairment loss allowance on receivables -credit impaired	(0.81)	(0.81)
	Total Trade Receivables	**-**	**0.29**

12A.1 Trade Receivables ageing schedule

Particulars	As at 31.03.2024					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	0.81	0.81
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**0.81**	**0.81**

Particulars	As at 31.03.2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	0.24	0.05	-	-	-	0.29
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	0.81	0.81
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	**0.24**	**0.05**	**-**	**-**	**0.81**	**1.10**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

12B Other Financial Assets

The Company has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Recoverable on account of Government of India Serviced Bonds	5,038.72	5,038.21
(ii)	Advances to Subsidiaries and Associates	220.24	200.45
(iii)	Security Deposits	3.72	2.82
(iv)	Advances to Employees	1.20	1.03
(v)	Loans to Employees	137.12	121.86
(vi)	Dividend Receivable	623.70	-
(vii)	Others	49.67	41.94
	Less: Impairment loss allowance on Others	(21.46)	(17.57)
	Total Other Financial Assets	**6,052.91**	**5,388.74**

12B.1 Detail of Loans & Advances to KMPs (Included in Note 12B (iv) & (v) above)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Loans & Advances to KMPs (including interest accrued)	1.26	0.31
(ii)	Loans & Advances to KMPs (including interest accrued) as a % of Employee Loans & Advances	0.91%	0.25%

12B.2 Movement of Impairment on Trade Receivables & Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(i)	Opening Balance	18.38	24.79
(ii)	Add: Creation during the year	4.80	6.27
(iii)	Less: Reversal during the year	(0.91)	(12.68)
	Closing Balance	**22.27**	**18.38**

13. CURRENT TAX ASSETS / LIABILITIES (NET)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Advance income tax and TDS net of Provision	149.40	133.83
(ii)	Tax deposited on income tax demands under contest	94.41	76.45
	Current Tax Assets (Net)	**243.81**	**210.28**
(i)	Provision for income tax net of Advance Tax	15.31	105.02
	Current Tax Liabilities (Net)	**15.31**	**105.02**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

14. PROPERTY, PLANT AND EQUIPMENT (PPE), INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

FY 2023-24

(₹ in crore)

Particulars	Property, Plant and Equipment							Intangible assets under development	Intangible Assets
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Computer Software	Computer Software
Gross Carrying Amount as on 01.04.2023	**3.38**	**24.92**	**31.93**	**33.16**	**19.23**	**0.13**	**112.75**	**11.20**	**10.38**
Additions / Adjustments	-	-	5.61	10.50	3.44	-	19.55	-	-
Deductions / Adjustments	-	-	(4.19)	(7.04)	(3.14)	-	(14.37)	-	-
Gross Carrying Amount as on 31.03.2024 (A)	**3.38**	**24.92**	**33.35**	**36.62**	**19.53**	**0.13**	**117.93**	**11.20**	**10.38**
Accumulated Depreciation / Amortisation as on 01.04.2023	**-**	**14.17**	**22.86**	**20.48**	**11.16**	**0.08**	**68.75**	**-**	**10.34**
For the period	-	0.52	6.25	8.93	2.22	0.02	17.94	-	0.02
On Assets Sold / Written off from books	-	-	(3.36)	(5.75)	(1.73)	-	(10.84)	-	-
Accumulated Depreciation / Amortisation as on 31.03.2024 (B)	**-**	**14.69**	**25.75**	**23.66**	**11.65**	**0.10**	**75.85**	**-**	**10.36**
Net Carrying Amount as on 31.03.2024 (A-B)	**3.38**	**10.23**	**7.60**	**12.96**	**7.88**	**0.03**	**42.08**	**11.20**	**0.02**

FY 2022-23

(₹ in crore)

Particulars	Property, Plant and Equipment							Intangible assets under development	Intangible Assets
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Computer Software	Computer Software
Gross Carrying Amount as on 01.04.2022	**3.38**	**24.92**	**28.03**	**28.93**	**18.61**	**0.13**	**104.00**	**-**	**10.38**
Additions / Adjustments	-	-	7.48	9.86	3.55	-	20.89	11.20	-
Deductions / Adjustments	-	-	(3.58)	(5.63)	(2.93)	-	(12.14)	-	-
Gross Carrying Amount as on 31.03.2023 (A)	**3.38**	**24.92**	**31.93**	**33.16**	**19.23**	**0.13**	**112.75**	**11.20**	**10.38**
Accumulated Depreciation / Amortisation as on 01.04.2022	**-**	**13.57**	**18.17**	**17.10**	**10.39**	**0.05**	**59.28**	**-**	**10.25**
For the period	-	0.60	7.53	8.03	2.33	0.03	18.52	-	0.09
On Assets Sold/Written off from books	-	-	(2.84)	(4.65)	(1.56)	-	(9.05)	-	-
Accumulated Depreciation / Amortisation as on 31.03.2023 (B)	**-**	**14.17**	**22.86**	**20.48**	**11.16**	**0.08**	**68.75**	**-**	**10.34**
Net Carrying Amount as on 31.03.2023 (A-B)	**3.38**	**10.75**	**9.07**	**12.68**	**8.07**	**0.05**	**44.00**	**11.20**	**0.04**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

14.1 The estimated useful life and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 5.6 (v).

14.2 The Company reviews the estimated useful life, residual values and depreciation method of Property, Plant & Equipment and Intangible Assets at the end of each financial year and changes in estimates, if any, are accounted prospectively. Details of useful life of Property Plant & Equipment and Intangible Assets are as under:

Category	Building	EDP Equipment		Office Equipment	Cell Phone	Furniture and Fixture	Vehicles	Intangible Assets
		Servers and networks	End user devices i.e. desktops, laptops etc.					
Useful Life (in Years)	60	6	3	5	2	10	8	5
Residual value as a % of original Cost	5%	5%	5%	5%	5%	5%	5%	-

14.3 In the opinion of management, there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment loss has been made.

14.4 Certain Property, Plant & Equipment of the Company have been pledged as security against secured borrowings of the Company as per details below:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.36	3.40

For details of borrowings against which above assets are pledged as security refer note 17.6 and 17.7.

14.5 Title deeds of immovable properties (Freehold land) are held in the name of the Company.

14.6 There has been no revaluation of PPE and Intangible assets during the year.

14.7 Intangible assets under development ageing schedule:

(₹ in crore)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024					
Projects in progress	-	11.20	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**11.20**	**-**	**-**	**11.20**
As at 31.03.2023					
Projects in progress	11.20	-	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**11.20**	**-**	**-**	**-**	**11.20**

15 RIGHT-OF-USE ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Opening Balance of Leasehold Land	34.40	34.85
(ii)	Additions	-	-
(iii)	Less: Depreciation*	(0.45)	(0.45)
	Closing Balance of Leasehold Land	**33.95**	**34.40**

* As required by Ind AS 116 'Leases' depreciation expense on Right-of-Use assets is included under Depreciation, Amortisation and Impairment line item in the Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

16 OTHER NON-FINANCIAL ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Prepaid Expenses	8.70	4.51
(ii)	Deferred employee costs	52.65	48.68
(iii)	Advance towards Capital assets	651.39	382.70
(iv)	Others*	96.94	120.12
	Total Other Non-Financial Assets	**809.68**	**556.01**

* It majorly includes advance towards contractual obligations (CSR) and amount recoverable from tax authorities.

17. DEBT SECURITIES

The Company has categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	**Secured Bonds / Debenture**		
	- Infrastructure Bonds (Refer note 17.5)	38.51	38.51
	- Tax Free Bonds (Refer note 17.8)	7,485.57	8,259.12
	- 54EC Capital Gain Tax Exemption Bonds (Refer note 17.9)	8,994.11	6,599.69
	- Taxable Bonds (Refer note 17.10)	7,251.51	4,428.99
	Sub-Total (i)	**23,769.70**	**19,326.31**
(ii)	**Unsecured Bonds / Debenture**		
	- Taxable Bonds (Refer note 17.12)	2,23,900.74	1,95,743.80
	- Foreign Currency Notes (Refer note 17.13)	37,723.57	37,219.33
	Sub-Total (ii)	**2,61,624.31**	**2,32,963.13**
(iii)	**Total Principal Outstanding of Debt Securities (i+ii)**	**2,85,394.01**	**2,52,289.44**
(iv)	Interest accrued but not due on (iii) above	9,088.98	7,685.44
(v)	Unamortised Transaction Cost on (iii) above	(215.19)	(147.83)
	Total Debt Securities (iii to v)	**2,94,267.80**	**2,59,827.05**
	Geography wise Debt Securities		
(i)	Debt Securities in India	2,56,273.48	2,22,368.63
(ii)	Debt Securities outside India	37,994.32	37,458.42
	Total Geography wise Debt Securities	**2,94,267.80**	**2,59,827.05**

17.1 The Company raises funds through various instruments including non-convertible bond issues. During the year, the Company has not defaulted in servicing of any of its debt securities.

17.2 The amounts raised during the year have been utilised for the stated objects in the offer document/ Information memorandum/ facility agreement other than temporary deployment pending application of proceeds.

17.3 All the secured listed non-convertible debt securities of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. The Company has maintained security cover of 1.03 times as per the terms of offer document / information memorandum sufficient to discharge the principal and interest thereon at all times for the secured listed non-convertible debt securities issued. Further, security cover maintained by the Company for all secured non-convertible debt securities is 1.02 times.

17.4 Wherever required, the Company has registered the charges with respective Registrars of Companies (ROC) within the statutory timelines.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

17.5 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023			
1	Infrastructure Bonds (2010-11) - Series III	8.50%	**5.27**	5.27	31.03.2026	17.6	Redeemable at par on a date falling Fifteen years from the date of allotment
2	Infrastructure Bonds (2010-11) - Series IV	8.50%	**19.33**	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
3	Infrastructure Bonds (2011-12) - Series III	8.75%	**2.86**	2.86	21.11.2026	17.7	Redeemable at par on a date falling Fifteen years from the date of allotment
4	Infrastructure Bonds (2011-12) - Series IV	8.75%	**7.77**	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
5	Infrastructure Bonds 86 C Series	8.72%	**0.87**	0.87	30.03.2027		Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds 86 D Series	8.72%	**2.40**	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Total		**38.51**	**38.51**			

17.6 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 116.25 crore as on 31.03.2024 (₹ 254.91 crore as on 31.03.2023) of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

17.7 These bond series are secured by first *pari passu* charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.6) along with first *pari passu* charge on immovable property situated at Guindy, Chennai.

17.8 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023			
1	Tax Free Bonds Series 107A	8.01%	-	113.00	30.08.2023	17.11	Repaid in FY 2023-24
2	Tax Free Bonds Series IB	8.43%	-	335.47	16.11.2023		
3	Tax Free Bonds Series 1A	8.18%	-	325.07	16.11.2023		
4	Tax Free Bonds Series 136	7.16%	**300.00**	300.00	17.07.2025		Redeemable at par on maturity
5	Tax Free Bonds (2015-16) Series 1B	7.36%	**79.35**	79.35	17.10.2025		
6	Tax Free Bonds (2015-16) Series 1A	7.11%	**75.09**	75.09	17.10.2025		
7	Tax Free Bond Series 79-B	7.75%	**217.99**	217.99	15.10.2026		
8	Tax Free Bond Series 80-B	8.16%	**209.34**	209.34	25.11.2026		
9	Tax Free Bonds (2011-12) Public Issue	8.30%	**1,280.58**	1,280.58	01.02.2027		
10	Tax Fee Bond Series 94B	7.38%	**25.00**	25.00	22.11.2027		
11	Tax Free Bonds Series 95B	7.38%	**100.00**	100.00	29.11.2027		
12	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	**177.01**	180.79	04.01.2028		
13	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	**179.99**	176.21	04.01.2028		
14	Tax Free Bonds (2012-13) Tranch II	7.54%	**54.03**	55.85	28.03.2028		
15	Tax Free Bonds (2012-13) Tranch II	7.04%	**15.18**	13.35	28.03.2028		
16	Tax Free Bonds Series 107-B	8.46%	**1,011.10**	1,011.10	30.08.2028		
17	Tax Free Bonds Series 2-B	8.79%	**353.32**	353.32	16.11.2028		
18	Tax Free Bonds Series 2-A	8.54%	**932.70**	932.70	16.11.2028		
19	Tax Free Bonds (2015-16) Series 2-B	7.52%	**45.18**	45.18	17.10.2030		
20	Tax Free Bonds (2015-16) Series 2-A	7.27%	**131.32**	131.33	17.10.2030		
21	Tax Free Bonds Series 3-B	8.92%	**861.96**	861.96	16.11.2033		
22	Tax Free Bonds Series 3-A	8.67%	**1,067.37**	1,067.38	16.11.2033		
23	Tax Free Bonds (2015-16) Series 3-B	7.60%	**155.48**	155.48	17.10.2035		
24	Tax Free Bonds (2015-16) Series 3-A	7.35%	**213.58**	213.58	17.10.2035		
	Total		**7,485.57**	**8,259.12**			

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17.9 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023		
1	Series II (FY 2018-19)	5.75%	**145.38**	491.95	17.11	Repaid in FY 2023-24 (₹145.38 cr repaid on 02.04.2024).
2	Series III (FY 2019-20)	5.75%	**1,134.44**	1,134.44		Redeemable at par during FY 2024-25
3	Series IV (FY 2020-21)	5.75%	**252.38**	252.38		Redeemable at par during FY 2025-26
4	Series IV (FY 2020-21)	5.00%	**685.41**	685.41		Redeemable at par during FY 2025-26
5	Series V (FY 2021-22)	5.00%	**1,434.64**	1,434.64		Redeemable at par during FY 2026-27
6	Series VI (FY 2022-23)	5.00%	**2,600.87**	2,600.87		Redeemable at par during FY 2027-28
7	Series VII (FY 2023-24)	5.25%	**2,740.99**	-		Redeemable at par during FY 2028-29
	Total		**8,994.11**	**6,599.69**		

17.10 The details of Secured Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023			
1	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	**-**	1.95	22.01.2024		Repaid in FY 2023-24
2	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	**27.05**	27.05	22.01.2026		
3	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	**3.50**	3.50	22.01.2026		
4	7 45 SEC TAX NCD 2324 PI TR I SR I CAT I-II	7.45%	**62.17**	-	01.08.2026		
5	7 50 SEC TAX NCD 2324 PI TR I SR I CAT III-IV	7.50%	**59.93**	-	01.08.2026		
6	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	6.83% (10 YR GSEC Link)	**1,250.73**	1,250.73	22.01.2031		
7	Secured Public Issue (2020-21) Tranche I Series V Category I-II	6.58% (10 YR GSEC Link)	**10.35**	10.35	22.01.2031		
8	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	**1,635.53**	1,635.53	22.01.2031		
9	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	**33.67**	33.67	22.01.2031		
10	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	**28.74**	28.74	22.01.2031	17.11	Redeemable at par on maturity
11	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	**0.50**	0.50	22.01.2031		
12	7 47 SEC TAX NCD 2324 PI TR I SR II CAT I-II	7.47%	**362.51**	-	01.08.2033		
13	7 53 SEC TAX NCD 2324 PI TR I SR II CAT III-IV	7.53%	**45.48**	-	01.08.2033		
14	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	**1,330.05**	1,330.05	22.01.2036		
15	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	**50.05**	50.05	22.01.2036		
16	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	**53.36**	53.36	22.01.2036		
17	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	**3.51**	3.51	22.01.2036		
18	7 50 SEC TAX NCD 2324 PI TR I SR III CAT I-II	7.50%	**183.70**	-	01.08.2038		
19	7 55 SEC TAX NCD 2324 PI TR I SR III CAT III-IV	7.55%	**2,110.68**	-	01.08.2038		
	Total		**7,251.51**	**4,428.99**			

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17.11 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, Taxable Secured Public Issue (2023-24) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first *pari passu* charge on the total receivables / book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.6), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.

17.12 The details of Unsecured Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
1	Series 194	7.04%	-	1,400.00	14.04.2023	
2	Series 85 D	9.26%	-	736.00	15.04.2023	
3	Series 198	6.98%	-	3,160.00	20.04.2023	
4	Series 199A	6.83%	-	1,970.00	24.04.2023	Repaid in FY 2023-24
5	Series 202A	6.75%	-	2,145.00	22.05.2023	
6	Series 203A	6.72%	-	2,206.00	09.06.2023	
7	Series 206	5.47%	-	3,000.00	19.08.2023	
8	Series 188	8.10%	**691.10**	691.10	04.06.2024	
9	Series 211 (3M TB Link)	4.38%	**1,985.00**	1,985.00	02.08.2024	
10	Series 57- B	8.60%	**866.50**	866.50	07.08.2024	
11	Series 117 Option B	9.37%	**855.00**	855.00	19.08.2024	
12	Series 118 Option B II	9.39%	**460.00**	460.00	27.08.2024	
13	Series Option 120 B	8.98%	**950.00**	950.00	08.10.2024	
14	Series 120 Option A	8.98%	**961.00**	961.00	08.10.2024	
15	Series 192	7.42%	**3,000.00**	3,000.00	19.11.2024	
16	Series 124 C	8.48%	**1,000.00**	1,000.00	09.12.2024	
17	Series 61	8.50%	**351.00**	351.00	15.12.2024	
18	Series 125	8.65%	**2,826.00**	2,826.00	28.12.2024	
19	Series 126	8.65%	**5,000.00**	5,000.00	04.01.2025	
20	Series 62-B	8.80%	**1,172.60**	1,172.60	15.01.2025	
21	Series 128	8.20%	**1,600.00**	1,600.00	10.03.2025	
22	Series 63-III	8.90%	**184.00**	184.00	15.03.2025	
23	Series 131-C	8.41%	**5,000.00**	5,000.00	27.03.2025	Redeemable at par on maturity
24	Series 64	8.95%	**492.00**	492.00	30.03.2025	
25	Series 204A	5.77%	**900.00**	900.00	11.04.2025	
26	Series 130-C	8.39%	**925.00**	925.00	19.04.2025	
27	Series 199B	7.16%	**1,320.00**	1,320.00	24.04.2025	
28	Series 65 III	8.70%	**1,337.50**	1,337.50	14.05.2025	
29	Series 202B	7.17%	**810.00**	810.00	22.05.2025	
30	7 17 TX UNS BND SRS 202B R1	7.17%	**3,100.00**	-	22.05.2025	
31	Series 66-B	8.75%	**1,532.00**	1,532.00	15.06.2025	
32	Series 210A - STRPP1	6.35%	**405.60**	405.60	30.06.2025	
33	Series 215	7.13%	**2,420.00**	2,420.00	08.08.2025	
34	Series 217B STRPP I	7.15%	**276.40**	276.40	08.09.2025	
35	Series 208	6.50%	**2,806.00**	2,806.00	17.09.2025	
36	Series 141-B	8.40%	**1,000.00**	1,000.00	18.09.2025	
37	Series 218	7.59%	**1,450.00**	1,450.00	03.11.2025	
38	Series 71	9.05%	**192.70**	192.70	15.12.2025	
39	Series 222	7.58%	**2,540.00**	2,540.00	15.01.2026	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
40	Series 147	8.03%	**1,000.00**	1,000.00	02.05.2026	
41	7 37 TX UNS BND SRS 230	7.37%	**2,990.00**	-	22.05.2026	
42	Series 210A - STRPP2	6.35%	**540.80**	540.80	30.06.2026	
43	Series 216	7.13%	**3,000.00**	3,000.00	15.07.2026	
44	Series 225A	7.77%	**3,262.70**	3,262.70	15.07.2026	
45	7 55 TX UNS BND SRS 228A	7.55%	**2,330.00**	-	15.07.2026	
46	Series - 76-B	9.46%	**1,105.00**	1,105.00	01.08.2026	
47	Series 150-B	7.63%	**1,675.00**	1,675.00	14.08.2026	
48	7 64 TX UNS BND SRS 233B	7.64%	**2,500.00**	-	25.08.2026	
49	ZCB TX UNS BND SRS 233A YTM 7 65	7.65%	**501.04**	-	25.08.2026	
50	Series 212A	6.09%	**2,450.00**	2,450.00	27.08.2026	
51	Series - 77-B	9.45%	**2,568.00**	2,568.00	01.09.2026	
52	Series 217B STRPP II	7.15%	**276.40**	276.40	08.09.2026	
53	Series 227A	7.70%	**1,200.00**	1,200.00	15.09.2026	
54	Series 151-B	7.56%	**210.00**	210.00	16.09.2026	
55	Series 152	7.55%	**4,000.00**	4,000.00	25.09.2026	
56	Series 155	7.23%	**2,635.00**	2,635.00	05.01.2027	
57	7 55 TX UNS BND SRS 238	7.55%	**2,754.00**	-	15.04.2027	
58	Series 168-B	7.44%	**1,540.00**	1,540.00	12.06.2027	
59	Series 210A - STRPP3	6.35%	**405.60**	405.60	30.06.2027	
60	Series 169-B	7.30%	**1,500.00**	1,500.00	07.08.2027	
61	Series 217B STRPP III	7.15%	**276.40**	276.40	08.09.2027	
62	Series 170-B	7.65%	**2,001.00**	2,001.00	22.11.2027	
63	Series 171	7.62%	**5,000.00**	5,000.00	15.12.2027	Redeemable at par on maturity
64	Series 221B	7.59%	**3,500.00**	3,500.00	17.01.2028	
65	Series 172	7.74%	**850.00**	850.00	29.01.2028	
66	Series 101 B	9.00%	**1,370.00**	1,370.00	11.03.2028	
67	Series 102 A (III)	8.90%	**403.00**	403.00	18.03.2028	
68	Series 103	8.94%	**2,807.00**	2,807.00	25.03.2028	
69	Series 177	7.85%	**3,855.00**	3,855.00	03.04.2028	
70	Series 227B	7.77%	**1,390.00**	1,390.00	15.04.2028	
71	7 44 TX UNS BND SRS 229 (2Y Put Call)	7.44%	**1,550.00**	-	10.05.2028	
72	Series 178	8.95%	**3,000.00**	3,000.00	10.10.2028	
73	Series 179-A	8.67%	**1,007.40**	1,007.40	19.11.2028	
74	7.60 TX UNS BND SRS 237A	7.60%	**3,000.00**	-	13.04.2029	
75	Series 187 B	8.85%	**1,982.10**	1,982.10	27.05.2029	
76	Series 118 Option B III	9.39%	**460.00**	460.00	27.08.2029	
77	Series193	7.93%	**4,710.50**	4,710.50	31.12.2029	
78	Series 196R1	7.41%	**1,500.00**	1,500.00	25.02.2030	
79	Series 196	7.41%	**2,500.00**	2,500.00	25.02.2030	
80	Series 225B STRPP I	7.82%	**625.00**	625.00	13.03.2030	
81	Series 195	7.86%	**1,100.00**	1,100.00	12.04.2030	
82	7 86 TX UNS BND SRS 195 R1	7.86%	**1,260.00**	-	12.04.2030	
83	Series 200	7.40%	**2,920.00**	2,920.00	08.05.2030	
84	Series 197	7.41%	**5,000.00**	5,000.00	15.05.2030	
85	Series 203B	7.75%	**3,318.00**	3,318.00	11.06.2030	
86	Series 66-C	8.85%	**633.00**	633.00	15.06.2030	
87	Series 201	7.68%	**3,101.30**	3,101.30	15.07.2030	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
88	Series 202C	7.79%	1,936.00	1,936.00	22.07.2030	Redeemable at par on maturity
89	Series 205A	7.05%	1,610.10	1,610.10	09.08.2030	
90	Series 71	9.05%	192.70	192.70	15.12.2030	
91	Series 207R1	7.04%	2,549.10	2,549.10	16.12.2030	
92	Series 207	7.04%	1,097.40	1,097.40	16.12.2030	
93	Series 225B STRPP II	7.82%	625.00	625.00	13.03.2031	
94	Series 204B	6.88%	1,300.00	1,300.00	11.04.2031	
95	Series 213	6.95%	1,988.00	1,988.00	01.10.2031	
96	Series 225B STRPP III	7.82%	625.00	625.00	12.03.2032	
97	Series 214 (BBETF)	6.92%	1,180.00	1,180.00	14.04.2032	
98	6 92 TX UNS BND SRS 214 R1	6.92%	1,330.00	-	14.04.2032	
99	Series 217A	7.42%	4,000.00	4,000.00	08.09.2032	
100	Series 223	7.64%	3,500.00	3,500.00	22.02.2033	
101	Series 225B STRPP IV	7.82%	625.00	625.00	11.03.2033	
102	Series 220	7.58%	470.00	470.00	15.04.2033	
103	Series 226A	7.66%	1,200.00	1,200.00	15.04.2033	
104	Series 226B	7.70%	583.50	583.50	15.04.2033	
105	7 57 TX UNS BND SRS 232	7.57%	3,000.00	-	12.07.2033	
106	7 62 TX UNS BND SRS 228B	7.62%	2,102.00	-	15.07.2033	
107	7 60 TX UNS BND SRS 233C	7.60%	3,500.00	-	25.08.2033	
108	Series 179-B	8.64%	528.40	528.40	19.11.2033	
109	7 70 TX UNS BND SRS 234	7.70%	2,625.00	-	30.11.2033	
110	Series 180	8.75%	2,654.00	2,654.00	22.02.2034	
111	7.49 TX UNS BND SRS 237B	7.49%	3,000.00	-	22.02.2034	
112	Series 186	8.79%	2,578.90	2,578.90	30.04.2034	
113	Series 189	8.15%	4,035.00	4,035.00	08.08.2034	
114	Series 190	8.25%	4,016.00	4,016.00	06.09.2034	
115	Series 205B	7.20%	1,605.70	1,605.70	10.08.2035	
116	Series 209	7.34%	1,711.00	1,711.00	29.09.2035	
117	Series 210B	7.11%	1,933.50	1,933.50	30.06.2036	
118	Series 212B	7.15%	2,343.68	2,343.69	27.08.2036	
119	Series 219	7.65%	4,000.00	4,000.00	13.11.2037	
120	Series 221A	7.72%	2,782.70	2,782.70	19.12.2037	
121	Series 224	7.82%	3,468.50	3,468.50	06.03.2038	
122	7 48 TX UNS BND SRS 231	7.48%	3,896.90	-	20.06.2038	
123	7 69 TX UNS BND SRS 235	7.69%	3,335.00	-	15.12.2038	
	Total		**2,23,900.74**	**1,95,743.80**		

17.13 The details of Unsecured Foreign Currency Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
1	3.75% USD Bonds 2024	3.75%	3,334.95	3,288.68	18.06.2024	Redeemable at par on maturity
2	3.25% USD Bonds 2024	3.25%	2,501.21	2,466.51	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,334.96	3,288.68	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,501.22	2,466.51	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,706.53	2,688.23	21.09.2028	
6	6.15% USD Bonds 2028	6.15%	4,168.70	4,110.85	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	5,002.43	4,933.01	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,751.83	3,699.76	16.09.2029	
9	3.95% USD Bonds 2030	3.95%	6,253.04	6,166.27	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	4,168.69	4,110.84	16.05.2031	
	Total		**37,723.57**	**37,219.33**		

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18. BORROWINGS (OTHER THAN DEBT SECURITIES)

The Company has categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Secured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Rupee Term Loans (Refer note 18.3)	**6,127.50**	13,476.25
	Sub-Total (A)	**6,127.50**	**13,476.25**
(B)	**Unsecured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Foreign Currency Loans (Refer note 18.5)	**34,132.87**	26,696.58
	- Rupee Term Loans (Refer note 18.6)	**65,375.94**	48,841.65
(ii)	Term Loans From other Parties		
	- Foreign Currency Loans - Multilateral / Bilateral Agencies (Refer note 18.7)	**980.02**	638.58
	- Rupee Term Loans - NSSF (Refer note 18.10)	**7,500.00**	7,500.00
(iii)	Other Loans from Banks		
	Working Capital Demand Loan/ Overdraft/ Cash Credit/ Line of Credit (Refer note 18.11)	**2,361.48**	3,983.83
	Sub-Total (B)	**1,10,350.31**	**87,660.64**
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) - (A+B)**	**1,16,477.81**	**1,01,136.89**
(D)	Interest accrued but not due on (C) above	**525.53**	392.31
(E)	Unamortised Transaction Cost on (C) above	**(397.30)**	(300.31)
	Total Borrowings (other than Debt Securities) (C to E)	**1,16,606.04**	**1,01,228.89**
	Geography wise Borrowings		
(i)	Borrowings in India	**81,567.12**	74,000.92
(ii)	Borrowings outside India	**35,038.92**	27,227.97
	Total Geography wise Borrowings	**1,16,606.04**	**1,01,228.89**

18.1 Wherever required, the Company has registered the charges with respective Registrars of Companies (ROC) within the statutory timelines.

18.2 The Company has not borrowed any funds on the specific security of current assets, where there is any requirement of filing of quarterly returns or statements.

18.3 Details of Secured Rupee Term Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	Union Bank of India	-	200.00	21.08.2023	
2	Indian Bank	-	1,800.00	20.11.2023	
3	Indian Bank	-	500.00	20.11.2023	Repaid in FY 2023-24
4	Indian Bank	-	937.50	20.11.2023	
5	Canara Bank	-	1,000.00	20.02.2024	
6	Canara Bank T-1	**500.00**	500.00	21.06.2024	
7	Canara Bank T-2	**500.00**	500.00	24.06.2024	Bullet Repayment at the end of the tenor
8	Canara Bank	**1,000.00**	1,000.00	29.06.2024	
9	State Bank of India	**2,140.00**	3,570.00	10.07.2024	The loan is to be repaid in 3 half yearly instalments comprising 2 instalments of ₹715 crore each and thereafter final instalment of ₹710 crore each starting from 10-Jul-2024 and ending on 10-Jul-2025

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
10	Punjab National Bank	**112.50**	168.75	30.09.2024	The loan is to be repaid in 02 annual instalments of ₹56.25 crore each starting from 30-Sep-24 and ending on 30-Sep-2025
11	Union Bank of India	**900.00**	1,350.00	30.09.2024	The loan is to be repaid in 02 annual instalments of ₹450 crore each starting from 30-Sep-24 and ending on 30-Sep-2025
12	Union Bank of India	**100.00**	200.00	30.09.2024	The loan is to be repaid in 1 instalment of ₹100 crore on 30-Sep-2024
13	Punjab National Bank	**375.00**	750.00	25.02.2025	The loan is to be repaid in 01 annual instalment of ₹375 crore on 25-Feb-2025
14	Bank of India	**500.00**	1,000.00	02.03.2025	The loan is to be repaid in 01 annual instalment of ₹500 crore on 02-Mar-2025
	Total Secured Rupee Term Loans	**6,127.50**	**13,476.25**		

18.4 Secured rupee term loans are secured by first *pari passu* charge in favour of lending banks on the receivables of the Company limited to payment/repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/ or others under/ pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formerly known as GDA Trusteeship Limited). Refer Note 10 for carrying values of the receivable pledged as security against secured rupee term loans.

18.5 Details of Unsecured Foreign Currency Loans outstanding from Banks and Financial Institutions are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	SLN 26	-	2,055.42	26.09.2023	Repaid in FY 2023-24
2	1 FCNR USD 110M 151222	-	904.39	15.12.2023	
3	2 FCNR EUR 94M 291222	-	844.48	29.12.2023	
4	4 FCNR EUR 56M 290323	-	499.54	29.12.2023	
5	SLN 27	-	1,014.18	01.02.2024	
6	3 FCNR EUR 93M 270323	-	833.03	27.03.2024	
7	5 FCNR EUR 92M 280323	-	828.79	28.03.2024	
8	6 FCNR EUR 93M 290323	-	831.47	29.03.2024	
9	7 FCNR EUR 138M 310323	-	1,235.67	31.03.2024	
10	8 FCNR JPY 21539M 300623	**1,186.56**	-	30.06.2024	Bullet Repayment at the end of the tenor
11	SLN 29	**2,084.35**	2,055.42	20.12.2024	
12	9 FCNR USD 110M 271223	**917.11**	-	27.12.2024	
13	10 FCNR JPY 37850M 280324	**2,085.16**	-	28.03.2025	
14	SLN 30	**833.74**	822.17	13.10.2025	
15	SLN 30	**2,501.22**	2,466.51	05.11.2025	
16	31 A FCTL USD 525M 301121	**4,377.13**	4,316.40	30.11.2026	
17	31 B FCTL USD 100M 301121	**833.74**	822.17	30.11.2026	
18	32 A FCTL JPY 89208M 281222	**4,914.47**	5,513.05	28.12.2026	Redeemable in three instalments: 33.33% loan amount on 28.12.2026, 33.33% of loan amount on 28.12.2027 and balance outstanding on 28.12.2028.
19	33 A FCTL USD 500M 250923	**4,168.70**	-	25.09.2028	Redeemable in 2 instalments: 50% loan amount on 25.09.2028 & balance outstanding on 27.09.2028.
20	33 B FCTL USD 600M 191223	**5,002.43**	-	19.12.2028	Bullet Repayment at the end of the tenor
21	34 A FCTL USD 250M 220324	**2,084.35**	-	22.03.2029	
22	34 B FCTL JPY 7577M 220324	**417.40**	-	22.06.2029	
23	32 B FCTL JPY 26762M 050123	**1,474.32**	1,653.89	05.01.2030	
24	34 C FCTL JPY 22730M 220324	**1,252.21**	-	22.03.2031	
	Total Foreign Currency Loans	**34,132.87**	**26,696.58**		

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for the year ended March 31, 2024

18.6 Details of Unsecured Rupee Term Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	UCO Bank	-	200.00	26.05.2023	Repaid in FY 2023-24
2	HDFC Bank Ltd.	-	1,000.00	09.06.2023	
3	HDFC Bank Ltd.	-	650.00	13.06.2023	
4	HDFC Bank Ltd.	-	20.00	16.06.2023	
5	HDFC Bank Ltd.	-	7.00	16.06.2023	
6	HDFC Bank Ltd.	-	55.00	16.06.2023	
7	HDFC Bank Ltd.	-	33.00	16.06.2023	
8	HDFC Bank Ltd.	-	1,000.00	16.06.2023	
9	HDFC Bank Ltd.	-	235.00	21.06.2023	
10	HDFC Bank Ltd.	-	3,000.00	21.06.2023	
11	HDFC Bank Ltd.	-	1,000.00	02.08.2023	
12	State Bank of India	-	2,999.98	27.09.2023	
13	HDFC Bank Ltd.	-	750.00	05.10.2023	
14	Punjab National Bank		995.00	25.10.2023	
15	Canara Bank	-	875.00	20.12.2023	
16	Canara Bank	-	500.00	28.12.2023	
17	Canara Bank	-	500.00	15.01.2024	
18	Bank of India	-	2,000.00	21.01.2024	
19	Union Bank of India	**400.00**	800.00	15.04.2024	The loan is to be repaid in 4 quarterly instalments of ₹100 crore each starting from 15-Apr-2024 and ending on 15-Jan-2025
20	Bank of Baroda	**82.00**	-	23.04.2024	The loan is to be repaid in 3 monthly instalments of ₹27.33 crore each starting from 23-Apr-2024 and ending on 23-Jun-2024
21	Bank of Baroda	**1,418.00**	-	28.04.2024	The loan is to be repaid in 3 monthly instalments of ₹472.67 crore each starting from 28-Apr-2024 and ending on 28-Jun-2024
22	Karnataka Bank	**250.00**	-	08.05.2024	The loan is to be repaid in 8 quarterly instalments of ₹31.25 crore each starting from 08-May-2024 and ending on 08-Feb-2026
23	KEB Hana Bank	**100.00**	100.00	31.05.2024	The loan is to be repaid in 4 halfyearly instalments of ₹25 crore each starting from 31-May-2024 and ending on 30-Nov-2025
24	HDFC Bank Ltd.	**1,862.50**	-	20.06.2024	Bullet Repayment at the end of the tenor
25	Canara Bank	**1,000.00**	1,400.00	22.06.2024	The loan is to be repaid in 14 quarterly instalments of ₹100 crore each starting from 22-Jun-2024 and ending on 22-Sep-2026
26	HDFC Bank Ltd.	**521.50**	-	26.06.2024	Bullet Repayment at the end of the tenor
27	HDFC Bank Ltd.	**247.50**	-	27.06.2024	Bullet Repayment at the end of the tenor
28	HDFC Bank Ltd.	**644.00**	-	04.07.2024	Bullet Repayment at the end of the tenor
29	Bank of India	**750.00**	1,000.00	11.09.2024	The loan is to be repaid in 4 annual instalments of ₹250 crore each starting from 11-Sep-2024 and ending on 11-Sep-2026
30	Bank of India	**500.00**	500.00	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹100 crore each starting from 18-Sep-2024 and ending on 18-Sep-2028
31	Canara Bank	**200.00**	300.00	23.09.2024	The loan is to be repaid in 4 half-yearly instalments of ₹50 crore each starting from 23-Sep-2024 and ending on 23-Mar-2026
32	State Bank of India	**3,000.00**	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
33	Punjab National Bank	**333.33**	666.67	20.03.2025	The loan is to be repaid in 1 annual instalment of ₹333.33 crore on 20-Mar-2025
34	Union Bank of India	**625.00**	1,250.00	23.03.2025	The loan is to be repaid in 1 annual instalments of ₹625 crore each on 23-Mar-2025
35	HDFC Bank Ltd.	**3,000.00**	-	30.06.2025	The loan is to be repaid in quarterly instalments starting from 30-Jun-2025 and ending on 05-Sep-2030.
36	HDFC Bank Ltd.	**3,000.00**	3,000.00	30.09.2025	Bullet Repayment at the end of the tenor

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
37	South Indian Bank	**200.00**	-	30.03.2026	Bullet Repayment at the end of the tenor
38	Bank of Baroda	**5,000.00**	5,000.00	17.05.2026	The loan is to be repaid in 8 halfyearly instalments of ₹625 crore each starting from 17-May-2026 and ending on 17-Nov-2029
39	UCO Bank	**1,000.00**	1,000.00	24.09.2026	Bullet Repayment at the end of the tenor
40	Punjab National Bank	**500.00**	500.00	27.09.2026	Bullet Repayment at the end of the tenor
41	Punjab National Bank	**5.00**	5.00	29.09.2026	Bullet Repayment at the end of the tenor
42	Punjab National Bank	**3,000.00**	-	29.09.2026	The loan is to be repaid in 3 yearly instalments of ₹1000 crore each starting from 29-Sep-2026 and ending on 29-Sep-2028
43	India Infrastructure Finance Company Limited	**1,000.00**	1,000.00	30.09.2026	Bullet Repayment at the end of the tenor
44	Bank of India	**2,000.00**	-	02.03.2027	Bullet Repayment at the end of the tenor
45	Central Bank	**1,000.00**	1,000.00	31.03.2027	Bullet Repayment at the end of the tenor
46	Union Bank	**3,000.00**	3,000.00	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹1500 crore each starting from 31.03.2027 and ending on 31.03.2028
47	Canara Bank	**2,250.00**	2,250.00	28.06.2027	The loan is to be repaid in 2 annually instalments of ₹1125 crore each starting from 28-Jun-2027 and ending on 28-Jun-2028
48	Canara Bank	**250.00**	250.00	30.06.2027	The loan is to be repaid in 2 annually instalments of ₹125 crore each starting from 30-Jun-2027 and ending on 30-Jun-2028
49	Indian Overseas Bank	**1,000.00**	1,000.00	30.09.2027	The loan is to be repaid in 2 yearly instalments of ₹500 crore each starting from 30-Sep-2027 and ending on 30-Sep-2028
50	UCO Bank	**1,000.00**	1,000.00	30.03.2028	Bullet Repayment at the end of the tenor
51	Punjab & Sind Bank	**1,000.00**	1,000.00	30.03.2028	The loan is to be repaid in 2 yearly instalments of ₹500 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
52	South Indian Bank	**199.96**	-	31.05.2028	Bullet Repayment at the end of the tenor
53	HDFC Bank Ltd.	**4,000.00**	-	05.07.2028	Bullet Repayment at the end of the tenor
54	South Indian Bank	**199.96**	-	19.09.2028	Bullet Repayment at the end of the tenor
55	Union Bank of India	**837.19**	-	27.09.2028	The loan is to be repaid in 2 yearly instalments of ₹418.595 crore each starting from 27-Sep-2028 and ending on 27-Sep-2029
56	Indian Overseas Bank	**500.00**	500.00	30.09.2028	The loan is to be repaid in 2 yearly instalments of ₹250 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
57	State Bank of India	**9,000.00**	-	31.12.2028	The loan is to be repaid in quarterly instalments starting from 31-Dec-2028 and ending on 30-Sep-2033.
58	India Infrastructure Finance Company Limited	**2,000.00**	-	28.02.2029	Bullet Repayment at the end of the tenor
59	National Bank for Financing Infrastructure and Development	**3,500.00**	3,500.00	31.03.2029	The loan is to be repaid in 10 yearly instalments of ₹350 crore each starting from 31-Mar-2029 and ending on 31-Mar-2038
60	National Bank for Financing Infrastructure and Development	**1,000.00**	-	01.03.2030	The loan is to be repaid in 10 annual instalments of ₹100 crore each starting from 01-Mar-2030 and ending on 01-Mar-2039
61	HDFC Bank Ltd.	**4,000.00**	-	25.09.2030	The loan is to be repaid in quarterly instalments starting from 31-Dec-2026 and ending on 05-Sep-2030.
	Total Unsecured Rupee Term Loans	**65,375.94**	**48,841.65**		

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18.7 Details of Unsecured Foreign Currency Loans outstanding from Multilateral /Bilateral Agencies are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	ADB (Guaranteed by Government of India)	**40.14**	51.35	15.04.2024	Semi Annual Instalments till 15.10.2028
2	JBIC PLA 1	**145.99**	-	22.04.2024	Semi Annual Instalments till 20.04.2038
3	KfW EUR 200M 030123	**690.26**	526.42	15.05.2024	Semi Annual Instalments till 15.11.2031
4	Credit National (Guaranteed by Government of India)	**10.06**	18.86	30.06.2024	Semi Annual Instalments till 30.06.2028
5	KFW I (Guaranteed by Government of India)	**38.84**	41.95	30.06.2024	Semi Annual Instalments till 30.06.2035
6	JBIC PLA 2	**54.73**	-	20.07.2024	Semi Annual Instalments till 20.07.2036
	Total Foreign Currency Loans	**980.02**	**638.58**		

18.8 Floating Rate Foreign Currency Loans in above Note No. 18.5 and 18.7 carries an interest rate spread ranging from 5 bps to 150 bps over 6 month SOFR / TONA (Secured Overnight Financing Rate / Tokyo Overnight Average Rate) except for Foreign Currency Loans from Credit National, KFW-I , FCNR and FCTL31A & B which are at fixed rate of interest.

18.9 Borrowings as at 31.03.2024 in Note 18.3 and 18.6 above were raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

18.10 Details of Unsecured Rupee term Loan - NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.11% p.a.)	**7,500.00**	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Total	**7,500.00**	**7,500.00**		

18.11 Details of Unsecured WCDL / OD / CC / Line of Credit outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	HDFC Bank	-	1,555.28	10.04.2023	Repaid in FY 2023-24
2	Indian Bank	-	500.00	15.04.2023	
3	Canara Bank	-	300.00	15.04.2023	
4	Canara Bank	-	1,628.55	30.06.2023	
5	State Bank of India	**1,861.48**	-	06.04.2024	Bullet Repayment at the end of the tenor
6	IndusInd Bank	**500.00**	-	29.04.2024	
	Total WCDL / OD / CC / Line of Credit	**2,361.48**	**3,983.83**		

18.12 None of the borrowings have been guaranteed by Directors.

18.13 There has been no default in repayment of borrowings and interest during periods presented above.

18.14 The amounts raised during the year have been utilised for the stated objects in the offer document/ Information memorandum/ facility agreement.

18.15 The Company has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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19. SUBORDINATED LIABILITIES

The Company has categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Subordinated Liabilities (Unsecured)**		
(i)	Perpetual Debt Instruments (Principal Outstanding) (Refer note 19.1)	100.00	-
(ii)	Subordinated Bonds (Principal Outstanding) (Refer note 19.2)	5,411.50	9,211.50
(iii)	Total Principal Outstanding of Subordinated Laibilities	**5,511.50**	**9,211.50**
(iv)	Interest accrued but not due on (iii) above	9.73	102.30
(v)	Unamortised Transaction Cost on (iii) above	(1.51)	(1.96)
	Total Subordinated Liabilities	**5,519.72**	**9,311.84**
(B)	**Geography wise Subordinated Liabilities**		
(i)	Subordinated Liabilities in India	5,519.72	9,311.84
(ii)	Subordinated Liabilities outside India	-	-
	Total Geography wise Subordinated Liabilities	**5,519.72**	**9,311.84**

19.1 Details of Perpetual Debt Instruments (Unsecured) are as under:

Sr. No.	Subordinated Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
1	7.88 PERPETUAL TX UNS BND SRS 236 with 10 years call option	7.88%	100.00	-	NA	Perpetual bonds callable only at the option of the Company after minimum 10 years with prior approval of RBI.
Total Perpetual Debt			**100.00**	**-**		

During the year the Company had issued Perpetual Debt Instruments (PDI) of ₹ 100 crore having face value of ₹ 1 crore each, with no maturity and callable only at the option of the Company after minimum 10 years with prior approval of RBI. The claims of the holders of the PDI are:

(a) Superior to the claims of the holders of the equity shares issued by the Company and perpetual non-cumulative preference shares, if any, of the Company; and

(b) Subordinated to the claims of all other creditors of the Company (but *pari passu inter se* the holders of the PDIs). The Company may defer the payment of Coupon, if:

  (i) The capital to risk assets ratio ("CRAR") of the Company is below the minimum regulatory requirement prescribed by RBI; or

  (ii) the impact of such payment results in CRAR of the Company falling below or remaining below the minimum regulatory requirement prescribed by RBI. Further, it also has certain unique features which, *inter alia*, grant PFC, in consultation with RBI a discretion in terms of writing down the principal / interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions might result in potential loss to investors. As these securities are perpetual in nature and claim of PDI holders is subordinate to claim of all other creditors and further as the Company does not have an unconditional right not to pay the coupon, these have been classified under subordinated liabilities.

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19.2 Details of Subordinated Debt (Unsecured) are as under:

Sr. No.	Subordinated Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
1	Bond Series 105	8.19%	-	800.00	14.06.2023	
2	Bond Series 111	9.65%	-	1,000.00	13.01.2024	Repaid in FY 2023-24
3	Bond Series 114	9.70%	-	2,000.00	21.02.2024	
4	Bond Series 184A	9.25%	2,000.00	2,000.00	25.09.2024	Redeembale at par in FY 2024-25
5	Bond Series 184 B	9.10%	2,411.50	2,411.50	25.03.2029	Redeembale at par in FY 2028-29
6	Bond Series 185	8.98%	1,000.00	1,000.00	28.03.2029	Redeembale at par in FY 2028-29
Total Subordinated Debt			**5,411.50**	**9,211.50**		

20A TRADE PAYABLES

The Company has categorised trade payables at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Total outstanding dues of micro, small and medium enterprises	0.20	0.02
(ii)	Total outstanding dues of creditors other than micro, small and medium enterprises	14.72	13.39
	Total Trade Payables	**14.92**	**13.41**

20A.1 Trade Payables ageing schedule

Particulars	As at 31.03.2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.20	-	-	-	0.20
(ii) Others	11.94	1.37	0.01	1.40	14.72
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-
Total	**12.14**	**1.37**	**0.01**	**1.40**	**14.92**

Particulars	As at 31.03.2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.02	-	-	-	0.02
(ii) Others	10.84	0.88	0.05	1.62	13.39
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-
Total	**10.86**	**0.88**	**0.05**	**1.62**	**13.41**

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20B OTHER FINANCIAL LIABILITIES

The Company has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Payable on account of Unsecured Government of India Serviced Bonds (Refer note 20B.1)	**5,038.72**	5,038.21
(ii)	Advance received from Subsidiaries and Associates	**179.56**	177.16
(iii)	Amount payable to Subsidiary (Refer note 20B.2)	**100.00**	-
(iv)	Unclaimed Dividends (Refer note 20B.3)	**5.48**	5.63
(v)	Unpaid - Bonds and Interest Accrued thereon (Refer note 20B.3)		
	- Unclaimed Bonds	**0.92**	0.92
	- Unclaimed Interest on Bonds	**71.86**	71.78
(vi)	Others		
	- Interest on application money and interest accrued thereon	**0.20**	0.71
	- Lease Liability (Refer note 45.1)	**8.81**	8.81
	- Derivative Liability -Variation Margin	**792.88**	-
	- Other liabilities*	**2,434.86**	218.12
	Total Other Financial Liabilities	**8,633.29**	**5,521.34**

* Includes amount received from borrowers which are subject to appropriation as per contractual terms of loan agreement.

20B.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds)

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2024	As at 31.03.2023
(i)	7.10% Bond Series 156 -Redeemable at par on 11.01.2027	**200.00**	200.00
(ii)	7.18% Bond Series 158 - Redeemable at par on 20.01.2027	**1,335.00**	1,335.00
(iii)	7.60% Bond Series 160 - Redeemable at par on 20.02.2027	**1,465.00**	1,465.00
(iv)	7.75% Bond Series 164 - Redeemable at par on 22.03.2027	**2,000.00**	2,000.00
(v)	Interest accrued but not due on above	**38.72**	38.21
	Total GoI Serviced Bonds	**5,038.72**	**5,038.21**

20B.2 Equity shares subscribed but not paid in respect of wholly-owned subsidiary M/s PFC Infra Finance IFSC Limited (PIFIL) incorporated on 11.02.2024.The amount has been remitted by PFC to PIFIL on 10.04.2024 and accordingly shown as Other Financial Liabilities as on 31.03.2024.

20B.3 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors / holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

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for the year ended March 31, 2024

21. PROVISIONS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	For Employee Benefits (Refer note 44)		
	- Gratuity	1.22	1.02
	- Leave Encashment	51.20	50.14
	- Economic Rehabilitation of Employees	7.86	7.82
	- Provision for Bonus / Incentive	39.63	43.26
	- Provision for Staff Welfare Expenses	25.74	21.55
(ii)	Impairment Loss Allowance - Letter of Comfort (Refer note 21.1)	48.63	50.93
(iii)	Provision for Unspent CSR Expense (Refer note 35)	237.81	148.93
	Total Provisions	**412.09**	**323.65**

21.1 Movement of Impairment loss allowance on Letter of Comfort

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(i)	Opening balance	50.93	77.21
(ii)	Creation during the year	2.53	0.12
(iii)	Reversal during the year	(4.83)	(26.40)
	Closing balance	**48.63**	**50.93**

22. OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Unamortised Fee - Undisbursed Loan Assets	358.08	189.15
(ii)	Statutory dues payable	79.43	31.56
(iii)	Sundry Liabilities Account (Interest Capitalisation)	76.31	26.27
(iv)	Others	42.80	28.33
	Total Other Non-Financial Liabilities	**556.62**	**275.31**

23. EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at 31.03.2024		As at 31.03.2023	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹10)	11,00,00,00,000	11,000.00	11,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹10)	20,00,00,000	200.00	20,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹10)	3,30,01,01,760	3,300.10	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the period*	66,00,20,352	660.02	-	-
	Closing Equity Share Capital	**3,30,01,01,760**	**3,300.10**	**2,64,00,81,408**	**2,640.08**

*Refer Note 23.4

23.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

23.2 Shares in the Company held by each shareholder holding more than 5% of the shares

Sr. No.	Particulars	As at 31.03.2024		As at 31.03.2023	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	**1,84,78,64,722**	**55.99%**	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd.	**10,25,97,717**	**3.11%**	16,38,70,959	6.21%

23.3 Shares reserved for issue under options and contract / commitment for the sale of shares or disinvestment, including the terms and amount: Nil

23.4 During FY 2023-24, the Company has issued 66,00,20,352 equity shares of ₹ 10/- each as fully paid-up bonus shares in the ratio of one bonus equity share for every four existing fully paid-up equity shares outstanding on the record date i.e. 21.09.2023. Further, the Company has not bought back any shares.

23.5 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date: Nil

23.6 Calls unpaid (showing aggregate value of calls unpaid by directors and officers): Nil

23.7 Forfeited shares (amount originally paid up): Nil

23.8 Refer Note 39 for Capital Management.

24. OTHER EQUITY

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
(A)	**Other Reserves**			
(i)	Securities Premium	24.1 (i)	**2,115.74**	2,776.54
(ii)	Foreign Currency Monetary Item Translation Difference Account	24.1 (ii)	**(402.85)**	(467.57)
(iii)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	24.1 (iii)	**11,432.63**	8,559.23
(iv)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	24.1 (iv)	**1,212.26**	529.39
(v)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	-	**599.85**	599.85
(vi)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	24.1 (v)	**29,316.21**	26,511.31
(vii)	Interest Differential Reserve - KfW Loan	24.1 (vi)	**67.15**	64.97
(viii)	General Reserve	24.1 (vii)	**14,720.80**	14,691.55
(ix)	Impairment Reserve	24.1 (viii)	**89.18**	-
(B)	**Retained Earnings**	24.1 (ix)	**15,876.21**	**12,648.64**
(C)	**Other Comprehensive Income (OCI) Reserves**			
(i)	Equity Instruments through Other Comprehensive Income	24.1 (x)	**1,278.50**	55.54
(ii)	Effective portion of Cash Flow Hedges	24.1 (xi)	**336.11**	492.20
(iii)	Cost of Hedging Reserve	24.1 (xii)	**(738.40)**	(899.50)
	Total Other Equity		**75,903.39**	**65,562.15**

24.1 Nature , purpose and movement of reserves :

(i) Securities Premium:

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**2,776.54**	2,776.54
Add: Transferred from Retained Earnings	**-**	-
Less: Utilised for issue of Bonus Equity Shares (including expense thereof)	**(660.80)**	-
Balance as at the end of the year	**2,115.74**	**2,776.54**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(ii) Foreign Currency Monetary Item Translation Difference Account:

It represents unamortised foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortised over the tenure of the respective borrowings.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**(467.57)**	(513.80)
Add: Foreign Currency Translation Gain/ Loss (-) on long-term monetary items during the year	**(47.10)**	(721.29)
Less: Amortisation during the year	**111.82**	767.52
Balance as at the end of the year	**(402.85)**	**(467.57)**

(iii) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934:

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**8,559.23**	6,238.14
Add: Transferred from Retained Earnings	**2,873.40**	2,321.09
Less: Transferred to General Reserve	**-**	-
Balance as at the end of the year	**11,432.63**	**8,559.23**

(iv) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961:

It has been created to enable the Company to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per Section 36(1)(viia)(c) of Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision / reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**529.39**	576.44
Add: Transferred from Retained Earnings	**715.09**	590.10
Less: Transferred to General Reserve	**(29.25)**	(576.44)
Less: Adjustments during the year	**(2.97)**	(60.71)
Balance as at the end of the year	**1,212.26**	**529.39**

(v) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable the Company to avail tax benefits. As per Section 36(1)(viii) of the Income Tax Act, 1961, the Company is eligible for deduction not exceeding 20% of profit derived from long-term finance activity, provided such amount is transferred and maintained in special reserve account.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**26,511.31**	24,139.00
Add: Transferred from Retained Earnings	**2,767.28**	2,363.47
Less: Transferred to General Reserve	**-**	-
Add: Adjustments during the year	**37.62**	8.84
Balance as at the end of the year	**29,316.21**	**26,511.31**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(vi) Interest Differential Reserve - KFW Loan:

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**64.97**	64.07
Add: Addition during the year	**2.18**	2.17
Less: Deletion during the year	**-**	(1.27)
Balance as at the end of the year	**67.15**	**64.97**

(vii) General Reserve:

General Reserve includes the amounts appropriated from the profits of the Company before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilisation / reversal of such Reserves. Further the Company appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**14,691.55**	14,115.11
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	**29.25**	576.44
Balance as at the end of the year	**14,720.80**	**14,691.55**

(viii) Impairment Reserve:

It is created where the impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) norms issued by RBI, to the extent of the difference. No withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision of the Reserve Bank. Refer Note 40.1.7 for further details.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**-**	-
Add: Transferred from Retained Earnings	**89.18**	-
Less: Transferred to General Reserve		
Balance as at the end of the year	**89.18**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(ix) Retained Earnings:

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Company after transfer to and from other reserves and dividend distributions.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**12,648.64**	8,863.49
Add: Profit for the year	**14,367.02**	11,605.47
Add: Remeasurement of Defined Benefit Plans (net of taxes)	**(4.27)**	(2.68)
Add: Reclassification of gain/ (loss) on sale / extinguishment of FVOCI equity instrument	**164.76**	46.13
Add: Transferred from Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	**2.97**	60.71
Less: Transferred to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	**(37.62)**	(8.84)
Less: Transferred to Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	**(2,767.28)**	(2,363.47)
Less: Transferred to Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	**(715.09)**	(590.10)
Less: Transferred to Impairment Reserve	**(89.18)**	-
Less: Transferred to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	**(2,873.40)**	(2,321.09)
Less: Transferred to Interest Differential Reserve - KFW Loan	**(2.18)**	(0.90)
Less: Dividend paid during the year	**(4,818.15)**	(2,640.08)
Balance as at the end of the year	**15,876.21**	**12,648.64**

(x) Reserve for Equity Instruments through Other Comprehensive Income:

The Company elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognised, amounts in the reserve are subsequently transferred to retained earnings and not to standalone statement of profit and loss. Dividends on such investments are recognised in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**55.54**	(54.23)
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	**1,387.72**	155.90
Less: Reclassification of (gain)/ loss on sale / extinguishment of FVOCI equity instrument (net of taxes)	**(164.76)**	(46.13)
Balance as at the end of the year	**1,278.50**	**55.54**

(xi) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**492.20**	200.34
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	**(156.09)**	291.86
Balance as at the end of the year	**336.11**	**492.20**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(xii) Cost of Hedging Reserve:

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	**(899.50)**	(294.75)
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	**161.10**	(604.75)
Balance as at the end of the year	**(738.40)**	**(899.50)**

24.2 Dividend declared / proposed by the Company for Equity Shares of ₹ 10/- each

(i)	Particulars	FY 2023-24			FY 2022-23		
		% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
	Interim Dividend	**110.00%**	**11.00**	**3,630.11**	87.50%	8.75	2,310.07
	Final Dividend	**25.00%**	**2.50**	**825.03**	45.00%	4.50	1,188.04
	Total Dividend	**135.00%**	**13.50**	**4,455.14**	132.50%	13.25	3,498.11
	Total Dividend as % of profit for the year (Total Dividend / PAT)			**31.01%**			**30.14%**

During the current year ended 31.03.2024, an amount of ₹ 2,697.88 crores (Previous year ₹ 1,478.29 crore) has been paid to Government of India as dividend (being proportionate share in final dividend for FY 22-23 and interim dividend for FY 23-24).

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on 15.05.2024 has recommended final dividend @ 25% on the paid up equity share capital i.e. ₹ 2.50 /- per equity share of ₹ 10/- each for the FY 2023-24 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of Section 123 of Companies Act, 2013, as applicable

25. INTEREST INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(A)	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	**43,536.57**	37,659.34
	Less: Rebate for Timely Payment to Borrowers	**(252.71)**	(282.32)
(ii)	Interest on Deposits with Banks	**203.48**	171.27
(iii)	Interest on Investment	**105.60**	52.44
(iv)	Other Interest Income	**35.01**	29.36
	Sub-Total (A)	**43,627.95**	**37,630.09**
(B)	**On Financial Assets Classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	**7.31**	9.07
(ii)	Other Income	**5.88**	6.15
	Sub-Total (B)	**13.19**	**15.22**
	Total Interest Income ((A)+(B))	**43,641.14**	**37,645.31**

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26. DIVIDEND INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Dividend on equity investments designated at FVTOCI		
	- held at the end of the year	65.34	90.19
	- derecognised during the year	0.90	0.90
	Sub-Total	**66.24**	**91.09**
(ii)	Dividend on equity investments at cost (Subsidiaries)	2,209.76	1,653.70
(iii)	Dividend on preference Shares	0.01	0.02
	Total Dividend Income (i+ii+iii)	**2,276.01**	**1,744.81**

27. FEES AND COMMISSION INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Prepayment Premium on Loans	1.28	67.03
(ii)	Fee based Income on Loans	58.30	123.02
(iii)	Fee for implementation of GoI Schemes (Refer note 51)	45.73	71.58
	Total Fees and Commission Income	**105.31**	**261.63**

28. OTHER INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Miscellaneous Income	11.64	13.88
	Total Other Income	**11.64**	**13.88**

29. FINANCE COSTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and Others	6,885.65	5,225.78
(ii)	**Interest on Debt Securities**		
	- Bonds / Debentures	19,317.50	16,371.05
	- Commercial Papers	34.00	-
(iii)	**Interest on Subordinated Liabilities**	757.59	850.84
(iv)	**Other Interest Expense**		
	- Interest on advances received from Subsidiaries	5.81	4.66
	- Interest under Income Tax Act, 1961	3.15	0.88
	- Interest expense on variation margin	9.06	-
	- Other interest expense*	0.25	0.78
(v)	**Swap Premium (Net)**	1,000.77	828.58
	Total Finance Costs	**28,013.78**	**23,282.57**

* Refer note 45.1 for interest on lease liability.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

30. NET TRANSLATION/ TRANSACTION EXCHANGE LOSS/ (GAIN)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	Net Translation/ Transaction Exchange Loss/ (Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	**(279.04)**	1,359.59
(ii)	Translation of Long-term foreign currency monetary item (LTFCMI) (including Amortisation of FCMITDA) recognised up to 31.03.2018	**65.95**	615.64
	Total Translation/ Transaction Exchange Loss/ (Gain)	**(213.09)**	**1,975.23**

30.1 The foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2024	As at 31.03.2023
USD / INR	**83.3739**	82.2169
Euro / INR	**90.2178**	89.6076
JPY / INR	**0.5509**	0.6180

31. FEES AND COMMISSION EXPENSE

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Agency Fees	**2.97**	1.45
(ii)	Guarantee, Listing and Trusteeship fees	**2.40**	2.40
(iii)	Credit Rating Fees	**3.21**	7.18
(iv)	Other Finance Charges	**15.82**	1.03
	Total Fees and Commission Expense	**24.40**	**12.06**

32. NET LOSS / (GAIN) ON FAIR VALUE CHANGES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	On financial instruments at Fair value through Profit or Loss:		
(i)	On trading Portfolio	**-**	-
(ii)	Others		
	- Change in Fair Value of Derivatives	**234.34**	(123.36)
	- Change in Fair Value of Investments	**(124.61)**	52.80
	Sub-Total (ii)	**109.73**	**(70.56)**
	Total Net Loss / (Gain) on Fair Value changes (i+ii)	**109.73**	**(70.56)**
	Fair value changes:		
(i)	- Realised	**(33.86)**	97.47
(ii)	- Unrealised	**143.59**	(168.03)
	Total Net Loss / (Gain) on Fair Value changes	**109.73**	**(70.56)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

32.1 Fair value changes in this note are other than those arising on account of accrued interest income / expense.

33. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
A	**On Financial Assets measured at Amortised Cost:**		
(i)	Loans*	**(172.74)**	(319.98)
(ii)	Other Financial Assets	**3.89**	(6.41)
(iii)	Letter of Comfort	**(2.30)**	(26.28)
B	**On Financial Assets measured at Cost**		
(i)	Investment	**-**	(0.20)
C	**On Financial Assets measured through P&L**		
(i)	Write Off - Investments*	**-**	56.66
	Total Impairment on Financial Instruments	**(171.15)**	**(296.21)**

* Including write off of loans and investment acquired under loan settlement of ₹ 29.25 crore (previous year ₹ 957.91 crore) and corresponding reversal of impairment loss allowance of ₹ 550.50 crore (previous year ₹ 2700.33 crore).

33.1 Refer Note 40.1 for details of impairment on financial assets.

34. EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Salaries and Wages	**159.53**	151.16
(ii)	Contribution to Provident and other Funds/ Schemes	**24.05**	18.99
(iii)	Staff Welfare Expenses	**46.29**	40.24
(iv)	Rent for Residential Accommodation of Employees	**12.85**	8.62
	Total Employee Benefit Expenses	**242.72**	**219.01**

34.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 44.

35. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. 22.01.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, if the Company spends an amount in excess of the requirement under statute, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent.

As the notification was made effective during FY 2020-21, the Company complied with the amended provisions of Section 135 of the Companies Act, 2013 with effect from the FY 2020-21. Accordingly, the unspent CSR amount up to 31.03.2020 would continue to be dealt with in accordance with the pre-amendment framework.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

35.1 Details of amount required to be spent by the Company on CSR activities during the year:

(₹ in crore)

Sr. No.	Particulars	FY 2023-24			FY 2022-23		
		For FY 2023-24	For period up to 31.03.2020	Total	For FY 2022-23	For period up to 31.03.2020	Total
(i)	Opening unspent / (Excess) amount	106.34	52.43*	158.77	54.87	99.15*	154.02
(ii)	Amount transferred to unspent CSR bank account out of opening unspent amount	106.34	-	106.34	54.87	-	54.87
(iii)	Balance Opening unspent / (Excess) amount (i-ii)	-	52.43	52.43	-	99.15	99.15
(iv)	Amount required to be spent as per Section 135 (5) of Companies Act, 2013	215.39	-	215.39	178.58	-	178.58
(v)	Amount approved by the Board out of (iv) above to be spent during the year	215.39	-	215.39	178.58	-	178.58
(vi)	Surplus arising out of the CSR projects	-	-	-	-	-	-
(vii)	**Sub-Total (v + vi)**	**215.39**	**-**	**215.39**	**178.58**	**-**	**178.58**
(viii)	Amount required to be spent after set off excess spent of earlier years (iii+vii)	215.39	52.43	267.82	178.58	99.15	277.73
(ix)	Amount spent during the year	99.37$	2.11	101.48	72.24$	46.72	118.96
(x)	**Closing Unspent / (Excess) amount (viii – ix)**	**116.02@**	**50.32**	**166.34**	**106.34@**	**52.43**	**158.77**

* Sanctioned to various projects where disbursement is being made as per agreed terms.

$ includes ₹ 10.84 crore (Previous year ₹ 6.52 crore) disbursed where utilisation is pending.

@ Since amount pertains to ongoing projects, it has been transferred to unspent CSR Account on 30.04.2024 (previous year on 28.04.2023).

35.2 Unspent CSR amount of ₹ 116.02 crore (Previous year ₹ 106.34 crore) pertains to multi-year (ongoing) projects where payment is made in tranches upon achievement of milestone. Accordingly, the said amount has been deposited in unspent CSR Account with scheduled bank as per requirements of Section 135(6) of Companies Act, 2013.

35.3 Activity wise detail of amount spent during the year on CSR activities:

(₹ in crore)

Sr. No.	Particulars	FY 2023-24			FY 2022-23		
		Paid or settled	Yet to be paid	Total	Paid or settled	Yet to be paid	Total
(i)	Construction / acquisition of any assets	-	-	-	-	-	-
(ii)	On purposes other than (i) above						
(iia)	Sanitation/ Waste Management / Drinking water$	**78.76**	**-**	**78.76**	2.27	-	2.27
(iib)	Education / Vocational Skill development	**0.28**	**-**	**0.28**	16.81	-	16.81
(iic)	Environmental Sustainability (Solar Applications/ Afforestation/ Energy efficient LED lighting)	**1.90**	**-**	**1.90**	0.50	-	0.50
(iid)	Sports	-	-	-	-	-	-
(iie)	Others#	**14.03**	**-**	**14.03**	92.55	-	92.55
(iif)	Administrative overheads including training, impact assessment etc. limited to 5% of total amount required to be spent on CSR	**6.51**	**-**	**6.51**	6.83	-	6.83
(iii)	**Total Amount Spent during FY (i +ii)**	**101.48**	**-**	**101.48***	**118.96**	**-**	**118.96***
(iv)	Add: To be transferred to Unspent CSR Account			**116.02**			106.34
(v)	Add/Less: Excess amount adjusted/(spent)						-
(vi)	**CSR Expenses charged to Standalone Statement of Profit and Loss (iii + iv + v)**			**217.51**			**225.30**

$ Includes a contribution of ₹77.46 crore to Swachh Bharat Kosh (previous year Nil).

Includes a contribution of Nil to PM CARES Fund (previous year ₹ 51.94 crore).

* Includes ₹ 2.11 crore (previous year ₹ 46.72 crore) for the period up to 31.03.2020.

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35.4 Details of Unspent CSR amount as per requirements of Section 135(6) of Companies Act, 2013:-

For FY 2023-24

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Interest earned on balance in Unspent CSR A/c	Amount spent during the year		Closing Balance		For ongoing projects pertaining to	Details of ongoing projects
With Company	In Separate CSR Unspent A/c			From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c		
-	-	215.39	NA	99.37	NA	116.02*	-	FY 2023-24	Various projects to support research, training, solar power, sanitation, skill development, Health care etc.
-	106.34	NA	4.38	NA	23.49	-	87.23	FY 2022-23	
-	42.59	NA	1.80	NA	9.83	-	34.56	FY 2021-22	

* Transferred on 30.04.2024 to unspent CSR Account with scheduled bank.

For FY 2022-23

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Interest earned on balance in Unspent CSR A/c	Amount spent during the year		Closing Balance		For ongoing projects pertaining to	Details of ongoing projects
With Company	In Separate CSR Unspent A/c			From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c		
-	-	178.58	NA	72.24	-	106.34*	-	FY 2022-23	Various projects to support research, training, solar power, sanitation, skill development, Health care etc.
-	54.87	NA	1.65	-	13.93	-	42.59	FY 2021-22	

* Transferred on 28.04.2023 to unspent CSR Account with scheduled bank.

36. OTHER EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Rent, Taxes and Energy Cost	**8.59**	5.45
(ii)	Repairs and Maintenance	**6.92**	5.65
(iii)	Communication Costs	**2.19**	2.53
(iv)	Printing and Stationery	**1.30**	1.55
(v)	Advertisement and Publicity	**15.85**	13.79
(vi)	Directors Fees, Allowance and Expenses	**0.42**	0.41
(vii)	Auditor's fees and expenses (Refer note 36.1)	**1.69**	1.29
(viii)	Legal & Professional charges	**25.75**	18.67
(ix)	Insurance	**0.46**	0.35
(x)	Travelling and Conveyance	**22.46**	20.45
(xi)	Net Loss/ (Gain) on sale/ derecognition of PPE	**3.36**	2.88
(xii)	Govt. scheme monitoring expense	**10.05**	7.63
(xiii)	Conference and Meeting Expenses	**7.91**	7.27
(xiv)	Security Expenses	**3.45**	3.63
(xv)	Other Expenditure	**55.71**	37.00
	Total Other Expenses	**166.11**	**128.55**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

36.1 Auditor's fees and expenses are as under:

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	As Auditor	0.65	0.58
(ii)	For Taxation matters	0.16	0.15
(iii)	For Company Law Matters (includes Limited Review Fees)	0.38	0.35
(iv)	For Other services	0.37	0.11
	Sub-Total	**1.56**	**1.19**
(v)	Non-recoverable GST credit in respect of fees paid to auditors	0.13	0.10
	Total Auditor's fees and expenses	**1.69**	**1.29**

37. DISCLOSURES RELATED TO 'INCOME TAXES':

37.1 Income tax expense recognised in Standalone Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Current Tax Expense / (Income)		
Current Year	2,988.34	2,381.18
Earlier Years	(15.54)	(50.94)
(A) Total Current Tax Expense	**2,972.80**	**2,330.24**
Deferred Tax Expense / (Income)		
Origination and reversal of temporary differences	285.87	234.91
(B) Total Deferred Tax Expense / (Income)	**285.87**	**234.91**
Total Income Tax Expense (A+B)	**3,258.67**	**2,565.15**

37.2 Income tax expense recognised in Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Current Tax Expense / (Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	0.03	0.06
(A) Total Current Tax Expense / (Income)	**0.03**	**0.06**
Deferred Tax Expense / (Income)		
(i) Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(1.49)	(1.00)
Net Gain / (Loss) on Fair Value of Equity Instruments	190.10	(10.16)
(ii) Items that will be reclassified to Profit and Loss		
Effective portion of Gains and Losses on Hedging Instruments in Cash flow Hedge	(52.50)	98.16
Cost of hedging reserve	54.18	(203.39)
(B) Total Deferred Tax Expense / (Income) (i+ii)	**190.29**	**(116.39)**
Total Tax Expense / (Income) recognised in OCI (A+B)	**190.32**	**(116.33)**

Notes to the Standalone Financial Statements

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37.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expense and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Profit before Tax	17,625.69	14,170.62
Corporate Tax Rate	25.168%	25.168%
Tax expense using the Corporate tax rate	**4,436.03**	**3,566.46**
Increase/(Decrease) on account of:		
Non-deductible tax expenses	(58.12)	50.56
Deduction u/s 80M of Income Tax Act, 1961	(415.86)	(439.13)
Deduction under 36(1)(viii) of Income Tax Act, 1961	(696.47)	(594.84)
Others	8.63	33.04
Tax expense pertaining to earlier years	(15.54)	(50.94)
Total tax expense in the Standalone Statement of Profit and Loss	**3,258.67**	**2,565.15**

37.4 Movement in Deferred Tax balances:

FY 2023-24

(₹ in crore)

Description	Opening balance as at 01.04.2023	Recognised in Profit and Loss	Recognised in OCI	Closing balance as at 31.03.2024
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	30.52	(3.76)	1.49	28.25
(ii) Unamortised income on loans to borrowers	82.70	56.33	-	139.03
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	3,917.29	(222.30)	-	3,694.99
(iv) Depreciation and amortisation	5.00	1.91		6.91
(v) Fair value of derivatives (Net)	169.64	(71.77)	(1.68)	96.19
(vi) Others	49.59	(31.06)	(190.10)	(171.57)
(B) (Deferred Tax Liabilities)				
(i) Unamortised Exchange Loss (Net)	(118.26)	16.50	-	(101.76)
(ii) Unamortised expenditure on loan liabilities	(103.14)	(31.72)	-	(134.86)
(iii) Others	(0.03)	-	-	(0.03)
Net Deferred Tax Assets / (liabilities)	**4,033.31**	**(285.87)**	**(190.29)**	**3,557.16**

FY 2022-23

(₹ in crore)

Description	Opening balance as at 01.04.2022	Recognised in Profit and Loss	Recognised in OCI	Closing balance as at 31.03.2023
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	28.94	0.57	1.00	30.52
(ii) Unamortised income on loans to borrowers	62.61	20.09	-	82.70
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	4,227.43	(310.14)	-	3,917.29
(iv) Depreciation and amortisation	2.95	2.05	-	5.00
(v) Fair value of derivatives (Net)	16.56	47.85	105.23	169.64
(vi) Others	26.39	13.04	10.16	49.59
(B) (Deferred Tax Liabilities)				
(i) Unamortised Exchange Loss (Net)	(129.87)	11.61	-	(118.26)
(ii) Unamortised expenditure on loan liabilities	(83.16)	(19.98)	-	(103.14)
(iii) Others	(0.03)	-	-	(0.03)
Net Deferred Tax Assets / (liabilities)	**4,151.82**	**(234.91)**	**116.39**	**4,033.31**

Notes to the Standalone Financial Statements

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38. DISCLOSURE AS PER IND AS 33 "EARNINGS PER SHARE"

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
(i)	from continuing operations	**14,367.02**	11,605.47
(ii)	from discontinued operations	**-**	-
(iii)	from continuing and discontinued operations	**14,367.02**	11,605.47
(B)	Weighted average number of equity shares used as denominator (basic & diluted)*	**330,01,01,760**	330,01,01,760
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (in ₹):		
(i)	for continuing operations	**43.53**	35.17
(ii)	for discontinued operations	**-**	-
(iii)	for continuing and discontinued operations	**43.53**	35.17

* During the year, the Company has issued 66,00,20,352 equity shares of ₹10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 4 (Four) equity shares outstanding on the record date i.e.21.09.2023. Accordingly, as required by Ind AS 33, Earnings per share of current and previous year have been restated.

39. CAPITAL MANAGEMENT

The Company maintains a capital base that is adequate to support the Company's risk profile, regulatory and business needs. The Company sources funds from domestic and international financial markets, *inter alia* leading to diverse investor base and optimised cost of capital. Refer Note 17, 18 and 19 for details w.r.t. sources of funds and refer Standalone Statement of Changes in Equity for details w.r.t. Equity.

As contained in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended from time to time (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital which shall not be less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Company regularly monitors the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company is also guided, *inter alia*, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

39.1 Certain key financial parameters of the Company are as under:

Ratios	Numerator*	Denominator*	As at 31.03.2024	As at 31.03.2023	% variance
Total Capital to risk – weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted assets	**25.41%**	24.37%	4.27%
CRAR – Tier I Capital**	Tier I Capital	Risk Weighted assets	**23.18%**	21.61%	
CRAR – Tier II Capital	Tier II Capital	Risk Weighted assets	**2.23%**	2.76%	
Liquidity Coverage Ratio (LCR) (Refer Note 54.6)	Total High Quality Liquid Assets	Total Net Cash Outflows	**85.00%**	70.00%	NA

* Computed as per applicable RBI guidelines.

** The amount of perpetual debt instruments of the Tier-I Capital is 0.16 % (previous year Nil).

39.2 Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in crore)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Amount of Subordinated Debt raised as Tier-II capital	**-**	-
Amount raised by issue of Perpetual Debt Instruments	**100.00**	-

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for the year ended March 31, 2024

39.3 Dividend Distribution Policy

The Company has a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars / guidelines, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, the Company is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions. Though, the Company endeavours to declare dividend as per these guidelines, it may propose to MoP, a lower dividend after analysis of various financial parameters like net-worth, CAPEX/business expansion needs; additional investments in subsidiaries / associates of the Company; other regulatory requirements etc. For details of dividend paid/recommended during the year, refer Note 24.2.

40. FINANCIAL RISK MANAGEMENT

The Company is exposed to several risks which are inherent to the environment that it operates in. The Company is into business of extending financial assistance to power, logistics and infrastructure sector. The principal risks which are inherent with the Company's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

The following table broadly explains sources of risks which the Company is exposed to and how it manages the same and related impact in the financial statements:

Note	Risk	Exposure arising from	Measurement	Risk Management
40.1	Credit Risk	Loans, investments, cash and cash equivalents, other financial assets	Ageing analysis	Detailed appraisal process, credit concentration limits and collateral including government guarantee
40.2	Liquidity Risk	Debt securities, Borrowings (other than debt securities), subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
40.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis	Derivative contracts for hedging currency risk
40.4	Market Risk – Interest Rate Risk	Debt securities, Borrowings (other than debt securities), subordinated liabilities and loans at variable interest rates	Interest rate sensitivity analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
40.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the Company has put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the Company, the Company has a Chief Risk Officer (CRO) who is involved in the process of identification, measurement and mitigation of risks. The Company also has a Board level Risk Management Committee (BLRMC), whose main function is to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities. The Chief Risk Officer (CRO) is a permanent invitee to all the meetings of Risk Management Committee. The risk management approach i.e. Company's objectives, policies and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

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40.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Company by failing to discharge its obligation. Details of financial assets that expose the Company to credit risk are:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Low Credit Risk	-	-
Cash and cash equivalents [a]	**21.76**	22.14
Bank balances other than included in cash and cash equivalents [a]	**200.05**	1,595.96
Loans (Principal Outstanding) [c]	**4,34,204.39**	3,89,559.35
Investments (Excluding equity investments) [a]	**2,371.46**	1011.32
Other financial assets [b]	**6,052.91**	5,388.74
Trade receivables [b]	-	0.29
Moderate Credit Risk		
Loans (Principal Outstanding) [c]	**31,184.29**	16,436.73
High Credit Risk		
Loans (Principal Outstanding) [c]	**16,073.22**	16,501.65
Investments (Excluding equity investments) [a]	**72.95**	72.95
Other financial assets [b]	**21.46**	17.57
Trade receivables [b]	**0.81**	0.81

[a] Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, which meets the empanelment criteria as set out in the Company's policy. The Company has also set exposure limits for deployment of funds in various types of instruments with respective banks/ mutual fund houses.

For its investments, the Company manages its exposure to credit risk by periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value. The Company carries an impairment loss allowance of ₹ 72.95 crore on its investments as at 31.03.2024 (as at 31.03.2023 ₹ 72.95 crore).

[b] Credit risk on other financial assets and trade receivables is evaluated based on Company's knowledge of the credit worthiness of those parties and managed by monitoring the recoverability of such amounts. The Company carries an impairment loss allowance of ₹ 22.27 crore on its other financial assets and trade receivables as at 31.03.2024 (as at 31.03.2023 ₹ 18.38 crore).

[c] The Company is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below.

40.1.1 Credit Risk Management for Lending Operations

The Company has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the Company's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e. project appraisal & project monitoring. The Company selects the borrowers in accordance with the Company's approved credit policy, which *inter alia*, defines factors to be considered for rating of the borrower / project. The Company's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, *inter alia*, based on internal rating awarded by the Company.

(i) Appraisal of Projects

The Company follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the *prima facie* preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted on the basis of preliminary appraisal.

The Company along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. The Company follows an integrated rating methodology whereby Integrated

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Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt-equity ratio) are stipulated.

(b) Appraisal for State Sector Projects

State sector projects are taken up for detailed appraisal to determine, *inter alia*, if they are techno economically sound and compatible with integrated power development & expansion plans of the State.

The Company classifies state power generation utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, the Company adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, the Company's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of Company's rating structure. The categorisation of Borrowers in the Logistics and Non-Power Infrastructure sector is carried out on the basis of recommendations of the Internal Committee considering the strengths and weaknesses of the project.

Such categories / ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. The Company also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling / projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non-statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of the Company as a lender for timely servicing of debt. The Company has an authorisation / delegation structure for the approval of credit facilities commensurating with the size of the loan.

(ii) Security and Covenants

The Company stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, the Company adopts a combination of the following measures:

(a) Primary Security – Charge on Project Assets or State Government Guarantees

(b) Collateral Securities – Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets/ revenues of group/ other companies

(c) Payment Security Mechanism – Escrow Account / Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants – Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

The Company has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimise the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

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For private sector, where the Company is Lead Financial Institution (FI), the Company engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders / consortium members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilisation of funds in the project periodically. In cases the Company is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender. From FY 2022-23 onwards the Company has started empanelling Project Management Agency (PMA), as a single entity, for private sector projects, thereby facilitating better coordination of project monitoring activities.

Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction / implementation etc. and is reviewed by the Company on a regular basis.

The Company continuously monitors delays and / or default of borrowers and their recoverability. On occurrence of default in the borrower's account, the Company initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularisation of the account by recovering all over dues, invocation of guarantees/ securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC – 2016, sale of the exposures to other entities / investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory / legal framework.

40.1.2 Credit Risk Measurement – Impairment Assessment for Lending Operations

(i) Staging of loans

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Company uses the following basis:

– A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.

– If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial assets. In accordance with Ind AS 109 'Financial Instruments', the Company has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

– If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and / or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

(ii) Default

In accordance with Ind AS 109 'Financial Instruments', the Company considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

(iii) Measurement of Expected Credit Loss (ECL)

The Company recognises impairment loss allowance for the financial assets in accordance with a Board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Company has appointed an independent agency, CRISIL Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109 'Financial Instruments'. The brief methodology of computation of ECL is as follows:

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(a) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12-month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage 1 accounts, 12 months PD is used.

For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used.

For Stage 3 (credit impaired accounts), 100% PD is taken.

12-month PD: In case of State Sector borrowers, for the purpose of PD calculation, the risk rating grades of the utilities are considered. For Gencos/ Transcos/ Others, PFC's internal rating grades have been considered. For Discoms / Power Department borrowers, PFC has adopted the MoP ratings. The ratings as above has been mapped with the standard external rating benchmarks. The PD factor associated with the mapped external rating as given in the PD transition matrix published by various CRAs have been used for PD calculation.

In case of Private sector borrowers, the latest external rating as published by various Credit Rating Agencies have been referred to compute PD using the PD transition matrix published by various CRAs . If external rating is not available, the PD has been computed through Proxy Risk Scoring Model on a 10-point scale with 1 suggesting minimum risk and 10 suggesting the highest risk. The said model uses the Quantitative financial ratios like Gearing (Debt / Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative factors like PLF, ACS / ARR ratio or LAF to arrive at the final Risk score. The financial risk score obtained have been mapped to external rating benchmarks. This mapped rating has been referred to compute PD associated with the rating using the PD transition matrix published by various CRAs.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(b) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, the Company considers the credit worthiness of the states on various parameters while estimating the LGD for state utilities. For estimating the credit worthiness of the state, parameters like State GDP per capita, Fiscal deficit / GDP ratio and Proportion on Revenue Expenditure on Energy Sector, etc. are used as key inputs. The state utilities are bifurcated into Low, Medium and High-risk category based on the state category. In case of Private sector borrowers, LGD has been assessed considering factors related to the project to arrive at realisable value of the plant such as generation capacity, project cost per MW, percentage completion of the plant, and book value of the assets etc. A stress factor was also applied as a haircut to arrive at the realisable value.

For Stage 3 borrowers, LGD has been assessed project wise based on Bid value/resolution plan amount/ OTS amount/ any other value/ discounted cash flows etc. as applicable.

(c) Exposure at Default (EAD)

Exposure at Default is the outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest accrued (including delayed charges) in respect of the loan. As per Note no. 6.1.(ii) , income on credit impaired assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding, therefore, the same is not used in computation of Exposure at default.

(d) Key assumptions used in measurement of ECL

- The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since the Company has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(e) The calculation of ECL incorporates forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and

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favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as Power demand, GDP growth, monthly weighted average prices of traded power and current account to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

40.1.3 Credit risk analysis for Lending Operations

(i) Exposure to credit risk

For loans recognised in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 10 'Loans' for Company's exposure to credit risk arising from loans.

For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Company would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 46 for exposure of Guarantee and Outstanding Disbursement Commitments.

The credit quality and maximum exposure (Principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below:

(₹ in crore)

Days past Due (DPD)	As at 31.03.2024				As at 31.03.2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	4,34,204.39	441.45*	-	4,34,645.84	3,89,559.28	674.51#	-	3,90,233.79
1-30 days	-	-	-	-	0.07	-	-	0.07
31-60 days	-	30,742.84	-	30,742.84	-	-	-	-
61-90 days	-	-	-	-	-	15,111.71	-	15,111.71
More than 90 days	-	-	16,073.22	16,073.22	-	650.51@	16501.65	17152.16
Total	**4,34,204.39**	**31,184.29**	**16,073.22**	**4,81,461.90**	**3,89,559.35**	**16,436.73**	**16,501.65**	**4,22,497.73**
Impairment loss allowance	**3,732.95**	**175.83**	**11,962.53**	**15,871.31**	**2,893.68**	**1,182.54**	**11,999.38**	**16,075.60**

Pending transfer of ownership, the account has been classified as Stage 2.

* Classified in Stage-II pursuant to resolution plan implemented without change in ownership.

@ Refer Note 40.1.6.

(ii) Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

The following table sets out an analysis of risk concentration of overall loan portfolio on the basis of similar risk characteristics:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e. entities under the control of state and / or central government)	3,89,525.42	3,059.63	3,49,765.78	2,551.42
Loans to private sector	91,936.48	12,811.68	72,731.95	13,524.18
Total	**481,461.90**	**15,871.31**	**4,22,497.73**	**16,075.60**

* Including impairment loss allowance on Letter of Comfort of ₹ 48.63 crore (as at 31.03.2023 ₹ 50.93 crore).

Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Company considers that these loans have a low credit risk in comparison to

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lending to private sector mainly due to low default / loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Further, the Company has a lending portfolio comprising of loans to generation, renewable, transmission, distribution, power projects & other infrastructure projects spread across diverse geographical areas.

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes				
Generation	**1,71,922.56**	**11,330.74**	1,74,660.92	11,219.39
Renewable	**60,208.17**	**2,473.14**	48,197.75	3,120.12
Transmission	**35,144.18**	**270.68**	30,841.01	152.35
Distribution	**1,95,001.74**	**1,674.62**	1,55,871.68	1,484.10
Others	**19,185.25**	**122.13**	12,926.37	99.64
Total	**481,461.90**	**15,871.31**	**4,22,497.73**	**16,075.60**

* Including impairment loss allowance on Letter of Comfort of ₹ 48.63 crore (as at 31.03.2023 ₹ 50.93 crore).

The Company's exposure to various projects and borrowers is constantly monitored in line with the applicable Credit Concentration Norms.

(iii) Details regarding Concentration of Loans

(a) Concentration of Loans:

Particulars	As at 31.03.2024	As at 31.03.2023
Total Loans (Principal Outstanding) to twenty largest borrowers (₹ in crore)	**2,75,865.69**	2,57,648.80
Percentage of Loans to twenty largest borrowers to Total Loans of the Company	**57.30%**	60.98%

(b) Concentration of Credit impaired accounts (Stage 3 accounts):

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Principal outstanding of top four Stage 3 accounts	**10,296.14**	10,296.14

(iv) Details of Stage wise Principal outstanding and Impairment loss Allowance

(₹ in crore)

Particulars	As at 31.03.2024			As at 31.03.2023		
	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage (%)	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage (%)
Stage 1	**434,204.39**	**3,732.95**	**0.86**	3,89,559.35	2,893.68	0.74
Stage 2	**31,184.29**	**175.83**	**0.56**	16,436.73	1,182.54	7.19
Stage 3	**16,073.22**	**11,962.53**	**74.43**	16,501.65	11,999.38	72.72
Total	**4,81,461.90**	**15,871.31**	**3.30**	**4,22,497.73**	**16,075.60**	**3.80**

* Including impairment loss allowance on Letter of Comfort of ₹ 48.63 crore (as at 31.03.2023 ₹ 50.93 crore).

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(v) The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) between the beginning and the end of the reporting period:

(₹ in crore)

FY 2023-24	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	3,89,559.35	2,893.68	16,436.73	1,182.54	16,501.65	11,999.38	4,22,497.73	16,075.60
Transfer to Stage 1	16,436.73	1,182.54	(16,436.73)	(1,182.54)	-	-	-	-
Transfer to Stage 2	(32,887.08)	(132.80)	33,300.07	260.62	(412.99)	(127.82)	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net change in Principal / ECL during the year within the same stage	3,436.06	276.48	-	-	(15.44)	90.97	3,420.62	367.45
New financial assets originated	67,267.52	565.76	-	-	-	-	67,267.52	565.76
Financial assets derecognised (includes loans repaid / pre-payment with stage movement)	(9,608.19)	(1,052.71)	(2,145.03)	(84.79)	-	-	(11,753.22)	(1,137.50)
Financial Assets derecognised (Write Off)	-	-	29.25	-	-	-	29.25	-
Financial Assets derecognised during the period (Investment Received)	-	-	-	-	-	-	-	-
Closing Balance	**4,34,204.39**	**3,732.95**	**31,184.29**	**175.83**	**16,073.22**	**11,962.53**	**4,81,461.90**	**15,871.31**

(₹ in crore)

FY 2022-23	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	3,25,704.99	2,058.82	26,514.34	945.32	20,915.28	14,344.38	3,73,134.61	17,348.52
Transfer to Stage 1	9,221.57	348.13	(9,221.56)	(348.13)	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(24.64)	(2.52)	(13.67)	(3.36)	38.31	5.88	-	-
Net change in Principal/ECL during the year within the same stage	(8,952.62)	368.70	(708.96)	588.78	(55.53)	345.34	(9,717.11)	1,302.82
New financial assets originated	67,807.42	400.68	-	-	-	-	67,807.42	400.68
Financial assets derecognised (includes loans repaid / pre-payment with stage movement)	(4,197.36)	(280.12)	(133.42)	(0.08)	(2,916.51)	(1,512.61)	(7,247.30)	(1,792.81)
Financial Assets derecognised (Write Off)	-	-	-	-	(901.25)	(901.25)	(901.25)	(901.25)
Financial Assets derecognised during the period (Investment Received)	-	-	-	-	(578.64)	(282.36)	(578.64)	(282.36)
Closing Balance	**3,89,559.35**	**2,893.68**	**16,436.73**	**1,182.54**	**16,501.65**	**11,999.38**	**4,22,497.73**	**16,075.60**

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(vi) Movement of Credit Impaired Accounts (Stage 3 accounts)

(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
(i)	Net Credit Impaired accounts to Gross Loans (%)	**0.85**	1.07
(ii)	Net Credit Impaired accounts to Net Loans (%)	**0.88**	1.10
		FY 2023-24	**FY 2022-23**
(iii)	Movement of Gross Credit Impaired accounts		
	(a) Opening balance	**16,501.65**	20,915.28
	(b) Additions during the year	**0.32**	45.78
	(c) Reductions during the year	**(428.75)**	(4,459.42)
	(d) Closing balance	**16,073.22**	16,501.65
(iv)	Movement of Net Credit Impaired accounts		
	(a) Opening balance	**4,502.27**	6,570.90
	(b) Additions during the year	**-**	28.13
	(c) Reductions during the year	**(391.58)**	(2096.76)
	(d) Closing balance	**4110.69**	4,502.27
(v)	Movement of impairment loss allowance on Credit Impaired accounts		
	(a) Opening balance	**11,999.38**	14,344.38
	(b) Provisions made during the year	**106.73**	425.99
	(c) Write-off / write-back of excess provisions	**(143.58)**	(2770.99)
	(d) Closing balance	**11,962.53**	11,999.38

(vii) Percentage of Gross Credit Impaired Assets (Stage 3) to Gross Loans – sector wise

Description	As at 31.03.2024	As at 31.03.2023
Financing to power, logistics and infrastructure sector	**3.34%**	3.91%

40.1.4 Write off of Loan Assets

The Company writes off Loan assets in whole or in part in line with its write off policy, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full. The waiver/write off is done in whole or in part as per the restructuring / settlement/resolution process.

40.1.5 Policy on sales out of amortised cost business model portfolio

The Company does not resort to the sale of financial assets, in ordinary course of business. However, the Company has an approved policy that it may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'.

40.1.6 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired

Description	As at 31.03.2024	As at 31.03.2023
Number of Borrowers	-	1
Amount of loan outstanding(₹ in crore)	-	650.51
Amount overdue*(₹ in crore)	-	160.91
Amount of Impairment Loss allowance (₹ in crore)	-	422.68

* Excluding overdue interest of ₹ Nil as at 31.03.2024 (as at 31.03.2023 ₹ 186.06 crore).

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As at 31.03.2023, Pursuant to Ad-interim order from Hon'ble High Court(s) one borrower account had not been classified as Credit impaired. During FY 2023-24, the borrower account was upgraded to Stage 1 on implementation of resolution plan. As at 31.03.2024, there is no borrower account beyond 90 days overdue which has not been treated as credit impaired.

40.1.7 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment allowance as per Ind AS 109 'Financial Instruments'

As at 31.03.2024

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	434,363.00	3,398.17	430,964.83	2,424.42	973.75
	Stage 2	31,255.87	125.02	31,130.85	122.97	2.05
	Stage 3	-	-	-	-	-
Sub-Total		**465,618.87**	**3,523.19**	**462,095.68**	**2,547.39**	**975.80**
Non-Performing Assets (NPA)						
Substandard	Stage 1	725.91	3.45	722.46	72.05	(68.60)
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-Total for Substandard		**725.91**	**3.45**	**722.46**	**72.05**	**(68.60)**
Doubtful – up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	-	-	-	-	-
More than 3 years	Stage 1	2,891.63	282.72	2,608.91	1,416.95	(1,134.23)
Doubtful – up to 1 year	Stage 2	-	-	-	-	-
1 to 3 years	Stage 2	-	-	-	-	-
More than 3 years	Stage 2	441.45	50.80	390.65	220.73	(169.93)
Doubtful – up to 1 year	Stage 3	37.37	37.37	-	18.47	18.90
1 to 3 years	Stage 3	1,312.74	706.86	605.88	463.22	243.64
More than 3 years	Stage 3	11,653.18	8,148.36	3,504.82	8,151.75	(3.39)
Sub-Total for doubtful		**16,336.37**	**9,226.11**	**7,110.26**	**10,271.12**	**(1,045.01)**
Loss	Stage 3	3,069.93	3,069.93	-	3,069.93	-
Sub-Total for NPA		**20,132.21**	**12,299.49**	**7,832.72**	**13,413.10**	**(1,113.61)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	48.63	(48.63)	-	48.63
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-Total		**-**	**48.63**	**(48.63)**	**-**	**48.63**
Total	**Stage 1**	**437,980.54**	**3,732.95**	**434,247.59**	**3,913.42**	**(180.47)**
	Stage 2	**31,697.32**	**175.83**	**31,521.49**	**343.70**	**(167.87)**
	Stage 3	**16,073.22**	**11,962.53**	**4,110.69**	**11,703.37**	**259.16**
	Total	**485,751.08**	**15,871.31**	**469,879.77**	**15,960.49**	**(89.18)**

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As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,89,880.43	2,542.86	3,87,337.57	2,062.73	480.13
	Stage 2	16,956.30	1,182.54	15,773.76	390.50	792.04
	Stage 3	-	-	-	-	-
Sub-Total		**4,06,836.73**	**3,725.40**	**4,03,111.33**	**2,453.23**	**1,272.16**
Non-Performing Assets (NPA)						
Substandard	Stage 1	453.88	1.82	452.06	45.30	(43.48)
	Stage 2	-	-	-	-	-
	Stage 3	37.04	16.38	20.66	3.70	12.68
Sub-Total for Substandard		**490.92**	**18.20**	**472.72**	**49.01**	**(30.80)**
Doubtful – up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	79.76	0.04	79.72	23.43	(23.39)
More than 3 years	Stage 1	2,981.80	298.03	2,683.77	1,462.20	(1,164.17)
Doubtful – up to 1 year	Stage 3	1,142.64	572.64	570.00	256.41	316.23
1 to 3 years	Stage 3	170.10	133.51	36.59	89.70	43.80
More than 3 years	Stage 3	12,066.17	8,191.15	3,875.02	8,329.22	(138.07)
Sub-Total for doubtful		**16,440.46**	**9,195.37**	**7,245.10**	**10,160.96**	**(965.59)**
Loss	Stage 3	3,085.70	3,085.70	-	3,085.70	-
Sub-Total for NPA		**20,017.09**	**12,299.27**	**7,717.82**	**13,295.66**	**(996.40)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	50.93	(50.93)	-	50.93
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-Total			**50.93**	**(50.93)**	**-**	**50.93**
Total	**Stage 1**	**3,93,395.86**	**2,893.68**	**3,90,502.18**	**3,593.67**	**(699.98)**
	Stage 2	**16,956.30**	**1,182.54**	**15,773.76**	**390.50**	**792.04**
	Stage 3	**16,501.65**	**11,999.38**	**4,502.27**	**11,764.73**	**234.65**
	Total	**4,26,853.81**	**16,075.60**	**4,10,778.22**	**15,748.90**	**326.70**

40.1.8 In accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time, NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

Particulars	As at 31.03.2024	As at 31.03.2023
Gross NPA to Gross Loans	**4.17%**	4.72%
Net NPA to Net Loans	**1.66%**	1.87%

40.2 Liquidity Risk

Liquidity risk is the risk that the Company doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

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In order to effectively manage liquidity risk, the Company endeavours to maintain sufficient cash flows to cover maturing liabilities without incurring unacceptable losses or risking damage to the Company's reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Company's liquidity position is determined keeping in view the current liquidity position , anticipated future funding needs, present and future earning capacity and available sources of funds.

The Company manages its day to day liquidity to ensure that the Company has sufficient liquidity to meet its financial obligation as & when due. The long-term liquidity is managed keeping in view the long-term fund position and the market factors. This is in line with the Board approved framework and breaches, if any, are to be reported as per approved framework. The Company has never defaulted in servicing of its borrowings.

Further, for overall liquidity monitoring and supervision, the Company has an Asset Liability Committee (ALCO) headed by Director (Finance). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mismatches of its financial assets and liabilities. The mismatches are analysed by way of liquidity statements prescribed by RBI, wherein the cumulative surplus or deficit of funds is arrived at by distributing the cash flows against outstanding financial assets and financial liabilities according to the maturity ladder.

(i) The following table analyses the maturity pattern of items of financial liabilities(debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Domestic borrowings				
Principal	61,852.33	1,50,460.84	1,22,330.34	3,34,643.51
Interest	25,114.13	66,583.42	45,537.36	1,37,234.91
Foreign Currency borrowings				
Principal	12,191.90	37,897.81	22,746.75	72,836.46
Interest	2,883.60	8,806.88	896.07	12,586.55
Total	**1,02,041.96**	**2,63,748.95**	**1,91,510.52**	**5,57,301.43**
As at 31.03.2023				
Domestic borrowings				
Principal	46,280.00	1,35,581.86	1,16,221.48	2,98,083.34
Interest	21,838.37	59,803.45	37,412.88	1,19,054.71
Foreign Currency borrowings				
Principal	9,101.96	19,834.55	35,617.98	64,554.49
Interest	2,361.78	6,508.92	2,026.65	10,897.35
Total	**79,582.11**	**2,21,728.78**	**1,91,278.99**	**4,92,589.89**

* In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

(ii) The following table analyses the maturity pattern of Derivative financial liabilities*:

(₹ in crore)

Particulars	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Forward	-	-	-	-
Option/ swaps	47.82	305.91	-	353.73
Total	**47.82**	**305.91**	**-**	**353.73**
As at 31.03.2023				
Forward	21.06	-	-	21.06
Option / swaps	3.26			3.26
Total	**24.32**	**-**	**-**	**24.32**

* The above table details the Company's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparty banks. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

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(iii) Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Loan assets				
Principal	73,417.94	1,57,731.78	2,38,349.65	4,69,499.37
Interest	43,540.93	1,26,940.80	1,16,636.46	2,87,118.19
Total	**1,16,958.87**	**2,84,672.58**	**3,54,986.11**	**7,56,617.56**
As at 31.03.2023				
Loan assets				
Principal	52,942.67	1,41,277.13	2,16,278.54	4,10,498.35
Interest	37,705.85	1,11,246.88	97,226.08	2,46,178.81
Total	**90,648.52**	**2,52,524.01**	**3,13,504.62**	**6,56,677.16**

* The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date.

(iv) The Company has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, the Company has the highest domestic Credit Rating of AAA, thereby enabling it to mobilise funds from the domestic market within a short span of time. The Company has access to the following undrawn short-term borrowing facilities:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
CC/ OD/ LoC/ WCDL limits	**11,888.52**	8,116.17

(v) The Company also maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed by RBI for NBFCs. Refer note 54.6 for disclosure in this regard.

40.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

(i) The Company is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the Company's foreign currency denominated borrowings is as follows:

Description	As at 31.03.2024		As at 31.03.2023	
	Crore in respective currency	₹ in crore	Crore in respective currency	₹ in crore
USD Loans	**693.98**	**57,859.94**	**584.12**	**48,024.91**
- Hedged	**633.50**	**52,817.37**	403.50	33,174.52
- Unhedged	**60.48**	**5,042.57**	180.62	14,850.39
Euro Loans	**38.19**	**3,445.69**	**93.17**	**8,348.44**
- Hedged	**-**	**-**	56.61	5,072.98
- Unhedged	**38.19**	**3,445.69**	36.56	3,275.46
JPY Loans	**20,930.90**	**11,530.83**	**13,238.08**	**8,181.14**
- Hedged	**20,566.55**	**11,330.11**	4,090.53	2,527.96
- Unhedged[#]	**364.35**	**200.72**	9,147.55	5,653.18
Total		**72,836.46**		**64,554.49**
- Hedged		**64,147.48**		**40,775.46**
- Unhedged		**8,688.98**		**23,779.03**

[#] Includes JPY loan liability hedged for one leg (USD/JPY) Nil as at 31.03.2024 (as at 31.03.2023 ₹5,653.18 crore).

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(ii) Foreign currency risk monitoring and management

The Company has put in place a Board approved "Policy for Management of Risks on Foreign Currency Borrowings" to manage and hedge risks associated with foreign currency borrowings which prescribes the structure and organisation for management of associated risks.

The Company enters into various derivative transactions viz. principal only swaps, options and forward contracts for hedging the exchange rate risk. As per extant policy, a system for reporting and monitoring of risks is in place wherein Committee for Management of Risks on Foreign Currency Borrowings, consisting of senior executives of the Company, monitors the foreign currency exchange rate. These derivative transactions are done for hedging purpose and not for trading or speculative purpose. The policy lays down the appropriate systems and controls to identify, measure and monitors, the currency risk for reporting to the Management.

(iii) Foreign Currency Sensitivity Analysis

The following table presents the impact on total equity [Gain / (Loss)] for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

(₹ in crore)

Foreign Currency Liabilities	As at 31.03.2024		As at 31.03.2023	
	Decrease	Increase	Decrease	Increase
	On account of change in foreign exchange rate			
USD	**252.13**	**(252.13)**	742.52	(742.52)
Euro	**172.28**	**(172.28)**	163.77	(163.77)
JPY	**10.04**	**(10.04)**	282.66	(282.66)
Total	**434.45**	**(434.45)**	**1,188.95**	**(1,188.95)**

(iv) Refer Note 41 for disclosures related to hedge accounting.

40.4 Market Risk – Interest Rate Risk

40.4.1 Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

(i) Interest rate risk is managed with the objective to control market risk exposure while optimising the return.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

Further, for managing the interest rate risk, the Company reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by the Company through its interest rate & credit policies which *inter alia* covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. The Company also enters into various derivatives transactions like interest rate swaps, cross-currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For Interest Rate Sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shocks to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 315.68 crore (as at 31.03.2023 (+/-) ₹ 194.52 crore).

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest / first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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40.4.2 Disclosures in respect of Interest Rate Benchmark Reform

The Company has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, the Company has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate. Pursuant to successful transition to alternative benchmark rate, significant interest rate benchmark used in the Company's borrowings is Overnight Compounded SOFR (Secured Overnight Financing rate).

(i) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 654.81 million (as at 31st March, 2023: USD 656.24 million).

Following is the detail of the foreign currency borrowings which has been impacted based on LIBOR transition from 6 month USD LIBOR as made effective after June 2023:-

Benchmark	As at 31.03.2024				As at 31.03.2023			
	Amount in respective currency (million)	Amount (₹in crore)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crore)			Amount in respective currency (million)	Amount (₹ in crore)
Non-derivative financial liabilities								
6 month USD LIBOR	-	-	-	-	656.24	5,395.44	650.00	5,344.10
Overnight Compounded SOFR	**654.81**	**5,459.44**	**NA**	**NA**	-	-	-	-
Derivatives								
6 month USD LIBOR	-	-	-	-	650.00	5,344.10	650.00	5,344.10
Overnight Compounded SOFR	**650.00**	**5,419.30**	**NA**	**NA**	-	-	-	-

(ii) Managing the process of transition to alternative benchmark rates

The Company has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework *inter alia* covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, the Company undertook all the transition activities as per the process/ guidelines detailed in the policy. The process of transition from 6 month USD LIBOR to Alternative Reference Rate (i.e. SOFR) has been duly completed within available timelines.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate / benchmarks for the LIBOR linked loans and their derivatives agreed with the lenders and the derivative bankers are similar. Further, as a result of such reform there has been no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

40.5 Market Risk – Price risk

(i) The Company is exposed to price risks arising from investments in listed equity shares. Refer Note 11 'Investments' for Company's exposure to the same.

(ii) Sensitivity Analysis

The table below represents the impact on Statement of Profit and Loss for 5% increase or decrease in the respective prices on Company's equity investments, outside the group:

(₹ in crore)

Foreign Currency Liabilities	As at 31.03.2024		As at 31.03.2023	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	**9.70**	**(9.70)**	3.47	(3.47)
Impact on OCI	**121.13**	**(121.13)**	56.50	(56.50)

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41. HEDGE ACCOUNTING

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis.

(ii) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Balance Sheet:

Sr. No.	Particulars		Nominal Amount (₹ in crore)	Carrying Amount [1]		Date of maturity	Weighted Average Rate / Strike Price
				Assets (₹ in crore)	Liabilities (₹ in crore)		
As at 31.03.2024							
1.	Currency Derivatives	Forwards	-	-	-		
		Principal Only Swaps	11,219.24	318.87	128.47	Sep 2024 - Dec 2027	80.66
		Call Spread Option	5,419.30	499.24	-	June 2024 - Dec 2024	73.81
		Seagull Option	59,979.17	3,416.50	220.72	June 2024 - June 2029	USD / INR 79.91 USD / JPY 138.24
	Sub-Total		**76,617.71**	**4,234.61**	**349.19**		
2.	Interest rate Derivatives	Interest Rate Swap	12,506.09	196.75	4.54	April 2024 - March 2029	2.56%
	Sub-Total		**12,506.09**	**196.75**	**4.54**		
3.	**Total (1+2)**		**89,123.80**	**4,431.36**	**353.73**		
As at 31.03.2023							
1.	Currency Derivatives	Forward	507.09	20.40	-	Feb 2024	0.6303
		Principal Only Swaps	4,521.93	460.12	-	Sep 2023- Sep 2024	71.91
		Call Spread Option	13,705.76	679.45	-	Oct 2023- Dec 2024	76.99
		Seagull Option	29,169.51	2,826.19	3.26	Dec 2023- Dec 2027	USD / INR 76.5202 EUR / USD 1.0775 USD / JPY 130.83
	Sub-Total		**47,904.29**	**3,986.16**	**3.26**		
2.	Interest rate Derivatives	Interest Rate Swap	7,399.52	364.11	-	Sep 2023-Jun 2024	1.27%
	Sub-Total		**7,399.52**	**364.11**	**-**	**-**	
3.	**Total (1+2)**		**55,303.81**	**4,350.27**	**3.26**		

[1] Forms part of the line item 'Derivative Financial Instruments' in the Standalone Balance Sheet.

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for the year ended March 31, 2024

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge *

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Currency derivatives		
Up to 1 year	24,615.43	16,901.55
1 – 5 years	51,167.91	31,002.74
More than 5 years	834.37	-
Sub-Total (A)	**76,617.71**	**47,904.29**
Interest rate derivatives		
Up to 1 year	5,419.30	2,055.42
1 – 5 years	7,086.79	5,344.10
More than 5 years	-	-
Sub-Total (B)	**12,506.09**	**7,399.52**
Total (A+B)	**89,123.80**	**55,303.81**

* Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

(iv) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Statement of Profit and Loss:

(₹ in crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at 31.03.2024					
1.	Currency Derivatives	(937.73)	-	1,307.32	Finance Costs
				(160.02)	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	103.66	-	(306.54)	Finance Costs
As at 31.03.2023					
1.	Currency Derivatives	504.02	-	945.75	Finance Costs
				1,972.41	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	221.69	-	(117.17)	Finance Costs

(v) Reconciliation of Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
	Effective Portion of Cash flow Hedges		
(a)	**Opening balance of Reserves (net of tax)**	**492.20**	**200.34**
(b)	Changes in intrinsic value of options contracts	278.50	2026.95
(c)	Changes in fair value of PoS/Forwards/IRS contracts	(21.59)	452.66
(d)	Amount reclassified from OCI to P&L	(465.50)	(2089.59)
(e)	**Net amount recognised in OCI during the year (b + c + d)**	**(208.59)**	**390.02**
(f)	Deferred Tax on (e) above	52.50	(98.16)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e + f)**	**(156.09)**	**291.86**
(h)	**Closing balance of Reserves (net of Tax) (a + g)**	**336.11**	**492.20**
	Cost of Hedging Reserve		
(a)	**Opening balance of Reserves (net of tax)**	**(899.50)**	**(294.75)**
(b)	Changes in deferred time value of options/PoS/Forward contracts	(1,092.04)	(1753.90)
(c)	Amortisation of time value	1,307.32	945.76
(d)	**Net amount recognised in OCI during the year (b + c)**	**215.28**	**(808.14)**
(e)	Deferred Tax on (d) above	(54.18)	203.39
(f)	**Net amount recognised in OCI during the year (Net of Tax) (d + e)**	**161.10**	**(604.75)**
(g)	**Closing balance of Reserves (net of Tax) (a + f)**	**(738.40)**	**(899.50)**

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42. FAIR VALUE MEASUREMENTS

(i) Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset / Financial Liability – Recurring fair value	Fair Value as at 31.03.2024	Fair Value as at 31.03.2023	Fair value hierarchy (Refer Note 5.1)	Valuation technique(s) & Key input(s)
1)	**Quoted Equity investments***				
	– PTC India Limited	223.14	102.06	Level 1	Quoted market price
	– Coal India Limited	606.20	298.35		
	– NHPC Limited	1,055.58	624.40		
	– Suzlon Energy Limited	537.74	105.15		
	– RattanIndia Power Limited	193.98	69.36		
2)	**Un-Quoted Equity investments**				
	– RKM PowerGen Pvt. Ltd.	0.00	0.00	Level 3	Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis.
	– Power Exchange India Limited	4.78	3.59		Fair value has been determined using the Ind AS financials of the investee company.
	– Energy Efficiency Services Ltd. (EESL)	181.06	158.08		
	– Jhabua Power Limited	440.04	429.40		
	– Ind Barath Energy Utkal Limited	4.73	1.18		
3)	**Investment in preference shares**				
	– RattanIndia Power Limited-OCCRPS	-	-	Level 3	Owing to default in redemption of RPS of RattanIndia Power Ltd., PFC estimates material amount to be realised from these investments is remote.
4)	**Investment in debentures**				
	– Essar Power Transmission Company Ltd. – Series A3 – OCD	33.34	35.64	Level 3	Fair valued using discounted future cash flow as per terms of agreement.
	– Essar Power Transmission Company Ltd. – Series B3 – OCD	13.43	14.36		
	– Essar Power Transmission Company Ltd. – Series C – OCD	0.00	0.00		Fair valued a ₹ 1 due to the non-availability of structured repayment schedule. The debentures are unsustainable in nature and future cash flows are uncertain.
	– RKM Powergen Pvt. Ltd. – Series A – OCD	0.00	0.00		
	– RKM Powergen Pvt. Ltd. – Series B – OCD	0.00	0.00		
	– RKM Powergen Pvt. Ltd. – Series AI – OCD	0.00	0.00		
	– Mytrah Vayu Tungbhadra Pvt. Ltd. – Series A – OCD	0.00	-		
	– Mytrah Vayu Tungbhadra Pvt. Ltd. – Series B – OCD	0.00	-		
	– Dans Energy Private Limited - OCD	0.00	-		
5)	**Derivative Financial Instruments**				
	– Assets	4,462.03	4,803.40	Level 2	The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	– Liability	**353.73**	24.32		

* Refer note 11.5

(ii) There were no transfers between Level 1 and Level 2 during the year.

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(iii) Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following tables show the reconciliation of the opening and closing amounts of financial assets and liabilities measured at fair value using Level 3 inputs:

(₹ in crore)

Particulars	FY 2023-24		FY 2022-23	
	FVTOCI	FVTPL	FVTOCI	FVTPL
	Investment in Unquoted Equity Shares	Investment in Debentures	Investment in Unquoted Equity Shares	Investment in Debentures
Opening Balance	**592.25**	**50.00**	241.73	155.72
Investment made during the year	**-**	**-**	451.17	-
Settlement	**-**	**(10.54)**	-	-
Transfer in Level 3	**-**	**-**	-	-
Transfer from Level 3	**-**	**-**	-	-
Interest income[1]	**-**	**3.27**	-	9.07
Fair Value gain / (loss)	**38.36**[2]	**4.04**	(100.65)[2]	(114.79)
Closing Balance	**630.61**	**46.77**	**592.25**	**50.00**
Unrealised gains/(loss) on assets held at the end of the year	**38.36**	**4.04**	(100.65)	4.24

[1] Forms part of line item 'Interest Income' in the Standalone Statement of Profit and Loss.

[2] Fair value gain/ (loss) on Investments at FVTOCI forms part of line item 'Net Gain / (Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Standalone Statement of Profit and Loss.

(iv) Fair Value of financial assets / liabilities measured at amortised cost:

The fair value of the following financial assets and liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(₹ in crore)

Asset / Liability	Fair value hierarchy	As at 31.03.2024		As at 31.03.2023	
		Amortised Cost	Fair Value	Amortised Cost	Fair Value
Loans	Level 3	**4,69,928.41**	**4,75,901.80**	4,10,829.15	4,19,054.16
Investments[(a)]	Level 1/3	**2324.68**	**2,347.16**	961.32	967.04
Other Financial Assets	Level 2	**6,052.91**	**6,047.74**	5,389.03	5,398.09
Debt Securities[(a)]	Level 1 / 2	**2,94,267.80**	**2,89,991.47**	2,59,827.05	2,55,207.19
Borrowings other than debt securities[(b)]	Level 2	**1,16,606.04**	**1,13,858.90**	1,01,228.89	96,575.09
Subordinated Liabilities	Level 2	**5,519.72**	**5,738.23**	9,311.84	9,625.45

[(a)] Includes listed instruments with Level 1 fair value hierarchy.

Investment in G-Sec being fair valued using market price as at reporting date.

Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[(b)] Includes foreign currency loans linked to Floating rate of interest and multilateral agencies loans being valued at par. In accordance with the interest rate benchmark reform, the fair value as at 31st March, 2024 has been arrived at using the alternative benchmark i.e. SOFR (Secured Overnight Financing rate).

The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

43. RELATED PARTY DISCLOSURES

43.1 Related Parties

Subsidiaries:			
1	PFC Consulting Limited (PFCCL)	2	REC Limited (RECL) (formerly Rural Electrification Corporation Limited))
3	REC Power Development & Consultancy Limited (through RECL) (formerly REC Power Distribution Company Ltd.)	4	PFC Projects Limited (formerly Coastal Karnataka Power Ltd.) (w.e.f. 01.07.2022)
5	PFC Infra Finance IFSC Limited (w.e.f.11.02.2024)		
Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Deoghar Infra Limited		
	Through PFCCL		
12	Bijawar-Vidarbha Transmission Limited (Struck off from the records of Registrar of Companies on 13.01.2024)	13	Ananthpuram Kurnool Transmission Limited (Transferred on 27.09.2023)
14	Chhatarpur Transmission Limited	15	Siot Transmission Limited
16	Fatehgarh III Beawar Transmission Limited (Transferred on 01.08.2023)	17	Beawar Dausa Transmission Limited (Transferred on 30.10.2023)
18	Fatehgarh III Transmission Limited (Transferred on 02.08.2023)	19	Bhadla III Transmission Limited (Transferred on 27.09.2023)
20	Fatehgarh IV Transmission Limited (Transferred on 02.08.2023)	21	Tirwa Transmission Limited (Incorporated on 14.06.2023 and Transferred on 07.03.2024)
22	Bikaner III Neemrana Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)	23	Neemrana II Kotputli Transmission Limited (Incorporated on 19.06.2023 and Transferred on 27.12.2023)
24	Bikaner III Neemrana II Transmission Limited (Incorporated on 13.06.2023 and Transferred on 27.12.2023)	25	Neemrana II Bareilly Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)
26	Joda Barbil Transmission Limited (Incorporated on 13.06.2023)	27	Jewar Transmission Limited (Incorporated on 06.07.2023 and Transferred on 07.03.2024)
28	Koppal II Gadag II Transmission Limited (Incorporated on 21.07.2023 and Transferred on 26.12.2023)	29	Gola B – Ramgarh B Transmission Limited (Incorporated on 15.12.2023)
30	Halvad Transmission Limited (Incorporated on 31.10.2023 and Transferred on 26.12.2023)	31	Khavda PS1 and 3 Transmission Limited (Incorporated on 22.12.2023)
32	Paradeep Transmission Limited (Incorporated on 30.11.2023)	33	Ramakanali B – Panagarh Transmission Limited (Incorporated on 21.11.2023)
34	Solapur Transmission Limited (Incorporated on 14.12.2023 and Transferred on 20.03.2024)	35	Vataman Transmission Limited (Incorporated on 15.11.2023 and Transferred on 26.12.2023)
36	Angul Sundargarh Transmission Limited (Incorporated on 01.03.2024)	37	Barmer I Transmission Limited (Incorporated on 18.01.2024)
38	Beawar – Mandsaur Transmission Limited (Incorporated on 19.01.2024)	39	Bhadla-III & Bikaner-III Transmission Limited (Incorporated on 06.02.2024)
40	Bhuj II Transmission Limited (Incorporated on 01.03.2024)	41	Jamnagar Transmission Limited (Incorporated on 06.02.2024)
42	KPS III HVDC Transmission Limited (Incorporated on 18.01.2024)	43	Pune – III Transmission Limited (Incorporated on 16.01.2024)
44	Sirohi Transmission Limited (Incorporated on 19.01.2024)	45	South Olpad Transmission Limited (Incorporated on 19.01.2024)
	Through RECL		
46	Chandil Transmission Limited	47	Dumka Transmission Limited
48	Mandar Transmission Limited	49	Koderma Transmission Limited
50	Luhri Power Transmission Limited	51	NERES XVI Power Transmission Limited
52	Khavda II-D Transmission Limited (under the process of striking off the name of Company from the records of Registrar of Companies)	53	KPS1 Transmission Limited (transferred on 20.04.2023)
54	Beawar Transmission Limited (transferred on 20.09.2023)	55	Ramgarh II Transmission Limited (transferred on 26.10.2023)

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Subsidiaries:			
56	Bidar Transmission Limited (transferred on 09.02.2024)	57	Sikar Khetri Transmission Limited (transferred on 09.02.2024)
58	Meerut Shamli Power Transmission Limited	59	Dhule Power Transmission Limited (incorporated on 08.06.2023 and transferred on 09.02.2024)
60	Ishanagar Power Transmission Limited (incorporated on 09.06.2023 and transferred on 09.02.2024)	61	Karera Power Transmission Limited (incorporated on 14.06.2023 and transferred on 09.02.2024)
62	Pachora Power Transmission Limited (incorporated on 20.07.2023 and transferred on 14.02.2024)	63	Jalpura Khurja Power Transmission Limited (incorporated on 28.04.2023)
64	Kallam Transco Limited (incorporated on 15.09.2023)	65	Rajasthan Part I Power Transmission Limited (incorporated on 30.04.2023)
66	Shongtong Power Transmission Limited (incorporated on 14.06.2023)	67	Khavda IV C Power Transmission Limited (incorporated on 27.09.2023)
68	Khavda IV-E2 Power Transmission Limited (incorporated on 05.10.2023)	69	Khavda IVA Power Transmission Limited (incorporated on 09.10.2023)
70	Khavda V-A Power Transmission Limited (incorporated on 10.10.2023)	71	Rajasthan IV A Power Transmission Limited (incorporated on 10.10.2023)
72	Rajasthan IV C Power Transmission Limited (incorporated on 11.10.2023)	73	Rajasthan IV H1 Power Transmission Limited (incorporated on 13.10.2023)
74	Rajasthan IV E Power Transmission Limited (incorporated on 14.10.2023)	75	Tumkur-II REZ Power Transmission Limited (incorporated on 13.12.2023)
76	NERGS-I Power Transmission Limited (incorporated on 13.12.2023)	77	Kankani Power Transmission Limited (incorporated on 18.12.2023)
78	ERES-XXXIX Power Transmission Limited (incorporated on 27.03.2024)		
Key Managerial Personnel (KMP) of the Company & their relatives :		**Designation**	
1	Smt Parminder Chopra	Chairman and Managing Director (w.e.f.14.08.2023) and additional charge Director (Finance)	
2	Shri Ravinder Singh Dhillon (up to 31.05.2023)	Chairman and Managing Director	
3	Shri Rajiv Ranjan Jha	Director (Projects)	
4	Shri Manoj Sharma	Director (Commercial)	
5	Shri Ajay Tewari	Government Nominee Director	
8	Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director	
9	Shri Prasanna Tantri	Part Time Non-Official Independent Director	
10	Smt Usha Sanjeev Nair	Part Time Non-Official Independent Director	
11	Shri Manohar Balwani (up to 30.04.2023)	CGM & Company Secretary	
12	Shri Manish Kumar Agrawal (w.e.f. 01.05.2023)	GM & Company Secretary	
Trusts / Funds under control of the Company			
1	PFC Employees Provident Fund	2	PFC Employees Gratuity Fund
3	PFC Defined Contribution Pension Scheme 2007	4	PFC Superannuation Medical Fund
Trusts / Funds under control of RECL			
1	REC Limited Contributory Provident Fund Trust	2	REC Gratuity Fund
3	REC Employees' Superannuation Trust	4	REC Employees' Benevolent Fund
5	REC Retired Employees' Medical Trust		

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

43.2 Transactions with the Related Parties are as follows:

(₹ in crore)

Particulars	During FY 2023-24	During FY 2022-23
Subsidiaries:		
REC Ltd.		
Dividend Income	**2,127.50**	1,642.40
Directors' sitting fee received	**0.05**	-
Sharing of Expense	**3.03**	0.46
PFC Consulting Ltd.		
Interest income on Loan	**0.90**	1.27
Repayment of Loan	**0.34**	-
Repayment of Advances by subsidiary (including interest)	**0.71**	2.91
Purchase of PPE	**0.05**	0.06
Sale of PPE	**-**	0.14
Dividend Income	**82.26**	11.30
Allocation of employee benefits	**16.01**	5.72
Professional charges paid	**12.34**	-
PFC Projects Ltd.		
Amount Recoverable from subsidiary	**0.02**	0.35
PFC Infra Finance IFSC Ltd.		
Recoverable Advances (including interest)	**2.56**	-
Subscription of equity shares of subsidiary	**100.00**	-
Associates		
Repayment of advance taken from Associate	**0.32**	2.27
Interest income on advances to associates	**21.37**	17.97
Interest expenses on advances from associates	**5.81**	4.66
Trusts / Funds under control of the Company		
Contributions made during the year	**19.08**	17.39
Finance cost on bonds paid	**0.10**	0.10
Trusts / Funds under control of the REC		
Finance cost on bonds paid	**1.90**	1.78
Key Managerial Personnel		
(i) Short-term employee benefits	**3.99**	3.68
(ii) Post-employment benefits	**0.47**	0.50
(iii) Other long-term benefits	**0.80**	0.14
Sub-Total (i+ii+iii)	**5.26**	**4.32**
Repayment / Recovery of loans and advances	**0.34**	0.51
Redemption of bonds	**0.07**	-
Directors' Sitting Fees paid		
- Executive Directors	**-**	-
- Non-Executive Directors	**0.45**	0.42
Finance cost on bonds paid	**0.01**	0.01

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

43.3 Outstanding balances with Related Parties are as follows:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Amount recoverable towards loans & advances (including interest) and others from:		
Subsidiaries		
REC Ltd.	**623.70**	-
PFC Consulting Ltd.	**10.67**	12.72
PFC Projects Ltd.	**0.37**	0.35
PFC Infra Finance IFSC Ltd.	**2.56**	-
Associates	**216.36**	197.43
Key managerial personnel	**1.26**	0.31
Amount payable towards loans & advances (including interest) and others to :		
Associates	**179.56**	177.10
Subsidiaries		
REC Ltd.	**0.20**	0.46
PFC Consulting Ltd.	**4.84**	0.06
PFC Infra Finance IFSC Ltd.	**100.00**	-
Debt Securities of the Company held by:		
Key managerial personnel	**0.00**	0.13
Trusts/ Funds under control of the Company	**1.10**	1.10
Trusts/ Funds under control of the REC	**21.40**	21.40
Provisions made w.r.t Trusts / Funds under control of the Company	**10.62**	15.27
Investments made in:		
Subsidiaries	**14,600.70**	14,500.70
Associates	**0.55**	0.55

43.4 Maximum amount of loans / investments outstanding are as follows:

(₹ in crore)

Particulars	Loans		Investments	
	During FY 2023-24	During FY 2022-23	During FY 2023-24	During FY 2022-23
REC	**-**	-	**14,500.50**	14,500.50
PFCCL	**9.18**	9.52	**0.15**	0.15
PFC Projects Limited	**-**	-	**0.05**	0.05
PFC Infra Finance IFSC Limited	**-**	-	**100.00**	-
Associates	**-**	-	**0.55**	0.55

43.5 Disclosure in respect of entities under the control of the same government (Government related entities)

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government. During the year, the Company had transactions with the related entities under the control / joint control of the same government including but not limited to

Neyveli UP Power Ltd.	Damodar Valley Corporation
Raichur Power Corporation Ltd.	Mumbai Metro Rail Corporation Limited
Power Foundation of India	Bihar Grid Company Ltd.
SJVN Thermal Pvt. Ltd.	Coal India Ltd.
PTC India Limited	NHPC Ltd.
National High Power Test Laboratory Pvt. Ltd.	Tehri Hydro Development Corporation
Neyveli lignite Corporation Limited	NLC Tamilnadu Private Limited
Meja Urja Nigam Private Limited	HPCL Rajasthan Refinery Limited

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Significant transactions with entities under the control of same government:

(₹ in crore)

Nature of Transaction	During FY 2023-24	During FY 2022-23
Dividend Income	**66.24**	69.85
Disbursement of loans	**7,313.86**	5,362.77
Interest Income received	**2,856.69**	2,435.11
Repayment of principal received	**2,973.17**	2,213.85
Membership Fees	**5.00**	5.40

Refer Note 12B, 18.7,18.10, 20B.1, 24.2 and 51 in respect of material transactions with the Central Govt.

Above transactions with the Government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, lease rental and deposits etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All the transactions have been carried out on market terms.

43.6 Major terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel is in line with the HR policies of the Company.

(iii) Loans and advances given to Directors/KMPs have specified terms / period of repayment and are in line with the HR Policies of the Company.

(iv) The Company makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of group companies at the year-end are unsecured except loan given to PFCCL amounting to ₹ 9.18 crore.

44. EMPLOYEE BENEFITS

44.1 Defined contribution plans:

(a) Pension

The Company pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

(b) Provident Fund

The Company pays fixed contribution on account of provident fund at prescribed rates to a separate trust, which invests the funds in permitted securities. The trust has to ensure, a minimum rate of return to the members as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

An amount of ₹ 22.60 crore (previous year ₹ 17.10 crore) for the year is recognised as expense in the Standalone Statement of Profit and Loss on account of the Company's contribution to the defined contribution plans.

44.2 Defined benefit plans:

(a) Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in crore)

Particulars		As at 31.03.2024	As at 31.03.2023
(a)	Present value of Defined benefit obligation	31.18	29.54
(b)	Fair Value of Plan Assets	29.96	28.42
(c)	Net Defined Benefit (Asset) / Liability (a-b)	1.22	1.12

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset) / Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
I. Opening Balance	29.54	27.53	28.42	27.50	1.12	0.03
Included in profit and loss					-	
Current service Cost	1.37	1.48	-	-	1.37	1.48
Past service cost		-		-	-	-
Interest cost / income	2.13	2.04	2.08	2.05	0.05	(0.01)
II. Total amount recognised in profit and loss	**3.50**	**3.52**	**2.08**	**2.05**	**1.42**	**1.47**
Included in OCI						
Re-measurement loss / (gain):	-	-	-		-	-
Actuarial loss (gain) arising from changes in financial assumptions	0.32	0.30	-	-	0.32	0.30
Actuarial loss (gain) arising from experience adjustment	0.01	(0.21)	-	-	0.01	(0.21)
Actuarial loss (gain) arising from changes in demographic assumptions	-	--	-	-	-	-
Return on plan assets excluding interest income	-	-	0.53	0.44	(0.53)	(0.44)
III. Total amount recognised in OCI	**0.33**	**0.09**	**0.53**	**0.44**	**(0.20)**	**(0.35)**
IV. Contribution by participants	-	-	-	-	-	-
V. Contribution by employer	-	-	1.12	0.03	(1.12)	(0.03)
VI. Benefits paid	(2.19)	(1.60)	(2.19)	(1.60)	-	-
VII. Closing Balance (I+II+III+IV+V+VI)	**31.18**	**29.54**	**29.96**	**28.42**	**1.22**	**1.12**

(b) Post-Retirement Medical Scheme (PRMS)

The Company has a Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated employees, dependent family members of superannuated and deceased employees. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars		As at 31.03.2024	As at 31.03.2023
(a)	Present value of Defined benefit obligation	74.46	64.31
(b)	Fair Value of Plan Assets	66.59	58.80
(c)	Net Defined Benefit (Asset)/ Liability (a-b)	7.87	5.51

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset) / Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
I. Opening Balance	64.31	56.39	58.80	50.12	5.51	6.27
Included in profit and loss						
Current service Cost	3.10	3.10	-	-	3.10	3.10
Past service cost	-	-	-	-	-	-
Interest cost / income	4.74	4.24	4.31	3.75	0.43	0.50
II. Total amount recognised in profit and loss	**7.84**	**7.34**	**4.31**	**3.75**	**3.53**	**3.60**
Included in OCI						
Re-measurement loss / (gain)	-	-	-	-	-	-
Actuarial loss (gain) arising from changes in financial assumptions	2.98	1.29	-	-	2.98	1.29
Actuarial loss (gain) arising from Experience adjustment	3.01	1.64	-	-	3.01	1.64
Actuarial loss (gain) arising from changes in demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	0.13	0.10	(0.13)	(0.10)
III. Total amount recognised in OCI	**5.99**	**2.93**	**0.13**	**0.10**	**5.86**	**2.83**
IV. Contribution by participants	0.04	0.33	0.04	0.04	-	0.29
V. Contribution by employer	-	-	6.43	7.53	(6.43)	(7.53)
VI. Benefits paid	(3.73)	(2.68)	(3.13)	(2.74)	(0.60)	0.06
VII. Closing Balance (I+II+III+IV+V+VI)	**74.45**	**64.31**	**66.58**	**58.80**	**7.87**	**5.51**

(c) Economic Rehabilitation Scheme (ERS)

The Company has an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Present value of Defined benefit obligation	7.86	7.82

Movement in defined benefit obligation

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation for the year ended	
	31.03.2024	31.03.2023
I. Opening Balance	7.82	6.76
Included in profit and loss		
Current service Cost	0.52	0.42
Past service cost	-	-
Interest cost / income	0.56	0.49
II. Total amount recognised in profit and loss	**1.08**	**0.91**
Included in OCI		
Actuarial loss (gain) arising from changes in financial assumptions	0.84	0.20
Actuarial loss (gain) arising from Experience adjustment	(0.77)	0.96
Actuarial loss (gain) arising from changes in demographic assumptions	-	-
Return on plan assets excluding interest income	-	-
III. Total amount recognised in OCI	**0.07**	**1.16**
IV. Contribution by participants	-	-
V. Contribution by employers	-	-
VI. Benefits paid	(1.11)	(1.01)
VII. Closing Balance (I+II+III+IV+V+VI)	**7.86**	**7.82**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(d) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Investment risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cash flow for plan assets does not match with cash flow for plan liabilities.

ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

iii) Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

v) Turnover rate / Withdrawal rate of employee

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

(e) Plan Assets

The value of plan assets for each category is as follows:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	**0.10**	**1.07**	0.21	0.96
State / Central Government Debt Securities	**16.81**	**40.80**	15.43	35.60
Corporate Bonds/ Debentures	**12.08**	**24.72**	11.34	22.24
Others	**0.97**	**-**	1.44	-
Total	**29.96**	**66.59**	**28.42**	**58.80**

As at 31.03.2024 – Nil (as at 31.03.2023 – Nil) is included in the value of plan assets in respect of the Company's own financial instruments (corporate bonds).

Actual return on plan assets is ₹ 7.65 crore (previous year ₹ 6.32 crore).

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(f) Significant actuarial assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31.03.2024 by TransValue Consultants. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method. The principal assumptions used for actuarial valuation are:

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Discount Rate & expected return on plan assets, if funded	**7.09%**	7.33%	**7.09%**	7.33%	**7.09%**	7. 33%
Salary Escalation Rate/Medical inflation rate	**5.00%**	6.00%	**6.00%**	6.00%	**5.00%**	6.00%
Mortality Rate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate
Withdrawal rate	**0.01%**	0.01%	**0.01%**	0.01%	**0.01%**	0.01%

(g) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	**(1.28)**	**1.38**	(1.21)	1.30
- PRMS	**(6.01)**	**6.85**	(4.62)	5.33
- ERS	**(0.36)**	**0.39**	(0.28)	0.31
Salary Escalation / Medical inflation Rate (0.50% movement)				
- Gratuity	**0.14**	**(0.17)**	0.19	(0.14)
- PRMS	**4.57**	**(4.35)**	2.72	(2.51)
- ERS	**0.28**	**(0.26)**	0.29	(0.25)
Medical Cost (10% movement)				
- PRMS	**7.43**	**(7.10)**	5.79	(5.09)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Company actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Company to manage its risks from prior periods.

(h) Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Up to 1 year	**2.27**	1.85	**2.48**	2.26	**1.13**	0.99
1 to 5 years	**12.06**	10.77	**17.93**	15.25	**3.30**	3.17
Over 5 years	**53.72**	52.82	**100.61**	72.45	**9.05**	8.72
Total	**68.05**	**65.44**	**121.02**	**89.96**	**13.48**	**12.88**

The table above is drawn on the basis of expected cash flows.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(i) Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Expected contribution	**2.67**	2.49	**11.52**	8.61

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.13 years (as at 31.03.2023: 13.14 years).

44.3 Other long-term employee benefits

(a) Leave

The Company provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300 days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 5.70 crore (previous year ₹ 6.84 crore) for the year has been made at the year end and debited to the Standalone Statement of Profit and Loss.

(b) Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 1.51 crore for the year (previous year ₹ 4.57 crore) has been made on the basis of actuarial valuation and debited to the Standalone Statement of Profit and Loss.

44.4 Employee benefits (including Gratuity, PRMS, Terminal Benefits, leave encashment and other employee benefits) in respect of Company's employees working in its wholly-owned subsidiary on deputation / secondment basis are being allocated based on a fixed percentage of employee cost.

45. LEASES

The Company has recognised a Right-of-Use Asset and Lease Liability with respect to leasehold land being used as office premises.

45.1 The table below shows the movement of lease liabilities during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance	**8.81**	8.81
Additions during the year	**-**	-
Finance cost accrued during the period	**0.77**	0.77
Payment of lease liabilities	**(0.77)**	(0.77)
Closing balance	**8.81**	8.81

45.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Up to 1 year	**0.77**	0.77
1-5 years	**3.09**	3.09
More than 5 years	**53.97**	54.74

45.3 During the year 2023-24, the expenses relating to short-term/low value leases amounting to ₹ 17.12 crore (Previous year ₹ 9.81 crore) has been charged to Standalone statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

45.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 15.41 crore (previous year ₹ 10.11 crore).

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

46. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
Contingent Liabilities			
(i)	Bank Guarantee[a]	**0.94**	0.94
(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**	91.78
(iv)	Service Tax /GST demand or show cause notices raised by Service Tax Department / GST department in respect of earlier years which are being contested.	**28.19**	25.98
	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.	**53.95**	50.90
(v)[b]	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned	**1,638.09**	2,427.96
(vi)	Penalty imposed by NSE & BSE	**1.59**	1.31
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for		
	Towards purchase of building	**907.90**	128.50
	Towards Implementation of SAP	**11.02**	11.02
(ii)	Other Commitments – CSR unspent amount pertaining to the period up to 31.03.2020	**50.32**	52.43
Total		**2,783.78**	**2,790.82**

[a] Bank guarantee submitted to DMRC against co-branding license of Barakhamba Metro Station.

[b] Necessary impairment loss allowance has been made. Refer note 21.1.

47. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2024 (Nil as at 31.03.2023). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties could be identified on the basis of information available with the Company.

48. In the context of reporting business / geographical segment as required by Ind AS 108 – 'Operating Segments', the Company's operations comprise of only one business segment – lending to power, logistics and infrastructure sector. All activities revolve around the main business. Hence, there are no reportable segments as per Ind AS 108.

49. MODIFICATIONS IN THE MATERIAL ACCOUNTING POLICY INFORMATION:

No modifications have been carried out in the standalone material accounting policy information during the year and hence the Company continued to follow the same Accounting Policies as was followed during the financial year ended 31.03.2023, except the policy that the functional currency of the Company is Indian Rupees has been included in Note No. 5.1 and deleted from Note 5.15 and the term 'significant accounting policies", wherever appearing has been substituted by " material accounting policy information" as per amendment in Ind AS 1. There is no financial impact of such modifications.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

50. Amount expected to be recovered/ settled within 12 months and beyond for each line item under asset and liabilities:

(₹ in crore)

	Particulars	As at 31.03.2024			As at 31.03.2023		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	21.76	-	21.76	22.14	-	22.14
(b)	Bank Balance other than included in Cash & Cash Equivalents	200.05	-	200.05	1,595.96	-	1,595.96
(c)	Derivative Financial Instruments	1,145.51	3,316.52	4,462.03	605.51	4,197.89	4,803.40
(d)	Trade receivables	-	-	-	0.29	-	0.29
(e)	Loans	86,218.68	3,83,709.73	4,69,928.41	68,452.06	3,42,377.09	4,10,829.15
(f)	Investments	2,664.07	17,555.88	20,219.95	1,219.11	16,085.03	17,304.14
(g)	Other Financial Assets	930.46	5,122.45	6,052.91	84.64	5,304.10	5,388.74
	Total financial assets (1)	**91,180.53**	**4,09,704.58**	**5,00,885.11**	**71,979.71**	**3,67,964.11**	**4,39,943.82**
2	**Non-Financial Assets**						
(a)	Current Tax Assets (Net)	-	243.81	243.81	-	210.28	210.28
(b)	Deferred Tax Assets (Net)	-	3,557.16	3,557.16	-	4,033.31	4,033.31
(c)	Property, Plant and Equipment	-	42.08	42.08	-	44.00	44.00
(d)	Intangible assets under development	-	11.20	11.20	-	11.20	11.20
(e)	Intangible Assets	-	0.02	0.02	-	0.04	0.04
(f)	Right-of-use asset	-	33.95	33.95	-	34.40	34.40
(g)	Other Non-Financial Assets	134.60	675.08	809.68	129.87	426.14	556.01
	Total non-financial assets (2)	**134.60**	**4,563.30**	**4,697.90**	**129.87**	**4,759.37**	**4,889.24**
	Total Asset (1+2)	**91,315.53**	**4,14,267.88**	**5,05,583.01**	**72,109.58**	**3,72,723.48**	**4,44,833.06**
	LIABILITIES						
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	47.82	305.91	353.73	24.32	-	24.32
(b)	Trade Payables						
(i)	Total outstanding dues of Micro,Small and Medium Enterprises	0.20	-	0.20	0.02	-	0.02
(ii)	Total outstanding dues of creditors other than Micro,Small and Medium Enterprises	11.94	2.78	14.72	10.84	2.56	13.39
(c)	Debt Securities	29,401.54	2,64,866.25	2,94,267.80	23,522.04	2,36,305.01	2,59,827.05
(d)	Borrowings (other than Debt Securities)	18,819.88	97,786.16	1,16,606.04	32,211.00	69,017.89	1,01,228.89
(e)	Subordinated Liabilities	2,004.37	3,515.35	5,519.72	3,902.30	5,409.54	9,311.84
(f)	Other Financial Liabilities	3,624.28	5,009.01	8,633.29	418.82	5,102.52	5,521.34
	Total financial liabilities (1)	**53,910.03**	**3,71,485.47**	**4,25,395.50**	**60,089.34**	**3,15,837.52**	**3,75,926.86**
2	**Non-Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	-	15.31	15.31	-	105.02	105.02
(b)	Provisions	363.46	48.63	412.09	272.72	50.93	323.65
(c)	Other Non-Financial Liabilities	314.28	242.34	556.62	251.12	24.19	275.31
	Total non-financial liabilities (2)	**677.74**	**306.28**	**984.02**	**523.84**	**180.14**	**703.98**
	Total liabilities (1+2)	**54,587.77**	**3,71,791.75**	**4,26,379.52**	**60,613.17**	**3,16,017.66**	**3,76,630.83**

51. GOVERNMENT OF INDIA (GOI) SCHEMES BEING IMPLEMENTED BY THE COMPANY

The Company is a designated Nodal Agency for operationalisation and implementation of RDSS Scheme. The role of Nodal Agency *inter alia* includes transfer onward the GoI funds received from MoP to project implementing agencies i.e. State Power Distribution Utilities / Power Departments as per the Scheme guidelines issued by MoP. The release of the funds under GoI Scheme is being done through Treasury Single Account (TSA) maintained with RBI, as per the office memorandum issued by MoF, GoI dated March 9, 2022.This ensures that funds of these schemes are released to project implementing agencies 'Just in time' from the Consolidated Fund of India (CFI).

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

51.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with REC is the nodal agency for operationalisation of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

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.

The Scheme has an outlay of ₹ 3,03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI. The amount of grant received and administered to the eligible entities (net of lapses / surrendered by power utilities) during FY 2023-24 is ₹ 2,834.87 crore (previous year ₹ 212.06 crore) and the cumulative grant administered (net of lapses / surrendered by power utilities) till 31.03.2024 is ₹ 3,308.23 crore (till 31.03.2023 is ₹ 473.37 crore).

The Company is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2023-24 stands at ₹ 45.73 crore. (Previous year ₹ 71.58 crore)

Further, no amount of grant remained undisbursed as on 31.03.2024 and 31.03.2023.

52. (a) Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union territories – Jammu & Kashmir UT and Ladakh UT , the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/repaid in line with the existing loan agreement.

(b) Status of documentation subsequent to reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification except for assets and liabilities of TSSPDCL which have been transferred to APSPDCL for R-APDRP loans only amounting to ₹ 8.95 crore.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans (except for above R-APDRP loans) with the new / name changed utilities. Till that time, the demand for payment of interest / principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

53. DISCLOSURES AS REQUIRED UNDER MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 AS AMENDED FROM TIME TO TIME

Being a Government owned NBFC the Company is subject to guidelines as prescribed under RBI Master Directions (NBFC-Scale based Regulation) as applicable for the NBFC-ML (Middle Layer).

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

53.1 Asset Liability Management – Maturity pattern of items of Assets and Liabilities:

In the tables below, the principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date. Further, Bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

(₹ in crore)

Bucket as at 31.03.2024	Deposits / Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	-	3,544.24	1,861.48	-	-
8 to 14 days	-	3,563.42	-	-	-
15 days to 30/31 Days	-	4,906.12	1,148.91	-	10.97
Over 1 Month up to 2 Months	2,616.64	5,429.27	628.97	-	-
Over 2 Months up to 3 Months	4.96	5,860.18	6,004.33	-	4,527.18
Over 3 Months & up to 6 Months	14.26	19,960.60	20,088.05	-	2,503.41
Over 6 Months & up to 1 Year	28.22	30,154.11	32,120.59	-	5,150.35
Over 1 Year & up to 3 Years	108.57	80,868.22	82,344.83	-	10,426.07
Over 3 Years & up to 5 Years	106.06	76,863.56	68,116.02	-	27,471.74
Over 5 Years	17,341.24	2,38,349.65	1,22,330.34	-	22,746.74
Total	**20,219.95**	**4,69,499.37**	**3,34,643.52**	**-**	**72,836.46**

(₹ in crore)

Bucket as at 31.03.2023	Deposits / Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	-	588.78	-	-	-
8 to 14 days	-	2,500.44	2,955.28	-	-
15 days to 30/31 Days	1,471.96	3,324.89	6,472.54	-	5.89
Over 1 Month up to 2 Months	1,199.36	2,248.07	2,652.04	-	-
Over 2 Months up to 3 Months	5.09	2,982.71	10,963.41	-	6.57
Over 3 Months & up to 6 Months	5.00	15,115.04	9,325.88	-	2,055.42
Over 6 Months & up to 1 Year	9.71	26,182.74	13,910.84	--	7,034.08
Over 1 Year & up to 3 Years	100.24	72,751.80	70,458.74	-	11,261.13
Over 3 Years & up to 5 Years	105.43	68,525.33	65,123.12	-	8,573.42
Over 5 Years	15,879.32	2,16,278.55	1,16,221.48	-	35,617.98
Total	**18,776.11**	**4,10,498.35**	**2,98,083.33**	**-**	**64,554.49**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

53.2 Exposures

53.2.1 The Company does not have any exposure to real estate sector.

53.2.2 Exposure to Capital Market:

(₹ in crore)

Sr. No.	Description	Amount as at 31.03.2024	Amount as at 31.03.2023
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares);	**17,895.27**	16,342.82
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	**2,892.47**	2,898.97
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(x)	Financing to stockbrokers for margin trading;	-	-
(xi)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
Total Exposure to Capital Market		**20,787.74**	**19,241.79**

53.2.3 Details of financing of parent company products:

The Company does not have a parent company.

53.2.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company:

During FY 2023-24, the Company has not exceeded applicable prudential exposure limits against single/group borrower.

53.3 Concentration of Exposures :

Particulars	As at 31.03.2024	As at 31.03.2023
Total Exposure at Default (EAD)* to twenty largest borrowers / customers (₹ in crore)	**2,78,998.89**	2,60,886.64
Percentage of Exposures at Default to twenty largest borrowers / customers to Total Exposure at Default of the Company on borrowers / customers	**57.41%**	61.10%

* Exposure at Default is Principal outstanding & Accrued Interest thereon.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

53.4 Large Industrial Sectoral Exposure –

(₹ in crore)

As at 31.03.2024					
Infrastructure Sector	Principal outstanding (including LoC) (A)	Interest Accrued (B)	Total Exposure at Default (EAD) including off balance sheet exposure viz. LOC (C) = (A+B)	Gross Credit Impaired accounts (Stage 3) (D)	Percentage of Gross Credit Impaired accounts (Stage 3) to EAD E = (D/C)
Power	4,63,820.24	4,423.64	4,68,243.88	16,073.22	3.43%
Other Infrastructure Projects	19,279.75	59.84	19,339.59	-	-
Total	**4,83,099.99**	**4,483.48**	**4,87,583.47**	**16,073.22**	**3.30%**
As at 31.03.2023					
Power	4,23,910.11	4,492.68	4,28,402.79	16,501.65	3.85%
Port	1,015.58	2.81	1,018.39	-	0.00%
Total	**4,24,925.69**	**4,495.50**	**4,29,421.18**	**16,501.65**	**3.84%**

53.5 Intra-group exposures

Particulars	As at 31.03.2024	As at 31.03.2023
Total amount of intra-group Exposures at Default (EAD) (₹ in crore)	9.36	9.70
Total amount of top 20 intra-group Exposures at Default (EAD) (₹ in crore)	9.36	9.70
Percentage of intra-group EAD to Total EAD of the Company on borrowers / customers	0.00%	0.00%

* Exposure at Default is Principal outstanding & Accrued Interest thereon.

53.6 Details of registrations with regulators:

Sr. No.	Regulator	Particulars	Registration Details
1.	Ministry of Corporate Affairs	Corporate Identification Number	L65910DL1986GOI024862
2.	Reserve Bank of India	Registration Number	B – 14.00004
3.	Legal Entity Identifier India Ltd.	LEI Number	3358003Q6D9LIJJZ1614
4.	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	Registration Number	F0084
5.	Central KYC Registry	Registration Code	IN6090

53.7 Disclosure of Penalties imposed by RBI and other regulators during the year:

53.7.1 Penalty imposed by stock exchanges

NSE and BSE have levied fine on the Company for non-compliance in regard to composition of the Board of Directors.

The Company in its reply to NSE and BSE has stated that being a Central Public Sector Undertaking and in terms of Article 86 of Articles of Association of the Company, the Directors on the Board of the Company are appointed by President of India through Ministry of Power, Government of India and had requested both the exchanges to waive the above said penalty. Revert on the matter is awaited.

The total penalty amount levied (net of waiver by exchanges) has been disclosed at Note 46.

The Company has also taken up the matter with Ministry of Power to expedite the process of appointment of balance number of Independent Directors.

53.7.2 Penalty imposed by RBI

The Company was maintaining the required Liquidity Coverage Ratio (LCR) in the form of High Quality Liquid Assets (HQLA) viz. Govt. Securities, Corporate bonds, marketable securities including callable / demand fixed deposits (FD) with scheduled commercial banks. RBI vide its order dated February 6, 2024 has treated callable / demand fixed deposits (FD) with scheduled commercial banks as ineligible asset as HQLA for the computation of LCR. Thus, RBI has imposed penalty of ₹ 0.09 crore

Notes to the Standalone Financial Statements

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on the grounds of deficiencies in regulatory compliance considering that prescribed LCR has not been maintained as on 31.03.2022. The Company has deposited the penalty and is maintaining the HQLA as on 31.03.2024 strictly as per above said RBI order.

53.8 Credit Ratings

53.8.1 Ratings assigned by domestic credit rating agencies as at 31.03.2024:

Sr. No.	Rating Agency	Long-Term Rating	Short-Term Rating
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+

53.8.2 Long-term foreign currency issuer rating assigned by international credit rating agencies as at 31.03.2024:

Sr. No.	Rating Agency	Rating
1.	Fitch Ratings	BBB-
2.	Moody's	Baa3

53.8.3 In respect of the above, there has been no migration of ratings during the year.

53.9 Provisions, Contingencies and Impairment loss allowances debited to Standalone Statement of Profit and Loss

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
1	Impairment loss allowance towards loans, investments acquired under loan settlement , letter of comfort and guarantees*	(175.04)	(289.60)
2	Impairment loss allowance on other financial assets	3.89	(6.41)
3	Impairment loss allowance on investment	-	(0.20)
4	Provision for unspent CSR on ongoing Projects	116.02	106.34
5	Provision made towards Income tax	2,972.80	2,330.24

* Including write off of loans and investment acquired under loan settlement of ₹ 29.25 crore (previous year ₹ 957.91 crore) and corresponding reversal of impairment loss allowance of ₹ 550.50 crore (previous year ₹ 2,700.33 crore).

53.10 Draw Down from reserves

Refer to Note 24.

53.11 Overseas assets:

The Company has following Overseas Assets:

(₹ in crore)

Name of the subsidiary	Country	Total Assets as on 31.03.2024	Total Assets as on 31.03.2023
PFC Infra Finance IFSC Limited (PIFIL)*	GIFT City, Gandhi Nagar, Gujarat, India	100.00	-

* Equity shares subscribed but not paid has been remitted by PFC to PIFIL on 10.04.2024 and accordingly shown as Other Financial Liabilities of PFC as on 31.03.2024.

53.12 Others

(a) The Company is preparing Consolidated Financial Statements in accordance with Ind AS – 110 'Consolidated Financial Statements'.

(b) There are no Off-Balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

53.13 Customer Complaints for FY 2023-24

No complaints have been received by the Company from its borrowers or Offices of ombudsman during the year ended 31.03.2024 (previous year Nil).

53.14 Regulatory ratios, limits and disclosures are based on Ind AS figures in accordance with RBI (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 relating to Implementation of Ind AS.

53.15 During FY 2023-24, there has been no instances of breach of covenants of loan availed or debt securities issued (Previous year Nil).

53.16 There has been no divergence in Asset Classification and Provisioning assessed by RBI vis a vis as reported by the Company as on 31.03.2023 during the last annual inspection conducted by RBI for FY 2022-23.

53.17 Information / Particulars as set out in Annex VIII of RBI's Master Direction (NBFC Scale Based Regulation) applicable to the Company, as amended from time to time:

(₹ in crore)

Particulars	Amount as on 31.03.2024		Amount as on 31.03.2023	
Liabilities Side	**outstanding**	**overdue**	**outstanding**	**overdue**
(1) Loans and Advances availed by the Company inclusive of interest accrued thereon but not paid:				
(a) Bonds : Secured	**24,573.49**	**-**	19,920.79	-
: Unsecured	**2,75,430.73**	**-**	2,49,218.10	-
(b) Deferred Credits		**-**		-
(c) Term Loans		**-**		-
(i) Rupee Term Loans	**79,205.44**	**-**	69,716.78	-
(ii) Foreign Currency Loans	**35,436.23**	**-**	27,528.28	-
(d) Inter-corporate loans & borrowings	**-**	**-**		-
(e) Commercial Paper	**-**	**-**	-	-
(f) Public Deposits	**-**	**-**	-	-
(g) Others				
(i) Other Loans from Banks	**2,361.67**	**-**	3,983.83	-

Assets Side	Amount as on 31.03.2024	Amount as on 31.03.2023
(2) Break-up of Loans and Advances including bills receivables (Net of Provisions) :		
(a) Secured	**2,08,335.67**	1,93,369.31
(b) Unsecured	**2,73,126.23**	2,29,128.42
(c) Less: Impairment loss allowance	**(15,822.68)**	(16,024.67)
Loans and advances (net of provision)	**4,65,639.22**	4,06,473.06
(3) Break-up of Investments (Net of Provisions)		
Investments carried at Cost/ Amortised Cost		
1. Quoted		
(i) Shares		
(a) Equity	**14500.50**	14500.50
(ii) Government securities	**1,898.61**	526.25
(iii) Debentures and Bonds	**300.25**	300.08
2. Unquoted		
(i) Shares		
(a) Equity	**100.75**	0.75
(b) Preference	**87.24**	85.78
(c) Less: Impairment Loss allowance	**(72.95)**	(72.95)
Unquoted Shares (net of Provision)	**115.04**	**13.58**
(ii) Debentures and Bonds	**111.53**	122.16

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Assets Side			Amount as on 31.03.2024	Amount as on 31.03.2023
	Investments carried at Fair Value			
1.	**Quoted**			
	(i)	Shares		
		(a) Equity	2,616.64	1,199.32
2.	**Unquoted**			
	(i)	Shares		
		(a) Equity	630.61	592.25
		(b) Preference	-	-
	(ii)	Debentures and Bonds	46.77	50.00

(4) Borrower group-wise classification of assets financed as in (2) above: (as per applicable provisioning norms)

	Category	Amount Net of Provisions (as on 31.03.2024)			Amount Net of Provisions (as on 31.03.2023)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1.	Related Parties						
	(a) Subsidiaries	9.18	-	9.18	9.52	-	9.52
	(b) Companies in the same group	-	-	-	-	-	-
2.	Other than related parties	2,08,326.49	2,73,126.23	4,81,452.72	1,93,359.79	2,29,128.42	4,22,488.21
	Loans and advances (Gross)	2,08,335.67	2,73,126.23	4,81,461.90	1,93,369.31	2,29,128.42	4,22,497.73
	Less: Impairment loss allowance			(15,822.68)			(16,024.67)
	Loans and advances (net of provision)			**4,65,639.22**			**4,06,473.06**

(5) Investor group-wise classification of all investments (at cost/amortised cost and fair value) in shares and securities (both quoted and unquoted)

	Category	As on 31.03.2024		As on 31.03.2023	
		Break up value $	Book Value (Net of Provisions)	Break up value $	Book Value (Net of Provisions)
1.	Related Parties				
	(a) Subsidiaries	36,545.14	14,600.70	30,459.95	14,500.70
	(b) Companies in the same group	0.32	0.55	0.51	0.55
2.	Other than related parties	5,618.70	5,618.70	2,802.89	2,802.89
Total		**42,164.16**	**20,219.95**	**33,263.35**	**17,304.14**

(6) Other Information

	Particulars	Amount (as on 31.03.2024)	Amount (as on 31.03.2023)
(i)	Gross Stage III Assets		
	(a) Other than related parties	16,073.22	16,501.65
(ii)	Net Stage III Assets		
	(a) Other than related parties	4,110.69	4,502.27
(iii)	Assets acquired in satisfaction of debt	1,349.08	790.08

$ In case of negative break-up value, Nil value has been considered.

54. DISCLOSURES IN ACCORDANCE WITH GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK AND LIQUIDITY COVERAGE RATIO AS PER MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 AS AMENDED FROM TIME TO TIME.

54.1 Funding Concentration based on significant counterparty (borrowings)

Particulars	Number of significant counterparties*	Amount (₹ crore)	% of Total Liabilities
As at 31.03.2024	8	95,290.68	22.35%
As at 31.03.2023	7	61,507.08	16.33%

* Significant counterparty / significant instrument/product is defined as a single counterparty or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

54.2 Top 10 borrowings (amount in ₹ crore & % of total borrowings)

Sr. No.	Particulars*	As at 31.03.2024	
		Amount (₹ crore)	% of Total Borrowings
1	RTL FROM HDFC BANK	17,275.50	4.24%
2	RTL FROM STATE BANK OF INDIA	14,140.00	3.47%
3	SYNDICATED USD FOREIGN CURRENCY TERM LOAN 33	9,171.13	2.25%
4	RTL FROM NATIONAL SMALL SAVINGS SCHEME (NSSF)	7,500.00	1.84%
5	RTL FROM BANK of BARODA	6,500.00	1.60%
6	SYNDICATED JPY FOREIGN CURRENCY TERM LOAN 32	6,388.79	1.57%
7	3.95 USD BONDS 2030	6,253.04	1.53%
8	RTL FROM UNION BANK OF INDIA	5,862.19	1.44%
9	RTL FROM CANARA BANK	5,700.00	1.40%
10	SYNDICATED USD FOREIGN CURRENCY TERM LOAN 31	5,210.87	1.28%

* Based on size of bond issuance / term loans from banks.

Sr. No.	Particulars*	As at 31.03.2023	
		Amount (₹ crore)	% of Total Borrowings
1	RTL FROM HDFC BANK	10,750.00	2.96%
2	RTL FROM STATE BANK OF INDIA	9,569.98	2.64%
3	RTL FROM CANARA BANK	9,075.00	2.50%
4	RTL FROM UNION BANK OF INDIA	6,800.00	1.88%
5	RTL FROM NATIONAL SMALL SAVINGS SCHEME (NSSF)	7,500.00	2.07%
6	3.95 USD BONDS 2030	6,166.27	1.70%
7	SYNDICATED JPY FOREIGN CURRENCY TERM LOAN 32A	5,513.05	1.52%
8	SYNDICATED USD FOREIGN CURRENCY TERM LOAN 31	5,138.56	1.42%
9	8.65 TX USC BND SRS 126	5,000.00	1.38%
10	8.41 TX USC BND SRS 131 C	5,000.00	1.38%

* Based on size of bond issuance / term loans from banks.

54.3 Funding Concentration based on significant instrument /product

Sr. No.	Significant instrument /product	As at 31.03.2024		As at 31.03.2023	
		Amount (₹ crore)	% of Total Liabilities	Amount (₹ crore)	% of Total Liabilities
1	**Debt Securities**				
	– Infrastructure Bonds	38.51	0.01%	38.51	0.01%
	– Tax Free Bonds	7,485.57	1.76%	8,259.12	2.19%
	– 54EC Capital Gain Tax Exemption Bonds	8,994.11	2.11%	6,599.69	1.75%
	– Taxable Bonds	2,31,152.25	54.21%	2,00,172.79	53.15%
	– Foreign Currency Notes	37,723.57	8.85%	37,219.33	9.88%
	– Commercial Paper	-	0.00%	-	-
	Sub-Total (i)	**2,85,394.01**	**66.93%**	**2,52,289.44**	**66.99%**
2	**Borrowings (other than Debt Securities)**				
	– Foreign Currency Loans	980.02	0.23%	6,615.94	1.76%
	– Syndicated Foreign Currency Loans	34,132.87	8.01%	20,719.21	5.50%
	– Rupee Term Loan	71,503.44	16.77%	62,317.90	16.55%
	– Rupee Term Loan – GoI	7,500.00	1.76%	7,500.00	1.99%
	– Loan against Term Deposits	-	-	-	-
	– Working Capital Demand Loan / Overdraft / Cash Credit / Line of Credit	2,361.48	0.55%	3,983.83	1.06%
	Sub-Total (ii)	**1,16,477.81**	**27.32%**	**1,01,136.88**	**26.85%**
3	**Subordinated Liabilities**	5,511.50	1.29%	9,211.50	2.45%
	Sub-Total (iii)	**5,511.50**	**1.29%**	**9,211.50**	**2.45%**
	Total (i+ii+iii)	**4,07,383.32**	**95.54%**	**3,62,637.83**	**96.28%**

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

54.4 Stock Ratios

Sr. No.	Particulars	% to total public funds	% to total liabilities	% to total assets
As at 31.03.2024				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	-	-	-
3	Other short-term liabilities	2.78%	2.66%	2.24%
As at 31.03.2023				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	-	-	-
3	Other short-term liabilities	3.57%	3.44%	2.91%

54.5 Refer Note 40.2 for Institutional set up for management of liquidity risk in the Company.

54.6 Liquidity Coverage Ratio

Particulars		Quarter ended 31.03.2024		Quarter ended 31.12.2023				Quarter ended 30.09.2023	
				From 01.10.2023 to 30.11.2023		From 01.12.2023 to 31.12.2023			
		Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA) [(a)]	2,121.60	1,948.29	1,185.99	1,042.34	2,428.03	2,073.11	1,886.87	1,565.95
Cash Outflows									
2	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
3	Other contractual funding obligations	6,486.95	7,459.99	4,246.70	4,883.71	7,390.92	8,499.56	7,085.39	8,148.20
4	Other contingent funding obligations	1,485.60	1,708.44	932.61	1,072.50	1,092.40	1,256.26	695.74	800.11
5	**TOTAL CASH OUTFLOWS**	**7,972.55**	**9,168.43**	**5,179.31**	**5,956.21**	**8,483.33**	**9,755.83**	**7,781.14**	**8,948.31**
Cash Inflows									
6	Lines of credit – Credit or liquidity facilities or other contingent funding facilities	8,421.10	6,315.82	6,848.19	5,136.14	10,558.55	7,918.91	6,896.25	5,172.19
7	Inflows from fully performing exposures	13,233.47	9,925.10	7,775.80	5,831.85	10,557.46	7,918.09	9,521.50	7,141.12
8	Other cash inflows								
9	**TOTAL CASH INFLOWS**	**21,654.56**	**16,240.92**	**14,624.00**	**10,968.00**	**21,116.01**	**15,837.01**	**16,417.75**	**12,313.31**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
9	**TOTAL HQLA**		**1,948.29**		**1,042.34**		**2,073.11**		**1,565.95**
10	**TOTAL NET CASH OUTFLOWS** [(Total Weighted Cash Outflows) – Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		2,292.11		1,489.05		2,438.96		2,237.08
11	**LIQUIDITY COVERAGE RATIO (%)**		**85.00%**		**70.00%**		**85.00%**		**70.00%**

[(a)] The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the required LCR level of 85% (w.e.f. 01.12.2023 and 70% (up to 30.11.2023) has been considered.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in crore)

Particulars	Quarter ended 30.06.2023		Quarter ended 31.03.2023	
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets	**2,135.84**	**1,824.63**	1,318.83	1,318.83
1 Total High Quality Liquid Assets (HQLA)[b]				
Cash Outflows				
2 Outflows related to derivative exposures and other collateral requirements	-	-	-	-
3 Other contractual funding obligations	**8,238.04**	**9,473.74**	5,752.95	6,615.89
4 Other contingent funding obligations	**828.44**	**952.71**	800.25	920.28
5 TOTAL CASH OUTFLOWS	**9,066.48**	**10,426.45**	**6,553.20**	**7,536.17**
Cash Inflows				
6 Lines of credit – Credit or liquidity facilities or other contingent funding facilities	**7,777.72**	**5,833.29**	5,031.32	3,773.49
7 Inflows from fully performing exposures	**8,503.00**	**6,377.25**	8,429.01	6,321.76
8 Other cash inflows	**82.69**	**62.02**	2,502.22	1,876.67
9 TOTAL CASH INFLOWS	**16,363.41**	**12,272.56**	**15,962.55**	**11,971.91**
10 TOTAL HQLA		**1,824.63**		**1,318.83**
11 TOTAL NET CASH OUTFLOWS		2,606.61		1,884.04
[(Total Weighted Cash Outflows) – Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]				
12 LIQUIDITY COVERAGE RATIO (%)		**70.00%**		**70.00%**

[b] The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the LCR level of 70% has been considered.

54.6.1 RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions as amended from time to time, has stipulated maintaining of Liquidity Coverage Ratio by non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by Stock of High Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLA are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little / no loss of value or can be used as collateral to obtain funds in stress situations.

The Company has complied with LCR requirement w.e.f. 01.12.2020 against stipulated requirement of minimum LCR of 50%, progressively increasing up to the required level of 100% by December 1, 2024. The HQLA is being maintained by the Company as balance with Banks in Current Account and eligible securities. The Company is maintaining LCR in INR only; hence there is no currency mismatch.

54.6.2 The position of HQLA holding is as follows

HQLA items	% of Overall HQLA	
	As at 31.03.2024	As at 31.03.2023
Assets without Haircut		
Cash and Cash Equivalents	-	37.78%[a]
Term / Demand Deposits	-	
G-Sec	**100%**	39.26%
Assets with 15% Haircut	-	-
Assets with 50% Haircut	-	
Coal India Ltd. shares	-	11.58%
UPPCL Bond	-	11.38%
Total	**100%**	**100.00%**

[a] Refer note 53.7.2

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

55. During the year, the Company does not have any transactions with the struck off companies except for equity shares held by 8 companies as on 31.03.2024, which are individually not material and thus have not been reported.

56. There are no reportable cases of loans transferred/ acquired during the FY 2023-24 (previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021, as amended from time to time.

57. The disclosures as required under Master Direction-Reserve Bank of India (NBFC-Scale Based Regulation), Directions,2023,as amended from time to time have been made in Note 5, 9.1 to 9.4, 11.2, 39.1, 39.2, 40.1.3(iii), 40.1.3(vi), 40.1.3(vii), 40.1.5, 40.1.6, 40.1.7, 40.1.8, 40.3, 40.4 , 43, 49, 53, 54 and 56.

58. Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Particulars	As at / Year ended 31.03.2024	As at / Year ended 31.03.2023
Debt to Equity Ratio (times)	5.14	5.32
Outstanding Redeemable Preference Shares	-	-
Capital redemption reserve / debenture redemption reserve	-	-
Net Worth (₹ in crore)	79,203.49	68,202.23
Total Debt to Total Assets (times)	0.81	0.82
Operating Margin (%)	40.96%	35.70%
Net Profit Margin (%)	33.76%	29.26%

Notes:

1. Debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
2. Net worth = Equity Share Capital + Other Equity.
3. Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} / Total assets.
4. Operating Margin = (Profit before Tax – Other Income) / Total Revenue from operations.
5. Net profit margin = Net profit After Tax/Total Income.
6. Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long-term debt to working capital, Bad debts to Account receivable ratio, Current Liability, Ratio Debtors turnover, Inventory turnover ratio are not applicable to the Company.
7. Other disclosures required under Regulation 52(4) are presented at Note no. 38, 39.1.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

59. Figures of the previous year have been regrouped / rearranged wherever necessary, in order to make them comparable with the current year figures.

60. Figures have been rounded off to the nearest crore of rupees with two decimals. Further, figures in 0.00 represent value less than ₹ 50,000/-.

For and on behalf of the Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN: 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN: 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No.: 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No.: 100770

Place: Mumbai
Date: 15.05.2024

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Consolidated Financial Statements of Power Finance Corporation Limited (hereinafter referred to as "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at 31.03.2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the subsidiaries and associates, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associates as at 31.03.2024, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

2. BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments- Loan Assets** The Holding Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss. The key indicators underlying for assessment of impairment allowance are periodically appraised by the management.	**Our audit procedures included:** • The Holding Company has availed services of an independent expert for assessment of ECL, whose report has been provided to us.. We verified the criterion/ framework with applicable regulatory requirement along with Company's internal guidelines and procedures in respect of the impairment allowance. • Verified loan assets by applying the standard audit procedures with respect to the credit appraisal, sanctioning, documentation, review and monitoring process of the Holding Company. Also, loan balances were verified basis external confirmation from the borrowers and assessed quality of the borrower based on recovery and other criteria as per the credit policy of the Holding Company. • We have reviewed the underlying assumptions and broad methodology of ECL assessment.

Sr. No.	Key Audit Matter	Auditors' Response
	The most significant areas where we identified greater levels of management judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets out of total assets in the Consolidated Financial Statements, impairment of loan assets has been considered as Key Audit Matter in our audit. [Refer Note No.46.1.2 to 46.1.8 to the Consolidated Financial Statements read with Accounting Policy No.6.5.1 (iii)]	• Components and calculations in the study for impairment allowance carried out by the independent expert have been test checked, discussed with the management and relied upon by us. Also, our audit procedure in this regard is limited since certain parameters of study being considered confidential have not been shared by the aforesaid expert. We considered the credit impairment charge and provision recognized in the books of account and assessed that the related disclosures are given in the consolidated financial statements.
(ii)	**Fair Valuation of Derivative financial instruments** The Holding Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Holding Company's board approved currency risk management policy. Derivative contracts are either categorized at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorized at FVTPL is recognized in Statement of Profit and Loss and that of Hedge Accounting is recognized in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/assumptions/estimate by contracting bank could lead to a material effect on the income statement. (Refer Note No.46.3 & 47 to the Consolidated Financial Statements read with Accounting Policy No.6.4)	**Our audit procedures included:** The Holding Company has availed services of an independent expert for preparation of a model for derivative accounting as per Ind AS 109. Discussed with management to have an understanding of its perception and also reviewed policy of the Holding company for risk management. Evaluated key internal controls over classification of derivative instruments. The Holding Company obtains fair value of derivatives from the counterparty banks as on the reporting date, which are relied upon by us. Our procedure included evaluation of details of various financial derivative contracts outstanding as on 31.03.2024 and fair value thereof. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in Statement of Profit & Loss and other comprehensive income in case of derivatives contracts under cash flow hedge. Based on the aforesaid procedure, we have reviewed accounting of derivatives in the books of account and assessed that the related disclosures are given in the consolidated financial statements.

The following key audit matters with respect to audit opinion on the financial statements of Company's subsidiary REC Limited has been reported by the component auditors vide their report dated 30.04.2024 on and has been reproduced by us as under:

Sr. No.	Key Audit Matter	Auditors' Response
1	**Impairment allowance of Loan Assets –** (Refer Note No. 47.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.11) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance. The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management. Further the management has adopted a methodology which in addition to the model adopted as above is further analyzed on case-to-case basis and wherever impairment impact needs to be changed the same is considered in the financial statements.	**We have applied following audit procedures in this regard** a) Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment including testing of relevant data quality, and review of the real data entered. b) We have obtained the report of the external agency and verified the criterion/framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance. c) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/ performance aspects and assessment of the loan impairment considering management perception on the same. d) Recoveries are verified applying the standard audit procedures to ascertain level of stress. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. e) Assessment of impairment based upon performance of the loan assets is carried out on the basis of relevant evidence on record provided to us. f) We have discussed with the management wherever underlying weakness is observed and management assessment is carried out in detail in such cases.

4. INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report and Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions if required.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other Comprehensive Income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective board of directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

6. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its associates have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management of holding company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. OTHER MATTERS

a. We did not audit the financial statements/ financial information of one subsidiary, whose financial statements/ financial information reflect total assets of ₹5,48,191.09 crore as at 31.03.2024, total revenue ₹47,096.75 crore, total net profit after tax of ₹14,145.46 crore, total comprehensive income of ₹15,189.73 crore for the year ended on that date and net cash inflow of ₹34.21 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors, whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.

b. We did not audit the financial statements/ financial information of three subsidiaries, whose financial statements/ financial information reflect total assets of ₹449.37 crore as at 31.03.2024, total revenue of ₹267.07 crore, total net profit after tax of ₹155.92 crore, total comprehensive income of ₹155.92 crore and net cash outflow of ₹1.93 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net loss of ₹0.18 crore for the year ended 31.03.2024, as considered in the consolidated financial statements, in respect of eleven associates, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these

financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters as per (a) and (b) with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

c. As per past practice, in respect of loan assets and undisbursed letter of comfort, the Parent Company has provided expected credit loss (ECL) as required under Ind AS 109 based on the ECL report submitted by an independent expert appointed by the Company, which inter-alia includes assumptions based on technical parameters/certain aspects.

d. The consolidated financial information of the Company for the year ended 31.03.2023 included in the consolidated financial statements, were audited by the then Joint Statutory Auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their audit report dated 27.05.2023.

Our opinion is not modified in respect of the above matters as per (c) and (d).

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate Financial Statements and the other financial information of subsidiaries, associates as noted in the other matters paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion and to the best our information and explanation given to us, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 05.062015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding company and its subsidiaries, & Associates.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**.

(g) As per Notification No. GSR 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Holding company and its subsidiaries, & Associates.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, - Refer Note No. 52 to the Consolidated Financial Statements;

ii. The group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries and associate companies, incorporated in India.

iv. (a) The Management of the Group has represented (Refer Note No.12.3), that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced

or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Group, has represented (Refer Note No.23.12) that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. As stated in Note No. 29.2 to the Consolidated Financial Statements:

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year declared is in compliance with section 123 of the Companies Act, 2013.

(b) The interim dividend declared and paid during the year and until the date of this report is in compliance with section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software, except that audit trail was not enabled at the database level for accounting software Oracle ERP to log any direct data changes upto 11.03.2024, which has since been enabled with effect from 12.03.2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

In respect of one subsidiary which is company incorporated in India whose financial statements have been audited under the Act, its auditors have reported that subsidiary has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Also, the auditors of the above referred subsidiary did not come across any instance of audit trail feature being tampered with.

In respect of three subsidiaries and eleven associates, which are companies incorporated in India whose financial statements have been certified by the management of the respective companies, the management of the holding company has confirmed that the requirement of audit trail has been implemented in respect of one of the three subsidiaries and eleven associates and in respect of remaining two subsidiaries, since the books of accounts are not maintained in electronic mode, the requirement of audit trail is not applicable for the current year.

As proviso to Rule 3(1) of the Companies (Accounts) Rule 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31.03.2024.

II With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in the Auditor's report, on the basis of examination of the available CARO report of one of the four subsidiaries included in the Consolidated Financial Statements, the auditor has included adverse remarks as per the details given below:

Sr. No.	Name	CIN	Holding Company/ Subsidiary/ Associate	Clause no. of CARO report which is qualified or adverse
1	REC Limited	L40101DL1969GOI005095	Subsidiary	xi

Subsidiary auditors remarks: No fraud by the Company or on the Company has been noticed during the year. However, during the year under audit, the Company has reported one fraud on the Company by a borrower amounting to ₹33.24 Crore to RBI on 26.10.2023. The said fraud was noticed in FY 2018-19, however due to stay on declaration of fraud by Hon'ble Court and subsequently the stay being vacated, the Company has reported the said fraud to RBI.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 24520318BKDFCU9466

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No. 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No. 100770
UDIN: 24100770BKCORW7398

Place: Mumbai
Date: 15.05.2024

Annexure A

to the Independent Auditors' Report on the Audit of the Consolidated Financial Statements

(Referred to in Para I(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Consolidated Financial Statements for the year ended 31.03.2024)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Power Finance Corporation Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31.03.2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, which are companies incorporated in India, as of that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies, and its associate companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

3. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Holding Company, its subsidiaries, its associate companies, which are companies incorporated in India have, in all material respects, an internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31.03.2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

6. OTHER MATTERS

Our aforesaid reports under Sub-section 3 (i) of Section 143 of the Act, on the internal financial controls with reference to Consolidated Financial Statements in so far as applicable one subsidiary is based on the corresponding report of the auditors of such company incorporated in India and in respect of three subsidiaries and eleven associates, we have relied on the explanation provided by the management of the holding company in absence of report on Internal Financial Controls of such entities. In our opinion, the same is not considered material for the Consolidated Financial Statements of the Group and its associates.

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 24520318BKDFCU9466

Place: Mumbai
Date: 15.05.2024

FOR CHOKSHI & CHOKSHI LLP
Chartered Accountants
Firm's Registration No. 101872W/W100045

Sd/-
CA VINEET SAXENA
Partner
Membership No. 100770
UDIN: 24100770BKCORW7398

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(B) Read With Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Power Finance Corporation Limited for the Year Ended 31 March 2024

The preparation of financial statements of Power Finance Corporation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Power Finance Corporation Limited for the year ended 31 March 2024 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Power Finance Corporation Limited, REC Limited and REC Power Development & Consultancy Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associates and Joint ventures listed in Annexure — I for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(S. Ahlladini Panda)
Director General of Audit (Energy)

Place: New Delhi
Dated: 19.07.2024

Annexure - I

List of Subsidiaries, Associate Companies and Jointly Controlled Entities whose financial statements were not audited by the Comptroller and Auditor General of India

Sl. No.	Name of Entity
Subsidiaries	
1	PFC Consulting Limited
2	PFC Projects Limited
3	PFC Infra Finance IFSC Limited
Associates	
1	Sakhigopal Integrated Power Company Limited
2	Ghogarpalli Integrated Power Company Limited
3	Jharkhand Infrapower Limited
4	Odisha Infrapower Limited
5	Orissa Integrated Power Limited
6	Bihar Infrapower Limited
7	Bihar Mega Power Limited
8	Deoghar Infra Limited
9	Deoghar Mega Power Limited.
10	Costal Tamil Nadu Power Limited
11	Cheyyur Infra Limited

Consolidated Balance Sheet

as at March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	8	**339.34**	127.59
(b)	Bank Balance other than Cash and Cash Equivalents	9	**3,049.22**	3,973.43
(c)	Derivative Financial Instruments	10	**16,944.05**	13,785.01
(d)	Trade Receivables	11	**191.87**	171.46
(e)	Loans	12	**9,69,111.15**	8,32,903.36
(f)	Investments (Other than accounted for using equity method)	13A	**10,971.02**	5,972.89
(g)	Other Financial Assets	14	**29,885.31**	29,831.79
	Total Financial Assets (1)		**10,30,491.96**	**8,86,765.53**
2	**Non- Financial Assets**			
(a)	Current Tax Assets (Net)	15	**562.33**	543.08
(b)	Deferred Tax Assets (Net)	16	**6,055.95**	7,340.03
(c)	Property, Plant and Equipment	17	**723.71**	737.66
(d)	Capital Work-in-Progress	17	**28.06**	10.66
(e)	Intangible Assets under development	17	**11.20**	11.20
(f)	Other Intangible Assets	17	**0.54**	1.67
(g)	Right of Use Assets	18	**40.10**	42.97
(h)	Other Non-Financial Assets	19	**934.15**	641.14
(i)	Investments accounted for using equity method	13B	**0.33**	0.51
	Total Non- Financial Assets (2)		**8,356.37**	**9,328.92**
3	Assets Classified as held for sale	20	**29.05**	17.41
	Total Assets (1+2+3)		**10,38,877.38**	**8,96,111.86**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	10	**1,113.43**	1,001.27
(b)	Trade Payables	21		
	(i) Total outstanding dues of Micro, Small and Medium Enterprises		**1.07**	0.69
	(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		**112.65**	63.59
(c)	Debt Securities	22	**5,60,331.04**	4,96,729.38
(d)	Borrowings (other than Debt Securities)	23	**2,88,698.09**	2,38,343.00
(e)	Subordinated Liabilities	24	**12,931.93**	16,085.14
(f)	Other Financial Liabilities	25	**39,944.66**	30,948.33
	Total Financial Liabilities (1)		**9,03,132.87**	**7,83,171.40**

Consolidated Balance Sheet

as at March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
2	**Non- Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	15	**82.82**	133.34
(b)	Provisions	26	**549.43**	438.11
(c)	Other Non-Financial Liabilities	27	**823.72**	387.71
	Total Non- Financial Liabilities (2)		**1,455.97**	**959.16**
3	**Liabilities directly associated with assets classified as held for sale**	20	**-**	0.02
	Total Liabilities (1+2+3)		**9,04,588.84**	**7,84,130.58**
4	**Equity**			
(a)	Equity Share Capital	28	**3,300.10**	2,640.08
(b)	Other Equity	29	**97,846.67**	81,518.41
	Equity attributable to owners of the Company (a+b)		**1,01,146.77**	84,158.49
(c)	Non-Controlling Interest	30	**33,141.77**	27,822.79
	Total Equity (4)		**1,34,288.54**	**1,11,981.28**
	Total Liabilities and Equity (1+2+3+4)		**10,38,877.38**	**8,96,111.86**

The accompanying notes 1 to 64 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

(Manish Kumar Agarwal)
GM & Company Secretary

(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN - 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

CA Meenakshi Bansal
Partner
Membership No. 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
	REVENUE FROM OPERATIONS			
(i)	Interest Income	31	90,085.40	76,495.93
(ii)	Dividend Income	32	68.53	103.00
(iii)	Fees and Commission Income	33	341.35	548.79
(iv)	Other Operating Income	34A	601.44	420.58
I.	**Total Revenue from Operations**		**91,096.72**	**77,568.30**
II.	Other Income	35	78.15	56.89
III.	**Total Income (I+II)**		**91,174.87**	**77,625.19**
	EXPENSES			
(i)	Finance Costs	36	57,962.20	47,016.78
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	37	(46.52)	3,089.27
(iii)	Fees and Commission Expense	38	36.32	28.35
(iv)	Net Loss / (Gain) on Fair Value changes	39	(364.76)	(115.87)
(v)	Impairment on Financial Instruments	40	(1,550.77)	(153.55)
(vi)	Cost of Services Rendered	34B	180.84	73.69
(vii)	Employee Benefit Expenses	41	496.76	438.88
(viii)	Depreciation, Amortisation and Impairment	17/18	53.40	51.80
(ix)	Corporate Social Responsibility Expenses		470.47	430.34
(x)	Other Expenses	42	348.63	269.44
IV.	**Total Expenses**		**57,586.57**	**51,129.13**
V.	Share of Profit / (Loss) in Joint Venture and Associates		(0.18)	0.01
VI.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV+V)**		**33,588.12**	**26,496.07**
VII.	Exceptional Items		-	-
VIII.	**Profit/(Loss) Before Tax (V-VI)**		**33,588.12**	**26,496.07**
	Tax Expense:	43		
	(1) Current Tax			
	- Current Year		6,370.07	5,119.10
	- Earlier Years		(11.74)	(198.44)
	(2) Deferred Tax Expense / (Income)		768.61	396.82
IX.	**Total Tax Expense**		**7,126.94**	**5,317.48**
X.	**Profit/(Loss) for the period from Continuing Operations (VIII-IX)**		**26,461.18**	**21,178.59**
XI.	Profit/(Loss) From Discontinued Operations (After Tax)		-	-
XII.	**Profit/(Loss) for the period (from continuing and discontinued operations) (X+XI)**		**26,461.18**	**21,178.59**
XIII.	**OTHER COMPREHENSIVE INCOME**			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(6.72)	(9.61)
	- Net Gain / (Loss) on Fair Value of Equity Instruments		1,674.16	87.58
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		1.71	2.45
	- Net Gain / (Loss) on Fair Value of Equity Instruments		(194.96)	9.84
	Sub-Total (A)		**1,474.19**	**90.26**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2024	Year ended 31.03.2023
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		(3,478.56)	932.35
	- Cost of Hedging Reserve		4,759.47	(2,563.96)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		875.49	(234.65)
	- Cost of Hedging Reserve		(1,197.86)	645.29
	Sub-Total (B)		**958.54**	**(1,220.97)**
	Other Comprehensive Income (A+B)		**2,432.73**	**(1,130.71)**
XIV.	**Total Comprehensive Income for the period (XII+XIII)**		**28,893.91**	**20,047.88**
	Profit for the period attributable to:			
	- Owners of the Company		19,761.16	15,889.33
	- Non-Controlling Interest		6,700.02	5,289.26
			26,461.18	**21,178.59**
	Other Comprehensive Income for the period			
	- Owners of the Company		1,938.11	(670.78)
	- Non-Controlling Interest		494.62	(459.93)
			2,432.73	**(1,130.71)**
	Total Comprehensive Income for the period			
	- Owners of the Company		21,699.27	15,218.55
	- Non-Controlling Interest		7,194.64	4,829.33
			28,893.91	**20,047.88**
XV.	**BASIC AND DILUTED EARNINGS PER EQUITY SHARE (FACE VALUE ₹ 10/- EACH):**	44		
	(1) For continuing operations (in ₹)		59.88	48.15
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		59.88	48.15

The accompanying notes 1 to 64 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

(Manish Kumar Agarwal)
GM & Company Secretary

(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN - 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

CA Meenakshi Bansal
Partner
Membership No. 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Restated Opening Balance	Changes during the period	Closing Balance
Issued, Subscribed and fully paid up:					
Year ended March 31, 2023	2,640.08	-	2,640.08	-	2,640.08
Year ended March 31, 2024	2,640.08	-	2,640.08	660.02	3,300.10

Refer Note 28 for detail

B. OTHER EQUITY

FY 2023-24

(₹ in crore)

Particulars	Other Reserves										Retained Earnings	Other Comprehensive Income			Attributable to owners of the parent	Non-Controlling Interest		Total
	Capital Reserve - Common Control	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Impairment Reserve	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve		Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve		towards Equity Share Holders	towards Instruments Entirely Equity in Nature	
Balance as at 31.03.2023	**(13,114.50)**	**12,783.26**	**529.39**	**599.85**	**39,658.38**	**-**	**3,606.87**	**(883.61)**	**64.97**	**21,026.85**	**18,236.28**	**2.12**	**808.03**	**(1,799.49)**	**81,518.41**	**27,264.39**	**558.40**	**1,09,341.20**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	19,761.16	-	-	-	19,761.16	6,700.02	-	26,461.18
Re-measurement of Defined Benefit Plans net of taxes	-	-	-	-	-	-	-	-	-	-	(4.66)	-	-	-	(4.66)	(0.35)	-	(5.01)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	-	1,435.87	(1,444.05)	1,950.95	1,942.77	494.97	-	2,437.74
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19,756.50**	**1,435.87**	**(1,444.05)**	**1,950.95**	**21,699.27**	**7,194.64**	**-**	**28,893.91**
Dividends	-	-	-	-	-	-	-	-	-	-	(4,818.16)	-	-	-	(4,818.16)	(1,914.50)	-	(6,732.66)
Transfer to / from Retained Earnings	-	4,349.20	1,077.09	-	4,381.56	89.18	-	-	-	-	(9,897.03)	-	-	-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilisation of reserve against bad debts written off	-	-	(29.25)	-	-	-	-	-	-	29.25	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	(2.97)	-	37.62	-	-	125.41	2.18	-	(36.84)	-	-	-	125.40	54.61	-	180.01
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	190.02	(190.02)	-	-	-	-	-	-
Adjustment related to Bonus issue of REC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Utilised for issue of Bonus Equity Shares	-	-	-	-	-	-	(660.02)	-	-	-	-	-	-	-	(660.02)	-	-	(660.02)
Expenses incurred on issue of Bonus equity shares	-	-	-	-	-	-	(0.78)	-	-	-	-	-	-	-	(0.78)	-	-	(0.78)
Coupon Payment on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	(17.53)	-	-	-	(17.53)	(15.77)	-	(33.30)
Other Adjustments	-	-	-	-	-	-	-	-	-	-	0.08	-	-	-	0.08	-	-	0.08
Balance as at 31.03.2024	**(13,114.50)**	**17,132.46**	**1,574.26**	**599.85**	**44,077.56**	**89.18**	**2,946.07**	**(758.20)**	**67.15**	**21,056.10**	**23,413.33**	**1,247.97**	**(636.02)**	**151.46**	**97,846.67**	**32,583.37**	**558.40**	**1,30,988.44**

FY 2022-23

(₹ in crore)

Particulars	Other Reserves										Retained Earnings	Other Comprehensive Income			Attributable to owners of the parent	Non-Controlling Interest		Total
	Capital Reserve - Common Control	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Impairment Reserve	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve		Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve		towards Equity Share Holders	towards Instruments Entirely Equity in Nature	
Balance as at 31.03.2022	**(13,461.00)**	**9,298.33**	**680.04**	**599.85**	**35,878.11**	**-**	**3,953.74**	**(806.07)**	**64.07**	**20,346.81**	**12,757.10**	**(74.23)**	**302.56**	**(503.16)**	**69,036.16**	**24,040.51**	**558.40**	**93,635.07**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	(0.82)	-	-	-	(0.82)	-	-	(0.82)
Profit for the period	-	-	-	-	-	-	-	-	-	-	15,889.33	-	-	-	15,889.33	5,289.26	-	21,178.59
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	-	(5.04)	-	-	-	(5.04)	(2.12)	-	(7.16)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	(0.00)	125.12	505.47	(1,296.33)	(665.74)	(457.81)	-	(1,123.55)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,883.47**	**125.12**	**505.47**	**(1,296.33)**	**15,217.73**	**4,829.33**	**-**	**20,047.06**
Dividends	-	-	-	-	-	-	-	-	-	-	(2,640.08)	-	-	-	(2,640.08)	(1,477.97)	-	(4,118.05)
Transfer to / from Retained Earnings	-	3,484.93	590.10	-	3,771.43	-	-	-	-	-	(7,846.46)			-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-	-
Utilisation of reserve against bad debts written off	-	-	(680.04)	-	-	-	-	-	-	680.04	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	(60.71)	-	8.84	-	-	(77.54)	0.90	-	50.97	-	-	-	(77.54)	(111.38)	-	(188.92)
Gain on increase in share in EESL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	48.77	(48.77)	-	-	-	-	-	-
Adjustment related to Bonus issue of REC	346.50	-	-	-	-		(346.87)	-	-	-	-	-	-	-	(0.37)	(0.34)		(0.71)
Issue expenses on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	(17.53)	-	-	-	(17.53)	(15.77)	-	(33.30)
Other Adjustments		-	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05	-	-	0.05
Balance as at 31.03.2023	**(13,114.50)**	**12,783.26**	**529.39**	**599.85**	**39,658.38**	**-**	**3,606.87**	**(883.61)**	**64.97**	**21,026.85**	**18,236.28**	**2.12**	**808.03**	**(1,799.49)**	**81,518.41**	**27,264.39**	**558.40**	**1,09,341.20**

The accompanying Notes 1 to 64 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

(Manish Kumar Agarwal)
GM & Company Secretary

(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
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Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

CA Meenakshi Bansal
Partner
Membership No. 520318

CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

Consolidated Statement of Cash Flows

for year ended March 31, 2024

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2024		Year ended 31.03.2023	
I.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before Tax	33,588.12		26,496.07	
	Adjustments for:				
	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	9.19		9.67	
	Loss/ (Gain) on derecognition of Assets held for sale (net)	(1.32)		(4.08)	
	Loss/ (Gain) on Fair value changes (Net)	(362.15)		(114.32)	
	Unrealised Foreign Exchange Translation Loss / (Gain)	(1,057.99)		5,063.45	
	Depreciation and Amortisation	53.39		51.78	
	Impairment on Financial Instruments	(1,550.77)		(153.84)	
	Impairment Allowance on Assets Classified as Held for Sale	(0.09)		0.03	
	Effective Interest Rate in respect of Loan assets and borrowings/ debt securities	(146.08)		(37.98)	
	Interest expense on Zero Coupon Bonds and Commercial Papers	38.99		42.06	
	Other interest expense	3.76		2.44	
	Other interest income	(74.35)		(45.47)	
	Provision for unspent CSR created	116.02		106.34	
	Provision (others) created	62.73		56.68	
	Excess Liabilities written back	(0.09)		(0.15)	
	Share of Profit/Loss of Joint Venture accounted for using equity method	0.18		(0.01)	
	Operating profit before Working Capital Changes:	**30,679.54**		**31,472.67**	
	Increase / Decrease :				
	Loans (Net)	(1,34,053.98)		(1,00,606.60)	
	Other Financial and Non-Financial Assets	(782.56)		1,773.21	
	Derivative	99.46		(1,306.20)	
	Other Financial & Non-Financial Liabilities and Provisions	12,603.03		(951.36)	
	Cash used before Exceptional Items	**(91,454.51)**		**(69,618.28)**	
	Exceptional Items	-		-	
	Cash used in Operations Before Tax	**(91,454.51)**		**(69,618.28)**	
	Income Tax paid	(6,405.87)		(5,256.63)	
	Income Tax Refund	39.97		157.68	
	Net Cash Inflow/(Outflow) from Operating Activities		**(97,820.41)**		**(74,717.23)**
II.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Proceeds from disposal of Property, Plant and Equipment	0.35		0.32	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(323.41)		(122.77)	
	Finance Cost Capitalised	(0.53)		(0.03)	
	Sale / (Purchase) of Other Investments	(3,087.01)		(1,575.70)	
	Sale of Assets held for Sale	1.61		4.60	
	Net Cash Inflow/(Outflow) from Investing Activities		**(3,408.99)**		**(1,693.58)**
III.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Raising of Bonds (including premium) (Net of Redemptions)	60,170.51		41,226.83	
	Raising of Long Term Loans/WCDL/OD/CC/ Line of credit (Net of Repayments)	11,202.19		22,619.60	
	Raising of Foreign Currency Loans (Net of Repayments)	39,333.10		15,856.34	
	Raising of Subordinated Liabilities (Net of Redemptions)	(3,110.00)		-	
	Raising of Commercial paper (Net of Repayments)	(135.64)		-	
	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(44.50)		(44.50)	

Consolidated Statement of Cash Flows

for year ended March 31, 2024

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2024	Year ended 31.03.2023
	Payment of Lease Liability	(2.95)	(2.94)
	Issue Expenses on Bonus Issue of Equity Shares	(0.78)	(0.71)
	Payment of Dividend	(6,150.63)	(4,118.05)
	Net Cash Inflow/(Outflow) from Financing Activities	**1,01,261.30**	**75,536.57**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**31.90**	**(874.24)**
	Add : Cash and Cash Equivalents at beginning of the financial year	40.00	914.24
	Cash and Cash Equivalents at the end of the period	**71.90**	**40.00**
	Details of Cash and Cash Equivalents at the end of the period:		
	Balances with Banks (of the nature of cash and cash equivalents)		
	- In current accounts	89.43	63.17
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	249.89	64.42
	- Cheques, Drafts on hand including postage and Imprest	0.02	-
	- Bank overdraft	(267.44)	(87.59)
	Total Cash and Cash Equivalents at the end of the period	**71.90**	**40.00**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Group has spent an amount of ₹ 352.54 crores (previous year ₹ 331.53 crores) towards Corporate Social Responsibility.

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds / Debenture*	WCDL / Term Loans**	Foreign Currency Loans	Commercial paper	Subordinated Liabilities	Total
	Opening Balance as at 01.04.2022	**3,71,871.72**	**1,27,080.32**	**1,32,100.74**	**-**	**15,862.20**	**6,46,914.98**
	Cash Flow During the Year	41,226.83	22,619.60	15,856.34	-	-	79,702.77
	Non-Cash Changes due to:						
	Adjustments	41.78	87.59	191.64	-	-	321.01
	Variation in Exchange Rates			10,270.04			10,270.04
	Cash Flow During the Year	60,170.51	11,202.19	39,333.10	(135.64)	(3,110.00)	1,07,460.16
	Non-Cash Changes due to:						
	Adjustments	(96.66)	180.88	191.64	135.64	-	411.50
	Variation in Exchange Rates			201.02			201.02
	Closing Balance as at 31.03.2024	**4,73,214.18**	**1,61,170.58**	**1,98,144.52**	**-**	**12,752.20**	**8,45,281.48**

* Foreign Currency Notes form part of Foreign Currency Loans in Statement of Cash Flows.

** Foreign Currency Loans and Foreign Currency Loans- Multilateral/Bilateral Agencies form part of Foreign Currency Loans in Statement of Cash Flows

The accompanying Notes 1 to 64 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

(Manish Kumar Agarwal)
GM & Company Secretary

(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN - 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

CA Meenakshi Bansal
Partner
Membership No. 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

1. GROUP INFORMATION

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986. PFC is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110001 and conferred with 'Maharatna' Status by the Govt. of India.

PFC is a Government Company engaged in extending financial assistance to power, logistics and infrastructure sector and is registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company being a Government owned NBFC-IFC is placed in Middle layer under Master Direction (NBFC-Scale Based Regulation), 2023 issued by RBI.

Equity shares of PFC are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Further, various debt securities of PFC are also listed on the Stock Exchanges.

These Consolidated Financial Statements comprise the financial statements of PFC & its subsidiaries (referred to collectively as the 'Group'), and its associates, as listed at Note 5. The Group is primarily engaged in extending financial assistance to power, logistics and infrastructure sector. Other businesses include providing consultancy services to power sector and facilitation of development of Ultra Mega Power Projects (UMPPs) and Independent Transmission Projects (ITPs) as per mandate from Government of India (GoI).

2. STATEMENT OF COMPLIANCE

These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms / guidelines. The Consolidated Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Consolidated Financial Statements have been approved for issue by Board of Directors (BoD) of PFC on 15.05.2024.

4. STANDARDS/ AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

During the FY 2023-24, the Ministry of Corporate Affairs (MCA) has not notified any new Indian Accounting Standards (Ind AS) or made amendments thereto.

5.

The Consolidated Financial Statements represent consolidation of accounts of the Company, its Subsidiaries, and Associates as detailed below:

Sr. No.	Name of the company	Country of incorporation / Principal place of Business	Proportion of ownership interest as at		Status of Audit of financial statements for the year ended 31.03.2024
			31.03.2024	31.03.2023	
SUBSIDIARIES:					
1	REC Limited (RECL)*	India	**52.63%**	52.63%	Audited
2	PFC Consulting Ltd. (PFCCL)*	India	**100%**	100%	Unaudited
3	PFC Projects Limited	India	**100%**	100%	Unaudited
4	PFC Infra Finance IFSC Limited (refer note 5.1)	India	**100%**	-	Unaudited
ASSOCIATES:					
1	Orissa Integrated Power Limited	India	**100%**	100%	Unaudited
2	Coastal Tamil Nadu Power Limited	India	**100%**	100%	Unaudited
3	Sakhigopal Integrated Power Company Limited	India	**100%**	100%	Unaudited
4	Ghogarpalli Integrated Power Company Limited	India	**100%**	100%	Unaudited
5	Deoghar Mega Power Limited	India	**100%**	100%	Unaudited
6	Cheyyur Infra Limited	India	**100%**	100%	Unaudited
7	Odisha Infrapower Limited	India	**100%**	100%	Unaudited
8	Deoghar Infra Limited	India	**100%**	100%	Unaudited
9	Bihar Infrapower Limited	India	**100%**	100%	Unaudited
10	Bihar Mega Power Limited	India	**100%**	100%	Unaudited
11	Jharkhand Infrapower Limited	India	**100%**	100%	Unaudited

*Consolidated Financial Statements of these subsidiaries (which incorporates financial statements of their subsidiaries, JVs and associates) have been used for preparation of Consolidated Financial Statements of PFC.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

5.1 PFC has received NoC from RBI on 09.01.2024 for setting up wholly owned subsidiary financial company at IFSC Gift City, Gujarat, India. Accordingly, a wholly owned subsidiary namely "PFC Infra Finance IFSC Limited "has been incorporated on 11.02.2024. Equity shares subscribed but not paid has been remitted by PFC to PIFIL on 10.04.2024.

5.2 Wherever unaudited financial statements of subsidiaries, JV & associates are used for preparation of Consolidated Financial Statements, the audited financial statements of those companies are obtained subsequently and necessary adjustment is made in Consolidated Financial Statements of subsequent year and is presented under 'Other adjustments' line item in Statement of changes in equity.

6. GROUP'S MATERIAL ACCOUNTING POLICIES

The Group's material accounting policy information in regard to preparation of the Consolidated Financial Statements are as given below:

6.1 Basis of Preparation and Measurement

These Consolidated Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period. The functional currency of the Company is Indian Rupees.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

6.2 Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as the "Group"). The Group has investment in joint venture entity and associates which are accounted using equity method (except when the investment is classified as held for sale) in these Consolidated Financial Statements.

The financial statements of Subsidiaries, Joint Venture and Associates are drawn up to the same reporting date as of the Company for the purpose of Consolidation.

(i) Subsidiaries:

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the Company obtains the control (except for Business Combinations under Common Control).

The Company combines the financial statements of its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. The carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary are eliminated. Intercompany transactions, balances, unrealised gains on transactions between the Company and subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders. Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except as otherwise stated. When necessary, adjustments are made to the financial statements to bring their accounting policies in line with the Group's material Accounting Policies.

If the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(ii) Joint Venture and Associates:

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of Joint Venture or Associates are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment or a portion thereof, is classified as held for sale, in which case it is measured at lower of their carrying amount and fair value less cost to sell. Under the equity method, an investment in a Joint Venture or Associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the Joint Venture or Associate. Distributions received from a joint venture/ associate reduce the carrying amount of the investment.

Upon loss of joint control over the Joint Venture or significant influence over the Associate, the Company measures and recognises any retained investment at its fair value. Any difference between a) the carrying amount of the Joint Venture or Associate upon loss of joint control or significant influence respectively and b) the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.

6.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Group considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

6.4 Derivative Financial Instruments

(i) The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cashflow hedge or fair value hedge.

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument.
- the effect of credit risk does not dominate the value changes that result from that economic relationship.
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognized in 'Effective Portion of Cash Flow Hedges'. The amounts recognized in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognized in 'Cost of Hedging Reserve'. The amounts recognized in such reserve are amortized to the Consolidated Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognized immediately in Consolidated Statement of Profit and Loss.

(v) Fair Value Hedge

In line with the recognition of change in the fair value of the hedging instruments in the Consolidated Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Consolidated Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exist. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(vi) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vii) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

6.5 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Consolidated Statement of Profit and Loss.

6.5.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a. Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Group while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Consolidated Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain / loss measured using the previous EIR as calculated before the modification, is recognised in the Consolidated Statement of Profit and Loss in period during which such renegotiations occur.

b. Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Consolidated Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Group's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group is primarily in the business of lending loans across power sector value chain and such loans are managed to realize the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Group to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Consolidated Other Comprehensive Income (OCI) and accumulated in Consolidated Reserve. There is no recycling of the amounts from Consolidated OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group transfers the cumulative gain/loss within consolidated equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Group recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Group presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Consolidated Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Consolidated Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Consolidated Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Group measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Group measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Group considers reasonable and supportable information, that is available without undue cost or effort. If the Group measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Group again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Group measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

c) Financial assets are written off by RECL either partially or in their entirety only when it has stopped pursuing the recovery or as directed by the order of the Judicial Authority.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(iv) De-recognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Consolidated Other Comprehensive Income and accumulated in Consolidated Equity, is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

6.5.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial Guarantee

A financial guarantee issued by the Group is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Consolidated Statement of Profit and Loss.

(iii) De-recognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Consolidated Statement of Profit and Loss.

6.5.3 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet when currently there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6.5.4 Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

6.6 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realizable value.

(ii) The expenditure incurred on improvement of leasehold premises is recognised at cost and is shown as "Leasehold Improvements" under PPE.

(iii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received / approved subject to necessary adjustment in the year of final settlement.

(iv) Cost of replacing part of an item of PPE is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Maintenance or servicing costs of PPE are recognized in Consolidated Statement of Profit and Loss as incurred.

(v) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

(vi) Depreciation is recognised so as to write-off the cost of assets less their residual values# as per written down value method*, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except following:

Nature of PPE	Life of PPE
Cell phones	2 years (in case of PFC & PFCCL)
Lease hold improvement(1)	Lease period or their useful lives whichever is shorter (in case of PFCCL)

Residual value is estimated as 5% of the original cost of PPE.

* Depreciation is provided using Straight line method by RECL

(1) Leasehold Improvements are amortised on straight line basis

(vii) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/ up to the date on which the asset is available for use/ disposed.

(viii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

(ix) Capital expenditure directly attributable for Smart metering project are initially shown in 'Capital work-in-progress' (net of contribution from client) and capitalised as PPE when it is ready for use. Depreciation on items of PPE in smart metering project is recognised on pro-rata basis on Straight Line Method over the useful life of assets not exceeding project implementation period of 99 months.

(x) Items of PPE costing up to ₹ 5000/- each are fully depreciated, in the year of purchase.

(xi) The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress'. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the Balance Sheet date are classified under 'Capital Advances.'

6.7 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Group as 5 years. In case of PFCCL, life is estimated as 36 months.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

6.8 Assets/ Disposal Groups held for sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such non-current assets are measured at lower of carrying amount or fair value less cost to sell.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the Consolidated Balance Sheet.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

6.9 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, if it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the Consolidated Financial Statements. However, contingent assets are disclosed in the Consolidated Financial Statements when inflow of economic benefits is probable.

6.10 Recognition of Income and Expenditure

(i) Interest income on financial assets subsequently measured at amortized cost, is recognized using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Unless otherwise specified, the recoveries from the borrowers of RECL are appropriated in the order of (i) costs and expenses of RECL (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

(iii) Interest on financial assets subsequently measured at fair value through profit and loss (FVTPL), is recognized on accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head 'Interest Income'.

(iv) Rebate on account of timely payment of dues by borrowers is recognized on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(v) The Group uses the principles laid down by Ind AS 115 to determine that how much and when revenue is recognized, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:

a. Identify the contract(s) with customer;

b. Identify separate performance obligations in the contract;

c. Determine the transaction price;

d. Allocate the transaction price to the performance obligations; and

e. Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts - Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation

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to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(vi) Revenue from consulting services, in connection with development of Independent Transmission Projects (ITP) and Ultra Mega Power Projects (UMPP) taken up as per the directions from the Ministry of Power, Government of India, is recognized on completed contract method basis i.e. when the ITP /UMPP created for the project is transferred to a successful bidder evidenced by share purchase agreement. The expenses incurred on development of these projects which are not recovered as direct costs are recovered through billing manpower charges at agreed charge out rates decided by the management.

(vii) Income from Smart Metering services of PFCCL are recognised when bills for meter rent is raised to the clients and right to receive such income is established. Income from project development management agency charges (PDMA) during project implementation period is recognized over the period of contract.

(viii) The sale proceeds from Request for qualification (Rfq) documents for Independent Transmission Projects (ITPs) and Ultra Mega Power Project (UMPPs) are accounted for when received.

(ix) Income from short /medium term bidding of power and Coal Flexibility Scheme is recognised when letter of award (LOA) is issued to the successful bidder.

(x) Dividend income from investments including those measured at FVTPL, is recognized in Consolidated Statement of Profit and Loss under the head 'Dividend Income' when the Group's right to receive dividend is established and the amount of dividend can be measured reliably.

(xi) Interest expense on financial liabilities subsequently measured at amortized cost is recognized using Effective Interest Rate (EIR) method.

(xii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(xiii) A Prepaid expense up to ₹ 1,00,000/- is recognized as expense upon initial recognition in the Consolidated Statement of Profit and Loss.

6.11 Expenditure on issue of Shares

Expenditure on issue of shares is charged to the securities premium account.

6.12 Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use, are capitalized. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

6.13 Employee Benefits

In respect of PFC

Defined Contribution Plan

Company's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Consolidated Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

Defined Benefit Plan

Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain / loss on re-measurement of gratuity and other post-employment defined benefit plans is recognized in Other Comprehensive Income (OCI). Past service cost is recognized in the Consolidated Statement of Profit and Loss in the period of a plan amendment.

In respect of the Group:

Other long term employee benefits

The Group's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognized in the Consolidated Statement of Profit and Loss.

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Short term employee benefits

Short term employee benefits such as salaries and wages are recognised in the Consolidated Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognized at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

In respect of RECL

(i) Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions in respect of the employees into a separate fund. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Company towards defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

(ii) Defined benefit plan

The Company has an obligation towards gratuity, Post Retirement Medical Facility (PRMF), Provident Fund (PF) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The Company's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

6.14 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss, except when it relates to an item that is recognised in Consolidated Other Comprehensive Income (OCI) or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets / liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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6.15 Leases

For recognition, measurement and presentation of lease contracts, the Group applies the principles of Ind AS 116 'Leases'.

(i) The Group as a lessee

The Group at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (a) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Group has the right to direct the use of the identified asset.

The Group at inception of a lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Consolidated Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Group in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of lease at the reporting date.

6.16 Foreign Currency Transactions and Translations

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the consolidated financial statements before April 1 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term monetary item.

6.17 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before

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and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize material accounting policies.
- The financial information in the Consolidated Financial Statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the Consolidated Financial Statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

6.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

6.19 Dividends and Other Payments to holders of Instruments classified as Equity

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the respective company in the Group.

Liability for the payments to the holders of instruments classified as equity are recognized in the period when such payments are authorized for payment by the respective company in the Group.

6.20 Earnings per Share

Basic earnings per equity share are calculated by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

7. USE OF ESTIMATES AND MANAGEMENT JUDGEMENT

In preparation of the Consolidated Financial Statements, the Management is required to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognized prospectively in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if it affects both current and future periods.

7.1 Significant Management Judgements

In order to enhance understanding of the Consolidated Financial Statements, information about significant areas of critical judgments, apart from those involving estimation (Note no. 7.2), in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements, are as under:

(i) Deferred Tax Liability on Special Reserve

The Company and its subsidiary RECL have obtained resolution from their respective Board of Directors that there is no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income Tax Act, 1961 and the same cannot be withdrawn. Accordingly, no deferred tax liability has been created on the said reserve.

(ii) Non recognition of income on Credit Impaired Loan Assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis either on resolutions of stressed assets

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or when expected realization is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on Credit Impaired Loans Assets

Outstanding amount of unamortised transaction cost is credited to Consolidated Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) Energy Efficiency Services Limited (EESL) was incorporated in 2009 as a Joint Venture (JV) of NTPC Ltd., Power Grid Corporation of India Ltd. (PGCIL), RECL and PFC. During the financial year 2022-23, 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 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.

The Company along with its subsidiary RECL is holding 21.49 % stake in equity share capital of Energy Efficiency Services Limited (EESL). However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 28 'Investment in Associates and Joint Ventures', the Company does not have any significant influence, accordingly EESL has not been considered as an associate company for the purpose of consolidation of financial statements.

b) Ultra-Mega Power Projects (UMPPs), RECL's transmission projects (SPV) and PFCCL's ITPs are managed as per the mandate from Government of India (GoI) and the Group does not have the practical ability to direct their relevant activities unilaterally. The Group therefore, considers its investment in respective UMPPs, ITPs and SPVs as associates having significant influence despite the respective Companies holding 100% of their paid- up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as associates.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Group has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities- Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL) / debt / equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Consolidated Statement of Profit and Loss on repayment of FITL or sale / redemption of debt / equity instruments.

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the Assets. The Group makes significant judgement in identifying the default, and significant increase in credit risk (SICR) as well as grouping of similar financial assets based on available information.

(viii) Deferred tax liability / deferred tax asset in respect of undistributed profits/losses of subsidiaries, branches, investments in associates and joint ventures

Judgement is required in accounting for deferred tax liability / deferred tax asset in respect of Group's investments in respect of undistributed profits/ losses of subsidiaries, investments in associates and joint ventures. In respect of undistributed profits/losses of subsidiaries, investments in joint ventures, the Company is able to control the timing

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of the reversal of the temporary differences and the temporary differences will not be reversed in the foreseeable future. Accordingly, the Group does not recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures.

7.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined benefit obligation (DBO)

The Group's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses as detailed at Note –50.

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g., inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/ collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 46.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Group applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/ liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details are disclosed at Note 48.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 43 and 16 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Group reviews its estimate of the useful lives of depreciable/amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 17 for details on useful lives and carrying values of PPE and Intangible assets.

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8. CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	Balances with Banks (of the nature of cash and cash equivalents)		
	- In Current Accounts	89.43	63.17
	- In Bank Deposit (Callable) /Demand Deposits (original maturity up to 3 months)	249.89	64.42
	- Cheques, Drafts on hand including Postage & Imprest	0.02	0.00
	Total Cash and Cash Equivalents	**339.34**	**127.59**

9. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Earmarked Balances and Term Deposits with Banks for:		
	- Bank Deposit (Callable) /Demand Deposits- HQLA	-	1,473.26
	- Unpaid Dividend	1,198.20	12.42
	- Unpaid - Bonds / Interest on Bonds etc.	72.78	72.70
	- Amount received under GoI scheme	69.55	172.41
	- Term Deposits- For redemption of debentures	0.00	196.35
(ii)	Deposits- in compliance of Court	0.67	0.62
(iii)	Balance with Bank not available for use pending allotment of securities	1245.41	1,720.36
(iv)	Bank Deposit (Callable) /Demand Deposits- More than 3 months but less than 12 months	149.42	30.56
(v)	Bank Deposit (Callable) /Demand Deposits	191.40	252.16
(vi)	Current Accounts with Banks - Unspent CSR Purposes	121.79	42.59
	Total Bank Balance other than Cash and Cash Equivalents	**3,049.22**	**3,973.43**

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Company and its Subsidiary REC Ltd., enters into derivatives for hedging Currency and Interest Rate risk. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(I)	**CURRENCY DERIVATIVES:**						
	- Spot and Forwards	-	-	-	1,014.18	20.40	21.06
	- Currency Swaps	14,345.76	362.21	166.60	7,605.06	507.62	58.13
	- Options	1,86,505.71	14,986.70	632.54	1,30,438.82	12,107.19	91.15
	Total Currency Derivatives	**2,00,851.47**	**15,348.91**	**799.14**	**1,39,058.06**	**12,635.21**	**170.34**
(II)	**INTEREST RATE DERIVATIVES**						
	- Forward Rate Agreements and Interest Rate Swaps	87,783.82	1,595.14	314.29	56,827.39	1,149.80	300.82
	Total Interest Rate Derivatives	**87,783.82**	**1,595.14**	**314.29**	**56,827.39**	**1,149.80**	**300.82**
(III)	**OTHER DERIVATIVES**						
	- Reverse cross currency swaps	-	-	-	4,947.00	-	530.11
	Total Other Derivatives	**-**	**-**	**-**	**4,947.00**	**-**	**530.11**
	Total Derivative Financial Instruments [(i) + (ii) + (iii)]	**2,88,635.29**	**16,944.05**	**1,113.43**	**2,00,832.45**	**13,785.01**	**1,001.27**

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Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(I)	**FAIR VALUE HEDGING (DESIGNATED)**						
	- Interest Rate Derivatives	-	-	-	-	-	-
	- Forward Rate Agreements and Interest Rate Swaps	15,950.70	-	297.73	15,950.70	10.32	289.34
	Total Fair Value Hedging (Designated)	**15,950.70**	**-**	**297.73**	**15,950.70**	**10.32**	**289.34**
(II)	**CASH FLOW HEDGING (DESIGNATED):**						
	- Currency Derivatives	2,00,851.47	15,348.91	799.14	1,33,405.31	12,212.17	89.02
	- Interest Rate Derivatives	61,983.52	1,102.05	16.56	31,027.09	701.80	11.48
	Total Cash Flow Hedging (Designated)	**2,62,834.99**	**16,450.96**	**815.70**	**1,64,432.40**	**12,913.97**	**100.50**
(III)	**UNDESIGNATED DERIVATIVES**	9,849.60	493.09	-	20,449.35	860.72	611.43
	Total Undesignated Derivatives	**9,849.60**	**493.09**	**-**	**20,449.35**	**860.72**	**611.43**
	Total Derivative Financial Instruments [(i) + (ii) + (iii)]	**2,88,635.29**	**16,944.05**	**1,113.43**	**2,00,832.45**	**13,785.01**	**1,001.27**

10.1 Details of Forward Rate Agreements / Interest Rate Swaps:

(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
(i)	Notional principal of swap agreements	87,783.82	56,827.39
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,595.14	1,149.80
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	Refer note[a] below	
(v)	Fair value of swap book (obtained from counterparty banks)	1,280.85	848.98

[a] The Group has entered into swap agreements with Category-I Authorized Dealer Banks only, in accordance with the RBI guidelines.

10.2 The Group does not hold any exchange traded Interest Rate (IR) derivatives as at 31.03.2024 (as at 31.03.2023 Nil).

10.3 Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars Currency Derivatives	As at 31.03.2024			As at 31.03.2023		
		Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps)[a]	Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps)[a]
(i)	Derivatives (Notional Principal Amount)						
	For hedging	2,00,851.47	87,783.82[b]	-	139,058.06	56,827.39[b]	4,947.00
(ii)	Marked to Market Positions (MTM)						
	a) Asset (+MTM)	15,348.91	1,595.14	-	12,635.21	1,149.80	-
	b) Liability (-MTM)	799.14	314.29	-	170.34	300.82	530.11
(iii)	Credit Exposure	19,125.38	1,319.04	-	14,561.03	1,134.87	692.05
(iv)	Unhedged foreign currency Exposures	9,763.27	13,158.21	-	32,142.27	8,758.90	-

[a] as a strategy of cost reduction

[b] Interest rate derivatives include derivatives on Rupee liabilities and also those held as strategy of cost reduction

10.5 Refer Note 46.3 and 46.4 for Foreign Currency Risk Management and Interest Rate Risk Management respectively and Note 47 for disclosures related to hedge accounting.

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for the year ended March 31, 2024

11. TRADE RECEIVABLES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	Trade Receivables		
(i)	- considered good - Secured (Gross)	-	-
(ii)	- considered good - Unsecured (Gross)	147.79	185.98
(iii)	less: Impairment loss allowance	(8.83)	(25.67)
(iv)	- which have Significant Increase in Credit Risk (Gross)	58.90	37.62
(v)	less: Impairment loss allowance	(16.58)	(28.07)
(vi)	- credit Impaired (Gross)	58.55	67.62
(vii)	less: Impairment loss allowance on Credit Impaired	(47.96)	(66.02)
	Total Trade Receivables	**191.87**	**171.46**

11.1 For details of impairment loss allowance on Trade Receivables Refer Note 46.1.13

11.2 Trade Receivables ageing schedule

(₹ in Crore)

Particulars	As at 31st March 2024					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	99.30	35.02	-	0.45	13.02	147.79
- which have significant increase in credit risk	-	-	50.10	8.80	-	58.90
- credit impaired	-	-	10.78	0.12	47.65	58.55
Sub- total (i)	**99.30**	**35.02**	**60.88**	**9.37**	**60.67**	**265.24**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**99.30**	**35.02**	**60.88**	**9.37**	**60.67**	**265.24**

(₹ in Crore)

Particulars	As at 31st March 2023					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	135.53	36.98	0.45	3.09	9.93	185.98
- which have significant increase in credit risk	-	-	21.32	16.30	-	37.62
- credit impaired	-	-	2.42	0.58	64.62	67.62
Sub- total (i)	**135.53**	**36.98**	**24.19**	**19.97**	**74.55**	**291.22**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**135.53**	**36.98**	**24.19**	**19.97**	**74.55**	**291.22**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

12. LOANS

The Company and its Subsidiary REC Ltd., have categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Loans to Borrowers***		
(i)	Term Loans	9,05,954.13	8,07,254.68
(ii)	Buyer's Line of Credit	1,896.63	2,086.95
(iii)	Working Capital Loans	82,436.29	47,621.75
(iv)	Others- Deferred Payment Guarantee	536.62	536.62
(v)	**Principal Outstanding (i to iv)**	**9,90,823.67**	**8,57,500.00**
(vi)	Interest accrued but not due on Loans	6,471.87	5,513.99
(vii)	Interest accrued & due on Loans	513.77	478.37
(viii)	Unamortised Fee on Loans	(495.01)	(300.58)
	Gross Carrying Amount (v to viii)	**9,97,314.30**	**8,63,191.78**
	Less: Impairment loss allowance	(28,203.15)	(30,288.42)
	Net Carrying Amount	**9,69,111.15**	**8,32,903.36**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	4,58,392.93	4,38,196.92
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	4,13,621.15	3,41,748.33
(iv)	Unsecured	1,25,300.22	83,246.53
	Gross Security-wise classification	9,97,314.30	8,63,191.78
	Less: Impairment loss allowance	**(28,203.15)**	**(30,288.42)**
	Net Security-wise classification	**9,69,111.15**	**8,32,903.36**
(C) I	**Loans in India**		
(i)	Public Sector	8,50,373.97	7,48,503.38
(ii)	Private Sector	1,46,940.33	1,14,688.40
	Gross Carrying Amount of Loans in India	**9,97,314.30**	**8,63,191.78**
	Less: Impairment loss allowance	(28,203.15)	(30,288.42)
	Net Carrying Amount of Loans in India	**9,69,111.15**	**8,32,903.36**
(C) II	**Loans Outside India**		
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**9,69,111.15**	**8,32,903.36**

* For details of Loans pledged as security refer Note 22.10 to 22.20 and 23.11.

12.1 Balance Confirmation from Borrowers

During the year, PFC has sent letters to borrowers, seeking confirmation of balances as at 31.03.2024 except where loans have been recalled or pending before court/NCLT. Confirmations for 100 % of the said balances have been received.

In respect of RECL, loan balance confirmations for 94% of total loan assets as at 31.03.2024 have been received from the borrowers. Out of the remaining 6% loan assets amounting to ₹ 32,645.64 crore for which balance confirmations have not been received, 47% loans are secured by way of hypothecation of assets, 34 % by way of Government Guarantee/ Loans to Government and 19 % are unsecured loans.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

12.2 The details of resolution plans implemented during the year by PFC and subsidiary RECL:

(₹ in crore)

S. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off including impairment on investments	Instruments received by the group under resolution plan*
FY 2023-24						
1	Mytrah Vayu Tungbhadra Private Limited	Restructuring with change in ownership outside NCLT	**650.51**	**422.68**	**29.25**	Sustainable loan amounting to ₹ 581.80 crore is continuing in the books of the Company as at 31.03.2024. Further, Optionally Convertible Debentures (OCDs) of the borrower company were received.
2	Dans Energy Private Limited	Restructuring without change in ownership outside NCLT	**779.87**	**167.99**	-	Sustainable debt amounting to ₹ 879.91 crore is continuing in the books of the Company as at 31.03.2024. Further, Optionally Convertible Debentures (OCDs) of the borrower company were received.
3	Meenakshi Energy Private Limited	Resolution Plan Approved under IBC proceeding	**710.84**	**488.42**	**499.61**	Loan stands settled as on 31.03.2024
4	Classic Global Limited	One Time Settlement	**2.91**	**2.91**	**0.41**	Loan stands settled as on 31.03.2024
	Total		**2,144.13**	**1082.00**	**529.27**	
FY 2022-23						
1	Suzlon Energy Ltd	One Time Settlement	239.04	1.07	56.66	Entire Loan Principal is realized. Loan stands settled as at 31.03.2023. Further, Optionally convertible debentures (OCDs) and Compulsorily convertible preference shares (CCPS) held were converted into equity shares of the borrower Company & of the borrower's group Company respectively.
2	South-East UP Power Transmission Company Limited	Resolution with change in ownership through NCLT	3,185.00	1,592.47	-	Besides realization of full loan principal, interest/delayed interest income of ₹ 431.68 crore has been received. Loan stands settled as at 31.03.2023
3	Jhabua Power Limited	Resolution with change in ownership through NCLT	1,085.37	666.22	10.41	Resolution proceeds / Non-convertible Debentures / Equity Shares of the borrower Company received resulting in realization of full loan principal and Interest/delayed interest income of ₹ 4.13 crore. Loan stands settled as at 31.03.2023.
4	Ind Barath Energy Utkal Ltd (IBUEL)	Resolution with change in ownership through NCLT	2,144.91	1,722.57	1,437.41	Resolution proceeds and Equity Shares of the borrower Company received/allotted under resolution. Loan stands settled as at 31.03.2023.
5	ATN International Limited	One Time Settlement	9.45	3.45	3.45	Total recoveries of ₹ 6.00 crores appropriated, of which ₹ 4.15 crores to be received in FY 2023-24.
6	Silicon Valley Infotech Limited	One Time Settlement	2.91	1.06	1.06	Total recoveries of ₹ 1.85 crores appropriated, of which ₹ 1.35 crores to be received in FY 2023-24.
	Total		**6,666.68**	**3,986.84**	**1,508.99**	

* For more details of instruments received under resolution plan refer Note 13A

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

12.3 The Companies in the Group has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

12.4 For details of credit risk exposure and management by the Group refer Note 46.1.

13A. INVESTMENTS (OTHER THAN ACCOUNTED FOR USING EQUITY METHOD)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	3,522.69	-	-	-	-	3,522.69
(ii)	Debt securities	2,587.98	-	1,111.80	1,111.80	-	3,699.78
(iii)	Equity Instruments	-	3,463.91	270.35	3,734.26	-	3,734.26
(iv)	Preference Shares	115.96	-	-	-	-	115.96
	Total Investments (Other than accounted for using equity method)	**6,226.63**	**3,463.91**	**1,382.15**	**4,846.06**	**-**	**11,072.69**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	6,226.63	3,463.91	1,382.15	4,846.06	-	11,072.69
	Gross Geography wise investment	**6,226.63**	**3,463.91**	**1,382.15**	**4,846.06**	**-**	**11,072.69**
	Less: Impairment loss allowance	(101.67)	-	-	-	-	(101.67)
	Net Geography wise investment	**6,124.96**	**3,463.91**	**1,382.15**	**4,846.06**	**-**	**10,971.02**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	1,957.99	-	-	-	-	1,957.99
(ii)	Debt securities	1,189.14	-	612.34	612.34	-	1,801.48
(iii)	Equity Instruments	-	2,103.92	96.67	2,200.59	-	2,200.59
(iv)	Preference Shares	114.50	-	-	-	-	114.50
	Total	**3,261.63**	**2,103.92**	**709.01**	**2,812.93**	**-**	**6,074.56**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	3,261.63	2,103.92	709.01	2,812.93	-	6,074.56
	Gross Geography wise investment	**3,261.63**	**2,103.92**	**709.01**	**2,812.93**	**-**	**6,074.56**
	Less: Impairment loss allowance	(101.67)	-	-	-		(101.67)
	Net Geography wise investment	**3,159.96**	**2,103.92**	**709.01**	**2,812.93**	**-**	**5,972.89**

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

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Details of Investments

(₹ in crore)

Sr. No.	Particulars	Measured at	As at 31.03.2024			As at 31.03.2023		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities**	Amortised Cost	33,81,35,700	100	3,522.69	18,79,32,800	100	1,957.99
(ii)	**Debt securities**							
	- Bonds from State Power Corporation- Quoted	Amortised Cost	63,477	10,00,000	1,408.82	3,21,940	1,000 to 10,00,000	961.24
	Debentures - Unquoted							
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	FVTPL	21,35,86,239	10	114.64	23,32,01,910	10	122.49
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	FVTPL	9,17,35,945	10	49.22	10,01,29,332	10	52.59
	- Essar Power Transmission Company Ltd. - Series C - OCD	FVTPL	2,55,14,666	10	0.00	2,55,14,666	10	0.00
	- RKM Powergen Pvt. Ltd. - Series A - OCD	FVTPL	63,31,99,420	100	0.00	63,31,99,420	100	0.00
	- RKM Powergen Pvt. Ltd. - Series B - OCD	FVTPL	1,97,74,516	100	0.00	1,97,74,516	100	0.00
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	FVTPL	3,37,46,560	100	0.00	3,37,46,560	100	0.00
	- Mytrah Vayu Tungbhadra Pvt Ltd- Series A- OCD	FVTPL	29,25,000	100	0.00	-	-	-
	- Mytrah Vayu Tungbhadra Pvt Ltd- Series B- OCD	FVTPL	1,86,24,000	100	0.00	-	-	-
	- DANS Energy Pvt. Ltd- OCD	FVTPL	23,71,17,000	100	0.00	-	-	-
	- 7.99% Perpetual bonds of Canara Bank	FVTPL	200	1,00,00,000	208.49	200	1,00,00,000	208.47
	- 9.50% Perpetual Bonds of UCO Bank	FVTPL	228	1,00,00,000	228.80	228	1,00,00,000	228.79
	- 8.55% Perpetual Bonds of PNB	FVTPL	500	1,00,00,000	510.65	-	-	-
	- Jhabua Power Limited - NCD	Amortised Cost	1,56,58,031	100	156.58	1,74,14,830	100	171.50
	- 0% Non- Convertible Debentures (NCDs) of Meenakshi Energy Limited- Unquoted	Amortised Cost	2,50,95,356	100	169.01	-	-	-
	- Non Convertible Debentures (NCDs) of Ferro Alloys Corporation Limited	Amortised Cost	-	-	-	2,55,19,173	1,00,000	56.40
	- 10% NCD - GMR Goa International Airport Ltd (GGIAL)- Quoted	Amortised Cost	49,488	1,00,000	493.20	-	-	-
	- 7.39% Tax Free 15 years Secured Redeemable Non Convertible Bonds of HUDCO	Amortised Cost	86,798	1,000	8.82	-	-	-
	- 7.35% Tax Free 15 years Secured Redeemable Non Convertible Bonds of NHAI	Amortised Cost	42,855	1,000	4.60	-	-	-
	- 7.39% Tax Free 15 years Secured Redeemable Non Convertible Bonds of NHAI	Amortised Cost	35,463	1,000	3.68	-	-	-
	- 7.49% Tax Free 15 years Secured Redeemable Non Convertible Bonds of IREDA	Amortised Cost	61,308	1,000	6.21	-	-	-
	- 7.35% Tax Free 15 years Secured Redeemable Non Convertible Bonds of IRFC	Amortised Cost	22,338	1,000	2.31	-	-	-
	- 7.35% Tax Free 15 years Secured Redeemable Non Convertible Bonds of NABARD	Amortised Cost	14,028	1,000	1.40	-	-	-
	- 8.76% Tax Free 20 years Secured Redeemable Bonds of HUDCO	Amortised Cost	50,000	1,000	5.09	-	-	-
	- 8% Bonds of Mahanagar Telephone Nigam Limited (MTNL) 2032	Amortised Cost	1,000	10,00,000	102.98	-	-	-

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for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	Measured at	As at 31.03.2024			As at 31.03.2023		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
	- 7.05% Bonds of Mahanagar Telephone Nigam Limited	Amortised Cost	850	10,00,000	88.09	-	-	-
	- 6.65% Bonds of Food Corporation of India	Amortised Cost	200	10,00,000	20.61	-	-	-
	- 7.19% Bonds of THDC India Limited	Amortised Cost	250	10,00,000	26.30	-	-	-
	- 8.69% Bonds of Damodar Valley Corporation	Amortised Cost	200	10,00,000	21.06	-	-	-
	- 7.30% Bonds of Power Grid Corporation of India Limited	Amortised Cost	200	10,00,000	21.98	-	-	-
	- 5.78% Bonds of Chennai Petroleum Corporation Limited	Amortised Cost	150	10,00,000	15.62	-	-	-
	- 6.11% Bonds of Bharat Petroleum Corporation Limited	Amortised Cost	100	10,00,000	10.47	-	-	-
	- 7.30% Bonds of NMDC Steel Limited	Amortised Cost	200	10,00,000	21.15	-	-	-
(iii)	**Equity Instruments**							
	- PTC India Limited - Quoted	Designated - FVTOCI	1,20,00,000	10	223.14	1,20,00,000	10	102.06
	- Coal India Limited - Quoted	Designated - FVTOCI	1,39,64,530	10	606.20	1,39,64,530	10	298.35
	- NHPC Limited - Quoted	Designated - FVTOCI	12,81,48,747	10	1,149.49	17,16,75,750	10	690.13
	- Power Exchange India Limited - Unquoted	Designated - FVTOCI	32,20,000	10	4.78	32,20,000	10	3.59
	- Suzlon Energy Limited - Quoted	Designated - FVTOCI	13,31,04,997	2	537.74	13,31,04,997	2	105.15
	- Energy Efficiency Services Limited - Unquoted	Designated - FVTOCI	46,36,00,000	10	317.56	46,36,00,000	10	298.51
	- Jhabua Power Limited - Unquoted*	Designated - FVTOCI	9,69,30,666	10	617.76	9,69,30,666	10	602.82
	- Ind Barath Energy Utkal Limited - Unquoted	Designated - FVTOCI	366	10	7.24	366	10	1.81
	- Housing & Urban Development Corporation Ltd.-quoted	Designated - FVTOCI	-	10	-	3,47,429	10	1.50
	- Universal Commodity Exchange Ltd.- Unquoted	Designated - FVTOCI	1,60,00,000	10	-	1,60,00,000	10	-
	- RattanIndia Power Limited - Quoted	FVTPL	32,76,95,820	10	270.35	32,76,95,820	10	96.67
	- RKM PowerGen Pvt. Ltd - Unquoted	FVTPL	58,57,06,587	10	0.00	58,57,06,587	10	-
(iv)	**Preference Shares - Unquoted**							
	- Adani Power Limited - RPS **	Amortised Cost	59,82,371	100	14.29	59,82,371	100	12.83
	- RattanIndia Power Limited - RPS	Amortised Cost	10,16,70,764	10	101.67	10,16,70,764	10	101.67
	- RattanIndia Power Limited - OCCRPS	FVTPL	15,32,97,013	10	-	15,32,97,013	10	-
	Total Investments				**11,072.69**			**6,074.56**
	Less: Impairment Loss Allowance				(101.67)			(101.67)
	Net Investments				**10,971.02**			**5,972.89**

RPS - Redeemable Preference Shares, OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares, CCPS - Compulsorily Convertible Preference Shares, OCD - Optionally Convertible Debenture, NCD - Non-Convertible Debentures

* Equity shares held by the lender's trustee on behalf of Companies in the Group

** Formerly Raipur Energen Ltd (REL), a wholly owned subsidiary, merged with its Holding Company i.e. Adani Power Limited.

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13B. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	JOINT VENTURE		
(i)	**Associates (Refer note 13.2)**		
	- Ultramega Power Projects / Independent Transmission Projects* [5,50,000 equity shares of ₹ 10 each; previous year 5,60,000 equity shares of ₹ 10 each]	0.33	0.51
	Sub Total	**0.33**	**0.51**
	Less: Impairment loss allowance	-	-
	Total Investments accounted for using equity method	**0.33**	**0.51**

* During the year, Bijawar-Vidharbha Transmission Ltd an associate company of PFCCL has been striked off by MCA on 13.01.2024.

13.1 Movement of impairment loss allowance on investments

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Opening Balance	101.67	101.67
Add: Impairment loss allowance recognised during the year	-	-
Less: Reversal of excess impairment loss allowance during the year	-	-
Closing Balance	**101.67**	**101.67**

13.2 Carrying Value of Investment in Associates accounted for using equity method:

These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) (Sr. no.(i)-(xi) below) with the intention to hand over the same to successful bidders on completion of the bidding process and Special Purpose Vehicle in respect of Independent Transmission Project (ITPs) (Sr. no.(xii) below) incorporated by PFCCL, being the bid process coordinator for transmission schemes.

(₹ in crore)

Sr. No.	Name of investee company	As at 31.03.2024	As at 31.03.2023
(i)	Orissa Integrated Power Limited	-	-
(ii)	Coastal Tamil Nadu Power Limited	0.08	0.08
(iii)	Sakhigopal Integrated Power Company Limited	0.05	0.05
(iv)	Ghogarpalli Integrated Power Company Limited	0.05	0.05
(v)	Deoghar Mega Power Limited	0.05	0.05
(vi)	Cheyyur Infra Limited	-	0.05
(vii)	Odisha Infrapower Limited	-	0.04
(viii)	Deoghar Infra Limited	-	0.05
(ix)	Bihar Infrapower Limited	-	0.05
(x)	Bihar Mega Power Limited	0.05	0.05
(xi)	Jharkhand Infrapower Limited	0.05	0.04
(xii)	Bijawar-Vidarbha Transmission Limited[(1)]	-	-
	Total Carrying Value	**0.33**	**0.51**

[(1)] Associates struck off during the year by the Registrar of Companies

13.3 At initial recognition, companies in the Group made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Group's main operation is to extend financial assistance to power, logistics and infrastructure sector. Thus, in order to insulate the Consolidated Statement of Profit and Loss from price fluctuations of these instruments, the Management of the respective companies believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

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Details of FVTOCI instruments derecognised during the year:

(₹ in crore)

Details of investment	No. of shares/units derecognised	Fair Value as on date of de-recognition	Cumulative gain/ (loss) on de-recognition
FY 2023-24[1]			
NHPC Limited	4,35,27,003	307.70	212.90
HUDCO Limited	3,47,429	6.45	4.37
Total			**217.27**
FY 2022-23			
NHPC Limited[1]	3,34,54,417	123.70	50.83
Total			**50.83**

[1] These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain has been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

Subsequent to de-recognition of such investments, the Group has transferred the cumulative gain/(loss) on such shares within Equity (from Reserve for Equity instruments through OCI to Retained Earnings) during the year. Refer Consolidated Statement of Changes in Equity for further details.

13.4 Refer Note 48 for details of fair valuation of investments.

14. OTHER FINANCIAL ASSETS

The Group has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Recoverable on account of Government of India Serviced Bonds	**29,358.12**	29,356.50
(ii)	Security Deposits	**5.89**	5.42
(iii)	Advances to Associates	**216.37**	197.46
(iv)	Advances to Employees	**2.10**	1.52
(v)	Loans to Employees	**195.12**	166.42
(v)	Others	**196.96**	217.25
	Less: Impairment loss allowance on Others	**(89.25)**	(112.78)
	Total Other Financial Assets	**29,885.31**	**29,831.79**

14.1 Detail of Loans & Advances to KMPs (Included in Note 14 (iv) & (v) above):

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Loans & Advances to KMPs (including interest accrued)	**1.56**	0.53
(ii)	Loans & Advances to KMPs (including interest accrued) as a % of Employee Loans & Advances	**0.79%**	0.32%

14.2 Movement of Impairment on Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(i)	Opening balance	**112.78**	115.16
(ii)	Add : Creation during the year	**13.48**	16.04
(iii)	Less : Reversal during year	**(37.01)**	(18.42)
	Closing balance	**89.25**	**112.78**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

15. CURRENT TAX ASSETS / LIABILITIES (NET)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Advance income tax and TDS net of Provision	462.66	461.37
(ii)	Tax Deposited on income tax demands under contest	99.67	81.71
	Total Current Tax Assets (Net)	**562.33**	**543.08**
(i)	Provision for income tax net of Advance Tax	82.57	133.09
(ii)	Provision for income tax for demand under contest	0.25	0.25
	Total Current Tax Liabilities (Net)	**82.82**	**133.34**

16. MOVEMENT IN DEFERRED TAX BALANCES

(₹ in crore)

FY 2023-24	Net balance at 01.04.2023	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2024
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	59.51	(12.99)	(3.01)	43.51
(ii) Unamortised income on loans to borrowers	18.67	56.33		75.00
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	7,293.88	(752.27)		6,541.61
(iv) Depreciation and amortisation	(25.24)	(6.23)		(31.48)
(v) Fair value of derivatives (Net)	616.08	(36.29)	(322.37)	257.42
(vi) Others	49.59	(31.06)	(190.10)	(171.57)
(B) (Deferred Tax Liabilities)				
(i) Unamortized exchange loss (Net)	(336.56)	47.37	-	(289.19)
(ii) Unamortised expenditure on loan liabilities	(271.21)	(42.97)	-	(314.18)
(iii) Fair valuation of Debt securities	(65.19)	9.51	-	(55.67)
(iii) Others	0.50	-	-	0.50
Net Deferred Tax (Liabilities) /Assets	**7,340.03**	**(768.61)**	**(515.48)**	**6,055.95**

(₹ in crore)

FY 2022-23	Net balance at 01.04.2022	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2023
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	52.94	5.89	0.68	59.51
(ii) Unamortised income on loans to borrowers	(1.42)	20.09	-	18.67
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	7,708.73	(414.85)	-	7,293.88
(iv) Depreciation and amortisation	(8.93)	(16.32)	-	(25.24)
(v) Fair value of derivatives (Net)	81.61	123.83	410.64	616.08
(vi) Others	26.39	13.04	10.16	49.59
(B) (Deferred Tax Liabilities)				
(i) Unamortized exchange loss (Net)	(280.92)	(55.64)	-	(336.56)
(ii) Unamortised expenditure on loan liabilities	(235.36)	(35.85)	-	(271.21)
(iii) Fair valuation of Debt securities	(28.17)	(37.01)	-	(65.19)
(iii) Others	0.50	-	-	0.50
Net Deferred Tax (Liabilities) /Assets	**7,315.37**	**(396.82)**	**421.48**	**7,340.03**

17. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS (CWIP), INTANGIBLE ASSETS UNDER DEVELOPMENT AND OTHER INTANGIBLE ASSETS

FY 2023-24

(₹ in crore)

Particulars	Property, Plant and Equipment									Capital Work-in-Progress	Intangible assets under development	Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total	Immovable property	Computer Software	Computer Software
Gross Carrying Amount as on 01.04.2023	**113.77**	**481.82**	**79.30**	**60.25**	**60.22**	**88.41**	**0.68**	**1.66**	**886.11**	**10.66**	**11.20**	**25.09**
Additions / Adjustments	-	-	3.93	15.25	19.17	6.41	0.18	-	44.94	20.41	-	-
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	(3.01)	-	-
Deductions / Adjustments	-	-	-	(8.11)	(14.23)	(6.50)	(0.01)	-	(28.85)	-	-	(0.01)
Gross Carrying Amount as on 31.03.2024 (A)	**113.77**	**481.82**	**83.23**	**67.39**	**65.16**	**88.32**	**0.85**	**1.66**	**902.20**	**28.06**	**11.20**	**25.08**
Accumulated Depreciation / Amortisation as on 01.04.2023	**-**	**34.78**	**7.39**	**42.91**	**33.50**	**27.75**	**0.46**	**1.66**	**148.45**	**-**	**-**	**23.42**
For the period	-	7.73	8.88	11.06	13.15	8.52	0.06	-	49.40	-	-	1.13
On Assets Sold/Written off from books	-	-	-	(6.16)	(9.74)	(3.46)	-	-	(19.36)	-	-	(0.01)
Accumulated Depreciation / Amortisation as on 31.03.2024 (B)	**-**	**42.51**	**16.27**	**47.81**	**36.91**	**32.81**	**0.52**	**1.66**	**178.49**	**-**	**-**	**24.54**
Net Carrying Amount as on 31.03.2024 (A-B)	**113.77**	**439.31**	**66.96**	**19.58**	**28.25**	**55.51**	**0.33**	**-**	**723.71**	**28.06**	**11.20**	**0.54**

FY 2022-23

(₹ in crore)

Particulars	Property, Plant and Equipment									Capital Work-in-Progress	Intangible assets under development	Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total	Immovable property	Computer Software	Computer Software
Gross Carrying Amount as on 01.04.2022	**113.77**	**455.75**	**19.90**	**56.16**	**54.41**	**87.72**	**0.53**	**1.66**	**789.90**	**53.36**	**-**	**25.18**
Additions / Adjustments	-	26.07	59.44	13.47	18.22	7.49	0.15	-	124.84	42.76	11.20	0.01
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	0.03	-	-
Deductions / Adjustments	-	-	(0.04)	(9.38)	(12.41)	(6.80)	-	0.00	(28.63)	(85.49)	-	(0.10)
Gross Carrying Amount as on 31.03.2023 (A)	**113.77**	**481.82**	**79.30**	**60.25**	**60.22**	**88.41**	**0.68**	**1.66**	**886.11**	**10.66**	**11.20**	**25.09**
Accumulated Depreciation / Amortisation as on 01.04.2022	**-**	**27.08**	**0.95**	**38.54**	**30.21**	**22.11**	**0.42**	**1.65**	**120.96**	**-**	**-**	**20.77**
For the period	-	7.70	6.44	11.48	11.95	8.57	0.05	-	46.19	-	-	2.75
Less: Reversal on Assets Sold/Written off from books	-	-	-	(7.11)	(8.66)	(2.93)	(0.01)	0.01	(18.70)	-	-	(0.10)
Accumulated Depreciation / Amortisation as on 31.03.2023 (B)	**-**	**34.78**	**7.39**	**42.91**	**33.50**	**27.75**	**0.46**	**1.66**	**148.45**	**-**	**-**	**23.42**
Net Carrying Amount as on 31.03.2023 (A-B)	**113.77**	**447.04**	**71.91**	**17.34**	**26.72**	**60.66**	**0.22**	**-**	**737.66**	**10.66**	**11.20**	**1.67**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

17.1 The estimated useful lives and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 6.6 (vi).

17.2 In the opinion of management of Companies in the group, there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36. Accordingly, no provision for impairment loss as required under Ind AS 36 'Impairment of Assets' has been made.

17.3 In case of PFC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.36	3.40

For details of borrowings against which above assets are pledged as security refer note 22.10 and 22.11

In case of PFC's Subsidiary REC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Gross Carrying Value	3.48	3.48
Net Carrying Value	2.31	2.36

17.4 In case of PFC's Subsidiary REC Ltd., As on 31st March 2024, the formalities regarding registration of conveyance deed in respect of certain immovable properties acquired by REC Ltd. are yet to be executed. The details are as below:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Land	Building	Land	Building
Gross Carrying Value	-	4.59	-	4.59
Net Carrying Value	-	1.95	-	1.95

17.5 While PFC's subsidiary REC Ltd. has not made any specific borrowings for construction of a qualifying asset, REC Ltd. has capitalised an amount of ₹0.53 crores (previous year ₹ 0.03 crores) on account of general borrowings at an average rate of borrowings of 7.28% (previous year 7.00%) for the REC Ltd in terms of Ind AS 23 'Borrowing Costs'.

17.6 There has been no revaluation of PPE and Intangible assets during the year.

17.7 Intangible assets under development ageing schedule:

(₹ in crore)

Intangible assets under development	Amount in intangible assets for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024					
Projects in progress	-	11.20	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**11.20**	**-**	**-**	**11.20**
As at 31.03.2023					
Projects in progress	11.20	-	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**11.20**	**-**	**-**	**-**	**11.20**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

17.8 CWIP ageing schedule

(₹ in crore)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024					
Projects in progress	0.07	27.99	-	-	28.06
Projects temporarily suspended	-	-	-	-	-
As at 31.03.2023					
Projects in progress	7.94	-	2.72	-	10.66
Projects temporarily suspended	-	-	-	-	-

18. RIGHT-OF-USE ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Opening Balance of Leasehold Land	42.97	45.83
(ii)	Additions	-	-
(iii)	Less: Disposal / Adjustment	-	-
(iv)	Less: Depreciation*	(2.87)	(2.86)
	Closing Balance of Leasehold Land	**40.10**	**42.97**

*As required by Ind AS 116 'Leases', Depreciation expense on Right-of-Use assets is included under Depreciation and Amortization expenses in the Consolidated Statement of Profit and Loss.

19. OTHER NON-FINANCIAL ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Prepaid Expenses	30.86	19.10
(ii)	Deferred Employee Costs	68.46	59.52
(iii)	Capital Advances	651.56	389.96
(iv)	Excess Spent - CSR Expenses	5.34	7.70
(v)	Other assets	177.93	164.86
	Total Other Non-Financial Assets	**934.15**	**641.14**

20. ASSETS CLASSIFIED AS HELD FOR SALE*

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Assets classified as held for sale**		
(i)	Investment in associates (Refer note 20.1)	1.07	0.73
(ii)	Loan to associates (Refer note 20.2)	27.93	26.07
(iii)	Provision for impairment on assets classified as held for sale (Refer note 20.4)	-	(9.73)
	Sub Total (i+ii+iii)	**29.00**	**17.07**
(B)	**Asset Classified as Held for Sale - Building**	0.05	0.34
	Total (A+B)	**29.05**	**17.41**
(C)	**Liabilities directly associated with assets classified as held for sale**		
(i)	Less : Payable to associates (Refer note 20.3)	-	(0.02)
	Total (C)	**-**	**(0.02)**
	Disposal Group - Net assets (A+B+C)	**29.05**	**17.39**

*Pertains to PFC's Subsidiaries - REC Ltd. and PFC Consulting Ltd.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

20.1 Investment in associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	Investments in Equity Instruments of associates (fully paid up equity shares of ₹ 10/- each)		
	In case of PFC's Subsidiary REC Ltd.		
1	Chandil Transmission Limited	-	0.05
2	Dumka Transmission Limited	-	0.05
3	Koderma Transmission Limited	-	0.05
4	Mandar Transmission Limited	-	0.05
5	Bidar Transmission Limited	-	0.05
6	Beawar Transmission Limited	-	0.05
7	Khavda II-D Transmission Limited	-	0.05
8	KPS1 Transmission Limited	-	0.05
9	Ramgarh II Transmission Limited	-	0.05
10	Sikar Khetri Transmission Limited	-	0.05
11	Luhri Power Transmission Limited	**0.05**	0.05
12	Meerut Shamli Power Transmission Limited	**0.05**	0.05
13	NERES XVI Power Transmission Limited	**0.05**	0.05
14	Jalpura Khurja Power Transmission Limited	**0.05**	-
15	Rajasthan Part 1 Power Transmission Limited	**0.05**	-
16	Shongtong Power Transmission Limited	**0.05**	-
17	Kallam Transco Limited	**0.05**	-
18	Khavda IV C Power Limited	**0.05**	-
19	Khavda IVA Power Limited	**0.05**	-
20	Khavda IV-E2 Power Limited	**0.05**	-
21	Khavda V A Power Limited	**0.05**	-
22	Rajasthan IV A Power Limited	**0.05**	-
23	Rajasthan IV C Power Limited	**0.05**	-
24	Rajasthan IV E Power Limited	**0.05**	-
25	Rajasthan IV H1 Power Limited	**0.05**	-
26	Kankani Power Transmission Limited	**0.05**	-
27	NERGS-I Power Transmission Limited	**0.05**	-
28	Tumkur-II REZ Power Transmission Limited	**0.05**	-
	In case of PFC's Subsidiary PFC Consulting Limited		
1	Ananthpuram Kurnool Transmission Limited	-	0.01
2	Chhatarpur Transmission Limited	**0.01**	0.01
3	Beawar Dausa Transmission Limited	-	0.01
4	Bhadla III Transmission Limited	-	0.01
5	Fatehgarh IV Transmission Limited	-	0.01
6	Fatehgarh III Transmission Limited	-	0.01
7	Fatehgarh-III Beawar Transmission Limited	-	0.01
8	SIOT Transmission Limited	**0.01**	0.01
9	Joda Barbil Transmission Limited	**0.01**	-
10	Ramakanali B -Panagarh Transmission Limited	**0.01**	-
11	Gola B -Ramgarh B Transmission Limited	**0.01**	-
12	Khavda PS1 And 3 Transmission Limited	**0.01**	-
13	Paradeep Transmission Limited	**0.01**	-
14	Sirohi Transmission Limited	**0.01**	-

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for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
15	Beawar - Mandsaur Transmission Limited	0.01	-
16	Barmer I Transmission Limited	0.01	-
17	South Olpad Transmission Limited	0.01	-
18	Pune- III Transmission Limited	0.01	-
19	KPS III HVDC Transmission Limited	0.01	-
20	Bhadla-III & Bikaner-III Transmission Limited	0.01	-
21	Jamnagar Transmission Limited	0.01	-
22	Angul Sundargarh Transmission Limited	0.01	-
23	Bhuj II Transmission Limited	0.01	-
	Total	**1.07**	**0.73**

20.2 Loan to Associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	In case of PFC's Subsidiary REC Ltd.		
1	Chandil Transmission Limited	-	2.54
2	Dumka Transmission Limited	-	2.48
3	Mandar Transmission Limited	-	2.23
4	Koderma Transmission Limited	-	2.28
5	Receivable from SPV-Under Incorporation	0.05	-
6	Bidar Transmission Limited	-	0.10
7	Sikar Khetri Transmission Limited	-	0.67
8	KPS1 Transmission Limited	-	0.58
9	Ramgarh II Transmission Limited	-	0.70
10	Beawar Transmission Limited	-	0.71
11	Meerut Shamli Power Transmission Limited	1.85	0.43
12	NERES XVI Power Transmission Limited	0.91	0.19
13	Luhri Power Transmission Limited	1.07	0.48
14	Jalpura Khurja Power Transmission Limited	3.83	-
15	Rajasthan Part 1 Power Transmission Limited	0.67	-
16	Shongtong Power Transmission Ltd.	0.56	-
17	Khavda IV A Power Transmission Limited	0.54	-
18	Khavda IV C Power Transmission Limited	0.41	-
19	Khavda IV E2 Power Transmission Limited	0.33	-
20	Khavda V-A Power Transmission Limited	0.43	-
21	Rajasthan IVA Power Transmission Limited	0.41	-
22	Rajasthan IVC Power Transmission Limited	0.34	-
23	Rajasthan IV E Power Transmission Limited	0.38	-
24	Rajasthan IV H1 Power Transmsision Limited	0.51	-
25	Kallam Transo Limited	6.41	-
26	NERGS-1 Power Transmission Limited	0.35	-
27	Tumkur-II REZ Power Transmission Limited	0.20	-
28	Kankani Power Transmission Limited	-	-
	In case of PFC's Subsidiary PFC Consulting Limited		
1	Ananthpuram Kurnool Transmission Limited	-	1.32
2	Angul Sundargarh Transmission Limited	0.22	-
3	Beawar Dausa Transmission Limited	-	2.16
4	Bhadla III Transmission Limited	-	1.45

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for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
5	Beawar - Mandsaur Transmission Limited	0.27	-
6	Barmer I Transmission Limited	0.46	-
7	Bhadla-III & Bikaner-III Transmission Limited	0.43	-
8	Bhuj II Transmission Limited	0.18	-
9	Chhatarpur Transmission Limited	1.63	1.31
10	Fatehgarh IV Transmission Limited	-	1.20
11	Fatehgarh III Transmission Limited	-	1.27
12	Fatehgarh-III Beawar Transmission Limited	-	1.47
13	Gola B -Ramgarh B Transmission Limited	0.11	-
14	Jamnagar Transmission Limited	0.47	-
15	Joda Barbil Transmission Limited	0.57	-
16	Khavda PS1 And 3 Transmission Limited	0.39	-
17	KPS III HVDC Transmission Limited	0.16	-
18	Paradeep Transmission Limited	0.33	-
19	Pune- III Transmission Limited	0.35	-
20	Ramakanali B -Panagarh Transmission Limited	0.14	-
21	SIOT Transmission Limited	2.23	1.98
22	Sirohi Transmission Limited	0.39	-
23	South Olpad Transmission Limited	0.31	-
	Amount receivable from ITP under Incorporation		
1	ITP 56 - Shamli- Aligarh Transmission Limited	-	0.17
2	ITP 57 - Joda/Barbil Transmission Line	-	0.01
3	ITP 58 - Rajasthan REZ Phase-IV (Part-1A)	-	0.09
4	ITP 59 - Rajasthan REZ Phase-IV (Part-1B)	-	0.09
5	ITP 60 - Rajasthan REZ Phase-IV (Part-1C)	-	0.08
6	ITP 61 - Rajasthan REZ Phase-IV (Part-1D)	-	0.08
7	ITP 79 - NE Scheme in Navinal (Mundra) Gujarat	0.01	-
8	ITP82 - Augmentation- Jam Khambhaliya PS (GIS)	0.00	-
9	ITP83-Davanagere/ Chitradurga and Bellary REZ in Karnataka	0.00	-
10	ITP85- Evacuation of power- Kundankulam Unit-3 and 4 (2x1000 MW)	0.00	-
11	ITP84- Bijapur REZ in Karnataka	0.00	-
	Total	**27.93**	**26.07**

20.3 Liabilities directly associated with assets classified as held for sale

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Khavda II-D Transmission Limited	-	0.02
	Total	**-**	**0.02**

20.4 Provision for impairment on assets classified as held for sale

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Chandil Transmission Limited	-	2.59
(ii)	Dumka Transmission Limited	-	2.53
(iii)	Mandar Transmission Limited	-	2.28
(iv)	Koderma Transmission Limited	-	2.33
	Total	**-**	**9.73**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

20.5 In respect of PFC's subsidiaries, REC Ltd. and PFC Consulting Ltd., their management had incorporated these entities with a view to sell them off as per the guidelines of Ministry of Power, through the bid process prescribed by Ministry of Power. There is no possibility that management will have benefits from these entities other than selling them off, hence all these investments (along with the related assets and liabilities) have been classified as 'held for sale'.

20.6 "With a view to monetise its idle assets, during the year the Company's subsidiary RECL has disposed certain residential building units through e-auction process, with carrying value ₹ 0.29 crores (previous year ₹ 0.52 crores), classified under "Assets classified as held for sale" as required under Ind-AS 105. Such sale has resulted in gain of ₹ 1.32 crores during the current year (previous year ₹ 4.08 crores) Further, residential building units with carrying value ₹ 0.05 crores (previous year ₹ 0.34 crores) classified under "Assets classified as held for sale" are pending for disposal as at 31st March 2024. The process for their disposal is expected to be completed during the year 2024-25 through e-auction process.

21. TRADE PAYABLES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	Trade Payables		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	**1.07**	0.69
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	**112.65**	63.59
	Total Trade Payables	**113.72**	**64.28**

21.1 Trade Payables ageing schedule

Particulars	As at 31st March 2024						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME							
- Disputed	-	-	-	-	-	-	-
- Others	0.23	0.64	0.20	-	-	-	1.07
Sub-total (i)	**0.23**	**0.64**	**0.20**	**-**	**-**	**-**	**1.07**
(i) Other than MSME							
- Disputed	0.00	0.00	-	-	-	-	-
- Others	2.05	5.25	86.14	14.21	3.46	1.53	112.65
Sub-total (ii)	**2.05**	**5.25**	**86.14**	**14.21**	**3.46**	**1.53**	**112.65**
Total (i+ii)	**2.28**	**5.89**	**86.34**	**14.21**	**3.46**	**1.53**	**113.72**

Particulars	As at 31st March 2023						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME							
- Disputed	-	-	-	-	-	-	-
- Others	0.57	0.10	0.02	-	-	-	0.69
Sub-total (i)	**0.57**	**0.10**	**0.02**	**-**	**-**	**-**	**0.69**
(i) Other than MSME							
- Disputed	-	-	-	-	-	-	-
- Others	1.62	5.38	27.15	14.90	0.39	14.14	63.59
Sub-total (ii)	**1.62**	**5.38**	**27.15**	**14.90**	**0.39**	**14.14**	**63.59**
Total (i+ii)	**2.19**	**5.48**	**27.17**	**14.90**	**0.39**	**14.14**	**64.28**

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22. DEBT SECURITIES

The Company and its Subsidiary REC Ltd., have categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	**Secured Bonds / Debenture**		
	- Infrastructure Bonds (Refer note 22.1)	**38.51**	38.51
	- Tax Free Bonds (Refer note 22.2)	**16,438.84**	18,520.76
	- 54EC Capital Gain Tax Exemption Bonds (Refer note 22.3)	**50,104.91**	42,466.24
	- Taxable Bonds (Refer note 22.4)	**9,206.51**	6,383.99
	- Bond Application Money (Refer note 22.5)	**1,245.41**	1,720.36
	Sub-Total (i)	**77,034.18**	**69,129.86**
(ii)	**Unsecured Bonds / Debenture**		
	- Infrastructure Bonds (Refer note 22.6)	**3.96**	3.96
	- Taxable Bonds (Refer note 22.7)	**3,96,176.03**	3,44,006.50
	- Foreign Currency Notes (Refer note 22.8 & 22.9)	**70,687.32**	70,106.11
	- Commercial Paper	**-**	-
	Sub-Total (ii)	**4,66,867.31**	**4,14,116.57**
(iii)	**Total Principal Outstanding of Debt Securities (i+ii)**	**5,43,901.49**	4,83,246.43
(iv)	Interest accrued but not due on above	**17,352.24**	14,414.63
(v)	Unamortised Transaction Cost on above	**(922.69)**	(931.68)
	Total Debt Securities (iii to v)	**5,60,331.04**	**4,96,729.38**
	Geography wise Debt Securities		
(i)	Debt Securities in India	**4,89,489.26**	4,26,580.42
(ii)	Debt Securities outside India	**70,841.78**	70,148.96
	Total Geography wise Debt Securities	**5,60,331.04**	**4,96,729.38**

22.1 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC							
1	Infrastructure Bonds (2010-11) - Series III	8.50%	**5.27**	5.27	31.03.2026	17.6	Redeemable at par on a date falling Fifteen years from the date of allotment
2	Infrastructure Bonds (2010-11) - Series IV	8.50%	**19.33**	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
3	Infrastructure Bonds (2011-12) - Series III	8.75%	**2.86**	2.86	21.11.2026	17.7	Redeemable at par on a date falling Fifteen years from the date of allotment
4	Infrastructure Bonds (2011-12) - Series IV	8.75%	**7.77**	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
5	Infrastructure Bonds 86 C Series	8.72%	**0.87**	0.87	30.03.2027		Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds 86 D Series	8.72%	**2.40**	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Total		**38.51**	**38.51**			

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for the year ended March 31, 2024

22.2 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023			
In case of PFC							
1	Tax Free Bonds Series 107A	8.01%	-	113.00	30.08.2023	17.11	Repaid in FY 2023-24
2	Tax Free Bonds Series IB	8.43%	-	335.47	16.11.2023		
3	Tax Free Bonds Series 1A	8.18%	-	325.07	16.11.2023		
4	Tax Free Bonds Series 136	7.16%	**300.00**	300.00	17.07.2025		Redeemable at par on maturity
5	Tax Free Bonds (2015-16) Series 1B	7.36%	**79.35**	79.35	17.10.2025		
6	Tax Free Bonds (2015-16) Series 1A	7.11%	**75.09**	75.09	17.10.2025		
7	Tax Free Bond Series 79-B	7.75%	**217.99**	217.99	15.10.2026		
8	Tax Free Bond Series 80-B	8.16%	**209.34**	209.34	25.11.2026		
9	Tax Free Bonds (2011-12) Public Issue	8.30%	**1,280.58**	1,280.58	01.02.2027		
10	Tax Fee Bond Series 94B	7.38%	**25.00**	25.00	22.11.2027		
11	Tax Free Bonds Series 95B	7.38%	**100.00**	100.00	29.11.2027		
12	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	**185.78**	185.78	04.01.2028		
13	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	**171.22**	171.22	04.01.2028		
14	Tax Free Bonds (2012-13) Tranch II	7.54%	**56.97**	56.97	28.03.2028		
15	Tax Free Bonds (2012-13) Tranch II	7.04%	**12.24**	12.24	28.03.2028		
16	Tax Free Bonds Series 107-B	8.46%	**1,011.10**	1,011.10	30.08.2028		
17	Tax Free Bonds Series 2-B	8.79%	**353.32**	353.32	16.11.2028		
18	Tax Free Bonds Series 2-A	8.54%	**932.70**	932.70	16.11.2028		
19	Tax Free Bonds (2015-16) Series 2-B	7.52%	**45.18**	45.18	17.10.2030		
20	Tax Free Bonds (2015-16) Series 2-A	7.27%	**131.32**	131.33	17.10.2030		
21	Tax Free Bonds Series 3-B	8.92%	**861.96**	861.96	16.11.2033		
22	Tax Free Bonds Series 3-A	8.67%	**1,067.37**	1,067.37	16.11.2033		
23	Tax Free Bonds (2015-16) Series 3-B	7.60%	**155.48**	155.48	17.10.2035		
24	Tax Free Bonds (2015-16) Series 3-A	7.35%	**213.58**	213.58	17.10.2035		
	Sub - Total (A)		**7,485.56**	**8,259.12**			
In case of PFC's Subsidiary REC Ltd.							
1	Series 2015-16 Series 5A	7.17%	**300.00**	300.00	23.07.2025	Redeemable at par on 23.07.2025	
2	Series 2011-12	8.12% to 8.32%	**2,160.33**	2,160.33	27.03.2027	Redeemable at par on maturity	
3	Series 2012-13 Series 2A & 2B	7.38%	**245.00**	245.00	22.11.2027		
4	Series 2012-13 Tranche 1	7.38% to 7.88%	**842.04**	842.04	20.12.2027		
5	Series 2012-13 Tranche 2	7.08% to 7.54%	**49.71**	49.71	27.03.2028		
6	Series 2013-14 Series 3A & 3B	8.46%	**1,141.00**	1,350.00	29.08.2028		
7	Series 2013-14 Series 4A & 4B	8.54%	**45.00**	150.00	11.10.2028		
8	Series 2013-14 Tranche 1	8.37% to 8.71%	**2,835.55**	3,410.60	25.09.2028	Redeemable at par. Bonds amounting to ₹ 2,810.26 crores are redeemable on 25.09.2028 and ₹ 55.28 crores are redeemable on 26.09.2033	
9	Series 2013-14 Tranche 2	8.61% to 8.88%	**638.08**	1,057.40	23.03.2029	Redeemable at par. Bonds amounting to ₹ 530.42 crores are redeemable on 23.03.2029 and ₹ 109.66 crores are redeemable on 24.03.2034	
10	Series 2015-16 Tranche 1	6.89% to 7.43%	**696.56**	696.56	05.11.2025	Redeemable at par. Bonds amounting to ₹ 105.93 crores are redeemable on 05.11.2025, ₹ 172.90 crores are redeemable on 05.11.2030 and ₹ 421.17 crores are redeemable on 05.11.2035	
	Sub - Total (B)		**8,953.27**	**10,261.64**			
	Total (A+B)		**16,438.84**	**18,520.76**			

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22.3 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	For Security, Refer Note	Redemption details
In case of PFC						
1	Series II (FY 2018-19)	5.75%	-	346.57	17.11	Repaid in FY 2023-24
2	Series II (FY 2018-19)	5.75%	**145.38**	145.38		Redeemable at par during FY 2024-25
3	Series III (FY 2019-20)	5.75%	**1,134.44**	1,134.44		Redeemable at par during FY 2024-25
4	Series IV (FY 2020-21)	5.75%	**252.38**	252.38		Redeemable at par during FY 2025-26
5	Series IV (FY 2020-21)	5.00%	**685.41**	685.41		Redeemable at par during FY 2025-26
6	Series V (FY 2021-22)	5.00%	**1,434.64**	1,434.64		Redeemable at par during FY 2026-27
7	Series VI (FY 2022-23)	5.00%	**2,600.86**	2,600.87		Redeemable at par during FY 2027-28
8	Series VII (FY 2023-24)	5.25%	**2,741.00**	-		Redeemable at par during FY 2028-29
	Sub - Total (A)		**8,994.11**	**6,599.69**		
In case of PFC's Subsidiary REC Ltd.						
1	Series XII (2018-19)	5.75%	-	6,651.31	Repaid in FY 2023-24	
2	Series XIII (2019-20)	5.75%	**6,157.82**	6,157.82	Redeemable at par during financial year 2024-25	
3	Series XIV (2020-21)	5.75% and 5.00%	**5,312.07**	5,312.07	Redeemable at par during financial year 2025-26	
4	Series XV (2021-22)	5.00%	**7,312.80**	7,312.80	Redeemable at par during financial year 2026-27	
5	Series XVI (2022-23)	5.00%	**12,152.39**	10,432.55	Redeemable at par during financial year 2027-28	
6	Series XVII (2023-24)	5.25%	**10,175.72**	-	Redeemable at par during financial year 2028-29	
	Sub - Total (B)		**41,110.80**	**35,866.55**		
	Total (A+B)		**50,104.91**	**42,466.24**		

22.4 The details of Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC							
1	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	-	1.95	22.01.2024	17.11	Repaid in FY 2023-24
2	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	**27.05**	27.05	22.01.2026		Redeemable at par on maturity
3	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	**3.50**	3.50	22.01.2026		
4	7 45 SEC TAX NCD 2324 PI TR I SR I CAT I-II	7.45%	**62.17**	-	01.08.2026		
5	7 50 SEC TAX NCD 2324 PI TR I SR I CAT III-IV	7.50%	**59.93**	-	01.08.2026		
6	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	6.83% (10YR GSEC Link)	**1,250.73**	1,250.73	22.01.2031		
7	Secured Public Issue (2020-21) Tranche I Series V Category I-II	6.58% (10YR GSEC Link)	**10.35**	10.35	22.01.2031		
8	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	**1,635.53**	1,635.53	22.01.2031		
9	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	**33.67**	33.67	22.01.2031		
10	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	**28.74**	28.74	22.01.2031		
11	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	**0.50**	0.50	22.01.2031		
12	7 47 SEC TAX NCD 2324 PI TR I SR II CAT I-II	7.47%	**362.51**	-	01.08.2033		

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2024	31.03.2023			
13	7 53 SEC TAX NCD 2324 PI TR I SR II CAT III-IV	7.53%	45.48	-	01.08.2033		
14	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	1,330.05	1,330.05	22.01.2036		
15	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	50.05	50.05	22.01.2036		
16	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	53.36	53.36	22.01.2036		
17	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	3.51	3.51	22.01.2036		
18	7 50 SEC TAX NCD 2324 PI TR I SR III CAT I-II	7.50%	183.70	-	01.08.2038		
19	7 55 SEC TAX NCD 2324 PI TR I SR III CAT III-IV	7.55%	2,110.68	-	01.08.2038		
	Total		**7,251.51**	**4,428.99**			
In case of PFC's Subsidiary REC Ltd.							
1	123-IIIB Series	9.34%	1,955.00	1,955.00	23.08.2024		Redeeemable at par on maturity
	Sub - Total (B)		**1,955.00**	**1,955.00**			
	Total (A+B)		**9,206.51**	**6,383.99**			

22.5 The details of Bond Application Money outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Redemption details
			31.03.2024	31.03.2023	
In case of PFC's Subsidiary REC Ltd.					
1	54EC Capital Gain Tax Exemption Bonds	5.00%	1,245.41	1,720.36	Redeemable at par after 5 years from the deemed date of allotment
	Total		**1,245.41**	**1,720.36**	

22.6 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
In case of PFC's Subsidiary REC Ltd.						
1	Series-II (2011-12) Cumulative	9.15%	2.83	2.83	15.02.2027	Redeemable on the date falling 15 years from the date of allotment
2	Series-II (2011-12) Annual	9.15%	1.13	1.13	15.02.2027	
	Total		**3.96**	**3.96**		

22.7 The details of Unsecured Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
In case of PFC						
1	Series 194	7.04%	-	1,400.00	14.04.2023	Repaid in FY 2023-24
2	Series 85 D	9.26%	-	736.00	15.04.2023	
3	Series 198	6.98%	-	3,160.00	20.04.2023	
4	Series 199A	6.83%	-	1,970.00	24.04.2023	
5	Series 202A	6.75%	-	2,145.00	22.05.2023	
6	Series 203A	6.72%	-	2,206.00	09.06.2023	
7	Series 206	5.47%	-	3,000.00	19.08.2023	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
8	Series 188	8.10%	**691.10**	691.10	04.06.2024	
9	Series 211 (3M TB Link)	4.38%	**1,985.00**	1,985.00	02.08.2024	
10	Series 57- B	8.60%	**866.50**	866.50	07.08.2024	
11	Series 117 Option B	9.37%	**855.00**	855.00	19.08.2024	
12	Series 118 Option B II	9.39%	**460.00**	460.00	27.08.2024	
13	Series Option 120 B	8.98%	**950.00**	950.00	08.10.2024	
14	Series 120 Option A	8.98%	**961.00**	961.00	08.10.2024	
15	Series 192	7.42%	**3,000.00**	3,000.00	19.11.2024	
16	Series 124 C	8.48%	**1,000.00**	1,000.00	09.12.2024	
17	Series 61	8.50%	**351.00**	351.00	15.12.2024	
18	Series 125	8.65%	**2,826.00**	2,826.00	28.12.2024	
19	Series 126	8.65%	**5,000.00**	5,000.00	04.01.2025	
20	Series 62-B	8.80%	**1,172.60**	1,172.60	15.01.2025	
21	Series 128	8.20%	**1,600.00**	1,600.00	10.03.2025	
22	Series 63-III	8.90%	**184.00**	184.00	15.03.2025	
23	Series 131-C	8.41%	**5,000.00**	5,000.00	27.03.2025	
24	Series 64	8.95%	**492.00**	492.00	30.03.2025	
25	Series 204A	5.77%	**900.00**	900.00	11.04.2025	
26	Series 130-C	8.39%	**925.00**	925.00	19.04.2025	
27	Series 199B	7.16%	**1,320.00**	1,320.00	24.04.2025	
28	Series 65 III	8.70%	**1,337.50**	1,337.50	14.05.2025	
29	Series 202B	7.17%	**810.00**	810.00	22.05.2025	
30	7 17 TX UNS BND SRS 202B R1	7.17%	**3,100.00**	-	22.05.2025	
31	Series 66-B	8.75%	**1,532.00**	1,532.00	15.06.2025	Redeemable at par on maturity
32	Series 210A - STRPP1	6.35%	**405.60**	405.60	30.06.2025	
33	Series 215	7.13%	**2,420.00**	2,420.00	08.08.2025	
34	Series 217B STRPP I	7.15%	**276.40**	276.40	08.09.2025	
35	Series 208	6.50%	**2,806.00**	2,806.00	17.09.2025	
36	Series 141-B	8.40%	**1,000.00**	1,000.00	18.09.2025	
37	Series 218	7.59%	**1,450.00**	1,450.00	03.11.2025	
38	Series 71	9.05%	**192.70**	192.70	15.12.2025	
39	Series 222	7.58%	**2,540.00**	2,540.00	15.01.2026	
40	Series 147	8.03%	**1,000.00**	1,000.00	02.05.2026	
41	7 37 TX UNS BND SRS 230	7.37%	**2,990.00**	-	22.05.2026	
42	Series 210A - STRPP2	6.35%	**540.80**	540.80	30.06.2026	
43	Series 216	7.13%	**3,000.00**	3,000.00	15.07.2026	
44	Series 225A	7.77%	**3,262.70**	3,262.70	15.07.2026	
45	7 55 TX UNS BND SRS 228A	7.55%	**2,330.00**	-	15.07.2026	
46	Series - 76-B	9.46%	**1,105.00**	1,105.00	01.08.2026	
47	Series 150-B	7.63%	**1,675.00**	1,675.00	14.08.2026	
48	7 64 TX UNS BND SRS 233B	7.64%	**2,500.00**	-	25.08.2026	
49	ZCB TX UNS BND SRS 233A YTM 7 65	7.65%	**501.04**	-	25.08.2026	
50	Series 212A	6.09%	**2,450.00**	2,450.00	27.08.2026	
51	Series - 77-B	9.45%	**2,568.00**	2,568.00	01.09.2026	
52	Series 217B STRPP II	7.15%	**276.40**	276.40	08.09.2026	
53	Series 227A	7.70%	**1,200.00**	1,200.00	15.09.2026	
54	Series 151-B	7.56%	**210.00**	210.00	16.09.2026	
55	Series 152	7.55%	**4,000.00**	4,000.00	25.09.2026	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
56	Series 155	7.23%	**2,635.00**	2,635.00	05.01.2027	
57	7 55 TX UNS BND SRS 238	7.55%	**2,754.00**	-	15.04.2027	
58	Series 168-B	7.44%	**1,540.00**	1,540.00	12.06.2027	
59	Series 210A - STRPP3	6.35%	**405.60**	405.60	30.06.2027	
60	Series 169-B	7.30%	**1,500.00**	1,500.00	07.08.2027	
61	Series 217B STRPP III	7.15%	**276.40**	276.40	08.09.2027	
62	Series 170-B	7.65%	**2,001.00**	2,001.00	22.11.2027	
63	Series 171	7.62%	**5,000.00**	5,000.00	15.12.2027	
64	Series 221B	7.59%	**3,500.00**	3,500.00	17.01.2028	
65	Series 172	7.74%	**850.00**	850.00	29.01.2028	
66	Series 101 B	9.00%	**1,370.00**	1,370.00	11.03.2028	
67	Series 102 A (III)	8.90%	**403.00**	403.00	18.03.2028	
68	Series 103	8.94%	**2,807.00**	2,807.00	25.03.2028	
69	Series 177	7.85%	**3,855.00**	3,855.00	03.04.2028	
70	Series 227B	7.77%	**1,390.00**	1,390.00	15.04.2028	
71	7 44 TX UNS BND SRS 229 (2Y Put Call)	7.44%	**1,550.00**	-	10.05.2028	
72	Series 178	8.95%	**3,000.00**	3,000.00	10.10.2028	
73	Series 179-A	8.67%	**1,007.40**	1,007.40	19.11.2028	
74	7.60 TX UNS BND SRS 237A	7.60%	**3,000.00**	-	13.04.2029	
75	Series 187 B	8.85%	**1,982.10**	1,982.10	27.05.2029	
76	Series 118 Option B III	9.39%	**460.00**	460.00	27.08.2029	
77	Series193	7.93%	**4,710.50**	4,710.50	31.12.2029	
78	Series 196R1	7.41%	**1,500.00**	1,500.00	25.02.2030	
79	Series 196	7.41%	**2,500.00**	2,500.00	25.02.2030	Redeemable at par on maturity
80	Series 225B STRPP I	7.82%	**625.00**	625.00	13.03.2030	
81	Series 195	7.86%	**1,100.00**	1,100.00	12.04.2030	
82	7 86 TX UNS BND SRS 195 R1	7.86%	**1,260.00**	-	12.04.2030	
83	Series 200	7.40%	**2,920.00**	2,920.00	08.05.2030	
84	Series 197	7.41%	**5,000.00**	5,000.00	15.05.2030	
85	Series 203B	7.75%	**3,318.00**	3,318.00	11.06.2030	
86	Series 66-C	8.85%	**633.00**	633.00	15.06.2030	
87	Series 201	7.68%	**3,101.30**	3,101.30	15.07.2030	
88	Series 202C	7.79%	**1,936.00**	1,936.00	22.07.2030	
89	Series 205A	7.05%	**1,610.10**	1,610.10	09.08.2030	
90	Series 71	9.05%	**192.70**	192.70	15.12.2030	
91	Series 207R1	7.04%	**2,549.10**	2,549.10	16.12.2030	
92	Series 207	7.04%	**1,097.40**	1,097.40	16.12.2030	
93	Series 225B STRPP II	7.82%	**625.00**	625.00	13.03.2031	
94	Series 204B	6.88%	**1,300.00**	1,300.00	11.04.2031	
95	Series 213	6.95%	**1,988.00**	1,988.00	01.10.2031	
96	Series 225B STRPP III	7.82%	**625.00**	625.00	12.03.2032	
97	Series 214 (BBETF)	6.92%	**1,180.00**	1,180.00	14.04.2032	
98	6 92 TX UNS BND SRS 214 R1	6.92%	**1,330.00**	-	14.04.2032	
99	Series 217A	7.42%	**4,000.00**	4,000.00	08.09.2032	
100	Series 223	7.64%	**3,500.00**	3,500.00	22.02.2033	
101	Series 225B STRPP IV	7.82%	**625.00**	625.00	11.03.2033	
102	Series 220	7.58%	**470.00**	470.00	15.04.2033	
103	Series 226A	7.66%	**1,200.00**	1,200.00	15.04.2033	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
104	Series 226B	7.70%	**583.50**	583.50	15.04.2033	Redeemable at par on maturity
105	7 57 TX UNS BND SRS 232	7.57%	**3,000.00**	-	12.07.2033	
106	7 62 TX UNS BND SRS 228B	7.62%	**2,102.00**	-	15.07.2033	
107	7 60 TX UNS BND SRS 233C	7.60%	**3,500.00**	-	25.08.2033	
108	Series 179-B	8.64%	**528.40**	528.40	19.11.2033	
109	7 70 TX UNS BND SRS 234	7.70%	**2,625.00**	-	30.11.2033	
110	Series 180	8.75%	**2,654.00**	2,654.00	22.02.2034	
111	7.49 TX UNS BND SRS 237B	7.49%	**3,000.00**	-	22.02.2034	
112	Series 186	8.79%	**2,578.90**	2,578.90	30.04.2034	
113	Series 189	8.15%	**4,035.00**	4,035.00	08.08.2034	
114	Series 190	8.25%	**4,016.00**	4,016.00	06.09.2034	
115	Series 205B	7.20%	**1,605.70**	1,605.70	10.08.2035	
116	Series 209	7.34%	**1,711.00**	1,711.00	29.09.2035	
117	Series 210B	7.11%	**1,933.50**	1,933.50	30.06.2036	
118	Series 212B	7.15%	**2,343.68**	2,343.68	27.08.2036	
119	Series 219	7.65%	**4,000.00**	4,000.00	13.11.2037	
120	Series 221A	7.72%	**2,782.70**	2,782.70	19.12.2037	
121	Series 224	7.82%	**3,468.50**	3,468.50	06.03.2038	
122	7 48 TX UNS BND SRS 231	7.48%	**3,896.90**	-	20.06.2038	
123	7 69 TX UNS BND SRS 235	7.69%	**3,335.00**	-	15.12.2038	
	Sub - Total (A)		**2,23,900.74**	**1,95,743.80**		
In case of PFC's Subsidiary REC Ltd.						
1	114th Series	8.82%	-	4,300.00	Repaid in FY 2023-24	
2	195th Series	6.92%	-	2,985.00		
3	191A Series	6.80%	-	1,100.00		
4	200th Series PP-MLD*	5.36%	-	500.00		
5	184B Series STRPP-D**	7.55%	-	300.00		
6	202B Series	5.69%	-	2,474.00		
7	205A Series	4.99%	-	2,135.00		
8	209th Series	5.79%	-	1,550.00		
9	210th Series	5.74%	**4,000.00**	4,000.00	20.06.2024	
10	180A Series	8.10%	**1,018.00**	1,018.00	25.06.2024	
11	191B Series	6.99%	**1,100.00**	1,100.00	30.09.2024	
12	212th Series	Floating (linked to T-Bill)	**2,500.00**	2,500.00	31.10.2024	
13	186B Series	7.40%	**1,500.00**	1,500.00	26.11.2024	Redeemable at par on maturity
14	128th Series	8.57%	**2,250.00**	2,250.00	21.12.2024	
15	129th Series	8.23%	**1,925.00**	1,925.00	23.01.2025	
16	130th Series	8.27%	**2,325.00**	2,325.00	06.02.2025	
17	131st Series	8.35%	**2,285.00**	2,285.00	21.02.2025	
18	190A Series	6.88%	**2,500.00**	2,500.00	20.03.2025	
19	201A Series	5.90%	**900.00**	900.00	31.03.2025	
20	133rd Series	8.30%	**2,396.00**	2,396.00	10.04.2025	
21	94th Series	8.75%	**1,250.00**	1,250.00	09.06.2025	
22	95-II Series	8.75%	**1,800.00**	1,800.00	14.07.2025	
23	136th Series	8.11%	**2,585.00**	2,585.00	07.10.2025	
24	229A Series	7.79%	**1,033.00**	-	29.11.2025	
25	203B Series	5.85%	**2,777.00**	2,777.00	20.12.2025	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
26	204B Series	5.81%	**2,082.00**	2,082.00	31.12.2025	Redeemable at par on maturity
27	205B Series	5.94%	**2,000.00**	2,000.00	31.01.2026	
28	214A Series	7.32%	**500.00**	500.00	28.02.2026	
29	219 series	7.60%	**3,148.70**	3,148.70	28.02.2026	
30	220B series	7.69%	**1,600.10**	1,600.10	31.03.2026	Redeemable at par on 31.03.2033 with Put option exercisable on 31.03.2026
31	223A series	7.44%	**3,000.00**	-	30.04.2026	
32	228A Series	7.80%	**1,679.00**	-	30.05.2026	
33	218A series	7.56%	**3,000.00**	3,000.00	30.06.2026	
34	225th series	7.64%	**2,210.00**	-	30.06.2026	
35	221 series	7.51%	**2,848.00**	-	31.07.2026	
36	227A Series	7.77%	**2,670.00**	-	30.09.2026	
37	211th Series	6.23%	**1,200.00**	1,200.00	31.10.2026	
38	140th Series	7.52%	**2,100.00**	2,100.00	07.11.2026	
39	142nd Series	7.54%	**3,000.00**	3,000.00	30.12.2026	
40	230-A Series	7.71%	**1,000.00**	-	26-02-2027	
41	147th Series	7.95%	**2,745.00**	2,745.00	12.03.2027	
42	Series-231-A	7.64%	**2,875.00**	-	30-04-2027	
43	156th Series	7.70%	**3,533.00**	3,533.00	10.12.2027	
44	216A series	7.55%	**1,701.50**	1,701.50	31.03.2028	
45	220A series	7.77%	**2,000.00**	2,000.00	31.03.2028	
46	223B series	7.46%	**2,993.60**	-	30.06.2028	
47	162nd Series	8.55%	**2,500.00**	2,500.00	09.08.2028	
48	163rd Series	8.63%	**2,500.00**	2,500.00	25.08.2028	
49	168th Series	8.56%	**2,552.40**	2,552.40	29.11.2028	
50	169th Series	8.37%	**2,554.00**	2,554.00	07.12.2028	Redeemable at par on maturity
51	176th Series	8.85%	**1,600.70**	1,600.70	16.04.2029	
52	178th Series	8.80%	**1,097.00**	1,097.00	14.05.2029	
53	180B Series	8.30%	**2,070.90**	2,070.90	25.06.2029	
54	184A Series	8.25%	**1,451.00**	1,160.80	26.09.2029	
55	192nd Series	7.50%	**2,382.00**	2,382.00	28.02.2030	
56	188B Series	7.89%	**3,100.00**	1,100.00	31.03.2030	
57	189th Series	7.92%	**3,054.90**	3,054.90	31.03.2030	
58	197th Series	7.55%	**3,740.00**	3,740.00	11.05.2030	
59	198B Series	7.79%	**1,569.00**	1,569.00	21.05.2030	
60	202A Series	7.25%	**3,500.00**	3,500.00	30.09.2030	
61	203A Series	6.80%	**5,000.00**	5,000.00	20.12.2030	
62	204A Series	6.90%	**2,500.00**	2,500.00	31.01.2031	
63	201B Series	6.90%	**1,300.00**	1,300.00	31.03.2031	
64	213th Series	6.92%	**3,380.00**	1,380.00	20.03.2032	
65	218B series	7.69%	**2,004.40**	2,004.40	31.01.2033	
66	214B Series	7.50%	**4,947.60**	4,947.60	28.02.2033	
67	217th series	7.53%	**500.00**	500.00	31.03.2033	
68	227B Series	7.71%	**2,818.70**	-	31.10.2033	
69	228B Series	7.71%	**2,899.69**	-	30.11.2033	
70	215th series	7.65%	**3,889.00**	3,889.00	30.11.2033	Redeemable in 5 equal tranches on 30.11.2033, 30.11.2034, 30.11.2035, 30.11.2036 and 30.11.2037

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
71	230-B- Series	7.64%	3,000.00	-	31-01-2034	Redeemable at par on maturity
72	Series-231-B	7.47%	2,500.00	-	28-02-2034	
73	182nd Series	8.18%	5,063.00	5,063.00	22.08.2034	
74	183rd Series	8.29%	3,028.00	3,028.00	16.09.2034	
75	207th Series	7.02%	4,589.90	4,589.90	31.01.2036	
76	208th Series	7.40%	3,613.80	3,613.80	15.03.2036	
77	216B series	7.67%	2,000.00	2,000.00	30.11.2037	
78	229B Series	7.67%	3,539.40	-	30.11.2038	
			1,72,275.29	1,48,262.70		
			3,96,176.03	3,44,006.50		

* PP-MLD- Principal Protected Market Linked Debentures

** STRPP- Separately Transferable Redeemable Principal Parts

22.8 The details of Foreign Currency Notes outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
In case of PFC						
1	3.75% USD Bonds 2024	3.75%	3,334.95	3,288.68	18.06.2024	Redeemable at par on maturity
2	3.25% USD Bonds 2024	3.25%	2,501.21	2,466.51	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,334.96	3,288.68	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,501.22	2,466.51	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,706.53	2,688.23	21.09.2028	
6	6.15% USD Bonds 2028	6.15%	4,168.70	4,110.85	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	5,002.43	4,933.01	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,751.83	3,699.76	16.09.2029	
9	3.95% USD Bonds 2030	3.95%	6,253.04	6,166.27	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	4,168.69	4,110.85	16.05.2031	
	Sub - Total (A)		**37,723.57**	**37,219.33**		
In case of PFC's Subsidiary REC Ltd.						
1	US $500 Mn Bonds	4.75%	-	4,110.85	19.05.2023	Repaid in FY 2023-24
2	US $700 Mn Bonds	5.25%	-	5,755.18	13.11.2023	
3	US $650 Mn Bonds	3.38%	5,419.30	5,344.10	25.07.2024	Redeemable at par on maturity
4	US $500 Mn Bonds	3.50%	4,168.70	4,110.85	12.12.2024	
5	US $500 Mn Bonds	2.25%	4,168.70	4,110.85	01.09.2026	
6	US $400 Mn Bonds	2.75%	3,334.96	3,288.68	13.01.2027	
7	US $450 Mn Green Bonds	3.88%	3,751.83	3,699.76	07.07.2027	
8	US $300 Mn Bonds	4.63%	2,501.22	2,466.51	22.03.2028	
9	US $750 Mn Bonds	5.63%	6,253.04	-	11.04.2028	
10	JPY 31000 Mn Bonds	1.76%	1,707.79	-	19.01.2029	
11	JPY 27400 Mn Bonds	1.41%	1,509.47	-	19.04.2029	
12	JPY 2700 Mn Bonds	2.20%	148.74	-	19.01.2034	
	Sub - Total (B)		**32,963.75**	**32,886.78**		
	Total (A+B)		**70,687.32**	**70,106.11**		

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22.9 In case of PFC's Subsidiary REC Ltd. , Global Medium Term Note (GMTN) Programme

The Company has a Global Medium Term Note (GMTN) Programme of USD 7 Billion which is listed on SGX-ST (Singapore Stock Exchange - Securities Trading), LSE-ISM (London Stock Exchange – International Securities Market), Global Securities Market (GSM) of the India INX (India International Exchange) and NSE IFSC (NSE International Exchange). The summay of funds raised under the GMTN Programme is as below:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Funds raised during the year under GMTN Programme	**USD 1.17 Billion**	Nil*
Cumulative amount raised under GMTN Programme	**USD 5.57 Billion**	USD 4.4 Billion
Outstanding amount out of funds raised under GMTN Programme	**USD 3.97 Billion**	USD 4.0 Billion

The amounts raised during the year have been utilized for the stated objects in the Offering Circular. There has been no default as on the Balance Sheet date in the repayment of debt securities and borrowings and the Company has met all its debt servicing obligations, whether principal or interest, during the year. Further, there has not been any breach of financial covenants under the Loan Agreements as on the Balance Sheet date.

In case of PFC details of security are as under

22.10 These bond series are secured by first pari-passu charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.11) along with first pari-passu charge on immovable property situated at Guindy, Chennai.

22.11 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 116.25 crore as on 31.03.2024 (₹ 254.91 crore as on 31.03.2023) of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

22.12 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first pari-passu charge on the total receivables / book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.11), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.

In case of PFC's Subsidiary REC Ltd. details of security are as under (For details of outstanding Secured Debt Securities of REC Ltd - Refer Note no 22.2,22.3,22.4,22.5)

22.13 For all the secured bonds issued by the Company and outstanding as at balance sheet date, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.

22.14 The Bond Series 123-IIIB of Institutional Bonds are secured by way of first pari passu charge on the specified immovable property and the loan assets of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the Trustee, pursuant to the terms of the Bond Trust Deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.

22.15 Tax Free Bonds issued during FY 2011-12 are secured by first pari passu charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of select loan assets of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).

22.16 Tax Free Bonds issued during FY 2013-14 are secured by first pari passu charge on the loan assets (other than those that are exclusively charged/earmarked to lenders / other Trustees) of the Company in favour of SBICap Trustee Company Ltd.

22.17 The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of loan assets (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

Notes to the Consolidated Financial Statements

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22.18 The Bond Series XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first pari passu charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of loan assets (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

22.19 Refer Note 12 and 17 for the carrying value of receivables and Property, Plant and Equipment (PPE) pledged as security.

22.20 No charges or satisfaction are yet to be registered with Registrar of Companies (ROC) beyond the respective statutory date.

23. BORROWINGS (OTHER THAN DEBT SECURITIES)

The Company and its Subsidiary REC Ltd., have categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(A)	**Secured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions (Refer note 23.1)		
	- Rupee Term Loans	**6,127.50**	13,476.25
	Sub-Total (A)	**6,127.50**	**13,476.25**
(B)	**Unsecured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Foreign Currency Loans (Refer note 23.2)	**1,24,002.23**	85,953.99
	- Rupee Term Loans (Refer note 23.3)	**1,24,038.22**	1,11,139.85
(ii)	Term Loans From other Parties		
	- Foreign Currency Loans- Multilateral/Bilateral Agencies (Refer note 23.4)	**3,454.97**	2,358.65
	- Rupee Term Loans - NSSF (Refer note 23.6)	**17,500.00**	17,500.00
(iii)	Other Loans from Banks		
	Working Capital Demand Loan / Overdraft / Cash Credit / Line of Credit (Refer note 23.7)	**13,504.86**	7,671.42
	Sub-Total (B)	**2,82,500.28**	**2,24,623.91**
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) (A+B)**	**2,88,627.78**	**2,38,100.16**
(D)	Interest accrued but not due on above	**1,292.19**	1,063.18
(E)	Unamortised Transaction Cost on above	**(1,221.88)**	(820.34)
	Total Borrowings (other than Debt Securities) (C to E)	**2,88,698.09**	**2,38,343.00**
	Geography wise Borrowings		
(i)	Borrowings in India	**1,86,886.79**	1,65,851.51
(ii)	Borrowings outside India	**1,01,811.30**	72,491.49
	Total Geography wise Borrowings	**2,88,698.09**	**2,38,343.00**

23.1 Details of Secured Rupee Term Loans outstanding are as follows :

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	Union Bank of India	-	200.00	21.08.2023	Repaid in FY 2023-24
2	Indian Bank	-	1,800.00	20.11.2023	
3	Indian Bank	-	500.00	20.11.2023	
4	Indian Bank	-	937.50	20.11.2023	
5	Canara Bank	-	1,000.00	20.02.2024	
6	Canara Bank T-1	**500.00**	500.00	21.06.2024	Bullet Repayment at the end of the tenor
7	Canara Bank T-2	**500.00**	500.00	24.06.2024	
8	Canara Bank	**1,000.00**	1,000.00	29.06.2024	

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
9	State Bank of India	**2,140.00**	3,570.00	10.07.2024	The loan is to be repaid in 3 half yearly instalments comprising 2 instalments of ₹715 crore each and thereafter final instalment of ₹710 crore each starting from 10-Jul-2024 and ending on 10-Jul-2025
10	Punjab National Bank	**112.50**	168.75	30.09.2024	The loan is to be repaid in 02 annual instalments of ₹56.25 crore each starting from 30-Sep-24 and ending on 30-Sep-2025
11	Union Bank of India	**900.00**	1,350.00	30.09.2024	The loan is to be repaid in 02 annual instalments of ₹450 crore each starting from 30-Sep-24 and ending on 30-Sep-2025
12	Union Bank of India	**100.00**	200.00	30.09.2024	The loan is to be repaid in 1 instalment of ₹100 crore on 30-Sep-2024
13	Punjab National Bank	**375.00**	750.00	25.02.2025	The loan is to be repaid in 01 annual instalment of ₹375 crore on 25-Feb-2025
14	Bank of India	**500.00**	1,000.00	02.03.2025	The loan is to be repaid in 01 annual instalment of ₹500 crore on 02-Mar-2025
	Total Secured Rupee Term Loans	**6,127.50**	**13,476.25**		

23.2 Details of Unsecured Foreign Currency Loans outstanding from Banks and Financial Institutions are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
In case of PFC					
1	SLN 26	-	2,055.42	26.09.2023	Repaid in FY 2023-24
2	1 FCNR USD 110M 151222	-	904.39	15.12.2023	
3	2 FCNR EUR 94M 291222	-	844.48	29.12.2023	
4	4 FCNR EUR 56M 290323	-	499.54	29.12.2023	
5	SLN 27	-	1,014.18	01.02.2024	
6	3 FCNR EUR 93M 270323	-	833.03	27.03.2024	
7	5 FCNR EUR 92M 280323	-	828.79	28.03.2024	
8	6 FCNR EUR 93M 290323	-	831.47	29.03.2024	
9	7 FCNR EUR 138M 310323	-	1235.67	31.03.2024	
10	8 FCNR JPY 21539M 300623	**1186.56**	-	30.06.2024	Bullet Repayment at the end of the tenor
11	SLN 29	**2,084.35**	2,055.42	20.12.2024	
12	9 FCNR USD 110M 271223	**917.11**	-	27.12.2024	
13	10 FCNR JPY 37850M 280324	**2085.16**	-	28.03.2025	
14	SLN 30	**833.74**	822.17	13.10.2025	
15	SLN 30	**2,501.22**	2,466.51	05.11.2025	
16	31 A FCTL USD 525M 301121	**4,377.13**	4,316.40	30.11.2026	
17	31 B FCTL USD 100M 301121	**833.74**	822.17	30.11.2026	
18	32 A FCTL JPY 89208M 281222	**4,914.47**	5,513.05	28.12.2026	Redeemable in three instalments: 33.33% loan amount on 28.12.2026, 33.33% of loan amount on 28.12.2027 and balance outstanding on 28.12.2028.
19	33 A FCTL USD 500M 250923	**4,168.70**	-	25.09.2028	Redeemable in 2 instalments: 50% loan amount on 25.09.2028 & balance outstanding on 27.09.2028.

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
20	33 B FCTL USD 600M 191223	5,002.43	-	19.12.2028	
21	34 A FCTL USD 250M 220324	2,084.35	-	22.03.2029	
22	34 B FCTL JPY 7577M 220324	417.40	-	22.06.2029	Bullet Repayment at the end of the tenor
23	32 B FCTL JPY 26762M 050123	1,474.32	1,653.89	05.01.2030	
24	34 C FCTL JPY 22730M 220324	1,252.21	-	22.03.2031	
	Sub Total (A)	**34,132.87**	**26,696.58**		
In case of PFC's Subsidiary REC Ltd.					
1	¥ 10,327.12 Mn	0.00	638.22	Repaid in FY 2023-24	
2	US $250 Mn	0.00	2,055.42		
3	US $250 Mn	0.00	2,055.42		
4	US$200 Mn	-	1,644.34		
5	US$150 Mn	-	1,233.25		
6	US$200 Mn	-	1,644.34		
7	US$75 Mn	-	616.63		
8	US$150 Mn	-	1,233.25		
9	US$200 Mn	-	1,644.34		
10	US$300 Mn	-	2,466.51		
11	US$75 Mn	-	616.63		Redeemable at par on maturity
12	US$100 Mn	-	822.17		
13	US$200 Mn	-	1,644.34		
14	€ 69.77 Mn	-	625.17		
15	US$150 Mn	-	1,233.25		
16	US$150 Mn	1,250.61	-	03.04.2024	
17	US$150 Mn	1,250.61	-	19.04.2024	
18	US$150 Mn	1,250.61	-	19.04.2024	
19	US$150 Mn	1,250.61	-	10.05.2024	
20	US $150 Mn	625.30	1,233.25	14.05.2024	
21	US$200 Mn	1,667.48	-	14.05.2024	$75 Mn repaid on 29.03.2024 and $75 Mn repayable on 14.05.2024
22	US$150 Mn	1,250.61	-	16.05.2024	
23	US$124.85 Mn	1,040.92	-	24.05.2024	
24	US$75.15 Mn	626.55	-	24.05.2024	
25	US$75 Mn	625.30	-	07.06.2024	
26	US$44 Mn	366.85	-	12.06.2024	
27	US $100 Mn	833.74	822.17	01.07.2024	
28	US$125 Mn	1,042.17	-	05.07.2024	
29	US$150 Mn	1,250.61	-	09.08.2024	
30	US$100 Mn	833.74	-	20.09.2024	
31	US$200 Mn	1,667.48	-	06.12.2024	Redeemable at par on maturity
32	US$250 Mn	2,084.35	-	12.12.2024	
33	US$100 Mn	833.74	-	12.12.2024	
34	US$75 Mn	625.30	-	13.12.2024	
35	US$200 Mn	1,667.48	-	27.12.2024	
36	¥ 34228.99 Mn	1,885.68	-	27.12.2024	
37	US$150 Mn	1,250.61	-	14.02.2025	
38	US$70 Mn	583.62	-	14.02.2025	
39	US$100 Mn	833.74	-	18.03.2025	

Notes to the Consolidated Financial Statements

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
40	US $170 Mn	**1,417.36**	1,397.69	26.03.2025	$100 Mn repayable on 26.03.2025 and $ 70 Mn repayable on 06.10.2025
41	SG $72.07 Mn	**444.93**	445.48	30.03.2025	
42	US $75 Mn	**625.30**	616.63	30.03.2025	
43	¥ 10,519 Mn	**579.49**	650.07	25.09.2025	
44	US $425 Mn	**3,543.39**	3,494.22	16.03.2026	
45	US $600 Mn	**5,002.43**	4,933.01	25.08.2026	
46	US $75 Mn	**625.30**	616.63	07.10.2026	
47	US $1175 Mn	**9,796.43**	9,660.49	29.12.2026	
48	¥ 37,506.63 Mn	**2,066.24**	2,317.91	03.03.2027	
49	US $100 Mn	**833.74**	822.17	13.06.2027	
50	US $200 Mn	**1,667.48**	1,644.34	28.07.2027	
51	US $150 Mn	**1,250.61**	1,233.25	13.09.2027	
52	SGD 213.21 Mn	**1,316.19**	1,317.80	27.10.2027	
53	€ 254.19 Mn	**2,293.28**	2,277.77	31.10.2027	
54	€ 349.83 Mn	**3,156.09**	3,134.74	27.03.2028	
55	¥ 38624.35 Mn	**2,127.82**	-	20.04.2028	Redeemable at par on maturity
56	JPY 10,495.125 Mn	**578.18**	-	26.06.2028	
57	US $505 Mn	**4,210.38**	-	03.08.2028	
58	US $645 Mn	**5,377.62**	-	31.08.2028	
59	US $100 Mn	**833.74**	-	14.09.2028	
60	¥ 68485.2 Bn	**3,772.85**	-	21.09.2028	
61	US $100 Mn	**833.74**	-	25.09.2028	
62	¥ 14358.5 Mn	**791.01**	-	09.01.2029	
63	US $100 Mn	**833.74**	-	06.02.2029	
64	¥ 22101 Mn	**1,217.54**	-	15.02.2029	
65	US $200 Mn	**1,667.48**	-	07.03.2029	
66	¥ 22041 Mn	**1,214.24**	-	19.03.2029	
67	¥ 14847 Mn	**817.92**	-	21.03.2029	
68	US $225 Mn	**1,875.91**	-	27.03.2029	
69	US $300 Mn	**2,501.22**	2,466.51	02.06.2030	
	Sub Total (B)	**89,869.36**	**59,257.41**		
	Total (A+B)	**1,24,002.23**	**85,953.99**		

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23.3 Details of Unsecured Rupee Term Loans outstanding are as follows :

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
1	UCO Bank	-	200.00	26.05.2023	Repaid in FY 2023-24
2	HDFC Bank Ltd.	-	1,000.00	09.06.2023	
3	HDFC Bank Ltd.	-	650.00	13.06.2023	
4	HDFC Bank Ltd.	-	20.00	16.06.2023	
5	HDFC Bank Ltd.	-	7.00	16.06.2023	
6	HDFC Bank Ltd.	-	55.00	16.06.2023	
7	HDFC Bank Ltd.	-	33.00	16.06.2023	
8	HDFC Bank Ltd.	-	1,000.00	16.06.2023	
9	HDFC Bank Ltd.	-	235.00	21.06.2023	
10	HDFC Bank Ltd.	-	3,000.00	21.06.2023	
11	HDFC Bank Ltd.	-	1,000.00	02.08.2023	
12	State Bank of India	-	2,999.98	27.09.2023	
13	HDFC Bank Ltd.	-	750.00	05.10.2023	
14	Punjab National Bank		995.00	25.10.2023	
15	Canara Bank	-	875.00	20.12.2023	
16	Canara Bank	-	500.00	28.12.2023	
17	Canara Bank	-	500.00	15.01.2024	
18	Bank of India	-	2,000.00	21.01.2024	
19	Union Bank of India	**400.00**	800.00	15.04.2024	The loan is to be repaid in 4 quarterly instalments of ₹100 crore each starting from 15-Apr-2024 and ending on 15-Jan-2025
20	Bank of Baroda	**82.00**	-	23.04.2024	The loan is to be repaid in 3 monthly instalments of ₹27.33 crore each starting from 23-Apr-2024 and ending on 23-Jun-2024
21	Bank of Baroda	**1,418.00**	-	28.04.2024	The loan is to be repaid in 3 monthly instalments of ₹472.67 crore each starting from 28-Apr-2024 and ending on 28-Jun-2024
22	Karnataka Bank	**250.00**	-	08.05.2024	The loan is to be repaid in 8 quarterly instalments of ₹31.25 crore each starting from 08-May-2024 and ending on 08-Feb-2026
23	KEB Hana Bank	**100.00**	100.00	31.05.2024	The loan is to be repaid in 4 halfyearly instalments of ₹25 crore each starting from 31-May-2024 and ending on 30-Nov-2025
24	HDFC Bank Ltd.	**1,862.50**	-	20.06.2024	Bullet Repayment at the end of the tenor
25	Canara Bank	**1,000.00**	1,400.00	22.06.2024	The loan is to be repaid in 14 quarterly instalments of ₹100 crore each starting from 22-Jun-2024 and ending on 22-Sep-2026
26	HDFC Bank Ltd.	**521.50**	-	26.06.2024	Bullet Repayment at the end of the tenor
27	HDFC Bank Ltd.	**247.50**	-	27.06.2024	
28	HDFC Bank Ltd.	**644.00**	-	04.07.2024	
29	Bank of India	**750.00**	1,000.00	11.09.2024	The loan is to be repaid in 4 annual instalments of ₹250 crore each starting from 11-Sep-2024 and ending on 11-Sep-2026
30	Bank of India	**500.00**	500.00	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹100 crore each starting from 18-Sep-2024 and ending on 18-Sep-2028
31	Canara Bank	**200.00**	300.00	23.09.2024	The loan is to be repaid in 4 half-yearly instalments of ₹50 crore each starting from 23-Sep-2024 and ending on 23-Mar-2026
32	State Bank of India	**3,000.00**	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
33	Punjab National Bank	**333.33**	666.67	20.03.2025	The loan is to be repaid in 1 annual instalment of ₹333.33 crore on 20-Mar-2025
34	Union Bank of India	**625.00**	1,250.00	23.03.2025	The loan is to be repaid in 1 annual instalments of ₹625 crore each on 23-Mar-2025

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
35	HDFC Bank Ltd.	**3,000.00**	-	30.06.2025	The loan is to be repaid in quarterly instalments starting from 30-Jun-2025 and ending on 05-Sep-2030.
36	HDFC Bank Ltd.	**3,000.00**	3,000.00	30.09.2025	Bullet Repayment at the end of the tenor
37	South Indian Bank	**200.00**	-	30.03.2026	
38	Bank of Baroda	**5,000.00**	5,000.00	17.05.2026	The loan is to be repaid in 8 halfyearly instalments of ₹625 crore each starting from 17-May-2026 and ending on 17-Nov-2029
39	UCO Bank	**1,000.00**	1,000.00	24.09.2026	
40	Punjab National Bank	**500.00**	500.00	27.09.2026	Bullet Repayment at the end of the tenor
41	Punjab National Bank	**5.00**	5.00	29.09.2026	
42	Punjab National Bank	**3,000.00**	-	29.09.2026	The loan is to be repaid in 3 yearly instalments of ₹1000 crore each starting from 29-Sep-2026 and ending on 29-Sep-2028
43	India Infrastructure Finance Company Limited	**1,000.00**	1,000.00	30.09.2026	Bullet Repayment at the end of the tenor
44	Bank of India	**2,000.00**	-	02.03.2027	
45	Central Bank	**1,000.00**	1,000.00	31.03.2027	
46	Union Bank	**3,000.00**	3,000.00	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹1500 crore each starting from 31.03.2027 and ending on 31.03.2028
47	Canara Bank	**2,250.00**	2,250.00	28.06.2027	The loan is to be repaid in 2 annually instalments of ₹1125 crore each starting from 28-Jun-2027 and ending on 28-Jun-2028
48	Canara Bank	**250.00**	250.00	30.06.2027	The loan is to be repaid in 2 annually instalments of ₹125 crore each starting from 30-Jun-2027 and ending on 30-Jun-2028
49	Indian Overseas Bank	**1,000.00**	1,000.00	30.09.2027	The loan is to be repaid in 2 yearly instalments of ₹500 crore each starting from 30-Sep-2027 and ending on 30-Sep-2028
50	Punjab & Sind Bank	**1,000.00**	1,000.00	30.03.2028	The loan is to be repaid in 2 yearly instalments of ₹500 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
51	UCO Bank	**1,000.00**	1,000.00	30.03.2028	
52	South Indian Bank	**199.96**	-	31.05.2028	Bullet Repayment at the end of the tenor
53	HDFC Bank Ltd.	**4,000.00**	-	05.07.2028	
54	South Indian Bank	**199.96**	-	19.09.2028	
55	Union Bank of India	**837.19**	-	27.09.2028	The loan is to be repaid in 2 yearly instalments of ₹418.595 crore each starting from 27-Sep-2028 and ending on 27-Sep-2029
56	Indian Overseas Bank	**500.00**	500.00	30.09.2028	The loan is to be repaid in 2 yearly instalments of ₹250 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
57	State Bank of India	**9,000.00**	-	31.12.2028	The loan is to be repaid in quarterly instalments starting from 31-Dec-2028 and ending on 30-Sep-2033.
58	India Infrastructure Finance Company Limited	**2,000.00**	-	28.02.2029	Bullet Repayment at the end of the tenor
59	"National Bank for Financing Infrastructure and Development"	**3,500.00**	3,500.00	31.03.2029	The loan is to be repaid in 10 yearly instalments of ₹350 crore each starting from 31-Mar-2029 and ending on 31-Mar-2038
60	"National Bank for Financing Infrastructure and Development"	**1,000.00**	-	01.03.2030	The loan is to be repaid in 10 annual instalments of ₹100 crore each starting from 01-Mar-2030 and ending on 01-Mar-2039
61	HDFC Bank Ltd.	**4,000.00**	-	25.09.2030	The loan is to be repaid in quarterly instalments starting from 31-Dec-2026 and ending on 05-Sep-2030.
	Sub Total (A)	**65,375.94**	**48,841.65**		

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2024	Principal Amount (₹ in crore) outstanding as at 31.03.2023	Date of Redemption	Redemption details
In case of PFC's Subsidiary REC Ltd.					
1	- Karur Vysya Bank	-	250.00		Repaid in FY 2023-24
2	- Indian Bank	-	1,500.00		
3	- HSBC Bank	-	3,402.49		
4	- Bank of India	-	1,499.87		
5	- Bank of Baroda	**4,749.92**	5,000.00	30.09.2024	Repayable in 6 annual instalments starting from 30.09.2024 and final instalment due on 29.09.2029
6	- Karnataka Bank	**499.98**	499.99	15.05.2025	Redeemable at par on maturity
7	- Punjab & Sind Bank	**499.91**	700.00	09.12.2025	
8	- Jammu & Kashmir Bank	**299.94**	299.95	28.10.2026	
9	- Deutsche Bank	**500.00**	1,000.00	15.06.2027	
10	- South Indian Bank	**499.89**	500.00	08.11.2026	Repayable on 08.11.2026 and ₹ 199.96 crores repayable on 04.08.2027
11	- HDFC Bank	**17,850.00**	16,350.00	17.11.2026	₹ 850 crore repayable on 17.11.2026, ₹ 2,000 crore repayable on 31.03.2027, ₹ 2,000 crore repayable on 07.09.2027, ₹ 2,500 crore repayable on 29.12.2027, ₹ 2,500 crore repayable on 27.02.2028,₹ 1,000 crore repayable on 27.06.2028 ,₹ 1,500 crore repayable on 29.06.2028, ₹ 4,000 crore repayable on 30.09.2028, and ₹ 1,500 crore repayable on 28.12.2028.
12	- ICICI Bank	**5,533.00**	4,000.00	23.01.2030	₹ 4,000 crores repayable on 23.01.2030 and ₹ 1,533 crores repayable on 15.05.2028.
13	- Union Bank of India	**3,999.42**	2,999.68	31.03.2027	₹ 1,999.42 crore Loan repayable in 5 annual instalments of ₹ 400 crore each starting from 31.03.2027 and final installment on 31.03.2031 and ₹ 1,000 crore repayable on 04.01.2026, ₹ 500 crore Loan repayable on 29.09.2028 and ₹ 500 crore loan repayable on 05.11.2028.
14	- State Bank of India	**7,750.94**	10,900.26	15.07.2025	₹ 2,139.92 crore repayable in 3 semi-annual instalments & last instalment payable on 15.07.2025, ₹ 3,899.84 crore repayable in structured instalments & last instalment payable on 29.10.2031 and ₹ 1,711.18 crore repayable on 12.12.2027
15	- Punjab National Bank	**7,529.29**	4,995.97	31.08.2024	₹ 1,329.99 crore repayable in 2 annual instalments & last installment due on 31.08.2025 , ₹ 1,999.66 crore repayable on 11.11.2026, ₹ 999.66 crore repayable in 4 equal annual installments starting from 29.03.2028 and last installment of ₹ 200 crore on 29.12.2031, ₹ 1,199.99 crore repayable on 03.11.2028, ₹ 1,999.99 crore repayable on 26.12.2028
16	- Central Bank	**899.99**	2,399.99	28.03.2026	₹ 499.99 crore repayable in 7 annual instalments starting from 28.03.2026 and final instalment on 28.03.2032 and ₹ 400 crore repayable on 17.11.2025
17	- Indian Infrastructure Finance Company Ltd. (IIFCL)	**4,550.00**	5,500.00	29.03.2026	₹ 750 crore repayable on 29.03.2026, ₹ 1,000 crore repayable on 09.08.2026,₹ 500 crore repayable on 29.07.2027,₹ 800 crore repayable on 30.06.2028 and ₹ 1,500 crore repayable on 11.12.2028
18	- National Bank for Financing Infrastructure and Development (NaBFID)	**3,500.00**	500.00	31.03.2027	₹ 3,500 crore repayable in 7 equal annual installment starting from 31.03.2027 and last installment on 31.03.2033
	Sub Total (B)	**58,662.28**	**62,298.20**		
	Total (A+B)	**1,24,038.22**	**1,11,139.85**		

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23.4 Details of Unsecured Foreign Currency Loans outstanding from Multilateral /Bilateral Agencies are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
In case of PFC					
1	ADB (Guaranteed by the Government of India)	**40.14**	51.35	15.04.2024	Semi Annual Instalments till 15.10.2028
2	JBIC PLA 1	**145.99**	-	22.04.2024	Semi Annual Instalments till 20.04.2038
3	KfW EUR 200M 030123	**690.26**	526.42	15.05.2024	Semi Annual Instalments till 15.11.2031
4	Credit National (Guaranteed by Government of India)	**10.06**	18.86	30.06.2024	Semi Annual Instalments till 30.06.2028
5	KFW I (Guaranteed by Government of India)	**38.84**	41.95	30.06.2024	Semi Annual Instalments till 30.06.2035
6	JBIC PLA 2	**54.73**	-	20.07.2024	Semi Annual Instalments till 20.07.2036
	Sub Total (A)	**980.02**	**638.58**		
In case of PFC's Subsidiary REC Ltd.					
1	KfW-IV Loan	**1,400.68**	1,578.56	15.05.2024	Repayable in equal half-yearly instalments of €12.00 Mn till 15.11.2030, next instalment falling due on 15.05.2024
2	1.86% KfW-III Loan	**47.49**	141.51	30.06.2024	Repayable in equal half-yearly instalments of €5.26 Mn, last instalment falling due on 30.06.2024
3	KfW-V Loan	**1,026.78**	-	15.05.2025	Repayable in equal half-yearly instalments of $ 8.921 Mn till 15.05.2034, first instalment falling due on 15.05.2025
	Sub Total (A)	**2,474.95**	**1,720.07**		
	Total (A+B)	**3,454.97**	**2,358.65**		

23.5 In case of PFC Ltd. Floating Rate Foreign Currency Loans in above Note No. 23.2 and 23.4 carries an interest rate spread ranging from 5 bps to 150 bps over 6 month USD LIBOR/ ARR (London Inter Bank Offered Rate/Alternative Reference Rate). Except for Foreign Currency Loans from Credit National, KFW-I and FCTL31A & B which are at fixed rate of interest.

In case of PFC's Subsidiary REC Ltd. Foreign Currency Borrowings in Note No. 23.2 and 23.4 have been raised at variable interest rates ranging from a spread of 13 bps to 210 bps (previous year 13 bps to 210) bps over external benchmarks including Overnight SOFR (Secured Overnight Financing Rate), 3/6 Months' Term SOFR, SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), 3/6 Months' EURIBOR (Euro Inter Bank Offered Rate) and Credit Adjustment Spread (CAS) as applicable on transition of loans to new benchmark rates, except for the cases where rate has been mentioned."

23.6 Details of Unsecured Rupee term Loan NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
In case of PFC					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.11% p.a.)	**7,500.00**	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Sub Total (A)	**7,500.00**	**7,500.00**		
In case of PFC's Subsidiary REC Ltd.					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate 8.29% p.a.)	**5,000.00**	5,000.00	13.12.2028	Bullet Repayment at the end of the tenor
2	National Small Savings Fund Scheme (NSSF) (Coupon rate 8.16% p.a.)	**5,000.00**	5,000.00	04.10.2029	Bullet Repayment at the end of the tenor
	Sub Total (B)	**10,000.00**	**10,000.00**		
	Total (A+B)	**17,500.00**	**17,500.00**		

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23.7 Details of Unsecured WCDL / OD / CC / Line of Credit outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2024	31.03.2023		
In case of PFC					
1	HDFC Bank	-	1,555.28	10.04.2023	Repaid in FY 2023-24.
2	Indian Bank	-	500.00	15.04.2023	
3	Canara Bank	-	300.00	15.04.2023	
4	Canara Bank	-	1,628.55	30.06.2023	
5	State Bank of India	1,861.48	-	06.04.2024	Bullet Repayment at the end of the tenor
6	IndusInd Bank	500.00	-	29.04.2024	
	Sub Total (A)	**2,361.48**	**3,983.83**		
In case of PFC's Subsidiary REC Ltd.					
1	Short Term Loans/ Loans repayable on demand from Banks	11,143.38	3,687.59	Running facility	Running facility
	Sub Total (B)	**11,143.38**	**3,687.59**		
	Total (A+B)	**13,504.86**	**7,671.42**		

23.8 In case of PFC Ltd. Borrowings as at 31.03.2023 in above Note 23.3 have been raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

In case of PFC Subsidiary REC Ltd. Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 23.3 and 23.6 have been raised at interest rates ranging from 7.50% to 8.29% (previous year 5.38% to 8.29%) payable on monthly/ quarterly/semi annual rests.

23.9 None of the borrowings of PFC have been guaranteed by Directors.

23.10 There has been no default in repayment of borrowings and interest during periods presented above.

23.11 In case of PFC ,Secured rupee term loans are secured by first pari-passu charge in favour of lending banks on the receivables of the Company limited to payment/repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/or others under/pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formally known as GDA Trusteeship Limited). Refer Note 12 for carrying values of the receivable pledged as security against secured rupee term loans

23.12 The Companies in the Group have not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

23.13 The Companis in the Group have not borrowed any funds on the specific security of current assets, where there is any requirement of filing of quarterly returns or statements.

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for the year ended March 31, 2024

24. SUBORDINATED LIABILITIES

The Company and its Subsidiary REC Ltd., have categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	Subordinated Liabilities (Unsecured)		
(i)	Perpetual Bonds (Principal Outstanding) (Refer note 24.1)	3,190.00	-
(ii)	Subordinated Bonds (Principal Outstanding) (Refer note 24.2)	9,562.20	15,862.20
(iii)	Interest accrued but not due on above	330.94	399.25
(iv)	Unamortised Transaction Cost on above	(151.21)	(176.31)
	Total Subordinated Liabilities	**12,931.93**	**16,085.14**
	Geography wise Subordinated Liabilities		
(i)	Subordinated Bonds in India	12,931.93	16,085.14
(ii)	Subordinated Bonds outside India	-	-
	Total Geography wise Subordinated Liabilities	**12,931.93**	**16,085.14**

24.1 Details of Perpetual Debt Instruments (Unsecured) are as under:

Sr. No.	Subordinated Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
1	7.88 PERPETUAL TX UNS BND SRS 236- PFC Ltd.	7.88%	100.00	-	NA	Perpetual bonds callable only at the option of the Company after minimum 10 years with prior approval of RBI.
2	222nd series - Perpetual Tier-I Bonds -REC Ltd.	7.98%	2,000.00	-	30.04.2033	With call option on 30.04.2033 and on annual anniversary date thereafter.
3	226th series - Perpetual Tier-I Bonds -REC Ltd.	8.03%	1,090.00	-	30.09.2033	With call option on 30.09.2033 and on annual anniversary date thereafter.
Total Perpetual Debt			**3,190.00**	**-**		

During the year the Company had issued Perpetual Debt Instruments (PDI) of ₹ 100 crore having face value of ₹ 1 crore each, with no maturity and callable only at the option of the Company after minimum 10 years with prior approval of RBI. The claims of the holders of the PDI are:

(a) Superior to the claims of the holders of the equity shares issued by the Company and perpetual non-cumulative preference shares, if any, of the Company; and

(b) Subordinated to the claims of all other creditors of the Company (but pari-passu inter se the holders of the PDIs). The Company may defer the payment of Coupon, if:

(i) The capital to risk assets ratio ("CRAR") of the Company is below the minimum regulatory requirement prescribed by RBI; or

(ii) the impact of such payment results in CRAR of the Company falling below or remaining below the minimum regulatory requirement prescribed by RBI. Further, it also has certain unique features which, inter-alia, grant PFC, in consultation with RBI a discretion in terms of writing down the principal / interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions might result in potential loss to investors. As these securities are perpetual in nature and claim of PDI holders is subordinate to claim of all other creditors and further as the Company does not have an unconditional right not to pay the coupon, these have been classified under subordinated liabilities.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

24.2 Details of Subordinated Debt (Unsecured) are as under:

Sr. No.	Subordinated Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2024	31.03.2023		
1	115th Series - Subordinate Tier-II Bonds -REC Ltd.	8.06%	-	2,500.00	31.05.2023	Repaid in FY 2023-24
2	Bond Series 105 -PFC Ltd.	8.19%	-	800.00	14.06.2023	
3	Bond Series 111 -PFC Ltd.	9.65%	-	1,000.00	13.01.2024	
4	Bond Series 114 -PFC Ltd.	9.70%	-	2,000.00	21.02.2024	
5	Bond Series 184A -PFC Ltd.	9.25%	2,000.00	2,000.00	25.09.2024	Redeemable at par in FY 2024-25.
6	Bond Series 184 B -PFC Ltd.	9.10%	2,411.50	2,411.50	25.03.2029	Redeemable at par in FY 2028-29.
7	Bond Series 185 -PFC Ltd.	8.98%	1,000.00	1,000.00	28.03.2029	Redeemable at par in FY 2028-29.
8	175th Series - Subordinate Tier-II Bonds -REC Ltd.	8.97%	2,151.20	2,151.20	28.03.2029	Redeemable at par in FY 2028-29.
9	199th Series - Subordinate Tier-II Bonds -REC Ltd.	7.96%	1,999.50	1,999.50	15.06.2030	Redeemable at par in FY 2030-31.
Total Subordinated Debt			**9,562.20**	**15,862.20**		

25. OTHER FINANCIAL LIABILITIES

The Group has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Payable on account of Unsecured Government of India Serviced Bonds (Refer note 25.1)	**29,421.12**	29,356.50
(ii)	Advance received from Associates	**179.56**	177.16
(iii)	Unclaimed Dividends (Refer note 25.2)	**574.50**	12.42
(iv)	Unpaid - Bonds and Interest Accrued thereon (Refer note 25.2)		
	- Unclaimed Bonds	**23.34**	26.58
	- Unclaimed Interest on Bonds	**82.38**	82.95
(v)	Others		
	- Interest on application money and interest accrued thereon	**0.20**	0.71
	- Interest Subsidy Fund and other GOI Funds for disbursement	**73.95**	161.35
	- Lease Liability (Refer note 51.1)	**14.74**	17.01
	- Derivative Liability - Variation Margin	**5,431.68**	-
	- Other liabilities*	**4,143.19**	1,113.65
	Total Other Financial Liabilities	**39,944.66**	**30,948.33**

* Includes amount received from borrowers which are subject to appropriation as per contractual terms of loan agreement.

25.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds) :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2024	As at 31.03.2023
1	7.10% Bond Series 156 -Redeemable at par on 11.01.2027 -PFC Ltd.	**200.00**	200.00
2	7.18% Bond Series 158 - Redeemable at par on 20.01.2027 -PFC Ltd.	**1,335.00**	1,335.00
3	7.60% Bond Series 160 - Redeemable at par on 20.02.2027 -PFC Ltd.	**1,465.00**	1,465.00
4	7.75% Bond Series 164 - Redeemable at par on 22.03.2027 -PFC Ltd.	**2,000.00**	2,000.00
5	8.09 % GoI-I Series - Redeemable at par on 21.03.2028 - REC Ltd.	**1,837.00**	1,837.00
6	8.01% GoI-II Series - Redeemable at par on 24.03.2028 - REC Ltd.	**1,410.00**	1,410.00
7	8.06% GoI-III Series - Redeemable at par on 27.03.2028 - REC Ltd.	**753.00**	753.00
8	8.70% - GoI-IV Series -Redeemable at par on 28.09.2028 - REC Ltd.	**3,000.00**	3,000.00

Notes to the Consolidated Financial Statements

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(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2024	As at 31.03.2023
9	8.54% GoI-V Series - Redeemable at par on 15.11.2028 - REC Ltd.	3,600.00	3,600.00
10	8.80% - GoI-VI Series - Redeemable at par on 22.01.2029 - REC Ltd.	2,027.00	2,027.00
11	8.60% GoI-VII Series - Redeemable at par on 08.03.2029 - REC Ltd.	1,200.00	1,200.00
12	8.30% GoI-VIII Series -Redeemable at par on 25.03.2029 - REC Ltd.	4,000.00	4,000.00
13	7.14% GoI-IX Series - Redeemable at par on 02.03.2030 - REC Ltd.	1,500.00	1,500.00
14	8.25% GoI-X Series - Redeemable at par on 26.03.2030 - REC Ltd.	532.30	532.30
15	7.20% GoI-XI Series Redeemable at par on 31.03.2030 - REC Ltd.	1,750.00	1,750.00
16	6.45% GoI- XII Series - Redeemable at par on 07.01.2031 - REC Ltd.	1,000.00	1,000.00
17	6.63% GoI- XIII Series - Redeemable at par on 28.01.2031 - REC Ltd.	1,000.00	1,000.00
18	6.50% GoI- XIV Series - Redeemable at par on 26.03.2031 - REC Ltd.	500.00	500.00
19	Interest accrued on above	311.82	247.20
	Total GoI Serviced Bonds (Unsecured Taxable Bonds)	**29,421.12**	**29,356.50**

25.2 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors / holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

25.3 Amounts payable under GoI Schemes:

(i) RECL has been appointed by GOI as a nodal agency for implementation of Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) and Revamped Distribution Sector Scheme (RDSS). The funds received for disbursement to various agencies under the scheme are kept in a separate bank accounts. The undisbursed funds for the scheme (including the funds received under erstwhile RGGVY Scheme) including interest earned thereto are classified under the line item 'Interest Subsidy Fund and Other GOI Funds for Disbursement' under 'Other Financial Liabilities' . For further details of GOI schemes, refer Note 56.

(ii) Subsidy Under Accelerated Generation & Supply Programme (AG&SP)

REC is maintaining an Interest Subsidy Fund Account and was given AG&SP subsidy (for disbursement to the eligible borrowers) by Govt. of India at net present value calculated at indicative rates and year in accordance with GOI's letter vide D.O.No. 32024/17/97-PFC dated 23.09.1997 and O.M.No.32024/23/2001-PFC dated 07.03.2003 irrespective of the actual repayment schedule, moratorium year and duration of repayment of the eligible schemes. The impact of difference between the indicative rate and year considered at the time of drawl and the actual can be ascertained only after the end of the respective schemes.

Net amount of ₹ 0.77 crores as at 31st March 2024 (₹ 0.75 crores as at 31st March 2023) represents the balance amount of interest subsidy fund, which is to be passed on to the borrowers against their interest liability arising in future, under Accelerated Generation & Supply Programme (AG&SP), which comprises of the following:-

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Opening Balance of Interest Subsidy Fund	0.75	0.73
Add: Interest earned during the year	0.02	0.02
Less: Interest subsidy passed on to the borrower	-	-
Closing Balance of Interest Subsidy Fund	0.77	0.75

(iii) The movement in Interest on Subsidy/ Grant of RECL is explained as under:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Opening Balance	24.17	20.87
Add: Interest earned/Adjustment during the year	9.93	16.65
Less: Amount refunded to Govt./Adjusted during the year	(2.42)	(13.35)
Closing Balance	31.68	24.17

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26. PROVISIONS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	For Employee Benefits : (Refer note 50)		
	- Gratuity	1.35	3.70
	- Leave Encashment	106.53	98.50
	- Economic Rehabilitation of Employees	12.78	11.99
	- Provision for Bonus / Incentive	76.59	79.54
	- Provision for Staff Welfare Expenses	33.72	28.20
(ii)	Impairment Loss Allowance - Letter of Comfort (Refer note 26.1)	80.65	66.80
(iii)	Provision for Unspent CSR Expense	237.81	149.38
	Total Provisions	**549.43**	**438.11**

26.1 Movement of Impairment loss allowance on Letter of Comfort & Guarantee

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(i)	Opening balance	66.80	98.11
(ii)	Creation during the year	28.50	5.60
(iii)	Reversal during the year	(14.65)	(36.91)
	Closing balance	**80.65**	**66.80**

27. OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
(i)	Unamortised Fee - Undisbursed Loans Assets	443.46	201.60
(ii)	Sundry Liabilities (Interest Capitalisation)	124.11	29.07
(iii)	Statutory dues payable	138.12	70.37
(iv)	Advance received from Govt. towards Govt. Schemes	-	0.10
(v)	Others	118.03	86.57
	Total Other Non-Financial Liabilities	**823.72**	**387.71**

28. EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at 31.03.2024		As at 31.03.2023	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	11,00,00,00,000	11,000.00	11,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹ 10)	20,00,00,000	200.00	20,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	3,30,01,01,760	3,300.10	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the period*	66,00,20,352	660.02	-	-
	Closing Equity Share capital	**3,30,01,01,760**	**3,300.10**	**2,64,00,81,408**	**2,640.08**

* Refer Note 28.4

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

28.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹ 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

28.2 Shares in the Company held by each shareholder holding more than 5% of the shares

Sr. No.	Particulars	As at 31.03.2024		As at 31.03.2023	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	**1,84,78,64,722**	**55.99%**	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd	**10,25,97,717**	**3.11%**	16,38,70,959	6.21%

28.3 Shares reserved for issue under options and contract / commitment for the sale of shares or disinvestment, including the terms and amount : Nil

28.4 During FY 2023-24, the Company has issued 66,00,20,352 equity shares of ₹ 10/- each as fully paid-up bonus shares in the ratio of one bonus equity share for every four existing fully paid-up equity shares outstanding on the record date i.e. 21.09.2023. Further, the Company has not bought back any shares.

28.5 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Nil

28.6 Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : Nil

28.7 Forfeited shares (amount originally paid up) : Nil

28.8 Capital Management : Refer Note 45.

29. OTHER EQUITY

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
(A)	**Other Reserves**			
(i)	Capital Reserve - Common Control	29.1(i)	**(13,114.50)**	(13,114.50)
(ii)	Securities Premium	29.1(ii)	**2,946.07**	3,606.87
(iii)	Foreign Currency Monetary Item Translation Difference Account	29.1(iii)	**(758.20)**	(883.61)
(iv)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	29.1(iv)	**17,132.46**	12,783.26
(v)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	29.1(v)	**1,574.26**	529.39
(vi)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97		**599.85**	599.85
(vii)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98 "	29.1(vi)	**44,077.56**	39,658.38
(viii)	Interest Differential Reserve - KFW Loan	29.1(vii)	**67.15**	64.97
(ix)	General Reserve	29.1(viii)	**21,056.10**	21,026.85
(x)	Impairment Reserve	29.1(ix)	**89.18**	-
(B)	**Retained Earnings**	29.1(x)	**23,413.33**	**18,236.28**
(C)	**Other Comprehensive Income (OCI) Reserves**			
(xi)	Equity Instruments through Other Comprehensive Income	29.1(xi)	**1,247.97**	2.12
(xii)	Effective portion of Cash Flow Hedges	29.1(xii)	**(636.02)**	808.03
(xiii)	Costs of Hedging Reserve	29.1(xiii)	**151.46**	(1,799.49)
	Total Other Equity		**97,846.67**	**81,518.41**

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29.1 Nature and purpose of reserve

(i) Capital Reserve - Common Control

Consequent to the acquisition of REC Limited by PFC on 28th March,2019, the difference between PFC's share in equity share capital of REC Limited of ₹ 1,386 crore and the consideration paid (including investment of ₹ 0.50 crore existing on the date of acquisition) of ₹ 14500.50 crore has been recognized as capital reserve-common control.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	(13,114.50)	(13,461.00)
Add: Adjustments due to bonus issue	-	346.50
Balance as at the end of the year	**(13,114.50)**	**(13,114.50)**

(ii) Securities Premium:

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	3,606.87	3,953.74
Add: Transferred from Retained Earnings	-	-
Less: Utilised for issue of Bonus Equity Shares (including expense thereof)	(660.80)	(346.87)
Balance as at the end of the year	**2,946.07**	**3,606.87**

(iii) Foreign Currency Monetary Item Translation Difference Account:

It represents unamortized foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortized over the tenure of the respective borrowings.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	(883.61)	(806.07)
Add: Foreign Currency Translation Gain/ Loss (-) on long term monetary items during the year	(92.22)	(77.54)
Less: Amortisation during the year	217.63	-
Balance as at the end of the year	**(758.20)**	**(883.61)**

(iv) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934:

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	12,783.26	9,298.33
Add: Transferred from Retained Earnings	4,349.20	3,484.93
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**17,132.46**	**12,783.26**

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for the year ended March 31, 2024

(v) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961:

It has been created to enable the PFC and its subsidiary REC Ltd. to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per section 36(1)(viia)(c) of Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible to avail deduction in respect of any provision / reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	529.39	680.04
Add: Transferred from Retained Earnings	1,077.09	590.10
Less: Utilisation of reserve against bad debts written off	(29.25)	(680.04)
Less: Adjustments during the year	(2.97)	(60.71)
Balance as at the end of the year	**1,574.26**	**529.39**

(vi) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable PFC and its subsidiary REC Ltd. to avail tax benefits. As per section 36(1)(viii) of the Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible for deduction not exceeding 20% of profit derived from long term finance activity, provided such amount is transferred and maintained in special reserve account.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	39,658.38	35,878.11
Add: Transferred from Retained Earnings	4,381.56	3,771.43
Less: Transferred to General Reserve	-	-
Add: Adjustments during the year	37.62	8.84
Balance as at the end of the year	**44,077.56**	**39,658.38**

(vii) Interest Differential Reserve - KFW Loan:

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	64.97	64.07
Add: Addition during the year	2.18	0.90
Less:Deletion during the year	-	-
Balance as at the end of the year	**67.15**	**64.97**

(viii) General Reserve:

General Reserve includes the amounts appropriated from the profits of the Group before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilization / reversal of such Reserves. Further the Group appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961.

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for the year ended March 31, 2024

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	21,026.85	20,346.81
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	29.25	680.04
Balance as at the end of the year	**21,056.10**	**21,026.85**

(ix) Impairment Reserve:

It is created where the impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) norms issued by RBI, to the extent of the difference. No withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision of the Reserve Bank. Refer Note 46.1.12 for further details.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	-	-
Add: Transferred from Retained Earnings	89.18	-
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**89.18**	**-**

(x) Retained Earnings:

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Group after transfer to and from other reserves and dividend distributions.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	18,236.28	12,757.10
Add: Profit for the year	19,761.16	15,889.33
Add: Remeasurement of Defined Benefit Plans (net of taxes)	(4.66)	(5.04)
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument	190.02	48.77
Add: Changes in Accounting Policy / Prior Period Errors	-	(0.82)
Add; Transfer to /from Retained Earnings	(9,897.03)	(7,846.46)
Add: Additions / Deletion during the period (net)	(36.84)	50.97
Less: Issue of Perpetual Debt Instruments	-	
Less: Coupon Payment on Perpetual Debt Instruments	(17.53)	(17.53)
Less: Dividend paid during the year	(4,818.16)	(2,640.08)
Less: Other Adjustments	0.08	0.05
Balance as at the end of the year	**23,413.33**	**18,236.28**

(x) Reserve for Equity Instruments through Other Comprehensive Income:

The Companies in the Group elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognized, amounts in the reserve are subsequently transferred to retained earnings and not to consolidated statement of profit and loss. Dividends on such investments are recognized in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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for the year ended March 31, 2024

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	2.12	(74.23)
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	1,435.87	125.12
Less: Reclassification of (gain)/ loss on sale/ extinguishment of FVOCI equity instrument (net of taxes)	(190.02)	(48.77)
Balance as at the end of the year	**1,247.97**	**2.12**

(xi) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognized in this reserve. The amounts recognized in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	808.03	302.56
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	(1,444.05)	505.47
Balance as at the end of the year	**(636.02)**	**808.03**

(xii) Cost of Hedging Reserve

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognized in this reserve. The amounts recognized in such reserve are amortized to the Statement of Profit and Loss on a systematic basis.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance as at the beginning of the year	(1,799.49)	(503.16)
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	1,950.95	(1,296.33)
Balance as at the end of the year	**151.46**	**(1,799.49)**

29.2 (i) The details of dividend declared/proposed by PFC on equity shares of face value of ₹10 each is as under:

Particulars	FY 2023-24			FY 2022-23		
	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
Interim Dividend	110.00%	11.00	3,630.11	87.50%	8.75	2,310.07
Final Dividend	25.00%	2.50	825.03	45.00%	4.50	1,188.04
Total Dividend	**135.00%**	**13.50**	**4,455.14**	**132.50%**	**13.25**	**3,498.11**

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on 15.05.2024 has recommended final dividend @ 25% on the paid up equity share capital i.e.₹ 2.50/- per equity share of ₹ 10/- each for the FY 2023-24 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of section 123 of Companies Act 2013, as applicable.

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for the year ended March 31, 2024

30. NON-CONTROLLING INTEREST

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2024	As at 31.03.2023
	Balance at the beginning of the year	27,264.39	24,040.51
(i)	Share of Net Profit for the period	6,700.02	5,289.26
(ii)	Re-measurement of Defined Benefit Plans	(0.35)	(2.12)
(iii)	Share of Other Comprehensive Income / (Expense)	494.97	(457.81)
	Share of Total Comprehensive Income	**7,194.64**	**4,829.33**
(i)	Dividend Declared/ Proposed to Non-Controlling Interest	(1,914.50)	(1,477.97)
(ii)	Others	38.84	(127.49)
	Balance at the end of the period - towards Equity Share Holders	**32,583.37**	**27,264.39**
	towards Instruments Entirely Equity in Nature (Refer note 30.2)	558.40	558.40
	Total Non - Controlling Interest	**33,141.77**	**27,822.79**

30.1 PFC's subsidiary REC Ltd. had issued Perpetual Debt Instruments of face value of ₹ 10 lakhs each, with no maturity and callable only at the option of the Company after 10 years. The claims of the holders of the securities shall be (a) Superior to the claims of the holders of the equity shares issued by the Issuer; and (b) Subordinated to the claims of all other creditors of the Issuer. The instruments carry a step up provision if not called after 10 years. The payment of Coupons may be cancelled or suspended at the discretion of REC Ltd. The coupon of the securities is not cumulative except where the Issuer shall not be liable to pay coupon and may defer the payment of coupon, if (i) The capital to risk assets ratio ("CRAR") of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI.

As these securities are perpetual in nature and the Group does not have any redemption obligation and discretion on payment of coupon, these have been classified as Equity. Further as such Equity is not attributable , directly or indirectly to the parent viz PFC Limited, the same has been included under Non-Controlling interest. The periodic coupon payments are accordingly adjusted with retained earnings.

30.2 In case of PFC's Subsidiary REC Ltd. details of Instruments Entirely Equity in Nature (Perpetual Debt instruments) are as follows:

(₹ in crore)

Particulars	Number of Bonds	As at 31.03.2024	As at 31.03.2023
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	5,584	558.40	558.40

30.3 Instrument holders holding more than 5% of Perpetual Debt Instruments entirely equity in nature as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2024		As at 31.03.2023	
	Number	Percentage	Number	Percentage
HVPNL Employees Pension Fund Trust	665	11.91%	665	11.91%
HPGCL Employees Pension Fund Trust	500	8.95%	500	8.95%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

31. INTEREST INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
A	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	89,368.21	76,195.15
	Less : Rebate for Timely Payment to Borrowers	(252.71)	(282.32)
(ii)	Interest on Deposits with Banks	546.05	292.69
(iii)	Interest on Investment	295.89	207.26
(iv)	Other Interest Income	45.61	36.22
B	**On Financial Assets classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	76.47	40.76
(ii)	Other Income	5.88	6.17
	Total Interest Income (A+B)	**90,085.40**	**76,495.93**

32. DIVIDEND INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(A)	**Dividend on equity investments designated at FVTOCI**		
(i)	Investments held at the end of the year	67.28	102.00
(ii)	Investments derecognized during the year	1.24	0.98
	Sub-Total (i+ii)	**68.52**	**102.98**
(B)	**Dividend on preference shares**	0.01	0.02
	Total Dividend Income (A+B)	**68.53**	**103.00**

33. FEES AND COMMISSION INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Prepayment Premium on Loans	52.02	114.19
(ii)	Fee based Income on Loans	129.11	240.81
(iii)	Fee for implementation of GoI Schemes (Refer note 56)	160.22	193.79
	Total Fees and Commission Income	**341.35**	**548.79**

34A OTHER OPERATING INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Sale of Services (Refer note 6.10)	601.44	420.58
	Total Other Operating Income	**601.44**	**420.58**

34B COST OF SERVICES RENDERED

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Project and consultancy expenses	180.84	73.69
	Total Cost of services rendered	**180.84**	**73.69**

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for the year ended March 31, 2024

35. OTHER INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Excess Liabilities written back	23.98	1.72
(ii)	Miscellaneous Income	54.17	55.17
	Total Other Income	**78.15**	**56.89**

36. FINANCE COSTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and others	17,943.88	11,864.45
(ii)	**Interest on Debt Securities**		
	- Bonds / Debentures	35,957.39	31,125.65
	- Commercial Paper	169.64	-
(iii)	**Interest on Subordinated Liabilities**	1,389.48	1,402.49
(iv)	**Other Interest Expense**		
	- Interest on advances received from Subsidiaries	5.81	4.66
	- Interest under Income Tax Act, 1961	7.16	0.88
	- Interest expense on Variation Margin	123.76	-
	- Other*	(3.80)	5.28
	Less: Finance Cost Capitalised	(0.53)	(0.03)
	On Financial Liabilities Classified at Fair Value Through Profit or Loss		
(v)	**Swap Premium (Net)**	2,369.41	2,613.40
	Total Finance Costs	**57,962.20**	**47,016.78**

* Refer note 51.1 for interest on lease liability

37. NET TRANSLATION/TRANSACTION EXCHANGE LOSS /(GAIN)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	Net Translation/Transaction Exchange Loss /(Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	(313.50)	2,221.75
(ii)	Translation of Long-term foreign currency monetary item (LTFCMI) (including Amortisation of FCMITDA) recognised up to 31.03.2018	266.98	867.52
	Total Net Translation/Transaction Exchange Loss /(Gain)	**(46.52)**	**3,089.27**

37.1 The Group's foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2024	As at 31.03.2023
USD / INR	83.3739	82.2169
Euro / INR	90.2178	89.6076
JPY / INR	0.5509	0.6180
SGD / INR	61.7319	61.8074

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38. FEES AND COMMISSION EXPENSE

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Agency Fees	4.39	3.21
(ii)	Guarantee, Listing and Trusteeship fees	4.17	5.37
(iii)	Credit Rating Fees	7.29	10.73
(iv)	Other Finance Charges	20.47	9.04
	Total Fees and Commission Expense	**36.32**	**28.35**

39. NET LOSS / (GAIN) ON FAIR VALUE CHANGES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
	On financial instruments at Fair value through Profit or Loss:		
(i)	**On trading Portfolio**	-	-
(ii)	**Others**		
	- Change in Fair Value of Derivatives	(191.21)	(192.57)
	- Change in Fair Value of Investments	(170.95)	81.88
	- Change in Fair Value of Short Term Investment of Surplus Funds in Mutual Funds	(2.60)	(5.18)
	Subtotal (ii)	**(364.76)**	**(115.87)**
	Total Net Loss / (Gain) on Fair Value changes (i+ii)	**(364.76)**	**(115.87)**
	Fair value changes:		
(i)	- Realised	183.18	(238.88)
(ii)	- Unrealised	(547.94)	123.01
	Total Net Loss / (Gain) on Fair Value changes	**(364.76)**	**(115.87)**

39.1 Fair value changes in this note are other than those arising on account of accrued interest income/expense.

40. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
A	**On Financial Assets measured at Amortised Cost:**		
(i)	Loans	(1,555.99)	(219.87)
(ii)	Other Financial Assets and Trade Receivables	(8.62)	30.91
(iii)	Letter of Comfort	13.84	(21.25)
B	**On Financial Assets measured through P&L**		
(i)	Write Offs - investments	-	56.66
	Total Impairment on Financial Instruments	**(1,550.77)**	**(153.55)**

40.1 Refer Note 46.1 for details of impairment on financial assets.

41. EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Salaries and Wages	332.78	321.84
(ii)	Contribution to Provident and other Funds/ Schemes	56.92	28.72
(iii)	Staff Welfare Expenses	87.56	74.39
(iv)	Rent for Residential Accommodation of Employees	19.50	13.93
	Total Employee Benefit Expenses	**496.76**	**438.88**

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41.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 50.

42 OTHER EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i)	Rent, Taxes and Energy Cost	16.80	9.23
(ii)	Repairs and Maintenance	34.04	28.58
(iii)	Communication Costs	4.61	5.08
(iv)	Printing and Stationery	3.14	2.90
(v)	Advertisement and Publicity	48.15	24.65
(vi)	Directors Fees, Allowance & Expenses	0.86	0.83
(vii)	Auditor's fees and expenses	3.61	2.99
(viii)	Legal & Professional charges	39.78	35.30
(ix)	Insurance	0.62	0.50
(x)	Travelling and Conveyance	46.39	39.52
(xi)	Net Loss / (Gain) on derecognition of Property, Plant and Equipment	9.17	9.66
(xii)	Govt. scheme monitoring expense	16.69	19.04
(xiii)	Conference And Meeting Expenses	21.72	18.12
(xiv)	Security Expenses	3.60	3.63
(xv)	Other Expenditure	99.45	69.41
	Total Other Expenses	**348.63**	**269.44**

* Includes unreconciled balance from one subsidiary amounting to ₹ 0.32 crore (previous year ₹ 3 crores)

43. DISCLOSURE RELATED TO INCOME TAXES

43.1 Income tax expense recognised in Consolidated Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Current Tax expense:		
Current Year	6,370.07	5,119.10
Earlier Years	(11.74)	(198.44)
(A) Total Current Tax Expense	**6,358.33**	**4,920.66**
Deferred Tax Expense /(Income)		
Origination and reversal of temporary differences	768.61	396.82
(B) Total Deferred Tax Expense/(Income)	**768.61**	**396.82**
Total Income Tax Expense (A+B)	**7,126.94**	**5,317.48**

43.2 Income tax expense recognised in Consolidated Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Current Tax Expense/(Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(0.22)	(1.45)
(A) Total Current Tax Expense/(Income)	**(0.22)**	**(1.45)**
Deferred Tax Expense/(Income)		
(B) Items that will not be reclassified to Profit or Loss		
Re-measurement of Defined Benefit Plans	(1.49)	(1.00)
Net Gain / (Loss) on Fair Value of Equity Instruments	194.96	(9.84)

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(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
(C) Items that will be reclassified to Profit or Loss		
Effective portion of Gains and (Loss) on hedging instruments in Cash Flow Hedge	(875.49)	234.65
Cost of Hedging Reserve	1,197.86	(645.29)
(D) Total Deferred Tax Expense/(Income) (B+C)	**515.84**	**(421.48)**
Total Tax Expense/(Income) recognised in OCI (A+D)	**515.62**	**(422.93)**

43.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expenses and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Profit before Tax	33,588.12	26,499.14
Applicable Tax Rate	25.168%	25.168%
Tax using the applicable tax rate	**8,453.46**	**6,669.30**
Tax effect of:		
Non-deductible tax expenses	4.53	107.46
Tax exempt income	(0.57)	(3.00)
Deduction u/s 80M of Income Tax act 1961	(415.86)	(439.13)
Deduction u/s 36(1)(viii) of Income Tax act 1961	(1,468.36)	(1,268.07)
Others	9.27	32.93
Tax expense pertaining to earlier years	(11.74)	(198.44)
Impact of change in tax rate	-	-
Effect of eliminations	556.21	416.43
Total tax expenses in the Consolidated Statement of Profit and Loss	**7,126.94**	**5,317.48**

44. DISCLOSURE AS PER IND AS 33 ''EARNINGS PER SHARE''

Sr. No.	Particulars	FY 2023-24	FY 2022-23
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
	(i) from continuing operations	19,761.16	15,889.33
	(ii) from discontinued operations	-	-
	(iii) from continuing and discontinued operations	19,761.16	15,889.33
(B)	Weighted average number of equity shares used as denominator (basic & diluted)*	330,01,01,760	330,01,01,760
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (₹):		
	(i) for continuing operations	59.88	48.15
	(ii) for discontinued operations	-	-
	(iii) for continuing and discontinued operations	59.88	48.15

* During the year, PFC has issued 66,00,20,352 equity shares of ₹10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 4 (Four) equity shares outstanding on the record date i.e.21.09.2023. Accordingly, as required by Ind AS-33, Earnings per share of current and previous year have been restated.

45. CAPITAL MANAGEMENT

The Group maintains a capital base that is adequate to support the Group's risk profile, regulatory and business needs. The Group sources funds from domestic and international financial markets, inter-alia leading to diverse investor base and optimised cost of capital. Refer Note 22, 23 & 24 for details w.r.t. sources of funds and refer Consolidated Statement of Changes in Equity for details w.r.t Equity.

As contained in Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended from time to time (hereinafter referred to as "RBI Master Directions"), NBFCs are required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. Both the companies

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regularly monitor the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company and its subsidiary RECL is also guided, inter alia, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital to Risk Weighted Assets Ratio (CRAR) is as under:

In respect of PFC

Ratios	Numerator*	Denominator*	As at 31.03.2024	As at 31.03.2023
Total Capital to risk- weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted assets	**25.41%**	24.37%
CRAR – Tier I Capital**	Tier I Capital	Risk Weighted assets	**23.18%**	21.61%
CRAR – Tier II Capital	Tier II Capital	Risk Weighted assets	**2.23%**	2.76%

* Computed as per applicable RBI guidelines.

** The amount of perpetual debt instruments of the Tier-I Capital is 0.16 % (previous year Nil).

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in crore)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Amount of Subordinated Debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	100.00	-

In respect of RECL

Ratios	Numerator*	Denominator*	As at 31.03.2024	As at 31.03.2023
Total Capital to risk- weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted assets	**25.82%**	25.78%
CRAR – Tier I Capital	Tier I Capital	Risk Weighted assets	**23.32%**	22.84%
CRAR – Tier II Capital	Tier II Capital	Risk Weighted assets	**2.50%**	2.94%

* Computed as per applicable RBI guidelines.

** The amount of perpetual debt instruments of the Tier-I Capital is 0.84 % (previous year 1%).

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in crore)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Amount of Subordinated Debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	3,090.00	-

Dividend Distribution Policy

The companies in the Group have a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars / guidelines, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, an entity is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions.

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Though respective companies' endeavours to declare dividend as per these guidelines, they may propose a lower dividend after analysis of various financial parameters like net-worth, CAPEX/business expansion needs; additional investments in subsidiaries / associates of the respective company; other regulatory requirements etc. For details of dividend paid/ proposed during the year, refer Note 29.2(i) and 29.2.(ii).

46. FINANCIAL RISK MANAGEMENT

The Group is exposed to several risks which are inherent to the environment that it operates in. The Group is primarily into the business of extending financial assistance to power, logistics and infrastructure sector. The principal risks which are inherent with the Group's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

The following table broadly explains the sources of risks which the Group is exposed to and how it manages the same and related impact in the consolidated financial statements:

Ratios	Risk	Exposure arising from	Measurement	Risk Management
46.1	Credit Risk	Loans, financial assets, investments, trade receivables, cash and cash equivalents	Ageing analysis	Detailed appraisal process, credit concentration limits, diversification of asset base and collateral including government guarantee
46.2	Liquidity Risk	Debt securities, borrowings, subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
46.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis, cash flow forecasting	Derivative contracts for hedging currency risk
46.4	Market Risk – Interest Rate Risk	Debt securities, borrowings, subordinated liabilities and loans at variable interest rates	Sensitivity analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
46.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the companies in the Group have put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the respective Company, PFC and its subsidiary RECL has respective Chief Risk Officers (CRO) who are involved in the process of identification, measurement and mitigation of risks. The risk management approach i.e. objectives, polices and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

46.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Group by failing to discharge its obligation. Details of financial assets that expose the Group to credit risk (gross carrying amount) are:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Low Credit Risk		
Cash and cash equivalents[a]	**339.34**	127.59
Bank balances other than included in cash and cash equivalents[a]	**3,049.22**	3,973.43
Loans (Principal outstanding)[c]	**9,10,756.18**	7,98,755.96
Trade Receivables[b]	**147.79**	185.98
Investments (Excluding equity investments) [a]	**7,236.77**	3,772.30
Other financial assets[b]	**29,885.31**	29,831.79
Moderate Credit Risk		
Loans (Principal outstanding) [c]	**50,183.94**	27,350.31
Trade receivables[b]	**58.90**	37.62
High Credit Risk		
Investments (Excluding equity investments)[a]	**101.67**	101.67
Loans (Principal outstanding) [c]	**29,883.55**	31,393.73
Other financial assets [b]	**89.25**	112.78
Trade receivables[b]	**58.55**	67.62

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(a) Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, across the country with diversified deposit base. The Companies in the Group diversify the deposit base by deploying funds in various types of instruments with respective banks/ mutual fund houses.

Exposure to credit risk on investments is managed by diversifying the investment portfolio, periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value. The Group carries an impairment loss allowance of ₹ 101.67 crore on its investments as at 31.03.2024 (as at 31.03.2023 ₹ 101.67 crore).

(b) Credit risk on trade receivables and other financial assets is mitigated by assessing the credit worthiness of debtors and is managed by monitoring the recoverability of such amounts. The Group carries requisite impairment loss allowance on such trade receivables and other financial assets.

(c) The Group is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below (Note 46.1.1 – Note 46.1.13).

46.1.1 Credit Risk Management Approach for lending operations

A. In respect of PFC

PFC has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the PFC's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e., project appraisal & project monitoring. PFC selects the borrowers in accordance with the PFC's approved credit policy, which inter alia, defines factors to be considered for rating of the borrower/ project. PFC's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, inter alia, based on internal rating awarded by PFC.

(i) Appraisal of Projects

PFC follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Power Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the prima facie preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted by the Competent Authority on the basis of preliminary appraisal.

PFC along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. PFC follows an integrated rating methodology whereby Integrated Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt equity ratio) are stipulated.

(b) Appraisal for State Sector Power Projects

State sector projects are taken up for detailed appraisal to determine, inter-alia, if it is techno economically sound and compatible with integrated power development & expansion plans of the State.

PFC classifies state power generation and transmission utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, PFC adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, PFC's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of PFC's rating structure. The categorization of Borrowers in the Logistics and Non-Power Infrastructure sector is carried out on the basis of recommendations of the Internal Committee considering the strengths and weaknesses of the project.

Such categories/ ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. PFC also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

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The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling/ projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non- statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of PFC as a lender for timely servicing of debt. PFC has an authorisation/ delegation structure for the approval of credit facilities commensurating with the size of the loan.

(ii) Security and Covenants

PFC stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, PFC adopts a combination of the following measures:

(a) Primary Security -Charge on Project Assets or State Government Guarantees

(b) Collateral Securities - Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets / revenues of group/other companies

(c) Payment Security Mechanism - Escrow Account / Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants - Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

PFC has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimize the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

For private sector, where PFC is Lead Financial Institution (FI), PFC engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders / consortium members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilization of funds in the project periodically. In cases where PFC is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender. From FY 2022-23 onwards PFC has started empaneling Project Management Agency (PMA), as a single entity, for private sector projects, thereby facilitating better coordination of project monitoring activities.

Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction/implementation etc. and is reviewed by PFC on a regular basis.

PFC continuously monitors delays and/or default of borrowers and their recoverability. On occurrence of default in the borrower's account, PFC initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularization of the account by recovering all overdues, invocation of guarantees/ securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC -2016, sale of the exposures to other entities/investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory/legal framework.

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B. In respect of RECL

The credit risk is managed at different levels including at appraisal, disbursements and post disbursement monitoring. RECL has "Integrated Rating Guidelines" and "Comprehensive Risk Management Policy". To mitigate credit risk, RECL follows systematic institutional and project appraisal process to assess the credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. Further, on periodic basis, the loan assets are reviewed and categorized as High/Moderate/Low based on ECL Methodology. The process for Credit Risk Management is as under:

(i) RECL has "Integrated Rating Guidelines" covering credit assessment, risk grading, collateral requirements, reporting, monitoring of end utilisation of funds etc. Further, independent Lender legal counsels are appointed to ensure effective documentation and mitigation of legal risk.

(ii) For all existing private sector projects, where RECL is Lead Financial Institution, RECL engages Lender's Independent Engineers (LIE), Lender's Financial Advisors (LFA) and Lender's Insurance Advisors (LIA), which are independent agencies who act on behalf of various lenders and consortium members. LIE conducts periodic site visits and submits reports on progress status of the project, after discussion with borrower and inspection/ review of relevant documents. LFA submit the statements of fund flow and utilization of funds in the project periodically. In cases where RECL is not the lead Financial Institution, the tasks related to LIE and LFA services are being coordinated with the lead lender.

RECL also endeavours to appoint a separate Project Management Agency (PMA) for new projects being financed, which subsumes the entire works of LIE /Project Management Consultant (PMC), LFA and LIA for better coordination among the agencies. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of project progress, review of EPC/non-EPC contracts & invoices, fund utilization and insurance for the project. PMA also verifies the bills of original equipment manufacturer/ supplier, composite works contractor and give its recommendation for disbursement. Initial due diligence is also be performed by PMA taking the sanctity of technical and financial parameters including original project cost & COD.

Concurrent Auditors/Agencies for Specialized monitoring/Cash Flow monitoring agencies are being appointed by REC/ Lenders on case to case basis for effective monitoring of Trust & Retention Account (TRA) for stressed projects.

(iii) RECL has an authorisation structure for the approval and renewal of credit facilities. Authorisation limits have been established commensurating with the size of business proposal at CMD/Executive Committee/Loan Committee/Board of Directors based on the recommendation of Screening Committee, as appropriate.

(iv) RECL has developed risk grading structure to categorise its exposures according to the degree of risk of default by charging appropriate interest rates and security package.

(v) Regular reports on the credit quality of loan portfolios are provided to Risk Management Committee and Board, which may require appropriate corrective action to be taken.

(vi) External agencies are appointed from time to time to review the guidelines, policy and existing practices being followed by business units along with providing the specialist skills to promote best practice throughout RECL for management of credit risk.

(vii) Individual and Group Credit Exposures are assessed against designated limits, before facilities are committed to borrowers by the business unit concerned. Sanction of additional facilities is also subject to the same review process.

(viii) RECL continuously monitors delays and/ or default of borrowers & other counterparties and their recoverability. On occurrence of default in the borrower's account, RECL initiates necessary steps to cure the default which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC), etc., monitoring of the TRA account, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP), sale of the exposures to other entities/ investors and other recovery mechanisms including invocation of guarantees/ securities to recover the dues.

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46.1.2 Credit Risk Measurement - Impairment Assessment for Lending Operations

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Group uses the following basis:

- A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.
- If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.
- If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

A. In respect of PFC

PFC recognises impairment loss allowance in accordance using the expected credit loss (ECL) model for the financial assets which are not categorised at fair value through profit or loss.

I. Default: In accordance with Ind AS 109, PFC considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

II. SICR - An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In accordance with Ind AS 109, PFC has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and/or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

III. Measurement of Expected Credit Loss (ECL)

PFC recognises impairment loss allowance for the financial assets in accordance with a board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). PFC has appointed an independent agency, CRISIL Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109. The brief methodology of computation of ECL is as follows:

(i) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12 month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage 1 accounts, 12 months PD is used.

For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used. For Stage 3 (credit impaired accounts), 100% PD is taken.

12-month PD: In case of State Sector borrowers, for the purpose of PD calculation, the risk rating grades of the utilities are considered. For Gencos/Transcos/Others, PFC's internal rating grades have been considered. For Discoms / Power Department borrowers, PFC has adopted the MoP ratings . The ratings as above has been be mapped with the standard external rating benchmarks. The PD factor associated with the mapped external rating as given in the PD transition matrix published by various Credit Rating Agencies(CRAs) have been used for PD calculation.

In case of Private sector borrowers, the latest external rating as published by various Credit Rating Agencies have been referred to compute PD using the PD transition matrix published by various CRAs . If external rating is not available, the PD has been computed through Proxy Risk Scoring Model on a 10-point scale with 1 suggesting minimum risk and 10 suggesting the highest risk. The said model uses the Quantitative financial ratios like Gearing (Debt/Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative factors like PLF, ACS/ ARR ratio or LAF to arrive at the final Risk score. The financial risk score obtained have been mapped

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to external rating benchmarks. This mapped rating has been referred to compute PD associated with the rating using the PD transition matrix published by various CRAs.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(ii) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, the company considers the credit worthiness of the states on various parameters while estimating the LGD for state utilities. For estimating the credit worthiness of the state, parameters like State GDP per capita, Fiscal deficit/GDP ratio and Proportion on Revenue Expenditure on Energy Sector, etc. are used as key inputs. The state utilities are bifurcated into Low, Medium and High-risk category based on the state category.

In case of Private sector borrowers, LGD has been assessed considering factors related to the project to arrive at realisable value of the plant such as generation capacity, project cost per MW, percentage completion of the plant, and book value of the assets etc. A stress factor was also applied as a haircut to arrive at the realisable value.

For Stage 3 borrowers, LGD has been assessed project wise based on Bid value/resolution plan amount/OTS amount/any other value/ discounted cash flows etc. as applicable.

(iii) Exposure at Default (EAD)

Exposure at Default is the outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest accrued (including delayed charges) in respect of the loan. As per Note no.7.1.(ii) , income on credit impaired assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding, therefore, the same is not used in computation of Exposure at default..

(iv) Key assumptions used in measurement of ECL

- PFC considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since PFC has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(v) The calculation of ECL incorporates forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as IIP (index of industrial production) electricity y-o-y growth rate, Money supply y-o-y growth rate to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

B. In respect of RECL

The impairment loss allowance on loan assets is provided as per Ind AS 109 in accordance with a board- approved policy, which measures the credit risk on the basis of key financial and operational parameters to assess improvement/ deterioration in credit quality. Management overlays to the model output, if any, are duly documented and approved by the Audit Committee. The evaluation of Expected Credit Loss (ECL) is undertaken by an independent agency, ICRA Analytics Limited (formerly ICRA Online Limited).

I. RECL has an internal system of grading for State Governments, Public Sector Undertakings and State Power Utilities. However, for State Distribution Companies (DISCOMs), RECL adopts the ratings by the Ministry of Power as and when they are updated. These ratings are mapped with external rating grades published by various credit rating agencies as part of rating transition matrix. For private borrowers, RECL uses the external rating as published by various credit rating agencies or proxy risk scores in case such rating is not available. The proxy risk score model considers following parameters:

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Quantitative factors

- Debt/ EBITDA (30% weightage)
- Return on Capital Employed (15% weightage)
- Interest Coverage (25% weightage)
- Gearing (Debt/Equity) (30% weightage)

Qualitative Factors

- Quarter wise Operational Parameters like PPA, PLF, ACS – ARR Gap, and LAF
- Actual Default dates
- Status of the Project

II. Significant Increase in Credit Risk (SICR)

RECL considers a financial instrument to have experienced a significant increase in credit risk when on any financial instrument if the payment is more than 30 days past due on its contractual payments.

III. Definition of default and credit-impaired assets

RECL defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when the loan account is more than 90 days past due on its contractual payments or any such period allowed by RECL in line with circular issued by the Reserve Bank of India.

IV. Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.
- EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.
- LGD represents RECL's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

V. Determination of Probability of Default (PD)

RECL has analysed the available annual rating transition matrix published by credit rating agencies to arrive at annual transition matrix based PD. This annual transition matrix was extrapolated to arrive at the lifetime probability of default of various rating grades by loan tenure / maturity profile i.e. lifetime PD. However, for State Distribution Companies (DISCOMs), the Company adopts the ratings by the Ministry of Power as and when they are updated.

VI. Loss Given Default (LGD) computation model

Based on the historical trend, research and industry benchmarking, RECL has constructed a LGD model. Factors reviewed in the LGD model include Project cost per unit, PPA status, FSA status etc. Based on internal research RECL has benchmarked these factors for Thermal, Renewable in Private Sector. In case of Private sector borrowers, the realizable value of the assets were arrived at using suitable assumptions, including valuation on outcome of the resolution process etc., to arrive at LGD. For State Government and Public sector projects, RECL has factored in the state support and assumed that the State/Central governments would step in to repay debt obligations of the state utilities as witnessed in the past.

VII. Key assumptions used in measurement of ECL

a) RECL considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

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b) EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.

VIII. Collateral and other credit enhancements

RECL employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds disbursed. RECL has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgage of Immovable properties
- Hypothecation of Moveable property
- Assignment of project contract documents
- Pledge of instruments through which promoters' contribution is infused in the project
- Pledge of Promoter Shareholding
- Corporate and personal Guarantee of Promoters

46.1.3 Credit risk analysis for Lending Operations Exposure to credit risk

For loans recognized in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 12 'Loans' for Group's exposure to credit risk arising from loans.

For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 52 for exposure of Guarantee and Outstanding Disbursement Commitments.

A. In case of PFC

The credit quality and maximum exposure (principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below:

(₹ in crore)

Days past Due (DPD)	As at 31.03.2024				As at 31.03.2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	4,34,204.39	441.45*	-	4,34,645.84	3,89,559.28	674.51#	-	3,90,233.79
1-30 days	-	-	-	-	0.07	-	-	0.07
31-60 days	-	30,742.84	-	30,742.84	-	-	-	-
61-90 days	-	-	-	-	-	15,111.70	-	15,111.70
More than 90 days	-	-	16,073.22	16,073.22	-	650.51@	16,501.65	17,152.16
Total	**4,34,204.39**	**31,184.29**	**16,073.22**	**4,81,461.90**	**3,89,559.35**	**16,436.72**	**16,501.65**	**4,22,497.73**
Impairment Loss Allowance	3,732.95	175.83	11,962.53	15,871.31	2,893.68	1,182.54	11,999.38	16,075.60

Pending transfer of ownership, the account has been classified as Stage 2.

* Classified in Stage-II pursuant to resolution plan implemented without change in ownership.

@ Refer Note 46.1.10

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B. In respect of RECL

Credit Risk Exposure in respect of the borrowers with different credit ratings is as under

(₹ in crore)

Credit Risk Category (Internal/ Mapped Ratings)	As at 31.03.2024				As at 31.03.2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
Very Good (AAA | AA | A | Government Loan)	2,03,407,58	18,161.39	-	2,21,568.97	1,92,836.82	276.33	-	1,93,113.15
Good (BBB | BB | B)	2,22,710.25	445.30	-	2,23,155.55	1,47,389.05	9,128.03	-	1,56,517.08
Average (C)	56,025.85	-	-	56,025.85	70,282.47	1,345.98	-	71,628.45
Fair (D)	410.44	-	-	410.44	1,796.13	157.74	-	1,953.87
Non- Performing (D)	-	392.96	13,810.33	14,203.29	-	5.50	14,892.08	14,897.58
Gross Exposure	**4,82,554.12**	**18,999.65**	**13,810.33**	**5,15,364.10**	**4,12,304.47**	**10,913.58**	**14,892.08**	**4,38,110.13**
Less: Loss allowance	2,767.04	191.70	9,453.80	12,412.54	3,521.81	238.30	10,519.51	14,279.61
Net Exposure	**4,79,787.08**	**18,807.95**	**4,356.53**	**5,02,951.56**	**4,08,782.66**	**10,675.28**	**4,372.57**	**4,23,830.51**

46.1.4 Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

The following table sets out an analysis of risk concentration of overall loan portfolio of PFC and its subsidiary, RECL on the basis of similar risk characteristics:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e. entities under the control of state and / or central government)	**8,44,163.65**	**5657.78**	7,42,981.50	5,828.25
Loans to private sector	**1,46,660.02**	**22,626.03**	1,14,518.50	24,526.97
Total	**9,90,823.67**	**28,283.81**	**8,57,500.00**	**30,355.22**

* Including impairment loss allowance on Letter of Comfort (LoC) of ₹ 80.65 Crore. (As at 31.03.2023 ₹ 66.80 Crore.)

Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Companies considers that these loans have a low credit risk in comparison to lending to private sector mainly due to low default / loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Further, the Companies have a lending portfolio comprising of loans to generation, renewable, transmission and distribution power projects spread across diverse geographical areas.

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes–				
Generation	**3,17,213.88**	**21,202.09**	3,42,425.28	22,913.72
Renewable	**99,178.38**	**3,040.71**	77,270.92	3,426.45
Transmission	**83,845.58**	**318.45**	79,173.24	404.07
Distribution	**4,14,955.99**	**3,407.25**	3,40,947.29	3,492.22
Others	**75,629.84**	**315.31**	17,683.27	118.76
Total	**9,90,823.67**	**28,283.81**	**8,57,500.00**	**30,355.22**

* Including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 80.65 Crore. (as at 31.03.2023 ₹ 66.80 Crore.)

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The exposure to various projects and borrowers is constantly monitored in line with the Credit Concentration Norms applicable to the Companies in the Group.

46.1.5 Details of Stage wise Principal outstanding and Impairment loss Allowance in respect of PFC & RECL:

(₹ in crore)

Particulars	As at 31.03.2024			As at 31.03.2023		
	Principal outstanding	Impairment loss allowance*	%	Principal outstanding	Impairment loss allowance*	%
Stage 1	9,10,756.18	6,499.95	0.71	7,98,755.96	6,415.49	0.80
Stage 2	50,183.94	367.53	0.73	27,350.31	1,420.84	5.19
Stage 3	29,883.55	21,416.33	71.67	31,393.73	22,518.89	71.73
Total	**9,90,823.67**	**28,283.81**	**2.85**	**8,57,500.00**	**30,355.22**	**3.54**

* Including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 80.65 Crore. (as at 31.03.2023 ₹ 66.80 Crore.)

46.1.6 Details of Stage wise movement of Principal outstanding and Impairment loss Allowance:

The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) in respect of PFC & RECL between the beginning and the end of the reporting period:

(₹ in crore)

FY 2023-24	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	798,755.96	6,415.49	27,350.31	1,420.84	31,393.73	22,518.89	857,500.00	30,355.22
Transfer to Stage 1	26,391.62	987.58	(26,391.62)	(987.57)		-	-	-
Transfer to Stage 2	(51,595.10)	(207.85)	52,377.47	452.13	(782.37)	(244.28)	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net change in Principal/ECL during the year within same stage	3,436.41	(446.65)	-	(426.85)	(15.44)	(357.19)	3,420.97	(1,230.69)
New financial assets originated	2,28,600.18	1,481.78	90.95	0.73	-	-	2,28,691.13	1,482.51
Financial Assets derecognized (includes loans repaid/ pre-payment with stage movement)	(94,832.89)	(1,730.41)	(3,272.41)	(91.74)	(212.35)	(1.07)	(98,317.65)	(1,823.22)
Financial Assets derecognized (Write Off)	-	-	29.25	-	(500.02)	(500.02)	(470.77)	(500.02)
Financial Assets derecognized during the period (Investment Received)	-	-	-	-	-	-	-	-
Closing Balance	**9,10,756.18**	**6,499.95**	**50,183.94**	**367.53**	**29,883.55**	**21,416.33**	**9,90,823.67**	**28,283.81**

(₹ in crore)

FY 2022-23	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	6,57,482.61	4,849.04	62,938.57	1,314.93	38,075.17	25,910.11	7,58,496.35	32,074.08
Transfer to Stage 1	43,615.34	(4.88)	(43,615.34)	4.88	-	-	-	-
Transfer to Stage 2	(2,798.11)	(11.28)	2,988.10	83.95	(189.99)	(72.67)	-	-
Transfer to Stage 3	(24.64)	(2.52)	(13.67)	(3.36)	38.31	5.88	-	-
Net change in Principal/ECL during the year within same stage	(8,952.62)	1,084.47	(708.96)	(84.46)	(55.53)	(25.59)	(9,717.11)	974.42
New financial assets originated	158,315.69	1,085.17	6,338.03	118.42	-	-	164,653.72	1,203.59
Financial Assets derecognized (includes loans repaid/ pre-payment with stage movement)	(48,882.31)	(584.51)	(576.43)	(13.52)	(4,443.25)	(1,564.15)	(53,901.99)	(2,162.18)
Financial Assets derecognized (Write Off)	-	-	-	-	(1,452.33)	(1,452.33)	(1,452.33)	(1,452.33)
Financial Assets derecognized during the period (Investment Received)	-	-	-	-	(578.64)	(282.36)	(578.64)	(282.36)
Closing Balance	**798,755.96**	**6,415.49**	**27,350.31**	**1,420.84**	**31,393.73**	**22,518.89**	**857,500.00**	**30,355.22**

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46.1.7 Movement of Credit Impaired Accounts (Stage 3 accounts):

The following tables explain the changes in credit impaired accounts (stage 3 accounts) and the corresponding impairment loss allowance in respect of PFC & RECL between the beginning and the end of the reporting period

(₹ in crore)

Sr. No.		Description	As at 31.03.2024	As at 31.03.2023
(i)		Net Credit Impaired accounts to Gross Loans (%)	**0.85%**	1.03%
(ii)		Net Credit Impaired accounts to Net Loans (%)	**0.87%**	1.06%
(iii)		Movement of Gross Credit Impaired accounts	**-**	-
	(a)	Opening balance	**31,393.73**	38,075.17
	(b)	Additions during the year	**0.32**	45.80
	(c)	Reductions/ write offs during the year	**(1,510.50)**	(6,727.24)
	(d)	**Closing balance**	**29,883.55**	**31,393.73**
(iv)		Movement of Net Credit Impaired accounts	**-**	-
	(a)	Opening balance	**8,874.84**	12,165.06
	(b)	Additions during the year	**448.16**	399.06
	(c)	Reductions/ write offs during the year	**(855.78)**	(3,689.28)
	(d)	**Closing balance**	**8,467.22**	**8,874.84**
(v)		Movement of impairment loss allowance on Credit Impaired accounts		
	(a)	Opening balance	**22,518.89**	25,910.11
	(b)	Provisions made during the year	**(341.43)**	55.06
	(c)	Write-off / write-back of excess provisions	**(761.13)**	(3,446.28)
	(d)	**Closing balance**	**21,416.33**	**22,518.89**

46.1.8 Write off of Loan Assets

PFC and RECL writes off financial assets, in whole or in part in line with the write off policy of the respective companies, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full. The waiver/write off is done in whole or in part as per the restructuring/ settlement/resolution process.

46.1.9 Policy for sale out of amortised cost business

PFC & RECL does not resort to the sale of financial assets, in ordinary course of business. However, the respective companies have approved policies that they may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'

46.1.10 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired:

Particulars	As at 31.03.2024	As at 31.03.2023
Number of Borrowers	-	1
Amount of loan outstanding (₹ in crore)	-	650.51
Amount overdue* (₹ in crore)	-	160.91
Amount of Impairment Loss allowance (₹ in crore)	-	422.68

*excluding overdue interest of Nil as at 31.03.2024 (As at 31.03.2023 ₹ 186.06 crore).

As at 31.03.2023, Pursuant to Ad-interim order from Hon'ble High Court(s) one borrower account had not been classified as Credit impaired. During FY 2023-24, the borrower account was upgraded to Stage 1 on implementation of resolution plan. As at 31.03.2024, there is no borrower account beyond 90 days overdue which has not been treated as credit impaired.

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46.1.11 In accordance with Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time, NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

Particulars	PFC		RECL	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Gross NPA to Gross Loans	4.17%	4.72%	3.00%	4.77%
Net NPA to Net Loans	1.66%	1.87%	1.16%	2.41%

46.1.12 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment loss allowance as per Ind AS 109 'Financial Instruments'

A. In respect of PFC

As at 31.03.2024

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	434,363.00	3,398.17	430,964.83	2,424.42	973.75
	Stage 2	31,255.87	125.02	31,130.85	122.97	2.05
	Stage 3	-	-	-	-	-
Sub-total		**465,618.87**	**3,523.19**	**462,095.68**	**2,547.39**	**975.80**
Non-Performing Assets (NPA)						
Substandard	Stage 1	725.91	3.45	722.46	72.05	(68.60)
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total for Substandard		**725.91**	**3.45**	**722.46**	**72.05**	**(68.60)**
Doubtful – up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	-	-	-	-	-
More than 3 years	Stage 1	2,891.63	282.72	2,608.91	1,416.95	(1,134.23)
Doubtful – up to 1 year	Stage 2	-	-	-	-	-
1 to 3 years	Stage 2	-	-	-	-	-
More than 3 years	Stage 2	441.45	50.80	390.65	220.73	(169.93)
Doubtful – up to 1 year	Stage 3	37.37	37.37	-	18.47	18.90
1 to 3 years	Stage 3	1,312.74	706.86	605.88	463.22	243.64
More than 3 years	Stage 3	11,653.18	8,148.36	3,504.82	8,151.75	(3.39)
Sub-total for doubtful		**16,336.37**	**9,226.11**	**7,110.26**	**10,271.12**	**(1,045.01)**
Loss	Stage 3	3,069.93	3,069.93	-	3,069.93	-
Sub-total for NPA		**20,132.21**	**12,299.49**	**7,832.72**	**13,413.10**	**(1,113.61)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	48.63	(48.63)	-	48.63
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total		**-**	**48.63**	**(48.63)**	**-**	**48.63**

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(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Total	**Stage 1**	**437,980.54**	**3,732.95**	**434,247.59**	**3,913.42**	**(180.47)**
	Stage 2	**31,697.32**	**175.83**	**31,521.49**	**343.70**	**(167.87)**
	Stage 3	**16,073.22**	**11,962.53**	**4,110.69**	**11,703.37**	**259.16**
	Total	**485,751.08**	**15,871.31**	**469,879.77**	**15,960.49**	**(89.18)**

As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,89,880.43	2,542.86	3,87,337.57	2,062.73	480.13
	Stage 2	16,956.30	1,182.54	15,773.76	390.50	792.04
	Stage 3	-	-	-	-	-
Sub-total		**4,06,836.73**	**3,725.40**	**4,03,111.33**	**2,453.23**	**1,272.16**
Non-Performing Assets (NPA)						
Substandard	Stage 1	453.88	1.82	452.06	45.30	(43.48)
	Stage 2	-	-	-	-	-
	Stage 3	37.04	16.38	20.66	3.70	12.68
Sub-total for Substandard		**490.92**	**18.20**	**472.72**	**49.00**	**(30.80)**
Doubtful - up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	79.76	0.04	79.72	23.43	(23.39)
More than 3 years	Stage 3	2,981.80	298.03	2,683.77	1,462.20	(1,164.17)
Doubtful - up to 1 year	Stage 3	1,142.64	572.64	570.00	256.41	316.23
1 to 3 years	Stage 3	170.10	133.51	36.59	89.70	43.80
More than 3 years	Stage 3	12,066.17	8,191.15	3,875.02	8,329.22	(138.07)
Subtotal for doubtful		**16,440.47**	**9,195.37**	**7,245.10**	**10,160.96**	**(965.60)**
Loss	Stage 3	3,085.70	3,085.70	-	3,085.70	-
Sub-total for NPA		**20,017.09**	**12,299.27**	**7,717.82**	**13,295.67**	**(996.40)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	50.93	(50.93)	-	50.93
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total	**-**	**-**	**50.93**	**(50.93)**	**-**	**50.93**
Total	**Stage 1**	**3,93,395.86**	**2,893.68**	**3,90,502.18**	**3,593.67**	**(699.98)**
	Stage 2	**16,956.30**	**1,182.54**	**15,773.76**	**390.50**	**792.04**
	Stage 3	**16,501.65**	**11,999.38**	**4,502.27**	**11,764.73**	**234.65**
	Total	**4,26,853.81**	**16,075.60**	**4,10,778.22**	**15,748.90**	**326.70**

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B. In respect of RECL

As at 31.03.2024

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,77,502.34	2,712.85	4,74,789.49	2,470.03	242.82
	Stage 2	18,777.3	149.69	18,627.61	74.43	75.26
Sub-total		**4,96,279.64**	**2,862.54**	**4,93,417.10**	**2,544.46**	**318.08**
Non-Performing Assets (NPA)						
Substandard	Stage 1	1,029.73	20.94	1,008.79	102.94	(82)
Doubtful Assets						
Doubtful - up to 1 year	Stage 1	59.81	1.23	58.58	11.96	(10.73)
1 to 3 years	Stage 3	1,545.70	757.81	787.88	510.56	247.25
	Stage 2	392.27	41.21	351.06	172.93	(131.72)
More than 3 years	Stage 3	12,262.66	8,694.03	3,568.63	9,039.67	(345.64)
Subtotal for doubtful		**14,260.44**	**9,494.28**	**4,766.15**	**9,735.12**	**(240.84)**
Loss	Stage 2	0.80	0.80	-	0.80	-
	Stage 3	1.96	1.96	-	1.96	-
Subtotal for NPA		**15,292.93**	**9,517.98**	**5,774.94**	**9,840.82**	**(322.84)**
Total Loan Assets		**5,11,572.57**	**12,380.52**	**4,99,192.04**	**12,385.28**	**(4.76)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms -Letter of Comfort	Stage 1	5,993.15	32.02	5,961.13	-	32.02
Sub-total		**5,993.15**	**32.02**	**5,961.13**	**-**	**32.02**
Total	**Stage 1**	**4,84,585.03**	**2,767.04**	**4,81,817.99**	**2,584.93**	**182.11**
	Stage 2	**19,170.37**	**191.70**	**18,978.67**	**248.16**	**(56.46)**
	Stage 3	**13,810.32**	**9453.80**	**4,356.51**	**9,552.19**	**(98.39)**
	Total	**5,17,565.72**	**12,412.54**	**5,05,153.17**	**12,385.28**	**27.26**

As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,04,567.80	3,423.13	4,01,144.67	2,089.93	1,333.20
	Stage 2	11,016.14	232.80	10,783.34	43.63	189.17
Sub-total		**4,15,583.94**	**3,655.93**	**4,11,928.01**	**2,133.56**	**1,522.37**
Non-Performing Assets (NPA)						
Substandard	Stage 1	5,866.14	82.81	5,783.33	583.94	(501.13)
Doubtful Assets						
Doubtful - up to 1 year	Stage 3	1,512.48	754.15	758.33	350.72	403.43

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(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
1 to 3 years	Stage 3	594.27	452.12	142.14	344.21	107.91
More than 3 years	Stage 3	12,780.46	9,308.37	3,472.09	9,488.51	(180.14)
Subtotal for doubtful		**14,887.21**	**10,514.64**	**4,372.56**	**10,183.44**	**331.20**
Loss	Stage 2	5.50	5.50	-	5.50	-
	Stage 3	4.87	4.87	-	4.87	-
Subtotal for NPA		**20,763.72**	**10,607.82**	**10,155.89**	**10,777.75**	**(169.93)**
Total Loan Assets		**4,36,347.66**	**14,263.75**	**4,22,083.90**	**12,911.31**	**1,352.44**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms -Letter of Comfort	Stage 1	3,098.35	15.87	3,082.48	-	15.87
Sub-total		**3,098.35**	**15.87**	**3,082.48**	**-**	**15.87**
Total	**Stage 1**	**4,13,532.29**	**3,521.81**	**4,10,010.48**	**2,673.87**	**847.94**
	Stage 2	**11,021.64**	**238.30**	**10,783.34**	**49.13**	**189.17**
	Stage 3	**14,892.08**	**10,519.51**	**4,372.56**	**10,188.31**	**331.20**
	Total	**4,39,446.01**	**14,279.62**	**4,25,166.38**	**12,911.31**	**1,368.31**

46.1.13 Expected Credit Loss for Trade Receivables

A. In respect of RECL

RECL provides for lifetime credit losses in respect of trade receivables of RECPDCL, one of the subsidiaries of RECL using simplified approach under ECL method:

(₹ in crore)

Particulars	Less than 1 year	1 year- 2 year	2 year- 3 year	More than 3 year	Total
As at 31.03.2024					
Gross carrying value	**115.13**	**50.10**	**8.80**	**39.46**	**213.49**
Expected loss rate	**7.67%**	**24.84%**	**46.97%**	**86.82%**	**27.95%**
Expected credit loss (provision)	**8.83**	**12.45**	**4.13**	**34.26**	**59.67**
Carrying amount (net of impairment)	**106.30**	**37.65**	**4.67**	**5.20**	**153.82**
As at 31.03.2023					
Gross carrying value	128.73	21.32	16.30	56.35	222.70
Expected loss rate	19.94%	62.85%	90.00%	99.31%	49.62%
Expected credit loss (provision)	25.67	13.40	14.67	55.96	109.70
Carrying amount (net of impairment)	103.06	7.92	1.63	0.39	113.00

B. In respect of PFCCL

The trade receivables of PFCCL comprises mainly amount recoverable from the State Government entities. PFCCL considers that the exposure to state sector have a low credit risk mainly due to low default/ loss history. Further, the presence of Government interest lowers the risk of non-recoverability.

Subsequent to initial recognition, PFCCL recognises expected credit loss (ECL) on financial assets especially on trade receivables other than related parties. ECL is recognised at 100% on the trade receivables due for more than 2 years and 50% on the trade receivables due for more than one year and less than 2 years.

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Ageing analysis of Trade receivables is as follows:

(₹ in crore)

Particulars	0 to 1 year	1 to 2 year	More than 2 year	Total
Gross carrying amount as at 31.03.2024	22.39	10.78	20.96	54.13
Gross carrying amount as at 31.03.2023	43.50	2.87	21.06	67.43

Movement in the expected credit loss allowance

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	9.25	8.96
Impairment allowance reversal	(1.57)	-
Impairment losses recognised	5.21	0.29
Closing Balance	**12.89**	**9.25**

C. In respect of PFC

Movement in the expected credit loss allowance

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	0.81	0.81
Impairment allowance reversal	-	-
Impairment losses recognised	-	-
Closing Balance	**0.81**	**0.81**

46.2 Liquidity Risk

Liquidity risk is the risk that the Group doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

46.2.1 The following table analyses the maturity pattern of items of financial liabilities (debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Upto 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Domestic borrowings				
Principal	1,05,831.49	3,13,592.88	2,27,809.23	6,47,233.60
Interest	47,426.15	1,31,031.84	74,792.73	2,53,250.72
Foreign Currency borrowings				
Principal	50,529.16	1,19,877.21	27,738.15	1,98,144.52
Interest	6,780.13	16,949.13	1,196.47	24,925.73
Total	**2,10,566.93**	**5,81,451.06**	**3,31,536.58**	**11,23,554.57**
As at 31.03.2023				
Domestic borrowings				
Principal	90,123.05	259,152.30	229,514.69	578,790.04
Interest	41,565.92	114,557.45	67,338.04	223,461.42
Foreign Currency borrowings				
Principal	40,666.15	78,286.85	39,465.75	158,418.75
Interest	5,948.78	13,717.92	2,684.65	22,351.35
Total	**178,303.90**	**465,714.52**	**339,003.13**	**983,021.56**

*In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

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46.2.2 The following table analyses the maturity pattern of Derivative financial liabilities:

(₹ in crore)

Particulars*	Upto 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Forward	-	-	-	-
Option/ swaps	385.91	584.69	142.83	1,113.43
Total	**385.91**	**584.69**	**142.83**	**1,113.43**
As at 31.03.2023				
Forward	21.06	0.00	0.00	21.06
Option/ swaps	64.24	310.18	605.79	980.21
Total	**85.30**	**310.18**	**605.79**	**1,001.27**

* The above table details Group's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparties. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

46.2.3 Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Upto 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2024				
Loan Assets				
Principal	1,55,763.97	3,55,093.36	4,58,550.01	9,69,407.34
Interest	89,602.19	2,53,990.58	2,08,779.64	5,52,372.41
Total	**2,45,366.16**	**6,09,083.94**	**6,67,329.65**	**15,21,779.75**
As at 31.03.2023				
Loan Assets				
Principal	1,16,979.37	3,08,341.85	4,09,659.87	8,34,981.09
Interest	76,654.89	2,22,171.89	1,73,464.65	4,72,291.43
Total	**1,93,634.26**	**5,30,513.74**	**5,83,124.52**	**13,07,272.52**

* The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date.

46.2.4 Liquidity Risk Management

In order to effectively manage liquidity risk, the Group endeavours to maintain sufficient cash flows to cover maturing liabilities and projected disbursements without incurring unacceptable losses or risking damage to its reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Group's liquidity position is determined keeping in view the current liquidity position; anticipated future funding needs; present and future earning capacity; and available sources of funds.

The Companies in the Group manages its day to day liquidity to ensure that they have sufficient liquidity to meet their financial obligation as & when due.

Further, for overall liquidity monitoring and supervision, PFC and RECL has their respective Asset Liability Committee (ALCO). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mis-matches of its financial assets and liabilities.

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46.2.5 Financing arrangements

A. In respect of PFC

PFC has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, PFC has the highest Domestic Credit Rating of AAA, thereby enabling it to mobilize funds from the domestic market within a short span of time. PFC has access to the following undrawn borrowing facilities:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
CC/ OD/ LoC / WCDL limits	11,888.52	8,116.17

B. In respect of RECL

RECL had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Expiring within one year - Floating Rate	11,813.99	13,364.88
Expiring beyond one year -Floating Rate	386.44	1,393.58

46.2.6 RBI vide its Master Directions applicable for NBFCs prescribe Liquidity Coverage Ratio (LCR) framework for all non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC and its subsidiary, RECL maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed.

46.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

46.3.1 The Company and its subsidiary, RECL is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the foreign currency denominated borrowings of these companies is as follows:

Description	As at 31.03.2024		As at 31.03.2023	
	Crore in respective currency	₹ in Crore	Crore in respective currency	₹ in Crore
USD Loans	**1,889.00**	**1,57,493.03**	**1,585.32**	**130,340.51**
- Hedged	1,816.20	1,51,423.68	1,304.70	107,268.39
- Unhedged	72.80	6,069.35	280.62	23,072.12
Euro Loans	**99.12**	**8,942.57**	**162.13**	**14,527.63**
- Hedged	60.40	5,449.37	123.99	11,110.66
- Unhedged	38.72	3,493.20	38.14	3,416.97
JPY Loans	**54,361.58**	**29,947.79**	**19,073.36**	**11,787.34**
- Hedged	53,997.23	29,747.07	9,925.81	6,134.16
- Unhedged[#]	364.35	200.72	9,147.55	5,653.18
SGD Loans	**28.53**	**1,761.13**	**28.53**	**1,763.27**
- Hedged	28.53	1,761.13	28.53	1,763.27
- Unhedged	-	-	-	-
Total		**1,98,144.52**		**158,418.75**
- Hedged		1,88,381.25		126,276.48
- Unhedged		9,763.27		32,142.27

[#] Includes JPY loan liability hedged for one leg (USD/JPY) Nil as at 31.03.2024 (As at 31.03.2023 - ₹ 5,653.18 crore)

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46.3.2 Foreign currency risk monitoring and management

PFC & RECL have their respective Board approved risk management policies to manage risks associated with foreign currency borrowings. These policies prescribe appropriate systems and controls to identify, measure and monitor the foreign currency risks through committees comprising of senior level officials. Derivative transactions are done to cover exchange/interest rate risks through various instruments like foreign currency forwards contracts, currency options, principal only swaps, and IRS and forward rate agreements. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

46.3.3 Foreign Currency Sensitivity Analysis

The table below represents the impact on Group's total equity ((Gain / (Loss)) for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

(₹ in crore)

Foreign Currency	As at 31.03.2024		As at 31.03.2023	
Liabilities	**Decrease**	**Increase**	**Decrease**	**Increase**
USD	**290.55**	**(290.55)**	1,050.14	(1,050.14)
Euro	**174.06**	**(174.06)**	169.06	(169.06)
JPY	**10.04**	**(10.04)**	282.66	(282.66)
SGD	**-**	**-**	-	-
Total	**474.65**	**(474.65)**	**1,501.86**	**(1,501.86)**

46.4 Market Risk - Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. Interest rates are dynamic and dependent on various internal and external factors including but not limited to RBI policy changes, liquidity in the market, movement of external benchmarks such as AAA bond/ G-Sec yields/ LIBOR etc. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

A. In respect of PFC

(i) Interest rate risk is managed with the objective to control market risk exposure while optimizing the return.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

Further, for managing the interest rate risk, PFC reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by PFC through its interest rate & credit policies which inter-alia covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. PFC also enters into various derivatives transactions like interest rate swaps, cross- currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For interest rate sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shock to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 315.68 crore. (As at 31.03.2023 (+/-) ₹ 194.52 crore).

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest/first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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(iii) Disclosures in respect of Interest Rate Benchmark Reform

PFC has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, PFC has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate Pursuant to successful transition to alternative benchmark rate, significant interest rate benchmark used in the Company's borrowings is Overnight Compounded SOFR (Secured Overnight Financing rate).

a) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 654.81 million (As at 31st March, 2023: USD 656.24 million).

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as made effective after June 2023:-

Benchmark	As at 31.03.2024				As at 31.03.2023			
	Amount in respective currency (million)	Amount (₹in crores)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crores)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crores)			Amount in respective currency (million)	Amount (₹ in crores)
Non-derivative financial liabilities								
6 month USD LIBOR	-	-	-	-	656.24	5,395.44	650.00	5,344.10
Overnight Compounded SOFR	654.81	5,459.44	NA	NA	-	-	-	-
Derivatives								
6 month USD LIBOR	-	-	-	-	650.00	5,344.10	650.00	5,344.10
Overnight Compounded SOFR	650.00	5,419.30	NA	NA	-	-	-	-

(ii) Managing the process of transition to alternative benchmark rates

PFC has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework inter-alia covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, PFC undertook all the transition activities as per the process/ guidelines detailed in the policy. The process of transition from 6 month USD LIBOR to Alternative Reference Rate (i.e. SOFR) has been duly completed within available timelines.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate / benchmarks for the LIBOR linked loans and their derivatives are yet to be agreed with the lenders and the derivative bankers. However, it has been assumed that as a result of such reform there shall be no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

B. In respect of RECL

(i) RECL's borrowings are exposed to interest rate risk with floating interest rates linked to USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate), T-Bills, Repo Rate etc. RECL manages its interest rate risk through various derivative contracts like interest rate swap contracts, forward interest rate contracts to minimize the risk of fluctuation in interest rates. RECL also uses cross-currency interest rate swaps as a cost-reduction strategy to benefit from the interest differentials in different currencies.

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The table below shows the overall exposure of RECL to the liabilities linked with floating interest rates as at 31.03.2024 is as under:

(Foreign Currency & INR Equivalent in ₹ crore)

Currency	As at 31.03.2024			As at 31.03.2023		
	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure
INR Borrowings	**61,162.28**	**-**	**61,162.28**	**62,798.20**	**-**	**62,798.20**
USD $	561.11	521.80	39.32	506.20	189.20	317.00
INR Equivalent	**46,782.38**	**43,504.51**	**3,277.87**	**41,618.19**	**15,555.43**	**26,062.76**
JPY ¥	27,320.68	-	27,320.68	5,835.28	1,032.72	4,802.56
INR Equivalent	**15,050.96**	**-**	**15,050.96**	**3,606.20**	**638.22**	**2,967.98**
EURO €	60.40	-	60.40	60.40	-	60.40
INR Equivalent	**5,449.37**	**-**	**5,449.37**	**5,412.51**	**-**	**5,412.51**
SGD $	28.53	7.21	21.32	28.53	7.21	21.32
INR Equivalent	**1,761.13**	**444.93**	**1,316.2**	**1,763.27**	**445.47**	**1,317.80**
Total INR Equivalent	**1,30,206.12**	**43,949.44**	**86,256.68**	**1,15,198.37**	**16,639.12**	**98,559.25**

RECL also uses Interest Rate Swaps to manage fair value risk on interest rate borrowings to mitigate the interest rate sensitivity mismatch. Through such swaps, the fixed rate borrowings amounting to ₹ 15,950.70 crore as on 31st March 2024 (Previous year ₹ 15,950.70 crores) have been converted into floating rate borrowings through the use of MIBOR-linked Overnight Indexed Swaps.

RECL's lending portfolio carries interest at semi-fixed rate i.e. fixed rate of interest with 1/3/6/12/36/30/120 months reset option with the borrower. RECL reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements etc. In order to manage pre-payment risks, RECL charges pre-payment premium from borrowers in case of pre- payment of loan. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

RECL is exposed to interest rate risk on following loan assets which are at semi-fixed rates:

(₹ in crore)

Description	As at 31.03.2024	As at 31.03.2023
Rupee Loans	**4,96,192.74**	4,31,992.47

(ii) Sensitivity Analysis

The table below represents the impact on P&L (Gain / (Loss)) for 50 basis points increase or decrease in interest rate on RECL's floating rate assets and liabilities on the unhedged exposures:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Increase	(Decrease)	Increase	(Decrease)
Floating Rate Loan Liabilities	**(322.74)**	**322.74**	(368.77)	368.77
Interest Rate Swaps	**(59.68)**	**59.68**	(59.68)	59.68
Floating/ semi-fixed Rate Loan Assets	**1,856.55**	**(1,856.55)**	1,616.34	(1,616.34)

*Holding all other variables constant

The above sensitivity analysis has been prepared assuming that the amount outstanding at the end of the reporting period remains outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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(iii) Disclosures in respect of Interest Rate Benchmark Reform (IBOR)

RECL has variable interest rate borrowings with interest rates linked with different benchmarks. Such interest rate benchmarks for foreign currency borrowings include 3/6 Months' USD LIBOR (London Inter Bank Offered Rate), 3/6 Months' EURIBOR (Euro Inter Bank Offered Rate), Overnight SOFR (Secured Overnight Financing Rate), 3/6 Months' Term SOFR, SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) etc. The summary of such borrowings as on March 31, 2024 as per the contracted interest rate benchmark is as below:

Benchmark	As at 31.03.2024		As at 31.03.2023	
	Amount (₹ in Crore)	Amount (USD Mn Equivalent)	Amount (₹ in Crore)	Amount (USD Mn Equivalent)
3M USD LIBOR*	-	-	1,233.26	150.00
6M USD LIBOR*	-	-	29,080.13	3,537.00
3M Term SOFR	3,084.83	370.00	6,988.44	850.00
6M Term SOFR	2,427.46	291.15	822.17	100.00
Overnight SOFR	41,270.08	4,950.00	3,494.22	425.00
3M EURIBOR	2,293.28	275.06	3,595.53	437.32
6M EURIBOR	3,156.10	378.55	3,134.74	381.28
Overnight TONA	15,050.96	1,805.24	3,606.20	438.62
Overnight SORA	1,761.12	211.23	445.48	54.18
Total	**69,043.83**	**8,281.23**	**52,400.17**	**6,373.40**

*3M USD LIBOR & 6M USD LIBOR have ceased to be published after 30th June 2023 as announced by the UK Financial Conduct Authority (FCA) on 5 March.

(a) Exposure directly affected by the Interest Rate Benchmark Reform (IBOR)

While some of the floating rate borrowings of the Company are already under the new benchmarks, some of the borrowings were linked with the LIBOR benchmark rates i.e. 3M USD LIBOR and 6M USD LIBOR which have ceased to be published during the current financial year. The total amount of exposure that was directly affected by the Interest Rate Benchmark Reform (IBOR) as on March 31, 2023 was ₹ 28,159.29 crores (USD 3.425 Billion) and the nominal amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting was ₹ 4,110.85 crores (USD 0.500 Billion). As on the Reporting date, there are no borrowings linked with the LIBOR benchmark rates which have ceased to be published.

(b) Managing the process to transition to alternative benchmark rates

Pursuant to the Interest Rate Benchmark Reform, LIBOR has been replaced with alternative Risk-Free Rates (RFRs). SOFR (Secured Overnight Financing Rate) is the replacement for USD LIBOR, while TONA (Tokyo Overnight Average Rate) has replaced JPY LIBOR. ISDA (International Swaps and Derivatives Association), the globally recognized statutory body governing the global derivative deals, had come up with the ISDA 2020 IBOR Fallbacks Protocol (commonly referred to as Fallback Protocol) to move all the legacy contracts to new benchmarks. The Company had adhered to the Fallbacks Protocol under which the fallbacks for the various LIBOR benchmarks automatically became applicable to the existing derivative trades with all counterparties.

With respect to the term loans, REC has already transitioned to the new benchmark rates in discussion with the respective lenders and as on the Reporting date, there are no floating rate borrowings linked with the LIBOR benchmark rates which have ceased to be published.

(c) Significant Assumptions for exposures affected by the Interest Rate Benchmark Reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the Interest Rate Benchmark Reform. While the benchmarks for the underlying loan are yet to be agreed with the lenders, it has been assumed that there will be no change in the alternative benchmark rates of the underlying loan and the derivative contracts and hedge effectiveness is not altered as a result of such reform.

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46.5 Market Risk - Price risk

(a) The Group is exposed to price risks arising from investments in listed equity shares. Refer Note 13A 'Investments' for Group's exposure to the same.

(b) Sensitivity Analysis

The table below represents the impact on Consolidated Statement of Profit and Loss for 5% increase or decrease in the respective prices on Group's equity investments, outside the Group:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	13.52	(13.52)	4.84	(4.84)
Impact on OCI	125.83	(125.83)	59.86	(59.86)

47. HEDGE ACCOUNTING

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognized in 'Effective Portion of Cash Flow Hedges'. The amounts recognized in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognized in 'Cost of Hedging Reserve'. The amounts recognized in such reserve are amortized to the Consolidated Statement of Profit and Loss on a systematic basis.

The table below provides Movement in Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve for PFC and subsidiary RECL:

(₹ in crore)

Sr. No.	Particulars	FY 2023-24	FY 2022-23
	Effective Portion of Cash flow Hedges		
(a)	**Opening balance of Reserves (net of tax)**	**1,092.25**	**394.55**
(b)	Changes in intrinsic value of options contracts	**(2,621.09)**	7,502.40
(c)	Changes in fair value of PoS/Forwards/IRS contracts	**1,253.85**	674.18
(d)	Amount reclassified from OCI to P&L	**(2,111.32)**	(7,244.23)
(e)	**Net amount recognised in OCI during the year (b + c + d)**	**(3,478.56)**	**932.35**
(f)	Deferred Tax on (e) above	**875.49**	(234.65)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e + f)**	**(2,603.07)**	**697.70**
(h)	**Closing balance of Reserves (net of Tax) (a + g)**	**(1,510.82)**	**1,092.25**
	Cost of Hedging Reserve		
(a)	**Opening balance of Reserves (net of tax)**	**(2,609.37)**	**(690.70)**
(b)	Changes in deferred time value of options/PoS/IRS contracts/Forwards	**917.19**	(5,453.45)
(c)	Amortisation of time value	**3,842.28**	2,889.49
(d)	**Net amount recognised in OCI during the year (b + c)**	**4,759.47**	**(2,563.96)**
(e)	Deferred Tax on (d) above	**(1,197.86)**	645.29
(f)	**Net amount recognised in OCI during the year (Net of Tax) (d + e)**	**3,561.61**	**(1,918.67)**
(g)	**Closing balance of Reserves (net of Tax) (a + f)**	**952.24**	**(2,609.37)**

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A. In respect of PFC

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis based dollar offset method.

(ii) The effects of hedging instruments designated as Cash-flow hedge on Consolidated Balance Sheet:

Sr. No.	Particulars		Nominal Amount (₹ in Crore)	Carrying Amount [1]		Date of maturity	Weighted Average Rate / Strike Price
				Assets (₹ in Crore)	Liabilities (₹ in Crore)		
AS AT 31.03.2024							
1.	Currency Derivatives	Forwards	-	-	-		
		Principal Only Swaps	11,219.24	318.87	128.47	Sep 2024 - Dec 2027	80.66
		Call Spread Option	5,419.30	499.24	-	June 2024 - Dec 2024	73.81
		Seagull Option	59,979.17	3,416.50	220.72	June 2024 - June 2029	USD/INR 79.91 USD/JPY 138.24
	Sub Total		**76,617.71**	**4,234.61**	**349.19**		
2.	Interest rate Derivatives	Interest Rate Swap	12,506.09	196.75	4.54	April 2024 - March 2029	2.56%
	Sub Total		**12,506.09**	**196.75**	**4.54**		
3.	**Total (1+2)**		**89,123.80**	**4,431.36**	**353.73**		
As at 31.03.2023							
1.	Currency Derivatives	Forward	507.09	20.40	-	Feb 2024	0.6303
		Principal Only Swaps	4,521.93	460.12	-	Sep 2023- Sep 2024	71.91
		Call Spread Option	13,705.76	679.45	-	Oct 2023- Dec 2024	76.99
		Seagull Option	29,169.51	2,826.19	3.26	Dec 2023- Dec 2027	USD/INR76.5202 EUR/USD- 1.0775 USD/JPY- 130.83
	Sub Total		**47,904.29**	**3,986.16**	**3.26**		
2.	Interest rate Derivatives	Interest Rate Swap	7,399.52	364.11	-	Sep 2023-Jun 2024	1.27%
	Sub Total		**7,399.52**	**364.11**	**-**		
3.	**Total (1+2)**		**55,303.81**	**4,350.27**	**3.26**		

[1] Forms part of the line item 'Derivative Financial Instruments' in the Consolidated Balance Sheet.

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge *

(₹ in crore)

Description (including derivative)	As at 31.03.2024	As at 31.03.2023
Currency derivatives		
Upto 1 year	**24,615.43**	16,901.55
1 – 5 years	**51,167.91**	31,002.74
More than 5 years	**834.37**	-
Sub Total (A)	**76,617.71**	**47,904.29**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crore)

Description (including derivative)	As at 31.03.2024	As at 31.03.2023
Interest rate Derivatives		
Upto 1 year	5,419.30	2,055.42
1 – 5 years	7,086.79	5,344.10
More than 5 years	-	-
Sub Total (B)	**12,506.09**	**7,399.52**
Total (A+B)	**89,123.80**	**55,303.81**

*Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

(iv) The effects of hedging instruments designated as Cash-flow hedge on the Consolidated Statement of Profit and Loss:

(₹ in Crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at 31.03.2024					
1.	Currency Derivatives	(937.73)	-	1,307.32	Finance Costs
				(160.02)	Net Translation / Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	103.66	-	(306.54)	Finance Costs
As at 31.03.2023					
1.	Currency Derivatives	504.02	-	945.75	Finance Costs
				1,972.41	Net Translation / Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	221.69	-	(117.17)	Finance Costs

B. In respect of RECL

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. RECL applies the following effectiveness testing strategies:

(i) For cross currency swaps, principal only swaps and interest rate swaps that exactly match the terms of the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

(ii) For other interest rate swaps (in cases of late designation), the Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

(iii) For option structures, RECL analyses the behaviour of the hedging instrument and hedged item using regression analysis based dollar offset method.

RECL has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(i) Effects of hedge accounting

(₹ in crore)

Type of hedge and risks	Notional Amt (in Mln)	Carrying amount of hedging instruments		Maturity Dates	Hedge ratio	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
As at 31.03.2024								
Cash flow hedge								
Foreign exchange and interest rate risk								
Seagull Structure	USD 11,452	**7,137.02**	**269.59**	Apr 2024 - Nov 2030	**1:1**	**79.66**	**111.47**	**(111.47)**
	USD 604.02	**679.46**	**-**	Oct 2027- Mar 2028	**1:1**	**85.93**	**16.20**	**(16.20)**
	USD 285.29	**311.62**	**93.21**	Mar 2025- Oct- 2027	**1:1**	**60.28**	**(3.51)**	**3.51**
	USD 3,34,306.79	**2,942.85**	**49.01**	Dec 2024 - Jan 2034	**1:1**	**0.58**	**(872.94)**	**872.94**
Call Spread	USD -	**-**	**-**	Matured during year	**1:1**	**0.00**	**3.68**	**(3.68)**
Principal only swaps	USD 375	**43.34**	**38.13**	Mar 2025 - Jun 2030	**1:1**	**75.41**	**(155.79)**	**155.79**
Interest rate swaps	USD 5,218	**834.11**	**12.02**	May 2023 - Mar 2025	**1:1**	**3.12%**	**1,237.36**	**(1,237.36)**
	USD -	**-**	**-**	Matured during year	**1:1**	**0.00%**	**(0.05)**	**0.05**
	USD 72.08	**18.08**	**-**	Aug 2023	**1:1**	**1.18%**	**(4.44)**	**4.44**
	INR 55,280.00	**53.11**	**-**	May 2023 - Nov 2030	**1:1**	**8.44%**	**53.11**	**(53.11)**
As at 31.03.2023								
Cash flow hedge								
Foreign exchange and interest rate risk								
Seagull Structure	USD 8,387	6,970.98	2.25	May 2023 - Nov 2030	1:1	77.03	1,594.19	(1,594.19)
	EUR 673.79	403.91	-	Dec 2023- Mar 2028	1:1	1.03	210.89	(210.89)
	SGD 285.29	32.00	83.52	Mar 2025- Oct- 2027	1:1	0.36	(65.66)	65.66
	JPY 58,352.74	572.12	-	Aug 2023 - Mar 2027	1:1	0.61	(52.15)	52.15
Call Spread	USD 250	208.14	-	March 2024	1:1	57.52	58.14	(58.14)
Cross Currency Swaps	USD 800	85.92	-	May 2023 - Mar 2025	1:1	3.52% and 72.79	98.24	(98.24)
	JPY 10,327.12	-	0.60	Aug 2023	1:1	4.31% and 0.62	(0.33)	0.33
Principal only swaps	USD 375	38.85	-	Mar 2025 - Jun 2030	1:1	75.41	(35.15)	35.15
Interest rate swaps	USD 1992	251.77	10.87	May 2023 - Nov 2030	1:1	0.98%	189.27	(189.27)

(ii) Effects of Cash Flow hedge accounting on Consolidated Statement of Profit and Loss:

(₹ in Crore)

Sr. No.	Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Lineitem affected on reclassification
As at 31.03.2024					
1.	Currency risk and interest rate risk	**385.09**	**-**	**(479.51)**	Net Translation / Transaction Exchange Loss / (Gain)
				(1,166.31)	Finance Costs
As at 31.03.2023					
1.	Currency risk and interest rate risk	1,997.43	-	(4,995.73)	Net Translation / Transaction Exchange Loss / (Gain)
				(158.91)	Finance Costs

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(iii) Fair Value Hedges

At 31st March 2024, Company has outstanding interest rate swap agreements of ₹ 15,970.50 crores (Previous year ₹ 15,950.70 crores) wherein the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount. Such agreements are being used to hedge the exposure to the changes in fair value of fixed rate borrowings.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). As such, a hedge ratio of 1:1 for the hedging relationships has been established as the underlying risk of the interest rate swap is identical to the hedged risk component.

The impact of the hedging instrument on the balance sheet is as follows:

(₹ in Crore)

Particulars	Fair value hedge	Notional amount	Carrying amount *	Line item in balance sheet where hedging instrument is disclosed	Changes in fair value for calculating hedge ineffectiveness
As at 31-03-2024	- Interest rate swap	**15,950.70**	**(221.33)**	Derivative financial instruments	**57.69**
As at 31-03-2023	- Interest rate swap	15,950.70	(279.02)	Derivative financial instruments	(167.10)

* Carrying amount here is exclusive of the interest receivable under such derivative contract as on reporting date

The impact of the hedged item on the balance sheet is as follows:

(₹ in Crore)

Particulars	Fair value hedge	Carrying amount	Accumulated fair value adjustments	Line item in the balance sheet in which the hedged item is included	Change in value used for calculating hedge ineffectiveness
As at 31-03-2024	- Subordinated Liabilities	**2091.95**	**(143.77)**	Subordinated Liabilities	**34.39**
	- Institutional bonds	**11,960.91**	**(77.56)**	Debt Securities- Institutional Bonds	**23.30**
As at 31-03-2023	- Subordinated Liabilities	4,748.24	(178.16)	Subordinated Liabilities	(49.83)
	- Institutional bonds	11,950.08	(100.86)	Debt Securities- Institutional Bonds	(117.27)

The decrease in fair value of the interest rate swap of ₹ 57.69 crores (Previous year ₹ 167.10 crores) has been offset with a similar gain on the respective subordinated liabilities and debt securities.

48 FAIR VALUE MEASUREMENTS

48.1 Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset/ Financial Liability – Recurring fair value	Fair Value as at 31.03.2024	Fair Value as at 31.03.2023	Fair value hierarchy (Refer Note 6.1)	Valuation technique(s) & Key input(s)
1)	**Quoted Equity investments (Refer Note 13.3)**				
	- PTC India Limited	**223.14**	102.06	Level 1	Quoted market price
	- Coal India Limited	**606.20**	298.35		
	- NHPC Limited	**1,149.49**	690.13		
	- Suzlon Energy Limited	**537.74**	105.15		
	- Housing & Urban Development Corporation. Ltd	**-**	1.50		
	- RattanIndia Power Limited	**270.35**	96.67		

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for the year ended March 31, 2024

(₹ in crore)

Sr. No.	Financial asset/ Financial Liability – Recurring fair value	Fair Value as at 31.03.2024	Fair Value as at 31.03.2023	Fair value hierarchy (Refer Note 6.1)	Valuation technique(s) & Key input(s)
2)	**Un-Quoted Equity investments**				
	- Power Exchange India Limited	**4.78**	3.59		Fair value has been determined using the Ind AS financials of the investee company.
	- RKM PowerGen Pvt. Ltd	**0.00**	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
	- Energy Efficiency Services Ltd (EESL)	**317.56**	298.51	Level 3	Fair value has been determined using the Ind AS financials of the investee company.
	- Ind Barath Energy Utkal Limited	**7.24**	1.81		
	- Jhabua Power Limited	**617.76**	602.82		
	- Universal Commodity Exchange Limited (UCX)	**-**	-		Fair Value has been calculated as Nil as UCX was shut down and ceased to exist as a going concern.
3)	**Investment in preference shares**				
	– RattanIndia Power Limited-OCCRPS	**-**	-	Level 3	Owing to default in redemption of RPS of Rattan India Power Ltd., PFC & RECL estimates no material amount may be realized from the Investment.
4)	**Investment in debentures**				
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	**114.64**	122.49		Fair valued using discounted future cash flow as per terms of agreement
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	**49.22**	52.59		
	- Essar Power Transmission Company Ltd. - Series C - OCD	**0.00**	0.00		Fair valued a ₹ 1 due to the non- availability of structured repayment schedule. The debentures are unsustainable in nature and future cash flows are uncertain.
	- RKM Powergen Pvt. Ltd. - Series A – OCD	**0.00**	0.00		
	- RKM Powergen Pvt. Ltd. - Series B – OCD	**0.00**	0.00		
	- RKM Powergen Pvt. Ltd. - Series AI – OCD	**0.00**	0.00	Level 3	
	- Mytrah Vayu Tungbhadra Pvt Ltd- Series A- OCD	**0.00**	-		
	- Mytrah Vayu Tungbhadra Pvt Ltd- Series B- OCD	**0.00**	-		
	- DANS Energy Pvt. Ltd- OCD	**0.00**	-		
	- 7.99% Perpetual bonds -Canara Bank	**208.49**	208.47		Fair valued by discounting future cash flows at coupon rate.
	- 8.55% Perpetual Bonds of PNB- Quoted	**510.65**	-		
	- 9.50% Perpetual Bonds of UCO Bank	**228.80**	228.79		
5)	**Derivative Financial Instruments**				
	– Assets	**16,944.05**	13,785.01		The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	– Liability	**1,113.43**	1,001.27	Level 2	

48.2 There were no transfers between Level 1 and Level 2 during the year.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

48.3 Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following table shows the reconciliation of the opening and closing amounts of financial assets and liabilities of the Group measured at fair value through Level 3 inputs:

(₹ in crore)

Particulars	FVTPL			FVTOCI
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in Debentures	Investment in Un-quoted Equity Shares
FY 2023-24				
Opening Balance	437.26	-	175.08	906.73
Investment made during the year	500.00	-	(29.46)	-
Settlement	-	-	-	-
Transfer in Level 3	-	-	-	-
Transfer from Level 3	-	-	-	-
Interest income[1]	10.68	2.73	14.20	-
Fair Value gain/(loss)	-	(2.73) [3]	4.04	40.61[2]
Closing Balance	**947.94**	**-**	**163.86**	**947.34**
Unrealized gains on balances held at the end of the year	19.94		14.98	24.61
FY 2022-23				
Opening Balance	-	-	288.27	456.47
Investment made during the year	428.00	-	-	633.53
Settlement	-	-	(26.66)	-
Transfer in Level 3	-	-	-	-
Transfer from Level 3	-	-	-	-
Interest income[1]	9.26	3.24	28.26	-
Fair Value gain/(loss)	-	(3.24) [3]	(114.79) [3]	(183.27) [2]
Closing Balance	**437.26**	**-**	175.08	906.73
Unrealized gains on balances held at the end of the year	9.26	-	15.70	(199.27)

[1] Forms part of line item 'Interest Income' in the Consolidated Statement of Profit and Loss.

[2] Fair value gain/ (loss) on Investments at FVTOCI forms part of line item 'Net Gain/(Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Consolidated Statement of Profit and Loss.

[3] Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Consolidated Statement of Profit and Loss.

48.4 Fair Value of financial assets/ liabilities measured at amortised cost:

(₹ in crore)

Asset/Liability	Fair value hierarchy	As at 31.03.2024		As at 31.03.2023	
		Amortized Cost	Fair Value	Amortized Cost	Fair Value
Loans	Level 3	9,69,111.15	9,75,201.63	832,903.36	840,976.30
Investments[a]	Level 1/3	6,124.96	6,120.93	3,159.96	3,176.94
Other financial assets	Level 2	29,885.31	29,880.12	29,834.86	29,841.51
Debt securities[a]	Level 1 / 2	5,60,331.04	552152.40	496,729.38	485,766.39
Borrowings other than debt securities[b]	Level 2	2,88,698.09	2,85,876.75	238,343.00	234,437.30
Subordinated liabilities	Level 2	12,931.93	13,213.58	16,085.14	16,589.24

[a] Includes listed instruments with Level 1 fair value hierarchy

Investment in G-Sec and SDL being fair valued using market price as at reporting date.

Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[b] Includes foreign currency loans linked to Floating rate of interest and multilateral agencies loans being valued at par.

In accordance with the interest rate benchmark reform, the fair value as at 31st March, 2024 has been arrived at using the alternative benchmark i.e. SOFR (Secured Overnight Financing rate).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(i) The fair value of the above financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(ii) The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

49. RELATED PARTY DISCLOSURES

49.1 Related Parties:

Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Deoghar Infra Limited		
	Through PFCCL		
12	Bijawar-Vidarbha Transmission Limited (Struck off from the records of Registrar of Companies on 13.01.2024)	13	Ananthpuram Kurnool Transmission Limited (Transferred on 27.09.2023)
14	Chhatarpur Transmission Limited	15	Siot Transmission Limited
16	Fatehgarh III Beawar Transmission Limited (Transferred on 01.08.2023)	17	Beawar Dausa Transmission Limited (Transferred on 30.10.2023)
18	Fatehgarh III Transmission Limited (Transferred on 02.08.2023)	19	Bhadla III Transmission Limited (Transferred on 27.09.2023)
20	Fatehgarh IV Transmission Limited (Transferred on 02.08.2023)	21	Tirwa Transmission Limited (Incorporated on 14.06.2023 and Transferred on 07.03.2024)
22	Bikaner III Neemrana Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)	23	Neemrana II Kotputli Transmission Limited (Incorporated on 19.06.2023 and Transferred on 27.12.2023)
24	Bikaner III Neemrana II Transmission Limited (Incorporated on 13.06.2023 and Transferred on 27.12.2023)	25	Neemrana II Bareilly Transmission Limited (Incorporated on 08.06.2023 and Transferred on 27.12.2023)
26	Joda Barbil Transmission Limited (Incorporated on 13.06.2023)	27	Jewar Transmission Limited (Incorporated on 06.07.2023 and Transferred on 07.03.2024)
28	Koppal II Gadag II Transmission Limited (Incorporated on 21.07.2023 and Transferred on 26.12.2023)	29	Gola B -Ramgarh B Transmission Limited (Incorporated on 15.12.2023)
30	Halvad Transmission Limited (Incorporated on 31.10.2023 and Transferred on 26.12.2023)	31	Khavda PS1 and 3 Transmission Limited (Incorporated on 22.12.2023)
32	Paradeep Transmission Limited (Incorporated on 30.11.2023)	33	Ramakanali B -Panagarh Transmission Limited (Incorporated on 21.11.2023)
34	Solapur Transmission Limited (Incorporated on 14.12.2023 and Transferred on 20.03.2024)	35	Vataman Transmission Limited (Incorporated on 15.11.2023 and Transferred on 26.12.2023)
36	Angul Sundargarh Transmission Limited (Incorporated on 01.03.2024)	37	Barmer I Transmission Limited (Incorporated on 18.01.2024)
38	Beawar - Mandsaur Transmission Limited (Incorporated on 19.01.2024)	39	Bhadla-III & Bikaner-III Transmission Limited (Incorporated on 06.02.2024)
40	Bhuj II Transmission Limited (Incorporated on 01.03.2024)	41	Jamnagar Transmission Limited (Incorporated on 06.02.2024)
42	KPS III HVDC Transmission Limited (Incorporated on 18.01.2024)	43	Pune- III Transmission Limited (Incorporated on 16.01.2024)
44	Sirohi Transmission Limited (Incorporated on 19.01.2024)	45	South Olpad Transmission Limited (Incorporated on 19.01.2024)
	Through RECL		
46	Chandil Transmission Limited	47	Dumka Transmission Limited
48	Mandar Transmission Limited	49	Koderma Transmission Limited
50	Luhri Power Transmission Limited	51	NERES XVI Power Transmission Limited

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

52	Khavda II-D Transmission Limited (under the process of striking off the name of Company from the records of Registrar of Companies)	53	KPS1 Transmission Limited (transferred on 20.04.2023)
54	Beawar Transmission Limited (transferred on 20.09.2023)	55	Ramgarh II Transmission Limited (transferred on 26.10.2023)
56	Bidar Transmission Limited (transferred on 09.02.2024)	57	Sikar Khetri Transmission Limited (transferred on 09.02.2024)
58	Meerut Shamli Power Transmission Limited	59	Dhule Power Transmission Limited (incorporated on 08.06.2023 and transferred on 09.02.2024)
60	Ishanagar Power Transmission Limited (incorporated on 09.06.2023 and transferred on 09.02.2024)	61	Karera Power Transmission Limited (incorporated on 14.06.2023 and transferred on 09.02.2024)
62	Pachora Power Transmission Limited (incorporated on 20.07.2023 and transferred on 14.02.2024)	63	Jalpura Khurja Power Transmission Limited (incorporated on 28.04.2023)
64	Kallam Transco Limited (incorporated on 15.09.2023)	65	Rajasthan Part I Power Transmission Limited (incorporated on 30.04.2023)
66	Shongtong Power Transmission Limited (incorporated on 14.06.2023)	67	Khavda IV C Power Transmission Limited (incorporated on 27.09.2023)
68	Khavda IV-E2 Power Transmission Limited (incorporated on 05.10.2023)	69	Khavda IVA Power Transmission Limited (incorporated on 09.10.2023)
70	Khavda V-A Power Transmission Limited (incorporated on 10.10.2023)	71	Rajasthan IV A Power Transmission Limited (incorporated on 10.10.2023)
72	Rajasthan IV C Power Transmission Limited (incorporated on 11.10.2023)	73	Rajasthan IV H1 Power Transmission Limited (incorporated on 13.10.2023)
74	Rajasthan IV E Power Transmission Limited (incorporated on 14.10.2023)	75	Tumkur-II REZ Power Transmission Limited (incorporated on 13.12.2023)
76	NERGS-I Power Transmission Limited (incorporated on 13.12.2023)	77	Kankani Power Transmission Limited (incorporated on 18.12.2023)
78	ERES-XXXIX Power Transmission Limited (incorporated on 27.03.2024)		

Key Managerial Personnel (KMP) of the Company & their relatives :		**Designation**
In respect of PFC		
1	Smt Parminder Chopra	Chairman and Managing Director (w.e.f 14.08.2023) and additional charge Director (Finance)
2	Shri Ravinder Singh Dhillon (upto 31.05.2023)	Chairman and Managing Director
3	Shri Rajiv Ranjan Jha	Director (Projects)
4	Shri Manoj Sharma	Director (Commercial)
5	Shri Ajay Tewari	Government Nominee Director
8	Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director
9	Shri Prasanna Tantri	Part Time Non-Official Independent Director
10	Smt Usha Sanjeev Nair	Part Time Non-Official Independent Director
11	Shri Manohar Balwani (up to 30.04.2023)	CGM & Company Secretary
12	Shri Manish Kumar Agrawal (w.e.f 01.05.2023)	GM & Company Secretary
In respect of RECL		
1	Sh. Vivek Kumar Dewangan	Chairman & Managing Director
2	Sh. Ajoy Choudhury	Director (Finance) (ceased w.e.f. February 1, 2024)
3	Sh. V.K. Singh	Director (Technical)
4	Sh. Piyush Singh	Government Nominee Director (ceased w.e.f. August 21, 2023)
5	Sh. Shashank Misra	Government Nominee Director (appointed w.e.f. August 21, 2023)
6	Smt. Parminder Chopra	PFC Nominee Director (ceased w.e.f. July 11, 2023)
7	Sh. Manoj Sharma	PFC Nominee Director (appointed w.e.f. July 11, 2023)
8	Dr. Gambheer Singh	Part Time Non-Official Independent Director
9	Dr. Manoj M. Pande	Part Time Non-Official Independent Director
10	Dr. Durgesh Nandini	Part Time Non-Official Independent Director
11	Sh. Narayanan Thirupathy	Part Time Non-Official Independent Director

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Key Managerial Personnel (KMP) of the Company & their relatives :	Designation
12 Sh. J.S. Amitabh	Executive Director & Company Secretary
In respect of PFCCL	
1 Smt. Parminder Chopra (Director upto 31.05.2023)	Chairman (w.e.f 01.06.2023)
2 Shri. Ravinder Singh Dhillon	Chairman (upto 31.05.2023)
3 Shri Rajiv Ranjan Jha	Director
4 Shri. Manoj Sharma	Director
5 Shri Manoj Kumar Rana	Chief Executive Officer (CEO)
6 Sh. Milind M. Dafade	Chief Finance Officer (CFO)
7 Sh. Sachin Arora	Company Secretary (CS)
Trusts / Funds under control of the Company	
1 PFC Employees Provident Fund	2 PFC Employees Gratuity Fund
3 PFC Defined Contribution Pension Scheme 2007	4 PFC Superannuation Medical Fund
Trusts / Funds under control of RECL	
1 REC Limited Contributory Provident Fund Trust	2 REC Gratuity Fund
3 REC Employees' Superannuation Trust	4 REC Employees' Benevolent Fund
5 REC Retired Employees' Medical Trust	
Society of subsidiary RECL	
1 REC Foundation	
Company in which KMP of subsidiary RECL are directors	
1 Samarpan Hospitals Private Limited	

49.2 Transactions with the Related Parties are as follows:

Intra Group related party transactions with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group related party transactions.

(₹ in crore)

Particulars	During FY 2023-24	During FY 2022-23
Associates		
Recoveries of advances (including interest) from associates	**3.49**	1.83
Interest income on advances to associates	**23.11**	19.81
Repayment of advance taken from Associate	**0.32**	2.27
Interest expenses on advances from associates	**5.81**	4.66
Income on transfer of associate	**190.33**	58.89
Consultancy Fee	**104.42**	148.60
Others	**18.85**	23.44
Trusts / Funds/ Foundations of the Group		
Contributions made during the year	**40.37**	48.64
Finance cost on bonds	**4.87**	5.32
Subscription of bonds	**2.00**	-
Redemption of bonds	**-**	5.10
Payment towards CSR Expenses	**243.00**	151.95
Key managerial personnel		
Short term employee benefits (i)	**9.34**	8.36
Post-employment benefits (ii)	**1.01**	0.96
Other long term benefits (iii)	**0.80**	0.14
Sub Total (i+ii+iii)	**11.15**	**9.46**
Repayment/ recovery of loans and advances including Interest Income	**0.60**	0.66
Subscription of bonds	**-**	-
Redemption of bonds	**0.07**	0.10
Directors' sitting fee paid	**0.85**	0.80
Finance cost on bonds paid	**0.02**	0.08

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for the year ended March 31, 2024

49.3 Outstanding balances with Related Parties are as follows:

Intra Group related party outstanding balances with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group Outstanding balances with related party.

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Amount recoverable towards loans, advances and others(including interest)		
Associates	**244.29**	223.51
Key managerial personnel	**1.56**	0.53
Trusts / Funds under control of the Group	**23.55**	15.11
Amount payable towards loans, advances and others (including interest)		
Associates	**179.56**	177.12
Debt Securities		
Key managerial personnel	**0.20**	0.35
Trusts/ Funds under control of the Company	**57.50**	57.30
Provisions made w.r.t Trusts/ Funds under control of the Company	**10.75**	17.95
Investments made in		
Associates	**0.72**	0.63
REC Foundation		
Others	**1.25**	-

49.4 Disclosure in respect of entities under the control of the same government (Government related entities)

Companies in the Group are Central Public Sector Undertaking (CPSU) controlled by Central Government. List of Government related entities with which the Group has done transactions, includes but not limited to:

Tehri Hydro Development Corporation	Damodar Valley Corporation
Neyveli UP Power Ltd.	Mumbai Metro Rail Corporation Limited
Meja Urja Nigam Pvt Ltd.	Bihar Grid Company Ltd.
Raichur Power Corporation Ltd.	Coal India Ltd.
NLC Tamil Nadu Power Ltd.	NHPC Ltd.
National High Power Test Laboratory Pvt Ltd.	Neyveli Lignite Corporation Ltd.
Power Foundation of India	SJVN Thermal Pvt Ltd.
Nabinagar Power Generating Co. Pvt. Ltd.	NTPC Tamil Nadu Energy Company Ltd.
Patratu Vidut Utpadan Nigam Ltd.	Power Grid Corporation of India Ltd.
HPCL Rajasthan Refinery Limited	MSTC Ltd.
PTC India Limited	Tusco Limited
NTPC Renewable Energy Limited	NTPC Vidyut Vyapar Nigam Limited
SBI Capital Markets Limited	Railtel Enterprises Ltd
SJVN Limited	

Significant transactions with entities under the control of same government:

(₹ in crore)

Particulars	During FY 2023-24	During FY 2022-23
Disbursement of loans	**12,757.21**	9,220.07
Interest received	**4,896.63**	4,144.59
Membership fees	**10.00**	13.40

Refer Note 14, 23, 25.1, 25.3 and 56 in respect of material transactions with the Central Govt.

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for the year ended March 31, 2024

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Group has also entered into other transactions such as telephone expenses, lease rental, deposits, expenses on Government Programmes, etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All transactions are carried out on market terms.

49.5 Major Terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel are in line with the HR Policies of the respective Companies.

(iii) Loans and advances given to Directors/KMPs have specified terms / period of repayment and are in line with the HR Policies of the respective Companies in the group.

(iv) The Companies in the Group makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the respective Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the respective Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of Group companies at the year-end are unsecured.

50. EMPLOYEE BENEFITS

50.1 Defined contribution plans:

50.1.1 Pension

The Companies in the Group pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

50.1.2 Provident Fund

In respect of PFC

The Company pays fixed contribution on account of provident fund at prescribed rates to a separate trusts, which invests the funds in permitted securities. The trusts have to ensure, a minimum rate of return to the members, as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

The Company has recognised an expense in the Consolidated Statement of Profit and Loss of ₹ 22.60 Crore (previous year ₹ 17.10 Crore) towards defined contribution plans.

50.2 Defined benefit plans:

50.2.1 Gratuity

The Companies in the Group have a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in crore)

Particulars		As at 31.03.2024	As at 31.03.2023
a)	Present value of Defined benefit obligation	**58.49**	58.77
b)	Fair Value of Plan Assets	**57.14**	54.97
c)	Net Defined Benefit (Asset)/ Liability (a-b)	**1.35**	3.80

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for the year ended March 31, 2024

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars		Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
		For the year ended		For the year ended		For the year ended	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
I.	**Opening Balance**	**58.77**	**57.96**	**54.97**	**57.59**	**3.80**	**0.37**
	Included in profit or loss						
	Current service cost	**2.45**	2.90	**-**	**-**	**2.45**	2.90
	Past service cost	**-**	2.16	**-**	**-**	**-**	2.16
	Interest cost / income	**4.12**	4.11	**4.02**	4.27	**0.10**	(0.16)
II.	**Total amount recognised in profit or loss**	**6.57**	**9.17**	**4.02**	**4.27**	**2.55**	**4.90**
	Included in OCI						
	Re-measurement loss/ (gain	**-**	-	**-**	**-**	**-**	-
	Actuarial loss (gain) arising from changes in financial assumptions	**0.72**	0.40	**-**	**-**	**0.72**	0.40
	Actuarial loss (gain) arising from experience adjustment	**(0.88)**	(1.30)	**-**	**-**	**(0.88)**	(1.30)
	Effect of change in demographic assumptions	**-**	-	**-**	**-**	**-**	-
	Return on plan assets excluding interest income	**-**	-	**1.04**	0.15	**(1.04)**	(0.15)
III.	**Total amount recognised in OCI**	**(0.16)**	**(0.90)**	**1.04**	**0.15**	**(1.20)**	**(1.05)**
IV.	Contribution by participants	**-**	-	**2.68**	**-**	**(2.68)**	-
V.	Contribution by employer	**-**	-	**1.12**	0.42	**(1.12)**	(0.42)
VI.	Benefits paid	**(6.69)**	(7.46)	**(6.69)**	(7.46)	**-**	-
VII.	**Closing Balance (I+II+III+IV+V+VI)**	**58.49**	**58.77**	**57.14**	**54.97**	**1.35**	**3.80**

50.2.2 Post-Retirement Medical Scheme (PRMS)

The Companies in the Group have Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated and deceased employees and their dependent family members. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the respective Company. The Companies in the Group estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars		As at 31.03.2024	As at 31.03.2023
a)	Present value of Defined benefit obligation	**245.73**	228.98
b)	Fair Value of Plan Assets	**261.41**	238.58
c)	Net Defined Benefit (Asset)/ Liability (a-b)	**(15.68)**	(9.60)

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars		Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
		For the year ended		For the year ended		For the year ended	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
I.	**Opening Balance**	**228.98**	**221.90**	**238.58**	**214.92**	**(9.59)**	**6.98**
	Included in profit or loss						
	Current service cost	**8.20**	6.74	**-**	**-**	**8.20**	6.74
	Past service cost	**-**	-	**-**	**-**	**-**	-

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(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Interest cost / income	16.47	16.07	17.45	15.89	(0.98)	0.18
II. Total amount recognised in profit or loss	**24.67**	**22.81**	**17.45**	**15.89**	**7.22**	**6.92**
Included in OCI						
Re-measurement loss/ (gain	-	-	-	-	-	-
Actuarial loss (gain) arising from changes in financial assumptions	(2.32)	2.74	-	-	(2.32)	2.74
Actuarial loss (gain) arising from experience adjustment	11.29	(4.07)	-	-	11.29	(4.07)
Effect of change in demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	1.98	2.14	(1.98)	(2.14)
III. Total amount recognised in OCI	**8.97**	**(1.33)**	**1.98**	**2.14**	**6.99**	**(3.46)**
IV. Contribution by participants	0.10	0.44	0.10	0.14	-	0.30
V. Contribution by employer	-	-	6.43	8.23	(6.43)	(8.23)
VI. Benefits paid	(16.99)	(14.84)	(3.13)	(2.74)	(13.86)	(12.10)
VII. Closing Balance (I+II+III+IV+V+VI)	**245.73**	**228.98**	**261.41**	**238.58**	**(15.68)**	**(9.60)**

50.2.3 Economic Rehabilitation Scheme (ERS)

The Companies in the Group have an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Present value of Defined benefit obligation	12.78	11.99

Movement in Defined Benefit Obligation

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation for the year ended	
	31.03.2024	31.03.2023
I. Opening Balance	**11.99**	**10.92**
Included in profit or loss		
Current service cost	0.82	0.67
Past service cost	-	-
Interest cost / income	0.84	0.77
II. Total amount recognised in profit or loss	**1.66**	**1.44**
Included in OCI		
Actuarial loss (gain) arising from changes in financial assumptions	0.96	0.27
Actuarial loss (gain) arising from experience adjustment	(0.03)	1.28
Effect of change in demographic assumptions	-	-
Return on plan assets excluding interest income	-	-
III. Total amount recognised in OCI	**0.93**	**1.55**
IV. Contribution by participants	-	-
V. Contribution by employer	-	-
VI. Benefits paid	(1.80)	(1.92)
VII. Closing Balance (I+II+III+IV+V+VI)	**12.78**	**11.99**

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50.2.4 Provident Fund

In respect of RECL

The Company pays fixed contribution of Provident Fund at pre-determined rates to a separate registered trust which invests the funds in permitted securities. The trust declares the rate of interest on contribution to the members based upon the returns earned on its investments during the year, subject to minimum interest rate specified by Employees' Provident Fund Organisation. Any shortfall in the specified interest rate and returns earned on investments of the trust, for payment of interest to members, is to be compensated by the Company. The Company started from the FY 2023-24, treating the contribution to the recognised provident fund trust for its employees, as a Defined Benefit Plan instead of Defined Contribution Plan being followed hitherto. As such, there is no financial impact of it on the profit of the Company. The Company's obligation towards provident fund is determined and provided for on the basis of actuarial valuation as per IND AS 19 on Employee Benefits. The details of the fair value of plan assets and obligations are as under :

(₹ in crore)

Particulars		As at 31.03.2024	As at 31.03.2023
a)	Present value of Defined benefit obligation	**297.79**	276.16
b)	Fair Value of Plan Assets	**298.03**	280.99
c)	Net Defined Benefit (Asset)/ Liability (a-b)	**(0.24)**	(4.83)

50.2.5 Risk exposure

Through its defined benefit plans, the Companies in the Group are exposed to a number of risks, the most significant of which are detailed below:

(i) Investment risk/ Asset Volatility Risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

(ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

(iii) Mortality rate risk/ Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(v) Employee Turnover rate/Withdrawal rate

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/ decrease in the liability.

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50.2.6 Plan Assets

The value of plan assets for each category, are as follows:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	**0.17**	**5.01**	0.27	1.16
State/ Central Government Debt Securities	**27.03**	**82.43**	25.71	76.40
Corporate Bonds/ Debentures	**21.43**	**173.97**	20.69	161.02
Others	**8.51**	**-**	8.30	-
Total	**57.14**	**261.41**	**54.97**	**238.58**

- Actual return on plan assets is ₹ 25.09 crore (previous year ₹ 22.44 crore).

50.2.7 Significant Actuarial Assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31.03.2024 by TransValue Consultants for Companies in the Group. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for actuarial valuation are:-

A. In respect of PFC

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Discount Rate & expected return on plan assets, if funded	**7.09%**	7.33%	**7.09%**	7.33%	**7.09%**	7. 33%
Salary Escalation Rate/ Medical inflation rate	**5.00%**	6.00%	**6.00%**	6.00%	**5.00%**	6.00%
Mortality Rate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate	**As per IALM (2012-14) Ultimate**	As per IALM (2012-14) Ultimate
Withdrawal rate	**0.01%**	0.01%	**0.01%**	0.01%	**0.01%**	0.01%

B. In respect of RECL

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Method used PUCM						
Salary Escalation Rate/ Medical inflation rate	**7.09%**	7.31%	**7.09%**	7.31%	**7.09%**	7.31%
Mortality Rate	**6.00%**	6.00%	**5.50%**	6.00%	**6.00%**	6.00%
Withdrawal rate	**20.07**	17.72	**20.07**	17.72	**20.07**	17.72

50.2.8 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation of PFC & RECL by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	**(2.17)**	**2.35**	(2.05)	2.21
- PRMS	**(15.24)**	**16.71**	(16.72)	17.93
- ERS	**(0.56)**	**0.61**	(0.43)	0.48

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(₹ in crore)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Increase	Decrease	Increase	Decrease
Salary Escalation/ Medical inflation rate (0.50% movement)				
- Gratuity	**0.31**	**(0.34)**	0.40	(0.32)
- PRMS	**14.49**	**(13.41)**	14.34	(13.03)
- ERS	**0.46**	**(0.42)**	0.44	(0.39)
Medical Cost (10% movement)				
- PRMS	**24.67**	**(24.18)**	22.68	(21.28)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Group actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Group to manage its risks from prior periods.

50.2.9 Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Up to 1 year	**7.42**	8.28	**17.68**	16.24	**2.08**	2.11
1 to 5 years	**24.58**	26.89	**102.81**	93.89	**5.91**	5.50
Over 5 years	**91.38**	88.11	**430.54**	379.01	**14.26**	11.83
Total	**123.38**	**123.28**	**551.03**	**489.14**	**22.25**	**19.44**

The table above is drawn on the basis of expected cash flows.

50.2.10 Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Expected contribution	**4.15**	6.26	**11.52**	8.61

50.2.11 The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.13 years (as at 31.03.2023: 13.14 years) for PFC and 11.78 years (as at 31.03.2023: 11.18 years) for subsidiary, RECL.

50.3 Other long term employee benefits

50.3.1 Leave

The companies in the Group provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300 days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 14.66 crore (previous year ₹ 11.88 crore) for the year has been made at the year end and debited to the Consolidated Statement of Profit and Loss.

50.3.2 Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 3.66 crore for the year (previous year ₹ 5.04 crore) has been made on the basis of actuarial valuation and debited to the Consolidated Statement of Profit and Loss.

50.3.3 In case of RECPDCL, the Loyalty incentive to the employees is payable after completion of three years of continuous service only, except in case of separation due to death. The payment of dues to outgoing employee is released at the time of

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separation. Expenses amounting to nil (previous year nil) have been debited to the Consolidated Statement of Profit and Loss on the basis of actuarial valuation.

50.4 Employee benefits (viz. Gratuity, PRMS, Terminal Benefits, Leave encashment and other employee benefits) in respect of PFC's/RECL's employees working in its wholly-owned subsidiaries PFCCL /RECPDCL on deputation / secondment basis, are being allocated based on a fixed percentage of employee cost.

51. LEASES

The Group has recognised a Right of Use Asset and Lease Liability with respect to leasehold land:

51.1 The table below shows the movement of Lease Liabilities during the year

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance	**17.01**	**19.07**
Additions during the year	-	-
Finance cost accrued during the period	**1.45**	1.65
Payment of lease liabilities	**(3.72)**	(3.71)
Reassessment of lease liabilities	-	-
Closing balance	**14.74**	**17.01**

51.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

(₹ in crore)

Particulars	As at 31.03.2024	As at 31.03.2023
Upto 1 year	**3.91**	3.72
1-5 years	**6.51**	9.65
More than 5 years	**53.97**	54.74

51.3 During the year 2023-24, the expenses relating to short-term/low value leases amounting to ₹ 25.53 crore (Previous year ₹ 16.88 crore) has been charged to Consolidated statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

51.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 26.77 crore. (Previous year ₹ 20.12 crore).

52. CONTINGENT LIABILITIES AND COMMITMENTS:

(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
Contingent Liabilities			
(i)	Guarantees	-	7.50
(ii)	Claims against the Group not acknowledged as debts	**28.17**	27.67
(iii)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned[(a)]	**7,599.22**	5,510.43
(iv)	Additional demands raised by the Income Tax Department of earlier years which are being contested	**307.59**	307.15
	Income Tax Department has filed appeals against the relief allowed by appellate authorities to the Companies in the Group. The same are also being contested	**0.90**	0.90
(v)	Service Tax/GST demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested	**47.08**	43.87
	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.	**53.95**	50.90
(vi)	Bank Guarantees	**17.93**	33.57

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(₹ in crore)

Sr. No.	Description	As at 31.03.2024	As at 31.03.2023
(vii)	Penalty imposed by BSE & NSE	1.59	1.31
(viii)	Others – Arbitration Proceedings through Project Management Consultant (PMC) (Counter claim of ₹ 33.23 crores)	352.94	315.30
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for		
	a) Towards purchase of building	1,003.28	253.83
	b) Towards Implementation of SAP	11.02	11.02
(ii)	Other Commitments – unspent CSR	469.21	306.53
Total		**9,892.88**	**6,867.73**

[a] Necessary impairment loss allowance has been made. Refer note 26

53. During the year, PFC and REC does not have any transactions with the struck off companies except for PFC equity shares held by eight companies as on 31.03.2024, which are individually not material and thus have not been reported.

54. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTEREST (NCI):

(₹ in crore)

Name of Subsidiary	Proportion of ownership interests held by NCI		TCI allocated to non-controlling interests (₹ in crore)		Accumulated non-controlling interests (₹ in crore)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
RECL	47.37%	47.37%	7,194.64	4,829.33	33,141.77	27,822.74

* Includes Instruments in nature of equity of ₹ 558.40 crore issued by PFC's subsidiary RECL

55. SUMMARIZED FINANCIAL INFORMATION FOR GROUP'S SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (BEFORE INTRA GROUP ELIMINATIONS):

(₹ in crore)

Particulars (RECL)	As at 31.03.2024	As at 31.03.2023
Financial assets	5,44,588.13	4,61,166.67
Non-financial assets	3,582.76	4,331.43
Assets classified as held for sale	20.20	4.65
Financial liabilities	4,78,377.20	4,07,153.50
Non-financial liabilities	463.64	228.72
Liabilities directly associated with assets classified as held for sale	-	0.02
Equity attributable to the owners of the Company	36,208.48	30,297.72
Non-Controlling interests towards Instruments Entirely Equity in Nature	558.40	558.40
Non-Controlling interests towards Equity Shareholders	32,583.37	27,264.39
Total Non-controlling interests	**33,141.77**	**27,822.79**

(₹ in crore)

Particulars (RECL)	FY 2023-24	FY 2022-23
Total Revenue	47,571.23	39,520.16
Total Expenses	29,611.29	25,622.49
Profit/(loss) for the year	**14,145.46**	**11,166.98**
Profit/(loss) attributable to owners of the Company	7,445.44	5,877.72
Profit/(loss) attributable to the non-controlling interests	6,700.02	5,289.26

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(₹ in crore)

Particulars (RECL)	FY 2023-24	FY 2022-23
Other comprehensive income for the year	**1,044.27**	**(971.04)**
Other comprehensive income attributable to owners of the Company	**549.65**	(511.11)
Other comprehensive income attributable to the non-controlling interests	**494.62**	(459.93)
Total comprehensive income for the year	**15,189.73**	**10,195.94**
Total comprehensive income attributable to owners of the Company	**7,995.09**	5,366.61
Total comprehensive income attributable to the non-controlling interests	**7,194.64**	4,829.33
Dividends paid to non-controlling interests	**1,914.50**	1,477.97
Net cash inflow(outflow) from operating activities	**(57,722.64)**	(37,359.77)
Net cash inflow(outflow) from investing activities	**(1,830.96)**	(942.95)
Net cash inflow(outflow) from financing activities	**59,587.82**	38,122.84
Net cash inflow(outflow)	**34.21**	(179.88)

56. THE GOVERNMENT OF INDIA (GOI) SCHEMES BEING IMPLEMENTED IN THE GROUP

A. In respect of PFC

PFC has been designated Nodal Agency for operationalization and implementation of RDSS Scheme. The role of Nodal Agency inter-alia includes transfer onward the GoI funds received from MoP to project implementing agencies i.e. State Power Distribution Utilities/ Power Departments as per the Scheme guidelines issued by MoP. The release of the funds under GoI Scheme is being done through Treasury Single Account (TSA) maintained with RBI, as per the office memorandum issued by MoF, GoI dated 09th March 2022.This ensures that funds of these schemes are released to project implementing agencies 'Just in time' from the Consolidated Fund of India (CFI).

56.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with REC is the nodal agency for operationalization of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

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.

The Scheme has an outlay of ₹ 3,03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI. The amount of grant received and administered to the eligible entities (net of lapses/surrendered by power utilities) during FY 2023-24 is ₹ 2,834.87 crore (previous year ₹ 212.06 crore) and the cumulative grant administered (net of lapses/surrendered by power utilities) till 31.03.2024 is ₹ 3,308.23 crore (till 31.03.2023 is ₹ 473.37 crore).

The Company is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2023-24 stands at ₹ 45.73 crore. (Previous year ₹ 71.58 crore)

Further, no amount of grant remained undisbursed as on 31.03.2024 and 31.03.2023.

B. In respect of RECL

56.2 Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Government of India launched a scheme "Pradhan Mantri Sahaj Bijli Har Ghar Yojana" - Saubhagya to achieve universal household electrification in the country during Oct 2017. The scheme envisaged to provide last mile connectivity and electricity connections to all remaining un-electrified households in rural areas and poor households in urban areas. The capital outlay of Saubhagya Scheme was ₹ 16,320 Crore including Gross Budgetary Support of ₹ 12,320 Crore during the entire implementation period. Ministry of Power designated REC as the Nodal agency for operationalization of Saubhagya Scheme. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

Notes to the Consolidated Financial Statements

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56.3 Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the flagship scheme of Government of India covering all aspects of rural power distribution was launched in Nov 2014. Under the scheme 60% of the project cost (85% for special States) is provided as grant by Government of India and additional grant up to 15% (5% for special States) on achievement of prescribed milestones. DDUGJY facilitates towards achievement of '24x7 Power for All' in the country through the following project components:

56.3.1 Separation of agriculture and non-agriculture feeders facilitating adequate power supply to agriculture & continuous power supply to non-agricultural consumers in the rural areas;

56.3.2 Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/ feeders/ consumers;

56.3.3 Micro-grid and Off-grid distribution network;

56.3.4 Rural Electrification component under the RGGVY 12th and 13th plans, subsumed to DDUGJY.

The scheme had estimated outlay of ₹ 75,893 Crore including budgetary support of ₹ 63,027 Crore from Government of India during the entire implementation period. Additional Infra under DDUGJY was sanctioned with a total outlay of ₹ 7,069 Crore including budgetary support of ₹ 5,302 Crore. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

56.4 National Electricity Fund (NEF)

The National Electricity Fund (NEF), an interest subsidy scheme, has become operational since FY 2012-13. The scheme has been introduced by the Government of India to promote capital investment in the distribution sector. The scheme provides interest subsidy linked with reform measures, on the loans taken by public and private distribution power utilities for various capital works in the Distribution sector. NEF would provide interest subsidy aggregating up to ₹ 8,466 Crore (including interest subsidy to the borrowers, Service Charges to the Nodal Agency, payments to Independent Evaluators and other incidental expenses) spread over 14 years for loan disbursement against projects approved during 2012-13 and 2013-14. RECL has been nominated as the Nodal Agency for operationalization of NEF scheme across the country.

56.5 Revamped Distribution Sector Scheme (RDSS)

Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to them so as to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 Crore over 5 years i.e. FY 2021-22 to FY 2025-26 including an estimated Government Budgetary Support (GBS) of ₹ 97,631 Crore.

(i) Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.

(ii) Reduction of ACS-ARR gap to zero by 2024-25.

(iii) Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Components of the scheme are:

Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.

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

56.6 J&K Prime Minister's Development Plan (PMDP)

Government of Jammu & Kashmir, Power Development Department has appointed RECPDCL as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commissioning of all the material and services works to be taken-up for execution of transmission projects under PMDP in J&K state and Ladakh on nomination basis, as per actual cost to be discovered through competitive biddings.

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for the year ended March 31, 2024

56.7 11 kV Feeder Monitoring

Ministry of Power has appointed RECPDCL to implement 11 kV Feeder Monitoring Scheme. The scheme is to develop a Self-sustained independent web based system for automated 11 kV Rural Feeder Monitoring System through Data Logging of various essential parameters of all the Outgoing 11kV rural feeders from 66, 33/11 kV sub stations and make the information available online for various stake holders including public portal, on real time basis for power supply monitoring, alerts, meter data analysis, information dissemination and energy audit.

56.8 Rooftop Solar Program (RTS)

PM-Surya Ghar: Muft Bijli Yojana was launched by Government of India on 13.02.2024 for installation of Rooftop Solar (RTS) in one crore households with the financial outlay of ₹ 75,021 crore and the phase-II of RTS will be subsumed under this scheme. The phase-II of Grid connected RTS programme is being implemented under Ministry of New and Renewable Energy (MNRE) for achieving cumulative capacity of 40GW from RTS projects by 2026.

C. In respect of subsidiary PFCCL

56.9 PFC's subsidiary PFCCL has been selected as nodal agency for facilitating short term power requirements through competitive bidding as per MoP guidelines dated 30.03.2016. As per the guidelines, every bidder is required to deposit with PFCCL the requisite fees of ₹ 500 per MW plus applicable taxes for the maximum capacity a bidder is willing to bid. Only successful bidder(s) will have to pay the fees to PFCCL for the quantum allocated to each bidder after completion of activity and the balance amount will be refunded to the bidder.

56.10 In connection with Aatma Nirbhar Bharat Abhiyan of Govt of India, Power Departments/ Utilities in Union Territories has to be corporatised/privatised. MoP through PFC has conveyed to provide hand-holding support and the services of a transaction advisor to the UTs and to fund the expenditure incurred in this regard which will be recoverable from the successful bidder/MoP alongwith interest. PFC has appointed PFCCL as the nodal agency for this work.

57. STATUS OF DOCUMENTATION SUBSEQUENT TO UNBUNDLING OF SEBS

Some of the erstwhile State Electricity Boards (SEBs) against whom loans were outstanding or on whose behalf guarantees were given, were restructured by the respective State Governments and new entities were formed in the past. Consequently, the liabilities of the erstwhile SEBs stand transferred to new entities.

57.1 Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union territories- Jammu & Kashmir UT and Ladakh UT , the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/repaid in line with the existing loan agreement.

57.2 Status of documentation subsequent to reorganization of the State of Andhra Pradesh

Subsequent to the reorganization of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification except for assets and liabilities of TSSPDCL which have been transferred to APSPDCL for R-APDRP loans only amounting to ₹ 8.95 crore.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans (except for above R-APDRP loans) with the new / name changed utilities. Till that time, the demand for payment of interest / principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

In respect of RECL,

57.2.1 Where ever the loans have been sanctioned to erstwhile APCPDCL, APNPDCL and APGENCO prior to bifurcation and documentation has not been done, these schemes have been re-sanctioned in the name of newly formed utilities and documentation formalities completed and accordingly the charge has been registered with the Ministry of Corporate Affairs (MCA).

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57.2.2 Where ever the loans sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed and drawls have been made, in these schemes an undertaking has been obtained from the name changed / newly formed utility and disbursements have been made to the newly formed utility by changing the name of the borrower in the name of new / name changed utility.

57.2.3 Where ever the Loan is sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed with Government Guarantee and drawls have been made, further documentation for these schemes shall be done on Gazette Notification.

58. IN THE CONTEXT OF REPORTING BUSINESS / GEOGRAPHICAL SEGMENT AS REQUIRED BY IND AS 108 - 'OPERATING SEGMENTS'

The Group's operations majorly comprise of one business segment i.e. lending to power , logistics and infrastructure sector entities. All activities revolve around the main business. Accordingly, there are no reportable segments as per Ind AS 108. Based on "management approach" as defined in Ind AS 108 'Operating Segments', the Chief Operating Decision Maker evaluates the Group's performance based on analysis of various factors of one business segment.

58.1 The Group does not have any geographical segments as its operations are mainly carried out within the country.

58.2 Revenue from major services

The following is an analysis of Group's revenue from operations from its major products/services:

(₹ in crore)

	FY 2023-24	FY 2022-23
Interest income		
- on loans	89,115.50	75,912.83
- others	969.90	583.10
Dividend income	68.53	103.00
Fees and commission income	341.35	548.79
Other operating income	601.44	420.58
Total Revenue from Operations	**91,096.72**	**77,568.30**

58.3 Information about major borrowers

No single borrower contributed 10% or more to respective companies' revenue for both FY 2023-24 and FY 2022- 23.

59. AMOUNTS EXPECTED TO BE RECOVERED/ SETTLED WITHIN 12 MONTHS AND BEYOND FOR EACH LINE ITEM UNDER ASSET AND LIABILITIES

(₹ in crore)

Particulars		As at 31.03.2024			As at 31.03.2023		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	339.34	-	339.34	127.59	-	127.59
(b)	Bank Balance other than included in Cash & Cash Equivalents	3,026.21	23.01	3,049.22	3,902.57	70.86	3,973.43
(c)	Derivative Financial Instruments	3,122.64	13,821.41	16,944.05	2,937.48	10,847.53	13,785.01
(d)	Trade Receivable	191.87	-	191.87	171.46	-	171.46
(e)	Loans	1,71,066.25	7,98,044.90	9,69,111.15	1,33,824.78	6,99,078.58	8,32,903.36
(f)	Investments	2,779.35	8,191.67	10,971.02	1,272.39	4,700.50	5,972.89
(g)	Other Financial Assets	597.30	29,288.02	29,885.31	368.72	29,463.07	29,831.79
	Total Financial Assets (1)	**1,81,122.95**	**8,49,369.01**	**10,30,491.96**	**1,42,604.66**	**7,44,160.87**	**8,86,765.53**
2	**Non- Financial Assets**						
(a)	Current Tax Assets (Net)	17.56	544.77	562.33	26.91	516.17	543.08
(b)	Deferred Tax Assets (Net)	-	6,055.95	6,055.95	-	7,340.03	7,340.03
(c)	Property, Plant and Equipment	-	723.71	723.71	-	737.66	737.66

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(₹ in crore)

Particulars		As at 31.03.2024			As at 31.03.2023		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
(d)	Capital Work-in-Progress	-	28.06	28.06	-	10.66	10.66
(e)	Intangible Assets under development	-	11.20	11.20	-	11.20	11.20
(f)	Other Intangible Assets	-	0.54	0.54	-	1.67	1.67
(g)	Right of use asset	-	40.10	40.10	-	42.97	42.97
(h)	Other Non-Financial Assets	258.88	675.27	934.15	207.61	433.53	641.14
(i)	Investments accounted for using equity method	-	0.33	0.33	-	0.51	0.51
	Total Non-Financial Assets (2)	**276.44**	**8,079.93**	**8,356.37**	**234.52**	**9,094.40**	**9,328.92**
3	**Assets classified as held for sale**	29.05	-	29.05	17.41	-	17.41
	Total Assets (1+2+3)	**1,81,428.44**	**8,57,448.94**	**10,38,877.38**	**1,42,856.59**	**7,53,255.27**	**8,96,111.86**
	LIABILITIES						
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	385.90	727.53	1,113.43	87.43	913.84	1,001.27
(b)	Trade Payables	110.94	2.78	113.72	34.84	29.44	64.28
(c)	Debt Securities	77,641.57	4,82,689.47	5,60,331.04	63,400.22	4,33,329.16	4,96,729.38
(d)	Borrowings (other than Debt Securities)	61,899.07	2,26,799.02	2,88,698.09	72,559.00	1,65,784.00	2,38,343.00
(e)	Subordinated Liabilities	2,325.58	10,606.35	12,931.93	6,699.20	9,385.94	16,085.14
(f)	Other Financial Liabilities	10,915.48	29,029.18	39,944.66	1,718.84	29,229.49	30,948.33
	Total Financial Liabilities (1)	**1,53,278.55**	**7,49,854.32**	**9,03,132.87**	**1,44,499.53**	**6,38,671.87**	**7,83,171.40**
2	**Non- Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	67.51	15.31	82.82	28.32	105.02	133.34
(b)	Provisions	443.46	105.97	549.43	336.47	101.64	438.11
(c)	Other Non-Financial Liabilities	487.26	336.45	823.71	314.17	73.54	387.71
	Total Non-Financial Liabilities (2)	**998.24**	**457.72**	**1455.96**	**678.96**	**280.20**	**959.16**
3	Liabilities directly associated with assets classified as held for sale	-	-	-	0.02	-	0.02
	Total Liabilities (1+2+3)	**1,54,276.78**	**7,50,312.04**	**9,04,588.82**	**1,45,178.51**	**6,38,952.07**	**7,84,130.58**

60. DETAILS IN AGGREGATE, FOR INTERESTS IN ALL INDIVIDUALLY IMMATERIAL ASSOCIATES THAT ARE ACCOUNTED FOR USING THE EQUITY METHOD:

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Profit or loss from continuing operations	(0.18)	0.01
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**(0.18)**	**0.01**

61. DISCLOSURES IN RESPECT OF ENTITIES CONSOLIDATED AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013

61.1 Share in net assets i.e. total assets minus total liabilities

(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
PFC Ltd.	58.98%	79,203.49	60.91%	68,202.23
Subsidiaries-Indian				
RECL	51.64%	69,350.25	51.90%	58,120.51
PFC Consulting Limited (PFCCL)	0.18%	239.49	0.15%	163.08
PFC Projects Limited	0.00%	(0.23)	0.00%	-
PFC Infra Finance IFSC Limited*	0.07%	97.44	-	-

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(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Associates-Indian				
Orissa Integrated Power Limited	0.00%	-	0.00%	-
Coastal Tamil Nadu Power Limited	0.00%	0.08	0.00%	0.08
Sakhigopal Integrated Power Limited	0.00%	0.05	0.00%	0.05
Ghogarpalli Integrated Power Company Limited	0.00%	0.05	0.00%	0.05
Deoghar Mega Power Limited	0.00%	0.05	0.00%	0.05
Cheyyur Infra Limited	0.00%	-	0.00%	0.05
Odisha Infrapower Limited	0.00%	-	0.00%	0.04
Deoghar Infra Limited	0.00%	-	0.00%	0.05
Bihar Infrapower Limited	0.00%	-	0.00%	0.05
Bihar Mega Power Limited	0.00%	0.05	0.00%	0.05
Jharkhand Infrapower Limited	0.00%	0.05	0.00%	0.04
Adjustments or eliminations effect	(10.87%)	(14,602.23)	(12.95%)	(14,505.05)
Total	**100.00%**	**1,34,288.54**	**100.00%**	**1,11,981.28**

* PFC Infra Finance IFSC Limited , subsidiary w.e.f 11.02.2024.

61.2 Share in profit and loss

(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount
Parent				
PFC Ltd.	54.29%	14,367.02	54.80%	11,605.47
Subsidiaries-Indian				
REC Limited	53.46%	14,145.46	52.73%	11,166.98
PFC Consulting Limited (PFCCL)	0.60%	158.66	0.30%	63.81
PFC Projects Limited	0.00%	(0.19)	0.00%	(0.11)
PFC Infra Finance IFSC Limited*	(0.01%)	(2.56)	-	-
Associates-Indian	0.00%	(0.18)	0.00%	0.01
Adjustments or eliminations effect	(8.34)%	(2,207.03)	(7.83)%	(1,657.57)
Total	**100.00%**	**26,461.18**	**100.00%**	**21,178.59**

* PFC Infra Finance IFSC Limited , subsidiary w.e.f 11.02.2024.

61.3 Share in other comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As a % of consolidated Other Comprehensive income	Amount	As a % of consolidated Other Comprehensive income	Amount
Parent				
PFC Ltd.	57.07%	1,388.46	14.12%	(159.67)
Subsidiaries-Indian				
REC Limited	42.93%	1,044.27	85.88%	(971.04)
PFC Consulting Limited (PFCCL)	0.00%	-	0.00%	-
PFC Projects Limited	0.00%	-	0.00%	-
PFC Infra Finance IFSC Limited*	0.00%	-		

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for the year ended March 31, 2024

(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As a % of consolidated Other Comprehensive income	Amount	As a % of consolidated Other Comprehensive income	Amount
Associates-Indian	0.00%	-	0.00%	-
Adjustments or eliminations effect	0.00%	-	0.00%	-
Total	**100.00%**	**2,432.73**	**100.00%**	**(1,130.71)**

* PFC Infra Finance IFSC Limited , subsidiary w.e.f 11.02.2024.

61.4 Share in total comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2024		As at 31.03.2023	
	As a % of consolidated total comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent				
PFC Ltd.	54.53%	15,755.48	57.09%	11,445.80
Subsidiaries-Indian				
REC Limited	52.57%	15,189.73	50.86%	10,195.95
PFC Consulting Limited (PFCCL)	0.55%	158.66	0.32%	63.81
PFC Projects Limited	0.00%	(0.19)	0.00%	(0.11)
PFC Infra Finance IFSC Limited*	(0.01%)	(2.56)	-	-
Associates-Indian	0.00%	(0.18)	0.00%	0.01
Adjustments or eliminations effect	(7.64%)	(2,207.03)	(8.27%)	(1,657.57)
Total	**100.00%**	**28,893.91**	**100.00%**	**20,047.88**

* PFC Infra Finance IFSC Limited , subsidiary w.e.f 11.02.2024.

62. Disclosures in Consolidated Financial Statements have been made to the extent relevant for Consolidated Financial Statements and to the extent of information available in subsidiaries' financial statements.

63. Figures of the previous year have been regrouped/ rearranged wherever necessary, in order to make them comparable with the current year figures.

64. Figures have been rounded off to the nearest crore of rupees with two decimals. Further, figures in 0.00 represent value less than ₹.50,000/-

For and on behalf of the Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN - 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

FORM AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART "A" : SUBSIDIARIES

(₹ in crore)

A.	Subsidiaries[1]	REC Ltd	PFC Consulting Limited (PFCCL)	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	PFC Projects Limited (PPL)6	PFC Infra Finance IFSC Limited
1	Information for the year ended as on[2]	31.03.2024	31.03.2024	31.03.2024	31.03.2024	31.03.2024
2	Date of acquisition / incorporation	28.03.2019	25.03.2008	28.03.2019	06.02.2022	11.02.2024
3	Share Capital	2,633.22	0.05	0.09	0.05	100.00
4	Reserves & Surplus	65,591.53	239.44	567.09	(0.28)	(2.56)
5	Instruments in the nature of Equity	558.40	-	-	-	-
6	Total Assets	5,47,440.39	349.22	805.59	0.15	100.00
7	Total Liabilities	4,78,657.24	109.73	238.41	0.38	2.56
8	Investments	5,320.31	-	78.79	-	-
9	Turnover[3]	47,146.30	267.07	390.64	-	-
10	Profit before Taxation	17,780.64	212.45	202.70	(0.19)	(2.56)
11	Provision for Taxation	3,761.43	53.79	53.05	-	-
12	Profit after taxation	14,019.21	158.67	149.65	(0.19)	(2.56)
13	Proposed Dividend	Nil	Nil	44.90	Nil	Nil
14	% of Shareholding	52.63%	100.00%	100.00%	100.00%	100.00%

Note:

1. The Company does not have any foreign subsidiary.
2. Reporting period of all the subsidiaries is same as that of the holding company.
3. Turnover is considered as Revenue from Operations.
4. Name of Subsidiaries which are yet to commence operations - Nil
5. Name of Subsidiaries which have been liquidated or sold during the year - Nil
6. In view of PFC acquiring the ability to direct the activities of PPL, it is being considered a subsidiary w.e.f. 01.07.2022

FORM AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART "B": ASSOCIATES AND JOINT VENTURES

(in crore)

B.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the company on the year end			Description of how there is Significant Influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit / Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
Associates1										
1	Sakhigopal Integrated Power Company Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
2	Ghogarpalli Integrated Power Company Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
3	Jharkhand Infrapower Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.04	-	-
4	Odisha Infrapower Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.04	-	-
5	Orissa Integrated Power Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	(0.07)	0.00	-
6	Cheyyur Infra Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
7	Coastal Tamil Nadu Power Ltd [2]	31-Mar-22	50,000	0.05	100%	SPVs are managed as per the mandate from Government of India (GoI). and the Company does not have the practical ability to direct the relevant activities of these SPVs unilaterally. Therefore, investment in these SPVs are considered as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.	NA	0.08	-	-
8	Bihar Infrapower Limited [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
9	Bihar Mega Power Limited [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
10	Deoghar Infra Limited [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
11	Deoghar Mega Power Ltd [2]	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
12	Chhatarpur Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
13	Fatehgarh III Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
14	Ananthpuram Kurnool Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	-	-
15	Fatehgarh III Beawar Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
16	Siot Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
17	Bhadla III Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
18	Beawar Dausa Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	
19	Fatehgarh IV Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
20	Koderma Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(2.28)	-	(0.01)
21	Chandil Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(2.55)	-	(0.01)
22	Dumka Transmission Limited [2]	31-Mar-23	50,000	0.05	100%		NA	(2.10)	-	0.00
23	Mandar Transmission Limited [2]	31-Mar-23	50,000	0.05	100%		NA	(1.87)	-	0.00
24	Bidar Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.10)	-	(0.11)
25	Sikar Khetri Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.67)	-	(0.72)
26	KPS1 Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.57)	-	(0.62)
27	Ramgarh II Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.69)	-	(0.74)

FORM AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(in crore)

B.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the company on the year end			Description of how there is Significant Influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit / Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
28	Beawar Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.71)	-	(0.76)
29	Khavda II-D Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	0.03	-	(0.02)
30	Luhri Power Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.46)	-	(0.51)
	Koderma Transmission Limited *	31-Mar-23	50,000	0.05	100%		NA	(0.59)	-	228.00
	Chandil Transmission Limited *	31-Mar-23	50,000	0.05	100%		NA	(0.59)	-	254.00
	Dumka Transmission Limited *	31-Mar-23	50,000	0.05	100%		NA	(0.59)	-	248.00
	Mandar Transmission Limited *	31-Mar-23	50,000	0.05	100%		NA	(0.59)	-	222.00
	Luhri Power TL*	31-Mar-23	50,000	0.05	100%		NA	(104.99)	-	(59.36)
	Meerut Shamli Power TL*	31-Mar-23	50,000	0.05	100%		NA	(95.10)	-	(56.31)
	NARES XVI Power TL#		50,000	0.05	100%		NA	(86.88)	-	(91.88)
	Jalpura Khurja Power Transmission Limited#		50,000	0.05	100%		NA	(81.10)	-	(86.10)
	Rajasthan Part I Power Transmission Limited#		50,000	0.05	100%		NA	(62.24)	-	(67.24)
	Shongtong Power Transmission Ltd.#		50,000	0.05	100%		NA	(52.00)	-	(57.00)
	Kallam Transco Ltd#		50,000	0.05	100%		NA	(46.63)	-	(51.63)
	Khavda IV C Power Transmission Limited#		50,000	0.05	100%		NA	(36.80)	-	(41.80)
	Khavda IV-E2 Power Transmission Limited#		50,000	0.05	100%		NA	(28.84)		(33.84)
	Khavda IV A Power Transmission Limited#		50,000	0.05	100%		NA	(49.69)		(54.69)
	Rajasthan IV A Power Transmission Limited#		50,000	0.05	100%		NA	(36.39)		(41.39)
	Rajasthan IV C Power Transmission Limited#		50,000	0.05	100%		NA	(29.08)		(34.08)
	Rajasthan IV H1 Power Transmission Limited#		50,000	0.05	100%		NA	(46.84)		(51.84)
	Rajasthan IV E Power Transmission Limited#		50,000	0.05	100%		NA	(33.53)		(38.53)
	Khavda V-A Power Transmission Limited#		50,000	0.05	100%		NA	(49.69)		(54.69)

FORM AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(in crore)

B.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the company on the year end			Description of how there is Significant Influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit / Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
	Kankani Power Transmission Limited[#]		50,000	0.05	100%		NA	(4.55)		(0.44)
	NERGS-1 Power Transmission Limited[#]		50,000	0.05	100%		NA	(30.66)		(35.66)
	Tumukur-II REZ Power Transmission Limited[#]		50,000	0.05	100%		NA	(15.28)		(20.25)
	Khavda V-A Power Transmission Limited[#]		50,000	0.05	100%		NA	(37.96)		(42.96)
	ERES XXXIX Power Transmission Ltd[##]									
	Chhatarpur Transmission Limited (Unaudited)	31.03.2023	10,000	0.01	100%		N/A	0.01	-	N/A
	SIOT Transmission Limited (Unaudited)	31.03.2023	10,000	0.01	100%		N/A	0.01	-	N/A
	Joda Barbil Transmission Limited (Unaudited)	-	10,000	0.01	100%		N/A	0.01	(0.00)	N/A
	Ramakanali B -Panagarh Transmission Limited (Unaudited)	-	10,000	0.01	100%		N/A	0.01	(0.00)	N/A
	Gola B -Ramgarh B Transmission Limited (Unaudited)	-	10,000	0.01	100%		N/A	0.01	(0.00)	N/A
	Khavda PS1 And 3 Transmission Limited (Audited)	31.03.2024	10,000	0.01	100%		N/A	0.01	(0.00)	N/A
	Paradeep Transmission Limited (Audited)	31.03.2024	10,000	0.01	100%		N/A	0.01	(0.00)	N/A
31	Meerut Shamli Power Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(0.38)	-	(0.43)
32	NERES XVI Power Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(0.14)	-	(0.19)

Note:

1 SPVs from sl no 1 to 19 are under pre-operative stage and yet to commence operations.

2 Amount of Profit/Loss is as per management approved financial statements as on 31.03.2024

3 Names of SPVs struck off by the Registrar of Companies during the year :

Name of SPV	Date of Striking off
Tatiya Andhra Mega Power Limited	27-Sep-22
Coastal Maharashtra Mega Power Limited	29-Sep-22
Chhattisgarh Surguja Power Limited	11-Jan-23

FORM AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

4 Names of associates or joint ventures which have been liquidated or sold during the year :

Name of SPV	Date of Sale
KPS1 Transmission Limited	20.04.2023
Beawar Transmission Limited	20.09.2023
Ramgarh II Transmission Limited	26.10.2023
Sikar Khetri Transmission Limited	09.02.2024
Bidar Transmission Limited	09.02.2024
Dhule Power Transmission Limited	09.02.2024
Ishanagar Power Transmission Limited	09.02.2024
Karera Power Transmission Ltd.	09.02.2024
Pachora Power Transmission Ltd.	14.02.2024
GADAG II-A Transmission Limited	08.11.2022
WRSR Power Transmission Ltd	18.01.2023
Khavda II-A Transmission Limited	28.03.2023
Khavda II-B Transmission Limited	21.03.2023
Khavda II-C Transmission Limited	21.03.2023
KPS3 Transmission Limited	21.03.2023
KPS2 Transmission Limited	21.03.2023
Khavda RE Transmission Limited	21.03.2023
ERWR Power Transmission Ltd	21.03.2023
Neemuch Transmission Limited	24.08.2022

5 The Following companies were incorporated during the year:

Siot Transmission Limited	Meerut Shamli Power Transmission Limited
Fatehgarh III Beawar Transmission Limited	Khavda II-D Transmission Limited
Beawar Dausa Transmission Limited	Neemuch Transmission Limited
Nangalbibra-Bongaigaon Transmission Limited	WRSR Power Transmission Ltd
Fatehgarh III Transmission Limited	Khavda II-C Transmission Limited
Bhadla III Transmission Limited	Khavda II-B Transmission Limited
Fatehgarh IV Transmission Limited	Khavda RE Transmission Limited
Khandukhal Rampura Transmission Limited	KPS3 Transmission Limited
Raipur Pool Dhamtari Transmission Limited	ERSR Power Transmission Ltd.
Dharamjaigarh Transmission Limited	KPS2 Transmission Limited
Ramgarh II Transmission Limited	KPS1 Transmission Limited
Luhri Power Transmission Limited	Khavda II-A Transmission Limited
Sikar Khetri Transmission Limited	NERES XVI Power Transmission Limited

6 Assocaites classified under held for sale and valued at cost or fair market value (less cost to sales) whichever is less, hence profit not considered

For and on behalf of the Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Sandeep Kumar)
ED & Chief Financial Officer
DIN - 08529035

Sd/-
(Parminder Chopra)
CMD & Director (Fin.) (Addl. Charge)
DIN - 08530587

Signed in terms of our report of even date attached

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

For Chokshi & Chokshi LLP
Chartered Accountants
Firm's Registration No.: 101872W/W100045

Sd/-
CA Vineet Saxena
Partner
Membership No. 100770

Place: Mumbai
Date: 15.05.2024

Reference Information

REGISTERED OFFICE

'Urjanidhi',
1, Barakhamba Lane, Connaught Place,
New Delhi-110001
Tel. No. : (91) (11) 23456000
Website: http://www.pfcindia.com

SUBSIDIARIES *(as on March 31, 2024)*

REC Limited
PFC Consulting Limited
PFC Infra Finance IFSC Lmited
PFC Projects Limited
Coastal Tamil Nadu Power Limited
Orissa Integrated Power Limited
Sakhigopal Integrated Power Company Limited
Ghogarpalli Integrated Power Company Limited
Deoghar Mega Power Limited
Cheyyur Infra Limited
Odisha Infrapower Limited
Deoghar Infra Limited
Bihar Infrapower Limited
Bihar Mega Power Limited
Jharkhand Infrapower Limited
Chattarpur Transmission Limited*
Siot Transmission Limited*
Joda Barbil Transmission Limited*
Ramakanali B -Panagarh Transmission Limited*
Paradeep Transmission Limited*
Gola B -Ramgarh B Transmission Limited*
Khavda PS1 and 3 Transmission Limited*
Pune- III Transmission Limited*
Barmer I Transmission Limited*
KPS III HVDC Transmission Limited*
Sirohi Transmission Limited*
Beawar - Mandsaur Transmission Limited*
South Olpad Transmission Limited*
Bhadla-III & Bikaner-III Transmission Limited*
Jamnagar Transmission Limited*
Bhuj II Transmission Limited*
Angul Sundargarh Transmission Limited*
REC Power Development & Consultancy Ltd.$
Chandil Transmission Limited$
Dumka Transmission Limited$
Koderma Transmission Limited$
Mandar Transmission Limited$
Meerut Shamli Power Transmission Limited$
Luhri Power Transmission Limited$
Neres XVI Power Transmission Limited$
Khavda II-D Transmission Limited$
Jalpura Khurja Power Transmission Limited$
Kallam Transco Limited$
Rajasthan Part I Power Transmission Limited$
Shongtong Power Transmission Limited$
Khavda IV C Power Transmission Limited$
Khavda IV-E2 Power Transmission Limited$
Khavda IV A Power Transmission Limited$
Khavda V-A Power Transmission Limited$
Rajasthan IV A Power Transmission Limited$
Rajasthan IV C Power Transmission Limited$
Rajasthan IV HI Power Transmission Limited$
Rajasthan IV E Power Transmission Limited$
Tumkur-II REZ Power Transmission Limited$
NERGS-I Power Transmission Limited$
Kankani Power Transmission Limited$
ERES-XXXIX Power Transmission Limited$

* Through PFC Consulting Limited.
$Through REC Ltd.

SHARES LISTED AT

National Stock Exchange of India Limited
BSE Limited

DEPOSITORIES

National Securities Depository Limited
Central Depository Services (India) Limited

COMPANY SECRETARY

Shri Manish Kumar Agarwal

AUDITORS

Prem Gupta & Company, Chartered Accountants
Chokshi & Chokshi LLP, Chartered Accountants

SECRETARIAL AUDITORS

M/s Mehta & Mehta, Company Secretaries

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Gachibowli,
Hyderabad, Telangana, India
Tel: +91 40 67162222
Email: einward.ris@kfintech.com,
Website: www.kfintech.com

BANKERS

Reserve Bank of India
State Bank of India
ICICI Bank
HDFC Bank



Power Finance Corporation Limited
(A Maharatna Company)

Regd. Office: "Urjanidhi", 1, Barkhamba Lane, Connaught Place, New Delhi-110001
Tel: 011-23456000 | Fax: 011-23412545 | Website: www.pfcindia.com
CIN: L65910DL1986GOI024862

/pfclindia | /pfclindia | /pfclindia

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Power Finance Corporation Limited

(A Maharatna Company)



Powering
A New Growth Story

37th Annual Report 2022-23

Powering a New Growth Story

Today, India is the fifth largest economy in the world and the fastest growing among major economies. It is no secret that energy consumption often gauges a country's development.

As a Maharatna CPSE, we are truly proud to say that we have played a pivotal role in this meteoric rise by financing the country's energy needs.

At PFC, we always strive to maximise the value we generate for our country and our stakeholders. Till recently, we were only financing power projects, but we undertook the strategic decision of expanding our horizons and diversifying our portfolio; we revised our Memorandum of Association (MoA) to include infrastructure and logistics sectors. This strategic development favours us to capitalise on the attractive opportunities in these sectors and continue propelling India's rise to the top.

For more details scan to visit our website

Contents

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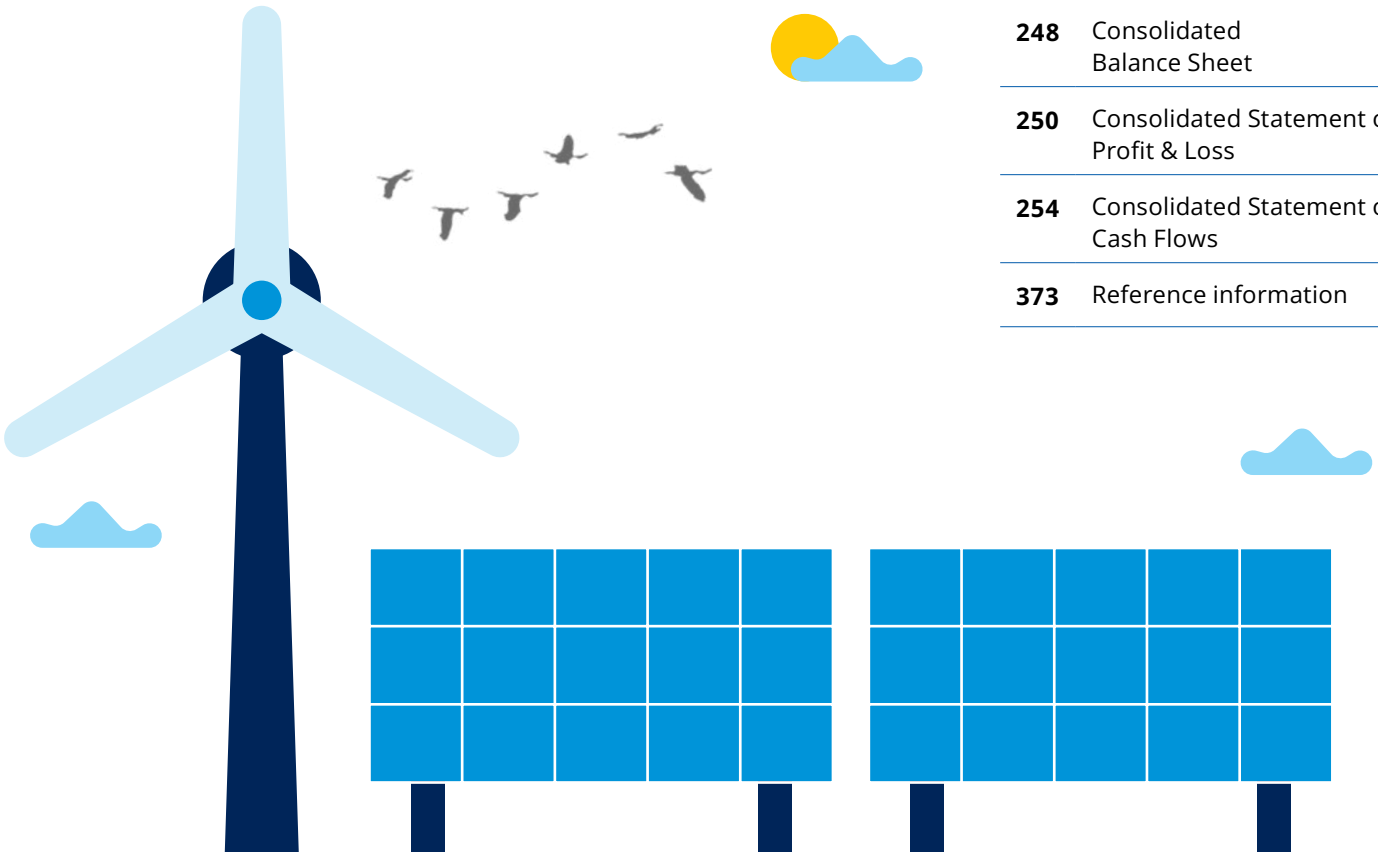
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Board of Directors

Seated *(Left to Right)*

Parminder Chopra
Chairman & Managing Director

Bhaskar Bhattacharya
Independent Director

Ajay Tewari
Director (Govt. Nominee)

Standing *(Left to Right)*

Manoj Sharma
Director (Commercial)

Rajiv Ranjan Jha
Director (Projects)

Usha Sajeev Nair
Independent Director

Prasanna Tantri
Independent Director

Senior Management*



Simmi R. Nakra
CVO



R. K. Bhardwaj
Executive Director



P. K. Sinha
Executive Director



Sandeep Kumar
Executive Director



Saurav Kumar Shah
Executive Director



Manoj Kumar Rana
Executive Director



Dr. G. Jawahar
Executive Director



Raj Kumar Malhotra
Executive Director



R. K. Chaturvedi
Executive Director



V. Packirisamy
Executive Director



Rajesh Kumar Shahi
Executive Director



Sanjay Mehrotra
Executive Director



Ali Shah
Executive Director



Sanjay Sharma
Executive Director



Hemant Kumar Das
Executive Director



Pawan Kumar
Executive Director



P. Shanmuga Sundaram
Executive Director



Samidha Jain
Executive Director



Manish Kumar Agarwal
Company Secretary

*As on 21.08.2023

Corporate Identity

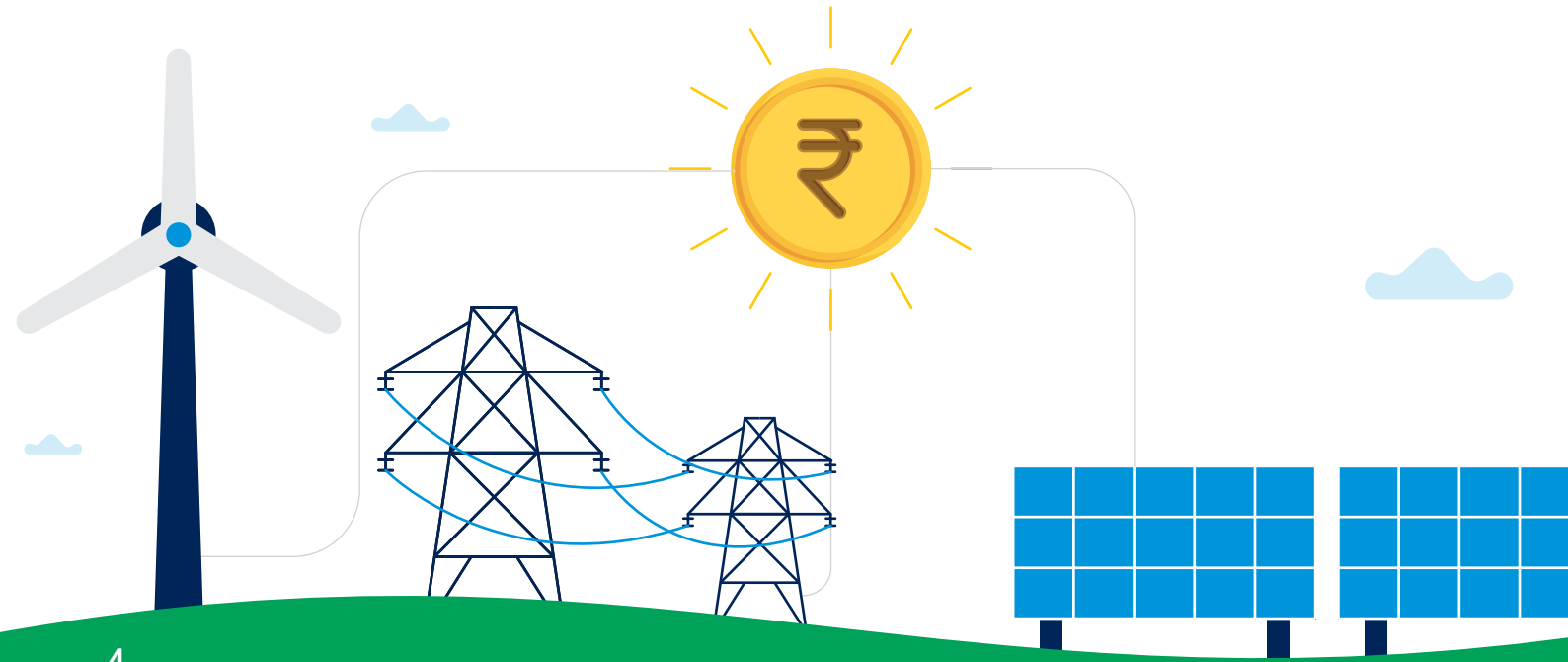
Powering India Since 1986

Established in 1986, we take immense pride in being India's largest NBFC, specialising in providing financial assistance to the country's power & infrastructure sectors. As a nodal agency, we play a critical role in managing key Government schemes, including the Revamped Distribution Sector Scheme (RDSS), Late Payment Surcharge (LPS) Rules, Integrated Power Development Scheme (IPDS), Ultra Mega Power Projects (UMPPs), and serving as the Bid Process Coordinator for Independent Transmission Projects (ITPs).

Power Finance Corporation Ltd. (PFC) stands tall as a distinguished Schedule-A Maharatna Central Public Sector Enterprise (CPSE) and India's largest Non-Banking Financial Company (NBFC) by assets.

Over the years, we have diligently expanded our horizons, offering a diverse range of financial products and services tailored to meet the needs of the power sector. Our offerings encompass rupee-term loans, short-term loans, equipment lease financing, transitional financing and more, catering to various power projects across generation, transmission, and distribution sectors.

Continuing our commitment to growth and diversification, we have ventured into the infrastructure & logistics sectors, focusing on e-vehicle fleets, charging infrastructure, roads, ports, metro rail, smart cities, and other large infrastructure projects. Our clientele include central sector, state sector and private sector power utilities, power equipment manufacturers, state Govt. departments and developers of large infrastructure projects.





Vision

To be the leading institutional partner for the power and allied infrastructure sectors in India and overseas across the value chain.



Mission

PFC would be the most preferred Financial Institution; providing affordable and competitive products and services with efficient and internationally integrated sourcing and servicing, partnering the reforms in the Indian Power Sector and enhancing value to its stakeholders; by promoting efficient investments in the power and allied sectors in India and abroad.

We will achieve this by being a dynamic, flexible, forward-looking, trustworthy, socially responsible organisation, sensitive to our stakeholders' interests, profitable and sustainable at all times, with transparency and integrity in operations.

Our Ethos

Our Group's Structure

Power Finance Corporation

Associates

- 100% Ultra Mega Power Projects

Subsidiaries

- 100% PFC Consulting
- 100% PFC Projects
- 52.63% REC Ltd.

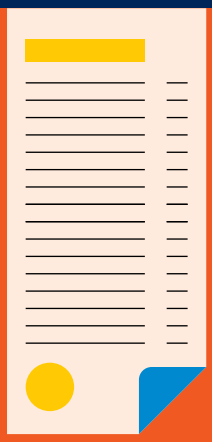
Key Facts

1st

Maharatna in the financial space

Largest consolidated Balance Sheet among all CPSEs*

*Based on figures as on 31.03.2022



भारत सरकार
GOVERNMENT OF INDIA
सत्यमेव जयते

Majority Stake owned by the Government of India

Key financial Partner for the Government of India in the power sector



Forbes

#378
Rank globally in terms of assets as per Forbes Global List 2023

FORTUNE 500

#34 in Fortune 500 India 2022



Highest long-term Domestic Rating of 'AAA'

Offerings

Intrinsically Tailored Portfolio

With nearly four decades of experience, we have been at the forefront of lending to the Indian power sector. Our expertise lies in crafting tailored financial solutions that align with the unique financial profiles of our esteemed customers. Moreover, we closely consider the nation's fiscal health and the prevailing government priorities to align our offerings with the broader national objectives strategically.

Fund-based Products



Project term loans
(Rupee and foreign currency)



Corporate loans



Debt refinancing



Lease financing for the purchase of equipment



Line of credit for import of coal



Credit facility for the purchase of power through power exchanges



Short/Medium-term loan
to equipment manufacturers



Buyer's line of credit



Grants/interest-free loans
for studies/consultancies



Lease financing for **wind power projects**

Non Fund-based Products



Guarantee for performance of contract/obligations in Power Purchase Agreements (PPA)



Letter of Comfort (LoC)

Sources of Funds



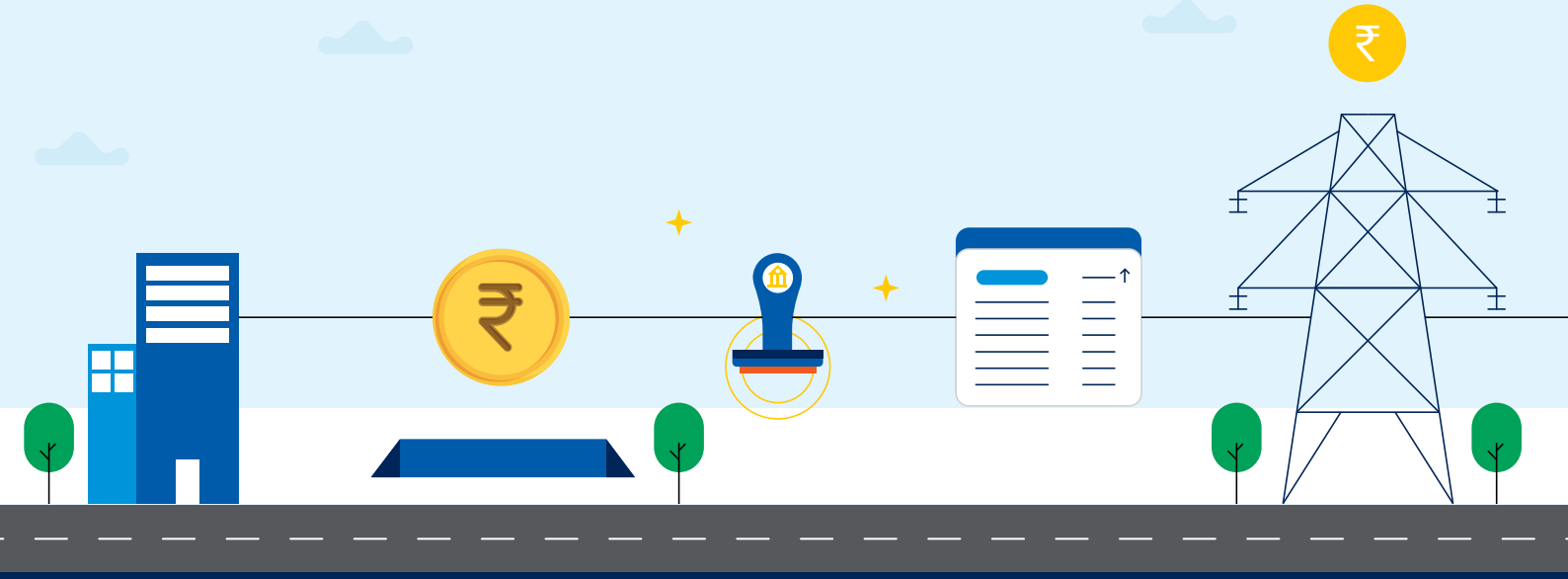
54 EC bonds



Term loans/bonds

Milestones

Looking Back at Key Events Across the Years



1986

Incorporated as a company

1988

Commenced lending

1998

Registered as an NBFC with the Reserve Bank of India

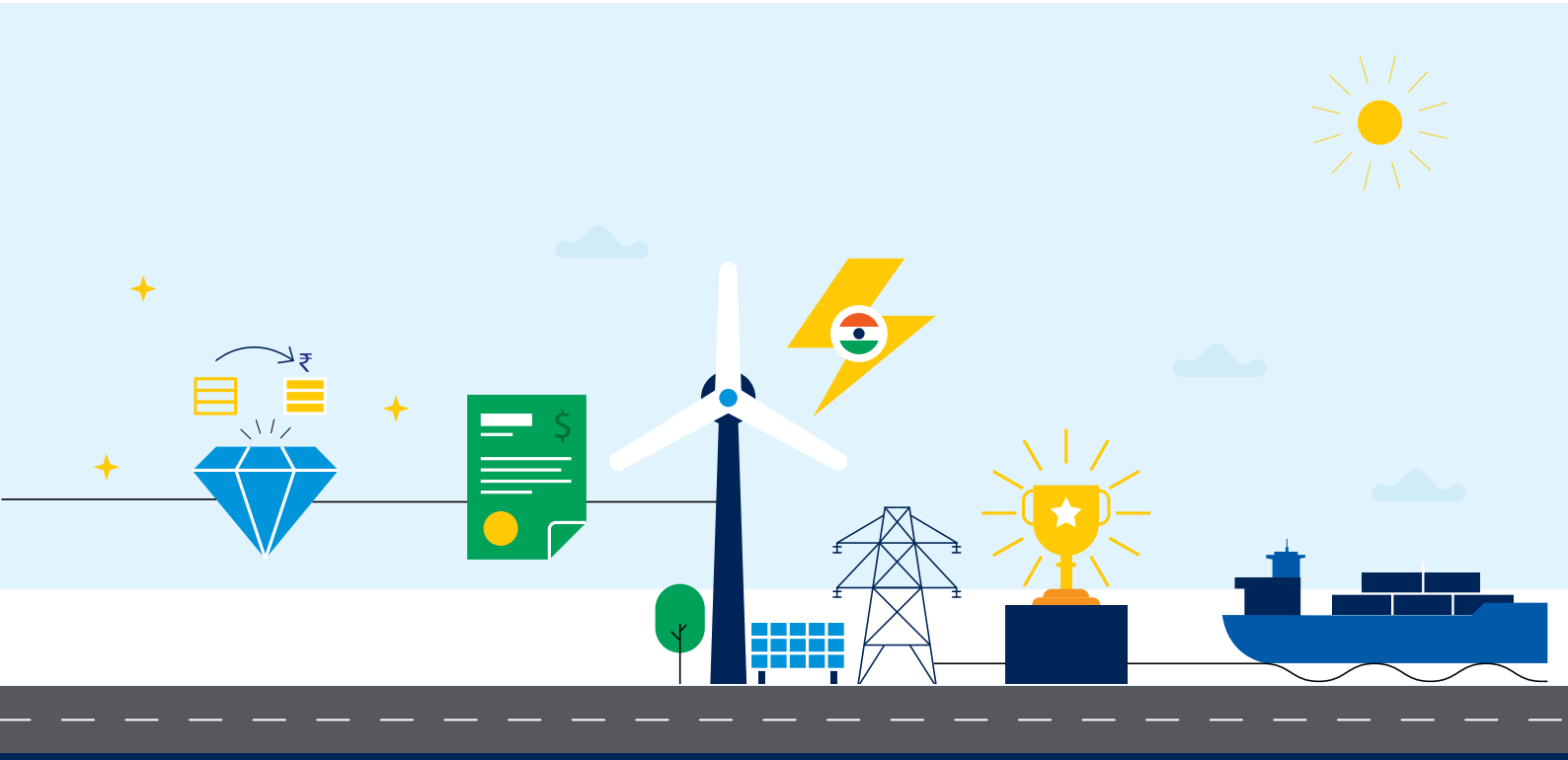
2007

Conferred Navratna Status and became a listed company

2010

Registered with the Reserve Bank of India (RBI) as an infrastructure finance company

Announced a follow-on public offer of equity shares



2014

Surpassed the ₹2 trillion mark in loan assets

2017

Issued green bonds worth USD 400 million

2019

Acquired REC Limited and became the largest financial player in the Indian power sector

2021

Awarded 'Maharatna' status by the Government of India (the highest recognition for a CPSE)

2023

Diversified into Infra & Logistics Sectors

Statement of Value Added

(in ₹ crore)

Financial Year	2021-22	2022-23
VALUE ADDED		
Net interest income	14,030	**14,363**
Non interest income	1,890	**2,020**
Operating expenses excluding staff cost, depreciation, amortisation and Corporate Social Responsibility expenses	(1,029)	**(2,045)**
Impairment and write off	(2,222)	**296**
Value added available for distribution	**12,669**	**14,634**
DISTRIBUTION OF VALUE ADDED		
For Equity Shareholders as Dividend	3,366	**2,640**
For Employees as Remuneration and other benefits	213	**219**
For Society as CSR expense	215	**225**
For Government as Income Tax	2,206	**2,565**
For Reinvestment, expansion and growth - Depreciation, Amortisation, Retained Earnings, Reserves	6,669	**8,984**
Distribution of value added	**12,669**	**14,634**

Key Ratios

Financial Year	2021-22	2022-23
P/E Ratio	2.96	**3.45**
Capital Risk weighted Assets Ratio (%)	23.48	**24.37**
Net Profit Margin (%)	25.97	**29.26**
Net NPA (%)	1.76	**1.07**
Net Debt to Equity Ratio (x)	5.38	**5.32**
EPS (₹)	37.96	**43.96**
Book value per share (₹)	224.80	**258.33**

Performance at a Glance

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
RESOURCES (At the end of the Year) (in ₹ crore)					
Equity Capital	2,640	2,640	2,640	2,640	**2,640**
Reserves and Surplus	40,648	42,524	49,753	56,710	**65,562**
Borrowings (Principal Outstanding):					
(i) Domestic Borrowings	2,59,601	2,55,751	2,75,259	2,63,840	**2,98,084**
(ii) Foreign Currency Borrowings	28,827	47,701	49,836	56,288	**64,554**
FINANCING OPERATIONS (During the Year) (in ₹ crore)					
Sanctions	95,230	1,11,089	1,66,370	51,616	**2,31,625**
Disbursements	67,678	67,997	88,302*	51,242	**85,756**
WORKING RESULTS (For the Year) (in ₹ crore)					
Total Income	28,766	33,371	37,767	38,591	**39,666**
Total Expenses	18,951	25,179	27,559	26,364	**25,495**
Profit Before Tax	9,816	8,193	10,207	12,228	**14,171**
Tax Expense	2,863	2,537	1,763	2,206	**2,565**
Profit After Tax	6,953	5,655	8,444	10,022	**11,605**
NO. OF EMPLOYEES	498	484	483	501	**519**

Note:

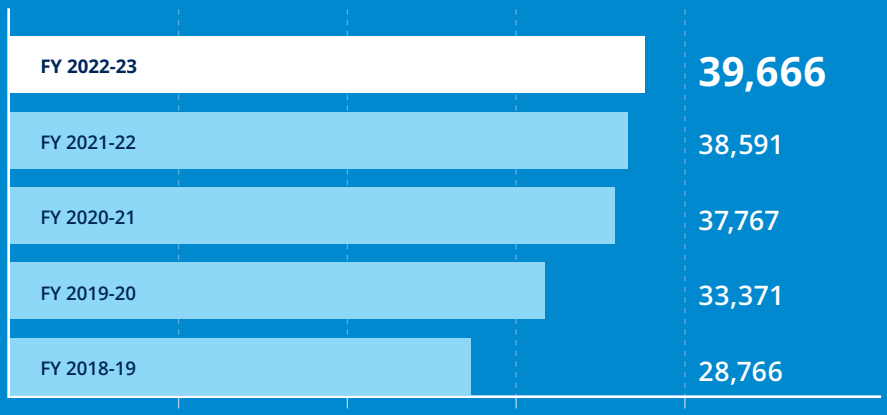
1. Sanctions and Disbursements are excluding R-APDRP/IPDS/RDSS

**Includes ₹20,144 crore towards moratorium loans during COVID Pandemic*

Key Performance Indicators

Financial Performance

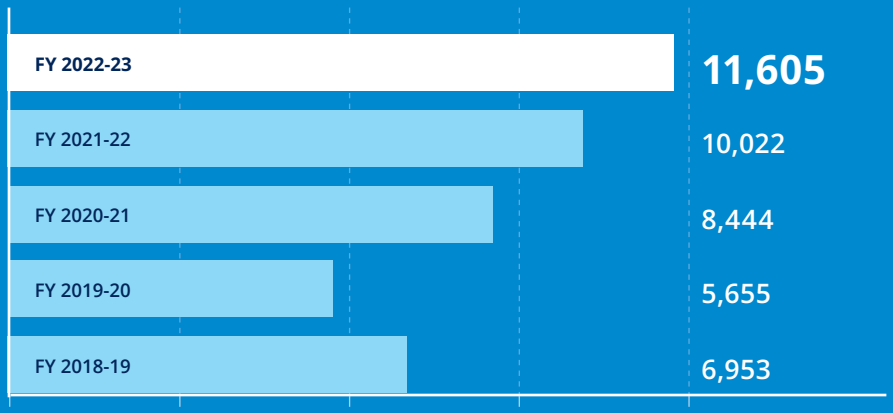
Total Income
(in ₹ crore)



↑ 2.79%
Y-o-Y growth

↑ 8.83%
5-year CAGR

Profit After Tax
(in ₹ crore)



↑ 15.80%
Y-o-Y growth

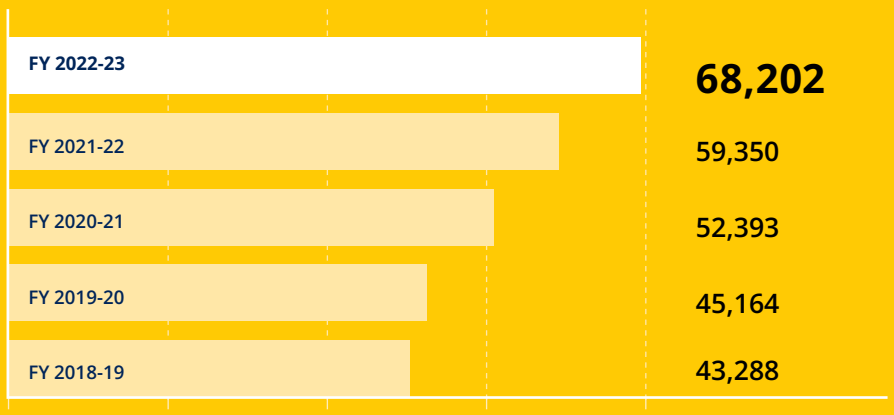
↑ 21.48%
5-year CAGR

Key Performance Indicators

Operational Performance

Net Worth

(in ₹ crore)

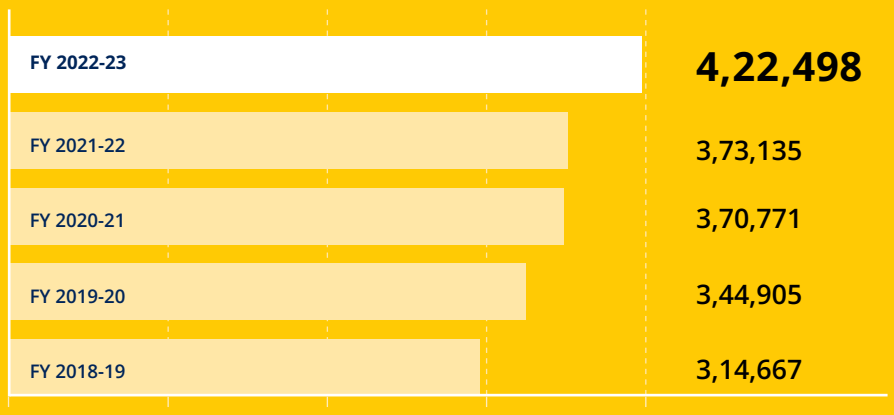


↑ 14.91%
Y-o-Y growth

↑ 13.04%
5-year CAGR

Loan Asset Book

(in ₹ crore)



↑ 13.23%
Y-o-Y growth

↑ 8.63%
5-year CAGR

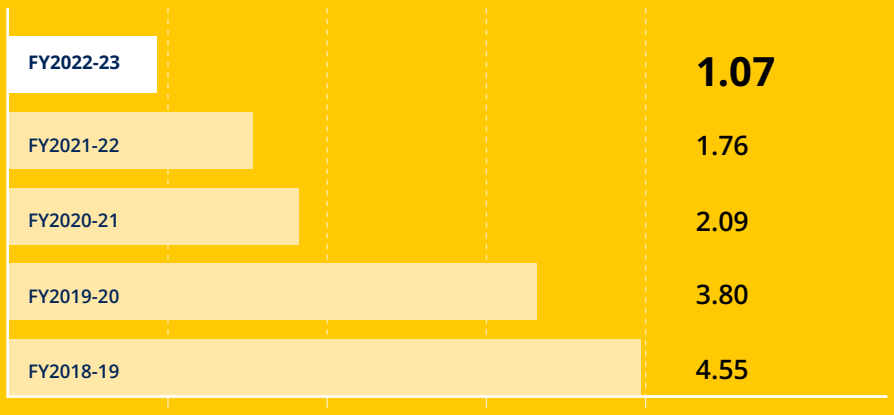
All figures are as on March 31, 2023

Key Performance Indicators

Operational Performance

Net NPA Ratio

(%)

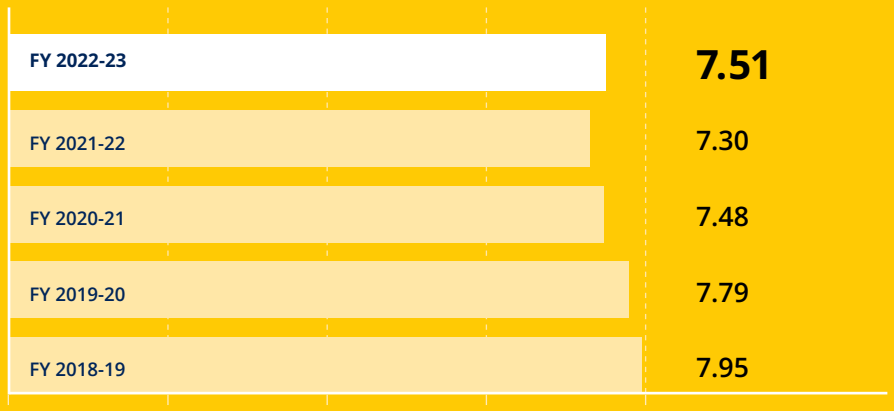


↓ 69 BPS

Y-o-Y decline

Cost of Funds

(%)

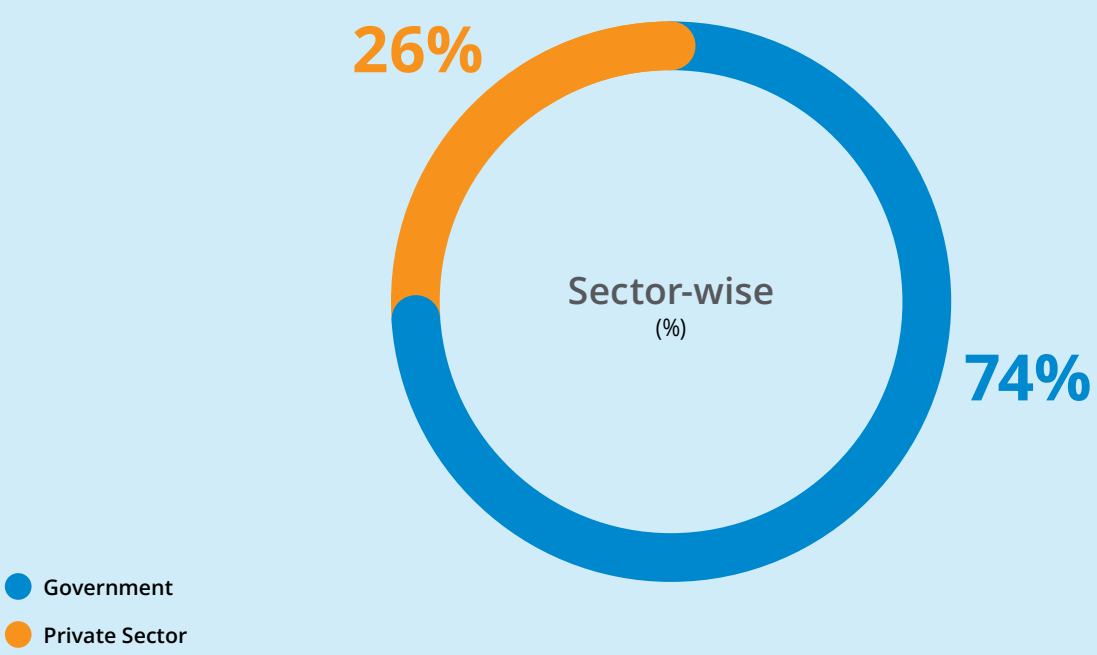


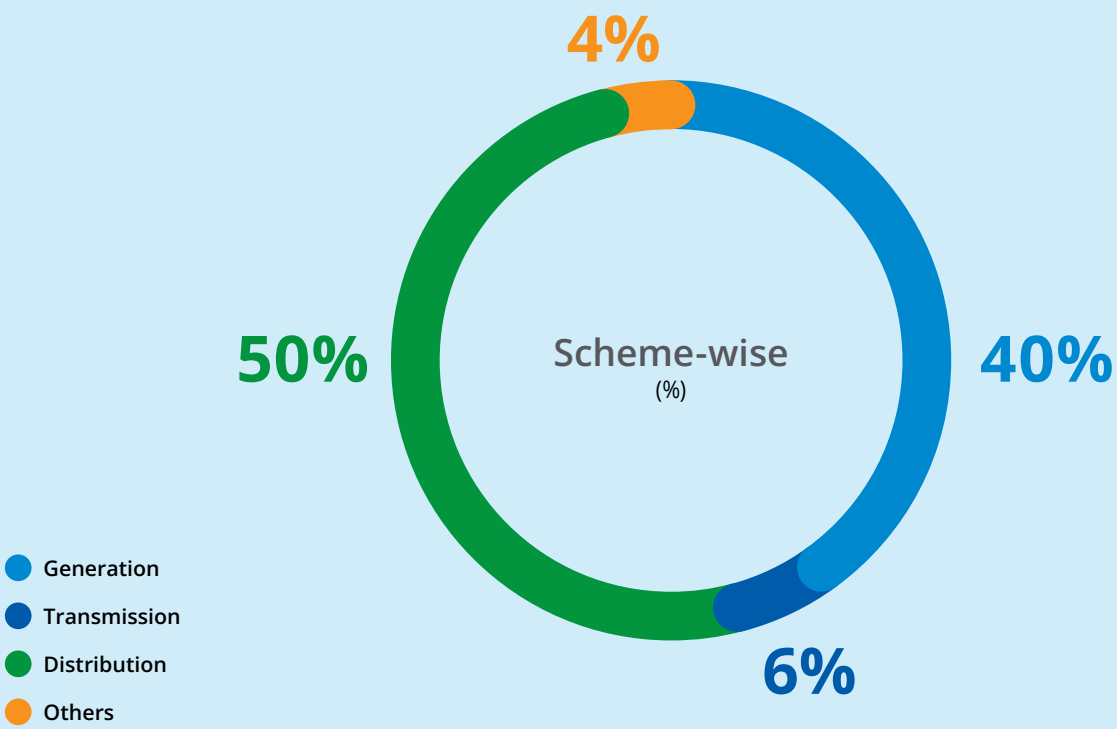
Consistent

over the years

Key Performance Indicators

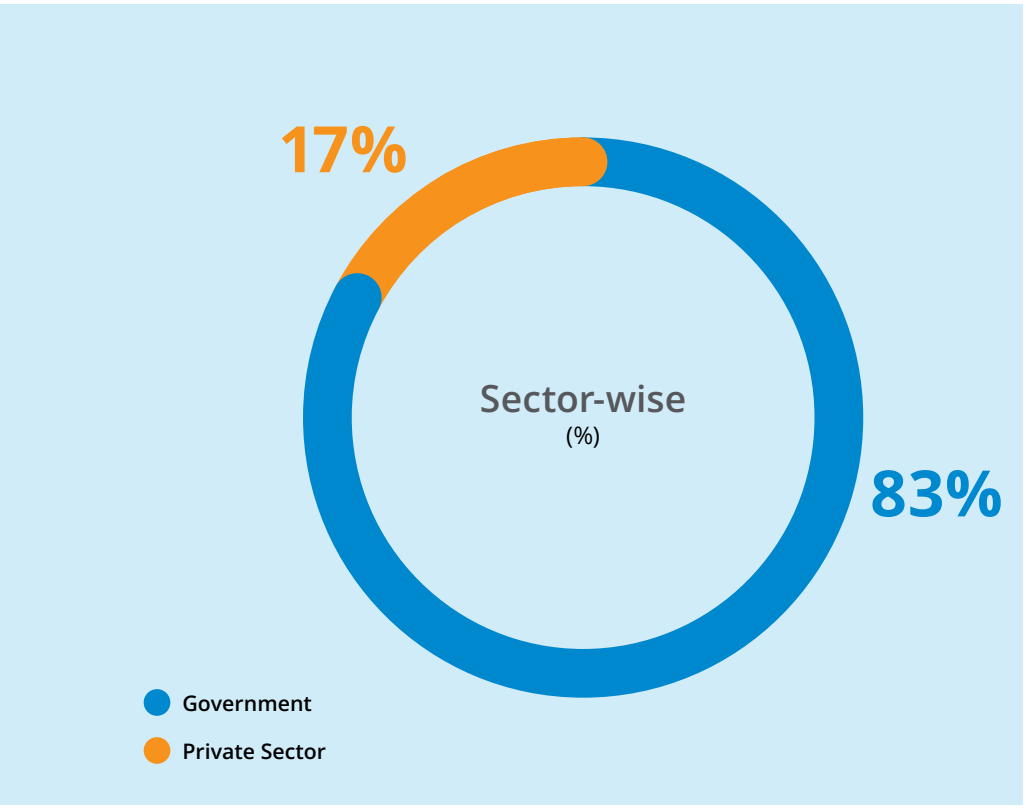
Disbursements

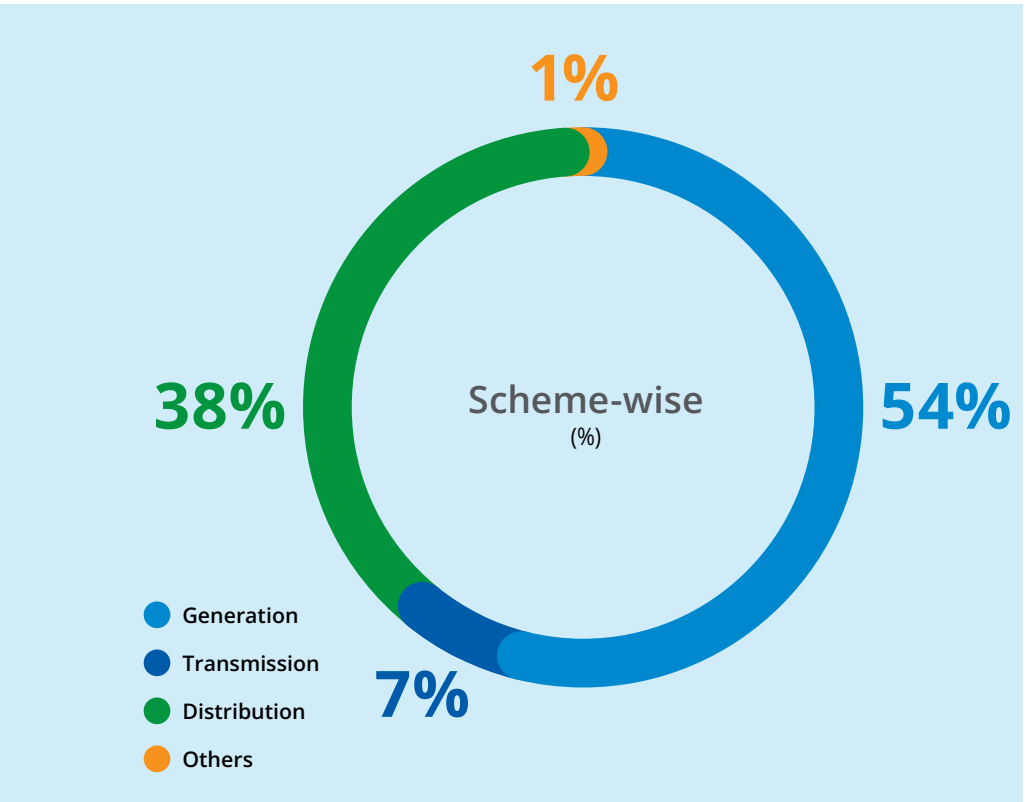




Key Performance Indicators

Loan Assets





Asset Snapshot 2023

₹4,22,498 crore
Loan Assets

₹85,756 crore
Disbursements

3.91%
Gross NPA ratio

1.07%
Net NPA ratio

Diversification

Venturing into the Infrastructure Sector

As part of our overarching strategic approach, we have initiated a significant move towards diversification by stepping into the broader infrastructure sector. This strategic shift represents a long-term endeavour to enhance portfolio diversification and foster growth of our loan asset book. With a forward-looking perspective, we have designed this venture to create a more robust and resilient financial position while capitalising on the evolving demands of the market.

Our commitment to maintaining a balanced portfolio is evident in our policy of lending up to 30% of the outstanding loan book, conditional on two-thirds of the new sanctions in a financial year being towards the power sector. This approach reflects our dedication to ensuring a prudent distribution of resources while aligning with our expertise and the evolving needs of the power and infrastructure sectors. We are actively concentrating on building the requisite capabilities and scaling up our existing teams to facilitate seamless infrastructure funding. Drawing from our experience in funding the electro-mechanical components of infrastructure projects, we are well-equipped to navigate the complexities of this sector.

The domains of our diversification efforts encompass several key areas, including port infrastructure, irrigation projects, oil refineries, and fibre net infrastructure. By expanding our purview, we seek to strengthen our own financial position and contribute to the growth and advancement of critical sectors that drive the nation's economic progress.



₹16,647 crore
Loans sanctioned under RDSS till March 31, 2023

₹1,016 crore
Loans disbursed under RDSS till March 31, 2023

₹47,906 crore
Amount sanctioned under LPS in FY 2022-23

₹16,746 crore
Amount disbursed under LPS in FY 2022-23

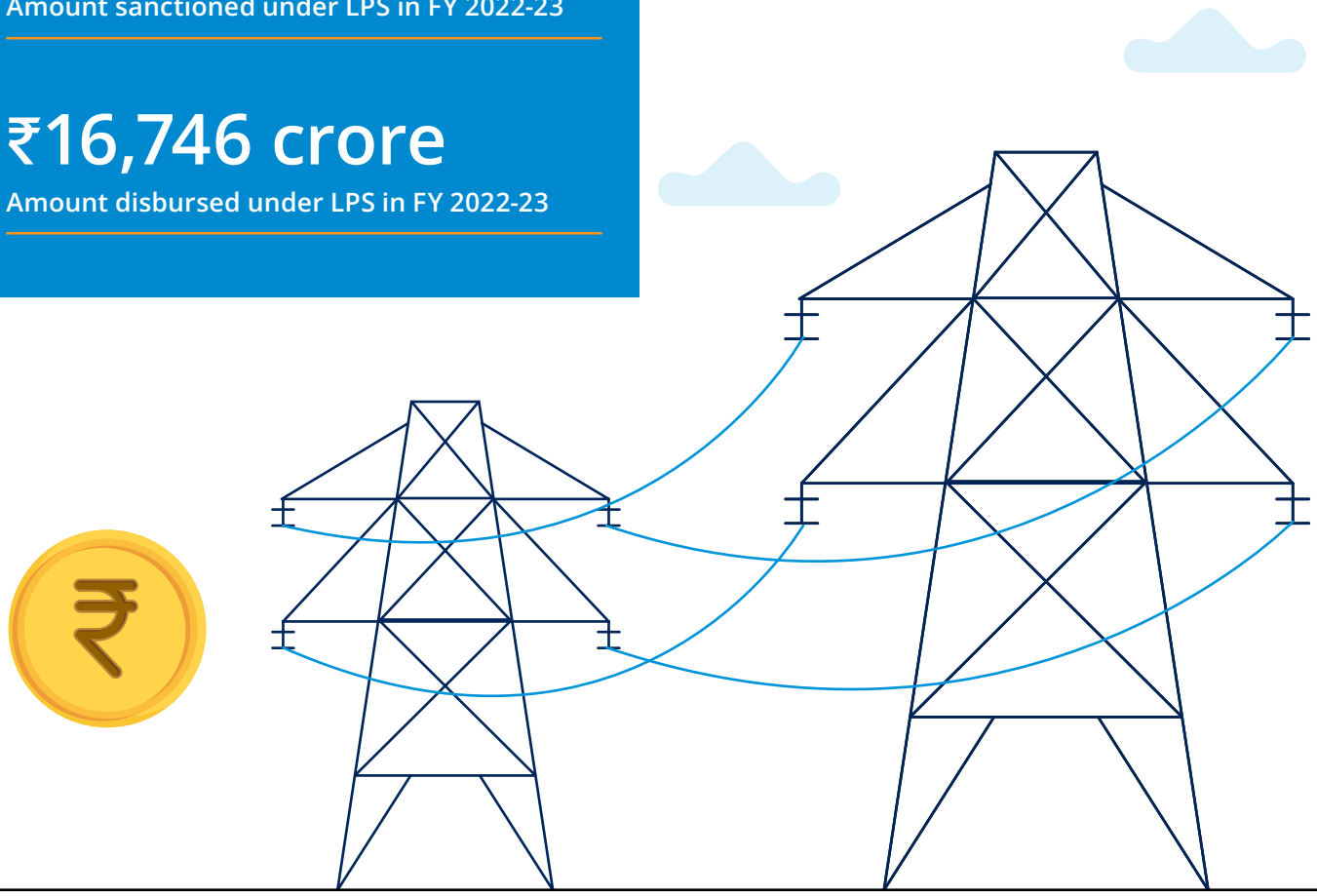
Striding forward with distribution sector schemes

Revamped Distribution Sector Scheme (RDSS)

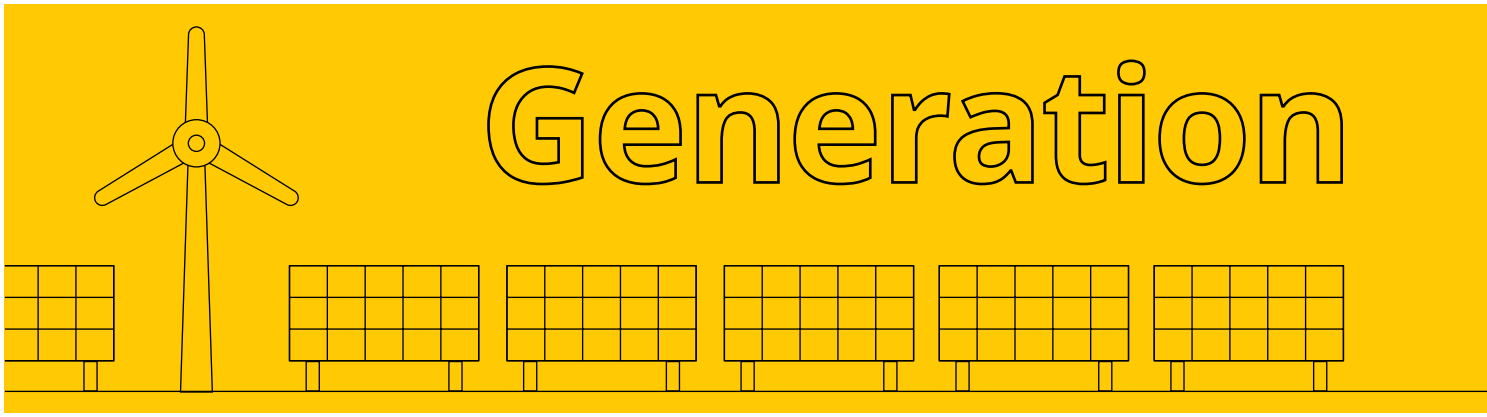
Action plans for nearly all eligible states with PFC have been approved under RDSS

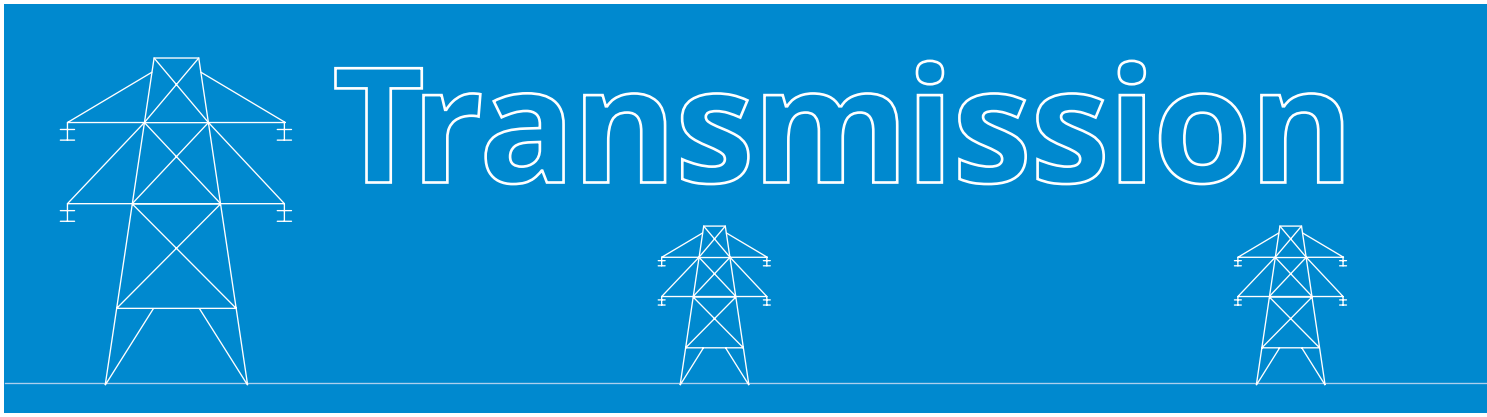
Late Payment Surcharge (LPS)

> 40% discom dues to gencos reduced in less than a year of LPS introduction

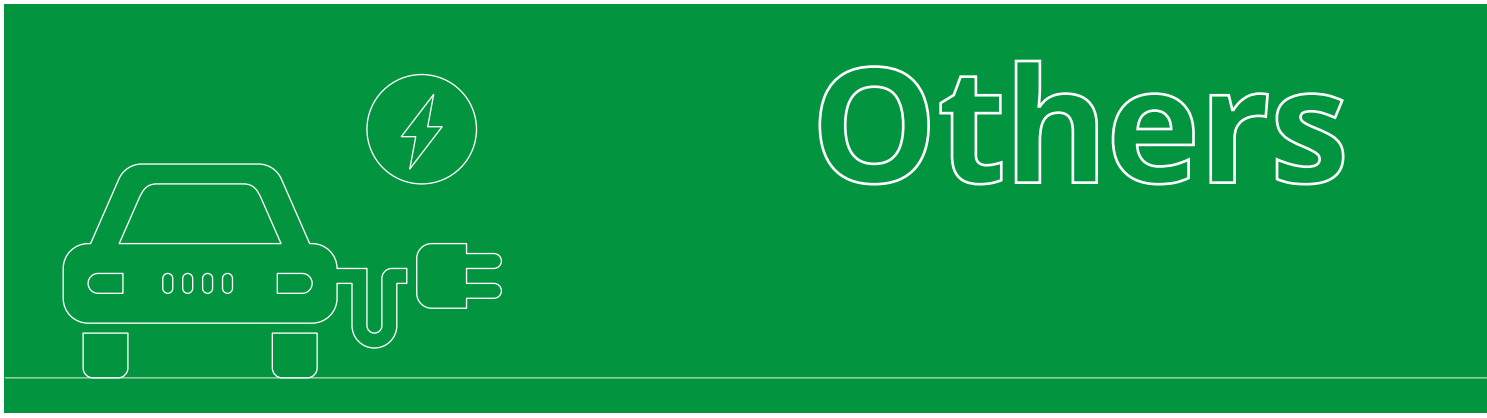


Business Outlook

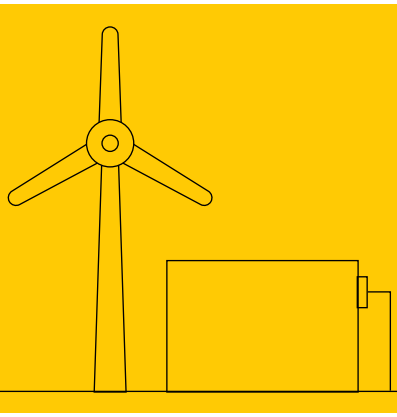






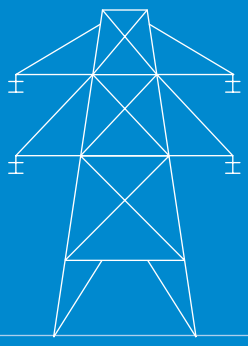


Business Outlook



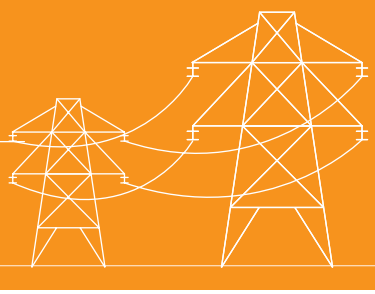
Renewable – solar power, offshore and onshore wind power, pumped hydroelectric power, and battery storage

Conventional – ammonia co-firing, flue gas desulphurisation (FGD), and thermal plants



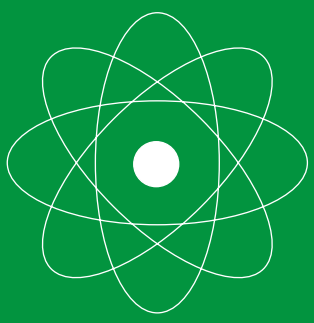
Green Corridors

Independent Transmission Projects (ITPs)



Late Payment Surcharge (LPS) rules

Revamped Distribution Sector Scheme (RDSS)



Green Hydrogen

Infrastructure

E-mobility

Nuclear

Green Focus

Powering Green Progress

We want to be at the forefront of India's progressive journey towards embracing green energy, spearheading financing initiatives that drive the transition to sustainable and renewable power sources. In line with this, we have been focusing on increasing our share in renewable avenues and have taken significant steps towards it.

Focusing on Renewables

Largest lender
To renewable energy in the country

20%
CAGR of the renewable energy loan book over the last 5 years

51,000 MW
Renewable energy capacity addition supported

Largest lender
In the Indian power sector

Aligning Our Strategy with India's Green Goals

>51 GW of renewable energy capacity addition supported by PFC till March 31, 2023

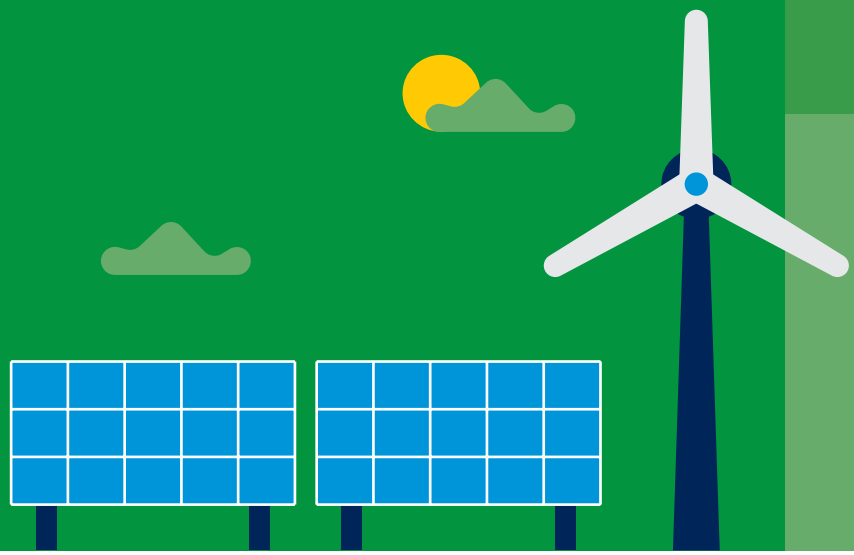
Additional financial incentives, like lower interest rates, offered to renewable loans compared to conventional generation loans

Separate policy and rating framework for renewable projects (policy guidelines for solar PV projects)

Green bond framework to raise green financing

India's Focus on Green Energy

The Government of India has been placing immense focus on increasing the country's green energy share. India has committed to achieving net zero by 2070, and the Government has set targets to propel new opportunities further.



500 GW
Non-fossil fuel-based capacity by 2030

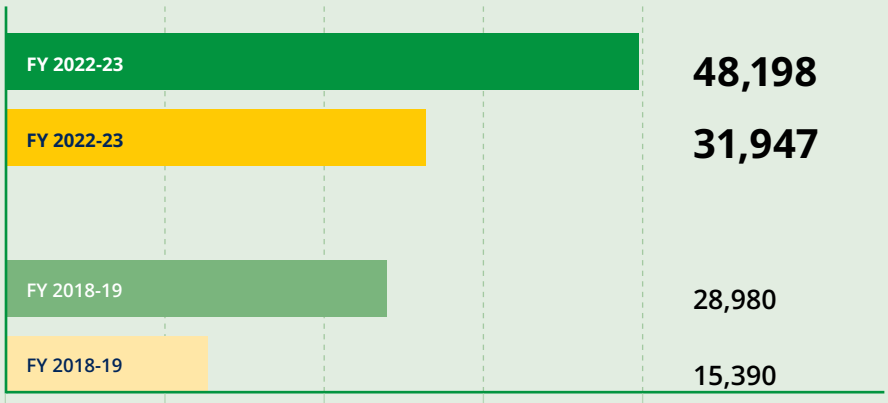
50%
Installed capacity from non-fossil fuel-based energy by 2030

45%
Reduction in emission intensity of GDP by 2030 (from 2005 levels)

1 billion tonnes
Reduction in projected carbon emissions during 2021-2030

Growing the Renewable Generation Loan Portfolio

(in ₹ crore)



OTHER THAN LARGE HYDRO

↑ 14%
CAGR

INCLUDING LARGE HYDRO

↑ 20%
CAGR

Letter to Shareholders

Ladies and Gentlemen,

Welcome to the 37th Annual General Meeting of your company. Let me begin by congratulating you for yet another year of stellar financial performance by your Company.

OPERATIONAL & FINANCIAL PERFORMANCE

The year 2022-23 was the year of resurgence for PFC, as we emerged from the adverse impact of COVID and achieved impressive growth along with outstanding financial performance.

I am delighted to share that, in FY 2022-23 we have delivered the highest ever net profit of ₹11,605 crore, up 16% from the previous fiscal. This is the third consecutive year in which we are setting a new record for the highest annual profit. We registered double-digit growth of 13% in our loan asset book. As a result, loan asset portfolio surpassed the ₹4 lakh crore mark and stood at ₹4,22,498 crore as on March 31, 2023. We have also achieved an all-time high loan sanctions of ₹2.32 lakh crore and disbursed ₹85,756 crore during the year, underscoring our role as the principal lender to the Indian power sector. On the asset quality front also, significant strides have been made in reducing Non-Performing Assets, resulting in the NPA ratios dipping to their lowest levels in the past seven years. In the fiscal year 2023, the Net NPA ratio stood at 1.07%. Coupled with strong growth, consistent profits and stable asset quality, we continued to have a robust net worth of ₹68,202 crore. Continuing with our commitment to maximise shareholders return, we have declared a dividend of ₹13.25 per share, which equates to impressive 132.5% on the share face value.

MACRO-ECONOMIC SCENARIO & POWER SECTOR OUTLOOK

The global macroeconomic scenario in FY 2022-23 has been challenging, but India has been one of the few bright spots, with the economy continuing to grow at a robust pace, supported by healthy domestic demand and prudent monetary policy.

This favourable economic environment is set to benefit the Power Sector's growth. Untapped demand potential is significant, driven by India's vast population of nearly 1.44 billion. The Government's "Make in India" initiative and the Production-Linked Incentive scheme are expected to further boost demand. Projections indicate a 7.18% Compound Annual Growth Rate (CAGR) in India's electricity consumption until 2027.

To address this growing demand, additional capacity would be needed. Government plans to double the installed capacity, with addition of around 500 GW of capacity by 2032, with 87% from non-fossil fuel sources and 13% from fossil fuels, requiring an estimated investment of approximately ₹31 lakh crore.

An integral aspect within the power sector value chain is the role of distribution companies (Discoms). Over recent years, Discoms have grappled with financial and operational challenges, which has put a strain on the entire power sector value chain. However, a transformative shift is underway. The government has undertaken significant reforms for Discoms over the past two years. The impact of these reformative measures, as part of the Revamped Distribution Sector Scheme (RDSS), is evident. All India level AT&C losses are at 16.5% in FY 2021-22, which is significantly lower than FY 2020-21 figure of 21.5%. The ACS-ARR gap, which is the cash-adjusted revenue gap per unit of electricity sold, significantly improved to 40 paise per unit in FY 2021-22 compared to 89 paise per unit in FY 2020-21.

Equally noteworthy is our success in implementing the LPS Rules. Over the past year, we have disbursed loans worth ₹16,800 crore to power distribution companies under these rules.

The scheme has led to a remarkable 40% reduction in legacy dues payable by distribution utilities from their peak level of ₹1.4 lakh crore.

66

I am delighted to share that, in FY 2022-23 we have delivered the highest ever net profit of ₹11,605 crore, up 16% from the previous fiscal. This is the third consecutive year in which we are setting a new record for the highest annual profit.



Parminder Chopra
Chairman and Managing Director

The settlement of current dues are also being monitored rigorously with the help of PRAAPTI portal, which is set up and maintained by our subsidiary, PFCCL. The scheme has brought in the much needed fiscal discipline in the sector, which is helping all the players across the power sector value chain.

The power sector is currently at an interesting juncture, which creates plethora of growth opportunities for PFC.

"Nayi Soch Nayi Raahein" – PFC steering into new directions

Embracing the motto 'Nayi Soch Nayi Raahein,' PFC is boldly moving into new directions, shaping the future through innovative ideas and forward-looking perspectives.

Forayed into Infrastructure Financing

On August 25, 2022, PFC was granted the mandate by the Ministry of Power to extend lending support to the infrastructure and logistics sector. With the amendment in the Memorandum of Association, PFC's lending capabilities have been extended to encompass the wider infrastructure and logistics sectors. This is one of those milestone decision, which will play a crucial role in PFC's long term business growth. The idea is to gradually build it over time and creating a complementing business line as the power sector matures.

Under the new mandate, we have supported projects in the domains of healthcare, sea water desalination, petrochemicals, optic fibre networks, roads, ports, and metro rail systems. In the last financial year, we have sanctioned projects worth ₹16,700 crore to non-power infrastructure segments. Being a new funding area for PFC, our present focus is on building appraisal and monitoring capabilities. Majority of the projects we have funded till now are from the Government sector.

Forging a Greener Future through integrating Environment, Social and Governance (ESG) pillars

In today's world, climate change is one of the most critical challenges we face. Among its drivers, the energy sector emerges as pivotal, with its transformation deeply impacting society. Recognising this, the Indian government has unveiled the 'Panchamrit' agenda, aiming for a non-fossil energy capacity of 500 GW by 2030, a billion-ton carbon reduction, a 45% emission intensity decrease by 2030, and net-zero emissions by 2070.

PFC is fully committed to the Government's vision for a Greener



Smt. Parminder Chopra, CMD along with Shri R. K. Singh Hon'ble Minister of Power and New & Renewable Energy and His Excellency Yasutoshi Nishimura, Minister of Economy, Trade and Industry, Government of Japan during the Bilateral Ministerial Meeting on the side lines of G20 summit, announcing PFC as 1st member from India to join Asia Transition Finance Study Group (ATFSG).

ATFSG - is an initiative by Japanese Ministry of Economy, Trade and Industry (METI) for promoting sustainable transition finance for Asian Countries.

India. Over the years, PFC has consciously adapted its business model to tap renewable energy business by making structural changes to integrate climate risk into our appraisal and loan policies, as well as incorporating climate change considerations into our pricing strategies. This has led to PFC's renewable portfolio multiplying by over 6 times in last 6 years, currently standing at ₹48,200 crore. Today PFC is India's largest renewable financier, supporting almost a fifth of the India's renewable energy capacity. We are also focussing on reducing adverse environmental impact of fossil fuel based projects, which is demonstrated by over ₹2,500 crore of loans sanctioned for implementing Flue Gas De-sulphurisation (FGD) systems.

In the pursuit of India's net-zero objective, in FY 2022-23, PFC has achieved significant milestones in promoting clean energy transition.

Notably, PFC has sanctioned loan of ₹633 crore to Blu Smart for the purchase of 5000 passenger Electric Vehicles (EVs). This move is expected to lead to emission savings exceeding 100,000 tons of CO_2 equivalent. To put this into perspective, it's equivalent to the CO_2 absorption capacity of over 5 million fully-grown trees in a year. This transaction also marks the largest E-vehicle asset finance initiative in India, poised to greatly enhance the adoption of clean energy alternatives. Further, PFC's funding of ₹6,112 crore to refinance 1,227 MW solar and wind projects of JSW Energy Group underscores its commitment to sustainable energy. In alignment with Government initiative for making urban India "Garbage Free", PFC has cumulatively sanctioned waste to energy projects worth ₹1,600 crore with a combined capacity of 192 MW. Notably, more than 80% of the disbursement for these projects has already been made.



Smt. Parminder Chopra, CMD, Shri Rajiv Ranjan Jha, Director (Projects) & Shri Manoj Sharma, Director (Commercial) during the MoU signing ceremony with companies in clean energy space at an event on the sidelines of G20 event in Goa.

Our commitment to making a sustainable future is strong, and we are taking big steps forward. In the current FY 2023-24, PFC is steadfastly working to institute a well-structured approach to our ESG practices, seamlessly integrating Environmental, Social, and Governance principles into our operations. In this direction, PFC has already taken tangible actions to integrate ESG into our business. Recently, to have a focussed approach towards ESG, a dedicated Environment, Social, and Governance (ESG) unit has been established. This centralised ESG unit will work in close collaboration with various stakeholders to chart the ESG course for PFC.

These endeavours constitute a few immediate steps we have taken towards ESG integration. Our promise is to keep lending responsibly and sustainably. But we are not just making changes for ourselves—we are leading the way for the entire energy sector.

Our goal is to have a greener and better tomorrow, and we are on a determined path to make that future a reality.

PFC'S FUTURE BUSINESS THRUST AREAS

We will continue to increase our financing in our traditional business areas of generation and T&D space. This will be further complemented with infrastructure financing. In addition to these areas, our financing endeavours will also be closely aligned with the government's goals and vision for the power sector particularly in clean energy space and RDSS.

Renewable & Emerging Technologies in Clean Energy Space

In order to achieve India's energy transition targets, the share of renewable energy in the energy mix, which is presently about 27%, will have to reach 50% by 2030. This requires quadrupling of the present solar and wind generation capacity. We would also have to add about 10 GW of pumped storage capacity and over 100 GWh of battery storage in order to meet the energy balancing needs. Commensurate equipment manufacturing capacity and evacuation infrastructure also need to be in place.

Given the huge investment required for decarbonisation of our economy, funding of energy transition related projects will be PFC's mainstay for the foreseeable future. PFC is focused on funding entire value chain of energy transition. In addition to the traditional solar/wind projects, we are also exploring bankable projects in the fields of renewable equipment manufacturing, energy storage, green evacuation corridors and electric mobility, green hydrogen and ammonia production and manufacturing of electric vehicles.

Revamped Distribution Sector Scheme (RDSS)

Your company has been designated by the Government of India as the nodal agency for the implementation Revamped Distribution Sector Scheme (RDSS)

RDSS has an outlay of ₹3,03,758 crore covering Smart metering and infrastructure works, with an estimated Government grant of ₹97,631 crore. The objective of the scheme is to reduce AT&C losses to pan-India levels of 12-15% by 2024-25 and reduction of ACS-ARR gap to zero by 2024-25.

The funding under the scheme will be from the Government grants, and balance will be counterpart funding from PFC or our subsidiary REC or State's own equity for infrastructure works.

Before the counter-part funding starts, the action plans submitted by the State Discoms are to be approved and Government grant portion is to be released based on achievements of milestones. The action plan approval process is complete for nearly all Eligible States of PFC. Further, sanctioned work is being awarded by Discoms and the grant release cycle has started

On Capex side, 80% of the tenders for loss reduction projects have been floated and 40% of the works awarded.

We also made remarkable progress in smart metering, with contracts awarded for installing 1 crore such meters.



Smt. Parminder Chopra, CMD receiving 'Swachhta Pakhwara Award 2023' from Shri Pankaj Agarwal, Secretary (Power), Government of India. The award was conferred to PFC for its exemplary performance under Swachh Bharat Abhiyaan.



Smt. Parminder Chopra, CMD receiving "Rajbhasha Samman 2022-23" for effective implementation of Official Language from Shri R. K. Singh, Hon'ble Minister of Power and New & Renewable Energy.

Around ₹1,679 crore of grant has been released so far by PFC. With the progress we have made, we expect counterpart disbursements under RDSS to commence towards the end of FY 2023-24.

In conclusion, we remain optimistic about our future growth. By leveraging favourable market conditions and maintaining our commitment to prudent lending practices, we expect to continue growing at a similar pace as we have witnessed this year.

CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY

At PFC, we are committed to upholding the highest standards of transparency, accountability, and disclosure. As a publicly listed company, we adhere to a comprehensive framework of corporate governance frameworks and policies such as the Companies Act, 2013, SEBI's Listing Obligations & Disclosure Requirements Regulations, DPE Guidelines etc. We also have various risk management Committees at Board level & senior management levels which oversees the key functions of our company and provide strategic directions in each area.

This ensures that every aspect of our work is guided by principles that promote integrity, fairness, and responsible conduct.

ACKNOWLEDGEMENT

Before I conclude, I want to express my heartfelt gratitude to our shareholders who have reposed faith in us. I am grateful to the Hon'ble Union Minister of Power, New and Renewable Energy, Hon'ble Minister of State for Power and the officials of Ministry of Power for their support and guidance. I also thank the Board of Directors for their valuable guidance, our client utilities, employees, various ministries, investors, auditors, regulators and other stakeholders of PFC for their continued support.

Let us move forward with renewed determination, knowing that our efforts are contributing to a brighter, more sustainable future for India. Together, we can continue to light up lives, power progress, and make a lasting impact on our nation's growth story.

Thank you, and let us make Power Finance Corporation's journey ahead even more remarkable.

Parminder Chopra
Chairman & Managing Director

Notice

Power Finance Corporation Limited

CIN: L65910DL1986GOI024862
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001, India
Tel: +91 11 23556000, **Fax:** +91 11 23512545,
E-mail ID: investorsgrievance@pfcindia.com
Website: www.pfcindia.com

Notice is hereby given that the Thirty Seventh Annual General Meeting of the members of Power Finance Corporation Limited will be held on **Tuesday, the September 12, 2023 at 11:30 A.M.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt:
   a. the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Audited Balance Sheet as on March 31, 2023 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and comments of Comptroller and Auditor General of India thereon.
   b. the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Audited Balance Sheet as on March 31, 2023 and the Statement of Profit & Loss for the year ended on that date and the Reports of Statutory Auditor and comments of Comptroller and Auditor General of India thereon.
2. To confirm the payment of Interim Dividend and declare Final Dividend on Equity Shares for the financial year 2022-23.
3. To appoint a Director in place of Shri R. R. Jha (DIN: 03523954), who retires by rotation and being eligible, offers himself for re-appointment.
4. To fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESS

5. To approve issuance of Bonus Shares by capitalizing the 'Securities Premium Account' to the extent that the holder of each share of PFC shall be entitled to one (1) new equity share of ₹10/- each for every four (4) equity share(s) of ₹10/- and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolutions as **Ordinary Resolutions**:

   "**RESOLVED THAT** pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital & Debentures), Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Article 60 of the Articles of Association of the Company and in accordance with the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [SEBI (ICDR) Regulations], Foreign Exchange and Management Act, 1999, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [Listing Regulations], all other applicable provisions, Regulations and Guidelines issued from time to time by the Securities and Exchange Board of India [SEBI], Reserve Bank of India [RBI] and other statutory authorities and subject to such consents, permissions, conditions and approvals as may be required from the appropriate authorities and subject to such terms and modifications as may be specified while according such approvals, and pursuant to the recommendation of the Board of Directors of the Company (including any Committee duly constituted by the Board or any authority as may be approved by the Board for the time being exercising the powers conferred on the Board), approval of shareholders of the Company, be and is hereby accorded to the Board of Directors to capitalize a sum not exceeding ₹660,02,03,520/- (Rupees Six Hundred Sixty Crore Two Lakh Three Thousand Five Hundred and Twenty only) out of the sum standing to the credit of 'Securities Premium Account' of the Company, for issue and allotment of Bonus shares of Face Value of ₹10/- each (Rupee Ten only), credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their said holding, and whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date ("Record Date") fixed by the Company, in the proportion of 1:4 i.e. one (1) new fully paid equity share of ₹10/- each for every four (4) existing fully paid equity share(s) of ₹10/- each held by the shareholders as on the Record Date and that the new bonus shares so issued and allotted shall be treated for all purposes as an increase in the paid up equity share capital of the Company held by each of such member(s) and not as income."

   "**RESOLVED FURTHER THAT** the new equity shares of ₹10/- each to be issued and allotted as bonus shares shall be subject to the provisions of the Memorandum & Articles

of Association of the Company and shall rank pari passu in all respects and carry the same rights as the existing fully paid equity shares of the Company except that these Bonus Shares shall not be eligible for final dividend for the year ended March 31, 2023, and shall be entitled to participate in full in any dividend/s and any other corporate action(s) to be declared after the bonus shares so allotted."

"**RESOLVED FURTHER THAT** the issue and allotment of the new bonus equity shares to the extent that they relate to Non-Resident members (NRIs), Overseas Citizen of India (OCIs), Foreign Portfolio Investors (FPIs), Persons of Indian Origin (PIO), Overseas Corporate Bodies (OCBs) and other foreign investors of the Company, shall be subject to the approval, if any, of the RBI under the Foreign Exchange Management Act, 1999 and other applicable rules/ regulations/guidelines issued/amended by RBI from time to time, in this regard."

"**RESOLVED FURTHER THAT** pursuant to SEBI (ICDR) Regulations and Listing Regulations, the allotment of shares in bonus issue shall be made only in dematerialized form and thus, in case of members who hold equity shares in dematerialized form, the bonus equity shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participant(s) and in the case of Members who hold equity shares in physical form, the bonus equity shares shall be transferred to the Suspense Account opened in this regard, within such time as prescribed by law and the relevant authorities, subject to guidelines issued by SEBI in this regard."

"**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board (including any Committee duly constituted by the Board or any authority as may be approved by the Board for the time being exercising the powers conferred on the Board) be and is hereby authorized to make suitable arrangements including engaging a Trustee, to deal with such fractions for the benefit of the eligible shareholders, including but not limited to, allotting the total number of new equity shares representing such fractions to a Committee/Trustee/ person(s) to be appointed who would hold them in trust for such shareholders and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expenses in respect thereof, be distributed among such shareholders who are entitled to such fractions in proportion of their respective fractional entitlements."

"**RESOLVED FURTHER THAT** the Board of Directors/ Company Secretary of the Company be and are hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolutions, including fixation of record date, to settle any question or doubt or difficulty whatsoever that may arise with regard to issue, allotment and listing of the said bonus shares and its decision shall be final and binding."

"**RESOLVED FURTHER THAT** Board of Directors, be and is hereby authorized to delegate all or any of the powers conferred by these resolutions to Committee(s) or any other Director(s), Company Secretary or any other Officer(s) of the Company to give effect to the foregoing resolution, with power to such Committee(s) to further delegate all or any of its powers."

6. Appointment of Smt. Parminder Chopra, (DIN:08530587) as a Chairman and Managing Director. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder, Regulation 17 (1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/ or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Ministry of Power, Government of India, vide Order No. 24-8/1/2022-PFC (Part-3) (MoP) dated 14th August, 2023, Smt. Parminder Chopra, (DIN:08530587), was appointed by the Board of Directors on recommendation of the Nomination & Remuneration Committee as Chairman & Managing Director of the Company, be and is hereby appointed as the Chairman & Managing Director of the Company on terms & conditions determined by the Govt. of India from time to time."

By order of the Board of Directors

Manish Kumar Agarwal
Company Secretary

Registered office:
"Urjanidhi", 1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001
CIN: L65910DL1986GOI024862
Date: August 21, 2023

NOTES:-

1. Ministry of Corporate Affairs has, vide its circular dated December 28, 2022 read with Circulars dated May 5, 2022 and May 5, 2020 (collectively referred to as "MCA Circulars") and SEBI vide circular dated January 5, 2023 read with May 13, 2022, permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The Company has enabled the Members to participate at the 37th AGM through the VC facility provided by KFin Technologies Limited (KFintech), Registrar and Share Transfer Agents (RTA). The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.

3. As per the provisions under the MCA Circulars, Members attending the 37th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. The Company is providing the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The remote e-voting period shall commence at 10.00 a.m. on September 9, 2023 and will end at 5.00 p.m. on September 11, 2023. The e-voting module shall be disabled by KFintech at 5.00 p.m. on September 11, 2023. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 37th AGM being held through VC.

5. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

   Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

6. The Company has fixed Wednesday, September 6, 2023 as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 37th AGM.

   A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date. Members are eligible to cast vote only if they are holding shares as on that date. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.

7. The Company has appointed Smt. Nayan Handa, Partner, M/s Mehta & Mehta, Company Secretaries (FCS No.:11993,C.P No.:18686) to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

8. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 37th AGM is being held through VC as per the MCA Circulars, accordingly the facility for appointment of proxies by the Members will not be made available for the 37th AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

9. Corporate Members are required to send a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to as nayan@mehta-mehta.in with a copy marked to evoting@kfintech.com.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. The Register of Members and Share Transfer books will remain closed from Tuesday, September 5, 2023 to Tuesday, September 12, 2023 (both days inclusive).

12. In line with the MCA Circulars, the notice of the 37th AGM along with the Annual Report 2022-23 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2022-23 will also be available on the Company's website at https://www.pfcindia.com/investors/annual-reports/, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech, RTA at https://evoting.kfintech.com/

13. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Director retiring by rotation and seeking re-appointment/appointment under item no. 3 and 6 respectively of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.

14. The Board of Directors of Power Finance Corporation Ltd. recommended final dividend @ ₹4.50/- (Rupee Four and paisa Fifty only) per equity share (subject to deduction of TDS) on the face value of the paid-up equity shares of ₹10/- per share for the FY 2022-23 subject to approval of

shareholders in the ensuing Annual General Meeting. This is in addition to the interim dividends of ₹8.75/- per equity share (subject to deduction of TDS) for the FY 2022-23 already declared and paid during the year. The final dividend, if declared, will be paid within the statutory period of 30 days from the date of approval at AGM.

15. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Acts, 2020 and 2021 dividend declared and paid by the Company after April 1, 2020, is taxable in the hands of shareholders. The Company is required to deduct the tax at source on the distribution of dividend income to its shareholders at the applicable rates. The rate for deducting TDS may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act 1961. Certain category of shareholders such as Mutual Funds and Insurance Companies are exempted while for other category like Foreign Portfolio Investor tax has to be deducted at 20% (plus surcharge and cess) or at a beneficial tax rate applicable under Double Taxation Avoidance Agreement (DTAA).

    Companies require certain categories of shareholders to submit few details and required documents in order to determine the applicable rate for TDS. Say for example in respect of shareholders in category of Mutual Funds, Insurance companies, etc. companies seek certain set of documents like PAN, registration certificate, self-declaration, etc. in order to determine TDS rates. These details and documents are required to be provided by shareholders to every such company who declare dividends. Generally in respect of shareholders like Mutual Funds, Insurance companies, Foreign Portfolio Investors, etc. these details and documents are provide by their custodian on behalf of shareholders to every such company which is declaring dividend.

    The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

    This will provide an alternative to custodians to upload documents of their mutual fund/insurance companies/ FPI clients if already not done on NSDL platform, which will be auto downloaded to RTAs as per the beneficiary positions as of a record date without a need for Issuer / RTAs to track several emails received from custodians. Further, reports containing details of demat accounts for which investor documents are downloaded will be available to issuers/ RTAs, thereby facilitating reconciliation.

16. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2023-24 under section 139 of the Companies Act, 2013. The members may authorize the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2023-24 as may be deemed fit by the Board.

17. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

18. The Members holding shares in electronic form are requested to update Pan, Address with PIN, Email mobile number, bank account details and nomination with their Depository Participants (DPs) with whom they are maintaining their demat accounts.

    Members holding shares in physical form are requested to advise for any change/updations to KFin Technologies Limited. The said updation/changes related to physical shares to be intimated in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said forms can be downloaded from the RTA website- Investor Support Center (ISC) webpage at https://ris.kfintech.com/clientservices/isc/default.aspx

    The SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023 vide its circular dated March 16, 2023.

19. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. The shares in respect of which the dividends have not been paid or claimed for a period of seven consecutive years or more, are also liable to be transferred to the demat account of the IEPF Authority. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The details of investors' (whose payment is due) are available on company's website so as to enable the investors to claim the same.

20. Members holding shares in multiple folios in physical mode are requested to apply for consolidation of their holdings in one folio to the Company or KFintech, RTA of the Company along with relevant Share Certificates. A Letter of Confirmation would be issued after making requisite

changes which the member has to submit with Depository Participant for Demat.

21. Members who hold shares in physical form are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in name, address, email address, telephone/ mobile numbers, nominations, power of attorney, or bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to RTA of the Company and in case of shares held in electronic mode, to their respective Depository Participants.

22. The Members holding physical shares in single name or jointly are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the RTA website. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said form can be downloaded from the RTA website-Investor Support Center (ISC) webpage at https://ris.kfintech.com/clientservices/isc/default.aspx.

23. Members desirous of getting any information on financial statements and any other item(s) of business of this Meeting are requested to address their queries to Company Secretary of the Company through email on agm2023@pfcindia.com at least fifteen days prior to the date of the meeting. The same will be replied by the Company suitably.

24. All documents referred to in the accompanying Notice and the Explanatory Statement and Statutory Registers shall be available electronically on Company's website at www.pfcindia.com up to the date of AGM i.e. September 12, 2023.

25. The Results on resolutions shall be declared after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.pfcindia.com) and on KFintech's website (https://evoting.kfintech.com) and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E- voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of KFintech for facilitating remote e-voting for AGM.

The remote e-voting period shall commence at 10.00 a.m. on September 9, 2023 and will end at 5.00 p.m. on September 11, 2023. The e-voting module shall be disabled by KFintech at 5.00 p.m. on September 11, 2023.

Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

Procedure and Instructions for remote e-voting

I. Instructions for remote e-voting by **Individual shareholders** holding shares of the company in Demat mode.

As per SEBI circular on e-voting Facility, dated December 9, 2020, all individual shareholders holding shares of the Company in the demat mode can cast their vote, by way of single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Accordingly, the procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1

Type of shareholders	Login Method
	3. Alternatively by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasinew/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasinew/home/login II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress
Individual Shareholder login through their demat accounts/Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Individual Members who are voting through the facilities provided by their Depository Participants, contact their respective Depository Participants on their helpline/contact details.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) **In case of Members receiving an e-mail from KFintech [applicable to members whose email IDs are registered with the Company / Depository Participant(s)]:**

i. Launch an internet browser and open https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 7537, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering the above details Click on - Login.

iv. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

v. On successful login, the system will prompt you to select the EVEN of Power Finance Corporation Limited and click on 'Submit'.

vi. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date i.e. September 6, 2023 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

viii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

ix. You may then cast your vote by selecting an appropriate option and click on "Submit".

x. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID: nayan@mehta-mehta.in with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

(B) **In case of Members who have not registered their e-mail address:**

i. Please follow the steps for registration of e-mail address as mentioned in point no 18 of Notes.

ii. Please follow all steps above to cast your vote by electronic means after registration of Email ID.

III. In case of any queries, you may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available in the downloads section of KFintech's website https://evoting.kfintech.com or contact Ms. Swati Reddy (Unit: POWER FINANCE CORPORATION LIMITED), at einward.ris@kfintech.com and evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. Members who have acquired shares after the dispatch of the Annual Report and on or before the cut-off date i.e. September 6, 2023, may obtain the User ID and Password for exercising their right to vote by electronic means as follows:

a. If the e-mail or mobile number of the member is registered against Folio No./ DP ID Client ID:

The member may send SMS: MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL : MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> POW1234567

OR

The member may go to the home page of https://evoting.kfintech.com, and click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b) Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at einward.ris@kfintech.com.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC:

1. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com/ by clicking "Video Conference tab" and login through the user id and password provided in the mail received from KFintech. The link for the AGM will be available in the shareholder/ members login where the "Event" and the "Name of the company" can be selected. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.
2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
3. Members are encouraged to join the Meeting using Google Chrome (preferred browser) for better experience.
4. Members will be required to grant access to the web-cam to enable two-way video conferencing.
5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
6. Members who may want to express their views or ask questions may visit https://emeetings.kfintech.com/ and click on the tab "Post Your Questions" to post their queries in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall remain active from September 9, 2023 and September 10, 2023.
7. In addition to the above mentioned step, the Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. Accordingly, the Members may visit https://emeetings.kfintech.com/ and click on 'Speaker Registration' during the period from September 9, 2023 and September 10, 2023. Members shall be provided a 'queue number' before the AGM. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon ("Thumb sign") on the left side of the screen to cast their votes.
9. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech Limited at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.

ITEM NO. 5

The following statement sets out the material facts relating to the special business mentioned in item No.5 of the accompanying Notice:

To approve issuance of Bonus Shares by capitalizing the 'Securities Premium Account' to the extent that the holder of each share of PFC shall be entitled to one (1) new equity share of ₹10/- each for every four (4) equity share(s) of ₹10/-

The Department of Investment & Public Asset Management (DIPAM), Ministry of Finance, Government of India vide Office Memorandum F.No. 5/2/2016-Policy dated May 27, 2016 has issued guidelines on capital restructuring of CPSEs. In compliance of the said guidelines, the Board of Directors of the Company, in its meeting held on August 11, 2023, has recommended the proposal for issue of bonus shares to the shareholders of the Company in the proportion of 1:4 i.e. one (1) new fully paid equity share of ₹10/- each for every four (4) fully paid equity share(s) of ₹10/- each held by the shareholders as on the Record Date, by capitalization of a sum of ₹660,02,03,520/- (Rupees Six Hundred Sixty Crore Two Lakh Three Thousand Five Hundred Twenty Only) out of the sum standing to the credit of 'Securities Premium Account' of the Company.

The Articles of Association of the Company authorize the Company to issue bonus shares by the capitalization of securities premium account by the Board of Directors of the Company.

The issue of bonus shares, if approved by the shareholders, will be made in line with the provisions of Section 63 of the Companies Act, 2013, Listing Regulations or any other statutory provisions for the time being in force and subject to consents and approvals as may be required from the appropriate authorities.

Further, in case of fractional entitlements arising out of the issue of bonus equity shares, the Board of Directors will make suitable arrangements to deal with such fractions for the benefit of the eligible shareholders, including but not limited to, aggregating of such fractions and allotting the total number of new equity shares representing such fractions to a Committee/ trustee/person(s) to be appointed by the Board who would hold them in trust for such shareholders and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting the cost and the expenses in respect thereof, be distributed among such shareholders.

Further, pursuant to Regulation 294(6) of SEBI (ICDR) Regulations, the allotment of shares in bonus issue shall be made in dematerialized form only, and thus, in case of members who hold equity shares in dematerialized form, the bonus equity shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participant(s) and in the case of Members who hold equity shares in physical form, the bonus equity shares shall be transferred to the Suspense Account opened in this regard, within such time as prescribed by

law and the relevant authorities, subject to guidelines issued by SEBI in this regard.

The Memorandum & Articles of Association and all other documents referred to in the Notice, will be available for inspection by the shareholders electronically, upon log-in to Company's website at www.pfcindia.com till the date of AGM. In view of the above and in terms of Article 60 of the Articles of Association of the Company, it is proposed to obtain the approval of shareholders for issue of the Bonus shares to the shareholders of the Company, by passing Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

Accordingly, the Board of Directors of PFC recommends the resolution given at Sr. No. 5 of this notice for your approval as an Ordinary Resolution.

ITEM NO. 6

The following statement sets out the material facts relating to the special business mentioned in item No.6 of the accompanying Notice:

To Appoint Smt. Parminder Chopra, (DIN:08530587) as Chairman and Managing Director.

Pursuant to the Ministry of Power Government of India, Order No. 24-8/1/2022-PFC (Part-3) (MoP) dated 14th August, 2023, the Board of Directors on recommendation of the Nomination & Remuneration Committee appointed Smt. Parminder Chopra, (DIN:08530587), as Chairman and Managing Director, with effect from 14th August, 2023.

The above appointment of Smt. Parminder Chopra as a Chairman and Managing Director on the Board of the Company, requires approval of the Members in the General Meeting in terms of Regulation 17(1C) of SEBI Listing Regulations. The terms and conditions regulating the appointment of Smt. Parminder Chopra would be as determined by the Government of India from time to time.

Her brief resume, inter-alia, giving nature of expertise in specific functional area is being provided which forms part of this notice.

Smt. Parminder Chopra, is concerned and interested, in the resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 6 of this notice for your approval as an Ordinary Resolution.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT AT 37TH AGM UNDER ITEM NO. 3 AND 6

Name	Sh. Rajiv Ranjan Jha	Smt. Parminder Chopra
Date of Birth and Age	26.04.1966/57 years	30.04.1967/56 years
Qualification	• Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University • Diploma in Management from IGNOU	• Bachelor's degree in Commerce from Delhi University • Qualified Cost and Management Accountant. • Post Graduate Diploma in Business Management.
Date of Appointment	28.10.2021	14.08.2023
Terms and Conditions of Appointment	Appointed as Director (Projects) by President of India through Ministry of Power for a period from the date of his assumption of charge of the post till the date of his superannuation or until further orders, whichever is the earlier.	Appointed as Chairman and Managing by President of India through Ministry of Power w.e.f. the date of assumption of charge of the post till the date of her superannuation i.e. 30.04.2027 or until further orders, whichever is earlier.
Remuneration	As per standard terms of appointment issued by President of India through Ministry of Power.	As per standard terms of appointment issued by President of India through Ministry of Power.
Expertise in Functional Areas	He has been working with Power Finance Corporation Limited (PFC) since March 1997. He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and a Diploma in Management from IGNOU. He has overall 35 years of experience and had been holding the position as Executive Director (Projects), PFC since May 27, 2019. Previously, he has been handling the PFC's loan portfolio in Western Region including State Sector Coordination Work in the States of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh and Goa. He has earlier handled the entire loan portfolio in Consortium Lending with PFC as lead FI. He has also handled the entire Renewable Energy loan portfolio of PFC. He has also worked on Project Appraisal (especially for Independent Private Power Projects) & Ultra Mega Power Projects in PFC.	She has over 35 years of varied experience in Power and Financial Sector. She has been appointed as Chairman and Managing Director, Power Finance Corporation Limited (PFC) on August 14, 2023. Previously, she was holding the additional charge of Chairman and Managing Director (CMD), w.e.f 01.06.2023 and was Director (Finance), PFC since 01.07.2020.

Name	Sh. Rajiv Ranjan Jha	Smt. Parminder Chopra
	He is overall in-charge of Projects Division which is responsible for Business Development & Project Finance functions entailing Appraisal & Structuring, Risk Analysis, Disbursement & Credit Monitoring, Policy, and handling of Stressed Assets. Also spearheaded PFC efforts in supporting MoP for Implementation of LPS & system driven data compilation via Praapti Portal, Consultant Empanelment for Third Party Sampling of Coal, Shakti B (v) {member of Steering Committee and Bid Evaluation Committee}, Strategy Preparation for Import of Coal, Pan India Stressed Asset Monitoring, amongst others.	During her term as Director (Finance), she spearheaded the Finance Division, leading to highest Net Profit, highest Net worth and lowest NPA levels. Such robust financial performance has also facilitated PFC getting the highest status of "Maharatna". She had also played a key role in the successful implementation of ₹1.12 trillion Liquidity Infusion Scheme (LIS) for the power distribution sector, which was rolled out as part of Atmanirbhar Bharat initiative by Govt. of India. In PFC, she was heading key finance functions including resource mobilization (domestic & international markets), banking, treasury, asset liability management and stressed asset resolution. Her prior experience includes service in power sector majors like NHPC Limited and Power Grid Corporation of India Limited. She is in a unique position to leverage the rare blend of experience in Power and Financial Sector and lead PFC's transformational journey. With her taking over, she will be providing impetus to PFC's crucial role of financing India's energy transition goals apart from funding power & infrastructure sectors. Under her leadership, PFC as India's largest renewable energy financier has significantly increased funding to clean energy projects including funding of Electric Vehicles, Bio fuels, hybrid renewables like Round The Clock, renewable equipment manufacturing etc. and recently signed MoUs with clean energy developers for ₹2.40 Lakh Crore and emerging as the principal financier of clean energy projects. She will continue to provide support in implementation of key power sector initiatives of the Government of India including Revamped Distribution Sector Scheme (RDSS) and Late Payment Surcharge (LPS) rules.
Number of Meetings of the Board held during the tenure and number of Board Meetings attended	14/14	14/14#
Relationship with any other Director, Manager and other KMP of the Company	NIL	NIL
Number of shares held in the Company	16004	2000
Directorship in other companies	• PFC Consulting Limited • Orissa Integrated Power Limited • Coastal Tamil Nadu Power Limited • Cheyyur Infra Limited • PTC India Ltd	• PFC Consulting Limited
Chairman/Membership of committees* across all public companies (as on the date of Notice)	**Power Finance Corporation Ltd** • Member, Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee • Member, Audit Committee	NIL
Details of listed entities from which resigned in the past three years	NIL	NIL

#Attended as Director (Finance), PFC

* Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee.

Director's Profile



Smt. Parminder Chopra

Chairman and Managing Director

DIN: 08530587

With approval of Appointments Committee of the Cabinet (ACC), Ministry of Power has appointed Smt. Parminder Chopra as Chairman and Managing Director, Power Finance Corporation Limited (PFC). Previously, she was holding the additional charge of Chairman and Managing Director (CMD), w.e.f 01.06.2023 and was Director (Finance), PFC since 01.07.2020.

During her term as Director (Finance), she spearheaded the Finance Division, leading to highest Net Profit, highest Net worth and lowest NPA levels. Such robust financial performance has also facilitated PFC getting the highest status of "Maharatna". She had also played a key role in the successful implementation of ₹ 1.12 trillion Liquidity Infusion Scheme (LIS) for the power distribution sector, which was rolled out as part of Atmanirbhar Bharat initiative by Govt. of India.

She has over 35 years of varied experience in Power and Financial Sector. In PFC, she was heading key finance functions including resource mobilization (domestic & international markets), banking, treasury, asset liability management and stressed asset resolution. Her prior experience includes service in power sector majors like NHPC Limited and Power Grid Corporation of India Limited. She is in a unique position to leverage the rare blend of experience in Power and Financial Sector and lead PFC's transformational journey.

With her taking over, she will be providing impetus to PFC's crucial role of financing India's energy transition goals apart from funding power & infrastructure sectors. Under her leadership, PFC as India's largest renewable energy financier has significantly increased funding to clean energy projects including funding of Electric Vehicles, Bio fuels, hybrid renewables like Round The Clock, renewable equipment manufacturing etc. and recently signed MoUs with clean energy developers for ₹ 2.40 Lakh Crs and emerging as the principal financier of clean energy projects. She will continue to provide support in implementation of key power sector initiatives of the Government of India including Revamped Distribution Sector Scheme (RDSS) and Late Payment Surcharge (LPS) rules.

Smt. Chopra holds a Bachelor's degree in Commerce from Delhi University and is a qualified Cost and Management Accountant. She also has a Post Graduate Diploma in Business Management. She has attended advanced programmes on Risk Management and Global Management in world renowned institutes i.e. Harvard University, USA and European School of Management.

Smt. Parminder Chopra was holding 2,000 equity shares in the Company as on 31.03.2023.



Shri Rajiv Ranjan Jha

Director (Projects)

DIN: 03523954

Shri Rajiv Ranjan Jha, aged 57 years has been working with Power Finance Corporation Limited (PFC) since March 1997.

He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and a Diploma in Management from IGNOU. He has overall 35 years of experience and had been holding the position as Executive Director (Projects), PFC since May 27, 2019. Previously, he has been handling the PFC's loan portfolio in Western Region including State Sector Coordination Work in the States of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh and Goa. He has earlier handled the entire loan portfolio in Consortium Lending with PFC as lead FI. He has also handled the entire Renewable Energy loan portfolio of PFC. He has also worked on Project Appraisal (especially for Independent Private Power Projects) & Ultra Mega Power Projects in PFC.

He is overall in-charge of Projects Division which is responsible for Business Development & Project Finance functions entailing Appraisal & Structuring, Risk Analysis, Disbursement & Credit Monitoring, Policy, and handling of Stressed Assets. Also spearheaded PFC efforts in supporting MoP for Implementation of LPS & system driven data compilation via Praapti Portal, Consultant Empanelment for Third Party Sampling of Coal, Shakti B (v) {member of Steering Committee and Bid Evaluation Committee}, Strategy Preparation for Import of Coal, Pan India Stressed Asset Monitoring, amongst others.

Before joining PFC, he has worked with Visakhapatnam Steel Plant from November 1988 to February 1997 and dealt with Operation and Maintenance of their coal based Captive Power Plant and also in Material Planning.

Shri Rajiv Ranjan Jha, was holding 16,004 equity shares in the Company as on 31.03.2023.



Shri Manoj Sharma

Director (Commercial)

DIN: 06822395

Shri Manoj Sharma, 57 years, is a chartered accountant with a degree in law (LLB). He joined PFC in 1990 and was working as Executive Director (In charge) of Commercial Division before assuming charge as Director (Commercial), PFC. He has more than 31 years of experience in power sector. In PFC, he has handled multiple areas & domains including institutional appraisal & development, entity appraisal, legal & documentation, taxation, budget, audit, preparation of financial statements & audit reports, financial analysis, resource mobilization, debt syndication and consultancy assignments on financial/commercial aspects in power sector.

During the last 3 decades, he has been associated with entire spectrum of PFC's loan assets, covering formulation of lending policies, putting in place a policy framework to guide appraisal with a structured format for financial analysis, compliance with applicable regulatory and statutory frameworks, monitoring conditions, facilitating disbursement, resolution mechanism for stressed accounts, etc. He is Chairman of PFC Projects Ltd., a subsidiary of PFC, an SPV for submission of lenders' backed resolution plan by PFC for resolution of stressed assets . He is also representing PFC as Nominee Director on the Board of REC Ltd.

Shri Manoj Sharma, was holding nil equity shares in the Company as on 31.03.2023.



Shri Ajay Tewari

Government Nominee Director

DIN: 09633300

Shri Ajay Tewari, 53 years, is an Indian Administrative Service Officer of 1993 Batch. He is presently Additional Secretary, Ministry of Power looking after Energy Conservation, Energy Transition, International Co-operation, Training & Research and Perspective Planning of Ministry of Power. Mr. Ajay Tewari is B. Tech (Electrical Engineer) from Indian Institute of Technology and holds PG Diploma in Financial Management. Before joining Central deputation in the Ministry of Labour & Employment as Joint Secretary & Director General of Labour Welfare in the year 2018, he had worked in different capacities in the State of Assam and Meghalaya. Shri Ajay Tewari has wide range of experience of working in Finance, Education, Housing & Urban Affairs, Sports, Youth Welfare, General Administration, Revenue Administration, Disaster Management & Labour Welfare sectors.

Shri Ajay Tewari was born on 5th August, 1970 and before joining Indian Administrative Service in the year 1993, he had also worked in Gas Authority of India Ltd. (GAIL) and Ordnance Factory, Nagpur for brief periods.

Shri Ajay Tewari was holding nil equity shares in the Company as on 31.03.2023.



Shri Bhaskar Bhattacharya

Independent Director

DIN: 09406292

Shri Bhaskar Bhattacharya, 65 years, is an Honours Graduate in Commerce and Bachelor degree in Law. He also holds a Diploma in Business Management (2 years full time with 1st class). He has been acting as an Advocate for more than 28 years. He is the Ex-Chairman of Hooghly Tax Advocates Bar Association and Member of West Bengal Taxation Tribunal. He has also worked as a Gen-Secretary in a NGO named Nibedan.

Shri Bhaskar Bhattacharya was holding nil equity shares in the Company as on 31.03.2023.



Smt. Usha Sajeev Nair

Independent Director

DIN: 09408454

Smt. Usha Sajeev Nair, 47 years, holds a graduation degree in Bachelors of Arts. She is a female entrepreneur engaged in her own business in Dadra and Nagar Haveli and Daman and Diu providing employment and support to a number of families for quite some time now. Besides this, she is actively engaged in social work for upliftment of needy people. In the period of COVID pandemic, She together with her support team provided food, medical supplies, masks, sanitizers, gloves etc to people in distress. She is also engaged in raising women issues, support to old and homeless people and orphans.

Smt. Usha Sajeev Nair was holding nil equity shares in the Company as on 31.03.2023.



Shri Prasanna Tantri

Independent Director

DIN: 06471864

Shri Prasanna Tantri, 41 years, holds a B.Com degree from Mangalore University and is a qualified Cost Accountant. He has also done Fellow Programme Management and Post Graduate Programme in Management from Indian School of Business and also holds a Ph.D from Deakin University. At present, he is an Associate Professor in the Finance area at the Indian School of Business and Executive Director of the Centre for Analytical Finance at ISB. His research areas include- banking, financial inclusion, financial contagion, regulation, and the relationship between politics and finance.

Shri Prasanna Tantri was holding nil equity shares in the Company as on 31.03.2023.

Report of the Board of Directors' FY 2022-23

Dear Shareholders,

On behalf of the Board of Directors, I am delighted to present the 37th Annual Report of your Company, along with Audited Standalone and Consolidated Financial Statements for the Financial Year 2022-23.

Your Company has registered yet another year of robust performance and made substantial progress in its field. The performance highlights of your Company for the financial year 2022-23 are briefly mentioned here to give an overview of accomplishments on all fronts:

1. PFC'S ROBUST GROWTH AND FINANCIAL STRENGTH: CATALYST FOR A GREENER TOMORROW

i. Forayed into infrastructure financing – A step forward in shaping India's Growth Story

- Your Company received the assent of Government of India to lend to Logistics and Infrastructure sectors, a milestone decision, which will play a crucial role in PFC's long term business growth.
- Since receiving the approval for lending to Infrastructure sector in August 2022, PFC has sanctioned around ₹ 16,647 crores and disbursed around ₹ 1,016 crores of loans till March 31, 2023 in its debut year. In the FY 2022-23, PFC has forayed into new areas of Desalination plants, Ports, Metro rail etc.

ii. Strong financial performance year on year - Maximizing value for Shareholders

- Highest ever PAT with an increase of 16%. i.e. ₹ 11,605 crore in FY 2022-23 vs. ₹ 10,022 crore in FY 2021-22.
- Net worth increased by 15% on account of increasing profits i.e. ₹ 68,202 crore as at March 31, 2023 vs. ₹ 59,350 crore as at March 31, 2022.
- Total income achieved during the FY 2022-23 was up by 2.78% to ₹ 39,666 crore.
- The Board of Directors of the Company has recommended final dividend (₹1,188.04 crore) @ 45% on the paid up equity share capital i.e. ₹ 4.50 /- per equity share of ₹ 10/- each for the financial year 2022-23, subject to the approval of the shareholders at the ensuing Annual General Meeting. The Company had also paid interim dividend (₹ 2,310.07 crore) of ₹ 8.75 /- per equity share of ₹ 10 /- each during FY 2022-23. Thus, the total dividend declared for the FY 2022-23 is (₹ 3,498.11 Crore) i.e. ₹ 13.25 per equity share of ₹ 10 each.
- PFC bagged SAFA Gold Award in Best Presented Accounts/Annual Report Awards (BPA) for the Financial Year 2020-21 in 'Public Services Entities category'.

iii. Consistent & Sustainable Growth

- Registered a growth of 13% in Loan assets book i.e. ₹ 4,22,498 crore as at March 31, 2023 vs. ₹ 3,73,135 crore as at March 31, 2022
- Total Loans Sanctioned by your Company amounted to ₹ 2,31,625 crore during the FY 2022-23 to State, Central, Private and Joint Sector entities and Disbursements amounted to ₹ 85,756 crore during the same period.
- Under the Late Payment Surcharge Rules, PFC sanctioned ₹ 47,906 crore and disbursed ₹ 16,764 crore till March 31, 2023.

iv. Stable Asset Quality

- Continuous efforts in resolution of stressed assets lead to 21% sharp reduction in stressed assets. The Net NPA ratio is of 1.07% in FY 2022-23 vs. 1.76% in FY 2021-22.
- During the year PFC successfully resolved four Stage III Loans viz; Suzlon Energy Ltd, South-East UP Power Transmission Company Limited, Jhabua Power Limited and Ind Barath Energy Utkal Ltd., the total principal outstanding prior to date of Resolution being ₹ 4,634 crore.

v. Thrust on Global and Green Borrowing

- During FY 2022-23, PFC has signed a Loan Agreement for JPY 30 Billion with Japan Bank for International Cooperation (JBIC). Further, a Project Loan agreement (PLA) has also been signed for JPY 2.65 billion between PFC and JBIC. JBIC has provided this long term facility under its initiative titled 'Global action for Reconciling Economic growth and Environmental preservation' ("GREEN"). Thus, the funds under the facility would be used by PFC to finance its renewable energy portfolio.
- Foreign Currency loans worth USD 1.60 bn were raised during the year:
  - JPY denominated loan equivalent to USD 875 mn at 1.02% - the largest FCL raised by PFC in a single transaction.
  - FCNRB loan of USD 720 mn at 4.96% - this was the first time PFC raised FCNRBs in USD with an embedded swap to EUR.
- Availed loans from Multi-lateral agencies:
  - EUR 58.74 mn availed from KfW after a gap of 20 years.

2. FINANCIAL SYNOPSIS

i. Profitability

(₹ in crore)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Total Income	**39,665.63**	**38,591.17**	**77,625.19**	**76,344.92**
Profit Before Tax	**14,170.62**	**12,227.65**	**26,496.07**	**23,382.22**
Tax expenses	2,565.15	2,205.75	5,317.48	4,614.01
Profit After Tax	**11,605.47**	**10,021.90**	**21,178.59**	**18,768.21**
Owners of the Company			15,889.33	14,014.79
Non-Controlling Interests			5,289.26	4,753.42
Total Comprehensive Income	**11,445.80**	**10,202.73**	**20,047.88**	**18,889.78**
Owners of the Company			15,218.55	14,163.78
Non-Controlling Interests			4,829.33	4,726.00

ii. Reserve & Surplus

(₹ in crore)

Particulars	Standalone		Consolidated*	
	2022-23	2021-22	2022-23	2021-22
Opening Balance of Surplus	8,863.49	7,203.86	12,757.10	9,760.52
Profit after tax for the year	11,605.47	10,021.90	15,889.33	14,014.79
Re-Measurement of Defined Benefit Plans	(2.68)	(3.70)	(5.04)	(6.98)
Transfer towards Reserve for Bad & Doubtful Debts u/s 36(1)(viia)(c) of Income Tax Act, 1961	(529.39)	(576.44)	(529.39)	(576.44)
Transfer to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	(2,372.31)	(2,423.45)	(3,780.27)	(4,044.97)
Transfer to Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934	(2,321.09)	(2,004.38)	(3,484.93)	(3,062.34)
Transfer to Debenture Redemption Reserve	-	-	-	-
Transfer to General Reserve	-	-	-	-
Transfer to Interest Differential Reserve - KFW Loan (net)	(0.90)	(1.42)	(0.90)	(1.42)
Dividends	(2,640.08)	(3,366.10)	(2,640.08)	(3,366.10)
Dividend Distribution Tax	-	-	-	-
Transfer from Debenture Redemption Reserve on account of utilisation	-	-	-	-
Transfer from OCI – Equity Instruments	-	-	-	-
Other Comprehensive Income/(Expense)	-	-		
Reclassification of gain/loss on sale of equity instrument measured at OCI	46.13	13.22	48.77	58.90
Pooling of interest accounting for common control business combination	-	-	-	-
Impairment Reserve	-	-	-	-
Adjustments	-	-	(18.30)	(18.86)
Closing Balance of Surplus	**12,648.64**	**8,863.49**	**18,236.28**	**12,757.10**

*Attributable to owners of the Company (PFC)

3. OPERATIONAL SYNOPSIS

i. Asset Quality

(₹ in crore)

Particulars	2022-23	2021-22
Gross Loan Assets	4,22,498	3,73,135
Stage III Assets	16,502	20,915
Provision on Stage III Assets	11,999	14,344
Gross Stage III as % of Gross Loan Assets	3.91%	5.61%
Net Stage III as % of Gross Loan Assets	1.07 %	1.76%

ii. Sanction/Disbursement (excluding RDSS/IPDS/R-APDRP)

(₹ in crore)

SECTOR	FY2022-23		FY 2021-22	
Category	Sanctions	Disbursements	Sanctions	Disbursements
State Sector	149,300	57,963	36,197	41,512
Central Sector	26,704	3,063	63	10
Joint Sector	19,418	2,300	6,743	773
Private Sector	36,203	22,430	8,613	8,947
Total	**2,31,625**	**85,756**	**51,616**	**51,242**

4. BORROWINGS

i. Borrowings from Domestic Market

During the FY 2022-23, PFC has raised funds to an amount of ₹ 62,297.47 crore vide Private Placement of Bonds including 54EC Capital Gain Bonds and rupee term loans from Domestic market. The object/purpose of the said bond issuances under private placement is to augment resources of PFC for meeting fund requirement. The details of borrowings made from domestic market during FY 2022-23 are as under;

(₹ in crore)

Source	Amount
Bonds (including 54EC)	44,697.47
Rupee Term Loans	17,600.00
Total	**62,297.47**

Further, for maintaining adequate liquidity, credit lines to the tune of ₹ 12,150 crore were sanctioned as on March 31, 2023 by various scheduled commercial banks to the Company for short-term funding generally without any commitment charges.

RBI has prescribed Liquidity Coverage Ratio (LCR) framework for NBFCs. These guidelines aims for maintenance of a liquidity buffer in terms of LCR by ensuring that NBFCs have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC maintains sufficient liquidity buffer in the form of HQLA as prescribed.

ii. External Borrowings

The foreign currency denominated borrowings during FY 2022-23 are as follows:

(₹ in crore)

Sr. No.	Source	Amount
1.	Foreign Currency Term Loans	7,258.77
2.	Foreign Currency Non-Resident Borrowings	5,930.87
3.	Loan from KFW – under ODA (Official Development Assistance) route	516.58
	TOTAL	**13,706.23**

Green Bonds

PFC established its Green Bond Framework in October, 2017 as approved by Climate Bonds Initiative (CBI), London, UK. The Green Bond framework for funding renewable projects (viz. Solar and Wind) has been updated in August, 2021 to align with the latest set of guidelines namely Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA). In this context, an agreement was executed between PFC & Climate Bonds Initiative.

PFC has issued its first USD Green bond in December, 2017 and raised US $400 million (₹ 2,575 crore) at a coupon of 3.75% and these bonds are listed on the London Stock Exchange's new International Securities Market (ISM) and Singapore Stock Exchange. Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to

EUR 300 million (₹ 2,597 crore) at a coupon of 1.841% and these bonds are listed on the Singapore Stock Exchange, India INX and NSE IFSC. Annual update to the holders of the bonds, as required under the PFC's Green bond framework is as follows:-

The funds raised under Green bonds have been utilised to finance renewable energy projects as per the "Eligible Projects" under PFC's Green Bond Framework. As at March 31, 2023, outstanding loan balances of Solar & Wind energy projects funded by PFC are ₹ 14,765 crore & ₹ 13,442 crore respectively. The total capacity (MW) of outstanding Solar & Wind energy projects funded by PFC as on March 31, 2023 is 9,324 MW. Accordingly, PFC green bond portfolio is more than the amount raised through issue of green bonds.

Externally Aided Projects

Outstanding balance from multilateral/ bilateral agencies as at March 31, 2023 is as follows:

Particulars	Amount
KFW	EUR 63,428,374.05*
Credit National	EUR 2,104,961.44
ADB	USD 6,245,707.13

* Includes Eur 58,747,000.56 disbursed by KFW in FY 2022-23 under Discom Investment Facility (ODA Loan- Without Govt. Guarantee).

5. CREDIT RATING

Your Company has been assigned the highest ratings by Domestic Credit Rating Agencies and Sovereign Rating by International Credit Rating Agencies as at March 31, 2023:

Sr. No.	Rating Agency	Long-Term Rating	Short-Term Rating
Domestic Credit Rating Agencies (Borrowing Programme)			
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+
International Credit Rating Agencies (Issuer rating)			
1 .	Fitch Ratings	BBB-	
2.	Moody's	Baa3	

Your Company believes that these credit ratings enables us to develop strong relationship with our lenders and borrow funds at competitive rates.

6. MEMORANDUM OF UNDERSTANDING WITH GOVT. OF INDIA

Your Company has been consistently accorded 'Excellent' Rating by Government of India since FY 1993-94 except for two financial years. For the FY 2021-22, your Company was accorded 'Excellent' rating. The rating for FY 2022-23 is still awaited.

In FY 2022-23, the achievement of your Company on some of the key MoU parameters (on consolidated basis) has been as under:

MoU Parameter	Achievement
Revenue from Operations	₹ 77,568.30 crore
Loans Disbursed to Total Funds Available	99.99%
Overdue loans to Total Loans	0.11%
NPA to Total Loans	1.07%
Cost of raising funds through Bonds as compared to similarly rated CPSEs/ entities (Margin over Reuters)	-16.69 bps

7. SUBSIDIARIES

A. REC Limited

The following subsidiaries of REC as on March 31, 2023 are also subsidiaries of PFC:

i. REC Power Development & Consultancy Ltd.

ii. Bidar Transmission Limited

iii. Chandil Transmission Limited

iv. Dumka Transmission Limited

v. Koderma Transmission Limited

vi. Mandar Transmission Limited

vii. Sikar Khetri Transmission Limited

viii. Ramgarh II Transmission Limited

ix. Beawar Transmission Limited

x. Meerut Shamli Power Transmission Limited

xi. Luhri Power Transmission Limited

xii. Neres XVI Power Transmission Limited

xiii. Khavda II-D Transmission Limited

xiv. KPSI Transmission Limited

REC is also 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). Its business activities involve financing projects in the complete power sector value chain, be it generation, transmission or distribution and also logistics and infrastructure sector. REC provides financial assistance to state electricity boards, state governments, central/state power utilities, independent power producers, rural electric cooperatives and private sector utilities.

During the FY 2022-23, the total income of REC was ₹ 39,520 crore and the net profit was ₹ 11,167 crore on standalone basis.

The detailed operational and financial performance of REC is available on its website i.e. www.recindia.nic.in.

B. PFC Consulting Limited

Your Company had been offering consultancy support to the Power Sector through PFC Consulting Limited (PFCCL), its wholly-owned subsidiary. The Services offered by PFCCL are broadly in the following areas:

- **Transaction Advisory:** End-to-End solutions in Transaction Advisory Services across different areas in power sector (Selection of Sellers/Developers, Reform & Restructuring, Independent Transmission Projects, Privatisation of Electricity Distribution in Union Territories, Resolution Plan)
- **Project Development:** Project Development & implementation of various GoI initiatives (Ultra Mega Power Projects, Ultra Mega Renewable Energy Power Parks, Owner's Engineer, Lender's Independent Engineer, Lender's Insurance Advisor, Setting up of Manufacturing Zone for power and renewable energy equipment)
- **PMA/ PMC/ GoI Schemes:** Project management & change agents focusing on revamped solutions & aiming for loss reduction (Revamped Distribution Sector Scheme, Procurement of Power, DEEP Portal, Coal Linkage Auction under SHAKTI Scheme, Pilot Scheme, PRAAPTI Portal, Integrated Power Development Scheme)
- **Smart Solutions:** Smart solutions to improve performance & processes, productivity & pro-active planning (Smart Metering, Energy Portfolio Management)
- **Policy Formulation Support:** Support to Government/ Regulators for formulation of Policies, Regulatory framework and Guidelines & SBDs
- **Other Services:** Strategy, Regulatory, Tariff Support, fund mobilisation and other aspects of power sector

Till date, consultancy services have been rendered by PFCCL to its clients spread across India. The total projects of assignments undertaken as on date are more than 200.

Further, during the FY 2022-23, the total income of PFCCL is ₹ 139.66 crore and the net profit earned is ₹ 63.80 crore. The net worth of PFCCL as on March 31, 2023 is ₹ 163.09 crore.

Your Company is designated by Ministry of Power (MoP) as the 'Nodal Agency' for facilitating development of Ultra Mega Power Projects and its wholly-owned subsidiary i.e. PFC Consulting Limited is the 'Bid Process Coordinator' for Independent Transmission Projects. Further various State Governments have appointed PFCCL as Bid Process Coordinator for their Intra State Transmission Projects. .

The following Special Purpose Vehicles (SPVs) have been incorporated as subsidiaries of PFCCL as on March 31, 2023:

i. Bijawar-Vidarbha Transmission Limited (Under process of Strike-off)
ii. Ananthapuram Kurnool Transmission Limited
iii. Chhatarpur Transmission Limited
iv. Fatehgarh IV Transmission Limited
v. Fatehgarh III Transmission Limited
vi. Bhadla III Transmission Limited
vii. Fatehgarh III Beawar Transmission Limited
viii. Beawar Dausa Transmission Limited
ix. Siot Transmission Limited

C. PFC Projects Limited

Coastal Karnataka Power Limited (CKPL), a wholly-owned company of PFC Ltd was set up for developing the UMPPs in the State of Karnataka as per the mandate from GoI. During FY 2022-23, CKPL's MoA has been amended to enable for Bidding in lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL).

D. Other subsidiaries established for development of UMPP's

i. Coastal Tamil Nadu Power Limited
ii. Orissa Integrated Power Limited
iii. Sakhigopal Integrated Power Company Limited
iv. Ghogarpalli Integrated Power Company Limited
v. Deoghar Mega Power Limited
vi. Cheyyur Infra Limited
vii. Odisha Infrapower Limited
viii. Deoghar Infra Limited
ix. Bihar Infrapower Limited
x. Bihar Mega Power Limited
xi. Jharkhand Infrapower Limited

8. PROACTIVE RISK MANAGEMENT THROUGH A MULTI LAYERED RISK FRAMEWORK

i. Asset Liability Management

Your Company has put in place a sound and robust Asset Liability Management Policy formulated in line with the RBI's guidelines to establish focus on liquidity and interest rate risk management process in PFC. Measurement and monitoring of Liquidity risk is done through cash flow approach; and for Interest rate risk, it is done through traditional gap analysis technique as detailed in RBI guidelines. Such analysis is made on periodical basis in various time buckets and is used for critical decisions regarding the time, volume and maturity profile of the borrowings and creation of mix of assets and liabilities in terms of time period (short, medium and long-term) and

in terms of fixed and floating interest rates. The details of the asset liability management maturity pattern are given at Note No. 53.1 of the Notes to Accounts of the Standalone Financial statements forming part of this Annual Report.

An ALM Committee of Functional Directors has been constituted as per PFC's Asset Liability Management Policy formulated in line with the RBI's guidelines.

As on March 31, 2023 the ALM Committee of Functional Directors comprised of Smt. Parminder Chopra, Director (Finance) as Chairman of the Committee and Shri R.R. Jha, Director (Projects) as Member.

ii. Foreign Currency Risk Management

Your Company has put in place "Policy for Management of Risks on Foreign Currency Borrowings" to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

As on March 31, 2023, the total o/s foreign currency liabilities stand at USD eqv 7,852 mn, and currency wise denominated borrowings are USD 5,841 mn, JPY 1,32,381 mn & EUR 932 mn. Out of the total foreign currency borrowing portfolio, USD eqv 4,959 mn i.e. 63% is hedged. Also, 82% of the FC portfolio with residual maturity up to 5 years is hedged.

iii. Integrated Enterprise Wide Risk Management

In order to manage risks faced by your Company, it has put in place an Integrated Enterprise Wide Risk Management Policy (IRM policy). For implementation of the policy, Your Company has constituted the Risk Management Committee. Under the IRM policy, the Company has to identify the principal risks which may have an impact on its profitability/revenues. In this regard, the Company has identified 11 significant risk parameters which arise from the Company's business model and from its use of financial instruments. These risk parameters cover the major operational risks, financial risks, market risks, regulatory risks etc. faced by the Company and are regularly assessed as per the Risk Assessment Criteria.

Further, the above would also cover aspects relating to development and implementation of a risk management policy for the Company including identification therein of elements of risk, which should cover the requirements of Sec. 134(3)(n) of Companies Act, 2013.

9. PFC A STRATEGIC PARTNER OF GOVERNMENT OF INDIA IN BRINGING POWER SECTOR REFORMS

i. Revamped Distribution Sector Scheme (RDSS) & Integrated Power Development Scheme (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) Subsumed In It)

The Company is involved in various GoI programmes for the power sector, including acting as a nodal agency for the IPDS (R-APDRP subsumed) and Revamped Distribution Sector Scheme (RDSS) launched by Govt. of India in July, 2021.

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 operationalisation 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 approved projects under IPDS/R-APDRP were 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

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

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

c) Reduce ACS-ARR gap to zero by 2024-25.

Scope of Scheme

The Scheme has two parts:

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

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

Outlay and Budgetary Support

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

Targeted infrastructure creation under RDSS in States across India based on fund sanction:

- Around 500 new Substations
- Over 4,00,000 Distribution transformers
- Around 7.5 lakh ckm of AB and XLPE cables
- Around 7 lakh ckm of overhead lines
- Over 20 crore Smart meters

Financial Assistance under RDSS in states allocated to PFC (as on March 31, 2023)

(Amounts in ₹ crore)

Scheme	FY 2022-23		Cumulative up to March, 2023	
	Approved Cost	GoI Fund Disbursed	Approved Cost	GoI Fund Disbursed
RDSS	54,534	1,142	1,16,951	1,679

Other Initiatives

- Supporting the States by preparing Model Bidding Documents for Automation and ERP projects under RDSS.
- Working on developing a Centre of Excellence in the form of National SCADA Resource Centre (NSRC) under RDSS at NPTI, Faridabad for developing the technical and operational skills of the Distribution Workforce across SCADA / DMS systems supplied by multiple OEMs.
- PFC (alongwith its subsidiary company i.e. REC) has developed an Integrated web portal that will serve as single version of truth for various government Schemes as well as vital reports being published by PFC/ REC viz. RDSS Scheme, DISCOM Integrated Rating (IR) Report, DISCOM Performance Report, Consumer Services Rating of DISCOMs (CSRD), PRAAPTI Portal, Energy audit reports etc.
- PFC is taking-up capacity building/ training programme for DISCOMs' employees under RDSS by engaging NPTI. Till March 2023; 175 training programmes were conducted through NPTI covering 6,490 DISCOM personnel.
- PFC is supporting skill development of the workforce for rolling out the RDSS Smart metering programme by training 1,000 persons on various job-roles under PFC's CSR Programme.
- PFC, in partnership with The United States Agency for International Development (USAID) has launched the South Asia Distribution Utilities Network (DUN), a regional platform to foster collaboration among electricity distribution Utilities across Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka for the reform and modernisation of the sector. PFC will act as the anchor institution with technical support from USAID through its South Asia Regional Energy Partnership (SAREP) programme.
- PFC with technical assistance of Foreign Commonwealth and Development Office (FCDO), Government of UK in association with MoP, GoI has developed Digital Utility Manager (DUM) Training Programme. The programme aimed at proactive technology adoption at DISCOMs, to have flexibility in the mode of learning making this self-paced, covering frontier technologies such as Smart Grids, AMI, EVs, Energy Storage, AI/ ML, Blockchain, Robotics etc.
- PFC is also handholding the DISCOMs in incorporating better corporate governance practices.

The impact of various reforms measures undertaken by States Government/DISCOMs under RDSS Scheme is evident as all India average AT&C losses have improved to 16.5% in FY 22 (data based on 11th Integrated Rating report), which is significantly lower than 21.5% in FY 21. Further, ACS-ARR gap, which captures the cash-adjusted revenue gap per unit, also significantly improved to 40 paise per unit energy in FY 22 compared to 89 paise per unit energy in FY 21. In addition, there has been significant improvement in compliances in form of filing and issuance of Tariff Orders, submission of Quarterly and Annual accounts by DISCOMs etc.

Integrated Power Development Scheme (IPDS) (including R-APDRP subsumed)

The erstwhile Schemes of IPDS (including R-APDRP subsumed) launched by Ministry of Power, Government of India in order to provide impetus to strengthening of power distribution sector, consumer/ system metering, IT enablement of distribution sector, Digital technology initiatives, new & innovative technologies etc. in urban areas were subsumed in RDSS Scheme. The Schemes have been sunset in March, 2022.

Achievements of IPDS (including R-APDRP subsumed)

- The Schemes have helped in making a difference in the lives of around 10 crore urban electricity consumers living in 3,600 towns across the country where the Power Distribution infrastructure has been upgraded.
- IT and Technical interventions coupled with administrative and other measures undertaken under the Schemes have helped in improvement of Billing/

Collection efficiency for reduction in Aggregate Technical and Commercial (AT&C) losses.

- 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 also 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, your Company is contributing towards better power supply to the people of India and improving operational efficiency and financial health of Distribution Utilities.

ii. Late Payment Surcharge Rule, 2022

Ministry of Power (MoP) vide Gazette Notification dated June 3, 2022, notified "The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022" (LPS Rules). These rules provide a mechanism for settlement of outstanding dues of Generating Companies, Inter-State Transmission Licensees and Electricity Trading Licensees.

Power Finance Corporation Limited (PFC) has been designated by MoP, as the Nodal Agency for implementation of LPS Rules' 2022. PFC shall be responsible for all the activities related to implementation of the said Rules including regular review and monitoring.

For operationalisation of Rules, PRAAPTI Portal (developed and managed by PFC Consulting Ltd.) acts as an information portal wherein suppliers enter invoice details and Discoms update the corresponding payment amount to ensure invoice and payment tracking of power bills in the country. Based on the information available on PRAAPTI, regulations are imposed on defaulting Discoms as per LPS Rules, 2022 by Grid controller of India Limited.

With the implementation of Electricity (LPS and Related Matters) Rules, 2022, remarkable improvement has been seen in recovery of outstanding dues of Suppliers including Generating Companies, Transmission Companies and Traders. Against legacy dues of ₹ 1,39,747 crore as on 03.06.2022, 13 States/UTs have paid instalment of ₹ 69,790 crore (12 EMIs). Discoms of 11 out of these 13 states opted for loans from PFC/REC (total loan sanctioned of ₹ 1,05,065 crore). Further, 20 States/UTs reported to have no outstanding dues as on 03.06.2022

In view of regulations under LPS Rules, 2022 the Distribution companies are paying their current dues in time. Since implementation of the rule, as on July 24, 2023, total bills amounting to ₹ 4,85,041 crores have been settled against total billed amount of ₹ 5,60,366 crore (excluding EMI Payments against legacy dues and including Disputed Invoices).

iii. Independent Transmission Projects (ITPs)

MoP has also initiated Tariff Based Competitive Bidding 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.

MoP has designated PFC Consulting Limited (a wholly-owned subsidiary of PFC) as one of the Bid Process Coordinator for Independent Transmission Projects. As on March 31, 2023, 49 SPVs have been established for ITPs by PFC / PFCCL.

During the year, the following nine companies / ITP-SPVs were incorporated:

i. Siot Transmission Limited

ii. Fatehgarh III Beawar Transmission Limited

iii. Beawar Dausa Transmission Limited

iv. Khandukhal Rampura Transmission Limited – Transferred

v. Fatehgarh III Transmission Limited

vi. Bhadla III Transmission Limited

vii. Fatehgarh IV Transmission Limited

viii. Raipur Pool Dhamtari Transmission Limited – Transferred

ix. Dharamjaigarh Transmission Limited –Transferred

Further, during the FY 22-23, following SPVs established for development of transmission projects has been transferred to the successful bidders selected through TBCB:

i. Khetri-Narela Transmission Limited

ii. Khandukhal Rampura Transmission Limited

iii. Kishtwar Transmission Limited

iv. Bhadla-Sikar Transmission Limited

v. Raipur Pool Dhamtari Transmission Limited

vi. Dharamjaigarh Transmission Limited

As on March 31, 2023, out of 49 SPVs, 36 SPVs were transferred to the successful bidders and bidding process for 8 SPVs are under progress. Further, due to de-notification of schemes by MoP, 4 SPVs were closed and 1 SPV is under process of closure.

iv. Ultra Mega Power Project (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 MoP, Government of India for which your Company 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.

Your Company incorporated a total of 19 Special Purpose Vehicles (SPVs) as its wholly-owned subsidiaries for 14 UMPPs. Out of these, 4 UMPPs are awarded and 4 UMPPs are closed.

In reference to closed UMPPs, SPVs namely Tatiya Andhra Mega Power Ltd. (2nd Andhra UMPP), Coastal Maharashtra Mega Power Ltd. (Munge UMPP) and Chhattisgarh Surguja Power Ltd. (Chhattisgarh UMPP) are striked-off from the records of RoC in FY 22-23. Further, SPV namely Coastal Karnataka Power Ltd. (Karnataka UMPP) is being utilised by PFC for bidding stressed assets projects (name of the SPV changed to PFC Projects Ltd.).

As the Country is transforming from fossil to non-fossil fuel, MoP has decided to close remaining UMPP's also and advised your Company to take necessary steps for closure of UMPP in consultation with state Government.

10. OTHER MAJOR INVESTMENTS

i. PTC India Limited

PTC India Limited ("PTC") was jointly promoted by Power Grid, NTPC, NHPC and PFC. PFC has invested ₹ 12 crore in PTC constituting 120,00,000 equity shares which is 4.05% of PTC's total equity share capital. PTC is the leading provider of power trading solutions in India, a GoI initiated public-private partnership, whose primary focus is to develop a commercially vibrant power market in the country. PTC has reported profit after tax of ₹ 370 crore for the financial year 2022-23 as compared to Profit after Tax of ₹ 425 crore for Financial year 2021-22. As on March 31, 2023, PFC holds 120,00,000 shares of PTC valued at ₹ 102.06 crore.

ii. Power Exchange India Limited

Power Exchange India Limited ("PXIL") is India's first institutionally promoted Power Exchange, that provides innovative and credible solutions to transform the Indian power markets. PXIL, provides nationwide, electronic exchange for trading of power and handles power trading and transmission clearance, simultaneously, it provides transparent, neutral and efficient electronic platform. PXIL offers various products such as day ahead, day ahead contingency, any day, intra-day and weekly contracts. PXIL provides trading platform for renewable energy certificates. As on March 31, 2023, PFC's investment in 32,20,000 equity shares of PXIL is valued at ₹ 3.59 crore.

iii. Energy Efficiency Services Limited

Energy Efficiency Services Limited ("EESL") was incorporated as a public limited company on December 10, 2009 under the Companies Act, 1956. EESL intends to focus on energy efficiency and climate change initiatives. The Company along with its subsidiary RECL is holding 33.33 % stake in equity share capital of Energy Efficiency Services Limited (EESL). However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 28 'Investment in Associates and Joint Ventures', the Company does not have any significant influence, accordingly EESL has not been considered as an associate company.

As at March 31, 2023, the Company along with its subsidiary RECL holds 33.13% stake in equity share capital of EESL (17.65% directly and 15.68% through its subsidiary RECL). As on March 31, 2023, PFC holds 24,55,00,000 Equity Shares of FV of ₹ 10 each of Energy Efficiency Services Limited valued at ₹ 158.08 crore.

iv. NHPC Limited

PFC has initially invested 26,05,42,051 equity shares of NHPC Limited at the rate of ₹ 21.78 per share (including securities transaction tax, brokerage and other charges) amounting to ₹ 567.46 crore in April 2016 during disinvestment by GoI through offer for sale route. PFC has sold 10,52,17,881 number of equities shares till March 31, 2023. As on March 31, 2023 PFC holds 15,53,24,170 shares of NHPC Limited valued at ₹ 624.40 crore.

NHPC has reported profit after tax of ₹ 3,834 crore for the financial year 2022-23 as compared to Profit after Tax of ₹ 3,538 crore for Financial year 2021-22.

v. COAL INDIA LIMITED

PFC has invested 1,39,64,530 equity shares of Coal India Limited at the rate of ₹ 358.58 per share (including securities transaction tax, brokerage and other charges) amounting to ₹ 500.74 crore in February 2015 through offer for sale route. As on March 31, 2023, PFC holds 1,39,64,530 equity shares of Coal India Limited Valued at ₹ 298.35 crore.

CIL has reported profit after tax of ₹ 14,802 crore for the financial year 2022-23 as compared to Profit after Tax of ₹ 11,202 crore for Financial year 2021-22.

11. INITIATIVES FOR MONITORING DISCOM'S PERFORMANCE

i. Annual Integrated Rating of State Distribution Utilities

Ministry of Power has taken various reform initiatives, to bring about improvements in the Distribution Sector and has put in place an Integrated Rating Methodology for an objective evaluation of performance of Distribution Utilities. The objective of the integrated rating is to rate all utilities in the power distribution sector based on their financial performance and their ability to sustain the performance level. Private Distribution Utilities and Power Departments are also being included to provide complete sectoral coverage.

The methodology adopted attempts to objectively adjudge the performance of distribution utilities against various parameters broadly classified under i) Financial Sustainability parameters ii) Performance Excellence parameters and iii) External Environment parameters. For the introduction of Power Departments in the rating exercise, a subset of metrics with modified weightages from the overall methodology have been utilised for rating.

These ratings are carried out by reputed independent agencies and co-ordinated by your Company. These ratings are immensely beneficial as a diagnostic tool in the hands of the State Governments as well as Utilities to build on their strengths and work on areas requiring improvements so as to improve their operational efficiency and financial sustainability. Eleventh Integrated Ratings for FY 2021-22, covering 69 Utilities/departments across the country and *inter se* ranking of the Utilities was released by the Hon'ble Minister of Power, New & Renewable Energy on April 10, 2023.

ii. Annual Performance Report of Power Utilities

PFC publishes the Report on Performance of State Power Utilities on an annual basis. The Report covers a range of key financial and operational parameters such as profitability, gap between average cost of supply and average revenue, net worth, receivables, payables, AT&C losses and consumption pattern of the sector at utility, state and national level. The report covers distribution utilities in all States and UTs of India and all State Gencos/ Transcos/ Trading utilities, offering a comprehensive insight into the Indian Power Sector.

The Report for the years 2018-19 to 2020-21 was released by the Hon'ble Cabinet Minister for Power, New & Renewable Energy in the Conference of Power and Renewable Energy Ministers of State/UTs held in October 2022.

The report for the years 2019-20 to 2021-22 is under finalisation.

iii. Categorisation of Utilities

For purposes of funding, your Company classifies State Power Generation and Transmission entities into A++, A+, A, B and C categories. The categorisation (biannually) of State Power Generation and Transmission entities is arrived at based on the evaluation of entity's performance against specific parameters covering operational & financial performance including regulatory environment, availability of audited accounts, etc. as per categorisation policy.

With respect to State Power Distribution entities (including PDs/entities with integrated operations), your Company's categorisation policy provides for adoption of MoP's Integrated Ratings by aligning such ratings/gradings with PFC's standard categories of A+, A, B, C and D.

The categorisation enables PFC to determine pricing of loans and stipulation of security to the state power entities.

12. PRESIDENTIAL DIRECTIVES

During last 3 years, there has been no Presidential Directive.

13. RIGHT TO INFORMATION: EMPOWERING CITIZENS THROUGH TRANSPARENT COMMUNICATION

The RTI Act, 2005 is a progressive legislation based on citizen's right to know which is a fundamental right enshrined in the Constitution of India. The primary goal of the Right to Information Act is to empower citizens, promote openness and accountability in government operations, combat corruption, and make our democracy truly function for the people. An informed citizen is better equipped to keep a required track on governance instruments and hold the government responsible to the governed. The Act is a significant step in informing citizens about the activities of the government.

All constitutional authorities, agencies, owned and controlled, also those organisations which are substantially financed by the government comes under the purview of the Act. The Act also mandates public authorities of union government or state government, to provide timely response to the citizens' request for information.

An elaborate mechanism has been set up in PFC to deal with requests received under the RTI Act, 2005. PFC has implemented the Right to Information Act, 2005 to provide information to the citizens of India and also to maintain accountability and transparency in the working of the Company. For effective implementation of the RTI Act, PFC has designated its Company Secretary as Public Information Officer (PIO) to dispose off the RTI applications received in the corporation at its registered office. Further, an ED level officer has been designated as a First Appellate Authority (RTI) in PFC to dispose off the RTI appeals. The

relevant information/ disclosures are also made available on the official website (www.pfcindia.com) of the Company.

As regards process in disposal of RTI applications, it is stated that PIO compiles the information from respective Head of the Units who are Deemed PIOs under Section 5(5) of the RTI Act, 2005 and the said information is made available to the applicant within the prescribed period of 30 days.

If the RTI applicant is not satisfied with the reply of the PIO, he can file an appeal with the First Appellate Authority (RTI) of PFC, within 30 days of the receipt of the reply. The First Appellate Authority (RTI) disposes off the appeals within the prescribed period of 30 days. During the period from April 1, 2022 to March 31, 2023, all 140 applications and 13 RTI appeals received under the RTI Act, were duly processed and replied to. PFC has also complied with the requirement of filing of online RTI Quarterly Returns on the portal of Central Information Commission (CIC) during the said period.

Further, in order to strengthen compliance of the provisions of disclosures as contained in Section 4 of the RTI Act, 2005, Department of Personnel & Training (DoPT) vide its OM No. 1/6/2011-IR dated 15.04.2013 issued guidelines on the following:

a) Suo moto disclosure of more items under Section 4;

b) Guidelines for digital publication of proactive disclosure under Section 4;

c) Guidelines for certain clauses of Section 4(1)(b) to make disclosure more effective;

d) Compliance mechanism for suo-moto disclosure (proactive disclosure) under RTI Act, 2005.

In compliance of the aforesaid Guidelines, PFC has placed the requisite information on the website of the Company.

Besides the above, PFC is also linked with the online RTI Portal of Govt. of India, Department of Personnel & Training (https://rtionline.gov.in), which enables citizens of India, to file RTI applications/first appeals online along with payment gateway. Payment can be made through internet banking of SBI & its associate banks, debit/credit cards of Master/Visa and RuPay cards.

To strengthen the proactive / suo motu disclosure, DoPT has come out with detailed instructions vide DoPT OM No. 1/6/2011-IR dated April 15, 2013. The guidelines lay down one of the most important mechanisms in terms of getting its proactive disclosures audited by the third party every year to ensure effective compliance of the guidelines. In line with the above, PFC has successfully got its RTI Disclosures audited through National Power Training Institute (NPTI) during 2022-23. The said audit report is also placed on PFC website for information of the public.

14. CORPORATE SOCIAL RESPONSIBILITY

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Company becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

The policy embodies a holistic approach, aligning the company's efforts with the key tenets of Environmental, Social, and Governance (ESG) principles, as is evident through the comprehensive array of initiatives, spanning Environment Sustainability, Healthcare, Education, and more.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also contributed to thematic areas i.e. 'Health & Nutrition, with preference given to Aspirational Districts.

The CSR Report under Companies (CSR Policy), Rules is annexed herewith.

15. HR INITIATIVES

Capacity Building

Your Company firmly believes that being in service sector, Human Resource is the most important asset of the organisation. To foster market competitiveness, your Company is committed to cultivating a high-performance work culture that unleashes individuals' full potential, while equipping and empowering them to engage in continuous learning in line with business goals and adapt to future challenges. Our goal is to develop top-tier organisational capabilities that set us apart from the competition.

During this year, your Company organised various training and development programmes in line with corporate goals. The range of trainings imparted include orientation programme to new recruits as well as hands-on, managerial, behavioural and leadership training for its employees. Besides this, a wide range of functional training programmes were also organised which included Stressed Asset Management with focus on Insolvency & Bankruptcy Code 2016, Advanced Excel, Public Procurement through GeM Portal, Capacity Building for Financial Institutions on Energy Efficiency Financing, AML-KYC-CFT and Fraud Monitoring & Recovery Aspects of Loan Assets, Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, Implementation of ISO 45001:2018 - OHS Standards, Exposure Norms & Capital Requirements for NBFCs, and more.

Furthermore, all newly recruited employees of PFC participated in a comprehensive 3-week Foundation course for Power Sector Professionals of National Power Training Institute (NPTI). This course covered essential

topics such as Basics of Power Sector, Renewables & Solar Energy, Government Schemes, Energy Transition, Energy Conservation & Energy Efficiency, SCADA, Project Appraisal, and more.

As of March 31, 2023, your Company successfully provided 2,608 mandays of training to its employees by organising need based customised programmes and sponsoring employees to external programmes organised by reputed training agencies.

Overall, these initiatives have significantly contributed to enhancing the skills and knowledge of our workforce in alignment with our organisational goals.

Employee Engagement Activities

PFC being a founding member of Power Sports Control Board (PSCB), PFC employees participated with full vigor and enthusiasm in various Inter-CPSU sports tournaments organised by the PSCB member organisations during the period, viz. Badminton, Chess, Carrom and Table Tennis Tournament. PFC Chess Team won Ist Prize in single tournament. PFC organised the Inter CPSU Chess Tournament under the aegis of PSCB from 27-29th April, 2022 at Vishwa Yuvak Kendra, New Delhi successfully. PFC also participated in Power Cup Cricket Tournament which was organised in collaboration with all power sector CPSEs based in Delhi-NCR during the month of January-February, 2023 organised by Power Grid and won 2nd Prize in the Tournament.

Apart from these, PFC organised a PFC Foundation Day programme for its employees & their family member on July 16, 2022 at JLN Stadium, New Delhi. During the year PFC organised Family Picnic in March 2023 for its employees and their dependent family members at Vishalgarh Farms, Gurgaon.

Talent Management

Your Company has put in place effective human resource acquisition and maintenance function, which is benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity. PFC's recruitment efforts are focused on attracting and nurturing diverse talent.

The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review. The attrition during the period from April 1, 2022 to March 31, 2023 was 0.04%.

Employee Welfare Measures

Your Company endeavours to follow the best management practices of the industry.

Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce. During the period, several new initiatives were taken for employees' welfare such as introducing flexi-timing for employees below HoU level, implementing paperless medical claims system and review of certain provisions under TA Rules, Company Leased Accommodation Rules, etc.

Diversity & Inlcusion

The Company follows the Presidential Directives and guidelines issued by the Government of India to promote inclusive growth. The status is presented under:

Status of Reservation of Posts for various categories

Group	Total Employees as on March 31, 2023	SC[1]	SC%	ST[2]	ST%	OBC[3]	OBC%	EWS[4]	EWS%
A	500	89	17.80%	32	6.40%	100	20.00%	5	1.00%
B	4	0	0.00%	1	25.00%	0	0.00%	0	0.00%
C	15	2	13.33%	1	6.67%	3	20.00%	0	0.00%
D	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**519**	**91**	**17.53%**	**34**	**6.55%**	**103**	**19.84%**	**5**	**0.96%**

PFC makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ ESM[5]/ PwD[6] employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions. Separate Liaison officers have been appointed to look into the matter of reservations.

[1]Scheduled Caste
[2]Scheduled Tribe
[3]Other Backward Classes
[4]Economically Weaker Section
[5]Ex-Servicemen
[6]Persons with Disabilities

Empowering Diversity: Women's Representation In Workforce

Your Company has women in important and critical functional areas. Women representations have gone across hierarchical levels. The Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. The women are adequately represented, with 21.00% of the total work force.

Group	Total Employees as on March 31, 2023	Number of Women Employees	Percentage of overall staff strength
A	500	107	21.40%
B	4	1	25.00%
C	15	1	6.67%
D	0	0	0.00%
Total	**519**	**109**	**21.00%**

PFC as part of its social responsibility makes all efforts to ensure compliance of the Directives and guidelines issued by the Government of India from time to time pertaining to the welfare of female employees.

Fostering A Safe Workplace: Compliance With Sexual Harassment Prevention

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a)	Number of complaints filed during the financial year 2022-23	NIL
b)	Number of complaints disposed of during the financial year 2022-23	NIL
c)	Number of complaints pending as on end of the financial year 2022-23	NIL

16. AWARDS & RECOGNITIONS

Awards received under the pillars of Environment, Social, Governance (ESG): Showcasing PFC's efforts in creating sustainable impact:

- **Environmental**
  - PFC received 'Green Urja Energy Efficiency Award' for being the Best Renewable Energy Financing Institution this year at the Atma Nirbhar Bharat Summit organized by Elets.
  - Indian Chamber of Commerce's (ICC) Gold Award for the "Top Financing institution in Renewable Energy and Energy Efficiency category at the 11th Green Energy Summit.

- **Social**
  - PFC has been ranked 2nd in "Swachhata Ranking" by NDMC in the category of offices in NDMC area.
  - PFC won the Rajbhasha Kirti Puraskar. PFC was awarded the third prize of highest and prestigious 'Rajbhasha Keerti' for the year 2021-22 in the category of undertaking 'A' area for best performance in official language. PFC has been awarded this award for the ninth consecutive time.

- **Governance**
  - PFC has been ranked 9th amongst the Top 10 Profit-making CPSEs as per the "Public Enterprises Survey 2021-22" published by the Department of Public Enterprises, Ministry of Finance, Govt. of India.
  - PFC was ranked at '34' out of 'Top 500' Indian Companies by the Fortune Magazine.
  - ICAI Gold Shield Award in the category of 'Public Sector Entities' of ICAI Awards for Excellence in Financial Reporting for 2021-22.
  - Governance Now (Sab TV Group's) Award to PFC in the categories of "Best Performer (Financial) & Use of Emerging Technologies: Cloud".
  - PFC bagged Dun & Bradstreet's India's Best PSU Award in the category of "Best Navratna" in a virtual format.
  - Smt. Parminder Chopra, presently CMD, PFC has been bestowed with 'Icon of the year' award by the Institute of Cost Accountants of India.

- **Others**
  PFC bagged four awards at the 16th Annual Global Communications Conclave organized by the Public Relations Council of India in the categories of Best Corporate Film (Gold), Best Annual Report (Silver), Best House Journal Print (Regional) and Best Use of Social Media.

17. VIGILANCE: FOSTERING ACCOUNTABILITY AND TRANSPARENCY

PFC operates with a proactive vigilance unit functioning as a robust vigil mechanism within the corporation. During the Financial Year 2022-23, the Vigilance Unit has undertaken preventive vigilance, emphasizing periodic & surprise inspections of various units, contributing to operational integrity and transparency. During the period, the Vigilance Unit has also issued instructions/operative guidelines to rationalize systems and procedures in order to eliminate gaps and confirming transparency in day to day operations. As a new initiative the first edition of the Vigilance Magazine "Prahari" was inaugurated, which contains various articles related to vigilance, power & allied sector and award winning entries of the Vigilance Awareness Week. The Vigilance Unit carried out detailed investigation in respect of complaints registered during this period.

Power Finance Corporation Limited observed Vigilance Awareness Week from 31.10.2022 to 06.11.2022, actively promoting ethical practices and the theme "Corruption-Free India for a developed India." On this occasion, banners

showing observance of the Vigilance Awareness Week were displayed at the prime locations in and outside the office premises. Theme of Vigilance Awareness Week -2022 was also displayed on desktops of all the employees of the corporation. Publicity of the event was also done through social media such as Facebook, Twitter, Instagram, and Newspapers including their online editions. To instill integrity and ethical values, "e-pledge on Integrity" was taken by the employees via the intranet and PFC website.

During the week, competitions focused on Pictorial, Slogan Writing, Poem Writing were organized on the subjects related to Vigilance. These competitions were open to all regular employees of this Corporation including those posted in the regional offices. The aim of these competitions was to stimulate the creativity, imagination and originality of the employees to enable them to come out with innovative ideas about dealing with Good Governance. A one day workshop on the topic PFC's Conduct, Discipline and Appeal Rules" was also organized by the Corporation with eminent faculty for the benefit of employees, in which regular employees participated. A talk "ABBFF and Role of IAC" was also organized for the employees of the PFC by Shri Vijay Kumar Tyagi, CVO, PNB. A Talk session on Preventive Vigilance was organized by the PFCCL for employees of the PFCCL by Shri R. N. Nayak, Ex-Director, CVC. It emphasized upon constant systemic improvements, integrity and transparency in public life.

In compliance of the instructions of CVC, the sensitive posts in the Corporation have been identified and the concerned officers were rotated on a regular basis. Agreed lists and List of officers of Doubtful Integrity for the year 2023 were prepared in respect of corporate office at Delhi and regional offices at Mumbai and Chennai in consultation with the CBI, aligning with transparent and responsible practices. Prescribed periodical statistical returns were sent to CVC, CBI, MOP on time.

The Vigilance Unit continuously pursued systemic improvements to improve transparency, objectivity and accountability in the operations of the corporation. Thus, it has contributed towards strengthening in the functioning of the organization.'

18. OFFICIAL LANGUAGE

PFC always gives utmost priority to Rajbhasha Hindi in all its official working. It is a matter of great pride that PFC has been awarded with the Third Prize in Public Sector Category in Region 'A' of 'Rajbhasha Kirti Puraskar' for 2021-22 by Rajbhasha Vibhag, Ministry of Home Affairs for its concerted efforts made in implementation of Official Language Policy. The Prize has been received by PFC for consecutively 9th time.

Hindi Day on September 14, 2022 and Hindi Month from September 14, 2022 to October 13, 2022 were celebrated to create a Hindi oriented environment. Five (05) competitions like 'Katha Visataran', 'Hindi Tippan evam Aalekhan', 'Rajbhasha Niti', 'Shabd Gyan' and 'Anek Rang Ek Pratiyogita ke sang' were organised during the Hindi Month. A play "Mahabharat – Ek Amar Katha" was organised for PFC employees during Hindi Month on 07.10.2022 at Sirifort Auditorium Complex, New Delhi. The play was presented by the well-known theatre company 'Felicity Theatre'. The drama is written and directed by film, television veteran Puneet Issar. Along with Puneet Issar, many veteran actors like Gufi Paintal, Rahul Bhuchar presented their brilliant performances in this play.

During the year, 06 Hindi workshops and 01 Sangoshthi were organised in which 336 employees participated. Apart from the competitions held during Hindi month, in order to motivate employees, 04 Hindi competitions namely 'Smaranshakti Pratiyogita', 'Bujho toh Jaane Pratiyogita' and 'Shabdon Ka Taana-baana Pratiyogita' and 'Vishwa Hindi Diwas Pratiyogita' were also organised in which 205 employees participated. Review meetings with various units, internal inspections and Personal contact programme were conducted for the purpose of reviewing the Rajbhasha related work being done by these units and employees. To motivate the employees towards Hindi, the book "Kamayani" written by Jaishankar Prasad was distributed to all the employees.

The meeting of Hindi Salahakar Samiti, Ministry of Power was held on May 12, 2022 at Ashok Hotel, New Delhi. All co-ordination work related to the arrangement of this meeting was done by PFC. The meeting was presided over by Shri R. K. Singh, Hon'ble Minister of Power and New & Renewable Energy.

Four (04) Issues including 'Atulya Bharat Visheshank' of House Journal 'Urja Deepti' were also published and made available on website of Department of Official Language, Ministry of Home Affairs.

All these efforts were motivational tools in creating possibilities of better and progressive use of Rajbhasha Hindi in the Corporation.

19. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, it is confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. AUDITORS

i. Statutory Auditors

Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants were appointed as Joint Statutory Auditors of the Company for FY 2022-23 by the Office of the Comptroller & Auditor General of India.

The Joint Statutory Auditors have audited the accounts of the Company for the FY 2022-23 and have given their report without any qualification, reservation, adverse remark or disclaimer. The copy of the audit report is annexed herewith.

ii. Secretarial Audit:

Your Company had engaged M/s. Mehta & Mehta, Company Secretaries as Secretarial Auditors for FY 2022-23. Secretarial Audit Report is annexed herewith.

The observations of the Secretarial Auditor and reply of the management on the observations, for the FY 2022-23 along with copy of the audit report is annexed herewith.

iii. Comments of Comptroller & Auditor General of India

The Comptroller and Auditor General of India (C&AG) has mentioned that on the basis of audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report. The copy of the report of C&AG is annexed herewith.

21. DIGITIZING GOVERNANCE PRACTICES BY LEVERAGING TECHNOLOGY

Pursuant to the Companies Act, 2013, the Companies are permitted to send documents like Notice of Annual General Meeting, Annual Report etc. through electronic means to its members at their registered e-mail addresses. PFC, being a socially responsive Company actively supports the implementation of 'Green Initiative' of the Ministry of Corporate Affairs (MCA). Your Company has effected electronic delivery of Notices and Annual Reports to shareholders, whose e-mail IDs are registered. The intimation of dividend (interim/final) is also being sent electronically to such shareholders. Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in postal ballot and Annual General Meeting (AGM). The Company will also be conducting the AGM this year through video conferencing/ other audio-visual means. Members can refer to the detailed instructions for e-voting and electronic participation in the AGM, as provided in the Notice of AGM.

22. STATUTORY DISCLOSURES

i. Your Company is a non-deposit taking NBFC, and thus has not accepted any public deposits during the FY 2022-23. Further, no Perpetual Debt Instruments (PDI) was issued by your Company during FY 2022-23. The Board of Directors of the Company has passed requisite resolution in this regard, in compliance of RBI Guidelines.

ii. No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and company's operations during the FY 2022-23.

iii. The Company maintains an adequate system of Internal Control, including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company procedures/ policies. For details, please refer to the 'Management Discussion and Analysis Report' annexed to this report.

iv. Information on composition, terms of reference and number of meetings of the Board and its Committees held during the year, Whistle-Blower Policy, remuneration to Whole time Directors, sitting fees to Independent Directors and details regarding IEPF and web-links for familiarisation programmes of Directors, Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, Policy for determining Material Subsidiaries, etc. have been provided in the 'Report on Corporate Governance', prepared in compliance with the provisions of SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance, 2010, as amended from time to time, which forms part of this Annual Report.

v. Pursuant to Section 186(11) of the Companies Act, 2013, loans made, guarantees given, securities provided or investment made by a company engaged in the business of financing of companies or of providing infrastructural facilities in the ordinary course of its business are not applicable to the Company, hence no disclosure is required to be made. Further, details of investments are appearing at note no.11 of the Notes to Accounts of the standalone financial statements.

vi. The provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder relating to managerial remuneration are not applicable to Government companies, therefore no disclosure is required to be made.

vii. The Company has not issued any stock options to the Directors or any employee of the Company.

viii. The Central Government has not prescribed the maintenance of cost records for the products/services of the Company under the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013. Accordingly, cost accounts and records are not required to be maintained by the Company.

ix. During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against PFC by its officers or employees.

x. The Company is compliant with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

xi. The Independent Directors of the Company are nominated/appointed by the President of India acting through the administrative ministry, i.e., MoP. Accordingly, the appointing authority considers the integrity, expertise and experience of the individual to be nominated/appointed. In the FY 2022-23 no new Independent Directors were appointed on the Board of PFC.

xii. There are no significant particulars, relating to conservation of energy and technology absorption as your Company does not own any manufacturing facility.

xiii. The Foreign exchange outgo for the FY 2022-23 aggregated to ₹ 10,226.94 crore. The Foreign exchange earnings for the FY 2022-23 were nil. The payments are majorly for the purpose of servicing principal and interest component of foreign currency borrowings.

xiv. Total expenditure for the FY 2022-23 amounted to ₹ 25,495.01 crore as against total expenditure of ₹ 26,363.52 crore in FY 2021-22. Out of it, finance cost amounted to ₹ 23,282.57 crore in FY 2022-23 as compared to ₹ 22,671.30 crore in FY 2021-22. This constituted 91.32 % of total expenses in FY 2022-23. During FY 2022-23, employee benefit expenses and other expenses were ₹ 219.01 crore and ₹ 128.55 crore respectively against 213.11 crore and ₹ 122.71 crore respectively in the previous year.

xv. M/s. ASA & Associates LLP, Chartered Accountants, appointed for testing the adequacy and operative effectiveness of Internal financial control over financial reporting, has certified that the Company maintains an adequate system of internal financial controls, evaluates and makes an assessment of its adequacy and effectiveness in a satisfactory manner which takes care of requirements under Companies Act, 2013.

The Statutory Auditors of the Company i.e. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants and have also given their Report on the Internal Financial Controls stating that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

xvi. The Annual Return of PFC for FY 2021-22 is available on the link chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.pfcindia.com/DocumentRepository/ckfinder/files/Investors/Annual_Return/Annual_Report_21_22.pdf and for FY 2022-23 it shall be made available on your Company's website www.pfcindia.com.

xvii. The details of Debenture Trustees appointed by the Company for the different series of Bonds issued by your Company are annexed herewith.

xviii. During the year no application has been made or any proceedings pending against PFC under the Insolvency and Bankruptcy Code, 2016. Further, details of the difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions, are not applicable.

xix. Procurement from Micro & Small Enterprises:

Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 to support marketing of products produced and services rendered by them. In compliance to the policy, annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) are uploaded on PFC website for the benefit of MSEs.

The benefits to MSEs like exemption from tender fees and earnest money deposit, purchase preference, interest on delayed payments and exemption from prior experience - prior turnover criteria subject to meeting of quality and technical specifications are also extended to encourage these enterprises.

During the financial year, your Company has procured products and services from MSEs, which constituted 66.09% of the total annual procurement value, against the mandate of 25 % set by Ministry of Micro, Small and Medium Enterprises, Govt. of India. During the year, 309 MSEs were benefited out of which 19 MSEs belonged to SC/ST category and 48 MSEs were owned by women.

PFC is also registered on the Trade Receivables Discounting System (TReDS) platform for financing of trade receivables of Micro, Small & Medium Enterprises (MSMEs). TReDS platform facilitates the discounting of invoices of MSMEs leading to prompt generation of working capital for their regular business operations.

Your Company had also organised/participated in 03 vendor development programmes in co-ordination with Ministry of Micro, Small and Medium Enterprises, Govt. of India to encourage participation of Micro and Small Enterprises.

The details of the procurements made from Micro, Small and Medium Enterprises (MSEs) during the FY 2022-23 and the targets for FY 2023-24 as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 along with Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 is as under:

Sr. No.	Particulars	FY 2022-23 (₹ in crore)	Target for FY 2023-24 (₹ in crore)
I.	Total annual procurement (in value)	46.81	169.2 (135* + 34.2)
II.	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	30.93	42.3
III.	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs.	3.90	6.768
IV.	% age of procurement from MSE (including MSEs owned by SC/ST entrepreneurs) out of total procurement.	66.09	25
V.	% age of procurement from only MSEs owned by SC/ST entrepreneurs) out of total procurement	8.33	4
VI.	Total Number of vender development programmes for MSEs	3	2
VII.	Confirmation of uploading annual MSE procurement profile on your website by hyperlink of same.	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Public_Procurement_Policy_for_MSME/Procurement%20Target%20%20and%20Profile%202023-24%20V0_0.pdf	

*One Time IT infrastructure refresh expenditure planned for FY 2023-24

23. INFORMATION TECHNOLOGY

PFC has undertaken various information technology initiatives to achieve sustainable business growth, improve overall productivity, ensure data integrity and data privacy. PFC has implemented state-of-the-art Data center providing various IT services and housing ERP application system to integrate all the Business functions, reflecting PFC's commitment to operational excellence.

Digital Transformation & ERP Implementation

MS Unit has taken up initiatives for a complete digital transformation as per the laid down IT roadmap to adopt state-of-the-art technology which can help PFC to reflect the standards of being a MAHARATNA. As part of this, the most ambitious project is to implement a comprehensive IT ERP platform that can ensure end-to-end integration and digitization of the processes and services as a single source of truth. At present, the ERP platform is under implementation stage and some modules are released for user experience.

Enhancing Digital reach - Online Borrower Services

In the digital era, Information Technology has been put to use to ensure timely "information sharing" to enhance the customer experience of the borrowers. PFC has implemented "Online Borrower Portal", through which the disbursement detail, loan ledger, due-receipt, outstanding detail & remittance detail etc., are made available in an online mode which can be accessed for instant information dissemination. Through this portal, borrowers not only have access to their loan data instantly, and also it allows them to plan for further necessary action timely.

Business automation & Paperless Office

PFC continuously poised to utilize Information Technology to enable its employees to cater to business functions efficiently. Implementation of collaboration tools for online meetings, e-Office solution for efficient file processing, paperless digital board meetings thru Board Pac and paperless employee claims are few of the initiatives highlighting PFC's efforts in going Green.

Adopting Robust Cyber Security Measures

PFC has developed a comprehensive cyber security framework to safeguard its IT assets, PFC has taken substantial initiatives to augment the cyber security arrangements. PFC has implemented Anti-APT Devices, Next Generation Firewall, IPv6 for increased cybersecurity posture and also inducted Managed Detection & Response Services for proactive cyber security protection. As per the guidelines of Ministry of Power, the "Cyber Jagrukta Diwas" is being conducted on every first Wednesday of the month at PFC, contributing to a vigilant cyber-safe environment.

Ensuring Business Continuity

It is very crucial to safeguard the business operations of PFC in order to ensure business continuity. As a milestone achievement, PFC has established a disaster recovery site on a private cloud which is considered as highly secured, to replicate the existing data center setup in a different seismic zone. With this, PFC can continue its business operation during any disaster or cyber security incidents. This critical measure bolsters PFC's commitment to sustainability and resilience.

PFC Website & Knowledge sharing

The bi-lingual PFC website is maintained with up-to-date information as per "Guidelines for Indian Government Websites". The face uplifted website has been made more informative to address the information requirements of external stakeholders.

Business Analytics

MIS portal for Business intelligence and reporting requirements is in place for decision support. The portal has been enriched regularly with more business data metrics.

Knowledge sharing Portal

To share their domain knowledge amongst employees handling various functions within PFC, a software portal has been developed which is named as "PEEPAL" for knowledge sharing, mutual appreciation and to create a positive association among the employees.

Compliance to guidelines issued by statutory bodies

The compliance guidelines issued by various statutory & regulatory bodies have been stringently followed and implemented at PFC. As per the guidelines issued by RBI vide Master Directions to NBFCs, the IT Strategy Committee has been constituted, IT policy has been implemented & IT audits are being carried out regularly on annual basis. All guidelines & regulations pertaining to Information Technology issued by various statutory and regulatory bodies like Meity, RBI, MoP, NCCC, NCIIPC etc. have been implemented and strictly followed by PFC.

Through these strategic IT initiatives, PFC continues its unwavering dedication to ESG principles, contributing to sustainable growth, operational efficiency, and responsible corporate practices.

24. ESTABLISHMENT OF VIGIL MECHANISM

The establishment of a robust vigil mechanism is a pivotal aspect of your Company's commitment to Environmental, Social, and Governance (ESG) principles. This mechanism encompasses a range of codes and policies, including fair practices, codes of conduct, prevention of insider trading, fraud prevention, related party transactions, public procurement, and a comprehensive whistle-blower policy. These measures reinforce the organization's focus towards transparent, accountable and ethical business practices.

The vigil mechanism's effectiveness is underscored by its accessibility and visibility. Details of these codes and policies, along with pertinent information, are readily available on the Corporation's official website. This not only reflects your Company's commitment to open communication but also empowers stakeholders to understand and engage with the principles that govern the organization.

25. GRIEVANCE REDRESSAL

PFC has a Grievance Redressal System for dealing with grievances of the public at large and in accordance with the guidelines issued by the Government of India, the Company has also constituted a Grievance Redressal Committee to redress the grievances of its employees.

The transparency and accessibility of this system are key tenets of PFC's responsible governance approach. The status of public grievances is openly available on the PFC web portal, accessible to all stakeholders.

The link for accessing the same is as under:-

https://pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Status_of_Public_Grievances/PFC%20CPGRAMS%20Report.pdf

The systems are duly notified and the Nodal Officers ensure quick redressal of grievances within the permissible time frame. PFC's commitment to transparency extends further through its Citizen's Charter, ensuring clear communication of its business practices. The Charter is available on the website of PFC to facilitate easy access.

26. STATUTORY AND OTHER INFORMATION

Information required to be furnished as per the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE's Guidelines on Corporate Governance for CPSEs and other applicable statutory provisions is annexed to this report as follows:

Particulars	Annexure
Management Discussion and Analysis Report	A
Integrated Reporting	B
Report on Corporate Governance	C
Business Responsibility and Sustainability Report	D
Secretarial Audit Report	E
Annual Report on CSR Activities	F
Disclosure of particulars of contracts/arrangements entered into by the Company with related parties (AOC-2)	G
Details of Debenture Trustees	H

27. ACKNOWLEDGEMENT

Your Board of Directors acknowledge and place on record their appreciation for the assistance, co-operation and encouragement extended to the Company by the Government of India particularly the Ministry of Power, Ministry of Finance, Ministry of Corporate Affairs, State Governments, Reserve Bank of India, Department of Public Enterprises, NITI Aayog, DIPAM, Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Ministry of Micro, Small and Medium Enterprises, and other concerned Government departments/agencies at the Central and State level etc.

The Company is also thankful to the Comptroller & Auditor General of India, the Statutory Auditors, Secretarial Auditor and RBI Auditors and the bankers for their constructive suggestions and co-operation.

Your Directors would also like to convey their gratitude to the shareholders, investors, clients and customers for their unwavering trust and support. Last but not the least the directors would like to thank the employees for their continuing support and contribution in ensuring an excellent all round performance.



(Parminder Chopra)
Chairman and Managing Director
DIN: 08530587

Place: New Delhi
Dated: August 21,2023

Management Discussion & Analysis Report

The last year has been a year of robust performance for Power Finance Corporation Limited (PFC). The economic environment appears more promising than before and it is believed that it will continue to drive capex growth in the power sector.

The Management of the Company (PFC) is pleased to present its Report on Industry scenario including Company's performance during the FY 2022-23.

(A) INDUSTRY STRUCTURE AND DEVELOPMENT

India has emerged as a major force in the global energy economy. As the world is grappling with the challenge of climate change, India is committed towards reducing its carbon footprint in line with the global response to tackle this challenge. India's approach of growth in power sector is resonating with the global demand of shift towards green generation. In this regard, India stands committed to reduce Emissions Intensity of its GDP by 45 percent by 2030, from 2005 level and achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

Between 2005 and 2022, per capita electricity consumption doubled from 631 Unit to 1255 Unit in India, making it the third largest electricity market in the world. With the onset of Covid-19 pandemic the pace of energy development of the country slowed down temporarily. However, the actual power scenario observed during FY 2022-23 is indicating return to normalcy from Covid pandemic as power consumptions are higher than the trends witnessed in the recent past. With steady economic growth expected there is much scope of the Demand to rise.

The Government of India has identified the power sector as a key sector to promote sustained industrial growth. Some initiatives by the Government to boost the Indian power sector are as below:

- In the Union Budget 2022-23, the government allocated ₹19,500 crore for a PLI scheme to boost manufacturing of high-efficiency solar modules, the government announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems.
- Electrification in the country is increasing with support from schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS).
- In order to meet India's 500 GW renewable energy target and tackle the annual issue of coal demand-supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.
- The Pradhan Mantri Sahaj Bijli Har Ghar Yojana, "Saubhagya", was launched by the government of India with an aim of achieving universal household electrification.

The total fund requirement for the period 2022-2027 is estimated to be ₹14,54,188 crores, which also includes the likely expenditure during 2022-27 for advance action for the projects expected to get commissioned during 2027-2032. The total fund requirement for the period 2027-2032 has been estimated to be ₹19,06,406 crore. This fund requirement does not include advance action for the projects which may get commissioned after 31.03.2032.

Based on the estimation of fund requirement for the period 2022-27 and considering sector-wise equity contribution, it is estimated that developers will be required to arrange for total debt of ₹10,90,641 crore.

Generation

Installed Capacity

The total installed capacity as on March 31, 2023 was 416059 MW. Thermal sources continued to have a dominant share at around 57% (237268.91 MW), Hydro around 11% (46850.17 MW), Renewable around 30% (125159.81 MW) and Nuclear around 2% (6780.00 MW). The installed capacity stood at around 25% (105726.43MW) in state sector, around 51% (210278MW) in private sector and around 24% (100054.93MW) in central sector.

The country has significant potential of generation from renewable energy sources. All efforts are being made by Government of India to harness this potential. With a substantial increase in renewable capacity and higher output from wind farms (due to improved wind speeds) and better availability of gas at competitive prices, the contribution of coal/lignite-fired plants is expected to decrease from current levels. As per National electricity plan 2023, the share of non-fossil based capacity is likely to increase to 57.4% by the end of 2026-27 and may likely to further increase to 68.4% by the end of 2031-32.

The Overall generation (Including generation from grid connected renewable sources) in the country increased

by 8.89% from 1491.859 BU during 2021-22 and 1624.465 BU during 2022-23. The performance of Category wise generation during the year 2022-23 is as follows:-

Thermal Increased by	8.21%
Nuclear Increased by	2.66%
Hydro Increased by	6.91%
Bhutan Import Reduced by	10.02%
Solar Wind & Other Renewable energy source increased by	19.10%

The growth of the renewable energy (RE) sector in India can be attributed to strong policy support from the Indian government, as well as robust investor interest driven by a greater focus on environmental, social, and governance (ESG) factors and attractive returns on assets. The market has attracted a wide range of global investors, including pension funds, sovereign wealth funds, private equity funds, and conglomerates that have established a presence in India.

Over the years, participants in the RE sector have found it relatively easier to raise debt both domestically and internationally. This is due to the improved creditworthiness of the participants and a general decrease in interest rates over the medium-term. Various avenues have been explored by Indian RE players to raise funds, including domestic loans, domestic bonds, external commercial borrowings (ECBs), and green bonds.

Lender appetite has been supported by the introduction of new and innovative financing structures. These include cross-collateralisation between multiple projects, cash pooling, and co-obligor structures. Additionally, credit enhancement has been achieved through partial or full guarantees provided by stronger entities or institutions.

Transmission

Transmission system plays an important role in supply of power to the consumers through the vital link between the generating stations and the distribution system. The energy resources like coal, hydro and renewable are unevenly distributed in India. This skewed distribution of resources necessitated the development of robust transmission system including establishment of inter-regional corridors for seamless transfer of power from surplus to deficit regions/areas.

During FY 2022-23, 14625 Ckm(Circuit km) of transmission lines have been added comprising of 1655 Ckm of 765 kV, 3772 Ckm of 400 kV and 9198 Ckm of 220 kV.

The achievement of Transmission Lines during 2022-23 sector wise is as follows:

	In (Ckm)
Central Sector	3926
State Sector	6816
JV/Private Sector	3883

Your Company, through its subsidiary PFC Consulting Limited has initiated Tariff Based Competitive Bidding Process (TBCB) 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.

During the FY 22-23, 6 SPVs established for development of transmission projects, has been transferred to the successful bidders selected through TBCB.

Distribution

The distribution sector is the most important link in the power sector value chain, which channelises the revenue realisation to provide overall stability to the sector. To improve the operational and financial health of DISCOMs, the Government has launched the Revamped Distribution Sector Scheme (RDSS) in 2021 and Late Payment Surcharge (LPS) scheme in 2022

Revamped Distribution Sector Scheme (RDSS)

A Reforms-based and Results-linked, Distribution Sector Scheme has been formulated by Ministry of Power to improve the operational efficiencies and financial sustainability of DISCOMs.

The objectives of the Scheme are:

- to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector;
- Reduce AT&C losses to pan-India levels of 12-15% by 2024-25 and Reduce ACS-ARR gap to zero by 2024-25.

PFC and its subsidiary REC Limited are the designated nodal agencies for operationalisation of the said scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26).

RDSS has an outlay of ₹3,03,758 crore with an estimated gross budgetary support from Central Government of ₹97,631 crore.

Late Payment Surcharge Rule, 2022

Ministry of Power (MoP) vide Gazette Notification dated June 3, 2022, notified "The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022" (LPS Rules). These rules provide a mechanism for settlement of outstanding dues of Generating Companies, Inter-State Transmission Licensees and Electricity Trading Licensees.

Power Finance Corporation Limited (PFC) has been designated by MoP, as the Nodal Agency for implementation of LPS Rules' 2022. PFC shall be responsible for all the activities related to implementation of the said Rules including regular review and monitoring.

For operationalisation of Rules, PRAAPTI Portal (developed and managed by PFC Consulting Ltd.) acts as an information portal wherein suppliers enter invoice details and Discoms update the corresponding payment amount to ensure invoice and payment tracking of power bills in the country. Based on the information available on PRAAPTI, regulations are imposed on defaulting Discoms as per LPS Rules, 2022 by Grid controller of India Limited.

With the implementation of Electricity (LPS and Related Matters) Rules, 2022, remarkable improvement has been seen in recovery of outstanding dues of Suppliers including Generating Companies, Transmission Companies and Traders. Against legacy dues of ₹1,39,747 crore as on 03.06.2022, 13 States/ UTs have paid installment of ₹69,790 crore (12 EMIs). Discoms of 11 out of these 13 states opted for loans from PFC/ REC (total loan sanctioned of ₹1,05,065 crore). Further, 20 States/ UTs reported to have no outstanding dues as on 03.06.2022

In view of regulations under LPS Rules, 2022 the Distribution companies are paying their current dues in time. Since implementation of the rule, as on July 24, 2023, total bills amounting to ₹4,85,041 crore have been settled against total billed amount of ₹5,60,366 crore (excluding EMI Payments against legacy dues and including Disputed Invoices).

Infrastructure Financing

As the Infrastructure sector is stepping up, financing the same is emerging as a strong sector in India. India's G20 presidency presents an opportunity for the country to shape its infrastructure agenda and lead the way in global infrastructure development. With the aim of achieving a $5 trillion economy by 2025, India recognises the crucial role of infrastructure in sustaining its high growth trajectory. Given its youthful population, expanding middle class, and vast domestic market, global investors are increasingly drawn to India as a preferred destination for infrastructure investments. The Indian infrastructure financing landscape is maturing, with the availability of private equity, robust regulatory frameworks, competitive debt financing, and innovative financing structures like InvITs (Infrastructure Investment Trusts).

In order to leverage potential synergies of emerging opportunities in the changed business environment and to facilitate providing financial assistance to Infrastructure Sector for meeting its financing and development requirements, the GoI granted its assent to your Company for lending to Logistics and Infrastructure sectors. As on March 31, 2023, PFC has sanctioned around ₹ 16,647 crores and disbursed around ₹ 1,016 crores of loans to new areas of Desalination plants, Ports, Metro rail etc.

(B) OPPORTUNITIES & THREATS

Opportunities

With Maharatna status, your Company acquired greater operational and financial autonomy and imparted enhanced power to the PFC Board for taking various financial decisions like to make equity investments to undertake financial joint ventures and wholly-owned subsidiaries, undertake mergers and acquisitions in India and abroad etc. 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.

During FY 2022-23, PFC added funding to Logistics and Infrastructure sectors to its business line. It was a milestone decision which will play a crucial role in PFC's long-term business growth. The idea is not to shift focus from power to infra but to gradually build it over time, creating a separate business line, as the power sector matures.

To meet the demands of India's growing population and economic development, substantial investments in transport infrastructure are necessary. The budget for overall capex in 2023-24 has seen a significant increase of 33% to ₹10 lakh crore (USD 122 billion), amounting to approximately 3.3% of GDP. Additionally, the establishment of the Infrastructure Finance Secretariat aims to facilitate private investment opportunities in various sectors, including railways, roads, urban infrastructure, and power.

Thanks to policy reforms, increased project awards by central and state authorities, and capital recycling through stake sales of completed projects, the credit profile of most infrastructure entities in India has witnessed improvement over the past two years, despite the challenges posed by the pandemic. Against the backdrop of growing economic and political uncertainty worldwide, the stability and resilience of infrastructure projects provide a ray of hope for patient capital, while contributing to climate targets and the development of more robust and inclusive infrastructure.

Since receiving approval, PFC has already sanctioned around ₹16,650 crore and disbursed around ₹1,000 crore. These funds have been directed towards projects such as ports, irrigation and fibernet.

The long-term business strategy of PFC

- Grow lending by maintaining share in conventional sectors and expanding portfolio to emerging power sectors as well as infrastructure sectors.
- Adapt a paradigm shift in account management and customer experience principles by providing differentiated services, innovative products and re-imagining existing processes to cater to the changing customer mix.
- Optimise the cost of funds by increasing the share of 54EC bonds, institutionalising a dedicated team for sourcing MDB loans, re-imagining the hedging strategy and fine-tuning resource mobilisation process.
- Position to become the nodal agency for Net-Zero, to pursue immediate dispensations in the interim to lower the cost of funds.
- Re-purpose PFCCL to become a thought leader in the Net-Zero/new energy sectors and support PFC in the go-to-market activities in these sectors.
- Re-align organisation as per the key objectives of PFC.
- Tap new talent resources and revamp performance management system.

Threats, Risks & Concerns

Inspite of the fact that PFC is a very sound financial player in power sector, its business is not free from risks. Keeping in view its nature of operations, the Company regularly identifies emerging risks and takes timely action to address and manage the same. The following are some of the risks and concerns faced by your Company:

Credit risk

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. Your Company 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, of credit risk mitigation measures.

Liquidity risk

Liquidity risk primarily arises due to the maturity mismatch associated with assets and liabilities of the Company. Liquidity risk involves the inability of the Company to fund increase in assets, manage unplanned changes in funding sources and to meet obligations when required. It could require us to raise funds or liquidate assets on unfavourable terms. We manage liquidity risk through a mix of strategies, including forward-looking resource mobilisation based on projected disbursements and maturing obligations.

Foreign Currency Exchange Risk

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. Our foreign currency borrowings could expose us to foreign currency exchange rate risk. The foreign currency risk is managed by lending in foreign currency and through derivative products (such as currency forwards, options, principal only swaps, interest rate swaps and forward rate agreements) offered by banks who are authorised dealers.

Legal risk

Legal risk arises from the uncertainty of the enforceability of contracts relating to the obligations of our borrowers. This could be on account of delay in the process of enforcement or difficulty in the applicability of contractual obligations. We seek to minimise legal risk through legal documentation that is drafted to protect our interests to the greatest extent possible.

Interest rate risk

Interest rates are dynamic and dependent on various internal and external factors including cost of borrowing, liquidity in the market, competitors' rates, movement of benchmarks such as AAA bond/GSEC yields and RBI policy changes. Changes in market interest rates will adversely affect the Company's financial condition. The primary interest rate-related risks that the Company faces are from timing differences. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

Changes in legislation

PFC is a listed Government company and a public financial institution under the Companies Act. It is registered with the RBI as a non-deposit taking systemically important NBFC and was classified as an IFC in July 2010. As a result, various legislations are applicable to PFC like Companies Act, 2013, Securities and Exchange Board of India Regulations, DPE's Guidelines for CPSEs, RBI act and guidelines, Tax regulations etc. Changes in these legislations could affect our Company's results/operations.

(C) SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE

Company's main business is to provide financial assistance to the power and infrastructure sector and Company does not have any separate reportable segments.

(D) OUTLOOK

Your Company is a leading Non-Banking Financial Company (NBFC) and Maharatna Central Public Sector Enterprise (CPSE). Established in 1986, it has played a critical role in developing core power related infrastructure in India. It has strong expertise in power sector as well as managing a large loan portfolio and large-scale resource mobilisation.

PFC is a critical vehicle for government to drive policy/ scheme implementation in the power sector and has been the nodal agency for various government schemes (e.g., UMPP, RDSS/ IPDS/ (RAPDRP subsumed in it), Liquidity Infusion Scheme

(LIS) and Late Payment Surcharge Scheme (LPS) and as a bid process coordinator through its wholly-owned subsidiary PFC Consulting Limited for the ITP scheme.

PFC provides a comprehensive range of financial products and related advisory and other services from project conceptualisation to the post-commissioning stage to our clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernisation projects. PFC 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. Your Company also provide various fee-based technical advisory and consultancy services for power sector projects through our wholly-owned subsidiary.

Over the years, PFC has always been on the forefront of innovation, be it funding emerging areas such as Solar, Wind, EV etc. or tapping international markets through green bond. It has now added Logistics and Infrastructure funding also to its line of business which will form part of our future lending business going forward.

(E) INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Statutory Auditors of the Company i.e. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants have given their Report on the Internal Financial Controls stating that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PFC is an ISO certified Company. These stringent internal control processes and credit review mechanisms reduce the number of defaults and ultimately contribute in gaining the faith of all the stakeholders.

(F) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company continued to accomplish a healthy growth during the FY 2022-23. The total income stood at ₹39,666 crore and the net profit earned was ₹11,605 crore.

Further, Net Worth (share capital plus all reserves) of the Company grew by 15% in FY 2022-23 to ₹68,202 crore as compared to ₹59,350 crore in FY2021-22 and the gross loan assets as at March 31, 2023 grew to ₹4,22,498 crore from ₹3,73,135 crore as at March 31, 2022.

The Interest Spread on Earning Assets was 2.53% and the net Debt Equity Ratio was 5.32 times in FY2022-23 as compared to 5.38 times in FY 2021-22. The Operating Margin % has increased from 31.60% in FY 2021-22 to 35.70% in FY2022-23 and the Net Profit Margin% has increased from 25.97% in FY 2021-22 to 29.26% in FY2022-23.

In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

(G) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Your Company focuses on capability building and takes various initiatives to significantly contribute in enhancing the skills and knowledge of our workforce in alignment with our organisational goals. Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce. During the period, several new initiatives were taken for employees' welfare such as introducing flexi-timing for employees below HoU level, implementing paperless medical claims system and review of certain employee related provisions.

The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review. The attrition during the period from April 1, 2022 to March 31, 2023 was 0.04%. Total Number of employees on the rolls of the Company as on March 31, 2023 was 519.

(H) CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT (CSR&SD)

Your Company, through its Corporate Social Responsibility and Sustainable Development initiatives, aims to become a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. The Company has implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition, with preference given to Aspirational Districts.

(I) RENEWABLE AND CLEAN DEVELOPMENT MECHANISM

Renewable Energy offers opportunity to contribute to social and economic development, energy access, secure energy supply, climate change mitigation, and the reduction of negative environmental and health impacts.

The Ministries of Power and New & Renewable Energy have rolled out a slew of reforms to push mainstreaming of energy from green and sustainable sources and achieve the 500 GW target. Towards this end, thermal power generators have been allowed to set up renewable energy capacities on their own or through dedicated developers and to supply it to the consumers under the existing PPAs.

PFC has strategically increased its focus on renewable energy projects, including solar, wind, biomass and small hydro projects, to capitalise on the GoI's various renewable energy initiatives. These initiatives include certain minimum specified percentages of state distribution utilities' total power requirements required to be met from renewable energy sources and special tariffs for renewable energy projects.

PFC is also focusing more and more on finance to clean/ renewable energy projects. As on March 31, 2023, PFC's Gross Loan assets comprised of ₹ 48,198 crore in Renewable energy comprising ₹ 16,251 crore of large hydro projects (>25MW) and ₹ 31,947 crore other than large hydro projects.

During FY 2022-23, PFC has signed a Loan Agreement for JPY 30 billion with Japan bank for International cooperation (JBIC). Further, a Project Loan agreement (PLA) has also been signed for JPY 2.65 billion between PFC and JBIC. JBIC has provided this long-term facility under its initiative titled 'Global action for Reconciling Economic growth and Environmental preservation' ("GREEN"). Thus, the funds under the facility would be used by PFC to finance its renewable energy portfolio.

India's energy transition landscape is quite exciting with newer technologies being explored to reduce carbon emissions. Some of the emerging technologies that are now being explored for commercial expansion are green hydrogen, battery storage, pump storage and offshore wind. PFC's thrust in the coming years is to actively target these technologies and contribute in making India a greener nation.

Cautionary Note

Certain statements in the "Management Discussion and Analysis" section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook. Readers are cautioned not to place undue reliance on these forward-looking statements.

Integrated Reporting

ANNEXURE B OF BOARD'S REPORT

Integrated Reporting (IR) brings together material information about the Company's strategy, governance, performance and prospects in a way that reflects the commercial, social and environmental context within which it operates. It leads to a clear and concise articulation of your value creation story which is useful and relevant to all stakeholders.

The IR framework enables your Company to disclose a holistic view of value created beyond the financial capital, contributing to the economic, social and environmental system. This disclosure is structured using the capitals model of value creation, adopted by the International Integrated Reporting Council (IIRC) in the International Framework and explains our dependence and impact on the forms of capital that are fundamental to our ability to create value over the long-term.

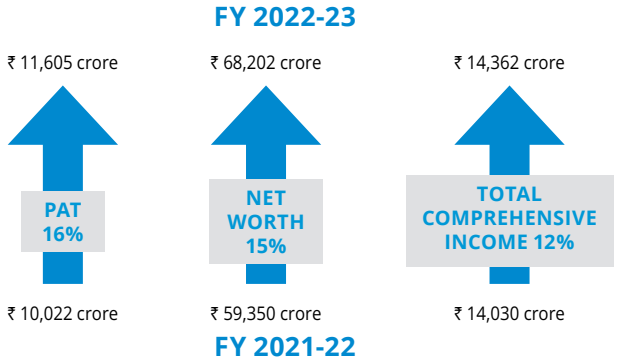
The capitals are categorised in the above said framework as financial, manufactured, intellectual, human, social & relationship and natural.

THE SIX CAPITALS

Financial capital

Financial capital is the sum of funds available to an organisation including Cash in Bank, Invested Capital, Liabilities, OPEX (operational expenditure), CAPEX (Capital expenditure), NBV (Net book value) & True Assets Value and Income. This is a very important capital because it also serves as a medium of exchange that can obtain value through conversion into other forms of capital like manufactured, natural, human, social, & intellectual capitals.

The accrued financial capital is given to shareholders as dividend and interest on debt instruments. Different taxes are paid to the government thereby promoting the overall growth of our country. Main financials of your Company are as below:



The above volumes speak for themselves. PFC through its financial capital is contributing in creating superior value for its stakeholders especially by playing the role of a pioneer in power sector funding and as a result contributing to the development of power sector of the country.

Manufactured capital

Manufactured Capital encompasses physical infrastructure or technology pertaining to it, including buildings, equipment, infrastructure etc. PFC is not a Manufacturing Company and offers financial assistance mainly to Power Sector projects. However, PFC contributes to manufactured capital by way of its tangible and intangible infrastructure.

PFC is headquartered in New Delhi also maintains regional offices to facilitate its business operations.

PFC has implemented state-of-the-art data centre providing various IT services and housing ERP application system to integrate all the business functions. PFC invests in physical assets, which includes physical infrastructure, IT systems & infrastructure to improve efficiency and delivery mechanism, which ultimately leads to better services to all the associated stakeholders.

Existing manufactured capital enables PFC to be able to be responsive to market needs, enabling the employees to work remotely, efficiently and seamlessly to ensure business continuity.

Manufactured capital is also helping PFC in focusing on creating other forms of capital more particularly Human Capital and Intellectual capital.

Intellectual capital

Intellectual capital accounts for the intangibles that provide competitive advantage to the Company and is associated with brand and reputation, in addition to patents, copyrights, organisational systems and related procedures that an organisation has developed.

Your Company plays a strategic role in the initiatives of the Government of India for the development of the power sector in India and works with Government of India agencies, state governments, power sector utilities, other power sector intermediaries and private sector clients for the development and implementation of policies and for structural and procedural reforms in the power sector in India. It is involved in various GoI programmes relating to the power sector, including acting as the nodal agency for Revamped Distribution Sector Scheme (RDSS), Ultra Mega Power Projects (UMPPs), Integrated Power Development Scheme (IPDS), bid process coordinator for Independent Transmission Projects (ITPs), DISCOM Liquidity Package under Atmanirbhar Bharat and Late Payment Surcharge (LPS) Rules, 2022.

Keeping in view the role of PFC in development of Indian power sector, PFC has developed sound organisational systems, procedures, software and protocols which are proving PFC a competitive edge and helping it in developing brand and reputation in the market.

Since Intellectual capital mainly relates to human resource, PFC has put in place effective human resource acquisition and maintenance system, which is benchmarked with best corporate practices designed to meet the organisational needs.

Through these organisational systems, procedures and protocols i.e. Intellectual Capital, PFC has acquired the knowledge and intellect necessary for its operation and processes. In order to sustain in this dynamic business environment, PFC continues to prepare its talent pool and create Intellectual capital to embrace disruptions, to innovate, to be able to adapt to the changes brought by transformed business models.

Human capital

Human capital refers to the competencies, capabilities, and talent of the Company's employees, in addition to their commitment and motivation — which affect their ability to fulfill their roles.

PFC is having highly skilled, professionally qualified and experienced workforce. PFC follows the best management practices of the industry. Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce. During the period, several new initiatives were taken for employees' welfare such as introducing flexi-timing for employees below HoU level, implementing paperless medical claims system etc.

The relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. The reason being, PFC has been consistent in holistic personality development of its employees through facilities like Gymnasium, participation of employees in various sports, cultural and literary activities.

By doing so PFC has been able to create a strong Human Capital and as a result of this highly motivated workforce, PFC could achieve the outstanding growth year by year. The growth of PFC is contributing in the growth of country and creating value to its stakeholders. This highly motivated workforce is bringing change in the society at large.

Social and Relationship Capital

Social and relationship capital represents an organisation's engagements and relationships with external stakeholder groups, namely clients, investors, suppliers, communities, government and regulators.

PFC has a CSR and Sustainability policy in place. The aim of the policy is to ensure that the Company becomes socially responsible corporate entity committed to improving the quality of life of the society at large. PFC has implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition, with preference given to Aspirational Districts.

PFC as a part of its social responsibility makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ PwD employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions.

PFC always wants to bring change in the lives of the people and the society at large. PFC consistently strives towards meeting the expectations of the society so as to help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. PFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

Natural Capital

Natural Capital represents all the natural resources that are used and in turn are affected by the operations of an organisation.

PFC always endeavours to protect environment by minimising consumption of natural resources and also by minimising wastage of the same. PFC endeavours to reduce its paper consumption through IT solutions by digitalising processes, wherever possible. PFC, being a Financial Institution, has limited applicability of mechanism to recycle products and waste, however, the Company has installed an Organic Composting machine in the office premises for recycling organic waste generated on routine basis in the office building kitchen/ pantry etc.

PFC has gone paperless, wherever possible, thereby empowering its employees to work with lesser carbon footprint.

To help make the Nation cleaner and greener, PFC has sanctioned a loan of ₹ 633 crores to Gensol Engineering Ltd (GEL) for purchase of 5,000 passenger Electric Vehicles (EVs) and 1,000 cargo EVs. The passenger EVs will be leased to Blusmart Mobility Pvt. Ltd. (BMPL) to expand its fleet of ride-hailing cabs. The first tranche of the loan has been disbursed, and the first lot of EV cabs has hit the roads of Delhi. Touted to be the largest EV Asset financing deal in India, the 5,000 EVs funded by PFC would result in emission savings of over 1,00,000 tonnes of CO_2 equivalent. This is equivalent to the amount of carbon dioxide absorbed by over five million fully-grown trees in a year.

With a vision of accelerating India's net-zero goal, PFC, apart from funding renewables in a big way, has been exploring opportunities in debt funding of EVs (OEMs and fleet acquisition), Battery OEMs and EV charging infrastructure.

During FY 2022-23, your Company received 'Green Urja Energy Efficiency Award' for being the Best Renewable Energy Financing Institution at the Atma Nirbhar Bharat Summit organised by Elets. It also received the Indian Chamber of Commerce's (ICC) Gold Award for the "Top Financing institution in Renewable Energy and Energy Efficiency category at the 11th Green Energy Summit.

Your Company through such measures contributes in preservation and enhancing natural capital. Through investment in renewable products, promoting renewable energy and works towards integrating positive environmental action in business, PFC is committed to create Natural Capital.

Report on Corporate Governance

ANNEXURE C OF BOARD'S REPORT

Corporate Governance is a process that aims to allocate resources of the Company in a manner that maximises value for all stakeholders – shareholders, investors, employees, customers, suppliers, environment and the community. It is set of processes, policies and laws by which a company is directed, administered or controlled. Corporate Governance casts responsibility on the Company to be accountable to its stakeholders by evaluating their decisions on the parameters of transparency, conscience, fairness, accountability and professionalism. PFC is adhering to the best recognised Corporate Governance practices and continuously benchmarking itself against each such practice in our endeavour to meet the expectations of the stakeholders.

Your Company has always endeavoured to practice good Corporate Governance norms to attain company's objectives while maximising stakeholders value.

A Report in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

1. CORPORATE GOVERNANCE PHILOSOPHY OF PFC:

Your Company's Corporate Governance philosophy is based on two core principles. These are:

i. Management must have the executive freedom to drive the enterprise forward for sustainable growth without undue restraints; and

ii. This freedom of management should be exercised within the framework of regulatory environment and effective accountability.

Your Company's corporate structure, conduct of business and disclosure practices have been accordingly aligned to its Corporate Governance Philosophy.

The Company firmly endorses the principles of governing disclosures and obligations as provided in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as guiding force. The Company has ensured compliance with the objectives of 'the principles of Corporate Governance' stated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

The Board of Directors of your Company provides leadership, objective judgement and strategic guidance to the Company. The Board Charter can be said to be governed within the framework set out in the Companies Act, Memorandum of Association, Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and internal codes/procedures of the Company etc.

It reviews corporate policies, overall performance, accounting and reporting standards and other significant areas of management, corporate governance and regulatory compliance. Your Company's Board consists of eminent individuals with diverse experience and expertise.

Composition

PFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India as on March 31, 2023 holds 55.99% of the total paid-up share capital of the Company and as per Articles of Association of the Company, the power to appoint Directors vests in the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

During the FY 2022-23, the following changes took place in the composition of the Board of Directors of the Company: -

(i) Shri Ajay Tewari, Additional Secretary, Ministry of Power was nominated by Ministry of Power, Government of India as Government Nominee Director on the board w.e.f. June 9, 2022 vice Shri Vishal Kapoor, Joint Secretary, who was earlier nominated on the Board of PFC.

(ii) Consequent upon completion of tenure, Shri R. C. Mishra, Independent Director, ceased to be a Member of the Board w.e.f. July 11, 2022.

(iii) Consequent upon appointment by Ministry of Power, Government of India, Shri Manoj Sharma assumed the charge of Director (Commercial) w.e.f. August 29, 2022.

As on March 31, 2023 the Company's Board comprised of eight Directors which includes four Whole Time Functional Directors, one Part Time Government Nominee Director and three Non-Official Part Time (Independent) Directors, including one Independent Women Director and thus is in compliance with the composition required pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by DPE.

During the FY 2022-23, the composition of the Board of Directors w.e.f. July 11, 2022 was not in conformity with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by DPE. The Company has been requesting Ministry of Power, Government of India, the appointing authority, to expedite appointment of the requisite number of Independent Directors on the Board of the Company to enable the Company to comply with the applicable provisions.

The composition of Board of Directors as on March 31, 2023 was as follows:

Whole Time Directors		
i)	Shri Ravinder Singh Dhillon*	Chairman and Managing Director, Chief Executive Officer and Key Managerial Personnel
ii)	Smt. Parminder Chopra	Director (Finance), Chief Finance Officer and Key Managerial Personnel
iii)	Shri Rajiv Ranjan Jha	Director (Projects) and Key Managerial Personnel
iv)	Shri Manoj Sharma	Director (Commercial) and Key Managerial Personnel
Government Nominee Director		
v)	Shri Ajay Tewari	Director (Government Nominee)
Non-Official Part Time (Independent) Director		
vi)	Shri Bhaskar Bhattacharya	Independent Director
vii)	Smt. Usha Sajeev Nair	Independent Director
viii)	Shri Prasanna Tantri	Independent Director

* Consequent to superannuation, Shri Ravinder Singh Dhillon ceased to be Chairman & Managing Director on the Board of PFC w.e.f. June 1, 2023

Appointment of Chairman and Managing Director

Pursuant to Ministry of Power, Government of India, vide Order No.24-8/1/2022-PFC(MoP) dated 31.05.2023, Smt. Parminder Chopra, Director (Finance), PFC had assumed the additional charge of Chairman and Managing Director, PFC w.e.f. 01.06.2023.

Subsequently, Ministry of Power, Government of India, vide Order No. 24-8/1/2022 - PFC (Part 3) (MoP) dated August 14, 2023 appointed her to the post of Chairman and Managing Director, PFC and accordingly Smt. Parminder Chopra assumed the charge of Chairman and Managing Director, PFC w.e.f. August 14, 2023.

Your Company has under the RBI's Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, formulated a Fit and Proper Policy for ascertaining the fit and proper status of the Directors of the Company. The Nomination and Remuneration Committee of the Company has in terms of the said policy ascertained all the Members on the Board of the Company as fit and proper for the FY 2022-23.

Further, pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority. A copy of the same is annexed herewith.

Since, PFC is a Government Company, the Directors on the Board of the Company are appointed by the Government of India through Ministry of Power. Further, PFC being an NBFC engaged in the business of Financing Power Sector, the Ministry of Power ensures that the Directors appointed on the Board of the Company have the requisite skills and expertise in the areas required to conduct affaires of the Company i.e. finance and technical etc. The details of qualifications and experience illustrating the core skills, expertise, and competencies in Financial Management, Risk Management, Corporate Planning & Strategy, Business Development etc., of the Members of the Board are detailed hereinafter in the report. Also, a brief profile of the Directors as on the date of Directors' Report is provided in this report.

Board Meetings

The meetings of the Board are generally held at the registered office of the Company and are scheduled well in advance. The Board of PFC meets regularly. The meetings of Board are governed by a structured agenda and any member of the Board is free to recommend inclusion of any subject matter in the agenda for deliberations. Detailed agenda papers including explanatory notes are circulated in advance on all major issues to facilitate the Board to take well-informed and independent decisions. Your Company follows Secretarial Standard-1 on Meetings of the Board of Directors as issued by Institute of Company Secretaries of India in its true letter and spirit.

During the year under review, the Board met 14 times on the following dates:

(i) April 9, 2022 (ii) May 25, 2022 (iii) June 29, 2022 (iv) July 18, 2022 (v) August 12, 2022 (vi) September 5, 2022 (vii) September 28, 2022 (viii) November 10, 2022 (ix) November 22, 2022 (x) December 17, 2022 (xi) January 13, 2023 & January 21, 2023 (Adjourned) (xii) February 13, 2023 & February 16, 2023 (Adjourned) (xiii) March 21, 2023 and (xiv) March 23, 2023.

Annual General Meeting

The last Annual General Meeting of the Company was held on September 21, 2022.

Directors' attendance (physical presence/through video conferencing) at the Board Meetings held during the FY 2022-23 and at the last Annual General Meeting, number of directorships in other companies and Membership/Chairmanship in the committees of other companies, core skills, expertise, and competencies of the Members of the Board etc. are as follows:

Name and Designation	Board Meetings		No of other Directorships as on March 31, 2023*	Chairmanship/ Membership in the committees of other companies as on March 31, 2023**		Attendance at the last AGM held on September 21, 2022	Core skills, expertise and competencies
	Held during the tenure	Attended		Member	Chairman		
Shri R. S. Dhillon Chairman & Managing Director	14	14	1	Nil	Nil	Present	• B.E (Electrical) - Thapar Institute of Engineering & Technology, Patiala • M. Tech (Power Systems)- Indian Institute of Technology (IIT), Delhi • More than 37 years of experience in Power Sector
Smt. Parminder Chopra Director (Finance)	14	14	7#a	2	0	Present	• Bachelor's degree in Commerce from Delhi University • Qualified Cost and Management Accountant. • Post Graduate Diploma in Business Management. • Advanced programmes on Risk Management and Global Management in world renowned institutes i.e. Harvard University, USA and European School of Management. • More than 35 years of experience in power sector.
Shri Rajiv Ranjan Jha Director (Projects)	14	14	2	Nil	Nil	Present	• He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University • Diploma in Management from IGNOU • More than 35 years of experience in power sector.
Shri Manoj Sharma Director (Commercial) (w.e.f. August 29, 2022)	9	9	3	Nil	Nil	Present	• Chartered Accountant • Degree in Law (LLB). • More than 31 years of experience in Power Sector.
Shri Ajay Tewari Director (Government Nominee) (w.e.f. June 9, 2022)	12	9	2	Nil	Nil	Not present	• He holds a B.tech (Electric Engineer) degree from IIT, Kanpur. • PG Diploma in Financial Management from IGNOU, New Delhi. • He is an Indian Administrative Service Officer of 1993 batch of Assam Meghalaya Cadre. • He has also worked in GAIL and Ordnance Factory.
Shri. Vishal Kapoor Director (Government Nominee) (till June 8, 2022)	2	2	Term of office expired on June 8, 2022			NA	-

Name and Designation	Board Meetings		No of other Directorships as on March 31, 2023*	Chairmanship/ Membership in the committees of other companies as on March 31, 2023**		Attendance at the last AGM held on September 21, 2022	Core skills, expertise and competencies
	Held during the tenure	Attended		Member	Chairman		
Shri R. C. Mishra Independent Director (till July 11, 2022)	3	3	Term of office expired on July 11, 2022			NA	-
Shri Bhaskar Bhattacharya Independent Director	14	14	Nil	1	0	Present	• B.Com (Hons.) • L.LB, Post Graduate Diploma in Business Management • Work experience of more than 28 Years
Smt. Usha Sajeev Nair Independent Director	14	14	Nil	0	1	Present	• B.A. • Social Worker
Shri Prasanna Tantri Independent Director	14	13	Nil	0	1	Present	• B.Com, Mangalore University • ICWA, Institute of Cost Accountants of India • FPM, Indian School of Business • PGP, Indian School of Business • Ph.D, Deakin University

* Does not include Directorship in Private Companies, Section 8 Companies under the Companies Act, 2013 and Foreign Companies.

** Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Shareholders'/Investors'Grievance Committee.

Details of Directorship in Listed Entities

#a Nominee Director of PFC in REC Limited and PTC India Limited

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director. None of the Directors of the Company are in any way related to each other.

Separate Meeting of Independent Directors

The Separate Meeting of Independent Directors was held on March 10, 2023 in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting.

Declaration by Independent Director

The Independent Directors in the first meeting of the Board, of the FY 2022-23 held on April, 09 2022, gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs.

Further, all the Independent Directors in the first meeting of the Board of the FY 2023-24 held on May 9, 2023 gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfill the conditions specified in Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY 2022-23.

Familiarisation programme for Independent Directors

The details of familiarisation programmes imparted to Independent Directors are displayed on the Company's website after completion of the programme. The details posted on the website can be accessed by following the weblink given hereunder:

https://pfcindia.com/DocumentRepository/ckfinder/files/Investors/Equities/Disclosure/Details%20of%20Familiarisation%20Programs%20Imparted%20to%20Independent%20Directors.pdf

3. COMMITTEES OF THE BOARD OF DIRECTORS

In terms of the regulatory requirements and in order to facilitate expeditious consideration and focused decision-making on the affairs of the Company, the Board has constituted Board level committees with distinct role,

accountability and authority. The board had accepted the recommendations of committees of the board which is mandatorily required, in the relevant financial year. The Board Level Committees are as follows:

i) Audit Committee of Directors

ii) Nomination and Remuneration Committee

iii) Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee

iv) Board Level Risk Management Committee

v) CSR & Sustainable Development Committee of Directors

vi) Investment Committee of Directors

vii) HR Committee

viii) ALM Committee of Functional Directors

i. Audit Committee of Directors

As per the requirements under the Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms, the Board of Directors of the Company has constituted an Audit Committee of Directors.

As on March 31, 2023, the Audit Committee comprised of the following:

Name of Member	Designation
Shri Prasanna Tantri, Independent Director	Chairman
Shri Bhaskar Bhattacharya, Independent Director	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member

The Company Secretary continued to be the Secretary to the Committee. The role, terms of reference, scope and authority of Audit Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms. The meetings of the committee, during the year, were chaired by an Independent Director.

During the FY 2022-23, 7 meetings of the Audit Committee were held i.e. (i) May 25, 2022 (ii) August 12, 2022 (iii) September 26, 2022 (iv) November 9, 2022 & November 10, 2022 (adjourned) (v) November 22, 2022 (vi) January 13, 2023 and (vii) February 13, 2023.

The details of the meetings attended (physical presence/ through video conferencing) by members during the FY 2022-23 are as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri Prasanna Tantri	Chairman	6	6
	Member	1	1
Shri Bhaskar Bhattacharya	Member	6	6
Shri Rajiv Ranjan Jha	Member	7	7
Shri R.C Mishra (till July 11, 2022)	Chairman	1	1

Director (Finance) and Director (Commercial) are the permanent invitees to the meetings of the said committee.

Further, the head of Internal Audit, Independent Internal Auditors and representative of the Statutory Auditor(s) were invited to the Audit Committee Meetings for interacting with the Members of the Committee as and when required.

ii. Nomination and Remuneration Committee

Your Company is a Central Public Sector Undertaking, and accordingly the appointment of CMD & Directors and fixation of their remuneration are decided by President of India in terms of the Articles of Association of the Company. However, your Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

As on March 31, 2023 the Nomination and Remuneration Committee comprised of the following:

Name of Member	Designation
Smt. Usha Sajeev Nair, Independent Director	Chairperson
Shri Bhaskar Bhattacharya, Independent Director	Member
Shri Prasanna Tantri, Independent Director	Member

Director (Finance), Director (Projects) and Director (Commercial) are permanent invitees to the meetings of the said committee.

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

During the FY 2022-23, 5 meetings of the Nomination and Remuneration Committee were held i.e. (i) April 8, 2022 (ii) June 29, 2022 (iii) September 5, 2022 (iv) September 23, 2022 & September 26, 2022 (Adjourned) and (v) December 16, 2022.

The detail of the meeting attended (physical presence/ through video conferencing) by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Usha Sajeev Nair	Chairperson	3	3
	Member	2	2
Shri Prasanna Tantri	Member	3	3
	Chairperson	2	2

Shri Bhaskar Bhattacharya	Member	5	5

Remuneration Policy

Your Company is a Central Public Sector Undertaking in which all members of the Board are appointed by the President of India through the administrative ministry i.e. Ministry of Power, Government of India, which, *inter alia*, fixes the remuneration of such Whole Time Directors through their respective appointment orders/ pay fixation orders. The appointment and remuneration of other employees of the Company is done as per the DPE guidelines. The members of the Board, apart from receiving Directors' remuneration, in case of CMD and Whole Time Directors, do not have any material pecuniary relationship or transaction with the Company, its promoters or its subsidiary, which in the judgement of Board may affect independence of judgement of Directors. PFC being a Government Company, the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

The Ministry of Corporate Affairs (MCA) vide its notification dated June 5, 2015 has *inter alia* exempted the Government Companies in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the Company, as per its own evaluation methodology. Accordingly, PFC being a Government company is exempted in terms of above notification as the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

Further, MCA vide Notification dated July 5, 2017 prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, is also not applicable to Government Companies.

Remuneration of Whole Time Directors

The remuneration paid to whole time directors including the Chairman & Managing Director was as per the terms and conditions of their appointment.

Details of remuneration of Whole Time Directors of the Company during FY 2022-23 are given below:

Name of the Director	Salary (₹)	Benefits (₹)	Bonus/ Commission ex-gratia (₹)	Performance linked incentives (₹)	Stock Options (₹)	Total (₹)	Number of shares held as on March 31, 2023
Shri R. S. Dhillon	47,52,130	13,98,132	0	28,48,040	0	89,98,302	27,050
Smt. Parminder Chopra	43,66,854	16,29,134	0	26,03,151	0	85,99,139	2,000
Shri Rajiv Ranjan Jha	47,47,192	17,07,290	0	25,92,908	0	90,47,390	16,004
Shri Manoj Sharma (w.e.f. August 29, 2022)	26,89,336	791,124	0	6,29,256	0	41,09,716	Nil

Notes:

1. Salary & Allowances have been considered on paid basis for the period working in capacity of Director.
2. Above information does not include Lease Rent, Non-Taxable allowances & Perquisites, Non-Taxable Medical reimbursement, Contribution to Superannuation Benefits etc.
3. The performance linked incentives are paid as per the Performance Related Pay (PRP) System of the Company.
4. The appointment of Directors and terms of appointment including remuneration, notice period, severance fees, if any etc. are decided by President of India.

Remuneration of Non-Executive Directors/ Independent and Government Nominee Directors

The Independent & Government Nominee Directors do not have any material pecuniary relationship or transactions with the Company. However, the Independent Directors were paid the sitting fees i.e. ₹ 40,000/- for attending each Meeting of the Board of Directors and ₹ 30,000/- for attending each Meeting of Committee of Directors.

Government Nominee Director is not entitled to any remuneration or sitting fee from the Company.

As on March 31, 2023, Shri Prasanna Tantri, Independent Director, Shri Bhaskar Bhattacharya, Independent Director, Smt. Usha Sajeev Nair, Independent Director and Shri Ajay Tewari, Government Nominee Director held nil shares in the Company.

Senior management:

a) The details of Executive Directors i.e. one level below the Board and KMP (other than whole time Directors) as on March 31, 2023 are as follows:

Sr. No.	Employee Name	Designation
1	Sandeep Kumar	Executive Director
2	Sanjay Sharma	Executive Director
3	Raj Kumar Malhotra	Executive Director
4	Rajesh Kumar Bhardwaj	Executive Director
5	Pranab Kumar Sinha	Executive Director
6	Pawan Kumar	Executive Director
7	Shunmuga Sundaram Palanivel	Executive Director
8	Ali Shah	Executive Director
9	Packirisamy V.	Executive Director

Sr. No.	Employee Name	Designation
10	Manoj Kumar Rana	Executive Director
11	Hemant Kumar Das	Executive Director
12	Rajeev Kumar Chaturvedi	Executive Director
13	Sanjay Mehrotra	Executive Director

Sr. No.	Employee Name	Designation
14	Rajesh Kumar Shahi	Executive Director
15	Saurav Kumar Shah	Executive Director
16	Manohar Balwani	Company Secretary

b) The details of changes in Executive Directors i.e one level below the Board and KMP (other than whole time Directors) during FY 2022-23 are as follows:

Sr. No.	Employee Name	Designation	Remarks
1	Rajeev Kumar Chaturvedi	Executive Director	Elevated
2	Packirisamy V.	Executive Director	Elevated
3	Pawan Kumar	Executive Director	Elevated
4	Hemant Kumar Das	Executive Director	Elevated
5	Ali Shah	Executive Director	Elevated
6	Sanjay Mehrotra	Executive Director	Elevated
7	Rajesh Kumar Shahi	Executive Director	Elevated
8	Sanjay Sharma	Executive Director	Elevated
9	Shunmuga Sundaram Palanivel	Executive Director	Elevated
10	Sanjay Kumar Rai	Executive Director	Superannuated
11	Amar Jit Singh Nanda	Executive Director	Superannuated
12	Subir Saha	Executive Director	Superannuated
13	Ram Kishore Talluri	Executive Director	Superannuated
14	Pawan Malik	Executive Director	Superannuated
15	Rizwanur Rahman	Executive Director	Superannuated
16	David Gaddam	Executive Director	Superannuated

iii. Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee

The Company has set up a Stakeholders Relationship and Shareholders'/Investors' Grievance Committee to look into the redressal of the complaints of investors as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2023 the Stakeholders Relationship and Shareholders'/Investors' Grievance Committee comprised of the following:

Name	Designation
Smt. Usha Sajeev Nair, Independent Director	Chairperson
Smt Parminder Chopra, Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member

Shri Manohar Balwani, Company Secretary acts as the Compliance Officer of the Company till April 30, 2023.

During the FY 2022-23, 4 meetings of the Stakeholder Relationship and Shareholders'/Investors' Grievance Committee were held i.e. (i) May 24, 2022 (ii) August 12, 2022 (iii) November 9, 2022 and (iv) February 13, 2023.

The detail of the meeting attended (physical presence/ through video conferencing) by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Usha Sajeev Nair	Chairperson	4	4
Smt Parminder Chopra	Member	4	4
Shri Rajiv Ranjan Jha	Member	4	4
Shri Prasanna Tantri (till July 11, 2022)	Member	1	1

Information on investor complaints for the year ended March 31, 2023 is as follows:

Particulars	Equity	Bonds
Pending at the beginning of the year	0	0
Received during the year	2624	5651
Disposed off during the year	2616	5651
Lying unresolved at the end of the year	8*	0

*Complaints received at the end of year, were subsequently resolved by April 4, 2023.

iv. Board Level Risk Management Committee

The Board of Directors constituted a Board Level Risk Management Committee to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on March 31, 2023, the Board Level Risk Management Committee comprised of the following:

Name	Designation
Shri R. S. Dhillon, CMD (w.e.f. December 17, 2022)	Chairman
Shri Bhaskar Bhattacharya, Independent Director	Member
Smt. Parminder Chopra, Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member
Shri Manoj Sharma, Director (Commercial) (w.e.f. August 29, 2022)	Member

During the FY 2022-23, 4 meetings of the Board Level Risk Management Committee were held on (i) June 28, 2022, (ii) September 22, 2022, (iii) December 16, 2022 and (iv) March 21, 2023.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. S. Dhillon (w.e.f. December 17, 2022)	Chairman	1	1
Shri Bhaskar Bhattacharya	Member	1	1
	Chairman	3	3
Smt. Parminder Chopra	Member	4	3
Shri Rajiv Ranjan Jha	Member	4	4
Shri Manoj Sharma (w.e.f. August 29, 2022)	Member	3	3

Chief Risk Officer is a Permanent Invitee to all the meetings of Board Level Risk Management Committee.

v. CSR & Sustainable Development Committee of Directors

CSR & Sustainable Development Committee has been constituted to give direction to the CSR and SD activities of the Company and to make recommendations to the Board of Directors for taking up various CSR & SD projects.

As on March 31, 2023, the CSR & Sustainable Development Committee comprised of the following:

Name	Designation
Shri Prasanna Tantri, Independent Director	Chairman
Smt. Usha Sajeev Nair, Independent Director	Member
Smt. Parminder Chopra, Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects) (w.e.f. July 18, 2022)	Member
Shri Manoj Sharma, Director (Commercial) (w.e.f. August 29, 2022)	Member

During the FY 2022-23, 7 meetings of the CSR & Sustainable Development Committee of Directors were held on (i) April 8, 2022 (ii) June 28, 2022 (iii) September 23, 2022 (iv) October 28, 2022 (v) November 9, 2022 (vi) January 13, 2023 and (vii) March 21, 2023.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri Prasanna Tantri (w.e.f. July 18, 2022)	Chairman	5	5
Smt. Usha Sajeev Nair	Member	7	7
Smt. Parminder Chopra	Member	7	6
Shri Rajiv Ranjan Jha (w.e.f. July 18, 2022)	Member	5	5
Shri Manoj Sharma (w.e.f. August 29, 2022)	Member	5	5
Shri R. C. Mishra (till July 11, 2022)	Chairman	2	2
Shri R. S. Dhillon* (till August 28, 2022)	Member	2	Not Present

*By virtue of holding additional charge of Director (Commercial)

vi. Investment Committee of Directors

The Investment Committee of Directors has been constituted for approving equity investment in IPOs of Central Power Sector Undertakings and also other related matters like exit/sale decisions, the number of shares to be applied through IPO, individual investment limit in each company on case to case basis, etc.

As on March 31, 2023 the Investment Committee of Directors comprised of the following:

Name	Designation
Shri R. S. Dhillon, CMD	Chairman
Smt. Usha Sajeev Nair, Independent Director (w.e.f. July 18, 2022)	Member
Smt. Parminder Chopra, Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member
Shri Manoj Sharma, Director (Commercial) (w.e.f. August 29, 2022)	Member

During the FY 2022-23, 3 meetings of the Investment Committee of Directors was held on (i) June 28, 2022 (ii) July 18, 2022 and (iii) December 18, 2022.

The detail of the meetings attended (physical presence/ through video conferencing) by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. S. Dhillon	Chairman	3	3
Smt. Usha Sajeev Nair (w.e.f. July 18, 2022)	Member	1	1
Smt. Parminder Chopra	Member	3	2
Shri Rajiv Ranjan Jha	Member	3	3
Shri Manoj Sharma (w.e.f. August 29, 2022)	Member	1	1
Shri Bhaskar Bhattachary (up to July 18, 2022)	Member	2	2

vii. HR Committee

HR Committee has been constituted to consider and submit their recommendations to the Board of Directors on all HR related matters before they are submitted to the Board for approval.

As on March 31, 2023, the HR Committee comprised of the following:

Name	Designation
Shri Manoj Sharma, Director (Commercial) (w.e.f. August 29, 2022)	Chairman
Smt. Parminder Chopra, Director (Finance)	Member
Shri Rajiv Ranjan Jha, Director (Projects)	Member

During the FY 2022-23, no meeting of the HR Committee was held.

viii. ALM Committee of Functional Directors

ALM Committee of Functional Directors has been constituted pursuant to RBI's Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

As on March 31, 2023, the ALM Committee of Functional Directors comprised of the following:

Name	Designation
Smt. Parminder Chopra, Director (Finance)	Chairperson
Shri Rajiv Ranjan Jha, Director (Projects)	Member

During the FY 2022-23, 1 meeting of the ALM Committee of Functional Directors were held on March 28, 2023.

The detail of the meeting attended by members during the FY 2022-23 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Parminder Chopra	Chairperson	1	1
Shri Rajiv Ranjan Jha	Member	1	1

4. OTHER COMMITTEES

IT Strategy Committee

Pursuant to RBI's Master Directions for Information Technology Framework for NBFCs, the Board of Directors of the Company constituted the IT Strategy Committee. As on March 31, 2023, the committee comprised of Shri Bhaskar Bhattacharya, Independent Director, Chief Information Officer/ Chief Technology Officer and Chief Information Security Officer of the Company. The terms of reference and roles and responsibilities of the said IT Strategy Committee include approving IT strategy and policy documents, monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; Ensuring proper balance of IT investments for sustaining PFC's growth and becoming aware about exposure towards IT risks and controls etc.

5. GENERAL BODY MEETING

The details of the last three Annual General Meetings of the Company are as under:

AGM	Date	Day	Time	Location	Special Resolution
34th	September 29, 2020	Tuesday	12:30 p.m.	At the Registered Office of the Corporation through Video Conferencing	• 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 • To Change Object Clause of the Memorandum of Association of the Company
35th	September 21, 2021	Tuesday	12:30 p.m.	At the Registered Office of the Corporation through Video Conferencing	Nil
36th	September 21, 2022	Wednesday	11:30 a.m.	At the Registered Office of the Corporation through Video Conferencing	• To appoint Shri Bhaskar Bhattacharya (DIN: 09406292), as Director of the Company • To appoint Smt. Usha Sajeev Nair (DIN: 09408454), as Director of the Company • To appoint Shri Prasanna Tantri (DIN: 06471864), as Director of the Company • To change Object Clause of the Memorandum of Association of the Company

Postal Ballot

No Special Resolution was passed last year through Postal Ballot. Further, no special resolution is proposed to be conducted through postal ballot up to the ensuing AGM.

6. DISCLOSURES

The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a "Policy on Related Party Transaction" and on dealing with related party transactions and the same is available at https://www.pfcindia.com/Default/ViewFile/?id=1679572235694_POLICY%20ON%20MATERIALITY%20OF%20RPT13012023.pdf&path=Page

Neither any penalty nor any stricture has been imposed by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital market during the last three years. However, during FY 2022-23, the Company was in receipt of notices of penalty from National Stock Exchange and Bombay Stock Exchange for non-compliance of the requirement of composition of the Board. As the said compliances are beyond the ambit of PFC, the Company is following up with the stock exchanges for waiver of the said fine(s) and has also requested Ministry of Power to expedite the process of appointment of requisite number of Independent Directors on the Board of the Company. As on March 31, 2023 PFC is compliant w.r.t. composition of its Committees. During the FY 2022-23, PFC was non-compliant w.r.t. Board Composition w.e.f. July 11, 2022 to March 31, 2023. NSE imposed fine on PFC for the non-compliant period of the four quarters and BSE imposed fine for the non-compliant period of first three quarters.

The Company has in place an Internal Complaints committee to examine the cases related to sexual harassment under the "Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013. During the FY 2022-23, no complaint has been filed under the said Act.

In terms of the requirements under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to, *inter alia*, establish a 'Vigil Mechanism'/ 'Whistle-Blower Policy' for Directors and Employees to report their genuine concerns or grievances, about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. As an integral part of such Vigil Mechanism, the Whistle-Blower Policy of PFC has been put in place and it is affirmed that no personnel has been denied access to the Audit Committee. The same is available at

https://www.pfcindia.com/Default/ViewFile/?id=1490188785276_WBP.pdf&path=Page

Pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a "Policy on Material Subsidiary" and the same is available at

https://www.pfcindia.com/Default/ViewFile/?id=1561552854274_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page

No item of expenditure was debited in books of account which was not for the purpose of the business. Further, no expense was incurred which was personal in nature and was incurred for the Board of Directors and Top Management.

The Company has not issued any Stock Options/ESOPs during the financial year 2022-23.

Your Company has broadly complied with all requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India, as amended from time to time, except for the compliances related to appointment of requisite number of Independent Directors for part of the year. The status of adoption of non-mandatory requirements is as under:

1. **The Board:** The Company is headed by an executive Chairman.
2. **Shareholder Rights:** The quarterly/ half yearly/ annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means and Communication" of the Corporate Governance report and also displayed on the website of the Company.
3. **Modified opinion(s) in audit report:** It is always Company's endeavour to move towards a regime of financial statements with unmodified audit opinion. The Company has received unmodified report from its statutory auditors in FY 2022-23.
4. **Reporting of Internal Auditor:** The Internal auditors of the Company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

The Company has laid down the procedures to inform the board about the risk assessment and minimisation. The Board of Directors of the Company periodically reviews these procedures to ensure risks are managed through a properly defined framework.

The total fee paid by your Company to the Statutory Auditors is ₹ 1.29 crore.

In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

7. MEANS OF COMMUNICATION

The Company recognises communication as a key element of the overall Corporate Governance framework and therefore emphasises continuous, efficient and relevant communication to public at large. The Company communicates with its shareholders through its annual report, general meeting, newspapers and disclosures through website. The Company also communicates with its institutional shareholders through investor conferences, conference calls etc. While the Quarterly/Annual Financial results are published in national newspapers like The Economic Times, The Navbharat Times, The Hindustan Times, Business Standard, Business Standard (Hindi), The Financial Express, Dainik Bhaskar, Dainik Jagran (Hindi), Amar Ujala, The Indian Express, etc., the same are also available on the website of the Company, viz. www.pfcindia.com and are also submitted to stock exchanges for wider dissemination.

All important information pertaining to the Company is mentioned in the Annual Report of the Company containing *inter alia* audited accounts, consolidated financial statements, directors' report, auditors' report, report on corporate governance which is circulated to the members and other entitled persons for each financial year.

8. CEO / CFO CERTIFICATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by CEO i.e. Chairman & Managing Director and CFO i.e. Director (Finance) was placed before the Board of Directors at its meetings held on May 27, 2023 (Copy enclosed at **Annexure I** of this Report).

9. COMPLIANCE WITH APPLICABLE LAWS

The Company has a robust Compliance monitoring system in place. The Board periodically reviews the status of compliances to ensure proper compliance of all laws applicable to the Company.

10. CODE OF CONDUCT

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company i.e. www.pfcindia.com.

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at **Annexure II** of this Report.

11. CODE FOR PREVENTION OF INSIDER TRADING

In pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, your Company has formulated the comprehensive Code i.e. "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" to preserve the confidentiality and to prevent misuse of un-published price sensitive information. All Designated Persons and other Connected Persons as mentioned in the Code have a duty to safeguard the confidentiality of all such information obtained in the course of his or her assignment at the Company and not to misuse his or her position or information to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the securities of the Company and the consequences of non-compliance. The Company Secretary has been appointed as Compliance Officer and is responsible for ensuring adherence of the said Code.

In line with the requirement of the said Code, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board. The Compliance Officer notified the closure of trading window on the website of the Company well in advance restraining all the designated persons and their relatives not to deal in the securities of the Company when the trading window is closed.

The copy of the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" is also available on the Company website

https://www.pfcindia.com/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page

12. SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date	Time	Venue
September 12, 2023	11:30am	Through Video Conferencing (VC)

The 37th Annual General Meeting shall be held through Video Conferencing/Other Audio Visual Means. The Company will provide facility to shareholders to attend the said AGM electronically and also enable shareholders to exercise their right to vote through electronic means at the said AGM. Details regarding participation in the said AGM and other relevant information is appearing in the Notice of the 37th AGM of the Company.

b) Financial calendar for FY 2023-24 (Tentative)

Particulars	Date
Financial year	April 1, 2023 to March 31, 2024
Un-audited financial results for the first three quarters	Will be announced within 45 days from the end of each quarter.
Audited Financial Results	Audited Financial Results will be announced on or before 60 days from the end of financial year.
AGM (Next year)	August/September 2024

c) Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 5, 2023 to Tuesday, September 12, 2023 (both days inclusive).

d) Payment of Dividend

- **Dividend Distribution Policy**

The Company has formulated a Dividend Distribution Policy in compliance of Regulation 43A of the SEBI (LODR) Regulations, which, *inter alia*, specifies the external and internal factors including financial parameters, that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

The policy is available on PFC's website at

https://www.pfcindia.com/Default/ViewFile/?id=1546009180778_DividendDistribution.pdf&path=Page

- **Dividend details for the FY 2022-23**

The Board of Directors of the Company, has recommended payment of final dividend of ₹ 4.5 per equity share (subject to deduction of TDS) for the financial year ended March 31, 2023 on the paid up equity share capital of the Company, which will be paid after approval at the Annual General Meeting. This is in addition to the Interim Dividend of ₹ 8.75 per share (subject to deduction of TDS) already declared and paid during the year in three tranches on the paid up equity share capital of the Company. Thus, the total dividend for the FY 2022-23 amounts to ₹ 13.25 per equity share (subject to deduction of TDS).

The final dividend on equity shares as recommended by the Board of Directors, subject to the provisions of the Companies Act, if approved by the members at the Annual General Meeting, will be paid to the Members or their mandates whose names appear on the Company's Register of Members on June 16, 2023 in respect of physical shares. In respect of dematerialised shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours on June 16, 2023 . The Dividend, if declared at the AGM, would be paid to the shareholders within 30 days from the date of declaration of the same at the AGM.

- **Dividend History**

Year	Total Paid-up Capital (₹ in crore)	Total Amount of Dividend paid (₹ in crore)	Rate of Dividend (%)	Date of Payment (Interim & Final)
2017-18	2640.08 (1st Interim)	1,584.05	60	November 23, 2017
	2640.08 (2nd Interim)	475.21	18	March 19, 2018
	Total	**2,059.26**	**78**	-
2018-19	2640.08	-	-	-
2019-20	2640.08 (Interim)	2,508.07	95	March 12, 2020
	Total	**2,508.07**	**95**	-
2020-21	2640.08 (Interim)	2,112.06	80	March 31, 2021
	2640.08 (Final)	528.02	20	October 12, 2021
	Total	**2,640.08**	**100**	
2021-22	2640.08 (1st Interim)	594.02	22.5	September 10, 2021
	2640.08 (2nd Interim)	660.00	25	December 10, 2021
	2640.08 (3rd Interim)	1,584.05	60	March 11, 2022
	2640.08 (Final)	330.00	12.5	October 11, 2022
	Total	**3,168.07**	**120**	

Status of Unclaimed Amounts and Shares/ Dividend/ Bonds transferred to IEPF Account:

Bonds

The total unclaimed and unpaid amount as on March 31, 2023 was ₹ 72,69,89,007.18 (principal plus interest). The unpaid/unclaimed amount of bonds transferred to IEPF during FY 2022-23 is ₹ 12,39,576/-.

Unclaimed Dividend-Equity

The unclaimed balance amount of dividend (equity) as on March 31, 2023 was ₹ 5,63,28,327.30 (rounded off). The unclaimed dividend of ₹ 63,17,068 became due for transfer during the year ended March 31, 2023 and was accordingly transferred to Investor Education and Protection Fund (IEPF).

Equity Shares transferred to IEPF

As per the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 {IEPF Rules}, all shares in respect of which dividend has not been claimed for seven consecutive years, are required to be transferred by the Company to the Demat Account of the IEPF Authority. Accordingly, the Company has transferred 7,394 Equity shares (of ₹ 10/- each) in June, 2022, 5100 Equity shares (of ₹ 10/- each) in Nov-2022 and 6680 Equity Shares in (of ₹ 10/- each) in Feb-2023. As on March 31, 2023, the number of equity shares held in Demat account to IEPF Authority were 1,07,486. Subsequently, 2117 Equity shares (of ₹ 10/- each) were also transferred to the Demat Account of IEPF Authority in June, 2023.

The members who have a claim on the above dividend and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividends/shares, so transferred to the IEPF Authority.

Nodal Officer

Pursuant to Rule 7(2A) of the IEPF Rules, the following persons are the Nodal Officers of the Company:-

Nodal Officer	Sh. Manish Kr. Agarwal
Nodal Officer in respect of bonds/ debentures	Sh. Ishwar Singh, CGM (RMD-II)

Shri Manohar Balwani was the Company Secretary of the Company till 30.04.2023. On attaining the age of superannuation, he ceased to be the Company Secretary of the Company w.e.f. 01.05.2023.

e) Listing on Stock Exchanges

PFC shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE) Exchange Plaza,
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Code: PFC EQ

BSE Limited (BSE)
Floor – 25, PJ Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 532810

Stock Code (ISIN): INE134E01011

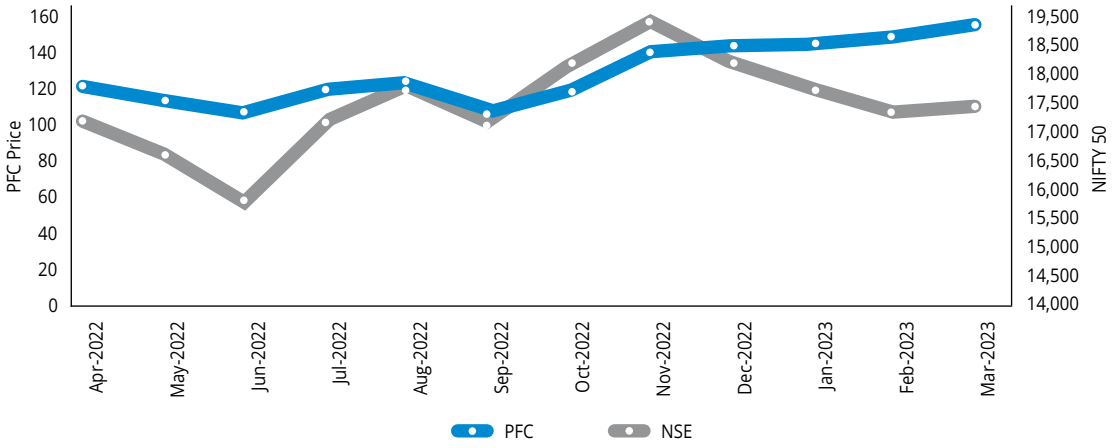
The annual listing fees for the FY 2022-23 have been paid to NSE and BSE.

f) Market Price Data

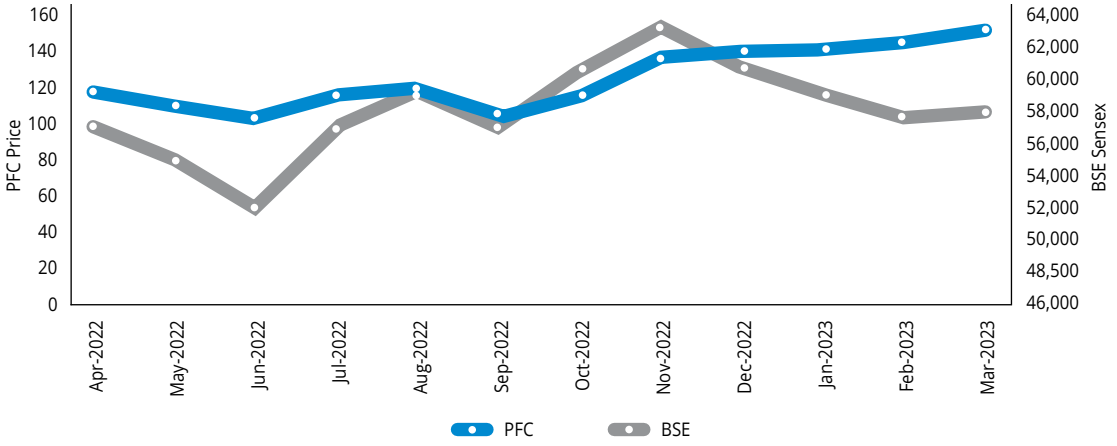
Month	High (₹)		Low (₹)		Closing (₹)	
	NSE	BSE	NSE	BSE	NSE	BSE
April'22	124.80	124.80	112.50	112.45	117.75	117.75
May'22	117.75	117.90	104.25	104.30	111.35	111.60
June'22	113.80	114.40	97.10	97.15	104.45	104.60
July'22	116.40	116.35	103.20	103.30	115.95	109.8
August'22	122.45	122.35	115.90	115.95	119.60	104.95
September'22	118.95	119.00	103.65	103.65	104.60	99.25
October'22	115.50	115.50	100.85	100.85	115.25	109.1
November'22	139.15	139.10	114.50	114.50	135.90	135.95
December'22	147.80	147.80	130.50	130.20	141.15	141.05
January'23	161.80	161.90	133.05	133.05	141.45	141.50
February'23	151.90	151.90	134.20	134.35	145.40	145.35
March'23	170.60	170.55	144.40	144.45	151.75	151.75

g) Performance in comparison to indices

PFC share price and NIFTY 50



PFC share price and BSE Sensex



h) Registrar and Transfer Agent for Equity Shares

Communication Address

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana - 500 032, India
Tel: +91 40 67162222
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

i) Share Transfer System

Transfer of equity shares in electronic from are done through the depositories with no involvement of the Company. Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to the Company to register the transfer.

SEBI, effective April 1, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat mode. However, investors are not barred from holding shares in physical form.

j) Details of Demat Suspense Account

The details of shares in the Demat Suspense account as on March 31, 2023 is as follows:

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2022.	3	1432
Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2022-23.	0	0
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2022-23.	0	0
Less: Number of shares which were transferred to IEPF Account during the year 2022-23.	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e., March 31, 2023.	3	1432

The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares.

k) Distribution of shareholding

- Distribution of shareholding as on March 31, 2023

S. No	Amount	No. of shareholders	% of shareholders	Amount (₹)	% of shares
1	1-5000	4,01,843	88.06	43,52,22,910	1.65
2	5001-10000	29,495	6.47	23,54,32,700	0.9
3	10001-20000	12,982	2.84	19,46,63,430	0.73
4	20001-30000	3,803	0.83	9,78,69,340	0.37
5	30001-40000	1,849	0.40	6,68,66,740	0.25
6	40001-50000	1,432	0.31	6,75,60,730	0.26
7	50001-100000	2,503	0.55	18,37,59,190	0.70
8	100001 & Above	2,439	0.54	25,11,94,39,040	95.14
	Total	**4,56,346**	**100**	**26,40,08,14,080**	**100**

- Shareholding pattern as on March 31, 2023

Category	Total No. of shares	% to Equity
President of India	1,47,82,91,778	55.99
Foreign Portfolio - CORP	43,53,23,990	16.49
Mutual Funds	32,27,61,944	12.22
Resident Individuals	17,88,93,387	6.78
Qualified Institutional Buyers	15,66,77,837	5.93
Bodies Corporates	3,35,64,432	1.28
Insurance Companies	98,60,610	0.38
HUF	97,87,415	0.37
Non Resident Indian non repatriable	44,83,987	0.17
Non Resident Indians	38,39,627	0.15
Banks	18,36,233	0.07
Trusts	17,06,688	0.06
NBFC's	11,38,206	0.04
Employees	9,34,329	0.04
Alternative Investment Fund	5,01,356	0.02
Clearing Members	2,69,903	0.01
IEPF	1,07,486	0.00
Indian Financial Institutions	1,00,000	0.00
Foreign Nationals	2,200	0.00
Total	**2,64,00,81,408**	**100**

l) Dematerialisation of shares

Number of shares held in dematerialised form with NSDL, CDSL and physical mode as on March 31, 2023.

Description	No. of Shares	% to total Capital Issued
NSDL	2,536,580,836	96.08
CDSL	103,478,065	3.92
Physical	22,507	0.00
Total	**2,64,00,81,408**	**100**

m) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

n) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place Currency Risk Management (CRM) policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

o) Address for correspondence

Registered Office
'Urjanidhi', 1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001

Company Secretary
Shri Manish Kumar Agarwal
Tel: +91 11 23456020
Fax: +91 11 23456786
E-mail: investorsgrievance@pfcindia.com

p) Credit Ratings

During the FY 2022-23, Company's both long-term & short-term domestic borrowing programme (including bank loans) continued to be the highest rating.

- **Domestic Rating assigned by CRISIL, ICRA and CARE**
  - Long-term domestic borrowing programme Rating - CRISIL AAA, ICRA AAA and CARE AAA
  - Short-term domestic borrowing programme Rating - CRISIL A1+, ICRA A1+ and CARE A1+
- **International Rating**
  - The Company's international credit ratings continue to be Baa3 and BBB- assigned by International Credit Rating Agencies Moody's and Fitch respectively.

q) Preferential Allotment/Qualified Institutions placement

During the year, company has not raised any money by way of Preferential Allotment/Qualified Institutions placement of shares or other convertible securities.

CERTIFICATE TO THE BOARD OF DIRECTORS UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We hereby certify to the Board of Directors that:

We have reviewed financial statements and the statement of cash flows for the year ended 31.03.2023 and that to the best of our knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:-

i) Significant changes in internal control over financial reporting during the year;

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial: and

iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Parminder Chopra)
Director (Finance) / CFO
DIN – 08530587

Sd/-
(Ravinder Singh Dhillon)
Chairman & Managing Director / CEO
DIN – 00278074

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance:

"All the members of the Board and Senior Management Personnel have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management' for the financial year ended on March 31, 2023."

Sd/-
(Parminder Chopra)
Chairman & Managing Director
DIN: 08530587

Certificate of Non-Disqualification of Directors

ANNEXURE III OF REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
Power Finance Corporation Limited
'URJANIDHI' 1, Barakhamba Lane,
Connaught Place, New Delhi 110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Power Finance Corporation Limited having L65910DL1986GOI024862** and having registered office at 'URJANIDHI'1, Barakhamba Lane, Connaught Place, New Delhi 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Shri Ravinder Singh Dhillon	00278074	12.06.2019
2.	Shri Bhaskar Bhattacharya	09406292	23.12.2021
3.	Smt. Usha Sajeev Nair	09408454	23.12.2021
4.	Shri Prasanna Tantri	06471864	23.12.2021
5.	Smt. Parminder Chopra	08530587	01.07.2020
6.	Shri Rajiv Ranjan Jha	03523954	28.10.2021
7.	Shri Ajay Tewari	09633300	09.06.2022
8.	Shri Manoj Sharma	06822395	29.08.2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
CS Nayan Handa
Partner
FCS No.: 11993
CP No.: 18686

Place: New Delhi
Date: May 30, 2023
UDIN: F011993E000422911

Certificate on Corporate Governance

To,
The Members,
Power Finance Corporation Limited,
'Urjanidhi', 1, Barakhamba Lane,
Connaught Place, New Delhi -110 001

We have examined the compliance of the conditions of Corporate Governance by Power Finance Corporation Limited, (herewith referred as the Company') for the period ended on March 31, 2023 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises Government of India.

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations. and in the guidelines on corporate governance issued by the Department of Public Enterprises except that:

i. The Company has not complied with the provision of regulation 17 (1)(b), of SEBI (LODR) Regulations, 2015, w.e.f. 11.07.2022, regarding the requirement of having at least half of the Board of Directors as independent.

ii. The Company has not complied with the provision of regulation 17 (10) and 25(4) (a) and (b) of SEBI (LODR) Regulations, 2015, up to March 31, 2023 w.r.t. the performance evaluation of director.

iii. During the period under review the Company has received the Show Cause Notice from both National Stock Exchange (NSE) and Bombay stock exchange (BSE) regarding non-compliance under Regulation 17(1) of listing obligation and disclosure requirement, 2015 for the quarters ended September 30, 2022 and December 31, 2022 and from NSE for March 31, 2023.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Nayan Handa
Partner
FCS No.: 11993
CP No.: 18686
UDIN:F011993E000832111

Place: Delhi
Date: August 21, 2023

Business Responsibility & Sustainability Report

ANNEXURE D OF BOARD'S REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910DL1986GOI024862
2.	Name of the Listed Entity	Power Finance Corporation Limited
3.	Year of incorporation	July 16, 1986
4.	Registered office address	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001
5.	Corporate address	Same as above
6.	E-mail	investorsgrievance@pfcindia.com
7.	Telephone	011-23456000
8.	Website	www.pfcindia.com
9.	Financial year for which reporting is being done	FY 2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited & BSE Limited
11.	Paid-up capital	₹ 2,640.08 crore (As on March 31, 2023)
12.	Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report	Shri Manish Kumar Agarwal Company Secretary 011-23456740 mk_agarwal@pfcindia.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures are made in this report on a standalone basis.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Financial and Insurance Service	Financial and Credit leasing activities	99.97

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Other Financial Services and Activities - Other Credit Granting	64920	99.97

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	3	3
International	-	0	0

17. Markets served by the entity

a) Number of locations

Location	Number
National (No. of States)	36*
International (No. of Countries)	-

*PFC serves the Indian markets and its business extends throughout the country (28 states and 8 UT's). For resource mobilisation purpose, the Company also taps international capital markets besides domestic markets.

b) What is the contribution of exports as a percentage of the total turnover of the entity?

The Company is a Non-Banking Financial Company (NBFC) categorised as Infrastructure Finance Company (IFC) by the Reserve Bank of India. The contribution of exports to the turnover of the Company was Nil for the financial year 2022-23.

c) A brief on types of customers

PFC's principal products are interest-bearing loans to State utilities, private-sector borrowers etc. The Company's business activities involve financing projects in the entire power sector value chain, be it power generation (both conventional and renewable energy), transmission, distribution, e-mobility, financing equipment manufacturing for power sector and activities having forward / backward linkage with power projects. The key products of the Company include long-term loans, medium-term loans, short-terms loans etc. for the entire power sector value chain. Customers of the Company include State Governments, Central/State power utilities, State Electricity Boards, independent power producers and private sector utilities etc.

IV. Employees

18. Details as at the end of financial year:

a) Employees and workers (including differently abled):

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	500	393	78.6	107	21.4
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	500	393	78.6	107	21.4
Workers						
4.	Permanent (F)	19	17	89.4	2	10.52
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	19	17	89.4	2	10.52

b) Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Employees						
1.	Permanent (D)	17	16	94.11	1	5.8
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	17	16	94.11	1	5.8
Differently abled Workers						
4.	Permanent (F)	1	1	100	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	1	1	100	0	0

19. Participation/ Inclusion/ Representation of women:

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	5	1	20

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	1.7	0.9	2.6	0.5	1.05	1.55	0.8	1.02	1.82
Workers	0	0	0	0	0	0	0.05	0	0.05

V Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	PFC Consulting Limited	Subsidiary	100	No
2	Coastal Tamil Nadu Power Limited	Subsidiary	100	No
3	Orissa Integrated Power Limited	Subsidiary	100	No
4	Sakhigopal Integrated Power Company Limited	Subsidiary	100	No
5	Ghogarpalli Integrated Power Company Limited	Subsidiary	100	No
6	Deoghar Mega Power Limited	Subsidiary	100	No
7	Cheyyur Infra Limited	Subsidiary	100	No
8	Odisha Infrapower Limited	Subsidiary	100	No
9	Deoghar Infra Limited	Subsidiary	100	No
10	Bihar Infrapower Limited	Subsidiary	100	No
11	Bihar Mega Power Limited	Subsidiary	100	No
12	Jharkhand Infrapower Limited	Subsidiary	100	No
13	Bijawar-Vidarbha Transmission Limited	Subsidiary	Wholly-owned subsidiaries of PFC Consulting Limited	No
14	Ananthapuram Kurnool Transmission Limited	Subsidiary		No
15	Chhatarpur Transmission Limited	Subsidiary		No
16	Fatehgarh IV Transmission Limited	Subsidiary		No
17	Fatehgarh III Transmission Limited	Subsidiary		No
18	Bhadla III Transmission Limited	Subsidiary		No
19	Fatehgarh III Beawar Transmission Limited	Subsidiary		No
20	Beawar Dausa Transmission Limited	Subsidiary		No
21	Siot Transmission Limited	Subsidiary		No
22	PFC Projects Ltd	Subsidiary	100	No
23	REC Limited	Subsidiary	52.63	No
24	REC Power Development & Consultancy Ltd.	Subsidiary	Wholly-owned subsidiaries of REC Limited	No
25	Bidar Transmission Limited	Subsidiary		No
26	Chandil Transmission Limited	Subsidiary		No
27	Dumka Transmission Limited	Subsidiary		No
28	Koderma Transmission Limited	Subsidiary		No
29	Mandar Transmission Limited	Subsidiary		No
30	Sikar Khetri Transmission Limited	Subsidiary		No
31	Ramgarh II Transmission Limited	Subsidiary		No
32	Beawar Transmission Limited	Subsidiary		No
33	Meerut Shamli Power Transmission Limited	Subsidiary		No
34	Luhri Power Transmission Limited	Subsidiary		No
35	Neres XVI Power Transmission Limited	Subsidiary		No
36	Khavda II-D Transmission Limited	Subsidiary		No
37	KPSI Transmission Limited	Subsidiary		No

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No): Yes

(ii) Turnover: ₹ 39,665.63 crore

(iii) Net worth: ₹ 68,202 crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	www.pfcindia.com	0			0		
Public Grievances	--	0			1		
Shareholders (Equity)		8*			0		
Employees & Worker		0			0		
Bond holders		0			0		

* Complaints received at the end of quarter, were subsequently resolved by April 4, 2023.

24. Overview of the entity's material responsible business conduct issues

Sr. No..	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Gradual shift from conventional power sources to renewable power sources	Opportunity	Thrust for cleaner power shall provide additional financing avenues for the corporation.	-	PFC shall experience positive financial implication due to additional revenues from financing towards cleaner power.
2	Shift to paperless environment to further the sustainability	Opportunity	Shift to digital means of communication & record management shall enhance speed, accuracy, efficiency, cost saving, accountability & preservation of records.	-	PFC shall experience positive financial implication due to cost saving & increase in swiftness of operations.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	**a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	**Whether the entity has translated the policy into procedures. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	**Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	PFC enters into Memorandum of Understanding (MoU) with its administrative ministry i.e Ministry of Power, Government of India under the framework prescribed in MoU Guidelines issued by the Department of Public Enterprises (DPE). The MoU demarcates key performance parameters for the Company. For the FY 2021-22, your Company was accorded 'Excellent' rating.								
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**									
Governance, leadership and oversight										
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). Please refer to Chairman's Speech**									
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	Board of Directors								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board / Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Details of meetings of the Board and Statutory Board Level Committees held during the financial year 2022-23 is provided in the Corporate Governance Report. PFC has a Board Committee on CSR & Sustainable Development to give direction to the CSR and SD activities of the Company and to make recommendations to the Board of Directors for taking up various CSR & SD projects.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	On quarterly and annual basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	On quarterly and annual basis								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Y	Y	Y	Y	Y	Y	Y	Y	Y

Note: The relevant explanation/ information/ links are mentioned in the Annexure to this Report.

12. If answer to question (1) above is"No" i.e., not all Principles are covered by a policy, reasons to be stated.

Not applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Orientation programme for Independent Directors (IDs)	38%
Key Managerial Personnel (apart from KMP's already included on BoD above)	1	National Convention of Company Secretaries	100%
Employees other than BoD and KMPs	3	1. Filling of property Return 2. Conduct, Discipline & Appeal (CDA) Rules of PFC 3. Ethics in Governance and Preventive Vigilance	15%
Workers (Workmen)	1	Conduct, Discipline & Appeal (CDA) Rules of PFC	16%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	National Stock Exchange of India Limited BSE Limited		For FY 2022-23, the Company has complied with all requirements of SEBI LODR Regulations except compliance related to appointment of requisite number of Independent Directors w.e.f. 11.07.2022. Due to such non-compliances, NSE and BSE have imposed a total fine of ₹ 10,85,600/- including GST of ₹1,65,600/- for the quarters ended September and December 2022 and fine of ₹ 5,31,000/- including GST of ₹ 81,000/- by NSE for quarter ended March 2023.	Yes*
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**	
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

* On receipt of letter/e-mail from stock exchanges imposing fine on PFC, your Company requests the exchange to withdraw their letters (imposing fine) as PFC is a CPSE under the administrative control of MOP, Government of India and the Directors on the Board of PFC are appointed by President of India, through Ministry of Power, Government of India.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
In connection with fine levied by NSE and BSE for non-appointment of Independent Directors as stated in the previous question, since the power to appoint Directors on the Board of the Company vests with the President of India, acting through the administrative ministry i.e., Ministry of Power (MoP), Government of India, therefore the Company has been requesting the appointing authority, i.e. MoP, for appointment of requisite number of Independent Directors. In view of the same, the Company has been requesting the stock exchanges to waive off the said fines. It is pertinent to mention, that BSE has already waived off the fine imposed on the Company for earlier quarters i.e. July 1, 2018 to December 31, 2020.	National Stock Exchange of India Limited BSE Limited

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Power Finance Corporation Ltd. (PFC) is a leading power sector public financial institution and a non-banking financial company, providing fund and non-fund based support for the development of the Indian power sector. It plays a major role in channelising investment into the power sector and acts as a vehicle for development of this sector. Its clients include state power utilities, central power sector utilities, power departments, private power sector utilities (including independent power producers), joint sector power utilities etc. PFC has developed the Fair Practices Code (FPC) for its lending operations based on the RBI guidelines, which intends to provide assurance to all the borrowers of the Company's commitment to fair dealing and transparency in its businesses transactions.

PFC also considers Corporate Governance as an integral part of good management and is committed to act professionally, fairly and with integrity in all its dealings. In this direction, Company has an established Code of Business Conduct & Ethics for Board Members & Senior Management. The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of the Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

An Anti-Fraud Policy is in place in PFC to enforce controls and to aid in prevention & detection of fraud in the Company. It covers employees (including contractual employees) as well as shareholders, consultants, vendors, suppliers, service providers, contractors, lenders, borrowers, outside agencies and any other parties having a business relationship with PFC.

Further, the Company's Conduct, Discipline and Appeal (CDA) Rules define the code of conduct for all employees and recognises acts of bribery, corruption, etc. as misconduct.

The web links of the above said policies are annexed herewith.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Company has a Code of Business Conduct and Ethics for Board Members and Senior Management, which covers *inter alia* the process of dealing with conflict of interests. The Policy is available at https://www.pfcindia.com/Home/VS/63

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Since PFC is not a Manufacturing Company and offers financial products only, the question is not applicable to the Company.

2. **(a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   PFC, being a Financial Institution, is relatively less resource intensive in terms of material inputs. We are also following the Government of India's directives, issued from time to time, in respect of reservation for Micro, Small & Medium Enterprises in procurements. The Company promotes GeM portal (Government e-Marketplace) in its procurements and also promotes sourcing from MSME vendors. All procurement / sourcing of material and services is done as per the procedure defined in the Procurement Guidelines of the Company.

   (b) If yes, what percentage of inputs were sourced sustainably?

   In terms of material requirements, PFC has made it mandatory to procure common use goods & services available on GeM (Government e-Marketplace) portal, with purchase preference to MII / MSMEs as per Government directives.

   During the financial year 2022-23, 86.04% of total procurement of goods and services has been made though GeM portal and procurement from MSMEs was 66.09%.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   The Company, being a Financial Institution, has limited applicability of mechanism for reusing, recycling and disposing. However, the Company has installed a Composter Machine in PFC premises of 50Kg capacity. It can recycle wet materials into 10% within 24 hrs. and can convert 90% material into organic compost. The produced Organic Compost has been used by PFC for plantation in the premises and nearby plants.

   Given the nature of business and operations, the Company does not have material plastic waste, e-waste and other waste. Further, the Company does not have any hazardous waste.

   Disposal of old, unserviceable & obsolete IT equipment's, identified as e-waste, is done through registered Recyclers/ Re-processors under Central Pollution Control Board, Government of India & State Pollution Control Committee/ Board Electronic waste, by following Procurement Guidelines of the Company.

   The Company has also reduced plastic use to very minimal and encourages use of substitutes such as jute bags, cloth bags, paper folders etc.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   PFC has financial products like term loan, buyer's line of credit, lease financing etc. including financing of renewable energy projects which are sustainable and environmentally benign. The Company endeavours to incorporate social and environmental concerns in the appraisal of the projects it finances and its activities in general.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Considering the nature of business and operations, the percentage of recycled or reused input material used by the Company is negligible.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste*	-	-	215	-	-	Nil
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

*Number of IT units safely disposed.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. (a) Details of measures for the well-being of employees

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	393	393	100	393	100	NA	NA	393	100	0	0
Female	107	107	100	107	100	107	100	NA	NA	0	0
Total	**500**	**500**	**100**	**500**	**100**	**107**	**21.4**	**393**	**78.6**	**0**	**0**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(b) Details of measures for the well-being of workers:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	17	17	100	17	100	NA	NA	17	100	0	0
Female	2	2	100	2	100	2	100	NA	NA	0	0
Total	**19**	**19**	**100**	**19**	**100**	**2**	**10.5**	**17**	**89.4**	**0**	**0**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	0	0	N	0	0	N
Others PRMS Leave Encashment NPS	100	100	Y	100	100	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises of our office are accessible to differently abled employees and workers. Accessible infrastructure like ramps, braille-aided elevators and wheel chair friendly washrooms are available at the Company's office.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web- link to the policy.

As per various guidelines in place, PFC provides equal opportunities to the persons with disabilities.

Further, the formal policy regarding equal opportunity is currently under finalization, once approved the same shall be uploaded on entity's website..

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	**100**	**100**	**100**	**100**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. The Company has a dedicated policy for handling grievances. The policy is available to employees on the Company intranet. It provides a 4-tier system which allows all permanent employees to escalate their grievances at multiple levels.
Other than Permanent Workers	Not applicable
Permanent Employees	Yes. The Company has a dedicated policy for handling grievances. The policy is available to employees on the Company intranet. It provides a 4-tier system which allows all permanent employees to escalate their grievances at multiple levels.
Other than Permanent Employees	Not applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	**500**	**500**	**100**	**479**	**479**	**100**
Male	393	393	100	382	382	100
Female	107	107	100	97	97	100
Total Permanent Workers	**19**	**19**	**100**	**22**	**22**	**100**
Male	17	17	100	19	19	100
Female	2	2	100	3	3	100

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures*		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B /A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F/D)
Employees										
Male	393	66	17%	259	66%	382	54	14%	215	56%
Female	107	20	19%	92	86%	97	18	18%	43	44%
Total	**500**	**86**	**17%**	**351**	**70%**	**479**	**72**	**15%**	**258**	**54%**
Workers										
Male	17	7	41%	7	41%	19	0	0	2	11%
Female	2	1	50%	1	50%	3	0	0	0	0%
Total	**19**	**8**	**16%**	**8**	**42%**	**22**	**0**	**0**	**2**	**9%**

*Health & Safety trainings included the following:

Training conducted in FY 2022-23:

i. Awareness Workshop on Yoga

ii. Implementation of ISO 45001: 2018 - OHS Standards in PFC

Training conducted in FY 2021-22:

1. Win Covid Through Immunity Booster Capsule Of Yoga And Naturopathy
2. Health & Stress Management
3. Yoga Talk On International Day Of Yoga.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022- 23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	393	101	25.69	382	51	13.35
Female	107	25	23.36	97	19	19.58
Total	**500**	**126**	**25.20**	**479**	**70**	**14.61**
Workers						
Male	17	3	17.64	19	3	15.78
Female	2	1	50	3	2	66.67
Total	**19**	**4**	**21.05**	**22**	**5**	**22.72**

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The occupational health and safety issues are minimal considering the nature of business and operations of the Company. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds etc. which are applicable for all employees.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Not applicable

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Not applicable

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, in order to provide improved health care facilities to the employees part-time services of doctors are engaged to provide medical facilities. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds etc. which are applicable for all employees.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

PFC is headquartered in New Delhi and has state-of-the-art infrastructure, cutting-edge technology and a customer-centric approach. PFC also maintains regional offices to facilitate its business operations.

13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

14. Assessments for the year:

Nil

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Employees	Yes
Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Being NBFC, the Company includes in the terms & conditions of loans granted to its borrowers, necessary conditions stipulating timely deposit of their statutory dues, obtaining of statutory clearances and meeting such other similar obligations as per statutory requirements etc. The borrowers are also required to furnish compliance of the same to the Company at various stages.

3. **Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   Nil for FY 2022-23 and FY 2021-22.

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

   The Company is a CPSE, which follows employment norms of DPE in cases of retirement or termination of employment. The Company also provides post-retirement medical benefits and other welfare measures to its retired employees.

5. **Details on assessment of value chain partners:**

   Nil.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Yes. The Company has mapped its internal and external stakeholders. Internal stakeholders include employees and staff of the Company; and external stakeholders include equity shareholders, bondholders, creditors, bankers, borrowers and customers from both public and private sectors, Governmental bodies and regulatory authorities including State Government(s), Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges etc.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

   The Company communicates with all its stakeholders like equity shareholders, bondholders, creditors, bankers, borrowers, employees and customers as and when required through e-mail, SMS, Newspaper, General Meeting, Website, Letters etc.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has various Board-approved policies addressing the economic, environmental, and social topics relating to its business which have been developed over a period of time based on the inputs from relevant stakeholders.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   PFC is a nodal agency for 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. Your Company is contributing towards better power supply to the people of India and improving operational efficiency and financial health of Distribution Utilities.

   PFC has implemented CSR and Sustainability Policy with an aim to become a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society. PFC has been implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. 'Health & Nutrition, with preference given to Aspirational Districts.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

All the Govt. of India directives are followed for engagement at various levels of career progression for all reserved category employees (SC/ ST/ OBC/ PwBD/ EWS) & Minorities. Various infrastructure arrangements were made for benefits of PwBD persons. Meritorious awards are given to children of these categories along with other children by giving special relaxation in percentage of marks. Separate Liaison Officers are in place to look after the welfare of the employees in the ambit of this category. It is ensured that a person of reserved category of appropriate level is nominated as a member of various selection and promotion committees to look into the interest of employees of reserved categories.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Nil for FY 2022-23 and FY 2021-22.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY (2022-23)					PY (2021-22)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	500	0	0	500	100	479	0	0	479	100
Male	393	0	0	393	100	382	0	0	382	100
Female	107	0	0	107	100	97	0	0	97	100
Other	0	0	0	0	0	0	0	0	0	0
Other than Permanent	57	0	0	57	100	67	0	0	67	100
Male	56	0	0	56	100	66	0	0	66	100
Female	1	0	0	1	100	1	0	0	1	100
Other	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	19	0	0	19	100	22	0	0	22	100
Male	17	0	0	17	100	19	0	0	19	100
Female	2	0	0	2	100	3	0	0	3	100
Other	0	0	0	0	0	0	0	0	0	0
Other than Permanent	0	0	0		0	0	0	0	0	0
Male	0	0	0		0	0	0	0	0	0
Female	0	0	0		0	0	0	0	0	0
Other	0	0	0		0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	22155408	1	8599139
Key Managerial Personnel (apart from KMP's already included on BoD above)	1	7445866	0	0
Employees other than BoD and KMP	399	1289265128	106	302891899
Workers	18	42984859	3	5374905

Notes:

1. The above schedule includes only permanent employees who have worked for the entire period of 12 months during the financial year 2022-23.
2. Remuneration/salary/wages include allowances exempt u/s 10 of the Income Tax Act, 1961 and Employer contribution towards Pension scheme. Further, it excludes employer's contribution into PFC Gratuity Fund, Leave Encashment Provision based on actuarial valuation, various reimbursements given to employees for e.g. uniform, entertainment, conveyance, electricity, water and attendant charges and exempt medical expenses.
3. The above remuneration is paid in line with the guidelines issued by the DPE in this regard.
4. The Company has not given any stock options during the financial year 2022-23.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Company has a dedicated policy for handling grievances. The said policy is available to the employees on the Company intranet.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has in place the Whistle-Blower Policy which lays down the necessary mechanism to provide protection to the complainant, against any discrimination, harassment, victimisation or any other unfair employment practice, if any. The Whistle-Blower Policy is available at https://www.pfcindia.com/Home/VS/126.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The Company, being a financial institution the agreements and contracts it enters into are primarily in nature of loan documents, which lays down the terms of sanctioning and disbursement to the borrowers.

9. Assessments for the year:

Nil

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable.

LEADERSHIP INDICATORS

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.

Not applicable.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Not applicable.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises of our office are accessible to differently abled employees and workers. Accessible infrastructure like ramps, braille-aided elevators and wheel chair friendly washrooms are available at the Company's office.

4. Details on assessment of value chain partners:

Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

   Since PFC is not a Manufacturing Company and offers financial assistance to Power Sector projects only, therefore its energy intensity is limited.

2. **Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not Applicable.

3. **Provide details of the following disclosures related to water, in the following format:**

   Since PFC is not a Manufacturing Company and offers financial assistance to Power Sector projects only, therefore its water intensity is negligible.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Not Applicable.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

   The above question is not applicable to PFC as it is not a manufacturing company.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

   Not Applicable.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

   Not Applicable.

8. **Provide details related to waste management by the entity, in the following format:**

   PFC, being a Financial Institution, has limited applicability of mechanism to recycle products and waste. However, the Company has installed a Composter Machine in PFC premises of 50Kg capacity. It can recycle wet materials into 10% within 24 hrs. and can convert 90% material into organic compost. The produced Organic Compost has been used by PFC for plantation in the premises and nearby plants.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

   Disposal of old, un-serviceable & obsolete IT equipment, identified as e-waste, is done through registered recyclers/ re-processors under Central Pollution Control Board and State Pollution Control Committee/Board, by following the procedure defined under REC's Procurement Guidelines.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

    Not applicable.

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    Not applicable.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Since PFC is not a Manufacturing Company and offers financial products only, the question is not applicable to the Company.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Not Applicable.

2. Provide the following details related to water discharged:

Not Applicable.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Not Applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not Applicable.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

PFC continuously poised to utilise Information Technology to enable its employees to cater to business functions efficiently. Implementation of collaboration tools for online meetings, e-Office solution for efficient file processing, paperless digital board meetings and paperless employee claims are few of the areas to mention as part of PFC's initiative to improve organisational efficiency with the use of technology and at the same time to contribute for an environment friendly society.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

Yes, PFC has established a disaster recovery site on a private cloud which is considered as highly secured, to replicate the existing data centre setup in a different seismic zone. With this, PFC can continue its business operation during any disaster or cyber security incidents.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

PFC, being a financial institution in Power sector, is also financing installation of pollution control equipment in thermal power plants, in line with Government directives. This includes installation of Flue Gas Desulphurisation (FGDs), Selective Catalytic Reduction (SCR) and Electrostatic Precipitators (ESP), which contribute towards curbing of harmful emissions and particulate matter. Further, in order to promote the development of renewable energy sector multiple initiatives like lower interest rate, additional rebates, higher extent of funding etc. are undertaken for financing of renewable energy projects.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

PFC being a NBFC, does not own or execute/implement project. However, PFC ensures through its borrowers that they obtain and keep in effect the applicable statutory and non-statutory clearances relating to environment during the currency of the loan.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. (a) Number of affiliations with trade and industry chambers/ associations.

10 (ten)

(b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1.	Central Board of Irrigation & Power	National
2.	SCOPE	National
3.	World Energy Council	International
4.	Confederation of Indian Industry	National
5.	Institute of Internal Auditors	National
6.	Power HR Forum	National
7.	Institute of Public Enterprise	National
8.	ICSI	National
9	CIGRE	International
10	India Habitat Centre	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Power Finance Corporation (PFC) participated in Mission LiFE (Lifestyle for Environment), an India-led global mass movement that aims to mobilise individuals and communities to take action for the protection and preservation of the environment. PFC actively engaged in various activities and campaigns organised under Mission LiFE, including awareness drives on energy and water conservation, financial literacy, cleanliness, tree plantation drives, waste management programmes, and promoting renewable energy adoption.

Further, as part of 'Azadi Ka Amrit Mahotsav' – to celebrate 75 years of India's Independence, Ministry of Power and PFC in association with Government of NCT of Delhi organised 'Bijli Mahotsav' at various locations in Delhi. The Bijli Mahotsav was used as a platform to celebrate the collaboration between the State and the Central Governments.

PFC's senior management has participated as speaker of panel discussion on various forums such as the Economic Times Renewable Energy Conclave held on March 3, 2023 in Jaipur "Transition from conventional to renewables: role of developers, PSU & Green financial institution". Besides, management also participated in a Public Procurement Conference organised by IEEMA & provided valuable insights into best practices in public procurement adopted by PFC. Recently, PFC participated in the Vibrant North East Exhibition 2023 which saw the coming together of a large number of stakeholders from industry, government and development sectors showcasing various CSR programmes and GoI schemes. PFC received the 'Best Innovative Stall Award' for its creative & innovative showcasing of the diverse portfolio of the organisation.

A workshop on Smart Metering & Loss Reduction Projects and SCADA Projects was also organised under the chairmanship of CMD, PFC with States, Project consultants on April 25 & 26, 2023 in Delhi to review the progress and sharing of views.

PFC found, cultivated and leveraged sponsor relationships to access new opportunities, projects, and roles on various occasions. PFC has recently sanctioned financial assistance in the form of sponsorships to cultural and sporting events that connect with the Indian youth such as the All India Tennis Association's India Vs Denmark Davis Cup Tie, Pro Tennis League Tournament, Sports Meet for all employees, World Table Tennis Star Contender in Goa, Climate Force International Antarctic Expedition. PFC's support went a long way in establishing the determination, dedication and concern of the government in general and PFC in particular as far as commitment to climate change, the Paris agreement and COP26 is concerned.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable.

3. Describe the mechanisms to receive and redress grievances of the community.

PFC has a Grievance Redressal System for dealing with grievances of the public at large. The Company has designated a senior officer as Director (Public Grievances), to ensure prompt redressal of grievances within the stipulated time frame.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / small producers	66.09%	38.57%
Sourced directly from within the district and neighbouring districts	-	-

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

Sr. No.	State	Aspirational district	Name of the Project	Total Amount Sanctioned (₹ in crore)
1	Odisha	Kandhamal	Renovation and Improvement of Educational and allied infrastructures of 20 numbers of schools in Kandhamal District, Odisha	6.00
2	Punjab*	Ferozpur	Construction of classrooms and allied facilities in Akal Academy schools in 4 districts of Punjab	5.30
3		Moga		
Total				**11.30**

* Total 4 nos. district were sanctioned.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

Yes, Government of India has notified Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 to support marketing of products produced and services rendered by them. In compliance to the policy, annual procurement plan including items to be procured from Micro & Small Enterprises (MSEs) are uploaded on PFC website for the benefit of MSEs.

(b) From which marginalised/vulnerable groups do you procure?

As per statutory requirement, PFC has to procure atleast 25% of its total procurement from Micro, Small and Medium Enterprises (MSEs). Further, out of the said 25%, atleast 4% to be only from MSEs owned by SC/ST Entrepreneurs and atleast 3% to be only from MSEs owned by Women Entrepreneurs.

(c) What percentage of total procurement (by value) does it constitute?

During the financial year, your Company has procured products and services from MSEs, which constituted 66.09 % of the total annual procurement value, against the mandate of 25 % set by Ministry of Micro, Small and Medium Enterprises, Govt. of India. During the year, 309 MSEs were benefited out of which 19 MSEs belonged to SC/ST category and 48 MSEs were owned by women.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable.

6. Details of beneficiaries of CSR Projects:

Sr. No.	Project Title	No. of persons benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalised groups*
1	Construction of classrooms and allied facilities in Akal Academy schools in 4 Districts (Ferozpur, Moga, Amritsar& Taran Tara) of Punjab	1200	100
2	Upgradation of Public Health Infrastructure in Machilipatnam, Andhra Pradesh	200000	75
3	Providing Medical Infrastructure in District Hospital in Pratapgarh, Rajasthan	50000	75
4	Contribution to PM CARES Fund	NA	NA
5	Providing necessary Medical Equipment in Sreevalsam Institute of Medical Sciences (SIMS) Hospital in Malappuram District, Kerala	20000	75
6	Construction of G+1 Hostel building in 'Vanvasi Kalyan Ashram" premises in Khanvel, Silvassa	500	100
7	Providing necessary medical equipment in Dr. Hedgewar Institute of Medical Sciences and Research (DHIMSR) Hospital in Amravati District, Maharashtra.	20000	75
8	Procurement of Advance Life support (ALS) Ambulances and other mobility support vehicles for medical educational institutions of the Health Department, Govt. of Manipur	1000	90
9	Development of AFC Complex at Lungleng, Aizwal District, Mizoram	1000	100
10	Supply, installation and commissioning of 50 nos. of Water ATM (WATM) in 50 locations of Basti region of Uttar Pradesh.	10000	75
11	Construction of Emergency Response Centre (ERC)' building near Badrish Lake in Badrinath Town, Uttarakhand	15000	75
12	Rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan (SBSV) in the States of Andhra Pradesh, after survey of toilets-2nd Phase	10000	75
13	Various development works in the 3 blocks (Piro, Bihiya, Jagdishpur) of Arrah District, Bihar-Bhojpur Village Development Programme	100000	75
14	Construction of State of Art Building for Interdisciplinary Centre for Energy Research (ICER), IISc Bengaluru, Karnataka' through IISc Bengaluru.	300	NA
15	Creating sustainable livelihood opportunities for 500 women through oyster mushroom cultivation, marketing and branding, through District Administration Aurangabad'	500	100
16	Providing additional rooms, toilets and drinking water facility in Primary Health Centres (PHC), Schools, Anganwadis and construction of Gram Panchayat Building in selected Mandals in Suryapet District, Telangana	15000	75
17	Supply, Installation and Commissioning of 64 Slice Computed Tomography Scanner with 5-year warranty in MNJ Institute of Oncology & Regional Cancer Centre (MNJ), Hyderabad	12000	75
18	Providing skill development training to 1000 nos. of persons belonging to under privileged sections of the society in various locations in India	1000	100
19	Providing CT scan machine at Naga Hospital Authority Kohima.	36000	95
20	Upgradation of 'Healthcare Services' and providing Equipment for 'Free Community Kitchen' for The Kalgidhar Society, Baru Sahib, Sirmour, H.P (TKS)'	2000	100
21	Supply and Installation of R.O Water Treatment Plant in the Villages of Palnadu District,Andhra Pradesh	200000	75
22	Procurement of (1) nos. of Cancer Detection & Awareness Mobile Van and related equipment to Bharat Sevashram Sangha (BSS) to be Stationed at Murshidabad, Kolkata	50000	75
23	Improvement/upgradation of Cantonment Board Hospital/ Dispensary in Lansdowne Cantonment, Uttarakhand	15000	75
24	Renovation and Improvement of Educational and allied infrastructures of 20 numbers of schools in Kandhamal District, Odisha	3173	100
25	Supply of life saving medical device for poor cancer patients being admitted in KGMU, Lucknow.	10000	75
26	Rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan in the State of Rajasthan	4000	75
27	Supply of sanitation and hygiene items for prevention of adverse effect on health of sanitation workers in Municipal Corporation of Rourkela, Sundergarh District, Odhisa	200000	50
28	Upgradation of public Health infrastructure in various villages of Thoothukud District Tamilnadu.	75000	75
29	Providing various equipments/items for operationalisation of Mother and New Born Care Unit (MNCU) at 10 government health centres of Gautambudhnagar District Uttar Pradesh	100000	75
30	Contribution to PM CARES Fund	NA	NA

* Approximate beneficiaries

NA - Not Available

Principle 9 : Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

PFC has developed the Fair Practices Code (FPC) for its lending operations based on the RBI guidelines, which intends to provide assurance to all the borrowers of the Company's commitment to fair dealing and transparency in its businesses transactions. The Board of Directors periodically reviews the status of compliance of Fair practices code. For the financial year 2022-23, no complaints were received under the Fair Practices Code.

PFC also has in place a system wherein the customer feedback forms are circulated to our borrowers/lenders periodically covering aspects like suitability of PFC products/ services, time taken for sanction/execution of loan, resolution of customer issues etc. The feedback is analysed, reviewed and necessary corrective action is taken wherever required.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

The Company is a NBFC offering financial products which mainly consists of loans for the power sector. The necessary terms & conditions relating to environmental and social parameters, safe and responsible usage, recycling & safe disposal etc. relevant to the concerned project and other legally binding clauses etc. are generally incorporated in the loan documents.

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other:	31	Nil	-	51	1	-

4. Details of instances of product recalls on account of safety issues:

Not Applicable.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, The Company has a comprehensive risk management policy which essentially covers cyber security and related aspects. The policy is an internal document of the Company available on its intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.

Not Applicable.

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).

PFC provides a comprehensive range of financial products and related advisory and other services from project conceptualisation to the post-commissioning stage to our clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernisation projects. The Company ensures that adequate disclosures in respect of its financial products & services are displayed on the Company's website.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company is a NBFC offering financial products. The Company ensures that adequate disclosures in respect of its financial products & services are displayed on its Corporate website and other stakeholder/media communications issued from time to time. We also conduct periodic meets with our borrowers and PFC executives also visit the customers' offices/project sites to share the information and salient features regarding the products and services of the Company.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Yes, PFC has well defined Business Continuity Policy & Disaster Management / Recovery Plan. The Policy defines process & procedures to ensure that the IT Operations/Services remain continuously available to users in the event of disruptions/disasters. The Disaster Recovery site has been strategically commissioned in different seismic zone (Mumbai). With this, PFC can continue its business operation during any disaster or cyber security incidents.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company is a NBFC offering financial products, hence it is ensured that adequate disclosures are made to its borrowers through loan agreements and documents and through our corporate website.

5. Provide the following information relating to data breaches:

a) Number of instances of data breaches along-with impact

b) Percentage of data breaches involving personally identifiable information of customers

Nil for the financial year 2022-23.

Annexure to Business Responsibility & Sustainability Report

The links of relevant policies approved by the Board of Directors of the Company are given below:-

Name of the Policy	Web links	
	English	Hindi
CSR and Sustainability Policy	https://www.pfcindia.com/DocumentRepository/ckfinder/files/CSR/CSR%20Policy.pdf	https://pfcindia.com/hnsite/DocumentRepository/ckfinder/files/CSR/HINDI_PFCs_CSR_and_Sustainability_Policy.pdf
Fair Practice Code	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Fair_Practices_Code/2020-09-02%20Fair%20Practice%20Code%20of%20PFC%20updated%20.pdf	http://pfcindia.com/hnsite/Home/VS/62
Code of Business Conduct and Ethics	https://www.pfcindia.com/Default/ViewFile/?id=1472556128687_Code%20of%20Conduct%2017042015.pdf&path=Page&Name=Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel	http://pfcindia.com/hnsite/Home/VS/63
Anti-Fraud Policy	https://www.pfcindia.com/Default/ViewFile/?id=1471520577857_ANTI%20FRAUD%20POLICY%2005_11_2011.pdf&path=Page&Name=Anti%20Fraud%20Policy	http://pfcindia.com/hnsite/Home/VS/65
Whistle-Blower Policy	https://www.pfcindia.com/Default/ViewFile/?id=1490188785276_WBP.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1490268719103_wbpHND.pdf&path=Page

Name of the Policy	Web links	
	English	Hindi
Policy on Related Party Transactions	https://www.pfcindia.com/Default/ViewFile/?id=1561552784406_Final%20Policy%20on%20RPT%2017052019.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1562840382760_policy%20of%20related%20party%20transactions.pdf&path=Page
Policy on Material Subsidiary	https://www.pfcindia.com/Default/ViewFile/?id=1561552854274_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1563962455491_Policy_on_Material_Subsidiary.pdf&path=Page
Dividend Distribution Policy	https://www.pfcindia.com/Default/ViewFile/?id=1546009180778_DividendDistribution.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1500987575423_Dividend_Distribution_Policy_of_pfc_hindi.pdf&path=Page
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for regulating, monitoring & reporting of trading in the securities of Power Finance Corporation Limited	https://pfcindia.com/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1561571325217_Hindi_Insider_Trading_Code26062019.pdf&path=Page
Policy for Determination of Materiality of Events	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Policy_for_Determination_of_Materiality_of_Events/Final%20Policy%20for%20Determination%20of%20Materiality%20of%20Events17052019.pdf	https://pfcindia.com/hnsite/DocumentRepository/ckfinder/files/Statutory_investor/DoMEvents_hi.pdf

The other policies are internal documents and accessible only to employees of the organization.

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Power Finance Corporation Limited,
'Urjanidhi', 1, Barakhamba Lane,
Connaught Place, New Delhi - 110 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Power Finance Corporation Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(e) The Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the Company);**

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

(j) Other law specifically applicable to companies:

a) The Department of Public enterprises Guidelines;

b) The Reserve bank of India Act,1934 and NBFC rules;

c) The Competition Act,2002;

d) The Right to information act,2005;

e) E-waste (Management and handling) rules,2011;

f) Labour and social security laws and

g) Regulation and prevention of Money laundering Act, 2002;

We have examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards mentioned above subject to the following observations:

i. The Company has not complied with the provision of regulation 17 (1)(b), of SEBI (LODR) Regulations, 2015, w.e.f. 11.07.2022, regarding the requirement of having at least half of the Board of Directors as independent .

ii. The Company has not complied with the provision of regulation 17 (10) and 25(4) (a) and (b) of SEBI (LODR) Regulations, 2015, up to March 31, 2023 w.r.t. the performance evaluation of director.

iii. During the period under review the Company has received the Show Cause Notice from both National Stock Exchange (NSE) and Bombay stock exchange (BSE) regarding non-compliance under Regulation 17(1) of listing obligation and disclosure requirement, 2015 for the quarters ended September 30, 2022 and December 31, 2022 and from NSE for March 31, 2023.

We further report that:

Adequate notices are given to all Directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company at its Annual General Meeting held on September 21, 2022 declared final dividend of 12.50% i.e. ₹ 1.25 per equity share for the year 2021-2022.

2. The Board of Directors of the Company at its meeting held on 12 august 2022 declared First Interim Dividend at 22.50 % i.e. ₹ 2.25 per equity share of face Value of ₹ 10/- each, on November 10, 2022 declared second interim dividend at 30 % i.e. ₹ 3 per equity share of face Value of ₹ 10/- each, on February 13, 2023 declared Third interim dividend at 35% i.e. ₹ 3.5 per equity share of face Value of ₹ 10/- each for the year 2022-2023.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Nayan Handa
Partner
FCS No.: 11993
CP No.: 18686
UDIN: F011993E000563456

Place: Delhi
Date: July 7, 2023

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,
The Members,
Power Finance Corporation Limited,
'Urjanidhi', 1, Barakhamba Lane,
Connaught Place, New Delhi - 110 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Nayan Handa
Partner
FCS No.: 11993
CP No.: 18686
UDIN: F011993E000563456

Place: Delhi
Date: July 7, 2023

ANNEXURE II OF SECRETARIAL AUDIT REPORT

Observations of the Secretarial Auditor alongwith explanations to the same required to be included in the Directors Report to the shareholders for the FY 2022-23.

Sr. No.	Observation	Explanation
1.	The Company has not complied with the provision of regulation 17 (1) (b), of SEBI (LODR) Regulations, 2015, w.e.f. 11.07.2022, regarding the requirement of having at least half of the Board of Directors as Independent.	During the year 2022-23, w.e.f 01.04.2022 till 10.07.2022, the composition of Board of Directors was in compliance with the provisions of regulation 17 (1) (b) of SEBI (LODR) Regulations, 2015. PFC being a Government Company and in terms of clause 86 of Articles of Association (AoA) of PFC, the members of the Board of PFC are appointed by President of India, through Ministry of Power, Government of India. Accordingly, the Company has from time to time requested Ministry of Power (MoP), Government of India to expedite appointment of requisite number of Independent Director(s) on the Board of the Company to enable it to comply with the requisite provisions under SEBI (LODR), Regulations 2015 and DPE guidelines.
2.	The Company has not complied with the provision of regulation 17 (10) and 25(4) (a) and (b) of SEBI (LODR) Regulations, 2015, up to March 31, 2023 w.r.t. the performance evaluation of Director.	PFC being a Government Company and in terms of Clause 86 of Articles of Association (AoA) of the Company, the appointment of Functional Directors, Government Nominee Directors and Independent Directors of PFC are made by Government of India. The terms & conditions of such appointment including remuneration and evaluation vests with the Government of India. All the members of the Board are appointed by President of India, through Ministry of Power, Government of India and are subjected to periodic performance review and that, the Company's performance is also periodically reviewed with reference to annual MoU signed between PFC and Government. Further, draft Board Evaluation Policy was formulated and considered by the Nomination and Remuneration Committee and Board of Directors and the draft Policy was sent to the Ministry of Power for its guidance on the same. MoP has informed that the draft Board evaluation policy has been referred to the CPSE policy division for further examination.
3.	During the period under review the Company has received the Show Cause Notice from both National Stock Exchange (NSE) and Bombay stock exchange (BSE) regarding non-compliance under Regulation 17(1) of listing obligation and disclosure requirement, 2015 for the quarters ended September 30, 2022 and December 31, 2022 and from NSE for March 31, 2023.	In terms of Clause 86 of Articles of Association (AoA) of the Company, the appointment of Functional Directors, Government Nominee Directors and Independent Directors of PFC are made by President of India, through Ministry of Power, Government of India. Accordingly, PFC has continuously requested MoP to appoint requisite number of Independent Director(s) on the Board of the PFC. In view of above, PFC has requested the Stock Exchanges for waiver of fine, response of the Stock Exchanges in this regard is awaited.

Annual Report on CSR Activities for the FY 2022-23

ANNEXURE F OF THE BOARD'S REPORT

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY.

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Corporation becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has implemented wide range of activities in the field of Environment Sustainability, Rehabilitation and Reconstruction Activities, Healthcare, Education, Sports, Sanitation & Drinking water and Skill development & Livelihood etc. Further, as per DPE's mandate, PFC has also contributed to thematic areas i.e. 'Health & Nutrition, with preference given to Aspirational Districts.

2. COMPOSITION OF CSR COMMITTEE AS ON 31.03.2023

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Prasanna Tantri (w.e.f. July 18, 2022)	Chairman/Independent Director	5	5
2.	Smt. Usha Sajeev Nair	Member/Independent Director	7	7
3.	Smt. Parminder Chopra	Member/Director (Finance)	7	6
4	Shri Rajiv Ranjan Jha (w.e.f. July 18, 2022)	Member/Director (Projects)	5	5
5	Shri Manoj Sharma (w.e.f. August 29, 2022)	Member/Director (Commercial)	5	5
6	Shri R.C Mishra (till July 11, 2022)	Chairman/Independent Director	2	2
7	Shri R. S. Dhillon* (till August 28, 2022)	Member/CMD & Additional charge of Director (Commercial)	2	Not Present

*By virtue of holding additional charge of Director (Commercial)

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

(a)	Composition of CSR committee	https://pfcindia.com/Default/ViewFile/?id=1614341684991_Latest_Composition_of_Committees26022021.pdf&path=Page
(b)	CSR Policy	https://www.pfcindia.com/DocumentRepository/ckfinder/files/CSR/CSR%20Policy.pdf
(c)	CSR projects approved by the board	https://pfcindia.com/DocumentRepository/ckfinder/files/CSR/List%20of%20projects.pdf

4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).

NIL

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2020-21	Nil	Nil
2	2021-22	39.39	39.39
3	2022-23	Nil	Nil
	Total	**39.39**	**39.39**

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5).

₹ 8,929.20 crore

7. (a) Two percent of average net profit of the Company as per Section 135(5)

₹ 178.58 crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c).

₹ 178.58 crore

8.

(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹) (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
72.24	106.34	28.04.2023	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
1	Construction of classrooms and allied facilities in Akal Academy schools in 4 districts of Punjab	Item (ii) - Promoting education	No	Punjab	Ferozpur, Moga, Amritsar, Tarn-Taran	7	5.30	3.35	1.95	Yes	-	-
2	Upgradation of Public Health Infrastructure in Machilipatnam region, Andhra Pradesh	Item (i) - Healthcare	No	Andhra Pradesh	Machilipatnam	6	5.07	4.06	1.01	No	District Administration, , Krishna District	CSR00033025
3	Providing necessary medical equipment in Sreevalsam Institute of Medical Sciences (SIMS) Hospital in Malappuram District, Kerala	Item (i) - Healthcare	No	Kerala	Malappuram	6	0.97	0.55	0.42	Yes	-	-
4	Construction of G+1 Hostel building in 'Vanvasi Kalyan Ashram' premises in Khanvel, Silvassa	Item (ii) - Promoting education	No	Dadar Nagar Haveli	Silvasa	24	4.77	0.48	4.30	Yes	-	-
5	Providing necessary medical equipment in Dr. Hedgewar Institute of Medical Sciences and Research (DHIMSR) Hospital in Amravati District, Maharashtra	Item (i) - Healthcare	No	Maharashtra	Amravati	8	1.91	-	1.91	Yes	-	-
6	Procurement of Advance life support (ALS) ambulances and other mobility support vehicles for medical educational institutions of the Health Department, Govt. of Manipur	Item (i) - Healthcare	No	Manipur	Multiple Districts	9	2.80	0.28	2.52	No	State Health Agency (SHA), Manipur	CSR00031715
7	Development of AFC Complex at Lungleng, Aizwal District, Mizoram	Item (vii) - Sports	No	Mizoram	Lungleng & Aizwal	12	5.47	-	5.47	No	Mizoram State Sports Council (MSSC)	CSR00017572
8	Supply, installation and Commissioning of Water ATM (WATM) in 50 locations of Basti region of Uttar Pradesh.	Item (i) - Healthcare	No	Uttar Pradesh	Basti	12	3.97	1.95	2.02	Yes	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
9	Construction of Emergency Response Centre (ERC)' building near Badrish Lake in Badrinath town	Item (xii) - Disaster Management	No	Uttarakhand	Chamoli	24	17.58	-	17.58	No	Shri Kedarnath Utthan Charitable Trust (SKUCT), Govt. of Uttarakhand	CSR00009855
10	Rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan (SBSV) in the States of Andhra Pradesh, after survey of toilets-2nd Phase	Item (i) - Sanitation Item (ii) - Promoting education	No	Andhra Pradesh	Multiple district	6	1.86	0.93	0.93	No	Connect to Andhra , Andhra Pradesh	CSR00008366
11	Development works in the 3 blocks (Piro, Bihiya, Jagdishpur) of Arrah District, Bihar-Bhojpur Village Development Programme as an addendum to supplementary project.	Item (x) - Rural development projects	No	Bihar	Arrah	7	1.79	0.96	0.84	Yes	-	-
12	Construction of State of Art Building for Interdisciplinary Centre for Energy Research (ICER), IISc Bengaluru, Karnataka' through IISc Bengaluru.	Item (ii) - Promoting education, Item (iv) - Ensuring environmental sustainability	No	Karnataka	Bengaluru	36	10.87	-	10.87	No	IISc Bangalore	CSR00007370
13	Creating sustainable livelihood opportunities for 500 women through oyster mushroom cultivation, marketing and branding.	Item (ii) - Promoting education	No	Maharashtra	Aurangabad	24	7.06	-	7.06	No	District Administration Aurangabad	CSR00043765
14	Providing additional rooms, toilets and drinking water facility in Primary Health Centres (PHC), Schools, Anganwadis and construction of Gram Panchayat Building in selected Mandals in Suryapet District, Telangana	Item (i) - Sanitation, Item (i) - Healthcare Item (ii) - Promoting education	No	Telangana	Suryapet	24	5.77	0.58	5.19	No	District Collector, Suryapet	CSR00041884

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
15	Supply, Installation and Commissioning of 64 Slice Computed Tomography Scanner with 5-year warranty in MNJ Institute of Oncology & Regional Cancer Centre (MNJ), Hyderabad	Item (i) - Healthcare	No	Telangana	Hyderabad	24	5.00	-	5.00	No	MNJ Institute of Oncology & Regional Cancer Centre, Hyderabad	CSR00034393
16	Skill development training to 1000 nos. of persons belonging to under privileged sections of the society in various locations in India.	Item (ii) - Promoting education	No	Andhra Pradesh,Gujarat, Himachal Pradesh, Madhya Pradesh & Uttarakhand	Multiple district	9	2.02	-	2.02	No	Power Sector Skill Council (PSSC)	CSR00009191
17	Procurement of CT scan machine at Naga Hospital Authority Kohima.	Item (i) - Healthcare	No	Nagaland	Kohima	12	3.56	-	3.56	No	Investment and Development Authority of Nagaland (IDAN)	CSR00024598
18	Upgradation of 'Healthcare Services' and provide Equipment for 'Free Community Kitchen' for The Kalgidhar Society, Baru Sahib, Sirmour, H.P (TKS)'	Item (i) - Healthcare	No	Himachal Pradesh	Sirmaur	12	1.23	-	1.23	Yes	-	-
19	Installation of R.O Water Treatment Plant in the Villages of Palnadu District,Andhra Pradesh	Item (i) - Healthcare	No	Andhra Pradesh	Palnadu	12	2.50	-	2.50	No	District Collector, Palnadu	CSR00038835
20	Procurement of 1 Nos. of Cancer Detection & Awareness Mobile Van and related equipment to Bharat Sevashram Sangha (BSS) to be Stationed at Murshidabad, Kolkata	Item (i) - Healthcare	No	West Bengal	Murshidabad	12	3.47	-	3.47	Yes	-	-
21	Improvement/upgradation of Cantonment Board Hospital/ Dispensary in Lansdowne Cantonment, Uttarakhand'	Item (i) - Healthcare	No	Uttarakhand	Pauri	12	1.64	-	1.64	No	Cantonment Board, Lansdowne	CSR00031161

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore.)	Amount spent in the current financial Year (in ₹ crore.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation	Mode of Implementation – Through Implementing Agency	
				State	District					Direct (Yes/No)	Name	CSR Registration No.
22	Renovation and Improvement of Educational and allied infrastructures of 20 Nos. of schools in Kandhamal District, Odisha	Item (ii) - Promoting education	No	Odisha	Kandhamal	12	6.00	-	6.00	No	Integrated Tribal Development Agency (ITDA), Balliguda	CSR00033677
23	Procurement of life saving medical device for poor cancer patients being admitted in KGMU, Lucknow.	Item (i) - Healthcare	No	Uttar Pradesh.	Lucknow	12	10.19	-	10.19	No	King George's Medical University (KGMU), Lucknow	CSR00016784
24	Rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan in the State of Rajasthan , after survey of toilets'	Item (i) - Healthcare	No	Rajasthan	Multiple Districts	6	4.42	-	4.42	Yes	-	-
25	Procurement and supply of sanitation and hygiene items for prevention of adverse effect on health of sanitation workers in Municipal Corporation of Rourkela,Sundergarh district, Odhisa	Item (i) - Healthcare	No	Odisha	Sundergarh	6	1.09	-	1.09	Yes	-	-
26	Upgradation of public Health infrastructure in various villages of Thoothukud district Tamilnadu.	Item (i) - Healthcare	No	Tamilnadu	Thoothukud	10	2.31	-	2.31	No	District Health society Toothukud	CSR00040013
27	Providing various equipments/items for operationalisation of Mother and New Born Care Unit (MNCU) at 10 government health centres of Gautambudhnagar District Uttar Pradesh	Item (i) - Healthcare	No	Uttar Pradesh.	Gautambudhnagar	6	0.86	-	0.86	Yes	-	-
TOTAL								**13.14**	**106.34**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in crore)	Mode of implementation -Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Reg. no.
1	Providing Medical Infrastructure in District Hospital in Pratapgarh district, Rajasthan	Item (i) - Healthcare	No	Rajasthan	Pratapgarh	0.34	No	Rajasthan Medical Relief Society, Pratapgarh	CSR00010176
2	Contribution to PM CARES	Item (i) - Healthcare	No	PAN India	NA	50.00	Yes	-	-
3	Contribution to PM CARES	Item (i) - Healthcare	No	PAN India	NA	1.94	Yes	-	-
	Total					**52.28**			

(d) Amount spent in Administrative Overheads

₹ 6.82 crore

(e) Amount spent on Impact Assessment, if applicable

Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹ 72.24 crore(₹ 106.34 transferred to CSR unspent account)

Note: The total CSR amount charged to Standalone Statement of Profit and Loss during FY 2022-23 is ₹ 225.30 crore. Out of this, ₹ 46.72 crore pertains to projects sanctioned against the budget of the period up to 31.03.2020, whereas, the remaining amount i.e. ₹ 178.58 crore pertains to projects sanctioned against the budget of FY 2022-23.

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	178.58
(ii)	Total amount spent for the Financial Year	178.58
(iii)	Excess amount spent for the financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ in crore)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account u/s 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	Till FY 2019-20	99.15*	46.72	NA	NA	NA	52.43*
2	FY 2020-21	Nil	NA	NA	NA	NA	Nil
3	FY 2021-22	54.87	13.98	NA	NA	NA	40.89
	Total	**154.02**	**60.70**				**93.32**

* Not required to be transferred as the provision of Section 135 (6) was made effective from the FY 2020-21.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project (in ₹.)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1	44	Relief & Rehabilitation activities in the flood affected areas of Uttarakhand for re-building of infrastructure destroyed during calamity	2013-14	90	3.00	0.35	3.00	Completed
2	101	Providing Cancer Detection & Awareness Mobile Van and related equipments for Sir Sunderlal Hospital, Department of Surgical Oncology, Institute of Medical Sciences (IMS), Banaras Hindu University (BHU), Varanasi, Uttar Pradesh	2016-17	6	0.12	0.00	0.03	Completed
3	106	Skill Development Training for unemployed youth belonging to SC/ST/OBC/PwD/Women/PWD/EWS of society in Andhra Pradesh through APSSDC	2016-17	67	5.00	1.88	5.00	Completed
4	127	Installation of submersible pump, Overhead Tank and Construction of Multiple Hand wash Units in 175 Govt. schools of Varanasi, Uttar Pradesh	2017-18	21	2.18	0.03	1.09	Ongoing
5	131	Supply, installation and commissioning of 100 nos. of LED based Solar Street Lighting System (SLS) in Varanasi and Chandauli, Uttar Pradesh	2017-18	9	0.24	0.00	0.23	Ongoing
6	135	Project of creating Adarsh Panchayat project in three villages, Bhandari,Manchi and maheshpur of Bhandari Panchayat in Belsand Block,Sitamarhi District of Bihar and transformation of two Government Schools in Bhandari through PTC FoundationTrust .	2018-19	36	2.56	1.43	2.33	Ongoing
7	136	Development works in the 3 blocks (Piro, Bihiya, Jagdishpur) of Arrah District, Bihar-Bhojpur Village Development Programme	2018-19	50	22.90	1.96	22.40	Ongoing
8	137	Construction of Building of Brij Mohan School for the Blind in Meerut under	2018-19	27	4.87	0.89	4.73	Completed
9	139	Supply,installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Agra, Uttar Pradesh	2018-19	6	1.13	0.02	1.08	Ongoing
10	140	Supply,installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Purnia, Bihar	2018-19	6	1.13	0.02	1.08	Ongoing
11	144	Infrastructure works in Dr.K.B hedgewar School in Tiswadi, Goa	2018-19	29	3.40	0.70	3.40	Ongoing
12	145	Project for supply, installation and commissioning of 500 nos. LED based Solar Street Lighting System (SLS) in various villages of Mahbubnagar and Ranga Reddy Districts in Telangana state.	2018-19	6	1.40	0.03	1.34	Ongoing
13	148	Supply, installation and commissioning of 100 Nos of solar PV Highmast Lighting system (White LED) SHMLS in various village of Basti, UP	2018-19	28	1.15	0.03	1.09	Ongoing
14	150	Supplementary Project of creating Adarsh Panchayat in Bhandari Panchayat Sitamarhi District,Bihar and transformation of Existing projects intervention two Government Schools in Bhandari and Construction of Community Hall under CSR as an addendum to supplementary project	2018-19	37	2.56	0.43	2.33	Ongoing
15	155	Project for Supply, installation and commissioning of 100 nos. of Solar PV High-mast Lighting Systems in various locations of Giridih Region, Jharkhand	2018-19	6	1.06	0.02	1.00	Ongoing
16	157	Project for supply, installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Bikaner Region(Phase-II), Rajasthan.	2018-19	6	1.40	0.03	1.34	Ongoing

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project (in ₹.)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
17	158	Supply, installation, commissioning of 100 nos. of Solar PV Highmast Lightening System (White LED) (SHMLS) in various villages of Siddharthnagar District, Uttar Pradesh	2018-19	8	1.15	0.15	0.15	Ongoing
18	159	Installation of RO units in various Government/ Government aided Schools of Ferozepur District,Punjab	2018-19	24	6.76	0.84	5.55	Ongoing
19	165	Supply and installation of 100 Nos of India Mark II hand pumps fo drinking water purpose in Mirzapur UP	2018-19	18	0.97	0.10	0.98	Ongoing
20	192	Project for providing portable Solar Micro Pumping System (PSMP) to 20 Gram Panchayat in Baghpat Region, Uttar Pradesh	2018-19	35	0.69	0.38	0.63	Ongoing
21	222	Construct new hostel building for SC/ST students in campus of V.M.H.E High School, siwan through Executive Engineer, Local Area Engineering Organisation (LAEO) ,Work Division-1 Siwan	2018-19	36	3.84	2.82	2.82	Ongoing
22	162	Creating 100 model aaganwadi centre (AWC) alongwith provision of other infrastructural facilities in shravasti District, UP	2019-20	35	4.18	0.95	2.07	Ongoing
23	170	Transforming Tribal Health Care Centres, Upgradation of Integrated Disease Diagnostics Facilities including Thalassemia disease day Care and Nutrition Rehabilitation Centrers(NRC) in aspirational district Bhupalpalli,Telangana	2019-20	30	8.74	3.08	3.96	Ongoing
24	172	Construction of 200 anganwadi centres alongwith provision of other infrastructural facilities in Ferozepur Dist. Punjab	2019-20	38	19.06	4.71	15.39	Ongoing
25	174	Energy Efficient Interventions for improving Education and Health standards in Tribal Resdential schools and Hostels & providing Digital Classrooms in Tribal schools in Bhupalpalli and Mulug of Telangana state	2019-20	35	10.51	4.20	9.46	Ongoing
26	179	Project for conducting Skill Development Training (3630 persons)	2019-20	39	10.00	2.48	7.68	Ongoing
27	186	Construction of Ground Floor of 100 Bedded Multi Specialty Hospital at Trimbakeshwar Nashik for Shri Ramakrishna Arogya Sansthan	2019-20	30	7.82	4.04	5.86	Ongoing
28	194	Supply installation and commissioning of 500 Nos of solar photovoltaice LED street lighting system SLS in various village of Kairana, UP	2019-20	24	1.12	0.20	1.00	Ongoing
29	195	Construction of Two No. of Modular Operation theatre room in District Hospital in Siddharthnagar District, Uttar Pradesh	2019-20	19	0.93	0.07	0.88	Completed
30	196	Reconstruction & restoration of Kedarnath town and surrounding areas	2019-20	24	25.97	9.59	11.92	Ongoing
31	197	Construction of 100 bedded district hospital building for 'In – patient department (IPD)' block in Mamit, Mizoram	2019-20	36	12.55	2.37	8.30	Ongoing
32	198	Development of Sub Health Centres 'Anganwadi centres' provision of mobility for health providers, and development of digital classrooms in selected Government schools in Bhadradri Kothagudem, Telangna	2019-20	31	6.29	2.70	5.39	Ongoing
33	202	Provision of aids and appliances in the form of motorised tricycles to PWD in Bhadradri Kothagudem, Telangana	2019-20	23	0.73	0.22	0.47	Ongoing
		Total				**46.72**		

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS).

(a)	Date of creation or acquisition of the capital asset(s)	:	Nil
(b)	Amount of CSR spent for creation or acquisition of capital asset	:	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	:	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	:	Not Applicable

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5).

Unspent CSR amount of ₹ 106.34 crore pertains to ongoing projects (multi-year) where payment is made in tranches upon achievement of milestone till completion of projects. Accordingly, the said amount has been deposited in unspent CSR Account as per requirements of Section 135(6) of Companies Act, 2013.

Sd/-
(Parminder Chopra)
CMD
DIN: 08530587

Sd/-
(Prasanna Tantri)
Chairman, CSR Committee
DIN: 06471864

Form No. AOC-2

ANNEXURE G OF BOARD'S REPORT

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Sr. No.	Particulars	Details		
1.	**Details of contracts or arrangements or transactions not at arm's length basis**			
(a)	Name(s) of the related party and nature of relationship	There was no transaction attracting the applicable provisions of sub-section (1) of Section 188 of the Companies Act, 2013.		
(b)	Nature of contracts/arrangements/ transactions			
(c)	Duration of the contracts / arrangements/ transactions			
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any			
(e)	Justification for entering into such contracts or arrangements or transactions			
(f)	Date(s) of approval by the Board			
(g)	Amount paid as advances, if any:			
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188			
2.	**Details of material contracts or arrangement or transactions at arm's length basis**			
(a)	Name(s) of the related party and nature of relationship	PFC Projects Limited (PPL) (erstwhile Coastal Karnataka Power Limited (CKPL)), Subsidiary of PFC	PFC Projects Limited (PPL) (erstwhile Coastal Karnataka Power Limited (CKPL), Subsidiary of PFC	PFC Projects Limited (PPL) (erstwhile Coastal Karnataka Power Limited (CKPL), Subsidiary of PFC
(b)	Nature of contracts/arrangements/ transactions	PFC Projects Limited (PPL), a 100% Subsidiary of PFC is being identified for the creation of 'Power Asset Management Company (PAMC)' for taking over the Stressed/NPA Assets in the Power Sector with equal participation (50:50) by PFC and REC.	Approval of bid value for resolution plan submitted by PPL in consortium with REC & Technical Partner like DVC, SJVNNTPC etc. for LAPL under the provisions of Insolvency and Bankruptcy Code 2016.	Sanction for revised Takeout Funding on sharing basis with REC as part of transaction requirement under CIRP of LAPL for PPL-REC Consortium Plan to Lanco Amarkantak Power Ltd.

Sr. No.	Particulars	Details		
(c)	Duration of the contracts/ arrangements/ transactions	--	--	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	The major terms of the transaction were as follows: • The initial paid-up capital of PAMC will be ₹100 crore to be shared equally by PFC and REC having equal voting shares. • Subscription of 50% shareholding in the proposed PAMC through fresh equity allotment not exceeding ₹ 50,00, 00,000 (Rupees Fifty Crore), and on such other terms and conditions as may be mutually agreed between both parties.	The major terms of the transaction were as follows: • Sanction of additional funding for capital expenditure for the Project, with sharing 50:50 basis with REC. • Sanction for takeout facility for CoC lenders (other than PFC, REC to Lanco Amarkantak Power Limited.	The major terms of the transaction were as follows: • Sanction of revised Takeout funding including PFC/REC. • for arrangement through PFC/ REC/ other participating entities of a Performance Security/bank guarantee by a scheduled commercial bank in India of INR 100 crore (Indian Rupees One Hundred Crore only) as Performance Bank Guarantee (PBG) in favour of Designated Lender.
(e)	Date(s) of approval by the Board, if any:	12.08.2022	22.11.2022	13.01.2023
(f)	Amount paid as advances, if any:	--	--	--

For and on behalf of the Board of Directors

Sd/-
(Parminder Chopra)
CMD
DIN: 08530587

Place: New Delhi
Dated: August 21, 2023

Debenture Trustees Appointed by the Company for the Different Series of Bonds as on March 31, 2023

1	**IDBI Trusteeship Services Ltd.** Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai – 400 001	8.60% TAX BOND SERIES-57 C
		8.50% TAXU BOND SERIES-61
		8.80% TAXU BOND SERIES-62B
		8.90% TAXU BONDS SERIES-63
		8.95% TAXU BOND SERIES-64
2	**PNB Investment Services Limited** 10 Rakeshdeep Building, Yusuf Sarai Commercial Complex, Gulmohar Enclave, New Delhi - 110 049	8.7% TAXU Bond Series - 65
		8.75% TAXU PFC BONDS-66 B SERIES
		8.85% TAXU PFC BONDS-66 C SERIES
		9.05% TAXU PFC BONDS-71-SERIES
		9.46% TAXU PFC Bond Series - 76-B
		9.45% TAXU PFC Bond Series - 77-B
		7.75% SEC TAX FREE PFC BONDS - Series 79-B
		8.16% SEC TAX FREE PFC BONDS - Series 80-B
		9.26% TAXU PFC Bonds - Series 85-D
		Infrasturcture Bond(2011-12) trache 1-Series -III
		Infrasturcture Bond(2011-12) trache 1-Series -IV
		8.43% Series III Private Placement
		8.43% Series I V Private Placement
3	**Catalyst Trusteeship Ltd.** (Formerly GDA Trusteeship Ltd.) GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038	7.38% Tax Free Bond Series 94-B
		7.38% Tax Free Bonds Series 95-B
		9.00% PFC BOND SERIES 101-B
		8.90% PFC BOND SERIES 102-A (III)
		8.94% PFC BOND SERIES 103
		9.37% PFC BOND SERIES 117-B
		9.39% PFC BOND SERIES 118-B-II
		9.39% PFC BOND SERIES 118-B-III
		8.98% PFC BOND SERIES 120-A
		8.98% PFC BOND SERIES 120-B
		8.48% PFC BOND SERIES 124-C
		8.65% PFC BOND SERIES 125
		8.65% PFC BOND SERIES 126
		8.20% PFC BOND SERIES 128
		8.39% PFC BOND SERIES 130-C
		8.41% PFC BOND SERIES 131-C
		7.16% PFC BOND SERIES 136
		8.40% PFC BOND SERIES 141-B
		8.03% PFC BOND SERIES 147
		7.63% PFC BOND SERIES 150-B
		7.56% PFC BOND SERIES 151-B
		7.55% PFC BOND SERIES 152
		7.273 PFC BOND SERIES 155
		7.10% PFC BOND SERIES 156 - GoI Fully Serviced Bond
		7.10% PFC BOND SERIES 158- GoI Fully Serviced Bond
		7.60% PFC BOND SERIES 160-GoI Fully Serviced Bond
		7.75% PFC BOND SERIES 164- GoI Fully Serviced Bond
		7.44% PFC BOND SERIES 168-B
		7.44% PFC BOND SERIES 169-B
		7.65% PFC BOND SERIES 170-B
		7.62% PFC BOND SERIES 171
		7.74% PFC BOND SERIES 172
		7.85% PFC BOND SERIES 177

		Infrasturcture Bond(2010-11 trache 1-Series -III
		Infrasturcture Bond(2010-11 trache 1-Series -IV
		8.30% Public Issue of Tax Free Nond FY 2011-12
		7.11% TAXFREE BONDS 1A 2015-16
		7.36% TAXFREE BONDS 1B 2015-16
		7.27% TAXFREE BONDS 2A 2015-16
		7.52% TAXFREE BONDS 2B 2015-16
		7.35% TAXFREE BONDS 3A 2015-16
		7.60% TAXFREE BONDS 3B 2015-16
4	**Vistra ITCL (India) Ltd.** (Formerly IL&FS Trust Company Ltd.) IL&FS Financial Centre Plot C- 22, G Block, BandraKurla Complex, Bandra(E), Mumbai 400051	8.19% PFC SUBORDINATED TIER II - DEBT BOND SERIES 105
		8.01% TAX FREE BOND SERIES 107-A
		8.46% TAX FREE BOND SERIES 107-B
		9.65% PFC SUBORDINATED TIER II - DEBT BOND SERIES 111
		9.70% PFC SUBORDINATED TIER II - DEBT BOND SERIES 114
		7.36%15YRS TAX FREE BOND20 12-13 TR SERIES 2
		7.86%15YRS TAX FREE BOND20 12-13 TR SERIES 2
		7.04TAX FREE BOND20 12-13 TR 2
		7.54TAX FREE BOND20 12-13 TR 2
		8.18%Tax Free Bonds 13-14 Series 1A
		8.43%Tax Free Bonds 13-14 Series 1B
		8.54%Tax Free Bonds 13-14 Series 2A
		8.79%Tax Free Bonds 13-14 Series 2B
		8.67%Tax Free Bonds 13-14 Series 3A
		8.92%Tax Free Bonds 13-14 Series 3B
5	**Beacon Trusteeship Ltd.** 4C&D, Siddhivinayak Chambers Gandhi Nagar, Opp. MIG Cricket Club Bandra(E), Mumbai - 400 051	8.95 TX USC BOND SRS 178
		8.67 TX USC BND SRS 179 A
		8.64 TX USC BND SRS 179 B
		8.75% TX USC BOND SRS 180
		9.25 % TX USC BOND SRS 184(A)
		9.10% TX USC BOND SRS 184(B)
		8.98% TX USC BOND SRS 185
		8.7929% TX USC BOND SRS 186
		8.85% TX USC BOND SRS 187- B
		8.10% TX USC BOND SRS 188
		8.15% TX USC BOND SRS 189
		8.25% TX USC BOND SRS 190
		7.42% TX USC BOND SRS 192
		7.93% TX USC BOND SRS 193
		7.04%TX USB BOND SRS194
		7.86%TX USB BOND SRS195
		7.41%TX USB BOND SRS196&196R
		7.41%TX USB BOND SRS197
		6 98 TX USC BND SRS 198
		6 83 TX USC BND SRS 199A
		7 16 TX USC BND SRS 199B
		7 40 TX USC BND SRS 200
		7 68 TX USC BND SRS 201
		7.75 TX USC BND SRS 202A
		7 17 TX USC BND SRS 202B
		7.79 TX USC BND SRS 202C
		6 72 TX USC BND SRS 203A
		7 75 TX USC BND SRS 203B
		5 77 TX USC BND SRS 204A
		6 88 TX USC BND SRS 204B
		7 05 TX USC BND SRS 205A
		7 20 TX USC BND SRS 205B

5 47 TX USC BND SRS 206
7 04 TX USC BND SRS 207&207R
6 50 TX USC BND SRS 208
7 34 TX USC BND SRS 209
6 35 TX USC BND SRS 210A STRPP1
6 35 TX USC BND SRS 210A STRPP2
6 35 TX USC BND SRS 210A STRPP3
7 11 TX USC BND SRS 210B
4 05 TX USC BND SRS 211 Floating
7 15 TX USC BND SRS 212B
6 09 TX USC BND SRS 212 A
6 95 TX UNS BND SRS 213
6 92 TX USC BND SRS 214 BBETF
7 13 TX UNS BND SRS 215
7 13 TX UNS BND SRS 216
7 42 TX UNS BND SRS 217A
7 15 TX USC BND SRS 217B STRPP1
7 15 TX USC BND SRS 217B STRPP2
7 15 TX USC BND SRS 217B STRPP3
7 59 TX UNS BND SRS 218
7 65 TX UNS BND SRS 219
7 58 TX UNS BND SRS 220 BBETF
7 72 TX UNS BND SRS 221A
7 59 TX UNS BND SRS 221B
7 58 TX UNS BND SRS 222
7 64 TX UNS BND SRS 223
7 82 TX UNS BND SRS 224
7 77 TX UNS BND SRS 225A
7 82 TX USC BND SRS 225B STRPP I
7 82 TX USC BND SRS 225B STRPP II
7 82 TX USC BND SRS 225B STRPP III
7 82 TX USC BND SRS 225B STRPP IV
7 66 TX UNS BND SRS 226A
7 70 TX UNS BND SRS 226B
7 70 TX UNS BND SRS 227A
7 77 TX UNS BND SRS 227B
4 80 SEC TAX NCD PI TR I SER I CAT III-IV
5 65 SEC TAX NCD PI TR I SER II CAT I-II
5 80 SEC TAX NCD PI TR I SER II CAT III-IV
6 63 SEC TAX NCD PI TR I SER III CAT I-II
6 82 SEC TAX NCD PI TR I SER III CAT III-IV
6 80 SEC TAX NCD PI TR I SER IV CAT I-II
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV
6 78 SEC TAX NCD PI TR I SER VI CAT I-II
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV
6 95 SEC TAX NCD PI TR I SER VII CAT I-II
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV
5.75% PFC 54 EC BOND SERIES II
5.75% PFC 54 EC BOND SERIES III
5.00% PFC 54 EC BOND SERIES IV
5.00% PFC 54 EC BOND SERIES V
5.00% PFC 54 EC BOND SERIES VI

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

3. EMPHASIS OF MATTER

We draw attention to Note 40.1.2 (iii) of the Standalone Financial Statements regarding the provision of impairment allowance in respect of loan assets, undisbursed letter of comfort and guarantee. The Company has recognised expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, on the basis of documents provided by independent expert agency appointed by the Company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by the said independent expert agency and management's judgement on the same.

Our opinion is not modified in respect of the above said matter.

4. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments - Loan Assets** The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss. The key indicators underlying for assessment of impairment allowance are appraised on the ongoing basis by the management.	**Our audit procedures included:** • Company has availed services of independent expert to estimate the carrying value of the loan assets. We verified the criterion/ framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance as well as the completeness and accuracy of the data shared with the independent experts. • Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. • We have reviewed the underlying assumptions and broad methodology of ECL assessment and shared our inputs.

Sr. No.	Key Audit Matter	Auditors' Response
	The most significant areas where we identified greater levels of management Judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets in the Standalone Financial Statements, i.e. 94.98% of total assets, impairment of loan assets there on has been considered as Key Audit Matter in our audit.	• Components and calculations in the study for impairment allowance carried out by the third party are test checked, discussed with management and relied upon by us. Our audit procedure in the same is limited in view of not sharing certain parameters of study being considered confidential by such third party. We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable & satisfactory.
(ii)	**Fair Valuation of Derivative financial instruments** Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Company's board approved currency risk management policy. Derivative contracts are either categorised at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorised at FVTPL is recognised in Statement of Profit and Loss and that of Hedge Accounting is recognised in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/ assumptions/ estimate by contracting bank could lead to a material effect on the income statement.	**Our audit procedures included:** Discussing and understanding management's perception and studying policy of the Company for risk management. Verification of fair value of derivative in term of Ind AS 109. Evaluation of key internal control over classification of derivative instruments. Company obtains fair value of derivative from the counterparty banks. Our procedure includes evaluation of details of various financial derivative contracts outstanding as on March 31, 2023 and fair value thereon. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in Statement of profit & loss and other comprehensive income in case of derivatives contracts under cash flow hedge. We did not find any material misstatement in measuring derivative contracts at fair value obtained from counterparty banks.

5. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

7. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and on the basis of such examination of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in **"Annexure-A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. The Comptroller and Auditor General of India has issued the directions indicating the areas to be examined in term of sub-section 5 of Section 143

of the Act, the compliance of which is set out in **"Annexure B"**.

III. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash flows, dealt with by this Report are in agreement with the books of account;

d) In our opinion and to the best of our information and explanation given to us, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules;

e) As per notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**;

g) As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company; and

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 46 to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented (refer Note 10.3) that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that (refer Note 18.16), to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material mis-statement.

v. As stated in Note 24.2(iii) to the Standalone Financial Statements:

(a) The final dividend proposed for the previous year, declared and paid by the Company during the year declared

is in compliance with Section 123 of the Companies Act, 2013, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 with respect to using accounting software for maintaining its books of account which has certain features e.g. edit log etc. as enumerated in aforesaid proviso is applicable to the Company with effect from April 1, 2023. Therefore, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 23082069BGZGVN9763

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZQ6574

Annexure A

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para I under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2023)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars, of intangible assets.

(b) Based on the information and explanation given to us, the Company's management carries out the physical verification of Property, Plant and Equipment once in a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification.

(c) Based on our examination of the records of the Company we report that, the title deeds, comprising all immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date. Further, in respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

(e) As informed to us, no proceedings have been initiated or are pending against the Company as at the date of Balance Sheet for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is a Non-Banking Financial Company and does not have any inventory. Thus, clause 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, during the year, in aggregate, from banks or financial institutions which are unsecured which do not require any filing of quarterly returns or statements with the banks by the Company.

(iii) During the year, the Company has made investments in, provided guarantees and granted loans/advances in the nature of loans, secured/unsecured to companies, firms, limited liability partnerships, and other parties. In this regard, we report hereunder:

(a) The Company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made, guarantees provided, if any and the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, *prima facie*, not prejudicial to the Company's interest.

(c) Being a registered Non-Banking Financial Company (NBFC), the Company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets except credit impaired assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days are as under. The Company takes steps for recovery of the principal and interest as per its defined procedures, which in our opinion are reasonable.

No. of borrowers	Principal amount overdue (₹ in crore)	Interest overdue* (₹ in crore)	Total overdue (₹ in crore)
22	9,977.63	12,548.55	22,526.18

* The same has not been recognised as income as a matter of prudence as per practices of the Company.

(e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the Company is to give loans.

(f) To the best of our knowledge and according to information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to information and explanation given to us the Company has not given any loan or given any guarantee or provided any security in contravention of Section 185 of the Companies Act, 2013 to the extent applicable to the Company.

Further in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), the Company is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. In respect of investments the Company has complied with the provisions of Section 186(1) of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposit from public to which directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of Companies Act, 2013 and rules made thereunder are applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(vii) In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the Company, we report that:

(a) The Company is regular in depositing with appropriate Authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, and other statutory dues as applicable to it and there is no undisputed amount payable in respect of aforesaid dues outstanding for a period of more than six months from the date they become payable as on March 31, 2023, as per the accounts of the Company.

(b) According to the information and explanations given to us and as certified by the management on which we have relied upon, the disputed statutory dues aggregating to ₹ 108.66 crore have been deposited/ on account of disputes/ deposited under protest and the matters are pending before appropriate authorities as detailed below:

Name of the Statute	Nature of the Dues	Total Disputed Amount (₹ in crore)	Amount Paid under protest/adjusted by IT Authorities (₹ in crore)	Pending Amount (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	71.91	71.91	-	AY 2016-17	CIT (Appeals), Delhi
		20.30	20.30	-	AY 2018-19	
		16.45	16.45	-	AY 2020-21	

(viii) As per information and explanation given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or on the payment of interest thereon to any lender.

(b) According to the information and explanations given to us the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) As per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company other than temporary usage pending receipts from long-term sources.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) As informed to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) We have been informed by the management that no whistle-blower complaints have been received by the Company during the year.

(xii) According to information and explanation given to us the Company is not a Nidhi Company. Hence the Nidhi Rules, 2014 are not applicable to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable. The details have been disclosed in the Financial Statements as per the requirement of the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures. .

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is a Non- Banking Financial Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the Company is B- 14.00004 dated 28-07-2010.

(b) According to the information and explanations given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank Of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.

(xvii) On the basis of our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and

we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date to a special account, within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 23082069BGZGVN9763

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZQ6574

Annexure B

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para II under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2023)

As required under Section 143(5) of the Companies Act 2013 with respect to the directions issued by The Comptroller & Auditor General of India, we report that:

Directions	Replies
Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us we have not come across any instance having significant implications on the integrity of accounts.
Whether there is any restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender company)	There is no such case and the Company is regular in servicing its debts and borrowing obligations.
Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilised as per its term and conditions? List the cases of deviation.	Government of India funds released by Ministry of Power to the Company for the projects sanctioned under various schemes, have been properly accounted for and released onward to concerned beneficiary for implementation of Projects, as per specified scheme guidelines and terms & conditions of the sanction.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 23082069BGZGVN9763

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZQ6574

Date: 27.05.2023
Place: New Delhi

Annexure C

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para III(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2023)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone financial statements of Power Finance Corporation Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

3. MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the Management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 23082069BGZGVN9763

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZQ6574

Non-Banking Financial Companies Auditors' Report

for the year ended March 31, 2023

The Board of Directors
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane,
Connaught Place, New Delhi – 110 001

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India, on the matters specified in Chapter - II of the said Directions to the extent applicable to the Company, and according to the explanations given to us for the purpose of the audit, we report that:

1. The Company is engaged in the business of Non-Banking Financial Institution, having valid certificate of registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No. B-14.00004 dated 28-07-2010 in lieu of earlier certificate no. 14.00004 dated 10.02.1998. Further, the Company is entitled to continue to hold such registration in terms of its asset/income pattern as on 31.03.2023.
2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. The Company is registered as Non-deposit accepting Infrastructure Finance Company with RBI. The Board of Directors has passed resolution in its meeting held on 21.03.2023 for non-acceptance of any public deposit in future without obtaining prior written permission of Reserve Bank of India.
4. The Company has not accepted any public deposits during the financial year 2022-23.
5. The financial statements of the Company for the year 2022-23 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of Companies Act, 2013 for adoption of a mechanism for preparation of financial statements, the Company is required to make provision of impairment loss as per Ind AS 109 and not required to follow the Prudential norms relating to income recognition, asset classification and provisioning (IRACP norms) for Bad and Doubtful debts in terms of Directions 2016. However in this regard, in compliance of RBI Notification No. DOR(NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, the Company has calculated provision required under IRACP Norms (including standard assets provisions) and company is not required to appropriate any amount to "Impairment Reserve".
6. As per information and explanation given to us, the statement of capital funds, risk assets/exposures and risk asset ratio (DNBS 03 return) has been filed by the Company for all the quarters of FY 2022-23 based on provisional financial results, including CRAR of respective quarters, drawn on the date of filing with in the stipulated period, in compliance with RBI norms. Further, CRAR based on audited financial statements for the year ended 31.03.2023 has been correctly arrived at and it is in compliance with minimum prescribed CRAR by RBI.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 23082069BGZGVN9763

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZQ6574

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(B) of the Companies Act, 2013 on the Financial Statements of Power Finance Corporation Limited for the Year Ended 31 March 2023

The preparation of financial statements of Power Finance Corporation Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act. 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Finance Corporation Limited for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
COMPTROLLER & AUDITOR GENERAL OF INDIA

Sd/-
(SANJAY K. JHA)
Director General of Audit (Energy)

Place: New Delhi
Dated: July 28, 2023

Standalone Balance Sheet

as at March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	7	22.14	720.91
(b)	Bank Balance other than included in Cash and Cash Equivalents	8	1,595.96	3,240.31
(c)	Derivative Financial Instruments	9	4,803.40	3,080.56
(d)	Loans	10	4,10,829.15	3,60,929.74
(e)	Investments	11	17,304.14	16,084.27
(f)	Other Financial Assets	12	5,389.03	5,382.67
	Total Financial Assets (1)		**4,39,943.82**	**3,89,438.46**
2	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)	13	210.28	273.65
(b)	Deferred Tax Assets (Net)	37	4,033.31	4,151.82
(c)	Property, Plant and Equipment	14	44.00	44.72
(d)	Intangible Assets	14	0.04	0.13
(e)	Intangible Assets under development	14	11.20	-
(f)	Right-of-use Assets	15	34.40	34.85
(g)	Other Non-Financial Assets	16	556.01	466.38
	Total Non-Financial Assets (2)		**4,889.24**	**4,971.55**
	Total Assets (1+2)		**4,44,833.06**	**3,94,410.01**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	9	24.32	103.25
(b)	Debt Securities	17	2,59,827.05	2,30,156.95
(c)	Borrowings (other than Debt Securities)	18	1,01,228.89	87,965.42
(d)	Subordinated Liabilities	19	9,311.84	9,311.27
(e)	Other Financial Liabilities	20	5,537.68	6,803.99
	Total Financial Liabilities (1)		**3,75,929.78**	**3,34,340.88**
2	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	13	105.02	194.92
(b)	Provisions	21	323.65	247.00
(c)	Other Non-Financial Liabilities	22	272.38	276.93
	Total Non-Financial Liabilities (2)		**701.05**	**718.85**
	Total Liabilities (1+2)		**3,76,630.83**	**3,35,059.73**
3	**Equity**			
(a)	Equity Share Capital	23	2,640.08	2,640.08
(b)	Other Equity	24	65,562.15	56,710.20
	Total Equity (3)		**68,202.23**	**59,350.28**
	Total Liabilities and Equity (1+2+3)		**4,44,833.06**	**3,94,410.01**

The accompanying notes 1 to 61 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
	REVENUE FROM OPERATIONS			
(i)	Interest Income	25	37,645.31	36,701.22
(ii)	Dividend Income	26	1,744.81	1,347.42
(iii)	Fees and Commission Income	27	261.63	496.76
I.	**Total Revenue from Operations**		**39,651.75**	**38,545.40**
II.	Other Income	28	13.88	45.77
III.	**Total Income (I+II)**		**39,665.63**	**38,591.17**
	EXPENSES			
(i)	Finance Costs	29	23,282.57	22,671.30
(ii)	Net Translation/Transaction Exchange Loss / (Gain)	30	1,975.23	905.58
(iii)	Fees and Commission Expense	31	12.06	10.18
(iv)	Net Loss/(Gain) on Fair Value changes	32	(70.56)	(9.42)
(v)	Impairment on Financial Instruments	33	(296.21)	2,222.14
(vi)	Employee Benefit Expenses	34	219.01	213.11
(vii)	Depreciation, Amortisation and Impairment	14/15	19.06	13.20
(viii)	Corporate Social Responsibility Expenses	35	225.30	214.72
(ix)	Other Expenses	36	128.55	122.71
IV.	**Total Expenses**		**25,495.01**	**26,363.52**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**		**14,170.62**	**12,227.65**
VI.	Exceptional Items		-	-
VII.	**Profit/(Loss) Before Tax (V-VI)**		**14,170.62**	**12,227.65**
	Tax Expense:	37		
	(1) Current Tax:			
	- Current Year		2,381.18	2,418.91
	- Earlier Years		(50.94)	(36.05)
	(2) Deferred Tax Expense/(Income)		234.91	(177.11)
VIII.	**Total Tax Expense**		**2,565.15**	**2,205.75**
IX.	**Profit/(Loss) from Continuing Operations (VII-VIII)**		**11,605.47**	**10,021.90**
X.	**Profit/(Loss) from Discontinued Operations (After Tax)**		**-**	**-**
XI.	**Profit/(Loss) (from continuing and discontinued operations) (IX+X)**		**11,605.47**	**10,021.90**
	Other Comprehensive Income			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(3.62)	(5.07)
	- Net Gain/(Loss) on Fair Value of Equity Instruments		145.74	151.94
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		0.94	1.37
	- Net Gain/(Loss) on Fair Value of Equity Instruments		10.16	(9.58)
	Sub-total (A)		**153.22**	**138.66**
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains/(Loss) in Cash Flow Hedge		390.02	419.18
	- Cost of Hedging Reserve		(808.14)	(362.82)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains/(Loss) in Cash Flow Hedge		(98.16)	(105.50)
	- Cost of Hedging Reserve		203.39	91.31
	Sub-total (B)		**(312.89)**	**42.17**
XII.	**Other Comprehensive Income (A+B)**		**(159.67)**	**180.83**
XIII.	**Total Comprehensive Income (XI+XII)**		**11,445.80**	**10,202.73**
XIV.	**Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):**	38		
	(1) For continuing operations (in ₹)		43.96	37.96
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		43.96	37.96

The accompanying notes 1 to 61 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	Opening Balance	Changes during the year	Closing Balance
Issued, Subscribed and fully paid up:			
Year ended March 31, 2022	2,640.08	-	2,640.08
Year ended March 31, 2023	2,640.08	-	2,640.08

Refer Note 23 for detail

B. OTHER EQUITY

(₹ in crore)

Particulars	Reserves and Surplus									Other Comprehensive Income			Total
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Cost of Hedging Reserve	
Balance as at 31.03.2022	**6,238.14**	**576.44**	**599.85**	**24,139.00**	**2,776.54**	**(513.80)**	**64.07**	**14,115.11**	**8,863.49**	**(54.23)**	**200.34**	**(294.75)**	**56,710.20**
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	11,605.47	-	-	-	11,605.47
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	(2.68)	-	-	-	(2.68)
Other Comprehensive Income/ (Expense)	-	-	-	-	-	-	-	-	-	155.90	291.86	(604.75)	(156.99)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,602.79**	**155.90**	**291.86**	**(604.75)**	**11,445.80**
Dividends	-	-	-	-	-	-	-	-	(2,640.08)	-	-	-	(2,640.08)
Transfer to/from Retained Earnings	2,321.09	590.10	-	2,363.47	-	-	-	-	(5,274.66)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(576.44)	-	-	-	-	-	576.44	-	-	-	-	-
Reclassification of gain/(loss) on sale/ extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	46.13	(46.13)	-	-	-
Additions/Deletions during the year (net)	-	(60.71)	-	8.84	-	46.23	0.90	-	50.97	-	-	-	46.23
Balance as at 31.03.2023	**8,559.23**	**529.39**	**599.85**	**26,511.31**	**2,776.54**	**(467.57)**	**64.97**	**14,691.55**	**12,648.64**	**55.54**	**492.20**	**(899.50)**	**65,562.15**

(₹ in crore)

Particulars	Reserves and Surplus									Other Comprehensive Income			Total
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Cost of Hedging Reserve	
Balance as at 31.03.2021	**4,233.76**	**287.25**	**599.85**	**21,715.55**	**2,776.54**	**(634.33)**	**62.65**	**13,827.86**	**7,203.86**	**(183.37)**	**(113.34)**	**(23.24)**	**49,753.04**
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	10,021.90	-	-	-	10,021.90
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	(3.70)	-	-	-	(3.70)
Other Comprehensive Income/ (Expense)	-	-	-	-	-	-	-	-	-	142.36	313.68	(271.51)	184.53
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,018.20**	**142.36**	**313.68**	**(271.51)**	**10,202.73**
Dividends	-	-	-	-	-	-	-	-	(3,366.10)	-	-	-	(3,366.10)
Transfer to/from Retained Earnings	2,004.38	576.44	-	2,423.45	-	-	-	-	(5,004.27)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(287.25)	-	-	-	-	-	287.25	-	-	-		-
Reclassification of gain/(loss) on sale/ extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	13.22	(13.22)	-	-	-
Additions/Deletions during the year (net)	-	-	-	-	-	120.53	1.42	-	(1.42)	-	-	-	120.53
Balance as at 31.03.2022	**6,238.14**	**576.44**	**599.85**	**24,139.00**	**2,776.54**	**(513.80)**	**64.07**	**14,115.11**	**8,863.49**	**(54.23)**	**200.34**	**(294.75)**	**56,710.20**

The accompanying notes 1 to 61 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2023		Year ended 31.03.2022	
I.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before Tax	**14,170.62**		**12,227.65**	
	Adjustments for:				
	Loss/(Gain) on derecognition of Property, Plant and Equipment (net)	2.88		2.91	
	Loss/(Gain) on cessation of joint control in joint venture	-		(32.66)	
	Loss/(Gain) on Fair value changes (Net)	(70.56)		(9.42)	
	Unrealised Foreign Exchange Translation Loss/(Gain)	4,099.52		1,343.15	
	Depreciation and Amortisation	19.06		13.20	
	Impairment on Financial Instruments	(296.21)		2,222.14	
	Effective Interest Rate in respect of Loan assets and borrowings/debt securities	(22.40)		8.23	
	Interest expense on Zero Coupon Bonds and Commercial Papers	42.06		92.79	
	Other interest expense	0.87		3.04	
	Interest accrued on investments	(0.42)		(22.00)	
	Provision created during the period	162.74		167.36	
	Excess Liabilities written back	-		(2.38)	
	Operating profit before Working Capital Changes:	**18,108.16**		**16,014.01**	
	Increase/Decrease:				
	Loans (Net)	(50,181.78)		(2,936.88)	
	Other Financial and Non-Financial Assets	1,666.92		(2,221.27)	
	Derivative	(2,096.53)		(2,123.78)	
	Other Financial & Non-Financial Liabilities and Provisions	(823.39)		433.65	
	Cash Flow before Exceptional Items	**(33,326.62)**		**9,165.73**	
	Exceptional Items	-		-	
	Cash Flow from Operations Before Tax	**(33,326.62)**		**9,165.73**	
	Income Tax paid	(2,472.02)		(2,246.45)	
	Income Tax Refund	57.89		-	
	Net Cash Inflow/(Outflow) from Operating Activities		**(35,740.75)**		**6,919.28**
II.	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Proceeds from disposal of Property, Plant and Equipment	0.21		0.24	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(83.80)		(204.16)	
	Increase/(Decrease) in Other Investments	(630.38)		(7.47)	
	Net Cash Inflow/(Outflow) from Investing Activities		**(713.97)**		**(211.39)**
III.	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Raising of Bonds (including premium) (Net of Redemptions)	26,390.86		(12,600.78)	
	Raising of Long-Term Loans (Net of Repayments)	4,055.42		4,663.50	
	Raising of Foreign Currency Loans (Net of Repayments)	4,212.82		5,229.95	
	Raising of Commercial paper (Net of Repayments)	-		(3,120.00)	
	Raising of Working Capital Demand Loan/ OD/ CC/ Line of Credit (Net of Repayments)	3,755.24		(454.45)	
	Unclaimed Bonds (Net)	(18.47)		(58.28)	
	Unclaimed Dividend (Net)	0.17		1.56	
	Payment of Dividend	(2,640.08)		(3,366.10)	
	Payment of Lease Liability	(0.01)		0.00	
	Net Cash Inflow/(Outflow) from Financing Activities		**35,755.95**		**(9,704.60)**
	Net Increase/Decrease in Cash and Cash Equivalents		**(698.77)**		**(2,996.71)**
	Add: Cash and Cash Equivalents at beginning of the financial year		720.91		3,717.62
	Cash and Cash Equivalents at the end of the year		**22.14**		**720.91**

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2023		Year ended 31.03.2022	
	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	22.14		17.64	
	In Term Deposit Accounts (original maturity up to 3 months)	-	22.14	703.27	720.91
	ii) Cheques, Drafts on hand including postage and Imprest		0.00		0.00
	Total Cash and Cash Equivalents at the end of the year		**22.14**		**720.91**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Company has cash outflow of an amount of ₹ 118.96 crore (Previous year ₹ 120.46 crore) towards Corporate Social Responsibility. (Refer Note 35)

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds/ Debenture*	Term Loans**	Foreign Currency Loans	Commercial Paper	WCDL/Loan against term deposit	Subordinated Debts	Total
	Opening Balance as at 01.04.2021	**2,01,184.95**	**61,098.98**	**49,835.80**	**3,080.23**	**683.04**	**9,211.50**	**3,25,094.50**
	Cash Flow During the Year (Net)	(12,600.78)	4,663.50	5,229.95	(3,120.00)	(454.45)	0.00	(6,281.78)
	Non-Cash Changes due to:							
	Amortisation of discount/interest on Zero Coupon Bond/Financial Charges on Commercial Paper	53.02	-	-	39.77	-	-	92.79
	Variation in Exchange Rates	-	-	1,222.62	-	-	-	1,222.62
	Closing Balance as at 31.03.2022	**1,88,637.19**	**65,762.48**	**56,288.37**	**0.00**	**228.59**	**9,211.50**	**3,20,128.13**
	Cash Flow During the Year (Net)	26,390.86	4,055.42	4,212.82	-	3,755.24	(0.00)	38,414.34
	Non-Cash Changes due to:							
	Amortisation of discount on Zero Coupon Bonds & Financial Charges on Commercial Papers	42.06	-	-	-	-	-	42.06
	Variation in Exchange Rates	-	-	4,053.30	-	-	-	4,053.30
	Closing Balance as at 31.03.2023	**2,15,070.11**	**69,817.90**	**64,554.49**	**0.00**	**3,983.83**	**9,211.50**	**3,62,637.83**

*Foreign Currency Notes form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

**Foreign Currency Loans and Syndicated Foreign Currency Loans form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

The accompanying notes 1 to 61 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

1. COMPANY INFORMATION

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986 . The Company is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001 and conferred with 'Maharatna' Status by the Govt. of India.

The Company is a Government Company engaged in extending financial assistance to power, logistics and infrastructure sector and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company being a Government owned NBFC is placed in Middle layer under framework for Scale Based Regulation for NBFCs issued by RBI.

Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges.

2. STATEMENT OF COMPLIANCE

The Standalone Financial Statements of the Company comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/guidelines. The Standalone Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Standalone Financial Statements have been approved for issue by Board of Directors (BoD) of the Company on 27.05.2023

4. STANDARDS / AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31.03.2023, whereby amendments to various Indian Accounting Standards has been made applicable w.e.f. from 01.04.2023.

The Company has evaluated the amendments made vide the aforesaid notification dated 31.03.2023 and there will be no impact of the same on the Financial Statements as and when these are made applicable.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in preparation of the Standalone Financial Statements are as given below:

5.1 Basis of Preparation and Measurement

These Standalone Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

5.2 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.3 Derivative Financial Instruments

(i) The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cash flow hedge or fair value hedge. The Company designates certain derivative contracts as cash flow hedges.

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognised immediately in Statement of Profit and Loss.

(v) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vi) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss.

5.4 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Statement of Profit and Loss.

5.4.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Company while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain/loss measured using the previous EIR as calculated before the modification, is recognised in the Statement

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

of Profit and Loss in period during which such renegotiations occur.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Company's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realise the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Company to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company transfers the cumulative gain/loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

credit quality, the Company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Company measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

(iv) De-recognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in Equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

5.4.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial guarantee

A financial guarantee issued by the Company is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Statement of Profit and Loss.

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Statement of Profit and Loss.

5.5 Investment in Subsidiaries, Joint Ventures and Associates

Investment in equity shares of subsidiaries, joint ventures and associates are accounted at cost, less impairment if any.

5.6 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realisable value.

(ii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received / approved, subject to necessary adjustment in the year of final settlement.

(iii) Cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance or servicing costs of PPE are recognised in Statement of Profit and Loss as incurred.

(iv) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(v) Depreciation is recognised so as to write-off the cost of assets less their residual values as per written down value method, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except for cell phones where useful life has been estimated by the Company as 2 years. Residual value is estimated as 5% of the original cost of PPE.

(vi) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

(vii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(viii) Items of PPE costing up to ₹ 5000/- each are fully depreciated, in the year of purchase.

5.7 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use.

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Company as 5 years.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.8 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the financial statements. However, contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

5.9 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when currently there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

5.10 Recognition of Income and Expenditure

(i) Interest income, on financial assets subsequently measured at amortised cost, is recognised using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Interest on financial assets subsequently measured at fair value through profit and loss(FVTPL), is recognised on accrual basis in accordance with the terms of the respective contract and disclosed separately under the head 'Interest Income'.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(iii) Rebate on account of timely payment of dues by borrowers is recognised on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(iv) Income from services rendered is recognised based on the terms of agreements/arrangements with reference to the stage of completion of contract at the reporting date.

(v) Dividend income from investments including those measured at FVTPL, is recognised in Statement of Profit and Loss under the head 'Dividend Income' when the Company's right to receive dividend is established and the amount of dividend can be measured reliably.

(vi) Interest expense on financial liabilities subsequently measured at amortised cost is recognised using Effective Interest Rate (EIR) method.

(vii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(viii) A Prepaid expense up to ₹ 1,00,000/- is recognised as expense upon initial recognition in the Statement of Profit and Loss.

5.11 Expenditure on issue of shares

Expenditure on issue of shares is charged to the securities premium account.

5.12 Employee Benefits

(i) Defined Contribution Plan

Company's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan

The Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit, and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain / loss on re-measurement of gratuity and other post-employment defined benefit plans are recognised in Other Comprehensive Income (OCI). Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

(iii) Other long-term employee benefits

The Company's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Statement of Profit and Loss.

(iv) Short-term employee benefits

Short-term employee benefits such as salaries and wages are recognised in the Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognised at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the Loan on a prospective basis.

5.13 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets/liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

5.14 Leases

For recognition, measurement and presentation of lease contracts, the Company applies the principles of Ind AS 116 'Leases'.

(i) The Company as a lessee

The Company at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (a) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Company has the right to direct the use of the identified asset.

The Company at inception of a lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short-term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Company's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Company in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of lease at the reporting date.

5.15 Foreign Currency Transactions and Translations

The functional currency of the Company is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the financial statements before April 1, 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term monetary item.

5.16 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

5.17 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

5.18 Dividends

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

5.19 Earnings Per Share

Basic earnings per equity share is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

6. USE OF ESTIMATES AND MANAGEMENT JUDGEMENT

In preparation of the Standalone Financial Statements, the Management is required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognised prospectively in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & future periods if it affects both current & future periods.

6.1 Significant Management Judgements

In order to enhance understanding of the Standalone Financial Statements, information about significant areas of critical judgements, apart from those involving estimation (Note 6.2), in applying accounting policies that have the most significant effect on the amounts recognised in the Standalone Financial Statements, are as under:

(i) Deferred tax Liability on Special Reserve

The Company had passed a Board resolution that it has no intention to withdraw any amount from the Special Reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961. Accordingly, the Special Reserve created and maintained is not capable

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

of being withdrawn. Hence, the Company does not create deferred tax liability on the said reserve.

(ii) Non-recognition of income on Credit Impaired loan assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on credit impaired loan assets

Outstanding amount of unamortised transaction cost is credited to Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) The Company along with its subsidiary RECL is holding 33.33 % stake in equity share capital of Energy Efficiency Services Limited (EESL). However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 28 'Investment in Associates and Joint Ventures', the Company does not have any significant influence, accordingly EESL has not been considered as an associate company.

b) Ultra-Mega Power Projects (UMPPs) are managed as per the mandate from Government of India (GoI) and the Company does not have the practical ability to direct the relevant activities of these UMPPs unilaterally. The Company therefore, considers its investment in respective UMPPs as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as Associates for the purpose of financial statements.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Company has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities - Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL)/ debt/ equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Statement of Profit and Loss on repayment of FITL or sale/ redemption of debt/ equity instruments.

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in change in recoverable amount of the assets. The Company makes significant judgement in identifying the default and significant increase in credit risk (SICR) based on available information.

6.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined Benefit Obligation (DBO)

The Company's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses as detailed at Note 44.2

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan, LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g., inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 40.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Company applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/ liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details are disclosed at Note 42.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 37 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Company reviews its estimate of the useful lives of depreciable/amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 14 for details on useful lives and carrying values of PPE and Intangible assets.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

7. CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Balances with Banks (of the nature of cash and cash equivalents)**		
	- In Current Accounts	22.14	17.64
	- In Term Deposit Accounts (original maturity up to 3 months)	-	703.27
(ii)	**Cheques, Drafts on hand including Postage and Imprest**	0.00	0.00
	Total Cash and Cash Equivalents	**22.14**	**720.91**

8 BANK BALANCE OTHER THAN INCLUDED IN CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Earmarked Balances with Banks for**		
	- Term Deposits Accounts - LAD (Refer note 8.1)	-	245.84
	- Term Deposits Accounts - HQLA (Refer note 8.2)	1,473.26	2,398.99
	- Unpaid Dividend	5.63	5.46
	- Unpaid - Bonds / Interest on Bonds etc.	72.70	91.19
	- Amount received under GOI schemes	1.78	498.83
	- Current Accounts with Banks - Unspent CSR Purposes (Refer note 35.4)	42.59	-
	Total Bank Balance other than included in Cash and Cash Equivalents	**1,595.96**	**3,240.31**

8.1 The Company has availed Loan against these Term Deposits (LAD) and is presented in Note 18.5.

8.2 Refer Note 55.6 for disclosure regarding High Quality Liquid Assets (HQLA)

9. DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivative contracts for hedging Currency & Interest Rate risk. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	**Currency Derivatives**						
	- Spot and Forwards	1,014.18	20.40	21.06	-	-	-
	- Currency Swaps	4,521.93	460.12	-	12,129.14	1,111.15	-
	- Options	48,020.93	3,891.63	3.26	18,762.25	1,523.81	21.55
	Total Currency Derivatives	**53,557.04**	**4,372.15**	**24.32**	**30,891.39**	**2,634.96**	**21.55**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	10,549.12	431.25	-	17,931.98	445.60	81.70
	Total Interest Rate Derivatives	**10,549.12**	**431.25**	**-**	**17,931.98**	**445.60**	**81.70**
	Total Derivative Financial Instruments (i+ii)	**64,106.16**	**4,803.40**	**24.32**	**48,823.37**	**3,080.56**	**103.25**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	**Cash Flow Hedging (Designated)**						
	- Currency Derivatives	47,904.29	3,986.16	3.26	24,826.83	1,801.42	21.55
	- Interest Rate Derivatives	7,399.52	364.11	-	8,717.82	198.86	39.15
	Total Cash Flow Hedging (Designated)	**55,303.81**	**4,350.27**	**3.26**	**33,544.65**	**2,000.28**	**60.70**
(ii)	**Undesignated Derivatives**	8,802.35	453.13	21.06	15,278.72	1,080.28	42.55
	Total Undesignated Derivatives	**8,802.35**	**453.13**	**21.06**	**15,278.72**	**1,080.28**	**42.55**
	Total Derivative Financial Instruments (i+ii)	**64,106.16**	**4,803.40**	**24.32**	**48,823.37**	**3,080.56**	**103.25**

9.1. Details of Forward Rate Agreements/Interest Rate Swaps:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Notional principal of swap agreements	10,549.12	17,931.98
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	431.25	445.60
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	Refer note[a] below	
(v)	Fair value of swap book (obtained from counterparty banks)	431.25	363.90

[a] The Company enters into swap agreements with Category-I Authorised Dealer Banks (PSU Banks, Private Indian Banks & Foreign Banks), in accordance with the RBI guidelines. All the swap agreements entered into with the banks are well within the limits defined in the Board approved "Policy for Management of Risks on Foreign Currency Borrowings".

9.2. Details of nature and terms of Forward Rate Agreements/Interest Rate Swaps:

Benchmark	As at 31.03.2023	As at 31.03.2022	Terms
	Notional principal (₹ in crore)		
INBMK	3,149.60	3,149.60	Fixed Receivable V/s Floating Payable
USD LIBOR	7,399.52	14,782.38	Fixed Payable V/s Floating Receivable
Total	**10,549.12**	**17,931.98**	

9.3. The Company does not hold any exchange traded derivatives as at 31.03.2023 (as at 31.03.2022 Nil).

9.4. Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars Currency Derivatives	As at 31.03.2023		As at 31.03.2022	
		Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging [b] & [c]	53,557.03	10,549.12[a]	30,891.39	17,931.98[a]
(ii)	Marked to Market Positions (MTM)				
	a) Asset (+MTM)	4,372.15	431.25	2,634.96	445.60
	b) Liability (-MTM)	24.32	-	21.55	81.70
(iii)	Credit Exposure	8,310.48	526.47	5,087.22	585.16
(iv)	Unhedged Foreign Currency Exposures [b]	23,779.03	8,758.90	25,396.98	2,319.39

[a] Interest rate derivatives include derivatives on rupee liabilities of ₹ 3,149.60 crore as at 31.03.2023 (As at 31.03.2022 ₹ 3,149.60 crore).

[b] Includes JPY loan liability hedged for one leg (USD/JPY) for ₹ 5,653.18 crore as at 31.03.2023 (As at 31.03.2022 - Nil).

[c] Includes JPY and EURO loan liability hedged separately for USD/JPY or EURO/USD leg and USD/INR leg for ₹ 7,128.40 crore as at 31.03.2023 (As at 31.03.2022 - Nil).

9.5 Refer Note 40.3 and Note 40.4 for Foreign Currency Risk Management and Interest Rate Risk Management respectively and Note 41 for disclosures related to hedge accounting.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

10. LOANS

The Company has categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Loans to Borrowers***		
(i)	Rupee Term Loans (RTLs)	3,98,559.81	3,69,272.18
(ii)	Buyer's Line of Credit	2,086.95	2,495.83
(iii)	Working Capital Loans	21,073.36	597.73
(iv)	Others	777.61	768.87
(v)	**Principal Outstanding (i to iv)**	**4,22,497.73**	**3,73,134.61**
(vi)	Interest accrued but not due on Loans	4,077.36	4,509.31
(vii)	Interest accrued & due on Loans	418.14	646.93
(viii)	Unamortised Fee on Loans	(139.41)	(89.81)
	Gross Carrying Amount (v to viii)	**4,26,853.82**	**3,78,201.04**
	Less: Impairment loss allowance	(16,024.67)	(17,271.30)
	Net Carrying Amount	**4,10,829.15**	**3,60,929.74**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	1,95,573.46	1,90,400.05
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	1,68,744.12	1,42,783.25
(iv)	Unsecured	62,536.24	45,017.74
	Gross Security-wise classification	**4,26,853.82**	**3,78,201.04**
	Less: Impairment loss allowance	(16,024.67)	(17,271.30)
	Net Security-wise classification	**4,10,829.15**	**3,60,929.74**
(C) I	**Loans in India**		
(i)	Public Sector	3,53,941.30	3,18,825.66
(ii)	Private Sector	72,912.52	59,375.38
	Gross Carrying Amount of Loans in India	**4,26,853.82**	**3,78,201.04**
	Less: Impairment loss allowance	(16,024.67)	(17,271.30)
	Net Carrying amount of Loans in India	**4,10,829.15**	**3,60,929.74**
(C) II	**Loans Outside India**		
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**4,10,829.15**	**3,60,929.74**

*For details of Loans pledged as security refer Note 17.6, 17.7, 17.11 and 18.4.

10.1. During the year, the Company has sent letters to borrowers seeking confirmation of balances as at 31.03.2023 except where loans have been recalled or pending before court/NCLT.

Confirmation for 99.76% of the said balances have been received. Out of the remaining loans amounting ₹ 967.94 crore for which Balance confirmation have not been received, 0.94% loans are secured by way of Government Guarantee and 99.06% are unsecured loans.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

10.2. The details of resolution plans implemented during the year:

(₹ in crore)

Sr. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off including impairment on investments	Remarks
FY 2022-23						
1	Suzlon Energy Ltd.	One Time Settlement	239.04	1.07	56.66	Entire Loan Principal is realised. Loan stands settled as at 31.03.2023. Further, Optionally convertible debentures (OCDs) and Compulsorily convertible preference shares (CCPS) held were converted into equity shares of the borrower Company & of the borrower's group Company respectively.
2	South-East UP Power Transmission Company Limited	Resolution with change in ownership through NCLT	2,262.91	1,131.47	-	Besides realisation of full loan principal, interest/ delayed interest income of ₹ 298.77 crore has been received. Loan stands settled as at 31.03.2023.
3	Jhabua Power Limited	Resolution with change in ownership through NCLT	764.33	469.22	-	Resolution proceeds / Non-convertible Debentures / Equity Shares of the borrower Company received resulting in realisation of full loan principal and Interest/delayed interest income of ₹ 4.13 crore. Loan stands settled as at 31.03.2023.
4	Ind Barath Energy Utkal Ltd. (IBUEL)	Resolution with change in ownership through NCLT	1,367.91	1,098.57	901.25	Resolution proceeds and Equity Shares of the borrower Company received/allotted under resolution. Loan stands settled as at 31.03.2023.
	Total		**4,634.19**	**2,700.33**	**957.91**	
FY 2021-22						
1	Krishna Godavari Power Utilities Ltd.	Restructuring with change in ownership through NCLT	76.63	76.63	64.23	Loan stands settled as at 31.03.2022.
2	GVK Ratle Hydro Electric Project Pvt. Ltd.	One time settlement	1,116.65	851.93	462.65	Loan amount representing arbitration award of ₹ 304.00 crore with 100% impairment provisioning is appearing in books as at 31.03.2022.
3	Essar Power MP Ltd.	Restructuring with change in ownership through NCLT	1,344.55	731.27	730.77	Sustainable loan amounting to ₹ 466.48 crore is continuing in books as at 31.03.2022.
4	Astonfield Solar (Gujarat) Pvt. Ltd.	Restructuring with change in ownership through NCLT	25.85	23.47	15.78	Sustainable loan amounting to ₹ 4.11 crore is continuing in books as at 31.03.2022.
5	RS India Wind Energy Private Limited	One time settlement	223.77	134.48	122.70	Loan stands settled as at 31.03.2022.
	Total		**2,787.45**	**1,817.78**	**1,396.13**	

10.3. The Company has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

10.4. For details of credit risk exposure and management by the Company, refer Note 40.1.

11. INVESTMENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Debt securities	300.08	-	-	-	-	300.08
(ii)	Government Securities	526.25	-	-	-	-	526.25
(iii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.70	14,500.70
	- Associates	-	-	-	-	0.55	0.55
	- Others	-	1,722.21	69.36	1,791.57	-	1,791.57
(iv)	Preference Shares	85.78	-	-	-	-	85.78
(v)	Debentures	122.16	-	50.00	50.00	-	172.16
	Total Investments	**1,034.27**	**1,722.21**	**119.36**	**1,841.57**	**14,501.25**	**17,377.09**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,034.27	1,722.21	119.36	1,841.57	14,501.25	17,377.09
	Gross Geography wise investment	**1,034.27**	**1,722.21**	**119.36**	**1,841.57**	**14,501.25**	**17,377.09**
	Less: Impairment loss allowance	(72.95)	-	-	-	-	(72.95)
	Net Geography wise investment	**961.32**	**1,722.21**	**119.36**	**1,841.57**	**14,501.25**	**17,304.14**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Government Securities	98.69	-	-	-	-	98.69
(ii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.65	14,500.65
	- Associates	-	-	-	-	0.75	0.75
	- Others	-	1,191.35	125.79	1,317.14	-	1,317.14
(iii)	Preference Shares	84.47	-	-	-	-	84.47
(iv)	Debentures	-	-	155.72	155.72	-	155.72
	Total Investments	**183.16**	**1,191.35**	**281.51**	**1,472.86**	**14,501.40**	**16,157.42**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	183.16	1,191.35	281.51	1,472.86	14,501.40	16,157.42
	Gross Geography wise investment	**183.16**	**1,191.35**	**281.51**	**1,472.86**	**14,501.40**	**16,157.42**
	Less: Impairment loss allowance	(72.95)	-	-	-	(0.20)	(73.15)
	Net Geography wise investment	**110.21**	**1,191.35**	**281.51**	**1,472.86**	**14,501.20**	**16,084.27**

* Others includes Investment in Subsidiaries and Associates which have been carried at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

11.1 Details of Investments

(₹ in crore)

Sr. No.	Particulars	Measured at	As at 31.03.2023			As at 31.03.2022		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities $**	Amortised Cost	5,00,00,000	100	526.25	1,00,00,000	100	98.69
(ii)	**Debt securities**							
	- Bonds from State Power Corporation - Quoted$	Amortised Cost	3,000	10,00,000	300.08	-	-	-
(iii)	**Equity Instruments**							
	Subsidiaries							
	- REC Ltd. - Quoted**	Cost	1,38,59,93,662	10	14,500.50	1,03,94,95,247	10	14,500.50
	- PFC Consulting Ltd. - Unquoted *	Cost	52,246	10	0.15	52,246	10	0.15
	- PFC Projects Ltd. - Unquoted *	Cost	50,000	10	0.05	-	-	-
	Associates							
	- Companies for development of Ultra Mega Power Projects [number and face value for each of 11 companies (Previous year 15 companies)] - Unquoted (Refer note 11.3)*	Cost	50,000	10	0.55	50,000	10	0.75
	Others							
	- PTC India Limited - Quoted	Designated - FVTOCI	1,20,00,000	10	102.06	1,20,00,000	10	98.70
	- Coal India Limited - Quoted $	Designated - FVTOCI	1,39,64,530	10	298.35	1,39,64,530	10	255.62
	- NHPC Limited - Quoted (Refer note 11.5)	Designated - FVTOCI	15,53,24,170	10	624.40	18,62,86,983	10	517.88
	- Power Exchange India Limited - Unquoted *	Designated - FVTOCI	32,20,000	10	3.59	32,20,000	10	-
	- Suzlon Energy Limited - Quoted	Designated - FVTOCI	13,31,04,997	2	105.15	8,46,15,798	2	77.42
	- Energy Efficiency Services Limited - Unquoted	Designated - FVTOCI	24,55,00,000	10	158.08	24,55,00,000	10	241.73
	- Jhabua Power Limited - Unquoted #	Designated - FVTOCI	6,90,45,455	10	429.40	-	-	-
	- Ind Barath Energy Utkal Limited - Unquoted***	Designated - FVTOCI	239	10	1.18	-	-	-
	- RattanIndia Power Limited - Quoted	FVTPL	23,51,27,715	10	69.36	23,51,27,715	10	125.79
	- RKM PowerGen Pvt. Ltd. - Unquoted	FVTPL	40,39,15,920	10	0.00	40,39,15,920	10	0.00
(iv)	**Preference Shares - Unquoted**							
	- Raipur Energen Limited - RPS	Amortised Cost	59,82,371	100	12.83	59,82,371	100	11.52
	- RattanIndia Power Limited - RPS	Amortised Cost	7,29,49,786	10	72.95	7,29,49,786	10	72.95
	- RattanIndia Power Limited - OCCRPS	FVTPL	10,99,93,397	10	-	10,99,93,397	10	-
	- Suzlon Global Services Limited -CCPS	FVTPL	-	-	-	38,161	1,00,000	-
(v)	**Debentures - Unquoted**							
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	FVTPL	6,77,98,654	10	35.64	9,00,92,774	10	37.80
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	FVTPL	2,73,08,331	10	14.36	3,62,88,085	10	15.23
	- Essar Power Transmission Company Ltd. - Series C - OCD	FVTPL	68,79,504	10	0.00	68,79,504	10	0.00
	- Suzlon Energy Limited - OCD	FVTPL	-	-	-	34,791	1,00,000	102.69
	- RKM Powergen Pvt. Ltd. - Series A - OCD	FVTPL	41,93,96,250	100	0.00	41,93,96,250	100	0.00
	- RKM Powergen Pvt. Ltd. - Series B - OCD	FVTPL	1,34,71,484	100	0.00	1,34,71,484	100	0.00
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	FVTPL	2,32,72,410	100	0.00	2,32,72,410	100	0.00
	- Jhabua Power Limited - NCD	Amortised Cost	1,24,81,294	100	122.16	-	-	-
	Total Investments				**17,377.09**			**16,157.42**
	Less: Impairment Loss Allowance				**(72.95)**			**(73.15)**
	Net Investments				**17,304.14**			**16,084.27**

RPS - Redeemable Preference Shares, OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares, CCPS - Compulsorily Convertible Preference Shares, OCD - Optionally Convertible Debenture, NCD - Non-Convertible Debentures

* Investment held in physical form

** Bonus shares received during the year in the ratio of 1 equity share for every 3 equity shares held.

*** Shares credited in Company's demat account on 06.04.2023

Equity shares held by the lender's trustee on behalf of Company

$ earmarked for HQLA. Refer Note 55.6 for disclosure regarding High Quality Liquid Assets (HQLA)s

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

11.2 Movement of impairment loss allowance on investments

Particulars	FY 2022-23	FY 2021-22
Opening Balance	73.15	0.20
Add: Impairment loss allowance recognised during the year	-	72.95*
Less: Reversal of excess impairment loss allowance during the year	(0.20)	-
Closing Balance	**72.95**	**73.15**

* Impairment loss allowance on Redeemable preference shares of Rattan India Power Ltd.

11.3 Details of Investment in Subsidiaries, and Associates:

Sr. No.	Name of investee company	Principal place of business / Country of incorporation	Proportion of ownership interest as at	
			31.03.2023	31.03.2022
A.	**Subsidiaries:**			
(i)	REC Limited	India	52.63%	52.63%
(ii)	PFC Consulting Limited	India	100%	100%
(iii)	PFC Projects Limited - (previously known as Coastal Karnataka Power Limited) (refer note 11.4)	India	100%	-
B	**Associates*:**			
(i)	Coastal Maharashtra Mega Power Limited #	India	-	100%
(ii)	Orissa Integrated Power Limited	India	100%	100%
(iii)	Coastal Karnataka Power Limited (refer note 11.4)	India	-	100%
(iv)	Coastal Tamil Nadu Power Limited	India	100%	100%
(v)	Chhattisgarh Surguja Power Limited #	India	-	100%
(vi)	Sakhigopal Integrated Power Company Limited	India	100%	100%
(vii)	Ghogarpalli Integrated Power Company Limited	India	100%	100%
(viii)	Tatiya Andhra Mega Power Limited #	India	-	100%
(ix)	Deoghar Mega Power Limited	India	100%	100%
(x)	Cheyyur Infra Limited	India	100%	100%
(xi)	Odisha Infrapower Limited	India	100%	100%
(xii)	Deoghar Infra Limited	India	100%	100%
(xiii)	Bihar Infrapower Limited	India	100%	100%
(xiv)	Bihar Mega Power Limited	India	100%	100%
(xv)	Jharkhand Infrapower Limited	India	100%	100%

*Investment in each associate is ₹ 0.05 crore as at 31.03.2023 and 31.03.2022. These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) with the intention to hand over the same to successful bidders on completion of the bidding process.

Associates struck off during the year by the Registrar of Companies

11.4 Coastal Karnataka Power Limited (CKPL), a wholly-owned company of PFC Ltd. was set up for managing the UMPPs as per the mandate from GoI and was considered as associate over which PFC had significant influence. During FY 2022-23, CKPL's MoA has been amended to be used for bidding lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL). Accordingly, the ability to direct activities of said Company now vests with PFC Ltd. and the same is now considered as a subsidiary.

11.5 At initial recognition, the Company made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Company's main operation is to extend financial assistance to power, logistics and infrastructure sector. Thus, in order to insulate Standalone Statement of Profit and Loss from price fluctuations of these instruments, the Management believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Details of FVTOCI instruments derecognised during the year:

(₹ in crore)

Details of investment	No. of shares/units derecognised	Fair Value as on date of derecognition	Cumulative gain/ (loss) on derecognition
FY 2022-23			
NHPC Limited[a]	3,09,62,813	113.57	46.13
Total			
FY 2021-22			
NHPC Limited[a]	2,81,86,257	79.82	18.42
'Small is Beautiful' Fund[b]	61,52,200	0.95	(5.20)
Total			**13.22**

(a) These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain have been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

(b) Pursuant to the completion of liquidation proceedings of 'Small is Beautiful' Fund; 61, 52,200 units of the 'Small is Beautiful' Fund held by the Company have been derecognised from the books.

Subsequent to de-recognition of such investments, the Company has transferred the cumulative gain/loss on such shares within Equity (from Reserve for Equity instruments through OCI to Retained Earnings) during the year. Refer Standalone Statement of Changes in Equity for further details.

11.6 Refer Note 42 for details of fair valuation of investments.

12. OTHER FINANCIAL ASSETS

The Company has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Recoverable on account of Government of India Serviced Bonds	5,038.21	5,038.21
(ii)	Advances to Subsidiaries and Associates	200.45	185.73
(iii)	Advances to Employees	1.03	0.97
(iv)	Loans to Employees	121.86	110.65
(v)	Others	45.86	71.90
(vi)	Less: Impairment loss allowance on Others	(18.38)	(24.79)
	Total Other Financial Assets	**5,389.03**	**5,382.67**

12.1 Detail of Loans & Advances to KMPs (Included in Note 12 (iii) & (iv) above):

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Loans & Advances to KMPs (including interest accrued)	0.31	0.48

12.2 Movement of Impairment on Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
(i)	Opening Balance	24.79	22.46
(ii)	Add: Creation during the year	6.27	4.01
(iii)	Less: Reversal during the year	(12.68)	(1.68)
	Closing Balance	**18.38**	**24.79**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

13. CURRENT TAX ASSETS / LIABILITIES (NET)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Advance income tax and TDS net of Provision	133.83	197.20
(ii)	Tax deposited on income tax demands under contest	76.45	76.45
	Current Tax Assets (Net)	**210.28**	**273.65**
(i)	Provision for income tax net of Advance Tax	105.02	194.92
	Current Tax Liabilities (Net)	**105.02**	**194.92**

14. PROPERTY, PLANT AND EQUIPMENT (PPE), INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

Particulars	Property, Plant and Equipment							Intangible Assets	Intangible assets under development
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Computer Software	Computer Software
Gross Carrying Amount									
Opening Balance as at 01.04.2021	**3.38**	**24.92**	**22.48**	**25.98**	**17.15**	**0.12**	**94.03**	**10.38**	**-**
Additions/Adjustments	-	-	7.95	10.28	4.97	0.10	23.30	-	-
Deductions/Adjustments	-	-	(2.40)	(7.33)	(3.51)	(0.09)	(13.33)	-	-
Closing Balance as at 31.03.2022	**3.38**	**24.92**	**28.03**	**28.93**	**18.61**	**0.13**	**104.00**	**10.38**	**-**
Additions/Adjustments	-	-	7.48	9.86	3.55	-	20.89	-	11.20
Deductions/Adjustments	-	-	(3.58)	(5.63)	(2.93)	-	(12.14)	-	-
Closing Balance as at 31.03.2023	**3.38**	**24.92**	**31.93**	**33.16**	**19.23**	**0.13**	**112.75**	**10.38**	**11.20**
Accumulated Depreciation/ Amortisation									
Opening Balance as at 01.04.2021	**-**	**13.04**	**14.61**	**18.38**	**10.69**	**0.10**	**56.82**	**10.14**	**-**
For the period	-	0.53	5.47	4.86	1.74	0.04	12.64	0.11	-
On Assets Sold/Written off from books	-	-	(1.91)	(6.14)	(2.04)	(0.09)	(10.18)	-	-
Closing Balance as at 31.03.2022	**-**	**13.57**	**18.17**	**17.10**	**10.39**	**0.05**	**59.28**	**10.25**	**-**
For the period	-	0.60	7.53	8.03	2.33	0.03	18.52	0.09	-
On Assets Sold/Written off from books	-	-	(2.84)	(4.65)	(1.56)	-	(9.05)	-	-
Closing Balance as at 31.03.2023	**-**	**14.17**	**22.86**	**20.48**	**11.16**	**0.08**	**68.75**	**10.34**	**-**
Net Carrying Amount									
As at 31.03.2022	**3.38**	**11.35**	**9.86**	**11.83**	**8.22**	**0.08**	**44.72**	**0.13**	**-**
As at 31.03.2023	**3.38**	**10.75**	**9.07**	**12.68**	**8.07**	**0.05**	**44.00**	**0.04**	**11.20**

14.1 The estimated useful life and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 5.6 (v).

14.2 The Company reviews the estimated useful life, residual values and depreciation method of Property, Plant & Equipment and Intangible Assets at the end of each financial year and changes in estimates, if any, are accounted prospectively. Details of useful life of Property Plant & Equipment and Intangible Assets are as under:

Category	Building	EDP Equipment		Office Equipment	Cell Phone	Furniture and Fixture	Vehicles	Intangible Assets
		Servers and networks	End user devices i.e. desktops, laptops etc.					
Useful Life (in Years)	60	6	3	5	2	10	8	5
Residual value as a % of original Cost	5%	5%	5%	5%	5%	5%	5%	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

14.3 In the opinion of management, there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment loss has been made.

14.4 Certain Property, Plant & Equipment of the Company have been pledged as security against secured borrowings of the Company as per details below:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.40	3.43

For details of borrowings against which above assets are pledged as security refer note 17.6 and 17.7.

14.5 Title deeds of immovable properties (Freehold land) are held in the name of the Company.

14.6 There has been no revaluation of PPE and Intangible assets during the year.

14.7 Intangible assets under development ageing schedule:

(₹ in crore)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Projects in progress	11.20	-	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**11.20**	**-**	**-**	**-**	**11.20**
As at 31.03.2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

15. RIGHT-OF-USE ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Opening Balance of Leasehold Land**	34.85	35.30
(ii)	Additions	-	-
(iii)	Less: Depreciation*	(0.45)	(0.45)
	Closing Balance of Leasehold Land	**34.40**	**34.85**

*As required by Ind AS 116 'Leases' depreciation expense on Right-of-Use assets is included under Depreciation, Amortisation and Impairment line item in the Standalone Statement of Profit and Loss.

16. OTHER NON-FINANCIAL ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Prepaid Expenses	4.51	4.21
(ii)	Deferred Employee Costs	48.68	47.52
(iii)	Advance towards Capital assets	382.70	330.99
(iv)	Others	120.12	83.66
	Total Other Non-Financial Assets	**556.01**	**466.38**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

17. DEBT SECURITIES

The Company has categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Secured Bonds/Debenture**		
	- Infrastructure Bonds (Refer note 17.5)	38.51	38.51
	- Tax Free Bonds (Refer note 17.8)	8,259.12	8,983.03
	- 54EC Capital Gain Tax Exemption Bonds (Refer note 17.9)	6,599.69	3,998.82
	- Taxable Bonds (Refer note 17.10)	4,428.99	4,428.99
	Sub-total (i)	**19,326.31**	**17,449.35**
(ii)	**Unsecured Bonds/Debenture**		
	- Taxable Bonds (Refer note 17.12)	1,95,743.80	1,71,187.84
	- Foreign Currency Notes (Refer note 17.13)	37,219.33	34,378.78
	Sub-total (ii)	**2,32,963.13**	**2,05,566.62**
(iii)	**Total Principal Outstanding of Debt Securities (i+ii)**	**2,52,289.44**	**2,23,015.97**
(iv)	Interest accrued but not due on (iii) above	7,685.44	7,290.90
(v)	Unamortised Transaction Cost on (iii) above	(147.83)	(149.92)
	Total Debt Securities (iii to v)	**2,59,827.05**	**2,30,156.95**
	Geography wise Debt Securities		
(i)	Debt Securities in India	2,22,368.63	1,95,581.80
(ii)	Debt Securities outside India	37,458.42	34,575.15
	Total Geography wise Debt Securities	**2,59,827.05**	**2,30,156.95**

17.1 The Company raises funds through various instruments including non-convertible bond issues. During the year, the Company has not defaulted in servicing of any of its debt securities.

17.2 The amounts raised during the year have been utilised for the stated objects in the offer document/ Information memorandum/ facility agreement other than temporary deployment pending application of proceeds.

17.3 All the secured listed non-convertible debt securities of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. The Company has maintained security cover of 1.05 times as per the terms of offer document/information memorandum sufficient to discharge the principal and interest thereon at all times for the secured listed non-convertible debt securities issued. Further, security cover maintained by the Company for all secured non-convertible debt securities is 1.03 times.

17.4 Wherever required, the Company has registered the charges with respective Registrars of Companies (ROC) within the statutory timelines.

17.5 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
1	Infrastructure Bonds (2010-11) - Series III	8.50%	5.27	5.27	31.03.2026	17.6	Redeemable at par on a date falling Fifteen years from the date of allotment
2	Infrastructure Bonds (2010-11) - Series IV	8.50%	19.33	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
3	Infrastructure Bonds (2011-12) - Series III	8.75%	2.86	2.86	21.11.2026	17.7	Redeemable at par on a date falling Fifteen years from the date of allotment
4	Infrastructure Bonds (2011-12) - Series IV	8.75%	7.77	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment

Notes to the Standalone Financial Statements

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
5	Infrastructure Bonds 86 C Series	8.72%	0.87	0.87	30.03.2027	17.7	Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds 86 D Series	8.72%	2.40	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Total		**38.51**	**38.51**			

17.6 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 254.91 crore as on 31.03.2023 (₹ 438.71 crore as on 31.03.2022) of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

17.7 These bond series are secured by first *pari passu* charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.6) along with first *pari passu* charge on immovable property situated at Guindy, Chennai.

17.8 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
1	Tax Free Bond Series 94A	7.21%	-	255.00			
2	Tax Free Bonds Series 95A	7.22%	-	30.00			
3	Tax Free Bonds (2012-13) Tranch I Series 1	7.69%	-	140.23	-		Repaid in FY 2022-23
4	Tax Free Bonds (2012-13) Tranch I Series 1	7.19%	-	202.52			
5	Tax Free Bonds (2012-13) Tranch II	7.38%	-	41.43			
6	Tax Free Bonds (2012-13) Tranch II	6.88%	-	54.72			
7	Tax Free Bonds Series 107A	8.01%	113.00	113.00	30.08.2023		
8	Tax Free Bonds Series IB	8.43%	335.47	335.47	16.11.2023		
9	Tax Free Bonds Series 1A	8.18%	325.07	325.07	16.11.2023		
10	Tax Free Bonds Series 136	7.16%	300.00	300.00	17.07.2025		
11	Tax Free Bonds (2015-16) Series 1B	7.36%	79.35	79.35	17.10.2025		
12	Tax Free Bonds (2015-16) Series 1A	7.11%	75.09	75.09	17.10.2025		
13	Tax Free Bond Series 79-B	7.75%	217.99	217.99	15.10.2026		
14	Tax Free Bond Series 80-B	8.16%	209.34	209.34	25.11.2026		
15	Tax Free Bonds (2011-12) Public Issue	8.30%	1,280.58	1,280.58	01.02.2027		
16	Tax Fee Bond Series 94B	7.38%	25.00	25.00	22.11.2027	17.11	
17	Tax Free Bonds Series 95B	7.38%	100.00	100.00	29.11.2027		
18	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	180.78	185.78	04.01.2028		Redeemable at par on maturity
19	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	176.21	171.22	04.01.2028		
20	Tax Free Bonds (2012-13) Tranch II	7.54%	55.85	56.97	28.03.2028		
21	Tax Free Bonds (2012-13) Tranch II	7.04%	13.35	12.24	28.03.2028		
22	Tax Free Bonds Series 107-B	8.46%	1,011.10	1,011.10	30.08.2028		
23	Tax Free Bonds Series 2-B	8.79%	353.32	353.32	16.11.2028		
24	Tax Free Bonds Series 2-A	8.54%	932.70	932.70	16.11.2028		
25	Tax Free Bonds (2015-16) Series 2-B	7.52%	45.18	45.18	17.10.2030		
26	Tax Free Bonds (2015-16) Series 2-A	7.27%	131.33	131.33	17.10.2030		
27	Tax Free Bonds Series 3-B	8.92%	861.96	861.96	16.11.2033		
28	Tax Free Bonds Series 3-A	8.67%	1,067.38	1,067.38	16.11.2033		
29	Tax Free Bonds (2015-16) Series 3-B	7.60%	155.48	155.48	17.10.2035		
30	Tax Free Bonds (2015-16) Series 3-A	7.35%	213.58	213.58	17.10.2035		
	Total		**8,259.12**	**8,983.03**			

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

17.9 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022		
1	Series II (FY 2018-19)	5.75%	491.95	491.95	17.11	Redeemable at par during FY 2023-24
2	Series III (FY 2019-20)	5.75%	1,134.44	1,134.44		Redeemable at par during FY 2024-25
3	Series IV (FY 2020-21)	5.75%	252.38	252.38		Redeemable at par during FY 2025-26
4	Series IV (FY 2020-21)	5.00%	685.41	685.41		Redeemable at par during FY 2025-26
5	Series V (FY 2021-22)	5.00%	1,434.64	1,434.64		Redeemable at par during FY 2026-27
6	Series VI (FY 2022-23)	5.00%	2,600.87	-		Redeemable at par during FY 2027-28
	Total		**6,599.69**	**3,998.82**		

17.10 The details of Secured Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
1	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	1.95	1.95	22.01.2024	17.11	Redeemable at par on maturity
2	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	27.05	27.05	22.01.2026		
3	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	3.50	3.50	22.01.2026		
4	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	6.83% (10YR GSEC Link)	1,250.73	1,250.73	22.01.2031		
5	Secured Public Issue (2020-21) Tranche I Series V Category I-II	6.58% (10YR GSEC Link)	10.35	10.35	22.01.2031		
6	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	1,635.53	1,635.53	22.01.2031		
7	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	33.67	33.67	22.01.2031		
8	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	28.74	28.74	22.01.2031		
9	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	0.50	0.50	22.01.2031		
10	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	1,330.05	1,330.05	22.01.2036		
11	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	50.05	50.05	22.01.2036		
12	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	53.36	53.36	22.01.2036		
13	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	3.51	3.51	22.01.2036		
	Total		**4,428.99**	**4,428.99**			

17.11 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first *pari passu* charge on the total receivables / book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.6), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.

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17.12 The details of Unsecured Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
1	Series 88 C	9.48%	-	184.70	-	Repaid in FY 2022-23
2	Series 187 A	8.20%	-	1,605.00		
3	Series 168-A	7.28%	-	1,950.00		
4	Series 169-A	7.10%	-	3,395.00		
5	Series 181	8.45%	-	2,155.00		
6	Series 191	7.35%	-	3,735.00		
7	Series 170-A	7.35%	-	800.00		
8	Series 176-B	7.99%	-	1,295.00		
9	Zero Coupon Unsecured Taxable Bonds 2022-XIX Series	-	-	707.97		
10	Series 100 B	8.84%	-	1,310.00		
11	Series 102 A (II)	8.90%	-	403.00		
12	Series 194	7.04%	1,400.00	1,400.00	14.04.2023	Redeemable at par on maturity
13	Series 85 D	9.26%	736.00	736.00	15.04.2023	
14	Series 198	6.98%	3,160.00	3,160.00	20.04.2023	
15	Series 199A	6.83%	1,970.00	1,970.00	24.04.2023	
16	Series 202A	6.75%	2,145.00	2,145.00	22.05.2023	
17	Series 203A	6.72%	2,206.00	2,206.00	09.06.2023	
18	Series 206	5.47%	3,000.00	3,000.00	19.08.2023	
19	Series 188	8.10%	691.10	691.10	04.06.2024	
20	Series 211 (3M TB Link)	4.38%	1,985.00	1,985.00	02.08.2024	
21	Series 57- B	8.60%	866.50	866.50	07.08.2024	
22	Series 117 Option B	9.37%	855.00	855.00	19.08.2024	
23	Series 118 Option B II	9.39%	460.00	460.00	27.08.2024	
24	Series Option 120 B	8.98%	950.00	950.00	08.10.2024	
25	Series 120 Option A	8.98%	961.00	961.00	08.10.2024	
26	Series 192	7.42%	3,000.00	3,000.00	19.11.2024	
27	Series 124 C	8.48%	1,000.00	1,000.00	09.12.2024	
28	Series 61	8.50%	351.00	351.00	15.12.2024	
29	Series 125	8.65%	2,826.00	2,826.00	28.12.2024	
30	Series 126	8.65%	5,000.00	5,000.00	04.01.2025	
31	Series 62-B	8.80%	1,172.60	1,172.60	15.01.2025	
32	Series 128	8.20%	1,600.00	1,600.00	10.03.2025	
33	Series 63-III	8.90%	184.00	184.00	15.03.2025	
34	Series 131-C	8.41%	5,000.00	5,000.00	27.03.2025	
35	Series 64	8.95%	492.00	492.00	30.03.2025	
36	Series 204A	5.77%	900.00	900.00	11.04.2025	
37	Series 130-C	8.39%	925.00	925.00	19.04.2025	
38	Series 199B	7.16%	1,320.00	1,320.00	24.04.2025	
39	Series 65 III	8.70%	1,337.50	1,337.50	14.05.2025	
40	Series 202B	7.17%	810.00	810.00	22.05.2025	
41	Series 66-B	8.75%	1,532.00	1,532.00	15.06.2025	
42	Series 210A - STRPP1	6.35%	405.60	405.60	30.06.2025	
43	Series 215	7.13%	2,420.00	-	08.08.2025	
44	Series 217B STRPP I	7.15%	276.40	-	08.09.2025	
45	Series 208	6.50%	2,806.00	2,806.00	17.09.2025	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
46	Series 141-B	8.40%	1,000.00	1,000.00	18.09.2025	
47	Series 218	7.59%	1,450.00	-	03.11.2025	
48	Series 71	9.05%	192.70	192.70	15.12.2025	
49	Series 222	7.58%	2,540.00	-	15.01.2026	
50	Series 147	8.03%	1,000.00	1,000.00	02.05.2026	
51	Series 210A - STRPP2	6.35%	540.80	540.80	30.06.2026	
52	Series 216	7.13%	3,000.00	-	15.07.2026	
53	Series 225A	7.77%	3,262.70	-	15.07.2026	
54	Series - 76-B	9.46%	1,105.00	1,105.00	01.08.2026	
55	Series 150-B	7.63%	1,675.00	1,675.00	14.08.2026	
56	Series 212A	6.09%	2,450.00	2,450.00	27.08.2026	
57	Series - 77-B	9.45%	2,568.00	2,568.00	01.09.2026	
58	Series 217B STRPP II	7.15%	276.40	-	08.09.2026	
59	Series 227A	7.70%	1,200.00	-	15.09.2026	
60	Series 151-B	7.56%	210.00	210.00	16.09.2026	
61	Series 152	7.55%	4,000.00	4,000.00	25.09.2026	
62	Series 155	7.23%	2,635.00	2,635.00	05.01.2027	
63	Series 168-B	7.44%	1,540.00	1,540.00	12.06.2027	
64	Series 210A - STRPP3	6.35%	405.60	405.60	30.06.2027	
65	Series 169-B	7.30%	1,500.00	1,500.00	07.08.2027	
66	Series 217B STRPP III	7.15%	276.40	-	08.09.2027	
67	Series 170-B	7.65%	2,001.00	2,001.00	22.11.2027	
68	Series 171	7.62%	5,000.00	5,000.00	15.12.2027	
69	Series 221B	7.59%	3,500.00	-	17.01.2028	Redeemable at par on maturity
70	Series 172	7.74%	850.00	850.00	29.01.2028	
71	Series 101 B	9.00%	1,370.00	1,370.00	11.03.2028	
72	Series 102 A (III)	8.90%	403.00	403.00	18.03.2028	
73	Series 103	8.94%	2,807.00	2,807.00	25.03.2028	
74	Series 177	7.85%	3,855.00	3,855.00	03.04.2028	
75	Series 227B	7.77%	1,390.00	-	15.04.2028	
76	Series 178	8.95%	3,000.00	3,000.00	10.10.2028	
77	Series 179-A	8.67%	1,007.40	1,007.40	19.11.2028	
78	Series 187 B	8.85%	1,982.10	1,982.10	27.05.2029	
79	Series 118 Option B III	9.39%	460.00	460.00	27.08.2029	
80	Series193	7.93%	4,710.50	4,710.50	31.12.2029	
81	Series 196R1	7.41%	1,500.00	1,500.00	25.02.2030	
82	Series 196	7.41%	2,500.00	2,500.00	25.02.2030	
83	Series 225B STRPP I	7.82%	625.00	-	13.03.2030	
84	Series 195	7.86%	1,100.00	1,100.00	12.04.2030	
85	Series 200	7.40%	2,920.00	2,920.00	08.05.2030	
86	Series 197	7.41%	5,000.00	5,000.00	15.05.2030	
87	Series 203B	7.75%	3,318.00	3,318.00	11.06.2030	
88	Series 66-C	8.85%	633.00	633.00	15.06.2030	
89	Series 201	7.68%	3,101.30	3,101.30	15.07.2030	
90	Series 202C	7.79%	1,936.00	1,936.00	22.07.2030	
91	Series 205A	7.05%	1,610.10	1,610.10	09.08.2030	
92	Series 71	9.05%	192.70	192.70	15.12.2030	

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
93	Series 207R1	7.04%	2,549.10	2,549.10	16.12.2030	
94	Series 207	7.04%	1,097.40	1,097.40	16.12.2030	
95	Series 225B STRPP II	7.82%	625.00	-	13.03.2031	
96	Series 204B	6.88%	1,300.00	1,300.00	11.04.2031	
97	Series 213	6.95%	1,988.00	1,988.00	01.10.2031	
98	Series 225B STRPP III	7.82%	625.00	-	12.03.2032	
99	Series 214 (BBETF)	6.92%	1,180.00	1,180.00	14.04.2032	
100	Series 217A	7.42%	4,000.00	-	08.09.2032	
101	Series 223	7.64%	3,500.00	-	22.02.2033	
102	Series 225B STRPP IV	7.82%	625.00	-	11.03.2033	
103	Series 220	7.58%	470.00	-	15.04.2033	
104	Series 226A	7.66%	1,200.00	-	15.04.2033	
105	Series 226B	7.70%	583.50	-	15.04.2033	Redeemable at par on maturity
106	Series 179-B	8.64%	528.40	528.40	19.11.2033	
107	Series 180	8.75%	2,654.00	2,654.00	22.02.2034	
108	Series 186	8.79%	2,578.90	2,578.90	30.04.2034	
109	Series 189	8.15%	4,035.00	4,035.00	08.08.2034	
110	Series 190	8.25%	4,016.00	4,016.00	06.09.2034	
111	Series 205B	7.20%	1,605.70	1,605.70	10.08.2035	
112	Series 209	7.34%	1,711.00	1,711.00	29.09.2035	
113	Series 210B	7.11%	1,933.50	1,933.50	30.06.2036	
114	Series 212B	7.15%	2,343.68	2,343.68	27.08.2036	
115	Series 219	7.65%	4,000.00	-	13.11.2037	
116	Series 221A	7.72%	2,782.70	-	19.12.2037	
117	Series 224	7.82%	3,468.50	-	06.03.2038	
	Total		**1,95,743.80**	**1,71,187.84**		

17.13 The details of Foreign Currency Notes outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
1	3.75% USD Bonds 2024	3.75%	3,288.68	3,032.28	18.06.2024	
2	3.25% USD Bonds 2024	3.25%	2,466.51	2,274.21	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,288.68	3,032.28	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,466.51	2,274.21	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,688.23	2,539.80	21.09.2028	Redeemable at par on maturity
6	6.15% USD Bonds 2028	6.15%	4,110.85	3,790.36	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	4,933.01	4,548.43	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,699.76	3,411.32	16.09.2029	
9	3.95% USD Bonds 2030	3.95%	6,166.27	5,685.53	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	4,110.84	3,790.36	16.05.2031	
	Total		**37,219.33**	**34,378.78**		

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18. BORROWINGS (OTHER THAN DEBT SECURITIES)

The Company has categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Secured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Rupee Term Loans (Refer note 18.3)	13,476.25	17,887.50
(ii)	Other Loans from Banks		
	Loan against Term Deposits (Refer note 18.5)	-	228.59
	Sub-total (A)	**13,476.25**	**18,116.09**
(B)	**Unsecured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Foreign Currency Loans (Refer note 18.6)	6,615.95	128.07
	- Syndicated Foreign Currency Loans (Refer note 18.7)	20,719.21	21,781.52
	- Rupee Term Loans (Refer note 18.9)	48,841.65	40,374.98
(ii)	Term Loans From other Parties		
	- Rupee Term Loans - NSSF (Refer note 18.11)	7,500.00	7,500.00
(iii)	Other Loans from Banks		
	Working Capital Demand Loan / Overdraft / Cash Credit / Line of Credit (Refer Note 18.12)	3,983.83	-
	Sub-total (B)	**87,660.64**	**69,784.57**
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) - (A+B)**	**1,01,136.89**	**87,900.66**
(D)	Interest accrued but not due on (C) above	392.31	294.39
(E)	Unamortised Transaction Cost on (C) above	(300.31)	(229.63)
	Total Borrowings (other than Debt Securities) (C to E)	**1,01,228.89**	**87,965.42**
	Geography wise Borrowings		
(i)	Borrowings in India	74,000.92	66,194.94
(ii)	Borrowings outside India	27,227.97	21,770.48
	Total Geography wise Borrowings	**1,01,228.89**	**87,965.42**

18.1 Wherever required, the Company has registered the charges with respective Registrars of Companies (ROC) within the statutory timelines.

18.2 The Company has not borrowed any funds on the specific security of current assets, where there is any requirement of filing of quarterly returns or statements.

18.3 Details of Secured Rupee Term Loans outstanding are as follows (Refer Note 18.4) :

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	Bank of Baroda	-	1,225.00	-	Repaid in FY 2022-23
2	Karnataka Bank	-	200.00		
3	State Bank of India	3,570.00	5,000.00	10.07.2023	The loan is to be repaid in 7 half yearly instalments comprising 6 instalments of ₹ 715 crore each and thereafter final instalment of ₹ 710 crore each starting from 10-Jul-2022 and ending on 10-Jul-2025
4	Indian Bank	937.50	1,312.50	28.09.2023	The loan is to be repaid in 08 half yearly instalments of ₹ 187.50 crore each starting from 28-Mar-22 and ending on 28-Sep-2025
5	Indian Bank	1,800.00	1,800.00	29.09.2023	The loan is to be repaid in 12 quarterly instalments of ₹ 150 crore each starting from 29-Sep-2023 and ending on 29-Jun-2026
6	Union Bank of India	200.00	300.00	30.09.2023	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from 30-Sep-2020 and ending on 30-Sep-2024

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
7	Punjab National Bank	168.75	225.00	30.09.2023	The loan is to be repaid in 04 annual instalments of ₹ 56.25 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
8	Union Bank of India	1,350.00	1,800.00	30.09.2023	The loan is to be repaid in 04 annual instalments of ₹ 450 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
9	Canara Bank	1,000.00	1,000.00	20.02.2024	Bullet Repayment at the end of the tenor
10	Punjab National Bank	750.00	1,125.00	25.02.2024	The loan is to be repaid in 04 annual instalments of ₹ 375 crore each starting from 25-Feb-22 and ending on 25-Feb-2025
11	Bank of India	1,000.00	1,000.00	02.03.2024	The loan is to be repaid in 2 Annual instalments of ₹ 500 crore each starting from 02-Mar-2024 and ending on 02-Mar-2025
12	Union Bank of India	200.00	400.00	15.03.2024	The loan is to be repaid in 5 annual instalments of ₹ 200 crore each starting from 15-Mar-2020 and ending on 15-Mar-2024
13	Indian Bank	500.00	500.00	02.04.2024	Bullet Repayment at the end of the tenor
14	Canara Bank T-1	500.00	500.00	21.06.2024	
15	Canara Bank T-2	500.00	500.00	24.06.2024	
16	Canara Bank	1,000.00	1,000.00	29.06.2024	
	Total Secured Rupee Term Loans	**13,476.25**	**17,887.50**		

18.4 Secured rupee term loans are secured by first *pari passu* charge in favour of lending banks on the receivables of the Company limited to payment/repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/or others under/pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formally known as GDA Trusteeship Limited). Refer Note 10 for carrying values of the receivable pledged as security against secured rupee term loans

18.5 Details of Loan against Term Deposits outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	Indian Bank	-	142.50	-	Repaid in FY 2022-23
2	Canara Bank	-	41.09		
3	Canara Bank	-	45.00		
	Total Loan against Term Deposits	**-**	**228.59**		

18.6 Details of Unsecured Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	ADB (Guaranteed by the Government of India)	51.35	58.20	15.04.2023	Semi Annual Instalments till 15.10.2028
2	Credit National (Guaranteed by the Government of India)	18.86	27.05	30.06.2023	Semi Annual Instalments till 30.06.2028
3	KFW I (Guaranteed by the Government of India)	41.95	42.82	30.06.2023	Semi Annual Instalments till 30.12.2035
4	KfW EUR 200M 030123	526.42	-	15.11.2023	Semi Annual Instalments till 15.11.2025
5	1 FCNR SBI USD 110M 151222	904.39	-	15.12.2023	Bullet Repayment at the end of the tenor
6	2 FCNR ICICI USD TO EUR 291222	844.48	-	29.12.2023	
7	3 FCNR SBI USD TO EUR 270323	833.03	-	27.03.2024	
8	4 FCNR DBS USD TO EUR 290323	499.53	-	29.12.2023	
9	5 FCNR SBI USD TO EUR 280323	828.79	-	28.03.2024	
10	6 FCNR ICICI USD TO EUR 290323	831.47	-	29.03.2024	
11	7 FCNR SBI USD TO EUR 310323	1,235.68	-	31.03.2024	
	Total Foreign Currency Loans	**6615.95**	**128.07**		

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18.7 Details of Unsecured Syndicated Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	SLN 28 USD	-	1,895.18	-	Repaid in FY 2022-23
2	SLN 28 JPY	-	334.13		
3	SLN 18	-	905.82		
4	SLN 21	-	2,274.21		
5	SLN 22	-	1,895.18		
6	SLN 23	-	1,895.18		
7	SLN 26	2,055.42	1,895.18	26.09.2023	Bullet Repayment at the end of the tenor
8	SLN 27	1,014.18	1,021.24	01.02.2024	
9	SLN 29	2,055.42	1,895.18	20.12.2024	
10	SLN 30	822.17	758.07	13.10.2025	
11	SLN 30	2,466.51	2,274.21	05.11.2025	
12	31 A FCTL USD 525M 301121	4,316.40	3,979.87	30.11.2026	
13	31 B FCTL USD 100M 301121	822.17	758.07	30.11.2026	
14	32 A FCTL JPY 89208M 281222	5,513.05	-	28.12.2026	Redeemable in three instalments: 33.33% loan amount on 28.12.2026, 33.33% of loan amount on 28.12.2027 and balance outstanding on 28.12.2028.
15	32 B FCTL JPY 26762M 050123	1,653.89	-	05.01.2030	Bullet Repayment at the end of the tenor
	Total Syndicated Foreign Currency Loans	**20,719.21**	**21,781.52**		

18.8 Floating Rate Foreign Currency Loans in above Note No. 18.6 and 18.7 carries an interest rate spread ranging from 5 bps to 150 bps over 6 month USD LIBOR/ ARR (London Inter Bank Offered Rate/Alternative Reference Rate) except for Foreign Currency Loans from Credit National, KFW-I and FCTL31A & B which are at fixed rate of interest.

18.9 Details of Unsecured Rupee Term Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	Bank of Baroda	-	1,800.00	-	Repaid in FY 2022-23
2	HDFC Bank Ltd.	-	2,000.00		
3	UCO Bank	-	500.00		
4	Union Bank of India	800.00	800.00	15.04.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 100 crore each starting from 15-Apr-2023 and ending on 15-Jan-2025
5	UCO Bank	200.00	200.00	26.05.2023	Bullet Repayment at the end of the tenor
6	HDFC Bank Ltd.	1,000.00	-	10.06.2023	Bullet Repayment at the end of the tenor
7	HDFC Bank Ltd.	650.00	-	13.06.2023	Bullet Repayment at the end of the tenor
8	Canara Bank	875.00	1,750.00	20.06.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 218.75 crore each starting from 20-Jun-2022 and ending on 20-Mar-2024
9	HDFC Bank Ltd.	20.00	-	20.06.2023	Bullet Repayment at the end of the tenor
10	Canara Bank	1,400.00	1,800.00	22.06.2023	The loan is to be repaid in 20 quarterly instalments of ₹ 100 crore each starting from 22-Dec-2021 and ending on 22-Sep-2026
11	HDFC Bank Ltd.	7.00	-	22.06.2023	Bullet Repayment at the end of the tenor
12	HDFC Bank Ltd.	55.00	-	23.06.2023	
13	HDFC Bank Ltd.	33.00	-	24.06.2023	
14	HDFC Bank Ltd.	235.00	-	27.06.2023	
15	HDFC Bank Ltd.	3,000.00	3,000.00	29.06.2023	
16	HDFC Bank Ltd.	1,000.00	-	30.06.2023	
17	Bank of India	1,000.00	1,000.00	11.09.2023	The loan is to be repaid in 4 annual instalments of ₹ 250 crore each starting from 11-Sep-2023 and ending on 11-Sep-2026

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for the year ended March 31, 2023

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
18	Canara Bank	300.00	400.00	23.09.2023	The loan is to be repaid in 10 half-yearly instalments of ₹ 50 crore each starting from 23-Sep-2021 and ending on 23-Mar-2026
19	State Bank of India	2,999.98	2,999.98	27.09.2023	Bullet Repayment at the end of the tenor
20	HDFC Bank Ltd.	1,000.00	1,000.00	30.09.2023	Bullet Repayment at the end of the tenor
21	HDFC Bank Ltd.	750.00	750.00	05.10.2023	
22	Punjab National Bank	995.00	995.00	24.12.2023	
23	Canara Bank	500.00	500.00	28.12.2023	
24	Canara Bank	500.00	500.00	15.01.2024	
25	Bank of India	2,000.00	2,000.00	21.01.2024	
26	Punjab National Bank	666.67	1,000.00	20.03.2024	The loan is to be repaid in 2 annual instalments of ₹ 333.33 crore each starting from 20-Mar-2023 and ending on 20-Mar-2025
27	Union Bank of India	1,250.00	1,875.00	23.03.2024	The loan is to be repaid in 4 annual instalments of ₹ 625 crore each starting from 23-Mar-2022 and ending on 23-Mar-2025
28	KEB Hana Bank	100.00	-	31.05.2024	The loan is to be repaid in 4 half-yearly instalments of ₹ 25 crore each starting from 31-May-2024 and ending on 30-Nov-2025
29	Bank of India	500.00	500.00	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from 18-Sep-2024 and ending on 18-Sep-2028
30	State Bank of India	3,000.00	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
31	HDFC Bank Ltd.	3,000.00	3,000.00	30.09.2025	
32	Bank of Baroda	5,000.00	2,500.00	17.05.2026	The loan is to be repaid in 8 half yearly instalments of ₹ 625 crore each starting from 17-May-2026 and ending on 17-Nov-2029
33	UCO Bank	1,000.00	1,000.00	24.09.2026	Bullet Repayment at the end of the tenor
34	Punjab National Bank	500.00	500.00	27.09.2026	
35	Punjab National Bank	5.00	5.00	29.09.2026	
36	India Infrastructure Finance Company Limited	1,000.00	1,000.00	30.09.2026	
37	Central Bank	1,000.00	1,000.00	31.03.2027	
38	Union Bank	3,000.00	3,000.00	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹ 1500 crore each starting from 31.03.2027 and ending on 31.03.2028
39	Canara Bank	2,250.00	-	28.06.2027	The loan is to be repaid in 2 annually instalments of ₹ 1125 crore each starting from 28-Jun-2027 and ending on 28-Jun-2028
40	Canara Bank	250.00	-	30.06.2027	The loan is to be repaid in 2 annually instalments of ₹ 125 crore each starting from 30-Jun-2027 and ending on 30-Jun-2028
41	Indian Overseas Bank	1,000.00	-	30.09.2027	The loan is to be repaid in 2 yearly instalments of ₹ 500 crore each starting from 30-Sep-2027 and ending on 30-Sep-2028
42	Indian Overseas Bank	500.00	-	30.09.2027	The loan is to be repaid in 2 yearly instalments of ₹ 250 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
43	UCO Bank	1,000.00	-	30.03.2028	Bullet Repayment at the end of the tenor
44	Punjab & Sind Bank	1,000.00	-	30.03.2028	The loan is to be repaid in 2 yearly instalments of ₹ 500 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
45	National Bank for Financing Infrastructure and Development	3,500.00	-	31.03.2029	The loan is to be repaid in 10 yearly instalments of ₹ 350 crore each starting from 31-Mar-2029 and ending on 31-Mar-2038
	Total Unsecured Rupee Term Loans	**48,841.65**	**40,374.98**		

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

18.10 Borrowings as at 31.03.2023 in Note 18.3 and 18.9 above were raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

18.11 Details of Unsecured Rupee term Loan - NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.11% p.a.)	7,500.00	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Total	**7,500.00**	**7,500.00**		

18.12 Details of Unsecured WCDL/ OD/ CC/ Line of Credit outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	State Bank of India (WCL)	1,555.28	-	10.04.2023	Bullet Repayment at the end of the tenor
2	State Bank of India (WCL)	500.00	-	15.04.2023	
3	Punjab National Bank (WCDL)	300.00	-	15.04.2023	
4	HDFC Bank (WCDL)	1,628.55	-	30.06.2023	
	Total WCDL/ OD/ CC/ Line of Credit	**3,983.83**	**-**		

18.13 None of the borrowings have been guaranteed by Directors.

18.14 There has been no default in repayment of borrowings and interest during periods presented above.

18.15 The amounts raised during the year have been utilised for the stated objects in the offer document/Information memorandum/ facility agreement.

18.16 The Company has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19. SUBORDINATED LIABILITIES

The Company has categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Subordinated Liabilities (Unsecured)**		
(i)	Subordinated Bonds (Principal Outstanding) (Refer note 19.1)	9,211.50	9,211.50
(ii)	Interest accrued but not due on above	102.30	102.33
(iii)	Unamortised Transaction Cost on above	(1.96)	(2.56)
	Total Subordinated Liabilities	**9,311.84**	**9,311.27**
(B)	**Geography wise Subordinated Liabilities**		
(i)	Subordinated Bonds in India	9,311.84	9,311.27
(ii)	Subordinated Bonds outside India	-	-
	Total Geography wise Subordinated Liabilities	**9,311.84**	**9,311.27**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

19.1 Details of Subordinated Bonds (Unsecured) are as under :

(₹ in crore)

Sr. No.	Subordinated Bond Series	As at 31.03.2023	As at 31.03.2022
(i)	8.19% Bond Series 105 - Redeemable at par on 14.06.2023	800.00	800.00
(ii)	9.65% Bond Series 111 - Redeemable at par on 13.01.2024	1,000.00	1,000.00
(iii)	9.70% Bond Series 114 - Redeemable at par on 21.02.2024	2,000.00	2,000.00
(iv)	9.25% Bond Series 184A - Redeemable at par on 25.09.2024	2,000.00	2,000.00
(v)	9.10% Bond Series 184 B - Redeemable at par on 25.03.2029	2,411.50	2,411.50
(vi)	8.98% Bond Series 185 - Redeemable at par on 28.03.2029	1,000.00	1,000.00
	Total Subordinated Bond Series	**9,211.50**	**9,211.50**

20. OTHER FINANCIAL LIABILITIES

The Company has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Payable on account of Unsecured Government of India Serviced Bonds (Refer note 20.1)	5,038.21	5,038.21
(ii)	Advance received from Subsidiaries and Associates	177.16	177.13
(iii)	Unclaimed Dividends (Refer note 20.2)	5.63	5.46
(iv)	Unpaid - Bonds and Interest Accrued thereon (Refer note 20.2)		
	- Unclaimed Bonds	0.92	2.02
	- Unclaimed Interest on Bonds	71.78	89.15
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.71	0.90
	- GoI funds for disbursement (Refer note 51)	-	498.83
	- Lease Liability (Refer note 45.1)	8.81	8.81
	- Other liabilities	234.46	983.48
	Total Other Financial Liabilities	**5,537.68**	**6,803.99**

20.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds) :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2023	As at 31.03.2022
(i)	7.10% Bond Series 156 - Redeemable at par on 11.01.2027	200.00	200.00
(ii)	7.18% Bond Series 158 - Redeemable at par on 20.01.2027	1,335.00	1,335.00
(iii)	7.60% Bond Series 160 - Redeemable at par on 20.02.2027	1,465.00	1,465.00
(iv)	7.75% Bond Series 164 - Redeemable at par on 22.03.2027	2,000.00	2,000.00
(v)	Interest accrued but not due on above	38.21	38.21
	Total GoI Serviced Bonds	**5,038.21**	**5,038.21**

20.2 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors / holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

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for the year ended March 31, 2023

21. PROVISIONS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	For Employee Benefits (Refer note 44)		
	- Gratuity	1.02	0.03
	- Leave Encashment	50.14	47.73
	- Economic Rehabilitation of Employees	7.82	6.76
	- Provision for Bonus/Incentive	43.26	42.11
	- Provision for Staff Welfare Expenses	21.55	18.29
(ii)	Impairment Loss Allowance - Letter of Comfort & Guarantee (Refer note 21.1)	50.93	77.21
(iii)	Provision for Unspent CSR Expense (Refer note 35)	148.93	54.87
	Total Provisions	**323.65**	**247.00**

21.1 Movement of Impairment loss allowance on Letter of Comfort & Guarantee

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
(i)	Opening balance	77.21	57.03
(ii)	Creation during the year	0.12	59.05
(iii)	Reversal during the year	(26.40)	(38.87)
	Closing balance	**50.93**	**77.21**

22. OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Unamortised Fee - Undisbursed Loan Assets	189.15	158.94
(ii)	Statutory dues payable	28.63	35.81
(iii)	Sundry Liabilities Account (Interest Capitalisation)	26.27	28.35
(iv)	Others	28.33	53.83
	Total Other Non-Financial Liabilities	**272.38**	**276.93**

23. EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at 31.03.2023		As at 31.03.2022	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹10)	11,00,00,00,000	11,000.00	11,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹10)	20,00,00,000	200.00	20,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹10)	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the period	-	-	-	-
	Closing Equity Share Capital	**2,64,00,81,408**	**2,640.08**	**2,64,00,81,408**	**2,640.08**

23.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

23.2 Shares in the Company held by each shareholder holding more than 5% of the shares

Sr. No.	Particulars	As at 31.03.2023		As at 31.03.2022	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	1,47,82,91,778	55.99%	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd.	16,38,70,959	6.21%	22,85,47,160	8.66%
(iii)	Life Insurance Corporation of India	12,37,62,976	4.69%	13,21,17,474	5.00%

23.3 Shares reserved for issue under options and contract / commitment for the sale of shares or disinvestment, including the terms and amount: Nil

23.4 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date: Nil

23.5 Calls unpaid (showing aggregate value of calls unpaid by directors and officers): Nil

23.6 Forfeited shares (amount originally paid up): Nil

23.7 Refer Note 39 for Capital Management.

24. OTHER EQUITY

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Securities Premium (Refer note 24.1 (i))	2,776.54	2,776.54
(ii)	Foreign Currency Monetary Item Translation Difference Account (Refer note 24.1 (ii))	(467.57)	(513.80)
(iii)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 (Refer note 24.1 (iii))	8,559.23	6,238.14
(iv)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961 (Refer note 24.1 (iv))	529.39	576.44
(v)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(vi)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98 (Refer note 24.1 (v))	26,511.31	24,139.00
(vii)	Interest Differential Reserve - KFW Loan (Refer note 24.1 (vi))	64.97	64.07
(viii)	General Reserve (Refer note 24.1 (vii))	14,691.55	14,115.11
(ix)	Retained Earnings (Refer note 24.1 (viii))	12,648.64	8,863.49
(x)	Reserve for Equity Instruments through Other Comprehensive Income (Refer note 24.1 (ix))	55.54	(54.23)
(xi)	Reserve for Effective portion of Cash Flow Hedges (Refer note 24.1 (x))	492.20	200.34
(xii)	Cost of Hedging Reserve (Refer note 24.1 (xi))	(899.50)	(294.75)
	Total Other Equity	**65,562.15**	**56,710.20**

24.1 Nature, purpose and movement of reserves :

(i) Securities Premium:

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	2,776.54	2,776.54
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**2,776.54**	**2,776.54**

(ii) Foreign Currency Monetary Item Translation Difference Account:

It represents unamortised foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortised over the tenure of the respective borrowings.

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for the year ended March 31, 2023

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**(513.80)**	**(634.33)**
Add: Foreign Currency Translation Gain/ Loss (-) on long-term monetary items during the year	(721.29)	(270.87)
Less: Amortisation during the year	767.52	391.40
Balance as at the end of the year	**(467.57)**	**(513.80)**

(iii) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934:

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**6,238.14**	**4,233.76**
Add: Transferred from Retained Earnings	2,321.09	2,004.38
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**8,559.23**	**6,238.14**

(iv) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act, 1961:

It has been created to enable the Company to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per Section 36(1)(viia)(c) of Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision / reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**576.44**	**287.25**
Add: Transferred from Retained Earnings	590.10	576.44
Less: Transferred to General Reserve	(576.44)	(287.25)
Less: Adjustments during the year	(60.71)	-
Balance as at the end of the year	**529.39**	**576.44**

(v) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable the Company to avail tax benefits. As per Section 36(1)(viii) of the Income Tax Act, 1961, the Company is eligible for deduction not exceeding 20% of profit derived from long-term finance activity, provided such amount is transferred and maintained in special reserve account.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**24,139.00**	**21,715.55**
Add: Transferred from Retained Earnings	2,363.47	2,423.45
Less: Transferred to General Reserve	-	-
Add: Adjustments during the year	8.84	-
Balance as at the end of the year	**26,511.31**	**24,139.00**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(vi) Interest Differential Reserve - KFW Loan:

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/ loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**64.07**	**62.65**
Add: Addition during the year	2.17	2.34
Less:Deletion during the year	(1.27)	(0.92)
Balance as at the end of the year	**64.97**	**64.07**

(vii) General Reserve:

General Reserve includes the amounts appropriated from the profits of the Company before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilisation/ reversal of such Reserves. Further the Company appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**14,115.11**	**13,827.86**
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	576.44	287.25
Balance as at the end of the year	**14,691.55**	**14,115.11**

(viii) Retained Earnings:

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Company after transfer to and from other reserves and dividend distributions.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**8,863.49**	**7,203.86**
Add: Profit for the year	11,605.47	10,021.90
Add: Remeasurement of Defined Benefit Plans (net of taxes)	(2.68)	(3.70)
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument	46.13	13.22
Add: Transferred from Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	60.71	-
Less: Transferred to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	(8.84)	-
Less: Transferred to Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	(2,363.47)	(2,423.45)
Less: Transferred to Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	(590.10)	(576.44)
Less: Transferred to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(2,321.09)	(2,004.38)
Less: Transferred to Interest Differential Reserve - KFW Loan	(0.90)	(1.42)
Less: Dividend paid during the year	(2,640.08)	(3,366.10)
Balance as at the end of the year	**12,648.64**	**8,863.49**

(ix) Reserve for Equity Instruments through Other Comprehensive Income :

The Company elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognised, amounts in the reserve are subsequently transferred to retained earnings and not to standalone statement of profit and loss. Dividends on such investments are recognised in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**(54.23)**	**(183.37)**
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	155.90	142.36
Less: Reclassification of (gain)/ loss on sale/extinguishment of FVOCI equity instrument (net of taxes)	(46.13)	(13.22)
Balance as at the end of the year	**55.54**	**(54.23)**

(x) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**200.34**	**(113.34)**
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	291.86	313.68
Balance as at the end of the year	**492.20**	**200.34**

(xi) Cost of Hedging Reserve:

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

Details of Movement during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance as at the beginning of the year	**(294.75)**	**(23.24)**
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	(604.75)	(271.51)
Balance as at the end of the year	**(899.50)**	**(294.75)**

24.2 Dividend declared/proposed by the Company for Equity Shares of ₹ 10/- each

(i) Particulars	FY 2022-23			FY 2021-22		
	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
Interim Dividend	87.50%	8.75	2,310.07	107.50%	10.75	2,838.09
Final Dividend	45.00%	4.50	1,188.04	12.50%	1.25	330.01
Total Dividend	**132.50%**	**13.25**	**3,498.11**	**120%**	**12.00**	**3,168.10**

During the current year ended 31.03.2023, an amount of ₹ 1,478.29 crore (Previous year ₹ 1,884.82 crore) has been paid to Government of India as dividend (being proportionate share in final dividend for FY 21-22 and interim dividend for FY 22-23).

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on 27.05.2023 has recommended final dividend @ 45% on the paid up equity share capital i.e. ₹ 4.50 per equity share of ₹ 10 each for the FY 2022-23 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of Section 123 of Companies Act 2013, as applicable.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

25. INTEREST INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(A)	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	37,659.34	36,780.13
	Less : Rebate for Timely Payment to Borrowers	(282.32)	(386.71)
(ii)	Interest on Deposits with Banks	171.27	246.50
(iii)	Interest on Investment	52.44	8.52
(iv)	Other Interest Income	29.36	26.73
	Sub-total (A)	**37,630.09**	**36,675.17**
(B)	**On Financial Assets Classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	9.07	20.67
(ii)	Other Income	6.15	5.38
	Sub-total (B)	**15.22**	**26.05**
	Total Interest Income ((A)+(B))	**37,645.31**	**36,701.22**

26. DIVIDEND INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Dividend on equity investments designated at FVTOCI		
	- held at the end of the year	90.19	64.36
	- derecognised during the year	0.90	0.29
	Sub-total	**91.09**	**64.65**
(ii)	Dividend on equity investments at cost (Subsidiaries)	1,653.70	1,282.77
(iii)	Dividend on preference Shares	0.02	0.00
	Total Dividend Income (i+ii+iii)	**1,744.81**	**1,347.42**

27. FEES AND COMMISSION INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Prepayment Premium on Loans	67.03	351.60
(ii)	Fee based Income on Loans	123.02	136.56
(iii)	Fee for implementation of GoI Schemes (Refer note 51)	71.58	8.60
	Total Fees and Commission Income	**261.63**	**496.76**

28. OTHER INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Excess Liabilities written back	-	2.38
(ii)	Gain on cessation of joint control in Joint Venture	-	32.66
(iii)	Miscellaneous Income	13.88	10.73
	Total Other Income	**13.88**	**45.77**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

29. FINANCE COSTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and Others	5,225.78	4,264.34
	- Interest on Lease Liability (Refer note 45.1)	0.77	0.77
(ii)	**Interest on Debt Securities**		
	- Bonds /Debentures	16,371.05	16,706.94
	- Commercial Papers	-	39.97
(iii)	**Interest on Subordinated Liabilities**	850.84	850.80
(iv)	**Other Interest Expense**		
	- Interest on Interest Subsidy Fund	-	1.13
	- Interest on Application Money - Bonds	0.01	0.29
	- Interest on advances received from Subsidiaries	4.66	2.87
	- Interest under Income Tax Act, 1961	0.88	1.91
(v)	**Swap Premium (Net)**	828.58	802.28
	Total Finance Costs	**23,282.57**	**22,671.30**

30. NET TRANSLATION / TRANSACTION EXCHANGE LOSS / (GAIN)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Net Translation/Transaction Exchange Loss /(Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	1,359.59	514.18
(ii)	Translation of Long-term foreign currency monetary item (LTFCMI) (including Amortisation of FCMITDA) recognised up to 31.03.2018	615.64	391.40
	Total Translation/Transaction Exchange Loss /(Gain)	**1,975.23**	**905.58**

30.1 The foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2023	As at 31.03.2022
USD / INR	82.2169	75.8071
Euro / INR	89.6076	84.6599
JPY / INR	0.6180	0.6223

31. FEES AND COMMISSION EXPENSE

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Agency Fees	1.45	1.63
(ii)	Guarantee, Listing and Trusteeship fees	2.40	2.41
(iii)	Credit Rating Fees	7.18	5.72
(iv)	Other Finance Charges	1.03	0.42
	Total Fees and Commission Expense	**12.06**	**10.18**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

32. NET LOSS / (GAIN) ON FAIR VALUE CHANGES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	On financial instruments at Fair value through Profit or Loss:		
(i)	- Change in Fair Value of Derivatives	(123.36)	(39.77)
(ii)	- Change in Fair Value of Investments	52.80	30.35
	Total Net Loss / (Gain) on Fair Value changes	**(70.56)**	**(9.42)**
	Fair value changes:		
(i)	- Realised	97.47	213.16
(ii)	- Unrealised	(168.03)	(222.58)
	Total Net Loss / (Gain) on Fair Value changes	**(70.56)**	**(9.42)**

32.1 Fair value changes in this note are other than those arising on account of accrued interest income/expense.

33. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A	**On Financial Assets measured at Amortised Cost:**		
(i)	Loans *	(319.98)	2,126.68
(ii)	Investment	-	72.95
(iii)	Other Financial Assets	(6.41)	2.33
(iv)	Letter of Comfort & Guarantee	(26.28)	20.18
B	**On Financial Assets measured at Cost**		
(i)	Investment	(0.20)	-
C	**On Financial Assets measured through P&L**		
(i)	Write Off - Investments*	56.66	-
	Total Impairment on Financial Instruments	**(296.21)**	**2,222.14**

* Including write off of loans and investment acquired under loan settlement of ₹ 957.91 crore (Previous year ₹ 1396.13 crore) and corresponding reversal of impairment loss allowance of ₹ 2,700.33 crore (Previous year ₹ 1817.78 crore).

33.1 Refer Note 40.1 for details of impairment on financial assets.

34 EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Salaries and Wages	151.16	150.68
(ii)	Contribution to Provident and other Funds/ Schemes	18.99	17.75
(iii)	Staff Welfare Expenses	40.24	38.22
(iv)	Rent for Residential Accommodation of Employees	8.62	6.46
	Total Employee Benefit Expenses	**219.01**	**213.11**

34.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 44.

35. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. 22.01.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, if the Company spends an amount in excess of the requirement under statute, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

As the notification was made effective during FY 2020-21, the Company complied with the amended provisions of Section 135 of the Companies Act, 2013 with effect from the FY 2020-21. Accordingly, the unspent CSR amount as at 31.03.2020 would continue to be dealt with in accordance with the pre-amendment framework.

35.1 Details of amount required to be spent by the Company on CSR activities during the year:

(₹ in crore)

Sr. No.	Particulars	FY 2022-23			FY 2021-22		
		For FY 2022-23	For period up to 31.03.2020	Total	For FY 2021-22	For period up to 31.03.2020	Total
(i)	Opening unspent / (Excess) amount	54.87	99.15*	154.02	(39.39)	143.43*	104.04
(ii)	Amount transferred to unspent CSR bank account out of opening unspent amount	54.87	-	54.87			
(iii)	Balance Opening unspent / (Excess) amount (i-ii)	-	99.15	99.15			
(iv)	Amount required to be spent as per Section 135 (5) of Companies Act, 2013	178.58	-	178.58	170.43	-	170.43
(v)	Amount approved by the Board out of (iv) above to be spent during the year	178.58	-	178.58	170.43	-	170.43
(vi)	Surplus arising out of the CSR projects	-	-	-	0.01	-	0.01
(vii)	**Sub-total (v + vi)**	**178.58**	**-**	**178.58**	**170.44**	**-**	**170.44**
(viii)	Amount required to be spent after set off excess spent of earlier years (iii+vii)	178.58	99.15	277.73	131.05	143.43	274.48
(ix)	Amount spent during the year	72.24[$]	46.72	118.96	76.18[$]	44.28	120.46
(x)	**Closing Unspent/(Excess) amount (viii – ix)**	**106.34[@]**	**52.43**	**158.77**	**54.87[@]**	**99.15**	**154.02**

*Sanctioned to various projects where disbursement is being made as per agreed terms.

[$] includes ₹ 6.52 crore (Previous year - ₹ 15.49 crore) disbursed where utilisation is pending.

[@] Since amount pertains to ongoing projects, it has been transferred to unspent CSR Account on 28.04.2023(Previous year on 29.04.2022).

35.2 Unspent CSR amount of ₹ 106.34 crore (Previous year ₹ 54.87 crore) pertains to multi-year (ongoing) projects where payment is made in tranches upon achievement of milestone. Accordingly, the said amount has been deposited in unspent CSR Account with State Bank of India as per requirements of Section 135(6) of Companies Act, 2013.

35.3 Activity wise detail of amount spent during the year on CSR activities:

(₹ in crore)

Sr. No.	Particulars	FY 2022-23			FY 2021-22		
		Paid or settled	Yet to be paid	Total	Paid or settled	Yet to be paid	Total
(i)	Construction/acquisition of any assets	-	-	-	-	-	-
(ii)	On purposes other than (i) above						
(iia)	Sanitation/ Waste Management/ Drinking water	2.27		2.27	4.93	-	4.93
(iib)	Education/Vocational Skill development	16.81		16.81	21.72	-	21.72
(iic)	Environmental Sustainability (Solar Applications/ Afforestation/ Energy efficient LED lighting)	0.50		0.50	7.36	-	7.36
(iid)	Sports				0.95	-	0.95
(iie)	Others [#]	92.55		92.55	81.10	-	81.10
(iif)	Administrative overheads including training, impact assessment etc. limited to 5% of total amount required to be spent on CSR	6.83		6.83	4.40	-	4.40
(iii)	**Total Amount Spent during FY (i +ii)**	**118.96**	**-**	**118.96***	**120.46**	**-**	**120.46**
(iv)	Add: To be transferred to Unspent CSR Account			106.34			54.87
(v)	Add/Less: Excess amount adjusted/(spent)			-			39.39
(vi)	**CSR Expenses charged to Standalone Statement of Profit and Loss (iii + iv + v)**			**225.30**			**214.72**

includes a contribution of ₹ 51.94 crore to PM CARES Fund (Previous year ₹ 50 crore).

*includes ₹ 46.72 crore (Previous year ₹ 44.28 crore) for the period up to 31.03.2020.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

35.4 Details of Unspent CSR amount as per requirements of Section 135(6) of Companies Act, 2013:-

For FY 2022-23

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Interest earned on balance in Unspent CSR A/c	Amount spent during the year		Closing Balance		For ongoing projects pertaining to	Details of ongoing projects
With Company	In Separate CSR Unspent A/c			From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c		
-	-	178.58	NA	72.24	-	106.34*	-	FY 2022-23	Various projects to support research, training, solar power, sanitation, skill development, Health care etc.
-	54.87	NA	1.65	-	13.93	-	42.59	FY 2021-22	

* Transferred on 28.04.2023 to unspent CSR Account with State Bank of India

For FY 2021-22

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Interest earned on balance in Unspent CSR A/c	Amount spent during the year		Closing Balance		For ongoing projects pertaining to	Details of ongoing projects
With Company	In Separate CSR Unspent A/c			From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c		
-	-	131.05	NA	76.18	-	54.87*	-	FY 2021-22	Various projects to support research, training, solar power, sanitation, skill development, Health care etc.

* Transferred on 29.04.2022 to unspent CSR Account with State Bank of India.

36. OTHER EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Rent, Taxes and Energy Cost	5.45	3.95
(ii)	Repairs and Maintenance	5.65	9.93
(iii)	Communication Costs	2.53	2.40
(iv)	Printing and Stationery	1.55	1.11
(v)	Advertisement and Publicity	13.79	11.29
(vi)	Directors Fees, Allowance and Expenses	0.41	0.28
(vii)	Auditor's fees and expenses (Refer note 36.1)	1.29	1.45
(viii)	Legal & Professional charges	18.67	9.83
(ix)	Insurance	0.35	0.23
(x)	Travelling and Conveyance	20.45	13.01
(xi)	Net Loss/ (Gain) on sale/ derecognition of PPE	2.88	2.91
(xii)	Govt. scheme monitoring expense	7.63	-
(xiii)	Conference and Meeting Expenses	7.27	1.74
(xiv)	Security Expenses	3.63	3.69
(xv)	Other Expenditure	37.00	60.89
	Total Other Expenses	**128.55**	**122.71**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

36.1 Auditor's fees and expenses are as under:

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Fee paid to Statutory Auditors:		
(i)	as Auditor	0.58	0.58
(ii)	for Taxation matters	0.15	0.15
(iii)	for Company Law Matters (includes Limited Review Fees)	0.35	0.32
(iv)	for Other services	0.11	0.29
	Sub-total	**1.19**	**1.34**
(v)	Non-recoverable GST credit in respect of fees paid to auditors	0.10	0.11
	Total Auditor's fees and expenses	**1.29**	**1.45**

37. DISCLOSURES RELATED TO 'INCOME TAXES':

37.1 Income tax expense recognised in Standalone Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Current Tax expense:		
Current Year	2,381.18	2,418.91
Earlier Years	(50.94)	(36.05)
(A) Total Current Tax Expense	**2,330.24**	**2,382.86**
Deferred Tax Expense /(Income)		
Origination and reversal of temporary differences	234.91	(177.11)
(B) Total Deferred Tax Expense/(Income)	**234.91**	**(177.11)**
Total Income Tax Expense (A+B)	**2,565.15**	**2,205.75**

37.2 Income tax expense recognised in Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Current Tax Expense/(Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	0.06	0.35
(A) Total Current Tax Expense/(Income)	**0.06**	**0.35**
Deferred Tax Expense/(Income)		
(B) Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(1.00)	(1.72)
Net Gain/(Loss) on Fair Value of Equity Instruments	(10.16)	9.58
(C) Items that will be reclassified to Profit and Loss		
Effective portion of Gains and Losses on Hedging Instruments in Cash flow Hedge	98.16	105.50
Cost of hedging reserve	(203.39)	(91.31)
(D) Total Deferred Tax Expense/(Income) (B+C)	**(116.39)**	**22.05**
Total Tax Expense/(Income) recognised in OCI (A+D)	**(116.33)**	**22.40**

Notes to the Standalone Financial Statements

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37.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expense and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Profit before Tax	14,170.62	12,227.65
Corporate Tax Rate	25.168%	25.168%
Tax expense using the Corporate tax rate	**3,566.46**	**3,077.45**
Increase/(Decrease) on account of:		
Non-deductible tax expenses	50.56	97.41
Deduction u/s 80M of Income Tax Act 1961	(439.13)	(339.12)
Deduction under 36(1)(viii) of Income Tax Act 1961	(594.84)	(609.93)
Others	33.04	15.99
Tax expense pertaining to earlier years	(50.94)	(36.05)
Total tax expense in the Standalone Statement of Profit and Loss	**2,565.15**	**2,205.75**

37.4 Deductible temporary differences/ unused tax losses/ unused tax credits carried forward

Particulars	As at 31.03.2023 (₹ in crore)	Expiry date	As at 31.03.2022 (₹ in crore)	Expiry date
Deductible temporary differences/ unused tax losses/ unused tax credits for which no deferred tax asset has been recognised in the Standalone Balance Sheet	-	-	1.25	31.03.2024
	-	-	2.54	31.03.2025
	-	-	0.03	31.03.2028
	-	-	0.07	31.03.2029

37.5 Movement in Deferred Tax balances:

FY 2022-23

(₹ in crore)

Description	Opening balance as at 01.04.2022	Recognised in Profit and Loss	Recognised in OCI	Closing balance as at 31.03.2023
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	28.94	0.57	1.00	30.52
(ii) Unamortised income on loans to borrowers	62.61	20.09	-	82.70
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	4,227.43	(310.14)	-	3,917.29
(iv) Depreciation and amortisation	2.95	2.05	-	5.00
(v) Fair value of derivatives (Net)	16.56	47.85	105.23	169.64
(vi) Others	26.39	13.04	10.16	49.59
(B) (Deferred Tax Liabilities)				
(i) Unamortised Exchange Loss (Net)	(129.87)	11.61	-	(118.26)
(ii) Unamortised expenditure on loan liabilities	(83.16)	(19.98)	-	(103.14)
(iii) Others	(0.03)	-	-	(0.03)
Net Deferred Tax Assets/(liabilities)	**4,151.82**	**(234.91)**	**116.39**	**4,033.31**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

FY 2021-22

Description	Opening balance as at 01.04.2021	Recognised in Profit and Loss	Recognised in OCI	Closing balance as at 31.03.2022
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	24.26	2.96	1.72	28.94
(ii) Unamortised income on loans to borrowers	58.71	3.90	-	62.61
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	4,110.68	116.75	-	4,227.43
(iv) Depreciation and amortisation	2.35	0.60	-	2.95
(v) Fair value of derivatives (Net)	18.67	12.08	(14.19)	16.56
(vi) Others	24.38	11.59	(9.58)	26.39
(B) (Deferred Tax Liabilities)				
(i) Unamortised Exchange Loss (Net)	(160.46)	30.59	-	(129.87)
(ii) Unamortised expenditure on loan liabilities	(81.80)	(1.36)	-	(83.16)
(iii) Others	(0.03)	-	-	(0.03)
Net Deferred Tax Assets/(liabilities)	**3,996.76**	**177.11**	**(22.05)**	**4,151.82**

38. DISCLOSURE AS PER IND AS 33 "EARNINGS PER SHARE"

Sr. No.	Particulars	FY 2022-23	FY 2021-22
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
(i)	from continuing operations	11,605.47	10,021.90
(ii)	from discontinued operations	-	-
(iii)	from continuing and discontinued operations	11,605.47	10,021.90
(B)	Weighted average number of equity shares used as denominator (basic & diluted)	2,64,00,81,408	2,64,00,81,408
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (in ₹):		
(i)	for continuing operations	43.96	37.96
(ii)	for discontinued operations	-	-
(iii)	for continuing and discontinued operations	43.96	37.96

39. CAPITAL MANAGEMENT

The Company maintains a capital base that is adequate to support the Company's risk profile, regulatory and business needs. The Company sources funds from domestic and international financial markets, *inter alia* leading to diverse investor base and optimised cost of capital. Refer Note 17, 18 and 19 for details w.r.t. sources of funds and refer Standalone Statement of Changes in Equity for details w.r.t. Equity.

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Company regularly monitors the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company is also guided, *inter alia*, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

39.1 Certain key financial parameters of the Company are as under:

Ratios	Numerator*	Denominator*	As at 31.03.2023	As at 31.03.2022	% variance
Total Capital to risk- weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted assets	24.37%	23.48%	3.79 %
CRAR – Tier I Capital	Tier I Capital	Risk Weighted assets	21.61%	20.00%	
CRAR – Tier II Capital	Tier II Capital	Risk Weighted assets	2.76%	3.48%	
Liquidity Coverage Ratio(LCR) (Refer Note 55.6)	Total High Quality Liquid Assets	Total Net Cash Outflows	70.00%	60.00%	NA

* Computed as per applicable RBI guidelines.

39.2 During FY 2022-23 , the Company has not raised any subordinated debt as Tier-II capital and Perpetual Debt (Previous FY 2021-22 – Nil).

39.3 Dividend Distribution Policy

The Company has a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars/guidelines, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, the Company is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions. Though, the Company endeavours to declare dividend as per these guidelines, it may propose to MoP, a lower dividend after analysis of various financial parameters like net-worth, CAPEX/business expansion needs; additional investments in subsidiaries/associates of the Company; other regulatory requirements etc. For details of dividend paid/recommended during the year, refer Note 24.2.

40. FINANCIAL RISK MANAGEMENT

The Company is exposed to several risks which are inherent to the environment that it operates in. The Company is into business of extending financial assistance to power, logistics and infrastructure sector. The principal risks which are inherent with the Company's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

The following table broadly explains sources of risks which the Company is exposed to and how it manages the same and related impact in the financial statements:

Note	Risk	Exposure arising from	Measurement	Risk Management
40.1	Credit Risk	Loans, investments, cash and cash equivalents, other financial assets	Ageing analysis	Detailed appraisal process, credit concentration limits and collateral including government guarantee
40.2	Liquidity Risk	Debt securities, borrowings, subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
40.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis	Derivative contracts for hedging currency risk
40.4	Market Risk – Interest Rate Risk	Debt securities, Borrowings, subordinated liabilities and loans at variable interest rates	Interest rate gap analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
40.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the Company has put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the Company, the Company has a Chief Risk Officer (CRO) who is involved in the process of identification, measurement and mitigation of risks. The Company also has a Board level Risk Management Committee(RMC) headed by an Independent Director, whose main function is to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities. The Chief Risk Officer (CRO) is a permanent invitee to all the meetings of Risk Management Committee. The risk management approach i.e., Company's objectives, policies and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

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40.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Company by failing to discharge its obligation. Details of financial assets that expose the Company to credit risk are:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Low Credit Risk		
Cash and cash equivalents [a]	22.14	720.91
Bank balances other than included in cash and cash equivalents [a]	1,595.96	3,240.31
Loans (Principal Outstanding) [c]	3,89,559.35	3,25,704.99
Investments (Excluding equity investments) [a]	1,011.32	265.93
Other financial assets [b]	5,389.03	5,382.67
Moderate Credit Risk		
Loans (Principal Outstanding) [c]	16,436.73	26,514.34
High Credit Risk		
Investments (Excluding equity investments) [a]	72.95	72.95
Loans (Principal Outstanding) [c]	16,501.65	20,915.28
Other financial assets [b]	18.38	24.79

[a] Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, which meets the empanelment criteria as set out in the Company's policy. The Company has also set exposure limits for deployment of funds in various types of instruments with respective banks/mutual fund houses.

For its investments, the Company manages its exposure to credit risk by periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value.

[b] Credit risk on other financial assets is evaluated based on Company's knowledge of the credit worthiness of those parties and managed by monitoring the recoverability of such amounts. The Company carries an impairment loss allowance of ₹ 18.38 crore on its other financial assets as at 31.03.2023 (as at 31.03.2022 ₹ 24.79 crore).

[c] The Company is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below.

40.1.1 Credit Risk Management for Lending Operations

The Company has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the Company's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e., project appraisal & project monitoring. The Company selects the borrowers in accordance with the Company's approved credit policy, which *inter alia*, defines factors to be considered for rating of the borrower/ project. The Company's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, *inter alia*, based on internal rating awarded by the Company.

(i) Appraisal of Projects

The Company follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the *prima facie* preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted on the basis of preliminary appraisal.

The Company along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. The Company follows an integrated rating methodology whereby Integrated Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt-equity ratio) are stipulated.

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(b) Appraisal for State Sector Projects

State sector projects are taken up for detailed appraisal to determine, *inter alia*, if they are techno economically sound and compatible with integrated power development & expansion plans of the State.

The Company classifies state power generation utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, the Company adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, the Company's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of Company's rating structure.

Such categories/ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. The Company also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling/ projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non- statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of the Company as a lender for timely servicing of debt. The Company has an authorisation/ delegation structure for the approval of credit facilities commensurating with the size of the loan.

(ii) Security and Covenants

The Company stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, the Company adopts a combination of the following measures:

(a) Primary Security - Charge on Project Assets or State Government Guarantees

(b) Collateral Securities - Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets / revenues of group/other companies

(c) Payment Security Mechanism - Escrow Account/Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants - Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

The Company has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimise the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

For private sector, where the Company is Lead Financial Institution (FI), the Company engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders / consortium members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilisation of funds in the project periodically. In cases the Company is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender. From FY 2022-23 onwards the Company has started empanelling Project Management Agency (PMA), as a single entity, for private sector projects, thereby facilitating better coordination of project monitoring activities.

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Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction/implementation etc. and is reviewed by the Company on a regular basis.

The Company continuously monitors delays and/or default of borrowers and their recoverability. On occurrence of default in the borrower's account, the Company initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularisation of the account by recovering all over dues, invocation of guarantees/ securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC -2016, sale of the exposures to other entities/investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory/legal framework.

40.1.2 Credit Risk Measurement - Impairment Assessment for Lending Operations

(i) Staging of loans

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Company uses the following basis:

- A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.
- If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial assets. In accordance with Ind AS 109 'Financial Instruments', the Company has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

- If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and/or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

(ii) Default

In accordance with Ind AS 109 'Financial Instruments', the Company considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

(iii) Measurement of Expected Credit Loss (ECL)

The Company recognises impairment loss allowance for the financial assets in accordance with a Board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Company has appointed an independent agency, CRISIL Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109 'Financial Instruments'. The brief methodology of computation of ECL is as follows:

(a) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12-month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage 1 accounts, 12 months PD is used.

For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used.

For Stage 3 (credit impaired accounts), 100% PD is taken.

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12-month PD: In case of State Sector borrowers, for the purpose of PD calculation, the risk rating grades of the utilities are considered. For Gencos/ Transcos/ Others, PFC's internal rating grades have been considered. For Discoms/ Power Department borrowers, PFC has adopted the MoP ratings . The ratings as above has been be mapped with the standard external rating benchmarks. The PD factor associated with the mapped external rating as given in the PD transition matrix published by various CRAs have been used for PD calculation.

In case of Private sector borrowers, the latest external rating as published by various Credit Rating Agencies have been referred to compute PD using the PD transition matrix published by various CRAs . If external rating is not available, the PD has been computed through Proxy Risk Scoring Model on a 10-point scale with 1 suggesting minimum risk and 10 suggesting the highest risk. The said model uses the Quantitative financial ratios like Gearing (Debt/Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative factors like PLF, ACS / ARR ratio or LAF to arrive at the final Risk score. The financial risk score obtained have been mapped to external rating benchmarks. This mapped rating has been referred to compute PD associated with the rating using the PD transition matrix published by various CRAs.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(b) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, the Company considers the credit worthiness of the states on various parameters while estimating the LGD for state utilities. For estimating the credit worthiness of the state, parameters like State GDP per capita, Fiscal deficit/GDP ratio and Proportion on Revenue Expenditure on Energy Sector, etc. are used as key inputs. The state utilities are bifurcated into Low, Medium and High-risk category based on the state category. In case of Private sector borrowers, LGD has been assessed considering factors related to the project to arrive at realisable value of the plant such as generation capacity, project cost per MW, percentage completion of the plant, and book value of the assets etc. A stress factor was also applied as a haircut to arrive at the realisable value.

For Stage 3 borrowers, LGD has been assessed project wise based on Bid value/resolution plan amount/ OTS amount/ any other value/ discounted cash flows etc. as applicable.

(c) Exposure at Default (EAD)

Exposure at Default is the outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest accrued (including delayed charges) in respect of the loan. As per Note no.6.1.(ii) , income on credit impaired assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding, therefore, the same is not used in computation of Exposure at default.

(d) Key assumptions used in measurement of ECL

- The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since the Company has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(e) The assessment of significant increase in risk and the calculation of ECL both incorporate forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as Power demand, GDP growth, monthly weighted average prices of traded power and current account to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

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40.1.3 Credit risk analysis for Lending Operations

(i) Exposure to credit risk

For loans recognised in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 10 'Loans' for Company's exposure to credit risk arising from loans.

For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Company would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 46 for exposure of Guarantee and Outstanding Disbursement Commitments.

The credit quality and maximum exposure (Principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below.

(₹ in crore)

Days past Due (DPD)	As at 31.03.2023				As at 31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	3,89,559.28	674.51#	-	3,90,233.79	3,20,384.30	594.09 *	-	3,20,978.39
1-30 days	0.07		-	0.07	5,320.69	-	-	5,320.69
31-60 days	-	-	-	-	-	2,190.12	-	2,190.12
61-90 days	-	15,111.71	-	15,111.70	-	21,477.77	-	21,477.77
More than 90 days	-	650.51@	16501.65	17152.16	-	2252.36@	20,915.28	23,167.64
Total	**3,89,559.35**	**16,436.73**	**16,501.65**	**4,22,497.73**	**3,25,704.99**	**26,514.34**	**20,915.28**	**3,73,134.61**

Pending transfer of ownership, the account has been classified as Stage 2.

* Since the borrower is in stage 2 in other loans, these loans (which otherwise would have been categorised in stage 1) have also been categorised in stage 2.

@ Refer Note 40.1.6.

(ii) Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

The following table sets out an analysis of risk concentration of overall loan portfolio on the basis of similar risk characteristics:

Particulars	As at 31.03.2023		As at 31.03.2022	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e., entities under the control of state and/or central government)	3,49,765.78	2,551.42	3,14,004.35	1,525.46
Loans to private sector	72,731.95	13,524.18	59,130.26	15,823.06
Total	**4,22,497.73**	**16,075.60**	**3,73,134.61**	**17,348.52**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 50.93 crore (as at 31.03.2022 ₹ 77.21 crore).

Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Company considers that these loans have a low credit risk in comparison to lending to private sector mainly due to low default / loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Further, the Company has a lending portfolio comprising of loans to generation, renewable, transmission, distribution, power projects & other infrastructure projects spread across diverse geographical areas.

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Particulars	As at 31.03.2023		As at 31.03.2022	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes				
Generation	1,74,660.92	11,219.39	1,75,434.21	12,318.35
Renewable	48,197.75	3,120.12	36,777.49	2,833.98
Transmission	30,841.01	152.35	30,499.70	1,298.11
Distribution	1,55,871.68	1,484.10	1,28,006.79	892.46
Others	12,926.37	99.64	2,416.42	5.62
Total	**4,22,497.73**	**16,075.60**	**3,73,134.61**	**17,348.52**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 50.93 crore (as at 31.03.2022 ₹ 77.21 crore).

The Company's exposure to various projects and borrowers is constantly monitored in line with the applicable Credit Concentration Norms.

(iii) Details regarding Concentration of Loans and Exposures:

(a) Concentration of Loans:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Total Loans (Principal Outstanding) to twenty largest borrowers (₹ in crore)	2,57,648.80	2,39,932.52
Percentage of Loans to twenty largest borrowers to Total Loans of the Company	60.98%	64.30%

(b) Concentration of Credit impaired accounts (Stage 3 accounts):

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Principal outstanding of top four Stage 3 accounts	10,296.14	10,939.56

(iv) Details of Stage wise Principal outstanding and Impairment loss Allowance:

(₹ in crore)

Particulars	As at 31.03.2023			As at 31.03.2022		
	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage (%)	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage (%)
Stage 1	3,89,559.35	2,893.68	0.74	3,25,704.99	2,058.82	0.63
Stage 2	16,436.73	1,182.54	7.19	26,514.34	945.32	3.57
Stage 3	16,501.65	11,999.38	72.72	20,915.28	14,344.38	68.58
Total	**4,22,497.73**	**16,075.60**	**3.80**	**3,73,134.61**	**17,348.52**	**4.65**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 50.93 crore (as at 31.03.2022 ₹ 77.21 crore).

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(v) The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) between the beginning and the end of the reporting period:

(₹ in crore)

FY 2022-23	Stage 1		Stage 2		Stage 3		Total	
Particulars	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**
Opening Balance	3,25,704.99	2,058.82	26,514.34	945.32	20,915.28	14,344.38	3,73,134.61	17,348.52
Transfer to Stage 1	9,221.57	348.13	(9,221.56)	(348.13)	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(24.64)	(2.52)	(13.67)	(3.36)	38.31	5.88	-	-
Net change in Principal/ECL during the year	(8,952.62)	368.70	(708.96)	588.78	(55.53)	345.34	(9,717.11)	1,302.82
New financial assets originated	67,807.42	400.68	-	-	-	-	67,807.42	400.68
Financial assets derecognised (loans repaid/pre- payment)	(4,197.36)	(280.12)	(133.42)	(0.08)	(2,916.51)	(1,512.61)	(7,247.30)	(1,792.81)
Financial Assets derecognised (Write Off)	-	-	-	-	(901.25)	(901.25)	(901.25)	(901.25)
Financial Assets derecognised during the period (Investment Received)	-	-	-	-	(578.64)	(282.36)	(578.64)	(282.36)
Closing Balance	**3,89,559.35**	**2,893.68**	**16,436.73**	**1,182.54**	**16,501.65**	**11,999.38**	**4,22,497.73**	**16,075.60**

(₹ in crore)

FY 2021-22	Stage 1		Stage 2		Stage 3		Total	
Particulars	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**	**Principal Outstanding**	**Impairment loss allowance**
Opening Balance	3,02,100.27	1,236.19	47,520.56	1,945.24	21,150.16	13,416.36	3,70,770.99	16,597.79
Transfer to Stage 1	19,077.60	1,115.88	(17,707.20)	(374.52)	(1,370.40)	(741.36)	-	-
Transfer to Stage 2	(812.08)	(3.96)	828.71	8.05	(16.63)	(4.09)	-	-
Transfer to Stage 3	(1,140.42)	(114.62)	(1,120.58)	(852.23)	2,261.00	966.86	-	-
Net change in Principal/ECL during the year	13,582.41	445.65	(1,394.27)	222.87	5.91	1,242.94	12,194.04	1,911.47
New financial assets originated	13,967.24	120.77	80.00	0.07	-	-	14,047.24	120.84
Financial assets derecognised (loans repaid/pre- payment)	(21,070.03)	(741.09)	(1,230.23)	543.77	(181.28)	334.89	(22,481.54)	137.57
Financial Assets derecognised (Write Off)	-	-	(462.65)	(547.93)	(933.48)	(871.22)	(1,396.13)	(1,419.15)
Closing Balance	**3,25,704.99**	**2,058.82**	**26,514.34**	**945.32**	**20,915.28**	**14,344.38**	**3,73,134.61**	**17,348.52**

(vi) Movement of Credit Impaired Accounts (Stage 3 accounts):

Sr. No.	Description	As at 31.03.2023	As at 31.03.2022
(i)	Net Credit Impaired accounts to Gross Loans (%)	1.07	1.76
(ii)	Net Credit Impaired accounts to Net Loans (%)	1.10	1.83
		FY 2022-23	**FY 2021-22**
(iii)	Movement of Gross Credit Impaired accounts		
	(a) Opening balance	20,915.28	21,150.16
	(b) Additions during the year	45.78	1,486.68
	(c) Reductions during the year	(4,459.42)	(1,721.56)
	(d) Closing balance	16,501.65	20,915.28

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Sr. No.	Description	As at 31.03.2023	As at 31.03.2022
(iv)	Movement of Net Credit Impaired accounts		
(a)	Opening balance	6,570.90	7,733.80
(b)	Additions during the year	28.13	809.71
(c)	Reductions during the year	(2096.76)	(1,972.61)
(d)	Closing balance	4,502.27	6,570.90
(v)	Movement of impairment loss allowance on Credit Impaired accounts		
(a)	Opening balance	14,344.38	13,416.36
(b)	Provisions made during the year	425.99	1,913.99
(c)	Write-off/write-back of excess provisions	(2770.99)	(985.97)
(d)	Closing balance	11,999.38	14,344.38

(vii) Percentage of Gross Credit Impaired Assets (Stage 3) to Gross Loans – sector wise

(₹ in crore)

Description	As at 31.03.2023	As at 31.03.2022
Financing to power, logistics and infrastructure sector	3.91%	5.61%

40.1.4 Write off of Loan Assets

The Company writes off Loan assets in whole or in part in line with its write off policy, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full. The waiver/write off is done in whole or in part as per the restructuring/ settlement/ resolution process.

40.1.5 Policy on sales out of amortised cost business model portfolio

The Company does not resort to the sale of financial assets, in ordinary course of business. However, the Company has an approved policy that it may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'.

40.1.6 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired

(₹ in crore)

Description	As at 31.03.2023	As at 31.03.2022
Number of Borrowers	1	4
Amount of loan outstanding (₹ in crore)	650.51	2,252.36
Amount overdue * (₹ in crore)	160.91	188.18
Amount of Impairment Loss allowance (₹ in crore)	422.68	815.87

*Excluding overdue interest of ₹ 186.06 crore as at 31.03.2023 (As at 31.03.2022 ₹ 242.87 crore).

Pursuant to Ad-interim order from Hon'ble High Court(s) these borrower(s) accounts have not been classified as Credit impaired. The Company holds adequate impairment loss allowance with respect to these loan accounts and has categorised them in Stage 2. The interest income is also not been recognised on these loan accounts on accrual basis since these loans are more than 90 days past due.

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40.1.7 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment allowance as per Ind AS 109 'Financial Instruments'

As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,89,880.43	2,542.86	3,87,337.57	2,062.73	480.13
	Stage 2	16,956.30	1,182.54	15,773.76	390.50	792.04
	Stage 3	-	-	-	-	-
Sub-total		**4,06,836.73**	**3,725.40**	**4,03,111.33**	**2,453.23**	**1,272.16**
Non-Performing Assets (NPA)						
Sub-standard	Stage 1	453.88	1.82	452.06	45.30	(43.48)
	Stage 2	-	-	-	-	-
	Stage 3	37.04	16.38	20.66	3.70	12.68
Sub-total for Sub-standard		**490.92**	**18.20**	**472.72**	**49.01**	**(30.80)**
Doubtful - up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	79.76	0.04	79.72	23.43	(23.39)
More than 3 years	Stage 1	2,981.80	298.03	2,683.77	1,462.20	(1,164.17)
Doubtful - up to 1 year	Stage 3	1,142.64	572.64	570.00	256.41	316.23
1 to 3 years	Stage 3	170.10	133.51	36.59	89.70	43.80
More than 3 years	Stage 3	12,066.17	8,191.15	3,875.02	8,329.22	(138.07)
Sub-total for doubtful		**16,440.46**	**9,195.37**	**7,245.10**	**10,160.96**	**(965.59)**
Loss	Stage 3	3,085.70	3,085.70	-	3,085.70	-
Sub-total for NPA		**20,017.09**	**12,299.27**	**7,717.82**	**13,295.66**	**(996.40)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	50.93	(50.93)	-	50.93
	Stage 2					
	Stage 3					
Sub-total			**50.93**	**(50.93)**	**-**	**50.93**
Total	**Stage 1**	**3,93,395.86**	**2,893.68**	**3,90,502.18**	**3,593.67**	**(699.98)**
	Stage 2	**16,956.30**	**1,182.54**	**15,773.76**	**390.50**	**792.04**
	Stage 3	**16,501.65**	**11,999.38**	**4,502.27**	**11,764.73**	**234.65**
	Total	**4,26,853.81**	**16,075.60**	**4,10,778.22**	**15,748.90**	**326.70**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

As at 31.03.2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,26,133.66	1,676.69	3,24,456.96	1,331.16	345.54
	Stage 2	27,458.63	944.20	26,514.44	637.72	306.48
	Stage 3	-	-	-	-	-
Sub-total		**3,53,592.29**	**2,620.89**	**3,50,971.40**	**1,968.88**	**652.01**
Non-Performing Assets (NPA)						
Sub-standard	Stage 1	296.48	1.33	295.15	29.62	(28.29)
	Stage 2	151.37	1.12	150.25	14.83	(13.70)
	Stage 3	1,142.64	332.93	809.71	114.26	218.66
Sub-total for Sub-standard		**1,590.49**	**335.38**	**1,255.11**	**158.71**	**176.68**
Doubtful - up to 1 year	Stage 1	32.80	0.01	32.78	6.44	(6.42)
1 to 3 years	Stage 1	107.00	0.10	106.91	31.40	(31.30)
More than 3 years	Stage 1	3,105.80	310.93	2,794.87	1,522.95	(1,212.02)
Doubtful - up to 1 year	Stage 3	170.10	133.43	36.67	78.22	55.21
1 to 3 years	Stage 3	3,743.76	1,770.31	1,973.45	1,189.36	580.95
More than 3 years	Stage 3	12,779.39	9,181.94	3,597.46	9,120.21	61.73
Sub-total for doubtful		**19,938.85**	**11,396.72**	**8,542.14**	**11,948.57**	**(551.85)**
Loss	Stage 3	3,079.39	2,918.31	161.08	3,079.39	(161.08)
Sub-total for NPA		**24,608.74**	**14,650.41**	**9,958.33**	**15,186.66**	**(536.25)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	69.75	(69.75)	-	69.75
	Stage 2	-	-	-	-	-
	Stage 3	-	7.47	(7.47)	-	7.47
Sub-total		**-**	**77.21**	**(77.21)**	**-**	**77.21**
Total	**Stage 1**	**3,29,675.75**	**2,058.82**	**3,27,616.93**	**2,921.55**	**(862.74)**
	Stage 2	**27,610.01**	**945.32**	**26,664.69**	**652.55**	**292.77**
	Stage 3	**20,915.28**	**14,344.38**	**6,570.90**	**13,581.44**	**762.95**
	Total	**3,78,201.04**	**17,348.52**	**3,60,852.51**	**17,155.54**	**192.98**

40.1.8 In accordance with RBI's Master Direction-Non-Banking Financial Company- Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

(₹ in crore)

Description	As at 31.03.2023	As at 31.03.2022
Gross NPA to Gross Loans	4.72%	6.58%
Net NPA to Net Loans	1.87%	2.76%

40.2 Liquidity Risk

Liquidity risk is the risk that the Company doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

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for the year ended March 31, 2023

In order to effectively manage liquidity risk, the Company endeavours to maintain sufficient cash flows to cover maturing liabilities without incurring unacceptable losses or risking damage to the Company's reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Company's liquidity position is determined keeping in view the current liquidity position , anticipated future funding needs, present and future earning capacity and available sources of funds.

The Company manages its day to day liquidity to ensure that the Company has sufficient liquidity to meet its financial obligation as & when due. The long-term liquidity is managed keeping in view the long-term fund position and the market factors. This is in line with the Board approved framework and breaches, if any, are to be reported as per approved framework. The Company has never defaulted in servicing of its borrowings.

Further, for overall liquidity monitoring and supervision, the Company has an Asset Liability Committee (ALCO) headed by Director (Finance). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mismatches of its financial assets and liabilities. The mismatches are analysed by way of liquidity statements prescribed by RBI, wherein the cumulative surplus or deficit of funds is arrived at by distributing the cash flows against outstanding financial assets and financial liabilities according to the maturity ladder.

(i) The following table analyses the maturity pattern of items of financial liabilities(debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Domestic borrowings				
Principal	46,280.00	1,35,581.86	1,16,221.48	**2,98,083.34**
Interest	21,838.37	59,803.45	37,412.88	**1,19,054.71**
Foreign Currency borrowings				
Principal	9,101.96	19,834.55	35,617.98	**64,554.49**
Interest	2,361.78	6,508.92	2,026.65	**10,897.35**
Total	**79,582.11**	**2,21,728.78**	**1,91,278.99**	**4,92,589.88**
As at 31.03.2022				
Domestic borrowings				
Principal	28,934.60	1,28,392.62	1,06,554.59	**2,63,881.81**
Interest	18,797.58	52,004.68	33,379.09	**1,04,181.35**
Foreign Currency borrowings				
Principal	9,222.97	17,958.25	29,107.15	**56,288.37**
Interest	1,745.64	5,804.15	2,999.03	**10,548.82**
Total	**58,700.79**	**2,04,159.70**	**1,72,039.86**	**4,34,900.36**

* In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

(ii) The following table analyses the maturity pattern of Derivative financial liabilities*:

(₹ in crore)

Particulars	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Forward	21.06	-	-	21.06
Option/ swaps	3.26			3.26
Total	**24.32**	**-**	**-**	**24.32**
As at 31.03.2022				
Forward	-	-	-	-
Option/swaps	56.75	46.50	-	103.25
Total	**56.75**	**46.50**	**-**	**103.25**

*The above table details the Company's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparty banks. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

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for the year ended March 31, 2023

(iii) Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Loan assets				
Principal	52,942.67	1,41,277.13	2,16,278.54	4,10,498.35
Interest	37,705.85	1,11,246.88	97,226.08	2,46,178.81
Total	**90,648.52**	**2,52,524.01**	**3,13,504.62**	**6,56,677.16**
As at 31.03.2022				
Loan assets				
Principal	28,263.46	1,28,615.86	2,01,918.38	3,58,797.70
Interest	34,703.91	1,06,907.01	1,00,935.58	2,42,546.50
Total	**62,967.37**	**2,35,522.87**	**3,02,853.96**	**6,01,344.20**

* The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date.

(iv) The Company has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, the Company has the highest domestic Credit Rating of AAA, thereby enabling it to mobilise funds from the domestic market within a short span of time. The Company has access to the following undrawn short-term borrowing facilities :

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
CC/ OD/ LoC/ WCDL limits	8,116.17	5,398.00

(v) The Company also maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed by RBI for NBFCs. Refer note 55.6 for disclosure in this regard.

40.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

(i) The Company is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the Company's foreign currency denominated borrowings is as follows:

Description	As at 31.03.2023		As at 31.03.2022	
	Crore in respective currency	₹ in crore	Crore in respective currency	₹ in crore
USD Loans	**584.12**	**48,024.91**	**678.27**	**51,417.51**
- Hedged	403.50	33,174.52	407.50	30,891.39
- Unhedged	180.62	14,850.39	270.77	20,526.12
Euro Loans	**93.17**	**8,348.44**	**30.83**	**2,609.67**
- Hedged	56.61	5,072.98	-	-
- Unhedged	36.56	3,275.46	30.83	2,609.67
JPY Loans	**13,238.08**	**8,181.14**	**3,633.60**	**2,261.19**
- Hedged	4,090.53	2,527.96	-	-
- Unhedged#	9,147.55	5,653.18	3,633.60	2,261.19
Total		**64,554.49**		**56,288.37**
- Hedged		**40,775.46**		**30,891.39**
- Unhedged		**23,779.03**		**25,396.98**

Includes JPY loan liability hedged for one leg (USD/JPY) for ₹ 5,653.18 crore as at 31.03.2023 (As at 31.03.2022 - Nil).

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(ii) Foreign currency risk monitoring and management

The Company has put in place a Board approved "Policy for Management of Risks on Foreign Currency Borrowings" to manage and hedge risks associated with foreign currency borrowings which prescribes the structure and organisation for management of associated risks.

The Company enters into various derivative transactions viz. principal only swaps, options and forward contracts for hedging the exchange rate risk. As per extant policy, a system for reporting and monitoring of risks is in place wherein Committee for Management of Risks on Foreign Currency Borrowings, consisting of senior executives of the Company, monitors the foreign currency exchange rate. These derivative transactions are done for hedging purpose and not for trading or speculative purpose. The policy lays down the appropriate systems and controls to identify, measure and monitors, the currency risk for reporting to the Management.

(iii) Foreign Currency Sensitivity Analysis

The following table presents the impact on total equity [Gain/(Loss)] for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

(₹ in crore)

Foreign Currency Liabilities	As at 31.03.2023		As at 31.03.2022	
	Decrease	Increase	Decrease	Increase
	on account of change in foreign exchange rate			
USD	742.52	(742.52)	1,026.31	(1,026.31)
Euro	163.77	(163.77)	130.48	(130.48)
JPY	282.66	(282.66)	113.06	(113.06)
Total	**1,188.95**	**(1,188.95)**	**1,269.85**	**(1,269.85)**

40.4 Market Risk – Interest Rate Risk

40.4.1 Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

(i) Interest rate risk is managed with the objective to control market risk exposure while optimising the return.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

Further, for managing the interest rate risk, the Company reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by the Company through its interest rate & credit policies which *inter alia* covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. The Company also enters into various derivatives transactions like interest rate swaps, cross-currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For Interest Rate Sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shocks to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 194.52 crore. (As at 31.03.2022 (+/-) ₹ 118.77 crore).

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest/first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

Notes to the Standalone Financial Statements

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40.4.2 Disclosures in respect of Interest Rate Benchmark Reform

The Company has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, the Company has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate. Significant interest rate benchmark used in the Company's borrowings is 6 month USD LIBOR (London Interbank offer rate).

(i) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 656.24 million (Amount in INR ₹ 5395.44 crore) as on 31.03.2023. Out of this, the amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is USD 650 million (Amount in INR ₹ 5,344.10 crore).

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as planned after June 2023:-

Benchmark	As at 31.03.2023				As at 31.03.2022			
	Amount in respective currency (million)	Amount (₹in crore)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crore)			Amount in respective currency (million)	Amount (₹ in crore)
Non-derivative financial liabilities								
6 month USD LIBOR	656.24	5.395.44	650.00	5,344.10	657.67	4,985.66	650.00	4,927.46
Derivatives								
6 month USD LIBOR	650.00	5,344.10	650.00	5,344.10	650.00	4,927.46	650.00	4,927.46

(ii) Managing the process of transition to alternative benchmark rates

The Company has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework *inter alia* covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, the Company shall undertake all transition activities as per the process/ guidelines detailed in the policy. The process of transition from 6 month USD LIBOR to Alternative Reference Rate has been initiated & shall be completed within available timelines.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate/benchmarks for the LIBOR linked loans and their derivatives are yet to be agreed with the lenders and the derivative bankers. However, it has been assumed that as a result of such reform there shall be no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

40.5 Market Risk - Price risk

(i) The Company is exposed to price risks arising from investments in listed equity shares. Refer Note 11 'Investments' for Company's exposure to the same.

(ii) Sensitivity Analysis

The table below represents the impact on Statement of Profit and Loss for 5% increase or decrease in the respective prices on Company's equity investments, outside the group:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	3.47	(3.47)	6.29	(6.29)
Impact on OCI	56.50	(56.50)	47.48	(47.48)

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41. HEDGE ACCOUNTING

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis based dollar offset method.

(ii) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Balance Sheet:

Sr. No.	Particulars		Nominal Amount (₹ in crore)	Carrying Amount[1]			
				Assets (₹ in crore)	Liabilities (₹ in crore)	Date of maturity	Weighted Average Rate/Strike Price
As at 31.03.2023							
1.	Currency Derivatives	Forwards	507.09	20.40	-	Feb 2024	0.6303
		Principal Only Swaps	4,521.93	460.12	-	Sep 2023- Sep 2024	71.91
		Call Spread Option	13,705.76	679.45	-	Oct 2023- Dec 2024	76.99
		Seagull Option	29,169.51	2,826.19	3.26	Dec 2023- Dec 2027	USD/INR76.5202 EUR/USD- 1.0775 USD/JPY- 130.83
	Sub-total		**47,904.29**	**3,986.16**	**3.26**		
2.	Interest rate Derivatives	Interest Rate Swap	7,399.52	364.11	-	Sep 2023-Jun 2024	1.27%
	Sub-total		**7,399.52**	**364.11**	**-**		
3.	**Total (1+2)**		**55,303.81**	**4,350.27**	**3.26**		
As at 31.03.2022							
1.	Currency Derivatives	Forward	-	-	-	-	-
		Principal Only Swaps	6,064.57	277.61	-	Jun 2022-Sep 2024	71.09
		Call Spread Option	7,959.75	70.55	21.55	Oct-2023-Dec-2024	73.90
		Seagull Option	10,802.51	1,453.26	-	May 2026-Nov-2026	73.96
	Sub-total		**24,826.83**	**1,801.42**	**21.55**		
2.	Interest rate Derivatives	Interest Rate Swap	8,717.82	198.86	39.15	Sep 2023-Jun 2024	1.38%
	Sub-total		**8,717.82**	**198.86**	**39.15**		
3.	**Total (1+2)**		**33,544.65**	**2,000.28**	**60.70**		

[1] forms part of the line item 'Derivative Financial Instruments' in the Standalone Balance Sheet.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge *

(₹ in crore)

Description	As at 31.03.2023	As at 31.03.2022
Currency derivatives		
Up to 1 year	16,901.55	1,895.18
1 – 5 years	31,002.74	22,931.65
More than 5 years	-	-
Sub-total (A)	**47,904.29**	**24,826.83**
Interest rate derivatives		
Up to 1 year	2,055.42	1,895.18
1 – 5 years	5,344.10	6,822.64
More than 5 years	-	-
Sub-total (B)	**7,399.52**	**8,717.82**
Total (A+B)	**55,303.81**	**33,544.65**

*Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

(iv) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Statement of Profit and Loss:

(₹ in crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at 31.03.2023					
1.	Currency Derivatives	504.02	-	945.75	Finance Costs
				(1,972.41)	Net Translation/Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	221.69	-	(117.17)	Finance Costs
As at 31.03.2022					
1.	Currency Derivatives	(451.84)	-	702.18	Finance Costs
				(532.79)	Net Translation/Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	238.72	-	100.10	Finance Costs

(v) Reconciliation of Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
	Effective Portion of Cash flow Hedges		
(a)	**Opening balance of Reserves (net of tax)**	**200.34**	**(113.34)**
(b)	Changes in intrinsic value of options contracts	2,026.95	428.72
(c)	Changes in fair value of PoS/Forwards/IRS contracts	452.66	423.15
(d)	Amount reclassified from OCI to P&L	(2,089.59)	(432.69)
(e)	**Net amount recognised in OCI during the year (b + c + d)**	**390.02**	**419.18**
(f)	Deferred Tax on (e) above	(98.16)	(105.50)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e + f)**	**291.86**	**313.68**
(h)	**Closing balance of Reserves (net of Tax) (a + g)**	**492.20**	**200.34**
	Cost of Hedging Reserve		
(a)	**Opening balance of Reserves (net of tax)**	**(294.75)**	**(23.24)**
(b)	Changes in deferred time value of options/ PoS/ Forward contracts	(1,753.90)	(1,065.00)
(c)	Amortisation of time value	945.76	702.18
(d)	**Net amount recognised in OCI during the year (b + c)**	**(808.14)**	**(362.82)**
(e)	Deferred Tax on (d) above	203.39	91.31
(f)	**Net amount recognised in OCI during the year (Net of Tax) (d + e)**	**(604.75)**	**(271.51)**
(g)	**Closing balance of Reserves (net of Tax) (a + f)**	**(899.50)**	**(294.75)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

42. FAIR VALUE MEASUREMENTS

(i) Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset/ Financial Liability - Recurring fair value	Fair Value as at		Fair value hierarchy (Refer Note 5.1)	Valuation technique(s) & Key input(s)
		31.03.2023	31.03.2022		
1)	**Quoted Equity investments**				
	- PTC India Limited	102.06	98.70	Level 1	Quoted market price
	- Coal India Limited	298.35	255.62		
	- NHPC Limited	624.40	517.88		
	- Suzlon Energy Limited	105.15	77.42		
	- RattanIndia Power Limited	69.36	125.79		
2)	**Un-Quoted Equity investments**				
	- Power Exchange India Limited	3.59	0.00	Level 3	Fair value has been determined using the Ind AS financials of the investee company.
	- RKM PowerGen Pvt. Ltd.	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
	- Energy Efficiency Services Ltd. (EESL)	158.08	241.73		Fair value has been determined using the Ind AS financials of the investee company.
	Jhabua Power Limited	429.40	-		
	Ind Barath Energy Utkal Limited	1.18	-		
3)	**Investment in preference shares**				
	- RattanIndia Power Limited - OCCRPS	0.00	0.00	Level 3	Owing to default in redemption of RPS of RattanIndia Power Ltd., PFC estimates no material amount may be realised from the investment.
	- Suzlon Global Services Limited - CCPS	-	0.00		Converted into equity shares pursuant to resolution.
4)	**Investment in debentures**				
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	35.64	37.80	Level 3	Fair valued using discounted future cash flow as per terms of agreement.
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	14.36	15.23		
	- Suzlon Energy Limited - OCD	-	102.69		During FY 2022-23, OCD of the Company was converted into Equity Shares of the Company.
	- Essar Power Transmission Company Ltd. - Series C - OCD	0.00	0.00		Fair valued a ₹ 1 due to the non-availability of structured repayment schedule. The debentures are unsustainable in nature and future cash flows are uncertain.
	- RKM Powergen Pvt. Ltd. - Series A - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series B - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	0.00	0.00		
5)	**Derivative Financial Instruments**				
	- Assets	4,803.40	3,080.56	Level 2	The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	- Liability	24.32	103.25		

(ii) There were no transfers between Level 1 and Level 2 during the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(iii) Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following tables show the reconciliation of the opening and closing amounts of financial assets and liabilities measured at fair value using Level 3 inputs:

(₹ in crore)

Particulars	FVTOCI		FVTPL	
	Investment in Units of SIB fund of KSK	Investment in Un-quoted Equity Shares	Investment in Preference Shares	Investment in Debentures
FY 2022-23				
Opening Balance	**-**	**241.73**	**-**	**155.72**
Investment made during the year	-	451.17	-	-
Settlement	-	-	-	
Transfer in Level 3	-	-	-	
Transfer from Level 3	-	-	-	
Interest income [1]	-	-	-	9.07
Fair Value gain/ (loss)	-	(100.65)[2]	-	(114.79)
Closing Balance	**-**	**592.25**	**-**	**50.00**
Unrealised gains/(loss) on assets held at the end of the year		(100.65)	-	4.24
FY 2021-22				
Opening Balance	**0.00**	**0.00**	**96.19**	**151.63**
Investment made during the year	-	-	-	-
Settlement	(0.95)	-	-	(16.58)
Transfer in Level 3	-	278.16	-	-
Transfer from Level 3	-	-		-
Interest income [1]	-	-	-	20.67
Fair Value gain/(loss)	0.95[2]	(36.43)[2]	(96.19)[3]	
Closing Balance	**-**	**241.73**	**-**	**155.72**
Unrealised gains/(loss) on assets held at the end of the year	-	(36.43)	(96.19)	16.92

[1] Forms part of line item 'Interest Income' in the Standalone Statement of Profit and Loss.

[2] Fair value gain/ (loss) on Investments at FVTOCI forms part of line item 'Net Gain/(Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Standalone Statement of Profit and Loss.

[3] Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Standalone Statement of Profit and Loss.

(iv) Fair Value of financial assets/liabilities measured at amortised cost:

The fair value of the following financial assets and liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(₹ in crore)

Asset/Liability	Fair value hierarchy	As at 31.03.2023		As at 31.03.2022	
		Amortised Cost	Fair Value	Amortised Cost	Fair Value
Loans	Level 3	4,10,829.15	4,19,054.16	3,60,929.74	3,67,609.10
Investments [a]	Level 1/3	961.32	967.04	110.21	110.60
Other Financial Assets	Level 2	5,389.03	5,398.09	5,382.67	5,391.78
Debt Securities [a]	Level 1 / 2	2,59,827.05	2,55,207.19	2,30,156.95	2,36,861.56
Borrowings other than debt securities [b]	Level 2	1,01,228.89	96,575.09	87,965.42	84,205.44
Subordinated Liabilities	Level 2	9,311.84	9,625.45	9,311.27	9,960.39

[a] Includes listed instruments with Level 1 fair value hierarchy

Investment in G-Sec being fair valued using market price as at reporting date.

Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[b] Includes foreign currency loans linked to LIBOR/Alternative reference rate and multilateral agencies loans being valued at par.

The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

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for the year ended March 31, 2023

43. RELATED PARTY DISCLOSURES

43.1 Related Parties

Subsidiaries:			
1	PFC Consulting Limited (PFCCL)	2	REC Limited (RECL) (formerly Rural Electrification Corporation Limited))
3	REC Power Development & Consultancy Limited (through RECL) (formerly REC Power Distribution Company Ltd.)	4	PFC Projects Limited (formerly Coastal Karnataka Power Ltd.) (w.e.f. 01.07.2022)
Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Deoghar Infra Limited	12	Tatiya Andhra Mega Power Limited (Struck off from the records of Registrar of Companies on 27.09.2022)
13	Chhattisgarh Surguja Power Limited (Struck off from the records of Registrar of Companies on 11.01.2023)	14	Coastal Maharashtra Mega Power Limited (Struck off from the records of Registrar of Companies on 29.09.2022)
15	Coastal Karnataka Power Ltd. (up to 30.06.2022)		
	Through PFCCL		
16	Mohanlalganj Transmission Limited (Transferred on 30.05.2022)	17	Chhatarpur Transmission Limited
18	Shongtong Karcham-Wangtoo Transmission Limited (Struck off from the records of Registrar of Companies on 13.01.2023)	19	Bijawar-Vidarbha Transmission Limited (under process of striking off the name from the records of Registrar of Companies)
20	Bhadla Sikar Transmission Limited (Transferred on 28.03.2023)	21	Tanda Transmission Company Limited (Struck off from the records of Registrar of Companies on 13.01.2023)
22	Fatehgarh III Beawar Transmission Limited (Incorporated on 05.05.2022)	23	Ananthpuram Kurnool Transmission Limited
24	Siot Transmission Limited (Incorporated on 27.04.2022)	25	Khetri-Narela Transmission Limited (Transferred on 11.05.2022)
26	Bhadla III Transmission Limited (Incorporated on 27.05.2022)	27	Kishtwar Transmission Limited (Transferred on 06.12.2022)
28	Dharamjaigarh Transmission Limited (Incorporated on 18.11.2022 and transferred on 28.03.2023)	29	Beawar Dausa Transmission Limited (Incorporated on 06.05.2022)
30	Khandukhal Rampura Transmission Limited (Incorporated on 13.05.2022 and transferred on 07.10.2022)	31	Fatehgarh III Transmission Limited (Incorporated on 18.05.2022)
32	Raipur Pool Dhamtari Transmission Limited (Incorporated on 18.11.2022 and transferred on 28.03.2023)	33	Fatehgarh IV Transmission Limited (Incorporated on 08.06.2022)
	Through RECL		
34	Dumka Transmission Limited	35	Chandil Transmission Limited
36	Koderma Transmission Limited	37	Bidar Transmission Limited
38	Mandar Transmission Limited	39	Beawar Transmission Limited (Incorporated on 27.04.2022)
40	Ramgarh II Transmission Limited (Incorporated on 20.04.2022)	41	Luhri Power Transmission Limited (Incorporated on 28.10.2022)
42	Sikar Khetri Transmission Limited (Incorporated on 06.05.2022)	43	NERES XVI Power Transmission Limited (Incorporated on 10.01.2023)
44	Meerut Shamli Power Transmission Limited (Incorporated on 14.12.2022)	45	Rajgarh Transmission Limited (Transferred on 30.05.2022)
46	Khavda II-D Transmission Limited (Incorporated on 25.04.2022 and under the process of striking off the name of Company from the records of Registrar of Companies)	47	ER NER Transmission Limited (Transferred on 10.10. 2022)
48	Neemuch Transmission Limited (Incorporated on 12.04.2022 and transferred on 24.08.2022)	49	MP Power Transmission Package-I Limited (Transferred on 21.01 2023)
50	WRSR Power Transmission Ltd. (Incorporated on 22.09.2022 and transferred on 17.01.2023)	51	Khavda II-C Transmission Limited (Incorporated on 22.04.2022 and transferred on 21.03.2023)
52	Khavda II-B Transmission Limited (Incorporated on 21.04.2022 and transferred on 21.03.2023)	53	Khavda RE Transmission Limited (Incorporated on 02.05.2022 and transferred on 21.03,2023)

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54	KPS3 Transmission Limited (Incorporated on 29.04.2022 and transferred on 21.03.2023)	55	ERWR Power Transmission Ltd. (Incorporated on 27.09.2022 and transferred on 21.03. 2023)
56	KPS2 Transmission Limited (Incorporated on 04.05.2022 and transferred on 21.03.2023)	57	KPS1 Transmission Limited (Incorporated on 06.05.2022 and transferred on 20.04.2023)
58	Khavda II-A Transmission Limited (Incorporated on 19.04.2022 and transferred on 28.03.2023)	59	GADAG II-A Transmission Limited (Transferred on 18.11.2022)
Key Managerial Personnel (KMP) of the Company & their relatives:		**Designation**	
1	Shri Ravinder Singh Dhillon	Chairman and Managing Director	
2	Smt Parminder Chopra	Director (Finance)	
3	Shri Rajiv Ranjan Jha	Director (Projects)	
4	Shri Manoj Sharma (w.e.f. 29.08.2022)	Director (Commercial)	
5	Shri Ajay Tewari (w.e.f. 09.06.2022)	Government Nominee Director	
6	Shri Vishal Kapoor (up to 08.06.2022)	Government Nominee Director	
7	Shri Ram Chandra Mishra(up to 11.07.2022)	Part Time Non-Official Independent Director	
8	Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director	
9	Shri Prasanna Tantri	Part Time Non-Official Independent Director	
10	Smt Usha Sanjeev Nair	Part Time Non-Official Independent Director	
11	Shri Manohar Balwani (up to 30.04.2023)	CGM & Company Secretary	
Trusts/Funds under control of the Company			
1	PFC Employees Provident Fund	2	PFC Employees Gratuity Fund
3	PFC Defined Contribution Pension Scheme 2007	4	PFC Superannuation Medical Fund
Companies in which Key Managerial Personnel are Directors			
1	PTC India Limited	2	Energy Efficiency Services Limited (EESL) (w.e.f. 29.09.2022)
3	SJVN Limited (w.e.f. 01.12.2022)		

43.2 Transactions with the Related Parties are as follows:

(₹ in crore)

Particulars	During FY 2022-23	During FY 2021-22
Subsidiaries:		
REC Ltd.		
Repayment of Loan	-	3,000.00
Dividend Income	1,642.40	1,269.22
Interest income on Loan	-	14.47
Directors' sitting fee received	-	0.09
Sharing of Expense incurred in Government Programme	0.46	-
PFC Consulting Ltd.		
Loans given	-	9.52
Interest income on Loan	1.27	0.00
Advances given (including interest)	-	0.29
Repayment of Advances by subsidiary (including interest)	2.91	-
Purchase of PPE	0.06	0.10
Sale of PPE	0.14	0.04
Dividend Income	11.30	13.55
Allocation of employee benefits	5.72	1.11
PFC Projects Ltd.		
Amount Recoverable from subsidiary	1.42	-
Joint Venture		
Lease rental on vehicles	-	0.09

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in crore)

Particulars	During FY 2022-23	During FY 2021-22
Associates		
Repayment of advance taken from Associate	2.27	1.12
Interest income on advances to associates	17.97	16.43
Interest expenses on advances from associates	4.66	2.87
Trusts/Funds under control of the Company		
Contributions made during the year	17.39	7.38
Redemption of bonds	-	2.60
Finance cost on bonds paid	0.10	0.34
Key managerial personnel		
(i) Short-term employee benefits	3.68	3.17
(ii) Post-employment benefits	0.50	0.42
(iii) Other long-term benefits	0.14	0.41
Sub-total (i+ii+iii)	**4.32**	**4.00**
Repayment/Recovery of loans and advances	0.51	0.33
Subscription of bonds	-	0.17
Directors' Sitting Fees paid	0.42	0.28
Finance cost on bonds paid	0.01	0.01
Companies in which Key Managerial Personnel are Directors		
Dividend Income – PTC India Limited	6.96	9.00
Directors' Sitting Fee received – PTC India Limited	0.08	0.05
Lease rental on vehicles	0.17	-

43.3 Outstanding balances with Related Parties are as follows:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Amount recoverable towards loans & advances (including interest) and others from:		
Subsidiaries		
PFC Consulting Ltd.	12.72	13.83
PFC Projects Ltd.	1.42	-
Associates	197.43	181.42
Key managerial personnel	0.31	0.48
Amount payable towards loans & advances (including interest) and others to :		
Associates	177.10	177.13
Subsidiaries		
REC Ltd.	0.46	-
PFC Consulting Ltd.	0.06	-
Debt Securities of the Company held by :		
Key managerial personnel	0.13	0.21
Trusts/Funds under control of the Company	1.10	1.10
Provisions made w.r.t Trusts/Funds under control of the Company	15.27	13.33
Investments made in:		
Subsidiaries	14500.70	14500.65
Associates	0.55	0.75
Companies in which Key Managerial Personnel are Directors (PTC India Limited & EESL)	260.14	98.70

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for the year ended March 31, 2023

43.4 Maximum amount of loans/investments outstanding are as follows:

Particulars	Loans		Investments	
	During FY 2022-23	During FY 2021-22	During FY 2022-23	During FY 2021-22
REC	-	3,000.00	14,500.50	14,500.50
PFCCL	9.52	9.52	0.15	0.15
PFC Projects Limited*	-	-	0.05	-
Associates	-	-	0.75	0.75
Companies in which Key Managerial Personnel are Directors - EESL	-	-	241.73	278.16

*Subsidiary w.e.f. 01.07.2022

43.5 Disclosure in respect of entities under the control of the same government (Government related entities)

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government. During the year, the Company had transactions with the related entities under the control/ joint control of the same government including but not limited to

Bhartiya Rail Bijlee Company Ltd.	Damodar Valley Corporation
Tehri Hydro Development Corporation	Mumbai Metro Rail Corporation Limited
Neyveli UP Power Ltd.	Bihar Grid Company Ltd.
Meja Urja Nigam Pvt. Ltd.	Coal India Ltd.
Raichur Power Corporation Ltd.	NHPC Ltd.
NLC Tamil Nadu Power Ltd.	Sardar Sarovar Narmada Nigam Ltd.
National High Power Test Laboratory Pvt. Ltd.	Neyveli Lignite Corporation Ltd.
Power Foundation of India	SJVN Thermal Pvt. Ltd..

Significant transactions with entities under the control of same government:

(₹ in crore)

Nature of Transaction	During FY 2022-23	During FY 2021-22
Dividend Income	62.89	55.65
Disbursement of loans	5,362.77	772.59
Interest Income received	2,435.11	2,976.13
Repayment of principal received	2,213.85	5,875.14
Membership Fees Paid	5.40	-

Refer Note 12, 18, 20.1, 24.2 and 51 in respect of material transactions with the Central Govt.

Above transactions with the Government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses and deposits etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All the transactions have been carried out on market terms.

43.6 Major terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel are in line with the HR policies of the Company.

(iii) Loans and advances given to Directors/KMPs have specified terms / period of repayment and are in line with the HR Policies of the Company.

(iv) The Company makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of group companies at the year-end are unsecured except loan given to PFCCL amounting to ₹ 9.52 crore.

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for the year ended March 31, 2023

44. EMPLOYEE BENEFITS

44.1 Defined contribution plans:

(a) Pension

The Company pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

(b) Provident Fund

The Company pays fixed contribution on account of provident fund at prescribed rates to a separate trust, which invests the funds in permitted securities. The trust has to ensure, a minimum rate of return to the members as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

An amount of ₹ 17.10 crore (Previous year ₹ 14.87 crore) for the year is recognised as expense in the Standalone Statement of Profit and Loss on account of the Company's contribution to the defined contribution plans.

44.2 Defined benefit plans:

(a) Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
(a) Present value of Defined benefit obligation	29.54	27.53
(b) Fair Value of Plan Assets	28.42	27.50
(c) Net Defined Benefit (Asset)/ Liability (a-b)	1.12	0.03

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
I. Opening Balance	27.53	28.67	27.50	26.88	0.03	1.79
Included in profit and loss						
Current service Cost	1.48	1.65	-	-	1.48	1.65
Past service cost	-	-	-	-	-	-
Interest cost/income	2.04	2.03	2.05	1.90	(0.01)	0.13
II. Total amount recognised in profit and loss	**3.52**	**3.68**	**2.05**	**1.90**	**1.47**	**1.78**
Included in OCI						
Re-measurement loss/(gain):						
Actuarial loss (gain) arising from changes in financial assumptions	0.30	(0.89)	-	-	0.30	(0.89)
Actuarial loss (gain) arising from experience adjustment	(0.21)	(1.40)	-	-	(0.21)	(1.40)
Actuarial loss (gain) arising from changes in demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	0.44	(0.54)	(0.44)	0.54
III. Total amount recognised in OCI	**0.09**	**(2.29)**	**0.44**	**(0.54)**	**(0.35)**	**(1.75)**
IV. Contribution by participants	-	-	-	-		-
V. Contribution by employer	-	-	0.03	1.79	(0.03)	(1.79)
VI. Benefits paid	(1.60)	(2.53)	(1.60)	(2.53)	-	-
VII. Closing Balance (I+II+III+IV+V+VI)	**29.54**	**27.53**	**28.42**	**27.50**	**1.12**	**0.03**

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(b) Post-Retirement Medical Scheme (PRMS)

The Company has a Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated employees, dependent family members of superannuated and deceased employees. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
(a) Present value of Defined benefit obligation	64.31	56.39
(b) Fair Value of Plan Assets	58.80	50.12
(c) Net Defined Benefit (Asset)/ Liability (a-b)	5.51	6.27

Movement in net defined benefit (asset)/ liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
I. Opening Balance	56.39	48.37	50.12	43.40	6.27	4.97
Included in profit and loss						
Current service Cost	3.10	2.59	-	-	3.10	2.59
Past service cost	-	-	-	-	-	-
Interest cost/income	4.24	3.46	3.75	3.07	0.50	0.39
II. Total amount recognised in profit and loss	**7.34**	**6.05**	**3.75**	**3.07**	**3.60**	**2.98**
Included in OCI						
Re-measurement loss/(gain)						
Actuarial loss (gain) arising from changes in financial assumptions	1.29	(1.26)	-	-	1.29	(1.26)
Actuarial loss (gain) arising from Experience adjustment	1.64	0.34	-	-	1.64	0.34
Actuarial loss (gain) arising from changes in demographic assumptions	-	5.55	-	-	-	5.55
Return on plan assets excluding interest income	-	-	0.10	0.33	(0.10)	(0.33)
III. Total amount recognised in OCI	**2.93**	**4.63**	**0.10**	**0.33**	**2.83**	**4.30**
IV. Contribution by participants	0.33	-	0.04	0.04	0.29	(0.04)
V. Contribution by employer	-	-	7.53	5.59	(7.53)	(5.59)
VI. Benefits paid	(2.68)	(2.66)	(2.74)	(2.31)	0.06	(0.35)
VII. Closing Balance (I+II+III+IV+V+VI)	**64.31**	**56.39**	**58.80**	**50.12**	**5.51**	**6.27**

(c) Economic Rehabilitation Scheme (ERS)

The Company has an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Present value of Defined benefit obligation	7.82	6.76

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Movement in defined benefit obligation

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation for the year ended	
	31.03.2023	31.03.2022
I. Opening Balance	**6.76**	**4.53**
Included in profit and loss		
Current service Cost	0.42	0.37
Past service cost	-	-
Interest cost/income	0.49	0.32
II. Total amount recognised in profit and loss	**0.91**	**0.69**
Included in OCI		
Actuarial loss (gain) arising from changes in financial assumptions	0.20	(0.24)
Actuarial loss (gain) arising from Experience adjustment	0.96	2.75
Actuarial loss (gain) arising from changes in demographic assumptions	-	-
Return on plan assets excluding interest income	-	-
III. Total amount recognised in OCI	**1.16**	**2.51**
IV. Contribution by participants	-	-
V. Contribution by employers	-	-
VI. Benefits paid	(1.01)	(0.97)
VII. Closing Balance (I+II+III+IV+V+VI)	**7.82**	**6.76**

(d) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Investment risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cash flow for plan assets does not match with cash flow for plan liabilities.

ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

iii) Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

v) Turnover rate/Withdrawal rate of employee

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(e) Plan Assets

The value of plan assets for each category is as follows:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	0.21	0.96	0.02	0.09
State/Central Government Debt Securities	15.43	35.60	14.15	30.10
Corporate Bonds/Debentures	11.34	22.24	12.08	19.93
Others	1.44	-	1.25	-
Total	**28.42**	**58.80**	**27.50**	**50.12**

As at 31.03.2023 - Nil (as at 31.03.2022 - Nil) is included in the value of plan assets in respect of the Company's own financial instruments (corporate bonds).

Actual return on plan assets is ₹ 6.32 crore (Previous year ₹ 4.77 crore).

(f) Significant actuarial assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31.03.2023 by TransValue Consultants. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method. The principal assumptions used for actuarial valuation are: -

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Discount Rate & expected return on plan assets, if funded	7.33%	7.45%	7.33%	7.45%	7. 33%	7.45%
Salary Escalation Rate/Medical inflation rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality Rate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate
Withdrawal rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

(g) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(1.21)	1.30	(1.12)	1.21
- PRMS	(4.62)	5.33	(4.28)	4.82
- ERS	(0.28)	0.31	(0.24)	0.27
Salary Escalation/Medical inflation Rate (0.50% movement)				
- Gratuity	0.19	(0.14)	0.14	(0.19)
- PRMS	2.72	(2.51)	4.60	(4.23)
- ERS	0.29	(0.25)	0.25	(0.22)
Medical Cost (10% movement)				
- PRMS	5.79	(5.09)	6.17	(5.15)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

The Company actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Company to manage its risks from prior periods.

(h) Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Up to 1 year	1.85	1.72	2.26	2.01	0.99	0.82
1 to 5 years	10.77	10.64	15.25	13.56	3.17	3.30
Over 5 years	52.82	49.54	72.45	64.37	8.72	7.70
Total	**65.44**	**61.90**	**89.96**	**79.94**	**12.88**	**11.82**

The table above is drawn on the basis of expected cash flows.

(i) Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Expected contribution	2.49	1.51	8.61	9.36

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.14 years (as at 31.03.2022: 13.98 years).

44.3 Other long-term employee benefits

(a) Leave

The Company provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300 days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 6.84 crore (Previous year ₹ 11.62 crore) for the year has been made at the year end and debited to the Standalone Statement of Profit and Loss.

(b) Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 4.57 crore for the year (Previous year ₹ 1.14 crore) has been made on the basis of actuarial valuation and debited to the Standalone Statement of Profit and Loss.

44.4 Employee benefits (including Gratuity, PRMS, Terminal Benefits, leave encashment and other employee benefits) in respect of Company's employees working in its wholly-owned subsidiary on deputation / secondment basis are being allocated based on a fixed percentage of employee cost.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

45. LEASES

The Company has recognised a Right of Use Asset and Lease Liability with respect to leasehold land being used as office premises.

45.1 The table below shows the movement of lease liabilities during the year:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	8.81	8.81
Additions during the year	-	-
Finance cost accrued during the period	0.77	0.77
Payment of lease liabilities	(0.77)	(0.77)
Closing balance	8.81	8.81

45.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Up to 1 year	0.77	0.77
1-5 years	3.09	3.09
More than 5 years	54.74	55.51

45.3 During the year 2022-23, the expenses relating to short-term/low value leases amounting to ₹ 9.81 crore (Previous year ₹ 7.20 crore) has been charged to Standalone statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

45.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 10.11 crore (Previous year ₹ 8.10 crore).

46. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

Sr. No.	Description	As at 31.03.2023	As at 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	91.78
(iv)	Service Tax demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested.	25.98	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.	50.90	53.40
(v)[(b)]	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned	2427.96	7,032.45
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	139.52	174.53
(ii)	Other Commitments – CSR unspent amount pertaining to the period up to 31.03.2020	52.43	99.15
Total		**2,788.57**	**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. Refer note 21.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

47. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2023 (Nil as at 31.03.2022). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act,2006 has been to the extent the status of such parties could be identified on the basis of information available with the Company.

48. In the context of reporting business / geographical segment as required by Ind AS 108 - 'Operating Segments', the Company's operations comprise of only one business segment - lending to power, logistics and infrastructure sector entities. All activities revolve around the main business. Hence, there are no reportable segments as per Ind AS 108.

49. MODIFICATIONS IN THE SIGNIFICANT ACCOUNTING POLICIES:

No modifications have been carried out in the significant accounting policies during the year.

50. Amount expected to be recovered/settled within 12 months and beyond for each line item under asset and liabilities:

(₹ in crore)

	Particulars	As at 31.03.2023			As at 31.03.2022		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	22.14	-	22.14	720.91	-	720.91
(b)	Bank Balance other than included in Cash & Cash Equivalents	1,595.96	-	1,595.96	3,240.31	-	3,240.31
(c)	Derivative Financial Instruments	605.51	4,197.89	4,803.40	980.64	2,099.92	3,080.56
(d)	Loans	68,452.06	3,42,377.09	4,10,829.15	48,146.53	3,12,783.21	3,60,929.74
(e)	Investments	1,219.11	16,085.03	17,304.14	1,084.80	14,999.47	16,084.27
(f)	Other Financial Assets	84.93	5,304.10	5,389.03	102.08	5,280.59	5,382.67
	Total financial assets (1)	**71,979.71**	**3,67,964.11**	**4,39,943.82**	**54,275.27**	**3,35,163.19**	**3,89,438.46**
2	**Non-Financial Assets**						
(a)	Current Tax Assets (Net)	-	210.28	210.28	-	273.65	273.65
(b)	Deferred Tax Assets (Net)	-	4,033.31	4,033.31	-	4,151.82	4,151.82
(c)	Property, Plant and Equipment	-	44.00	44.00	-	44.72	44.72
(d)	Other Intangible Assets	-	0.04	0.04	-	0.13	0.13
(e)	Intangible assets under development	-	11.20	11.20			
(f)	Right of use asset	-	34.40	34.40	-	34.85	34.85
(g)	Other Non-Financial Assets	129.87	426.14	556.01	92.16	374.22	466.38
	Total non-financial assets (2)	**129.87**	**4,759.37**	**4,889.24**	**92.16**	**4,879.39**	**4,971.55**
	Total Asset (1+2)	**72,109.58**	**3,72,723.48**	**4,44,833.06**	**54,367.43**	**3,40,042.58**	**3,94,410.01**
	LIABILITIES						
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	24.32	-	24.32	56.76	46.49	103.25
(b)	Debt Securities	23,522.04	2,36,305.01	2,59,827.05	25,518.09	2,04,638.86	2,30,156.95
(c)	Borrowings (other than Debt Securities)	32,211.00	69,017.89	1,01,228.89	23,265.32	64,700.10	87,965.42
(d)	Subordinated Liabilities	3,902.30	5,409.54	9,311.84	102.33	9,208.94	9,311.27
(d)	Other Financial Liabilities	432.60	5,105.08	5,537.68	1,618.05	5,185.94	6,803.99
	Total financial liabilities (1)	**60,092.26**	**3,15,837.52**	**3,75,929.78**	**50,560.55**	**2,83,780.33**	**3,34,340.88**
2	**Non-Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	-	105.02	105.02	-	194.92	194.92
(b)	Provisions	272.72	50.93	323.65	106.57	140.43	247.00
(c)	Other Non-Financial Liabilities	248.19	24.19	272.38	250.67	26.26	276.93
	Total non-financial liabilities (2)	**520.91**	**180.14**	**701.05**	**357.24**	**361.61**	**718.85**
	Total liabilities (1+2)	**60,613.17**	**3,16,017.66**	**3,76,630.83**	**50,917.79**	**2,84,141.94**	**3,35,059.73**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

51. GOVERNMENT OF INDIA(GOI) SCHEMES BEING IMPLEMENTED BY THE COMPANY

The Company has been designated as Nodal Agency for operationalisation and implementation of RDSS Scheme and IPDS (R-APDRP subsumed in it). Role of Nodal Agency *inter alia* includes pass through of loans/grants to eligible utilities under schemes of GOI. The release of the funds under GoI schemes is ensured through Treasury Single Account (TSA) maintained with RBI, as per office memorandum issued by MoF, GoI dated March 9, 2022. This ensures that funds of these schemes are released 'Just in time' from the Consolidated Fund of India (CFI) to the beneficiaries.

51.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with REC is the nodal agency for operationalisation of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

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.

The Scheme has an outlay of ₹ 3,03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI. The amount of grant received and administered to the eligible entities during FY 2022-23 is ₹ 1319.86 crore (Previous year ₹ 359 crore) and the cumulative grant administered till 31.03.2023 is ₹ 1,678.86 crore (till 31.03.2022 is ₹ 359 crore).

Further, No amount of grant remained undisbursed as on 31.03.2023 and 31.03.2022.

The Company is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2022-23 stands at ₹.71.58 crore. (Previous year Nil)

51.2 Integrated Power Development Scheme (IPDS) (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) subsumed)

IPDS scheme was launched in December 2014 to 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. This scheme has the sunset date of 31.03.2022 and the ongoing approved projects have been subsumed as a separate component under the new RDSS scheme.

The estimated outlay of the scheme was ₹ 32,612 crore including a budgetary support of ₹ 25,354 crore from GoI. R-APDRP scheme cost of ₹ 44,011 crore including budgetary support of ₹ 22,727 crore have also been carried forward to IPDS scheme. The amount of fund received and administered to the eligible entities during FY 2022-23 is ₹ 474.46 crore (Previous year ₹ 2125.01 crore) and the cumulative grant administered till 31.03.2023 is ₹ 18,381.91 crore (till 31.03.2022 ₹ 17,907.45 crore).

The amount of fund received under R-APDRP (subsumed with IPDS) and administered to the eligible entities during FY 2022-23 is ₹ 65.00 crore (Previous year ₹ 326.64 crore) and the cumulative grant administered till 31.03.2023 is ₹ 13,562.07 crore (till 31.03.2022 ₹ 13,497.07 crore).

Further, no fund remained undisbursed as on 31.03.2023 and 31.03.2022.

The total amount of nodal agency fee income from this scheme for FY 2022-23 stands at Nil (Previous year ₹ 8.60 crore). Additionally, the Company has also received Nil (Previous year ₹ 28.20 crore) as reimbursement of expenditure from MoP under the said scheme.

52. (a) Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union territories- Jammu & Kashmir UT and Ladakh UT , the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/repaid in line with the existing loan agreement.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(b) Status of documentation subsequent to reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification except for assets and liabilities of TSSPDCL which have been transferred to APSPDCL for R-APDRP loans only amounting to ₹.8.95 crore.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans (except for above R-APDRP loans) with the new / name changed utilities. Till that time, the demand for payment of interest / principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

53. Disclosures as required under RBI's Master Direction-Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time read with Scale Based Regulations and disclosures in Notes to Accounts thereto as issued by RBI vide Circular dated 22.10.2021 and 19.04.2022.

Being a Government owned NBFC the Company is subject to guidelines as prescribed under Scale based Regulation as applicable for the NBFC-ML (Middle Layer).

53.1 Asset Liability Management - Maturity pattern of items of Assets and Liabilities:

In the tables below, the principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date. Further, Bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

(₹ in crore)

Bucket as at 31.03.2023	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	-	588.78	-	-	-
8 to 14 days	-	2,500.44	2,955.28	-	-
15 days to 30/31 Days	1,471.96	3,324.89	6,472.54	-	5.89
Over 1 Month up to 2 Months	1,199.36	2,248.07	2,652.04	-	-
Over 2 Months up to 3 Months	5.09	2,982.71	10,963.41	-	6.57
Over 3 Months & up to 6 Months	5.00	15,115.04	9,325.88	-	2,055.42
Over 6 Months & up to 1 Year	9.71	26,182.74	13,910.84	--	7,034.08
Over 1 Year & up to 3 Years	100.24	72,751.80	70,458.74	-	11,261.13
Over 3 Years & up to 5 Years	105.43	68,525.33	65,123.12	-	8,573.42
Over 5 Years	15,879.32	2,16,278.55	1,16,221.48	-	35,617.98
Total	**18,776.11**	**4,10,498.35**	**2,98,083.33**	**-**	**64,554.49**

(₹ in crore)

Bucket as at 31.03.2022	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	374.80	-	86.09	-	0.00
8 to 14 days	460.83	1933.65	184.70	-	0.00
15 days to 30/31 Days	2,510.53	3,565.02	1,067.50	-	5.43
Over 1 Month up to 2 Months	1,075.65	655.95	3,605.00	-	0.00
Over 2 Months up to 3 Months	2.03	970.23	2,268.75	-	2,235.52
Over 3 Months & up to 6 Months	2.39	6,607.24	7,733.04	-	0.00
Over 6 Months & up to 1 Year	4.49	14,531.37	13,989.53	-	6,982.03
Over 1 Year & up to 3 Years	14.74	65,323.48	83,967.36	-	10,160.98
Over 3 Years & up to 5 Years	9.50	63,292.38	44,425.26	-	7,797.27
Over 5 Years	14,975.23	2,01,918.38	1,06,554.59	-	29,107.15
Total	**19,430.19**	**3,58,797.70**	**2,63,881.81**	**-**	**56,288.37**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

53.2 Exposures

53.2.1 The Company does not have any exposure to real estate sector.

53.2.2 Exposure to Capital Market:

(₹ in crore)

Sr. No.	Description	Amount as at 31.03.2023	Amount as at 31.03.2022
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares);	16,342.82	15,974.26
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e., where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	2,898.97	2,699.02
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(x)	Financing to stockbrokers for margin trading	-	-
(xi)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
Total Exposure to Capital Market		**19,241.79**	**18,673.28**

53.2.3 Details of financing of parent company products:

The Company does not have a parent company.

53.2.4 Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the Company:

In respect of Private sector entities, the Company has been following RBI's Credit Concentration Norms. In respect of Central/State Government entities, RBI had exempted the Company from applicability of RBI's Credit Concentration Norms till 31.03.2022. Further, RBI vide its letter dated 24.08.2022 has allowed the existing exposure of Central/State Government entities of the Company as on date of letter to run off till maturity without invoking any regulatory violation.

As per RBI's Scale Based Regulations, the Credit Concentration Limits need to be calculated based on Tier I Capital from 01.10.2022 as against Owned Funds. RBI vide its letter dated 20.03.2023 has, *inter alia*, directed the Company to reckon Tier I Capital as on March 31 (based on annual results) while computing exposure. However during the year, for the purpose of Credit Concentration Limits, the Company has worked out the Owned Fund / Tier I Capital based on quarterly financial results till 21.03.2023.

As on 31.03.2023, the exposure of the Company to Private / Government Sector entities are within the RBI's prescribed Credit Concentration Limits.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

53.3 Details of registrations with regulators:

Sr. No.	Regulator	Particulars	Registration Details
1.	Ministry of Corporate Affairs	Corporate Identification Number	L65910DL1986GOI024862
2.	Reserve Bank of India	Registration Number	B- 14.00004
3.	Legal Entity Identifier India Ltd.	LEI Number	3358003Q6D9LIJJZ1614
4.	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	Registration Number	F0084

53.4 Disclosure of Penalties imposed by RBI and other regulators during the year :

During FY 2022-23, NSE and BSE have levied fine on the Company for non-compliance in regard to composition of the Board of Directors.

The Company in its reply to NSE and BSE has stated that being a Central Public Sector Undertaking and in terms of Article 86 of Articles of Association of the Company, the Directors on the board of the Company are appointed by President of India through Ministry of Power, Government of India and had requested both the exchanges to waive the above said penalty. Revert on the matter is awaited.

The Company has also taken up the matter with Ministry of Power to expedite the process of appointment of balance number of Independent Directors.

During FY 2021-22, NSE and BSE had levied fine on the Company for non-compliance in regard to composition of the Board of Directors, Audit Committee and Nomination & Remuneration Committee of the Board of Directors. The Company is in compliance in regard to composition of the said committees on appointment of three independent directors on 15.11.2021. Accordingly, Company in its reply had requested both the exchanges to waive the said penalty. Revert on the matter is awaited.

53.5 Credit Ratings

53.5.1 Ratings assigned by domestic credit rating agencies as at 31.03.2023:

Sr. No.	Rating Agency	Long-Term Rating	Short-Term Rating
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+

53.5.2 Long-term foreign currency issuer rating assigned by international credit rating agencies as at 31.03.2023:

Sr. No.	Rating Agency	Rating
1.	Fitch Ratings	BBB-
2.	Moody's	Baa3

53.5.3 In respect of the above, there has been no migration of ratings during the year.

53.6 Provisions, Contingencies and Impairment loss allowances debited to Standalone Statement of Profit and Loss

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
1	Impairment loss allowance towards loans, investments acquired under loan settlement, letter of comfort and guarantees *	(289.60)	2,146.86
2	Impairment loss allowance on other financial assets	(6.41)	2.33
3	Impairment loss allowance on investment	(0.20)	72.95
4	Provision for unspent CSR on ongoing Projects	106.34	54.87
5	Provision made towards Income tax	2,330.24	2,382.86

* including write off of loans and investment acquired under loan settlement of ₹ 957.91 crore (Previous year ₹ 1396.13 crore) and corresponding reversal of impairment loss allowance of ₹ 2,700.33 crore (Previous year ₹ 1,817.78 crore).

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

53.7 Draw Down from reserves

Refer to Note 24.

53.8 Others

(a) The Company is preparing Consolidated Financial Statements in accordance with Ind AS – 110 'Consolidated Financial Statements'.

(b) The Company does not have any Overseas Assets in the form of Joint Ventures/Subsidiaries abroad.

(c) There are no Off-Balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

53.9 Customer Complaints for FY 2022-23

No complaints have been received by the Company from its borrowers during the year ended 31.03.2023. (Previous year Nil).

53.10 Concentration of Exposures :

Particulars	As at 31.03.2023	As at 31.03.2022
Total Exposure at Default (EAD)* to twenty largest borrowers/customers (₹ in crore)	2,60,886.64	243423.52
Percentage of Exposures at Default to twenty largest borrowers/ customers to Total Exposure of the Company on borrowers/ customers	61.10%	63.17%

* Exposure at Default is Principal outstanding & Accrued Interest thereon.

53.11 Large Industrial Sectoral Exposure –

(₹ in crore)

Infrastructure Sector	As at 31.03.2023				
	Principal outstanding (including LoC) (A)	Interest Accrued (B)	Total Exposure at Default (EAD) including off balance sheet exposure viz. LOC (C) = (A+B)	Gross Credit Impaired accounts (Stage 3) (D)	Percentage of Gross Credit Impaired accounts (Stage 3) to EAD E = (D/C)
Power	4,23,910.11	4,492.68	4,28,402.79	16,501.65	3.85%
Ports	1,015.58	2.81	1,018.39	-	0.00%
Total	**4,24,925.69**	**4,495.50**	**4,29,421.18**	**16,501.65**	**3.84%**

Infrastructure Sector	As at 31.03.2022				
	Principal outstanding (including LoC) (A)	Interest Accrued (B)	Total Exposure at Default (EAD) including off balance sheet exposure viz. LOC (C) = (A+B)	Gross Credit Impaired accounts (Stage 3) (D)	Percentage of Gross Credit Impaired accounts (Stage 3) to Total EAD E= (D/C)
Power	3,80,175.35	5,156.24	3,85,331.59	20,915.28	5.43%

53.12 Intra-group exposures

Particulars	As at 31.03.2023	As at 31.03.2022
Total amount of intra-group Exposures at Default (EAD) (₹ in crore)	9.70	9.52
Total amount of top 20 intra-group Exposures at Default (EAD) (₹ in crore)	9.70	9.52
Percentage of intra-group EAD to Total EAD of the Company on borrowers/customers	0.00%	0.00%

* Exposure at Default is Principal outstanding & Accrued Interest thereon.

53.13 Regulatory ratios, limits and disclosures are based on Ind AS figures in accordance with RBI circular dated March 13, 2020 relating to Implementation of Ind AS.

53.14 During FY 2022-23, there has been no instances of breach of covenants of loan availed or debt securities issued.(Previous year-Nil)

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

53.15 There has been no divergence in Asset Classification and Provisioning assessed by RBI vis a vis as reported by the Company as on 31.03.2022 during the last annual inspection conducted by RBI for FY 2021-22.

54. INFORMATION / PARTICULARS AS SET OUT IN ANNEX IV OF RBI'S MASTER DIRECTION DATED 01.09.2016 APPLICABLE TO THE COMPANY, AS UPDATED FROM TIME TO TIME :

(₹ in crore)

Particulars	Amount as on 31.03.2023		Amount as on 31.03.2022	
Liabilities Side	**outstanding**	**overdue**	**outstanding**	**overdue**
(1) Loans and Advances availed by the Company inclusive of interest accrued thereon but not paid:				
(a) Bonds : Secured	19,920.79	-	17,980.13	-
: Unsecured	2,49,218.10	-	2,21,335.61	-
(b) Deffered Credits		-	-	-
(c) Term Loans		-	-	-
(i) Rupee Term Loans	69,716.78	-	65,507.07	-
(ii) Foreign Currency Loans	27,528.28	-	22,000.10	-
(d) Inter-corporate loans & borrowings		-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits		-	-	-
(g) Others				
(i) Other Loans from Banks	3,983.83	-	228.62	-

(₹ in crore)

Assets Side	Amount as on 31.03.2023	Amount as on 31.03.2022
(2) BREAK-UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES (NET OF PROVISIONS):		
(a) Secured	1,93,369.31	1,87,185.54
(b) Unsecured	2,29,128.42	1,85,949.07
(c) Less: Impairment loss allowance	(16,024.67)	(17,271.30)
Loans and advances (net of provision)	4,06,473.06	3,55,863.31
(3) BREAK-UP OF INVESTMENTS (NET OF PROVISIONS)		
Investments carried at Cost/Amortised Cost		
1. **Quoted**		
(i) Shares		
(a) Equity	14500.50	14500.50
(ii) Government securities	526.25	98.69
(iii) Debentures and Bonds	300.08	-
2. **Unquoted**		
(i) Shares		
(a) Equity	0.75	0.90
(b) Preference	85.78	84.47
(c) Less: Impairment Loss allowance	(72.95)	(73.15)
Unquoted Shares (net of Provision)	13.58	12.22
(ii) Debentures and Bonds	122.16	-
Investments carried at Fair Value		
1. **Quoted**		
(i) Shares		
(a) Equity	1,199.32	1,075.41
2. **Unquoted**		
(i) Shares		
(a) Equity	592.25	241.73
(b) Preference	-	-
(ii) Debentures and Bonds	50.00	155.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(4) BORROWER GROUP-WISE CLASSIFICATION OF ASSETS FINANCED AS IN (2) ABOVE:

Category	Amount Net of Provisions (as on 31.03.2023)			Amount Net of Provisions (as on 31.03.2022)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries and Associates	9.52	-	9.52	9.52	-	9.52
(b) Other related parties	-	-	-	-	-	-
2. Other than related parties	1,93,359.79	2,29,128.42	4,22,488.21	1,87,176.02	1,85,949.07	3,73,125.09
Total	**1,93,369.31**	**2,29,128.42**	**4,22,497.73**	**1,87,185.54**	**1,85,949.07**	**3,73,134.61**

(5) INVESTOR GROUP-WISE CLASSIFICATION OF ALL INVESTMENTS (AT COST/AMORTISED COST AND FAIR VALUE) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED)

Category	As on 31.03.2023		As on 31.03.2022	
	Break up value[$]	Book Value (Net of Provisions)	Break up value[$]	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	30,459.95	14,500.70	26,824.33	14,500.65
(b) Companies in the same group	0.51	0.55	0.50	0.55
2. Other than related parties	2,802.89	2,802.89	1,583.07	1,583.07
Total	**33,263.35**	**17,304.14**	**28,407.90**	**16,084.27**

(6) OTHER INFORMATION

Particulars	Amount (as on 31.03.2023)	Amount (as on 31.03.2022)
(i) Gross Stage III Assets		
(a) Other than related parties	16,501.65	20,915.28
(ii) Net Stage III Assets		
(a) Other than related parties	4,502.27	6,570.91
(iii) Assets acquired in satisfaction of debt	790.08	370.45

[$] In case of negative break-up value, Nil value has been considered.

55. DISCLOSURES IN ACCORDANCE WITH GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK AND LIQUIDITY COVERAGE RATIO AS PER RBI'S MASTER DIRECTION-NON-BANKING FINANCIAL COMPANY- SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016 AS AMENDED FROM TIME TO TIME.

55.1 Funding Concentration based on significant counterparty (borrowings)

Particulars	Number of significant counterparties*	Amount (₹ crore)	% of Total Liabilities
As at 31.03.2023	7	61,507.08	16.33%
As at 31.03.2022	7	59,447.08	17.74%

* Significant counterparty/significant instrument/product is defined as a single counterparty or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

55.2 Top 10 borrowings (amount in ₹ crore & % of total borrowings)

Sr. No.	Particulars*	As at 31.03.2023	
		Amount (₹ crore)	% of Total Borrowings
1	RTL FROM HDFC BANK	10,750.00	2.96%
2	RTL FROM STATE BANK OF INDIA	9,569.98	2.64%
3	RTL FROM CANARA BANK	9,075.00	2.50%
4	RTL FROM UNION BANK OF INDIA	6,800.00	1.88%
5	RTL FROM NATIONAL SMALL SAVINGS SCHEME (NSSF)	7,500.00	2.07%
6	3.95 USD BONDS 2030	6,166.27	1.70%
7	SYNDICATED JPY FOREIGN CURRENCY TERM LOAN 32A	5,513.05	1.52%
8	SYNDICATED USD FOREIGN CURRENCY TERM LOAN 31	5,138.56	1.42%
9	8.65 TX USC BND SRS 126	5,000.00	1.38%
10	8.41 TX USC BND SRS 131 C	5,000.00	1.38%

*Based on size of bond issuance / term loans from banks

Sr. No.	Particulars*	As at 31.03.2022	
		Amount (₹ crore)	% of Total Borrowings
1	RTL from State Bank of India	10,999.98	3.44%
2	RTL from HDFC Bank	9,750.00	3.05%
3	RTL from National Small Savings Scheme (NSSF)	7,500.00	2.34%
4	RTL from Union Bank of India	6,675.00	2.09%
5	RTL from Canara Bank	6,200.00	1.94%
6	3.95% USD BONDS 2030	5,685.53	1.78%
7	RTL from Bank of Baroda	5,344.00	1.67%
8	8.65% Taxable Bond Series 126	5,000.00	1.56%
9	8.41% Taxable Bond Series 131 C	5,000.00	1.56%
10	7.62% Taxable Bond Series 171	5,000.00	1.56%

*Based on size of bond issuance/term loans from banks

55.3 Funding Concentration based on significant instrument/product

Sr. No.	Significant instrument /product	As at 31.03.2023		As at 31.03.2022	
		Amount (₹ crore)	% of Total Liabilities	Amount (₹ crore)	% of Total Liabilities
1	**DEBT SECURITIES**				
	- Infrastructure Bonds	38.51	0.01%	38.51	0.01%
	- Tax Free Bonds	8,259.12	2.19%	8,983.03	2.68%
	- 54EC Capital Gain Tax Exemption Bonds	6,599.69	1.75%	3,998.82	1.19%
	- Taxable Bonds	2,00,172.79	53.15%	1,75,616.83	52.41%
	- Foreign Currency Notes	37,219.33	9.88%	34,378.78	10.26%
	- Commercial Paper	-	-	-	-
	Sub-total (i)	**2,52,289.44**	**66.99%**	**2,23,015.97**	**66.56%**
2	**BORROWINGS (OTHER THAN DEBT SECURITIES)**				
	- Foreign Currency Loans	6,615.94	1.76%	128.07	0.04%
	- Syndicated Foreign Currency Loans	20,719.21	5.50%	21,781.52	6.50%
	- Rupee Term Loan	62,317.90	16.55%	58,262.48	17.39%
	- Rupee Term Loan - GoI	7,500.00	1.99%	7,500.00	2.24%
	- Loan against Term Deposits			228.59	0.07%
	- Working Capital Demand Loan/ Overdraft/ Cash Credit/ Line of Credit	3,983.83	1.06%	-	-
	Sub-total (ii)	**1,01,136.88**	**26.85%**	**87,900.66**	**26.23%**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

3	**SUBORDINATED LIABILITIES**	9,211.50	2.45%	9,211.50	2.75%
	Sub-total (iii)	**9,211.50**	**2.45%**	**9,211.50**	**2.75%**
	Total (i+ii+iii)	**3,62,637.83**	**96.28%**	**3,20,128.13**	**95.54%**

55.4 Stock Ratios

Sr. No.	Particulars	% to total public funds	% to total liabilities	% to total assets
As at 31.03.2023				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	-	-	-
3	Other short-term liabilities	3.57%	3.44%	2.91%
As at 31.03.2022				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	-	-	-
3	Other short-term liabilities	0.07%	0.07%	0.06%

55.5 Refer Note 40.2 for Institutional set up for management of liquidity risk in the Company.

55.6 Liquidity Coverage Ratio

(₹ in crore)

Particulars	Quarter ended 31.03.2023		Quarter ended 31.12.2022				Quarter ended 30.09.2022	
			From 01.10.2022 to 30.11.2022		From 01.12.2022 to 31.12.2022			
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA) [(a)]	1,318.83	1,318.83	1,168.02	1,168.02	1,883.65	1,883.65	1,086.53	1,086.53
Cash Outflows								
2 Outflows related to derivative exposures and other collateral requirements								
3 Other contractual funding obligations	5,752.95	6,615.89	5,593.60	6,432.64	7,813.96	8,986.05	5,173.18	5,949.16
4 Other contingent funding obligations	800.25	920.28	1,177.53	1,354.16	1,545.79	1,777.66	1,125.53	1,294.36
5 TOTAL CASH OUTFLOWS	**6,553.20**	**7,536.17**	**6,771.13**	**7,786.80**	**9,359.75**	**10,763.71**	**6,298.71**	**7,243.52**
Cash Inflows								
6 Lines of credit – Credit or liquidity facilities or other contingent funding facilities	5,031.32	3,773.49	4,945.10	3,708.82	3,444.29	2,583.22	5,650.07	4,237.55
7 Inflows from fully performing exposures	8,429.01	6,321.76	6,065.21	4,548.91	9,338.81	7,004.11	5,707.29	4,280.46
8 Other cash inflows	2,502.22	1,876.67	1,400.00	1,050.00	4,843.25	3,632.44		
9 TOTAL CASH INFLOWS	**15,962.55**	**11,971.91**	**12,410.31**	**9,307.73**	**17,626.34**	**13,219.76**	**11,357.36**	**8,518.02**
		Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
9 TOTAL HQLA		**1,318.83**		**1,168.02**		**1,883.65**		**1,086.53**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in crore)

Particulars	Quarter ended 31.03.2023		Quarter ended 31.12.2022				Quarter ended 30.09.2022	
			From 01.10.2022 to 30.11.2022		From 01.12.2022 to 31.12.2022			
	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
10 TOTAL NET CASH OUTFLOWS [(Total Weighted Cash Outflows) - Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		1,884.04		1,946.70		2,690.93		1,810.88
11 LIQUIDITY COVERAGE RATIO (%)		**70.00%**		**60.00%**		**70.00%**		**60.00%**

(a) The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the required LCR level of 70% (w.e.f. 01.12.2022 and 60% (up to 30.11.2022) has been considered.

(₹ in crore)

Particulars		Quarter ended 30.06.2022		Quarter ended 31.03.2022	
		Total Unweighted Value (Average)	Total weighted Value (Average)		
High Quality Liquid Assets					
1	Total High Quality Liquid Assets (HQLA) (b)	1,591.88	1,591.88	3,460.28	3,460.28
Cash Outflows					
2	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
3	Other contractual funding obligations	5,420.80	6,233.92	5,827.99	6,702.19
4	Other contingent funding obligations	3,807.51	4,378.64	6,920.18	7,958.20
5	**TOTAL CASH OUTFLOWS**	**9,228.31**	**10,612.55**	**12,748.17**	**14,660.39**
Cash Inflows					
6	Lines of credit – Credit or liquidity facilities or other contingent funding facilities	6,106.79	4,580.10	6,122.75	4,592.06
7	Inflows from fully performing exposures	5,376.39	4,032.30	5,617.12	4,212.84
8	Other cash inflows			117.81	88.36
9	**TOTAL CASH INFLOWS**	**11,483.19**	**8,612.39**	**11,857.68**	**8,893.26**
			Total Adjusted Value		**Total Adjusted Value**
10	**TOTAL HQLA**		**1,591.88**		**3,460.28**
11	**TOTAL NET CASH OUTFLOWS** [(Total Weighted Cash Outflows) - Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		2,653.14		5,767.13
12	**LIQUIDITY COVERAGE RATIO (%)**		**60.00%**		**60.00%**

(b) The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the LCR level of 60% has been considered.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

55.6.1 RBI vide its Master Direction - NBFC - Systemically Important Non-Deposit Taking Company,2016 issued the guidelines covering liquidity risk management for NBFCs wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by Stock of High-Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLA are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little/no loss of value or can be used as collateral to obtain funds in stress situations.

The Company has complied with LCR requirement w.e.f. 01.12.2020 against stipulated requirement of minimum LCR of 50%, progressively increasing up to the required level of 100% by December 1, 2024. The HQLA is being maintained by the Company as balance with Banks in Current Account and Fixed Deposits with Scheduled Commercial Banks and eligible securities. The Company is maintaining LCR in INR only; hence there is no currency mismatch.

55.6.2 The position of HQLA holding is as follows

HQLA items	% of Overall HQLA	
	As at 31.03.2023	As at 31.03.2022
Assets without Haircut		
Cash and Cash Equivalents	37.78%	93.75%
Term/Demand Deposits		
G-Sec	39.26%	2.86%
Assets with 15% Haircut	-	-
Assets with 50% Haircut		
Coal India Ltd. shares	11.58%	3.39%
UPPCL Bond	11.38%	
Total	**100.00%**	**100.00%**

56. There are no reportable cases of loans transferred/ acquired during the FY 2022-23 (Previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021.

57. The disclosures as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time read with Scale Based Regulations and disclosures in Notes to Accounts thereto as issued by RBI vide Circular dated 22.10.2021 and 19.04.2022. have been made in Note 5, 9.1 to 9.4, 11.2, 39.1, 39.2, 40.1.3(iii), 40.1.3(vi), 40.1.3(vii), 40.1.5, 40.1.6, 40.1.7, 40.1.8, 40.3, 40.4 , 49, 53, 54, 55 and 56.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

58. The Company is a 'Large Corporate' in terms of the Chapter XII of SEBI Operational Circular dated 10.08.2021 on "Fund raising by Issuances of Debt Securities by Large Entities". Disclosures required under the said circular is as under:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Name of Company	Power Finance Corporation Limited	
CIN	L65910DL1986GOI024862	
Outstanding borrowings of company as on March 31 of FY **(₹ in crore)** (in line with Chapter XII of SEBI Operational Circular dated August 10, 2021)	2,91,099.50	2,63,611.19
Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	AAA by CRISIL, ICRA & CARE	
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange (BSE)	
Disclosure for FY 2022-23		
3-year block period (specify financial years)	FY 2022-23, FY 2023-24, FY 2024-25	
Incremental borrowing done in FY (2022-23) **(a)**	59,297.47	
Mandatory borrowing to be done through debt securities in FY (2022-23) **(b) = (25% of a)**	14,824.37	
Actual borrowing done through debt securities in FY (2022-23) **(c)**	44,697.47	
Shortfall in the borrowing through debt securities, if any, for FY (2021-22) carried forward to FY (2022-23) **(d) = (b) - (c)**	Nil	
Quantum of (d), which has been met from (c) **(e)**	N.A.	
Shortfall, if any, in the mandatory borrowing through debt securities for FY (2022-23) {after adjusting for any shortfall in borrowing for FY (2021-22) which was carried forward to FY (2022-23)} **(f) = (b) - [(c) - (e)]**	Nil	
Details of penalty to be paid, if any, in respect to previous block		
3-year block period (Specify financial years)	FY 2021-22, FY 2022-23, FY 2023-24	
Amount of fine to be paid for the block, if applicable **Fine = 0.2% of {(d)-(e)}**	N.A.	
Disclosure for FY 2021-22		
2-year block period	FY 2021-22, FY 2022-23	
Details of incremental borrowings:		
Incremental borrowing done in FY(2021-22) **(a)**	28,671.83	
Mandatory borrowing to be done through issuance of debt securities in FY (2021-22) **(b)** = (25% of a)	7,167.96	
Actual borrowings done through debt securities in FY (2021-22) **(c)**	14,666.83	
Shortfall in the borrowing through debt securities if any, for FY 2020-21 carried forward to FY 2021-22 **(d) = (b) – (c)**	Nil	
Quantum of (d), which has been met from (c) **(e)**	N.A.	
Shortfall, If any, in the mandatory borrowing through debt securities for FY (2020-21) {after adjusting for any shortfall in borrowing for FY (2020-21) which was carried forward to FY (2021-22)} **(f) = (b)-[(c)- (e)]**	Nil	

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

59. Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Particulars	As at /Year ended 31.03.2023	As at /Year ended 31.03.2022
Debt to Equity Ratio (times)	5.32	5.38
Outstanding Redeemable Preference Shares	-	-
Capital redemption reserve/debenture redemption reserve	-	-
Net Worth (₹ in crore)	68,202.23	59,350.28
Total Debt to Total Assets (times)	0.82	0.81
Operating Margin (%)	35.70%	31.60%
Net Profit Margin (%)	29.26%	25.97%

Notes:

1. Debt = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
2. Net worth = Equity Share Capital + Other Equity.
3. Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities}/Total assets.
4. Operating Margin = (Profit before Tax - Other Income)/Total Revenue from operations.
5. Net profit margin = Net profit After Tax/Total Income.
6. Debt service coverage ratio, Interest service coverage ratio, Current ratio, Current Liability Ratio, Long-term debt to working capital, Bad debts to Account receivable ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Company.
7. Other disclosures required under Regulation 52(4) are presented at Note no. 38, 39.1.

60. Figures of the previous year have been regrouped/rearranged wherever necessary, in order to make them comparable.

61. Figures have been rounded off to the nearest crore of rupees with two decimals.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Consolidated Financial Statements of Power Finance Corporation Limited (hereinafter referred to as "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the subsidiaries and associates, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associates as at March 31, 2023, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

2. BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. EMPHASIS OF MATTER

We draw attention to Note 46.1.2 of the Consolidated Financial Statements regarding the provision of impairment allowance in respect of loan assets, undisbursed letter of comfort and guarantee. The Company and one of its subsidiaries has recognised expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, on the basis of documents provided by independent expert agency appointed by them. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by the said independent expert agency and management's judgement on the same.

Our opinion is not modified in respect of the above said matter.

4. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments- Loan Assets** The Holding Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss.	**Our audit procedures included:** • The Holding Company has availed services of independent expert to estimate the carrying value of the loan assets. We verified the criterion/framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance as well as the completeness and accuracy of the data shared with the independent experts. • Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters.

Sr. No.	Key Audit Matter	Auditors' Response
	The key indicators underlying for assessment of impairment allowance are appraised on the ongoing basis by the management. The most significant areas where we identified greater levels of management Judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets in the Consolidated Financial Statements as a percentage of total assets, impairment of loan assets there on has been considered as Key Audit Matter in our audit.	• We have reviewed the underlying assumptions and broad methodology of ECL assessment and shared our inputs. • Components and calculations in the study for impairment allowance carried out by the third party are test checks, discussed with management and relied upon by us. Our audit procedure in the same is limited in view of not sharing certain parameters of study being considered confidential by such third party. We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable & satisfactory.
(ii)	**Fair Valuation of Derivative financial instruments** The Holding Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Company's board approved currency risk management policy. Derivative contracts are either categorised at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorised at FVTPL is recognised in P&L and that of Hedge Accounting is recognised in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/ assumptions/estimate by contracting bank could lead to a material effect on the income statement.	**Our audit procedures included:** Discussing and understanding management's perception and studying policy of the Company for risk management. Verification of fair value of derivative in term of Ind AS 109. Evaluation of key internal control over classification, of derivative instruments. The Holding Company obtains fair value of derivative from the counterparty banks. Our procedure includes evaluation of details of various financial derivative contracts outstanding as on 31.03.2023 and fair value thereon. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in profit & loss account and other comprehensive income in case of derivatives contracts under cash flow hedge. We did not find any material misstatement in measuring derivative contracts at fair value obtained from counterparty banks.

The following key audit matters with respect to audit opinion on the financial statement of Company's subsidiary REC Limited has been reported by the component auditors vide their report dated May 17, 2023 and has been reproduced by us as under:

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note No. 47.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.11) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance. The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management. Further the management has adopted a methodology which in addition to the model adopted as above is further analysed on case to case basis and wherever impairment impact need to be changed the same is considered in the financial statements. In view of the significance of the amount of loan assets in the Standalone Ind AS Financial Statements i.e. 90.79% of total assets, the audit procedure for impairment of loan assets has been considered as Key Audit Matter in our audit.	**We have applied following audit procedures in this regard** a) According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/ framework with various regulatory updates alongwith Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. d) Assessment of impairment based upon performance of the loan assets is carried out on the basis of relevant evidence on record provided to us. e) We have discussed with the management wherever underlying weakness is observed and management assessment is carried out in detail in such cases. f) Components and calculations in the study for impairment allowance carried out by external agency are relied upon by us and test checks are carried out for the same. Such components are credit rating of borrowers (including ratings issued by Ministry of Power), calculation of probability of default/loan given defaults etc. Our audit procedure in the same are limited in view of reliance on report of the external agency.

Sr. No.	Key Audit Matter	Auditor's Response
		g) Further, the Management, pursuing a Board approved methodology reviews the impairment allowance in the report of the external agency and enhanced/reduced the impairment on case to case basis as management overlay. We have obtained a detailed analysis from the management for such changes. Our audit procedure in this regard is constrained by the management appraisal and we have relied upon the same.

5. INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions if required

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (other Comprehensive Income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective board of directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

7. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its associates have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management of holding company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. OTHER MATTERS

a) We did not audit the Financial Statements/ financial information of two subsidiaries whose Financial Statements/ financial information reflect total assets of ₹ 4,65,779.72 crore as at March 31, 2023, total revenues of ₹ 39,614.51 crore and net cash flows amounting to ₹ (175.47) crore for the year ended on that date, as considered in the consolidated Financial Statements. These Financial Statements/financial information have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the Financial Statements/financial information of one subsidiary, whose unaudited Financial Statements/financial information reflect total assets of ₹ 1.31 crore as at March 31, 2023, total revenues ₹ NIL and net cash flows amounting to ₹ NIL for the year ended on that date, as considered in the consolidated Financial Statements. The consolidated Financial Statements also include unaudited financial Statements/other financial information in respect eleven associates, whose Financial Statements reflect Group's share of net profit of ₹ 0.01 crore for the year ended March 31, 2023 as considered in the consolidated Financial Statements.

These Financial Statements/financial information are unaudited and have been furnished to us by the Management, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates and jointly controlled entity, is based solely on such unaudited Financial Statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these

Ind AS Financial Statements/financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by expert agency, the reports of the other auditors and the Financial Statements/financial information certified by the Management.

9. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate Financial Statements and the other financial information of subsidiaries, associates as noted in the other matters paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated change in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion and to the best our information and explanation given to us, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS specified under Section 133 of the Act, read with relevant rules;

(e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding company and its subsidiaries, & Associates.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**.

(g) As per Notification No. GSR 463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable to the Holding company and its subsidiaries, & Associates.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, - Refer Note 52 to the Consolidated Financial Statements;

ii. The group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate companies, incorporated in India.

iv. (a) The Management of the Group has represented (Refer Note 12.3), that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Group, has represented (Refer Note 23.13) that, to the best of their knowledge and belief, no funds (which are material either individually or in

the aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 29.2(iii) to the Consolidated Financial Statements :

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year declared is in compliance with Section 123 of the Companies Act, 2013.

(b) The interim dividend declared and paid during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 with respect to using accounting software for maintaining its books of account which has certain features e.g. edit log etc. as enumerated in aforesaid proviso is applicable to the Company with effect from April 1, 2023. Therefore, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

II. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of Section 143 of the Companies Act, 2013, to be included in the Auditor's report, on the basis of examination of the CARO reports of the subsidiaries included in the Consolidated Financial Statements, no qualifications or adverse remarks have been reported by the respective auditors.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN : 23082069BGZGVO8999

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZR8004

Annexure A

to the Independent Auditors' Report on the Audit of the Consolidated Financial Statements

(Referred to in Para I(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Consolidated Financial Statements for the year ended March 31, 2023)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of **Power Finance Corporation Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, which are companies incorporated in India, as of that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies, and its associate companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

3. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India have, in all material respects, an internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

6. OTHER MATTERS

Our aforesaid reports under sub-section 3 (i) of Section 143 of the Act, on the internal financial controls with reference to Consolidated Financial Statements in so far as applicable three subsidiary companies is based on the corresponding reports of the auditors of such companies incorporated in India and in respect of eleven associates, we have relied on the explanation provided by the management of holding company in absence of report on Internal Financial Controls of such entities. In our opinion, the same is not considered material for the Consolidated Financial Statement of the Group and its associates.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN : 23082069BGZGVO8999

Date: 27.05.2023
Place: New Delhi

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA MEENAKSHI BANSAL
Partner
Membership No. 520318
UDIN: 23520318BGWIZR8004

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Power Finance Corporation Limited for the Year Ended 31 March 2023

The preparation of consolidated financial statements of Power Finance Corporation Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 May 2023.

I on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements Power Finance Corporation Limited for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Power Finance Corporation Limited and PFC Consulting Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associates and Joint ventures listed in Annexure-I for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Dated: 28 07 2023

Sd/-
(Sanjay K. Jha)
Director General of Audit (Energy),

Annexure I

List of Subsidiaries, Associate Companies and Jointly Controlled Entities whose financial statements were not audited by the Comptroller and Auditor General of India

Sl. No.	Name of entity
Subsidiaries:	
1	REC Limited
2	PFC Projects Limited
Associates and Joint Ventures:	
1	Sakhigopal Integrated Power Company Limited
2	Ghogarpalli Integrated Power Company Limited
3	Jharkhand Infrapower Limited
4	Odisha Infrapower Limited
5	Orissa Integrated Power Limited
6	Bihar Infrapower Limited
7	Bihar Mega Power Limited
8	Deoghar Infra Limited
9	Deoghar Mega Power Limited.
10	Coastal Maharashtra Mega Power limited
11	Chattisgarh Surguja Power Limited
12	Costal Tamil Nadu Power Limited.
13	Tatitya Andhra Mega Power Limited
14	Cheyyur Infra Limited

Consolidated Balance Sheet

as at March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	8	127.59	914.24
(b)	Bank Balance other than included in Cash and Cash Equivalents	9	3,973.43	5,770.26
(c)	Derivative Financial Instruments	10	13,785.01	8,590.73
(d)	Trade Receivables	11	171.17	125.63
(e)	Loans	12	8,32,903.36	7,32,850.76
(f)	Investments (Other than accounted for using equity method)	13A	5,972.89	3,773.51
(g)	Other Financial Assets	14	29,832.08	29,820.35
	Total Financial Assets (1)		**8,86,765.53**	**7,81,845.48**
2	**Non- Financial Assets**			
(a)	Current Tax Assets (Net)	15	543.08	495.25
(b)	Deferred Tax Assets (Net)	16	7,340.03	7,315.37
(c)	Property, Plant and Equipment	17	737.66	668.94
(d)	Capital Work-in-Progress	17	10.66	53.36
(e)	Intangible Assets under development	17	11.20	-
(f)	Other Intangible Assets	17	1.67	4.41
(g)	Right of Use Assets	18	42.97	45.83
(h)	Other Non-Financial Assets	19	641.14	551.68
(i)	Investments accounted for using equity method	13B	0.51	0.50
	Total Non- Financial Assets (2)		**9,328.92**	**9,135.34**
3	**Assets Classified as held for sale**	20	17.41	19.45
	Total Assets (1+2+3)		**8,96,111.86**	**7,91,000.27**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	10	1,001.27	656.39
(b)	Trade Payables	21		
	(i) Total outstanding dues of Micro, Small and Medium Enterprises		0.67	1.11
	(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		50.19	48.64
(c)	Debt Securities	22	4,96,729.38	4,49,731.56
(d)	Borrowings (other than Debt Securities)	23	2,38,343.00	1,94,616.98
(e)	Subordinated Liabilities	24	16,085.14	16,127.74
(f)	Other Financial Liabilities	25	30,964.67	32,598.98
	Total Financial Liabilities (1)		**7,83,174.32**	**6,93,781.40**

Consolidated Balance Sheet

as at March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
2	**Non- Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	15	133.34	219.15
(b)	Provisions	26	438.11	356.55
(c)	Other Non-Financial Liabilities	27	384.79	368.01
	Total Non- Financial Liabilities (2)		**956.24**	**943.71**
3	**Liabilities directly associated with assets classified as held for sale**	20	0.02	0.01
	Total Liabilities (1+2+3)		**7,84,130.58**	**6,94,725.12**
4	**Equity**			
(a)	Equity Share Capital	28	2,640.08	2,640.08
(b)	Other Equity	29	81,518.41	69,036.16
	Equity attributable to owners of the Company (a+b)		**84,158.49**	**71,676.24**
(c)	Non-Controlling Interest	30	27,822.79	24,598.91
	Total Equity (4)		**1,11,981.28**	**96,275.15**
	Total Liabilities and Equity (1+2+3+4)		**8,96,111.86**	**7,91,000.27**

The accompanying notes 1 to 63 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
	REVENUE FROM OPERATIONS			
(i)	Interest Income	31	76,495.93	74,887.12
(ii)	Dividend Income	32	103.00	68.86
(iii)	Fees and Commission Income	33	548.79	1,069.58
(iv)	Other Operating Income	34	420.58	236.10
I.	**Total Revenue from Operations**		**77,568.30**	**76,261.66**
II.	Other Income	35	56.89	83.26
III.	**Total Income (I+II)**		**77,625.19**	**76,344.92**
	Expenses			
(i)	Finance Costs	36	47,016.78	44,708.78
(ii)	Net Translation / Transaction Exchange Loss / (Gain)	37	3,089.27	1,704.63
(iii)	Fees and Commission Expense	38	28.35	26.91
(iv)	Net Loss / (Gain) on Fair Value changes	39	(115.87)	(356.00)
(v)	Impairment on Financial Instruments	40	(153.55)	5,695.07
(vi)	Cost of Services Rendered		73.69	76.83
(vii)	Employee Benefit Expenses	41	438.88	407.32
(viii)	Depreciation, Amortisation and Impairment	17/18	51.80	34.77
(ix)	Corporate Social Responsibility Expenses		430.34	388.76
(x)	Other Expenses	42	269.44	253.23
IV.	**Total Expenses**		**51,129.13**	**52,940.30**
V.	Share of Profit / (Loss) in Joint Venture and Associates		0.01	(22.40)
VI.	Profit/(Loss) Before Exceptional Items and Tax (III-IV+V)		26,496.07	23,382.22
VII.	Exceptional Items		-	-
VIII.	**Profit/(Loss) Before Tax (V-VI)**		**26,496.07**	**23,382.22**
	Tax Expense:	43		
	(1) Current Tax			
	- Current Year		5,119.10	5,501.89
	- Earlier Years		(198.44)	(40.01)
	(2) Deferred Tax Expense / (Income)		396.82	(847.87)
IX.	**Total Tax Expense**		**5,317.48**	**4,614.01**
X.	**Profit/(Loss) for the year from Continuing Operations (VIII-IX)**		**21,178.59**	**18,768.21**
XI.	Profit/(Loss) From Discontinued Operations (After Tax)		-	-
XII.	**Profit/(Loss) for the year (from continuing and discontinued operations) (X+XI)**		**21,178.59**	**18,768.21**
XIII.	**Other Comprehensive Income**			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(9.61)	(13.40)
	- Net Gain / (Loss) on Fair Value of Equity Instruments		87.58	174.13
	- Share of Other Comprehensive Income / (Loss) in Joint Venture accounted for using equity method		-	(0.02)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		2.45	3.47
	- Net Gain / (Loss) on Fair Value of Equity Instruments		9.84	(7.03)
	Sub-Total (A)		**90.26**	**157.15**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		932.35	900.02
	- Cost of Hedging Reserve		(2,563.96)	(947.33)
	- Share of Other Comprehensive Income/ (loss) of Joint Venture accounted for using equity method		-	(0.17)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		(234.65)	(226.52)
	- Cost of Hedging Reserve		645.29	238.42
	Sub-Total (B)		**(1,220.97)**	**(35.58)**
	Other Comprehensive Income (A+B)		**(1,130.71)**	**121.57**
XIV.	**Total Comprehensive Income for the year (XII+XIII)**		**20,047.88**	**18,889.78**
	Profit for the year attributable to:			
	- Owners of the Company		15,889.33	14,014.79
	- Non-Controlling Interest		5,289.26	4,753.42
			21,178.59	**18,768.21**
	Other Comprehensive Income for the year			
	- Owners of the Company		(670.78)	148.99
	- Non-Controlling Interest		(459.93)	(27.42)
			(1,130.71)	**121.57**
	Total Comprehensive Income for the year			
	- Owners of the Company		15,218.55	14,163.78
	- Non-Controlling Interest		4,829.33	4,726.00
			20,047.88	**18,889.78**
XV.	**Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):**	44		
	(1) For continuing operations (in ₹)		60.19	53.08
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		60.19	53.08

The accompanying notes 1 to 61 form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	Opening Balance	Changes during the year	Closing Balance
Issued, Subscribed and fully paid up:			
Year ended March 31, 2022	2,640.08	-	2,640.08
Year ended March 31, 2023	2,640.08	-	2,640.08

Refer Note 28 for detail

B. OTHER EQUITY

(₹ in crore)

Particulars	Reserves and surplus										Other Comprehensive Income					Attributable to owners of the parent	Non-Controlling Interest		Total
	Capital Reserve - Common Control	Capital Reserve - Change in shareholding in Joint Venture	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve	Share of other Comprehensive Income of Joint Venture and associates accounted using equity method		towards Equity Share Holders	towards Instruments Entirely Equity in Nature	
Balance as at 31.03.2022	**(13,461.00)**	**-**	**9,298.33**	**680.04**	**599.85**	**35,878.11**	**3,953.74**	**(806.07)**	**64.07**	**20,346.81**	**12,757.10**	**(74.23)**	**302.56**	**(503.16)**	**-**	**69,036.16**	**24,040.51**	**558.40**	**93,635.07**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	(0.82)	-	-	-	-	(0.82)	-	-	(0.82)
Profit for the period	-	-	-	-	-	-	-	-	-	-	15,889.33	-	-	-	-	15,889.33	5,289.26	-	21,178.59
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	-	(5.04)	-	-	-	-	(5.04)	(2.12)	-	(7.16)
Reclassification of gain / (loss) on sale / extinguishment of FVOCI equity instrument																		-	
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	(0.00)	125.12	505.47	(1,296.33)	-	(665.74)	(457.81)	-	(1,123.55)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15,883.47**	**125.12**	**505.47**	**(1,296.33)**	**-**	**15,217.73**	**4,829.33**	**-**	**20,047.06**
Dividends	-	-	-	-	-	-	-	-	-	-	(2,640.08)	-	-	-	-	(2,640.08)	(1,477.97)	-	(4,118.05)
Dividends Distribution Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to / from Retained Earnings	-	-	3,484.93	590.10	-	3,771.43	-	-	-	-	(7,846.46)			-	-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	-	-	-	-	-	-	-	-	-	-			-		-	-	-	-
Utilisation of reserve against bad debts written off	-		-	(680.04)	-	-	-	-	-	680.04	-	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	-	(60.71)	-	8.84	-	(77.54)	0.90	-	50.97	-	-	-	-	(77.54)	(111.38)	-	(188.92)
Gain on increase in share in EESL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	48.77	(48.77)	-	-	-	-	-	-	-
Adjustment related to Bonus issue of REC	346.50	-	-	-	-	-	(346.87)	-	-	-	-	-	-	-	-	(0.37)	(0.34)		(0.71)
Issue of Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Coupon Payment on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	(17.53)	-	-	-	-	(17.53)	(15.77)	-	(33.30)

(₹ in crore)

Particulars	Reserves and surplus							Other Comprehensive Income								Attributable to owners of the parent	Non-Controlling Interest		Total
	Capital Reserve - Common Control	Capital Reserve - Change in shareholding in Joint Venture	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve	Share of other Comprehensive Income of Joint Venture and associates accounted using equity method		towards Equity Share Holders	towards Instruments Entirely Equity in Nature	
Other Adjustments		-	-	-	-	-	-	-	-	-	0.05	-	-	-	-	0.05	-	-	0.05
Balance as at 31.03.2023	**(13,114.50)**	**-**	**12,783.26**	**529.39**	**599.85**	**39,658.38**	**3,606.87**	**(883.61)**	**64.97**	**21,026.85**	**18,236.28**	**2.12**	**808.03**	**(1,799.49)**	**-**	**81,518.41**	**27,264.39**	**558.40**	**1,09,341.20**
Balance as at 31.03.2021	**(13,461.00)**	**2.47**	**6,235.99**	**1,407.54**	**599.85**	**31,833.14**	**3,953.74**	**(936.01)**	**62.65**	**19,040.40**	**9,760.52**	**(170.71)**	**(200.50)**	**(1.42)**	**0.73**	**58,127.40**	**20,464.36**	**558.40**	**79,150.16**
Changes in Accounting Policy / Prior Period Errors	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	14,014.79	-	-	-	-	14,014.79	4,753.42	-	18,768.21
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	-	(6.98)	-	-	-	-	(6.98)	(2.95)		(9.93)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	0.00	155.38	503.06	(501.74)	(0.73)	155.97	(24.47)	-	131.50
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,007.81**	**155.38**	**503.06**	**(501.74)**	**(0.73)**	**14,163.78**	**4,726.00**	**-**	**18,889.78**
Dividends	-	-	-	-	-	-	-	-	-	-	(3,366.10)	-	-	-	-	(3,366.10)	(1,142.15)	-	(4,508.25)
Transfer to / from Retained Earnings	-	-	3,062.34	576.44	-	4,044.97	-	-	-	-	(7,683.75)			-	-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	(2.47)	-	-	-	-	-	-	-	2.47	-			-		-	-	-	-
Utilisation of reserve against bad debts written off	-		-	(1,303.94)	-	-	-	-	-	1,303.94	-	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	-	-	-	-	-	129.94	1.42	-	(1.42)	-	-	-	-	129.94	8.46	-	138.40
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	58.90	(58.90)	-	-	-	-	-	-	-
Issue of Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue expenses on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	(17.96)	-	-	-	-	(17.96)	(16.16)	-	(34.12)
Other Adjustments		-	-	-	-	-	-	-	-	-	(0.90)	-	-	-	-	(0.90)	-	-	(0.90)
Balance as at 31.03.2022	**(13,461.00)**	**-**	**9,298.33**	**680.04**	**599.85**	**35,878.11**	**3,953.74**	**(806.07)**	**64.07**	**20,346.81**	**12,757.10**	**(74.23)**	**302.56**	**(503.16)**	**-**	**69,036.16**	**24,040.51**	**558.40**	**93,635.07**

The accompanying notes 1 to 63 form integral part of Consolidated Financial Statements.

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

For and on behalf of Board of Directors

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2023		Year ended 31.03.2022	
I.	**CASH FLOW FROM OPERATING ACTIVITIES :**				
	Profit before Tax	26,496.07		23,382.22	
	Adjustments for:				
	Loss/ (Gain) on derecognition of Property, Plant and Equipment (net)	9.67		3.91	
	Loss/ (Gain) on derecognition of Assets held for sale (net)	(4.08)		(30.25)	
	Loss/ (Gain) on Fair value changes (Net)	(114.32)		(348.00)	
	Unrealised Foreign Exchange Translation Loss / (Gain)	5,063.45		2,286.31	
	Depreciation and Amortisation	51.78		34.78	
	Impairment on Financial Instruments	(153.84)		5,695.07	
	Impairment Allowance on Assets Classified as Held for Sale	0.03		9.71	
	Effective Interest Rate in respect of Loan assets and borrowings/ debt securities	(37.98)		(80.03)	
	Interest expense on Zero Coupon Bonds and Commercial Papers	42.06		107.55	
	Other interest expense	2.44		3.04	
	Interest accrued on investments	(45.47)		(73.88)	
	Provision created during the period	163.02		167.36	
	Excess Liabilities written back	(0.15)		(2.40)	
	Share of Profit/Loss of Joint Venture accounted for using equity method	(0.01)		22.40	
	Operating profit before Working Capital Changes:	**31,472.67**		**31,177.79**	
	Increase / Decrease :				
	Loans (Net)	(1,00,606.60)		(12,804.48)	
	Other Financial and Non-Financial Assets	1,773.21		(2,620.84)	
	Derivative	(1,306.20)		(4,634.69)	
	Other Financial & Non-Financial Liabilities and Provisions	(933.06)		(872.00)	
	Cash Flow before Exceptional Items	**(69,599.98)**		**10,245.78**	
	Exceptional Items	-		-	
	Cash Flow from Operations Before Tax	(69,599.98)		10,245.78	
	Income Tax paid	(5,256.63)		(5,364.56)	
	Income Tax Refund	157.68		23.26	
	Net Cash Inflow/(Outflow) from Operating Activities		**(74,698.93)**		**4,904.48**
II.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Proceeds from disposal of Property, Plant and Equipment	0.32		0.48	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(122.77)		(301.01)	
	Finance Cost Capitalised	(0.03)		(5.10)	
	Increase/(Decrease) in Other Investments	(1,575.70)		(273.00)	
	Sale of assets held for sale	4.60		31.24	
	Net Cash Inflow/(Outflow) from Investing Activities		**(1,693.58)**		**(547.39)**
III.	**CASH FLOW FROM FINANCING ACTIVITIES :**				
	Raising of Bonds (including premium) (Net of Redemptions)	41,226.83		(33,428.48)	
	Raising of Long-Term Loans/ WCDL/ OD/ CC/ Line of credit (Net of Repayments)	22,619.60		15,603.25	
	Raising of Foreign Currency Loans (Net of Repayments)	15,856.34		26,432.96	
	Raising of Commercial paper (Net of Repayments)	-		(3,134.76)	
	Raising of Working Capital Demand Loan/ OD/ CC/ Line of Credit (Net of Repayments)	-		(9,230.04)	
	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(44.50)		(45.60)	
	Unclaimed Bonds (Net)	(18.47)		(58.28)	
	Unclaimed Dividend (Net)	0.17		1.56	
	Payment of Lease Liability	(2.94)		(2.95)	
	Issue Expenses on Bonus Issue of Equity Shares by subsidiary REC Ltd.	(0.71)		-	
	Payment of Dividend	(4,118.05)		(4,508.25)	
	Net Cash Inflow/(Outflow) from Financing Activities		**75,518.27**		**(8,370.59)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2023		Year ended 31.03.2022	
	Net Increase / Decrease in Cash and Cash Equivalents		**(874.24)**		**(4,013.50)**
	Add : Cash and Cash Equivalents at beginning of the financial year		**914.24**		**4,927.74**
	Cash and Cash Equivalents at the end of the year		**40.00**		**914.24**
	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	63.17		148.22	
	In Term Deposit Accounts (original maturity up to 3 months)	64.42	127.59	766.00	914.22
	ii) Cheques, Drafts on hand including postage and Imprest		0.00		0.02
	iii) Investment in Mutual Funds (original maturity up to 3 months)		-		-
	iv) Bank overdraft		(87.59)		-
	Total Cash and Cash Equivalents at the end of the year		**40.00**		**914.24**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Group has spent an amount of ₹ 331.53 crores (previous year ₹ 291.27 crores) towards Corporate Social Responsibility.

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds / Debenture*	WCDL/ Rupee Term Loans**	Foreign Currency Loans	Commercial Paper	Subordinated Debts	Total
	Opening Balance as at 01.04.2021	**4,05,247.18**	**1,17,707.12**	**1,02,651.33**	**3,080.23**	**15,862.20**	**6,44,548.08**
	Cash Flow During the Year	(33,444.88)	6,373.21	29,540.53	(3,134.76)	-	(665.92)
	Non-Cash Changes due to:						
	Adjustments	69.42	2,999.99	(42.45)	54.53	-	3,081.49
	Variation in Exchange Rates			(48.67)			(48.67)
	Closing Balance as at 31.03.2022	**3,71,871.72**	**1,27,080.32**	**1,32,100.74**	**(0.00)**	**15,862.20**	**6,46,914.98**
	Cash Flow During the Year	41,226.83	22,619.60	15,856.34	-	-	79,702.77
	Non-Cash Changes due to:						
	Adjustments	41.78	87.59	191.64	-	-	321.01
	Variation in Exchange Rates			10,270.04			10,270.04
	Closing Balance as at 31.03.2023	**4,13,140.33**	**1,49,787.51**	**1,58,418.76**	**(0.00)**	**15,862.20**	**7,37,208.80**

*Foreign Currency Notes form part of Foreign Currency Loans in Statement of Cash Flows.

**Foreign Currency loans and syndicated foreign currency loans form part of foreign currency loan in Statement of Cash Flows.

The accompanying notes 1 to 63 form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

1. GROUP INFORMATION

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986. PFC is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001 and conferred with 'Maharatna' Status by the Govt. of India.

PFC is a Government company engaged in extending financial assistance to power, logistics and infrastructure sector and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company being a Government owned NBFC is placed in Middle layer under framework for Scale Based Regulation for NBFCs issued by RBI.

Equity shares of PFC are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Further, various debt securities of PFC are also listed on the Stock Exchanges.

These Consolidated Financial Statements comprise the financial statements of PFC & its subsidiaries (referred to collectively as the 'Group'), and its associates, as listed at Note 5. The Group is primarily engaged in extending financial assistance to power, logistics and infrastructure sector. Other businesses include providing consultancy services to power sector and facilitation of development of Ultra Mega Power Projects (UMPPs) and Independent Transmission Projects (ITPs) as per mandate from Government of India (GoI).

2. STATEMENT OF COMPLIANCE

These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/guidelines. The Consolidated Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Consolidated Financial Statements have been approved for issue by Board of Directors (BoD) of PFC on 27.05.2023.

4. STANDARDS / AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31.03.2023, whereby amendments to various Indian Accounting Standards has been made applicable w.e.f. from 01.04.2023.

The Group has evaluated the amendments made vide the aforesaid notification dated 31.03.2023 and there will be no impact of the same on the Consolidated Financial Statements as and when these are made applicable.

5. THE CONSOLIDATED FINANCIAL STATEMENTS REPRESENT CONSOLIDATION OF ACCOUNTS OF THE COMPANY, ITS SUBSIDIARIES, AND ASSOCIATES AS DETAILED BELOW:

Sr. No.	Name of the Company	Country of incorporation/ Principal place of Business	Proportion of ownership interest as at		Status of Audit of financial statements for the year ended 31.03.2023
			31.03.2023	31.03.2022	
Subsidiaries:					
1	REC Limited (RECL) *	India	52.63%	52.63%	Audited
2	PFC Consulting Ltd. (PFCCL)*	India	100%	100%	Audited
3	PFC Projects Limited - (formerly known as Coastal Karnataka Power Limited) (refer note no.5.1)	India	100%	-	Unaudited
Associates:					
1	Coastal Maharashtra Mega Power Limited #	India	-	100%	Unaudited
2	Orissa Integrated Power Limited	India	100%	100%	Unaudited
3	Coastal Karnataka Power Limited (refer note no.5.1)	India	-	100%	Unaudited
4	Coastal Tamil Nadu Power Limited	India	100%	100%	Unaudited
5	Chhattisgarh Surguja Power Limited #	India	-	100%	Unaudited
6	Sakhigopal Integrated Power Company Limited	India	100%	100%	Unaudited
7	Ghogarpalli Integrated Power Company Limited	India	100%	100%	Unaudited
8	Tatiya Andhra Mega Power Limited #	India	-	100%	Unaudited

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Sr. No.	Name of the Company	Country of incorporation/ Principal place of Business	Proportion of ownership interest as at		Status of Audit of financial statements for the year ended 31.03.2023
			31.03.2023	31.03.2022	
9	Deoghar Mega Power Limited	India	100%	100%	Unaudited
10	Cheyyur Infra Limited	India	100%	100%	Unaudited
11	Odisha Infrapower Limited	India	100%	100%	Unaudited
12	Deoghar Infra Limited	India	100%	100%	Unaudited
13	Bihar Infrapower Limited	India	100%	100%	Unaudited
14	Bihar Mega Power Limited	India	100%	100%	Unaudited
15	Jharkhand Infrapower Limited	India	100%	100%	Unaudited

*Consolidated Financial Statements of these subsidiaries (which incorporates financial statements of their subsidiaries, JVs and associates) have been used for preparation of Consolidated Financial Statements of PFC.

struck off during the year by the Registrar of Companies.

5.1 Coastal Karnataka Power Limited (CKPL), a wholly-owned company of PFC Ltd. was set up for managing the UMPPs as per the mandate from GoI and was considered as associate over PFC had significant influence. During FY 2022-23, CKPL's MoA has been amended to be used for bidding lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL). Accordingly, the ability to direct activities of said Company now vests with PFC Ltd and the same is now considered as a subsidiary.

5.2 Wherever unaudited financial statements of subsidiaries, JV & associates are used for preparation of Consolidated Financial Statements, the audited financial statements of those companies are obtained subsequently and necessary adjustment is made in Consolidated Financial Statements of subsequent year and is presented under 'Other adjustments' line item in Statement of changes in equity.

6. GROUP'S SIGNIFICANT ACCOUNTING POLICIES

The Group's significant accounting policies applied in preparation of the Consolidated Financial Statements are as given below:

6.1 Basis of Preparation and Measurement

These Consolidated Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

6.2 Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as the "Group"). The Group has investment in joint venture entity and associates which are accounted using equity method (except when the investment is classified as held for sale) in these Consolidated Financial Statements.

The financial statements of Subsidiaries, Joint Venture and Associates are drawn up to the same reporting date as of the Company for the purpose of Consolidation.

(i) Subsidiaries:

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the Company obtains the control (except for Business Combinations under Common Control).

The Company combines the financial statements of its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. The carrying amount of the Company's investment in each

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

subsidiary and the Company's portion of equity of each subsidiary are eliminated. Intercompany transactions, balances, unrealised gains on transactions between the Company and subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders. Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except as otherwise stated. When necessary, adjustments are made to the financial statements to bring their accounting policies in line with the Group's Significant Accounting Policies.

If the Company loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

(ii) Joint Venture and Associates:

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of Joint Venture or Associates are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment or a portion thereof, is classified as held for sale, in which case it is measured at lower of their carrying amount and fair value less cost to sell. Under the equity method, an investment in a Joint Venture or Associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the Joint Venture or Associate. Distributions received from a joint venture/ associate reduce the carrying amount of the investment.

Upon loss of joint control over the Joint Venture or significant influence over the Associate, the Company measures and recognises any retained investment at its fair value. Any difference between a) the carrying amount of the Joint Venture or Associate upon loss of joint control or significant influence respectively and b) the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.

6.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Group considers cash equivalents as all short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

6.4 Derivative Financial Instruments

(i) The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cash flow hedge or fair value hedge.

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Consolidated Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognised immediately in Consolidated Statement of Profit and Loss.

(v) Fair Value Hedge

In line with the recognition of change in the fair value of the hedging instruments in the Consolidated Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Consolidated Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exist. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Consolidated Statement of Profit and Loss.

(vi) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vii) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

6.5 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Consolidated Statement of Profit and Loss.

6.5.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Group while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Consolidated Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

any gain/loss measured using the previous EIR as calculated before the modification, is recognised in the Consolidated Statement of Profit and Loss in period during which such renegotiations occur.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Consolidated Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Group's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group is primarily in the business of lending loans across power sector value chain and such loans are managed to realise the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Group to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Consolidated Other Comprehensive Income (OCI) and accumulated in Consolidated Reserve. There is no recycling of the amounts from Consolidated OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group transfers the cumulative gain/loss within consolidated equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Group recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Group presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Consolidated Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Consolidated Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Consolidated Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Group measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Group measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Group considers reasonable and supportable information, that is available without undue cost or effort. If the Group measured loss allowance as lifetime ECL

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in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Group again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Group measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

c) Financial assets are written off by RECL either partially or in their entirety only when it has stopped pursuing the recovery.

(iv) De-recognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Consolidated Other Comprehensive Income and accumulated in Consolidated Equity, is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

6.5.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial Guarantee

A financial guarantee issued by the Group is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Consolidated Statement of Profit and Loss.

(iii) De-recognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Consolidated Statement of Profit and Loss.

6.5.3 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet when currently there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6.5.4 Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their

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economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

6.6 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realisable value.

(ii) The expenditure incurred on improvement of leasehold premises is recognised at cost and is shown as "Leasehold Improvements" under PPE.

(iii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received/approved subject to necessary adjustment in the year of final settlement.

(iv) Cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance or servicing costs of PPE are recognised in Consolidated Statement of Profit and Loss as incurred.

(v) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

(vi) Depreciation is recognised so as to write-off the cost of assets less their residual values# as per written down value method*, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except following:

Nature of PPE	Life of PPE
Cell phones	2 years (in case of PFC & PFCCL)
Lease hold improvement[1]	Lease period or their useful lives whichever is shorter (in case of PFCCL)

Residual value is estimated as 5% of the original cost of PPE.

* Depreciation is provided using Straight-line method by RECL

[1]Leasehold Improvements are amortised on straight-line basis

(vii) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

(viii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

(ix) Capital expenditure directly attributable for Smart metering project are initially shown in 'Capital work-in-progress' (net of contribution from client) and capitalised as PPE when it is ready for use. Depreciation on items of PPE in smart metering project is recognised on pro-rata basis on Straight-Line Method over the useful life of assets not exceeding project implementation period of 99 months.

(x) Items of PPE costing up to ₹ 5,000/- each are fully depreciated, in the year of purchase.

(xi) The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress'. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the Balance Sheet date are classified under 'Capital Advances.'

6.7 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use. Advances paid for

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the acquisition/development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'.

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Group as 5 years. In case of PFCCL, life is estimated as 36 months.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

6.8 Assets/Disposal Groups held for sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such non-current assets are measured at lower of carrying amount or fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the Consolidated Balance Sheet.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

6.9 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, if it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the Consolidated Financial Statements. However, contingent assets are disclosed in the Consolidated Financial Statements when inflow of economic benefits is probable.

6.10 Recognition of Income and Expenditure

(i) Interest income on financial assets subsequently measured at amortised cost, is recognised using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Unless otherwise specified, the recoveries from the borrowers of RECL are appropriated in the order of (i) costs and expenses of RECL (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

(iii) Interest on financial assets subsequently measured at fair value through profit and loss (FVTPL), is recognised on accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head 'Interest Income'.

(iv) Rebate on account of timely payment of dues by borrowers is recognised on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(v) The Group uses the principles laid down by Ind AS 115 to determine that how much and when revenue

Notes to the Consolidated Financial Statements

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is recognised, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:

a) Identify the contract(s) with customer;

b) Identify separate performance obligations in the contract;

c) Determine the transaction price;

d) Allocate the transaction price to the performance obligations; and

e) Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts - Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(vi) Revenue from consulting services, in connection with development of Independent Transmission Projects (ITP) and Ultra Mega Power Projects (UMPP) taken up as per the directions from the Ministry of Power, Government of India, is recognised on completed contract method basis i.e. when the ITP / UMPP created for the project is transferred to a successful bidder evidenced by share purchase agreement. The expenses incurred on development of these projects which are not recovered as direct costs are recovered through billing manpower charges at agreed charge out rates decided by the management.

(vii) Income from Smart Metering services of PFCCL are recognised when bills for meter rent is raised to the clients and right to receive such income is established. Income from project development management agency charges (PDMA) during project implementation period is recognised over the period of contract.

(viii) The sale proceeds from Request for qualification (Rfq) documents for Independent Transmission Projects (ITPs) and Ultra Mega Power Project (UMPPs) are accounted for when received.

(ix) Income from short-/medium-term bidding of power and Coal Flexibility Scheme is recognised when letter of award (LOA) is issued to the successful bidder.

(x) Dividend income from investments including those measured at FVTPL, is recognised in Consolidated Statement of Profit and Loss under the head 'Dividend Income' when the Group's right to receive dividend is established and the amount of dividend can be measured reliably.

(xi) Interest expense on financial liabilities subsequently measured at amortised cost is recognised using Effective Interest Rate (EIR) method.

(xii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(xiii) A Prepaid expense up to ₹ 1,00,000/- is recognised as expense upon initial recognition in the Consolidated Statement of Profit and Loss.

6.11 Expenditure on issue of Shares

Expenditure on issue of shares is charged to the securities premium account.

6.12 Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use, are capitalised. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

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6.13 Employee Benefits

(i) Defined Contribution Plan

Group's contribution paid / payable during the reporting period towards provident fund and pension are charged in the Consolidated Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan

The Group's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined benefit plans is recognised in Other Comprehensive Income (OCI). Past service cost is recognised in the Consolidated Statement of Profit and Loss in the period of a plan amendment.

(iii) Other long-term employee benefits

The Group's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Consolidated Statement of Profit and Loss.

(iv) Short-term employee benefits

Short-term employee benefits such as salaries and wages are recognised in the Consolidated Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognised at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

6.14 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss, except when it relates to an item that is recognised in Consolidated Other Comprehensive Income (OCI) or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets / liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

6.15 Leases

For recognition, measurement and presentation of lease contracts, the Group applies the principles of Ind AS 116 'Leases'.

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(i) The Group as a lessee

The Group at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (a) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Group has the right to direct the use of the identified asset.

The Group at inception of a lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short-term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Consolidated Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Group in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of lease at the reporting date.

6.16 Foreign Currency Transactions and Translations

The functional currency of the Group is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the consolidated financial statements before April 1, 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term monetary item.

6.17 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

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- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the Consolidated Financial Statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the Consolidated Financial Statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

6.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

6.19 Dividends and Other Payments to holders of Instruments classified as Equity

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the respective company in the Group.

Liability for the payments to the holders of instruments classified as equity are recognised in the period when such payments are authorised for payment by the respective company in the Group.

6.20 Earnings per Share

Basic earnings per equity share are calculated by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

7. USE OF ESTIMATES AND MANAGEMENT JUDGEMENT

In preparation of the Consolidated Financial Statements, the Management is required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognised prospectively in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if it affects both current and future periods.

7.1 Significant Management Judgements

In order to enhance understanding of the Consolidated Financial Statements, information about significant areas of critical judgements, apart from those involving estimation (Note no. 7.2), in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements, are as under:

(i) Deferred Tax Liability on Special Reserve

The Company and its subsidiary RECL have obtained resolution from their respective Board of Directors that there is no intention to make withdrawal from the Special Reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961 and the same is not capable of being withdrawn. Accordingly, no deferred tax liability has been created on the said reserve.

(ii) Non-recognition of income on Credit Impaired Loan Assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received or on accrual basis either on resolutions of stressed assets or when expected realisation is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on Credit Impaired Loans Assets

Outstanding amount of unamortised transaction cost is credited to Consolidated Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

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In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) Energy Efficiency Services Limited (EESL) was incorporated in 2009 as a Joint Venture (JV) of NTPC Ltd., Power Grid Corporation of India Ltd. (PGCIL), RECL and PFC. During the current financial year, 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 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.

The Company along with its subsidiary RECL is holding 33.33 % stake in equity share capital of Energy Efficiency Services Limited (EESL). However, in the absence of any practical ability to direct the relevant activities as per the requirements of Ind AS 28 'Investment in Associates and Joint Ventures', the Company does not have any significant influence, accordingly EESL has not been considered as an associate company for the purpose of consolidation of financial statements.

b) Ultra-Mega Power Projects (UMPPs), RECL's transmission projects (SPV) and PFCCL's ITPs are managed as per the mandate from Government of India (GoI) and the Group does not have the practical ability to direct their relevant activities unilaterally. The Group therefore, considers its investment in respective UMPPs, ITPs and SPVs as associates having significant influence despite the respective Companies holding 100% of their paid- up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as associates.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Group has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities- Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL) / debt / equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Consolidated Statement of Profit and Loss on repayment of FITL or sale / redemption of debt / equity instruments.

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the Assets. The Group makes significant judgement in identifying the default, and significant increase in credit risk (SICR) as well as grouping of similar financial assets based on available information

(viii) Deferred tax liability/ deferred tax asset in respect of undistributed profits/ losses of subsidiaries, branches, investments in associates and joint ventures

Judgement is required in accounting for deferred tax liability/deferred tax asset in respect of Group's investments in respect of undistributed profits/ losses of subsidiaries, investments in associates and joint ventures. In respect of undistributed profits/losses of subsidiaries, investments in joint ventures, the Company is able to control the timing of the reversal of the temporary differences and the temporary differences will not be reversed in the foreseeable future. Accordingly, the Group does not recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures.

7.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined benefit obligation (DBO)

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The Group's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses as detailed at Note –50.

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g., inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/ collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 46.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Group applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/ liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details are disclosed at Note 48.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 43 and 16 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Group reviews its estimate of the useful lives of depreciable/amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 17 for details on useful lives and carrying values of PPE and Intangible assets.

Notes to the Consolidated Financial Statements

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8. CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Balances with Banks (of the nature of cash and cash equivalents)		
	- In Current Accounts	63.17	148.22
	- In Term Deposit Accounts (original maturity up to 3 months)	64.42	766.00
(ii)	Cheques, Drafts on hand including Postage & Imprest	0.00	0.02
	Total Cash and Cash Equivalents	**127.59**	**914.24**

9. BANK BALANCE OTHER THAN INCLUDED IN CASH AND CASH EQUIVALENTS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Earmarked Balances and Term Deposits with Banks for:		
	- Term Deposits Accounts - LAD (Refer Note 9.1)	-	245.84
	- Term Deposits Accounts - HQLA (Refer Note 9.2)	1,473.26	2,398.99
	- Unpaid Dividend	12.42	11.85
	- Unpaid - Bonds/Interest on Bonds etc.	72.70	91.19
	- Amount received under GoI scheme	172.41	1,379.42
	- Fixed Deposits with Banks - for Redemption of Debentures	196.35	225.33
	- Held as Margin money/against security deposits	-	0.27
(ii)	Deposit in compliance of Court	0.62	0.59
(iii)	Balance with Bank not available for use pending allotment of securities	1,720.36	1,291.54
(iv)	Term Deposits with Banks- More than 3 months but less than 12 months	30.56	10.99
(v)	Other Term Deposits	252.16	114.25
(vi)	Current Accounts with Banks - Unspent CSR Purposes	42.59	-
	Total Bank Balance other than included in Cash and Cash Equivalents	**3,973.43**	**5,770.26**

9.1 The Group has availed Loan against these Term Deposits (LAD) and is presented in Note 23.2

9.2 Term Deposits held for maintenance of High Quality Liquid Assets (HQLA) as per RBI.

10. DERIVATIVE FINANCIAL INSTRUMENTS

The Company and its Subsidiary REC Ltd., enters into derivatives for hedging Currency and Interest Rate risk. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	**Currency Derivatives:**						
	- Spot and Forwards	1,014.18	20.40	21.06	-	-	-
	- Currency Swaps	7,605.06	507.62	58.13	14,979.27	1,112.54	48.37
	- Options	1,30,438.82	12,107.19	91.15	75,384.97	6,468.82	21.55
	Total Currency Derivatives:	**1,39,058.06**	**12,635.21**	**170.34**	**90,364.24**	**7,581.36**	**69.92**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	56,827.39	1,149.80	300.82	51,171.39	1,009.37	255.22
	Total Interest Rate Derivatives	**56,827.39**	**1,149.80**	**300.82**	**51,171.39**	**1,009.37**	**255.22**

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(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(iii)	**Other Derivatives**						
	- Reverse cross currency swaps	4,947.00	-	530.11	4,747.00	-	331.25
	Total Other Derivatives	**4,947.00**	**-**	**530.11**	**4,747.00**	**-**	**331.25**
	Total Derivative Financial Instruments [(i) + (ii) + (iii)]	**2,00,832.45**	**13,785.01**	**1,001.27**	**1,46,282.63**	**8,590.73**	**656.39**

Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	**Fair Value Hedging (Designated)**						
	- Interest Rate Derivatives	-	-	-	-	-	-
	-Forward Rate Agreements and Interest Rate Swaps	15,950.70	10.32	289.34	11,850.70	19.76	112.00
	Total Fair Value Hedging (Designated)	**15,950.70**	**10.32**	**289.34**	**11,850.70**	**19.76**	**112.00**
(ii)	**Cash Flow Hedging (Designated):**						
	- Currency Derivatives	1,33,405.31	12,212.17	89.02	84,292.31	6,746.43	69.92
	- Interest Rate Derivatives	31,027.09	701.80	11.48	22,031.03	313.96	84.42
	Total Cash Flow Hedging (Designated)	**1,64,432.40**	**12,913.97**	**100.50**	**1,06,323.34**	**7,060.39**	**154.34**
(iii)	**Undesignated Derivatives**	20,449.35	860.72	611.43	28,108.59	1,510.58	390.05
	Total Undesignated Derivatives	**20,449.35**	**860.72**	**611.43**	**28,108.59**	**1,510.58**	**390.05**
	Total Derivative Financial Instruments [(i) + (ii) + (iii)]	**2,00,832.45**	**13,785.01**	**1,001.27**	**1,46,282.63**	**8,590.73**	**656.39**

10.1 Details of Forward Rate Agreements/Interest Rate Swaps:

(₹ in crore)

Sr. No.	Description	As at 31.03.2023	As at 31.03.2022
(i)	Notional principal of swap agreements	56,827.39	51,171.39
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,149.80	1,009.37
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	Refer note [(a)] below	
(v)	Fair value of swap book (obtained from counterparty banks)	848.98	754.15

[(a)] The Group has entered into swap agreements with Category-I Authorised Dealer Banks only, in accordance with the RBI guidelines.

10.2 The Group does not hold any exchange traded derivatives as at 31.03.2023 (as at 31.03.2022 Nil).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

10.3 Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps)(a)	Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps) (a)
(i)	Derivatives (Notional Principal Amount)						
	For hedging	139,058.06	56,827.39[(b)]	4,947.00	90,364.24	51,171.39[(b)]	4,747.00
(ii)	Marked to Market Positions (MTM)						
	a) Asset (+MTM)	12,635.21	1,149.80	-	7,581.36	1,009.37	-
	b) Liability (-MTM)	170.34	300.82	530.11	69.92	255.22	331.25
(iii)	Credit Exposure	14,561.03	1,134.87	692.05	10,218.30	1,075.98	662.05
(iv)	Unhedged Foreign Currency Exposures	32,142.27	8,758.90	-	41,736.51	2,319.39	-

(a) As a strategy of cost reduction.

(b) Interest rate derivatives include derivatives on Rupee liabilities and also those held as strategy of cost reduction.

10.4 Refer Note 46.3 and 46.4 for Foreign Currency Risk Management and Interest Rate Risk Management respectively and Note 47 for disclosures related to hedge accounting.

11. TRADE RECEIVABLES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	Trade Receivables		
(i)	- considered good - Secured (Gross)	-	31.08
(ii)	- considered good - Unsecured (Gross)	185.69	91.94
(iii)	less: Impairment loss allowance	(25.67)	(12.48)
(iv)	- which have Significant Increase in Credit Risk (Gross)	37.62	30.97
(v)	less: Impairment loss allowance	(28.07)	(15.88)
(vi)	- credit Impaired (Gross)	66.81	63.32
(vii)	Less: Impairment loss allowance on Credit Impaired	(65.21)	(63.32)
	Total Trade Receivables	**171.17**	**125.63**

11.1 For details of impairment loss allowance on Trade Receivables Refer Note 46.1.13

11.2 Trade Receivables ageing schedule

(₹ in crore)

Particulars	As at 31st March 2023					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	135.28	36.93	0.45	3.09	9.93	185.68
- which have significant increase in credit risk	-	-	21.32	16.31	-	37.63
- credit impaired	-	-	2.42	0.57	63.81	66.81
Sub-total (i)	**135.28**	**36.93**	**24.19**	**19.98**	**73.74**	**290.12**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub-total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**135.28**	**36.93**	**24.19**	**19.98**	**73.74**	**290.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in crore)

Particulars	As at 31st March 2022					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	78.37	27.46	4.19	3.19	6.81	120.02
- which have significant increase in credit risk	-	-	19.35	14.56	-	33.91
- credit impaired	-	-	1.10	1.27	61.01	63.38
Sub-total (i)	**78.37**	**27.46**	**24.64**	**19.02**	**67.82**	**217.31**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub-total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**78.37**	**27.46**	**24.64**	**19.02**	**67.82**	**217.31**

12. LOANS

The Company and its Subsidiary REC Ltd., have categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Loans to Borrowers***		
(i)	Rupee Term Loans (RTLs)	8,07,013.69	7,52,573.06
(ii)	Buyer's Line of Credit	2,086.95	2,495.83
(iii)	Working Capital Loans	47,621.75	2,658.59
(iv)	Others	777.61	768.87
(v)	**Principal Outstanding (i to iv)**	**8,57,500.00**	**7,58,496.35**
(vi)	Interest accrued but not due on Loans	5,513.99	5,467.27
(vii)	Interest accrued & due on Loans	478.37	1,070.52
(viii)	Unamortised Fee on Loans	(300.58)	(207.42)
	Gross Carrying Amount (v to viii)	**8,63,191.78**	**7,64,826.72**
	Less: Impairment loss allowance	(30,288.42)	(31,975.96)
	Net Carrying Amount	**8,32,903.36**	**7,32,850.76**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	4,38,196.92	4,14,821.03
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	3,41,748.33	2,74,293.60
(iv)	Unsecured	83,246.53	75,712.09
	Gross Security-wise classification	**8,63,191.78**	**7,64,826.72**
	Less: Impairment loss allowance	(30,288.42)	(31,975.96)
	Net Security-wise classification	**8,32,903.36**	**7,32,850.76**
(C) I	**Loans in India**		
(i)	Public Sector	7,48,503.38	6,70,548.18
(ii)	Private Sector	1,14,688.40	94,278.54
	Gross Carrying Amount of Loans in India	**8,63,191.78**	**7,64,826.72**
	Less: Impairment loss allowance	(30,288.42)	(31,975.96)
	Net Carrying Amount of Loans in India	**8,32,903.36**	**7,32,850.76**
(C) II	**Loans Outside India**		
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**8,32,903.36**	**7,32,850.76**

*For details of Loans pledged as security refer Note 22.10 to 22.20 and 23.12.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

12.1 Balance Confirmation from Borrowers

During the year, PFC has sent letters to borrowers, seeking confirmation of balances as at 31.03.2023 except where loans have been recalled or pending before court/NCLT. Confirmations for 99.76% of the said balances have been received. Out of the remaining loans amounting to ₹ 967.94 crore for which balance confirmations have not been received, 0.94% are secured by way of Government Guarantee/Loans to Government and 99.06% are unsecured loans

In respect of RECL, loan balance confirmations for 93% of total loan assets as at 31.03.2023 have been received from the borrowers. Out of the remaining 7% loan assets amounting to ₹ 28,832.15 crore for which balance confirmations have not been received, 54% loans are secured by way of hypothecation of assets, 25% by way of Government Guarantee/Loans to Government and 21% are unsecured loans.

12.2 The details of resolution plans implemented during the year by PFC and subsidiary RECL:

(₹ in crore)

Sr. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off (including impairment on investment)	Instruments received by the Group under Resolution Plan*
FY 2022-23						
1	Suzlon Energy Ltd.	One Time Settlement	239.04	1.07	56.66	Entire Loan Principal is realised. Loan stands settled as at 31.03.2023. Further, Optionally convertible debentures (OCDs) and Compulsorily convertible preference shares (CCPS) held were converted into equity shares of the borrower Company & of the borrower's group Company respectively.
2	South-East UP Power Transmission Company Limited	Resolution with change in ownership through NCLT	3,185.00	1,592.47	-	Besides realisation of full loan principal, interest/delayed interest income of ₹ 431.68 crore has been received. Loan stands settled as at 31.03.2023
3	Jhabua Power Limited	Resolution with change in ownership through NCLT	1,085.37	666.22	10.41	Resolution proceeds/ Non-convertible Debentures/ Equity Shares of the borrower Company received resulting in realisation of full loan principal and Interest/ delayed interest income of ₹ 4.13 crore. Loan stands settled as at 31.03.2023.
4	Ind Barath Energy Utkal Ltd. (IBUEL)	Resolution with change in ownership through NCLT	2,144.91	1,722.57	1,437.41	Resolution proceeds and Equity Shares of the borrower Company received/allotted under resolution. Loan stands settled as at 31.03.2023.
5	ATN International Limited	One Time Settlement	9.45	3.45	3.45	Total recoveries of ₹ 6.00 crores appropriated, of which ₹ 4.15 crores to be received in FY 2023-24.
6	Silicon Valley Infotech Limited	One Time Settlement	2.91	1.06	1.06	Total recoveries of ₹ 1.85 crores appropriated, of which ₹ 1.35 crores to be received in FY 2023-24.
	Total		**6,666.68**	**3,986.84**	**1,508.99**	
FY 2021-22						
1	Krishna Godavari Power Utilities Ltd.	Restructuring with change in ownership through NCLT	76.63	76.63	64.23	Loan stands settled as at 31.03.2022.
2	GVK Ratle Hydro Electric Project Pvt. Ltd.	One time settlement	1,116.65	851.93	462.65	Loan amount representing arbitration award of ₹ 304.00 crore with 100% impairment provisioning is appearing in Books as at 31.03.2022.

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(₹ in crore)

Sr. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off (including impairment on investment)	Instruments received by the Group under Resolution Plan*
3	Essar Power MP Ltd.	Restructuring with change in ownership through NCLT	2,689.55	1,462.78	1,455.17	Sustainable Loan amounting to ₹ 938.14 crore is continuing in books as at 31.03.2022.
4	Astonfield Solar (Gujarat) Pvt. Ltd.	Restructuring with change in ownership through NCLT	25.85	23.47	15.78	Sustainable Loan amounting to ₹ 4.11 crore is continuing in books as at 31.03.2022.
5	RS India Wind Energy Private Limited	One time settlement	223.77	134.48	122.70	Loan stands settled as at 31.03.2022.
6	VS Lignite Power Private Limited	Resolution Plan approved under IBC proceedings	54.24	40.69	39.45	Loan amounting to ₹ 12.54 crore is appearing in books as at 31.03.2022.
7	Lanco Babandh Power Limited	Liquidation order passed under IBC proceedings	1,200.55	1,146.53	1,160.16	Loan stands settled as at 31.03.2022.
8	Amrit Jal Ventures Private Limited	Resolution Plan approved under IBC proceedings	4.35	2.10	-	Loan stands settled as at 31.03.2022.
	Total		**5,391.59**	**3,738.61**	**3,320.14**	

* For more details of instruments received under resolution plan refer Note 13A

12.3 The Companies in the Group has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

12.4 For details of credit risk exposure and management by the Group refer Note 46.1.

13A INVESTMENTS (OTHER THAN ACCOUNTED FOR USING EQUITY METHOD)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-total (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	1,957.99	-	-	-	-	1,957.99
(ii)	Debt securities	1,189.14	-	612.34	612.34	-	1,801.48
(iii)	Equity Instruments	-	2,103.92	96.67	2,200.59	-	2,200.59
(iv)	Preference Shares	114.50	-	-	-	-	114.50
(v)	Others	-	-	-	-	-	-
	Total Investments (Other than accounted for using equity method)	**3,261.63**	**2,103.92**	**709.01**	**2,812.93**	**-**	**6,074.56**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	3,261.63	2,103.92	709.01	2,812.93	-	6,074.56
	Gross Geography wise investment	**3,261.63**	**2,103.92**	**709.01**	**2,812.93**	**-**	**6,074.56**
	Less: Impairment loss allowance	(101.67)	-	-	-	-	(101.67)
	Net Geography wise investment	**3,159.96**	**2,103.92**	**709.01**	**2,812.93**	**-**	**5,972.89**

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(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-total (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	1,473.20	-	-	-	-	1,473.20
(ii)	Debt securities	365.60	-	288.27	288.27	-	653.87
(iii)	Equity Instruments	-	1,459.61	175.31	1,634.92	-	1,634.92
(iv)	Preference Shares	113.19	-	-	-	-	113.19
(v)	Others	-	-		-	-	-
	Total	**1,951.99**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,875.18**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,951.99	1,459.61	463.58	1,923.19	-	3,875.18
	Gross Geography wise investment	**1,951.99**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,875.18**
	Less: Impairment loss allowance	(101.67)	-	-	-		(101.67)
	Net Geography wise investment	**1,850.32**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,773.51**

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

Details of Investments

(₹ in crore)

Sr. No.	Particulars *	Measured at	As at 31.03.2023			As at 31.03.2022		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities**	Amortised Cost	18,79,32,800	100	1,957.99	14,39,32,800	100	1,473.20
(ii)	**Debt Securities (HQLAs)**	Amortised Cost	3,21,940	1,000 to 10,00,000	961.24	3,14,940	1,000 to 10,00,000	259.39
	Debt Securities (Other than HQLAs)							
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	FVTPL	23,32,01,910	10	122.49	26,86,36,304	10	129.83
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	FVTPL	10,01,29,332	10	52.59	11,48,94,246	10	55.75
	- Essar Power Transmission Company Ltd. - Series C - OCD	FVTPL	2,55,14,666	10	0.00	2,55,14,666	10	0.00
	- Suzlon Energy Limited - OCD	FVTPL	-	-	-	34,791	1,00,000	102.69
	- RKM Powergen Pvt. Ltd. - OCD Series A	FVTPL	63,31,99,420	100	0.00	63,31,99,420	100	0.00
	- RKM Powergen Pvt. Ltd. - OCD Series B	FVTPL	1,97,74,516	100	0.00	1,97,74,516	100	0.00
	- RKM Powergen Pvt. Ltd. - OCD Series AI	FVTPL	3,37,46,560	100	0.00	3,37,46,560	100	0.00
	- Ferro Alloys Corporation Limited - NCD	Amortised Cost	2,55,19,173	1,00,000	56.40	2,54,95,144	1,00,000	106.21
	- Jhabua Power Limited-NCD	Amortised Cost	1,74,14,830	100	171.50	-	-	-
	- 7.99% Perpetual bonds -Canara Bank	FVTPL	200	1,00,00,000	208.47	-	-	-
	- 9.50% Perpetual Bonds of UCO Bank	FVTPL	228	1,00,00,000	228.79	-	-	-
	Total Debt Securities				**1,801.48**			**653.87**
(iii)	**Equity instruments**							
	- PTC India Limited	Designated - FVTOCI	1,20,00,000	10	102.06	1,20,00,000	10	98.70
	- Coal India Limited	Designated - FVTOCI	1,39,64,530	10	298.35	1,39,64,530	10	255.62
	- NHPC Limited (Refer Note 13.4)	Designated - FVTOCI	17,16,75,750	10	690.13	20,51,30,167	10	570.26
	- Power Exchange India Limited	Designated - FVTOCI	32,20,000	10	3.59	32,20,000	10	-

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(₹ in crore)

Sr. No.	Particulars *	Measured at	As at 31.03.2023			As at 31.03.2022		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
	- Energy Efficiency Services Limited	Designated - FVTOCI	46,36,00,000	10	298.51	46,36,00,000	10	456.47
	- Suzlon Energy Limited	Designated - FVTOCI	13,31,04,997	2	105.15	8,46,15,798	2	77.42
	- Housing and Urban Development Corporation Ltd.	Designated - FVTOCI	3,47,429	10	1.50	3,47,429	10	1.14
	- Universal Commodity Exchange Ltd.	Designated - FVTOCI	1,60,00,000	10	-	1,60,00,000	10	-
	- Jhabua Power Limited#	Designated - FVTOCI	9,69,30,666	10	602.82	-	-	-
	- Ind Barath Energy Utkal Limited - Unquoted	Designated - FVTOCI	366	10	1.81	-	-	-
	- RattanIndia Power Limited	FVTPL	32,76,95,820	10	96.67	32,76,95,820	10	175.31
	- RKM PowerGen Pvt. Ltd.	FVTPL	58,57,06,587	10	-	58,57,06,587	10	-
	Total Equity instruments				**2,200.59**			**1,634.92**
(iv)	**Preference Shares**							
	- Raipur Energen Limited - RPS	Amortised Cost	59,82,371	100	12.83	59,82,371	100	11.52
	- RattanIndia Power Limited - RPS	Amortised Cost	10,16,70,764	10	101.67	10,16,70,764	10	101.67
	- RattanIndia Power Limited - OCCRPS	FVTPL	15,32,97,013	10	-	15,32,97,013	10	-
	- Suzlon Global Services Limited - CCPS	FVTPL	-	-	-	38,161	1,00,000	-
	Total Preference Shares				**114.50**			**113.19**
	Total Investments (Other than accounted for using equity method)				**6,074.56**			**3,875.18**
	Less: Impairment Loss Allowance				**(101.67)**			**(101.67)**
	Net Investments (Other than accounted for using equity method)				**5,972.89**			**3,773.51**

RPS - Redeemable Preference Shares, OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares, CCPS - Compulsorily Convertible Preference Shares, OCD - Optionally Convertible Debenture, NCD - Non-Convertible Debentures

Equity shares held by the lender's trustee on behalf of Companies in the Group

* Refer Note 48 for fair value of instruments measured at FVTPL or FVTOCI

13B Investments accounted for using equity method

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Associates (Refer Note 13.2)**		
	- Ultramega Power Projects/Independent Transmission Projects	0.51	0.50
	[5,60,000 equity shares of ₹ 10 each; previous year 8,10,000 equity shares of ₹ 10 each]		

13.1 Movement of impairment loss allowance on investments

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Opening Balance	101.67	-
Add: Impairment loss allowance recognised during the year	-	101.67*
Less: Reversal of excess impairment loss allowance during the year	-	-
Closing Balance	**101.67**	**101.67**

* Impairment loss allowance on Redeemable preference shares of Rattan India Power Ltd.

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for the year ended March 31, 2023

13.2 Carrying Value of Investment in Associates accounted for using equity method:

These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) (Sr. no.(i)-(xv) below) with the intention to hand over the same to successful bidders on completion of the bidding process and Special Purpose Vehicle in respect of Independent Transmission Project(ITPs) (Sr.no.(xvi)-(xviii) below) incorporated by PFCCL, being the bid process coordinator for transmission schemes.

(₹ in crore)

Sr. No.	Name of investee company	As at 31.03.2023	As at 31.03.2022
(i)	Chhattisgarh Surguja Power Limited[1]	-	-
(ii)	Coastal Karnataka Power Limited (refer note 13.3)	-	-
(iii)	Coastal Maharashtra Mega Power Limited[1]	-	-
(iv)	Orissa Integrated Power Limited	-	-
(v)	Coastal Tamil Nadu Power Limited	0.08	0.08
(vi)	Sakhigopal Integrated Power Limited	0.05	0.05
(vii)	Ghogarpalli Integrated Power Company Limited	0.05	0.05
(viii)	Tatiya Andhra Mega Power Limited[1]	-	-
(ix)	Deoghar Mega Power Limited	0.05	0.04
(x)	Cheyyur Infra Limited	0.05	0.05
(xi)	Odisha Infrapower Limited	0.04	0.04
(xii)	Deoghar Infra Limited	0.05	0.05
(xiii)	Bihar Infrapower Limited	0.05	0.05
(xiv)	Bihar Mega Power Limited	0.05	0.05
(xv)	Jharkhand Infrapower Limited	0.04	0.04
(xvi)	Tanda Transmission Company Limited[1]	-	-
(xvii)	Shongtong Karcham-Wangtoo Transmission Limited[1]	-	-
(xviii)	Bijawar-Vidarbha Transmission Limited[2]	-	-
	Total Carrying Value	**0.51**	**0.50**

[1]Associates struck off during the year by the Registrar of Companies

[2]under process of striking off

13.3 Coastal Karnataka Power Limited (CKPL), a wholly-owned company of PFC Ltd. was set up for managing the UMPPs as per the mandate from GoI and was considered as associate over which PFC had significant influence. During FY 2022-23, CKPL's MoA has been amended to be used for bidding lenders' backed resolution plan by PFC and it has been renamed as PFC Projects Limited (PPL). Accordingly, the ability to direct activities of said Company now vests with PFC Ltd. and the same is now considered as a subsidiary.

13.4 At initial recognition, companies in the Group made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Group's main operation is to extend financial assistance to power, logistics and infrastructure sector. Thus, in order to insulate the Consolidated Statement of Profit and Loss from price fluctuations of these instruments, the Management of the respective companies believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

Details of FVTOCI instruments derecognised during the year:

(₹ in crore)

Details of investment	No. of shares/ units derecognised	Fair Value as on date of de-recognition	Cumulative gain/ (loss) on de-recognition
FY 2022-23			
NHPC Limited[1]	3,34,54,417	123.70	50.83
Total			**50.83**
FY 2021-22			
NHPC Limited[1]	18,46,45,279	510.44	108.28
'Small is Beautiful' Fund[2]	1,23,04,400	1.50	(10.80)
Total			**97.48**

[1]These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain has been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

[(2)]Pursuant to the completion of liquidation proceedings of 'Small is Beautiful' Fund; 1,23,04,400 units of the 'Small is Beautiful' Fund held by PFC and RECL have been derecognised from the books.

Subsequent to de-recognition of such investments, the Group has transferred the cumulative gain/(loss) on such shares within Equity (from Reserve for Equity instruments through OCI to Retained Earnings) during the year. Refer Consolidated Statement of Changes in Equity for further details.

13.5 Refer Note 48 for details of fair valuation of investments.

14. OTHER FINANCIAL ASSETS

The Group has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Recoverable on account of Government of India Serviced Bonds	29,356.50	29,356.50
(ii)	Advances to Associates	197.46	181.81
(iii)	Advances to Employees	1.52	1.24
(iv)	Loans to Employees	166.42	152.59
(v)	Others	223.77	244.18
	Less: Impairment loss allowance on Others	(113.59)	(115.97)
	Total Other Financial Assets	**29,832.08**	**29,820.35**

14.1 Detail of Loans & Advances to KMPs (Included in Note 14 (iii) & (iv) above):

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Loans & Advances to KMPs (including interest accrued)	0.53	0.66

14.2 Movement of Impairment on Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
(i)	Opening balance	115.97	111.37
(ii)	Add : Creation during the year	16.04	14.24
(iii)	Less : Reversal during year	(18.42)	(9.64)
	Closing balance	**113.59**	**115.97**

15. CURRENT TAX ASSETS / LIABILITIES (NET)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Advance income tax and TDS net of Provision	461.37	413.54
(ii)	Tax Deposited on income tax demands under contest	81.71	81.71
	Total Current Tax Assets (Net)	**543.08**	**495.25**
(i)	Provision for income tax net of Advance Tax	133.09	218.90
(ii)	Provision for income tax for demand under contest	0.25	0.25
	Total Current Tax Liabilities (Net)	**133.34**	**219.15**

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for the year ended March 31, 2023

16. MOVEMENT IN DEFERRED TAX BALANCES

(₹ in crore)

FY 2022-23	Net balance at 01.04.2022	Adjustment (PFCCL)	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2023
(A) Deferred Tax Asset					
(i) Provision for expenses deductible on payment basis under Income Tax Act	52.94	-	5.89	0.68	59.51
(ii) Unamortised income on loans to borrowers	(1.42)	-	20.09	-	18.67
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	7,708.73	-	(414.85)	-	7,293.88
(iv) Depreciation and amortisation	(8.93)	-	(16.32)	-	(25.24)
(v) Fair value of derivatives (Net)	81.61	-	123.83	410.64	616.08
(vi) Others	26.39	-	13.04	10.16	49.59
(B) (Deferred Tax Liabilities)					
(i) Unamortised exchange loss (Net)	(280.92)	-	(55.64)	-	(336.56)
(ii) Unamortised expenditure on loan liabilities	(235.36)	-	(35.85)	-	(271.21)
(iii) Fair valuation of Debt securities	(28.17)	-	(37.01)	-	(65.19)
(iv) Others	0.50	-	-	-	0.50
Net Deferred Tax (Liabilities)/Assets	**7,315.37**	**-**	**(396.82)**	**421.48**	**7,340.03**

(₹ in crore)

FY 2021-22	Net balance at 01.04.2021	Adjustment (PFCCL)	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2022
(A) Deferred Tax Asset					
(i) Provision for expenses deductible on payment basis under Income Tax Act	40.52	(0.07)	8.22	4.27	52.94
(ii) Unamortised income on loans to borrowers	(5.32)	-	3.90	-	(1.42)
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	6,875.84	-	832.89	-	7,708.73
(iv) Depreciation and amortisation	1.46	(0.05)	(10.34)	-	(8.93)
(v) Fair value of derivatives (Net)	46.47	-	23.24	11.90	81.61
(vi) Others	24.38	-	11.59	(9.58)	26.39
(B) (Deferred Tax Liabilities)					
(i) Unamortised exchange loss (Net)	(313.72)	-	32.80	-	(280.92)
(ii) Unamortised expenditure on loan liabilities	(209.10)	-	(26.26)	-	(235.36)
(iii) Fair valuation of Debt securities	-	-	(28.17)	-	(28.17)
(iv) Others	0.50	-	-	-	0.50
Net Deferred Tax (Liabilities) /Assets	**6,461.03**	**(0.12)**	**847.87**	**6.59**	**7,315.37**

17. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS (CWIP), INTANGIBLE ASSETS UNDER DEVELOPMENT AND OTHER INTANGIBLE ASSETS

(₹ in crore)

Particulars	Property, Plant and Equipment									Capital Work-in-Progress	Intangible assets under development	Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total	Immovable property	Computer Software	Computer Software
Gross Carrying Amount												
Opening Balance as at 01.04.2021	**113.77**	**155.32**	**-**	**48.17**	**44.90**	**39.29**	**0.52**	**1.66**	**403.63**	**335.67**	**0.77**	**24.49**
Additions/Adjustments	-	303.73	19.90	11.62	18.14	52.90	0.10	-	406.39	79.64	-	1.02
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	5.10	-	-
Less :Deduction/Adjustments	-	(3.30)	-	(3.63)	(8.63)	(4.47)	(0.09)	-	(20.12)	(367.05)	(0.77)	(0.33)
Closing Balance as at 31.03.2022	**113.77**	**455.75**	**19.90**	**56.16**	**54.41**	**87.72**	**0.53**	**1.66**	**789.90**	**53.36**	**-**	**25.18**
Additions/Adjustments	-	26.07	59.44	13.47	18.22	7.49	0.15	-	124.84	42.76	11.20	0.01
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	0.03	-	-
Less :Deductions/Adjustments	-	-	(0.04)	(9.38)	(12.41)	(6.80)	-	0.00	(28.63)	(85.49)	-	(0.10)
Closing Balance as at 31.03.2023	**113.77**	**481.82**	**79.30**	**60.25**	**60.22**	**88.41**	**0.68**	**1.66**	**886.11**	**10.66**	**11.20**	**25.09**
Accumulated Depreciation/ Amortisation												
Opening Balance as at 01.04.2021	**-**	**22.86**	**-**	**32.55**	**29.37**	**19.13**	**0.44**	**1.53**	**105.88**	**-**	**-**	**18.10**
For the period	-	5.49	0.95	8.88	7.76	5.63	0.07	0.12	28.90	-	-	3.00
Less Reversal on Assets Sold/Written off from books	-	(1.27)	-	(2.89)	(6.92)	(2.65)	(0.09)	-	(13.82)	-	-	(0.33)
Closing Balance as at 31.03.2022	**-**	**27.08**	**0.95**	**38.54**	**30.21**	**22.11**	**0.42**	**1.65**	**120.96**	**-**	**-**	**20.77**
For the period	-	7.70	6.44	11.48	11.95	8.57	0.05	-	46.19	-	-	2.75
Less: Reversal on Assets Sold/Written off from books	-	-	-	(7.11)	(8.66)	(2.93)	(0.01)	0.01	(18.70)	-	-	(0.10)
Closing Balance as at 31.03.2023	**-**	**34.78**	**7.39**	**42.91**	**33.50**	**27.75**	**0.46**	**1.66**	**148.45**	**-**	**-**	**23.42**
Net Carrying Amount												
As at 31.03.2022	**113.77**	**428.67**	**18.95**	**17.62**	**24.20**	**65.61**	**0.11**	**0.01**	**668.94**	**53.36**	**-**	**4.41**
As at 31.03.2023	**113.77**	**447.04**	**71.91**	**17.34**	**26.72**	**60.66**	**0.22**	**-**	**737.66**	**10.66**	**11.20**	**1.67**

17.1 The estimated useful lives and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 6.6 (vi).

17.2 In the opinion of management of Companies in the group, there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36. Accordingly, no provision for impairment loss as required under Ind AS 36 'Impairment of Assets' has been made.

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17.3 In case of PFC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.40	3.43

For details of borrowings against which above assets are pledged as security refer note 22.10 and 22.11

In case of PFC's Subsidiary REC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Gross Carrying Value	3.48	3.48
Net Carrying Value	2.36	2.41

17.4 In case of PFC's Subsidiary REC Ltd., As on 31st March 2023, the formalities regarding registration of conveyance deed in respect of certain immovable properties acquired by REC Ltd. are yet to be executed. The details are as below:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Land	Building	Land	Building
Gross Carrying Value	-	4.59	-	4.59
Net Carrying Value	-	1.95	-	2.01

17.5 While PFC's subsidiary REC Ltd. has not made any specific borrowings for construction of a qualifying asset, REC Ltd. has capitalised an amount of ₹ 0.03 crore (Previous year ₹ 5.10 crore) on account of general borrowings at an average rate of borrowings of 7.00% (Previous year 7.94%) for the REC Ltd in terms of Ind AS 23 'Borrowing Costs'.

17.6 There has been no revaluation of PPE and Intangible assets during the year.

17.7 Intangible assets under development ageing schedule:

Intangible assets under development	Amount in intangible assets for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Projects in progress	11.20	-	-	-	11.20
Projects temporarily suspended	-	-	-	-	-
Total	**11.20**	**-**	**-**	**-**	**11.20**
As at 31.03.2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

17.8 CWIP ageing schedule

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Projects in progress	9.18	0.08	-	1.40	10.66
Projects temporarily suspended	-	-	-	-	-
As at 31.03.2022					
Projects in progress	51.96	-	1.40	-	53.36
Projects temporarily suspended	-	-	-	-	-

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17.9 In respect of Company's subsidiary REC Ltd., CWIP completion schedule

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023					
Projects in progress	-	-	2.72	-	2.72
Projects temporarily suspended	-	-	-	-	-
As at 31.03.2022					
Projects in progress	4.59	-	-	1.48	6.07
Projects temporarily suspended	-	-	-	-	-

18. RIGHT-OF-USE ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Opening Balance of Leasehold Land**	45.83	37.17
(ii)	Additions	-	11.95
(iii)	Less: Disposal/Adjustment	-	(0.42)
(iv)	Less: Depreciation*	(2.86)	(2.87)
	Closing Balance of Leasehold Land	**42.97**	**45.83**

*As required by Ind AS 116 'Leases', Depreciation expense on Right-of-Use assets is included under Depreciation and Amortisation expenses in the Consolidated Statement of Profit and Loss.

19. OTHER NON-FINANCIAL ASSETS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Prepaid Expenses	19.10	7.33
(ii)	Deferred Employee Costs	59.52	58.63
(iii)	Capital Advances	389.96	339.18
(iv)	Excess Spent - CSR Expenses	7.70	0.48
(v)	Other assets	164.86	146.06
	Total Other Non-Financial Assets	**641.14**	**551.68**

20. ASSETS CLASSIFIED AS HELD FOR SALE*

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Assets classified as held for sale**		
(i)	Investment in associates (Refer Note 20.1)	0.73	0.46
(ii)	Loan to associates (Refer Note 20.2)	26.07	27.84
(iii)	Provision for impairment on assets classified as held for sale (Refer Note 20.4)	(9.73)	(9.71)
	Sub-total (i+ii+iii)	**17.07**	**18.59**
(B)	**Asset Classified as Held for Sale - Building**	0.34	0.86
	Total (A+B)	17.41	19.45
(C)	**Liabilities directly associated with assets classified as held for sale**		
(i)	Less : Payable to associates (Refer Note 20.3)	(0.02)	(0.01)
	Total (C)	**(0.02)**	**(0.01)**
	Disposal Group - Net assets (A+B+C)	**17.39**	**19.44**

*Pertains to PFC's Subsidiaries - REC Ltd. and PFC Consulting Ltd.

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20.1 Investment in associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	Investments in Equity Instruments of associates (fully paid up equity shares of ₹ 10/- each)		
	In case of PFC's Subsidiary REC Ltd.		
(i)	Chandil Transmission Ltd.	0.05	0.05
(ii)	Dumka Transmission Ltd.	0.05	0.05
(iii)	Koderma Transmission Ltd.	0.05	0.05
(iv)	Mandar Transmission Ltd.	0.05	0.05
(v)	Bidar Transmission Limited	0.05	0.05
(vi)	MP Power Transmission Package I Limited	-	0.05
(vii)	Rajgarh Transmission Limited	-	0.05
(viii)	ER NER Transmission Limited	-	0.05
(ix)	Beawar Transmission Limited	0.05	-
(x)	Khavda II-D Transmission Limited	0.05	-
(xi)	KPS1 Transmission Limited	0.05	-
(xii)	Ramgarh II Transmission Limited	0.05	-
(xiii)	Sikar Khetri Transmission Limited	0.05	-
(xiv)	Luhri Power Transmission Limited	0.05	-
(xv)	Meerut Shamli Power TL	0.05	-
	In case of PFC's Subsidiary PFC Consulting Limited		
(i)	NERES XVI Power Transmission Limited	0.05	
(ii)	Khetri-Narela Transmission Limited	-	0.01
(iii)	Ananthpuram Kurnool Transmission Limited	0.01	0.01
(iv)	Bhadla Sikar Transmission Limited	-	0.01
(v)	Chhatarpur Transmission Limited	0.01	0.01
(vi)	Mohanlalganj Transmission Limited	-	0.01
(vii)	Kishtwar Transmission Limited	-	0.01
(viii)	Beawar Dausa Transmission Limited	0.01	-
(ix)	Bhadla III Transmission Limited	0.01	-
(x)	Fatehgarh IV Transmission Limited	0.01	-
(xi)	Fatehgarh III Transmission Limited	0.01	-
(xii)	Fatehgarh-III Beawar Transmission Limited	0.01	-
(xiii)	SIOT Transmission Limited	0.01	-
	Total	**0.73**	**0.46**

20.2 Loan to Associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	In case of PFC's Subsidiary REC Ltd.		
(i)	Chandil Transmission Ltd.	2.54	2.54
(ii)	Dumka Transmission Ltd.	2.48	2.48
(iii)	Mandar Transmission Ltd.	2.23	2.22
(iv)	Koderma Transmission Ltd.	2.28	2.28
(v)	MP Power Transmission Package I Limited	-	1.99
(vi)	Rajgarh Transmission Limited	-	0.28
(vii)	ER NER Transmission Limited	-	0.28
(viii)	Receivable from SPV- Yet to Incorporate	-	0.76
(ix)	Bidar Transmission Limited	0.10	-

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for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(x)	Sikar Khetri Transmission Limited	0.67	-
(xi)	KPS1 Transmission Limited	0.58	-
(xii)	Ramgarh II Transmission Limited	0.70	-
(xiii)	Beawar Transmission Limited	0.71	-
(xiv)	Luhri Stage-I HEP	0.48	-
(xv)	Meerut Shamli Power Transmission Limited	0.43	-
(xvi)	NERES XVI Power Transmission Limited	0.19	-
	In case of PFC's Subsidiary PFC Consulting Limited		
(xvii)	Khetri-Narela Transmission Limited	-	4.42
(xviiii)	Ananthpuram Kurnool Transmission Limited	1.32	0.82
(xix)	Bhadla Sikar Transmission Limited	-	4.36
(xx)	Kishtwar Transmission Limited	-	1.15
(xxi)	Mohanlalganj Transmission Limited	-	2.95
(xxii)	Chhatarpur Transmission Limited	1.31	0.28
(xxiii)	SIOT Transmission Limited	1.98	-
(xxiv)	Fatehgarh-III Beawar Transmission Limited	1.47	-
(xxv)	Beawar Dausa Transmission Limited	2.16	-
(xxvi)	Bhadla III Transmission Limited	1.45	-
(xxvii)	Fatehgarh IV Transmission Limited	1.20	-
(xxviii)	Fatehgarh III Transmission Limited	1.27	-
	Amount receivable from ITP under Incorporation	-	-
(xxix)	ITP47- Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III Part A1	-	0.09
(xxx)	ITP48- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part A3	-	0.09
(xxxi)	ITP49- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part B1	-	0.14
(xxxii)	ITP50- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part G	-	0.26
(xxxiii)	ITP51- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part H	-	0.17
(xxxiv)	ITP52- Creation of 400/220 kV, 2x315 MVA S/S at Siot, Jammu & Kashmir	-	0.25
(xxxv)	ITP53- 400 kV Khandukhal (Srinagar) ? Rampura (Kashipur) D/c line	-	0.02
(xxxvi)	ITP 56 - Shamli- Aligarh Transmission Limited	0.17	-
(xxxvii)	ITP 57 - Joda/Barbil Transmission Line	0.01	-
(xxxviii)	ITP 58 - Rajasthan REZ Phase-IV (Part-1A)	0.09	-
(xxxix)	ITP 59 - Rajasthan REZ Phase-IV (Part-1B)	0.09	-
(xl)	ITP 60 - Rajasthan REZ Phase-IV (Part-1C)	0.08	-
(xli)	ITP 61 - Rajasthan REZ Phase-IV (Part-1D)	0.08	-
	Total	**26.07**	**27.84**

20.3 Liabilities directly associated with assets classified as held for sale

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Bidar Transmission Limited	-	0.01
(ii)	Khavda II-D Transmission Limited	0.02	-
	Total	**0.02**	**0.01**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

20.4 Provision for impairment on assets classified as held for sale

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Chandil Transmission Limited	2.59	2.59
(ii)	Dumka Transmission Limited	2.53	2.53
(iii)	Mandar Transmission Limited	2.28	2.27
(iv)	Koderma Transmission Limited	2.33	2.33
	Total	**9.73**	**9.71**

20.5 In respect of PFC's subsidiaries, REC Ltd. and PFC Consulting Ltd., their management had incorporated these entities with a view to sell them off as per the guidelines of Ministry of Power, through the bid process prescribed by Ministry of Power. There is no possibility that management will have benefits from these entities other than selling them off, hence all these investments (along with the related assets and liabilities) have been classified as 'held for sale'.

20.6 Jharkhand Urja Sancharan Nigam Limited (JUSNL) has cancelled RFQ and RFP of transmission projects in State of Jharkhand. These projects have been kept in abeyance w.e.f. 01.10.2020. RECPDCL vide letters dated 14.10.2020, 06.11.2020 and 28.07.2021 has communicated JUSNL regarding recovery of expenses incurred on these SPVs. However, no communication has been received from JUSNL in this regard. As the bidding process of these SPVs has been cancelled and there is less probability of recovery of expenses already incurred, hence as an accounting prudence provision for impairment loss of ₹ 0.02 crore (Previous year ₹ 9.71 crore) has been created.

20.7 With a view to monetise its idle assets, during the year the Company's subsidiary RECL has disposed certain residential building units through e-auction process, with carrying value ₹ 0.52 crore (Previous year ₹ 1.18 crore), classified under "Assets classified as held for sale" as required under Ind-AS 105. Such sale has resulted in gain of ₹ 4.08 crore during the current year (Previous year ₹ 30.19 crore).

Further, residential building units with carrying value ₹ 0.34 crore (Previous year ₹ 0.86 crore) classified under "Assets classified as held for sale" are pending for disposal as at March 31, 2023. The process for their disposal is expected to be completed during the year 2023-24 through e-auction process.

21 TRADE PAYABLES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	Trade Payables		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	0.67	1.11
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	50.19	48.64
	Total Trade Payables	**50.86**	**49.75**

21.1 Trade Payables ageing schedule

(₹ in crore)

Particulars	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Others	0.67	-	-	-	0.67
Sub-total (i)	**0.67**	**-**	**-**	**-**	**0.67**
(ii) Other than MSME					
- Disputed	-	-	-	-	-
- Others	23.31	14.02	0.34	12.52	50.19
Sub-total (ii)	**23.31**	**14.02**	**0.34**	**12.52**	**50.19**
Total (i+ii)	**23.97**	**14.02**	**0.34**	**12.52**	**50.86**

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for the year ended March 31, 2023

(₹ in crore)

Particulars		As at March 31, 2022				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	**MSME**					
	- Disputed	-	-	-	-	-
	- Others	1.11	-	-	-	1.11
	Sub-total (i)	**1.11**	**-**	**-**	**-**	**1.11**
(ii)	**Other than MSME**					
	- Disputed	-	-	-	-	-
	- Others	27.11	8.40	11.35	1.78	48.64
	Sub-total (ii)	**27.11**	**8.40**	**11.35**	**1.78**	**48.64**
	Total (i+ii)	**28.22**	**8.40**	**11.35**	**1.78**	**49.75**

22. DEBT SECURITIES

The Company and its Subsidiary REC Ltd., have categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	**Secured Bonds / Debenture**		
	- Infrastructure Bonds (Refer note 22.1)	38.51	38.51
	- Tax Free Bonds (Refer note 22.2)	18,520.76	20,746.33
	- 54EC Capital Gain Tax Exemption Bonds (Refer note 22.3)	42,466.24	28,144.95
	- Taxable Bonds (Refer note 22.4)	6,383.99	6,383.99
	- Bond Application Money (Refer note 22.5)	1,720.36	1,291.54
	Sub-Total (i)	**69,129.86**	**56,605.32**
(ii)	**Unsecured Bonds / Debenture**		
	- Infrastructure Bonds (Refer note 22.6)	3.96	3.96
	- Taxable Bonds (Refer note 22.7)	344,006.50	315,262.44
	- Foreign Currency Notes (Refer note 22.8 & 22.9)	70,106.11	64,701.63
	Sub-Total (ii)	**414,116.57**	**379,968.03**
(iii)	**Total Principal Outstanding of Debt Securities (i+ii)**	483,246.43	436,573.35
(iv)	Interest accrued but not due on above	14,414.63	14,027.33
(v)	Unamortised Transaction Cost on above	(931.68)	(869.12)
	Total Debt Securities (iii to v)	**496,729.38**	**449,731.56**
	Geography wise Debt Securities		
(i)	Debt Securities in India	426,580.42	385,129.26
(ii)	Debt Securities outside India	70,148.96	64,602.30
	Total Geography wise Debt Securities	**496,729.38**	**449,731.56**

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for the year ended March 31, 2023

22.1 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
In case of PFC							
1	Infrastructure Bonds (2010-11) - Series III	8.50%	5.27	5.27	31.03.2026	22.10	Redeemable at par on a date falling Fifteen years from the date of allotment
2	Infrastructure Bonds (2010-11) - Series IV	8.50%	19.33	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
3	Infrastructure Bonds (2011-12) - Series III	8.75%	2.86	2.86	21.11.2026	22.11	Redeemable at par on a date falling Fifteen years from the date of allotment
4	Infrastructure Bonds (2011-12) - Series IV	8.75%	7.77	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
5	Infrastructure Bonds 86 C Series	8.72%	0.87	0.87	30.03.2027		Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds 86 D Series	8.72%	2.40	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Total		**38.51**	**38.51**			

22.2 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
In case of PFC							
1	Tax Free Bond Series 94A	7.21%	-	255.00	-		Repaid in FY 2022-23
2	Tax Free Bonds Series 95A	7.22%	-	30.00			
3	Tax Free Bonds (2012-13) Tranch I Series 1	7.69%	-	140.23			
4	Tax Free Bonds (2012-13) Tranch I Series 1	7.19%	-	202.52			
5	Tax Free Bonds (2012-13) Tranch II	7.38%	-	41.43			
6	Tax Free Bonds (2012-13) Tranch II	6.88%	-	54.72			
7	Tax Free Bonds Series 107A	8.01%	113.00	113.00	30.08.2023	22.12	Redeemable at par on maturity
8	Tax Free Bonds Series IB	8.43%	335.47	335.47	16.11.2023		
9	Tax Free Bonds Series 1A	8.18%	325.07	325.07	16.11.2023		
10	Tax Free Bonds Series 136	7.16%	300.00	300.00	17.07.2025		
11	Tax Free Bonds (2015-16) Series 1B	7.36%	79.35	79.35	17.10.2025		
12	Tax Free Bonds (2015-16) Series 1A	7.11%	75.09	75.09	17.10.2025		
13	Tax Free Bond Series 79-B	7.75%	217.99	217.99	15.10.2026		
14	Tax Free Bond Series 80-B	8.16%	209.34	209.34	25.11.2026		
15	Tax Free Bonds (2011-12) Public Issue	8.30%	1,280.58	1,280.58	01.02.2027		
16	Tax Fee Bond Series 94B	7.38%	25.00	25.00	22.11.2027		
17	Tax Free Bonds Series 95B	7.38%	100.00	100.00	29.11.2027		
18	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	180.78	185.78	04.01.2028		

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for the year ended March 31, 2023

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
19	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	176.21	171.22	04.01.2028	22.12	Redeemable at par on maturity
20	Tax Free Bonds (2012-13) Tranch II	7.54%	55.85	56.97	28.03.2028		
21	Tax Free Bonds (2012-13) Tranch II	7.04%	13.35	12.24	28.03.2028		
22	Tax Free Bonds Series 107-B	8.46%	1,011.10	1,011.10	30.08.2028		
23	Tax Free Bonds Series 2-B	8.79%	353.32	353.32	16.11.2028		
24	Tax Free Bonds Series 2-A	8.54%	932.70	932.70	16.11.2028		
25	Tax Free Bonds (2015-16) Series 2-B	7.52%	45.18	45.18	17.10.2030		
26	Tax Free Bonds (2015-16) Series 2-A	7.27%	131.33	131.33	17.10.2030		
27	Tax Free Bonds Series 3-B	8.92%	861.96	861.96	16.11.2033		
28	Tax Free Bonds Series 3-A	8.67%	1,067.38	1,067.38	16.11.2033		
29	Tax Free Bonds (2015-16) Series 3-B	7.60%	155.48	155.48	17.10.2035	22.12	Redeemable at par on maturity
30	Tax Free Bonds (2015-16) Series 3-A	7.35%	213.58	213.58	17.10.2035		
	Sub-total (A)		**8,259.12**	**8,983.03**			
In case of PFC's Subsidiary REC Ltd.							
1	Series 2013-14 Series 3A & 3B	8.01% to 8.46%	1,350.00	1,350.00	29.08.2023	Redeemable at par. Bonds amounting to ₹ 209.00 crore are redeemable on 29.08.2023 and ₹ 1,141.00 crore are redeemable on 29.08.2028	
2	Series 2013-14 Tranche 1	8.01% to 8.71%	3,410.60	3,410.60	25.09.2023	Redeemable at par. Bonds amounting to ₹ 575.06 crore are redeemable on 25.09.2023, ₹ 2,810.26 crore are redeemable on 25.09.2028 and ₹ 55.28 crore are redeemable on 26.09.2033	
3	Series 2013-14 Series 4A & 4B	8.18% to 8.54%	150.00	150.00	11.10.2023	Redeemable at par. Bonds amounting to ₹ 105.00 crore are redeemable on 11.10.2023 and ₹ 45.00 crore are redeemable on 11.10.2028	
4	Series 2013-14 Tranche 2	8.19% to 8.88%	1,057.40	1,057.40	24.03.2024	Redeemable at par. Bonds amounting to ₹ 419.32 crore are redeemable on 22.03.2024, ₹ 530.42 crore are redeemable on 23.03.2029 and ₹ 109.66 crore are redeemable on 24.03.2034	
5	Series 2015-16 Series 5A	7.17%	300.00	300.00	23.07.2025	Redeemable at par on maturity	
6	Series 2015-16 Tranche 1	6.89% to 7.43%	696.56	696.56	05.11.2025	Redeemable at par. Bonds amounting to ₹ 105.93 crore are redeemable on 05.11.2025, ₹ 172.90 crore are redeemable on 05.11.2030 and ₹ 421.17 crore are redeemable on 05.11.2035	
7	Series 2011-12	8.12% to 8.32%	2,160.33	2,160.33	27.03.2027	Redeemable at par on maturity	
8	Series 2012-13 Series 2A & 2B	7.38%	245.00	500.00	22.11.2027	Redeemable at par on maturity	
9	Series 2012-13 Tranche 1	7.38% to 7.88%	842.04	2,007.35	20.12.2027	Redeemable at par on maturity	
10	Series 2012-13 Tranche 2	7.04 to 7.54%	49.71	131.06	27.03.2028	Redeemable at par on maturity	
	Sub-total (B)		**10,261.64**	**11,763.30**			
	Total (A+B)		**18,520.76**	**20,746.33**			

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22.3 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022		
In case of PFC						
1	Series II (FY 2018-19)	5.75%	491.95	491.95	22.12	Redeemable at par during FY 2023-24
2	Series III (FY 2019-20)	5.75%	1,134.44	1,134.44		Redeemable at par during FY 2024-25
3	Series IV (FY 2020-21)	5.75%	252.38	252.38		Redeemable at par during FY 2025-26
4	Series IV (FY 2020-21)	5.00%	685.41	685.41		Redeemable at par during FY 2025-26
5	Series IV (FY 2021-22)	5.00%	1,434.64	1,434.64		Redeemable at par during FY 2026-27
6	Series VI (FY 2022-23)	5.00%	2,600.87	-		Redeemable at par during FY 2027-28
	Sub-total (A)		**6,599.69**	**3,998.82**		
In case of PFC's Subsidiary REC Ltd.						
1	Series XII (2018-19)	5.75%	6,651.31	6,651.77	Redeemable at par during FY 2023-24	
2	Series XIII (2019-20)	5.75%	6,157.82	6,157.72	Redeemable at par during FY 2024-25	
3	Series XIV (2020-21)	5.75% and 5%	5,312.07	5,312.07	Redeemable at par during FY 2025-26	
4	Series XV (2021-22)	5.00%	7,312.80	6,024.57	Redeemable at par during FY 2026-27	
5	Series XVI (2022-23)	5.00%	10,432.55	-	Redeemable at par during FY 2027-28	
	Sub-total (B)		**35,866.55**	**24,146.13**		
	Total (A+B)		**42,466.24**	**28,144.95**		

22.4 The details of Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
In case of PFC							
1	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	1.95	1.95	22.01.2024	22.12	Redeemable at par on maturity
2	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	27.05	27.05	22.01.2026		
3	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	3.50	3.50	22.01.2026		
4	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	6.83% (10YR GSEC Link)	1,250.73	1,250.73	22.01.2031		
5	Secured Public Issue (2020-21) Tranche I Series V Category I-II	6.58% (10YR GSEC Link)	10.35	10.35	22.01.2031		
6	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	1,635.53	1,635.53	22.01.2031		
7	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	33.67	33.67	22.01.2031		
8	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	28.74	28.74	22.01.2031		
9	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	0.50	0.50	22.01.2031		
10	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	1,330.06	1,330.06	22.01.2036		
11	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	50.05	50.05	22.01.2036		
12	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	53.36	53.36	22.01.2036		

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
13	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	3.50	3.50	22.01.2036		
	Sub-total (A)		**4,428.99**	**4,428.99**			
In case of PFC's Subsidiary REC Ltd.							
1	123-IIIB Series	9.34%	1,955.00	1,955.00	23.08.2024	Redeemable at par on maturity	
	Sub-total (B)		**1,955.00**	**1,955.00**			
	Total (A+B)		**6,383.99**	**6,383.99**			

22.5 The details of Bond Application Money outstanding are as follows:

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Redemption details
			31.03.2023	31.03.2022	
In case of PFC's Subsidiary REC Ltd.					
1	54EC Capital Gain Tax Exemption Bonds	5.00%	1,720.36	1,291.54	Redeemable at par after 5 years from the deemed date of allotment
	Total		**1,720.36**	**1,291.54**	

22.6 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2023	31.03.2022			
In case of PFC's Subsidiary REC Ltd.							
1	Series-II (2011-12) Cumulative	9.15%	2.83	2.83	15.02.2027	Redeemable on the date falling 15 years from the date of allotment	
2	Series-II (2011-12) Annual	9.15%	1.13	1.13	15.02.2027		
	Total		**3.96**	**3.96**			

22.7 The details of Unsecured Taxable Bonds outstanding are as follows:

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
In case of PFC						
1	Series 88 C	9.48%	-	184.70	-	Repaid in FY 2022-23
2	Series 187 A	8.20%	-	1,605.00		
3	Series 168-A	7.28%	-	1,950.00		
4	Series 169-A	7.10%	-	3,395.00		
5	Series 181	8.45%	-	2,155.00		
6	Series 191	7.35%	-	3,735.00		
7	Series 170-A	7.35%	-	800.00		
8	Series 176-B	7.99%	-	1,295.00		
9	Zero Coupon Unsecured Taxable Bonds 2022-XIX Series	-	-	707.97		
10	Series 100 B	8.84%	-	1,310.00		
11	Series 102 A (II)	8.90%	-	403.00		

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Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
12	Series 194	7.04%	1,400.00	1,400.00	14.04.2023	
13	Series 85 D	9.26%	736.00	736.00	15.04.2023	
14	Series 198	6.98%	3,160.00	3,160.00	20.04.2023	
15	Series 199A	6.83%	1,970.00	1,970.00	24.04.2023	
16	Series 202A	6.75%	2,145.00	2,145.00	22.05.2023	
17	Series 203A	6.72%	2,206.00	2,206.00	09.06.2023	
18	Series 206	5.47%	3,000.00	3,000.00	19.08.2023	
19	Series 188	8.10%	691.10	691.10	04.06.2024	
20	Series 211 (3M TB Link)	4.38%	1,985.00	1,985.00	02.08.2024	
21	Series 57- B	8.60%	866.50	866.50	07.08.2024	
22	Series 117 Option B	9.37%	855.00	855.00	19.08.2024	
23	Series 118 Option B II	9.39%	460.00	460.00	27.08.2024	
24	Series Option 120 B	8.98%	950.00	950.00	08.10.2024	
25	Series 120 Option A	8.98%	961.00	961.00	08.10.2024	
26	Series 192	7.42%	3,000.00	3,000.00	19.11.2024	
27	Series 124 C	8.48%	1,000.00	1,000.00	09.12.2024	
28	Series 61	8.50%	351.00	351.00	15.12.2024	Redeemable at par on maturity
29	Series 125	8.65%	2,826.00	2,826.00	28.12.2024	
30	Series 126	8.65%	5,000.00	5,000.00	04.01.2025	
31	Series 62-B	8.80%	1,172.60	1,172.60	15.01.2025	
32	Series 128	8.20%	1,600.00	1,600.00	10.03.2025	
33	Series 63-III	8.90%	184.00	184.00	15.03.2025	
34	Series 131-C	8.41%	5,000.00	5,000.00	27.03.2025	
35	Series 64	8.95%	492.00	492.00	30.03.2025	
36	Series 204A	5.77%	900.00	900.00	11.04.2025	
37	Series 130-C	8.39%	925.00	925.00	19.04.2025	
38	Series 199B	7.16%	1,320.00	1,320.00	24.04.2025	
39	Series 65 III	8.70%	1,337.50	1,337.50	14.05.2025	
40	Series 202B	7.17%	810.00	810.00	22.05.2025	
41	Series 66-B	8.75%	1,532.00	1,532.00	15.06.2025	
42	Series 210A - STRPP1	6.35%	405.60	405.60	30.06.2025	
43	Series 215	7.13%	2,420.00	-	08.08.2025	
44	Series 217B STRPP I	7.15%	276.40	-	08.09.2025	
45	Series 208	6.50%	2,806.00	2,806.00	17.09.2025	

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for the year ended March 31, 2023

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
46	Series 141-B	8.40%	1,000.00	1,000.00	18.09.2025	
47	Series 218	7.59%	1,450.00	-	03.11.2025	
48	Series 71	9.05%	192.70	192.70	15.12.2025	
49	Series 222	7.58%	2,540.00	-	15.01.2026	
50	Series 147	8.03%	1,000.00	1,000.00	02.05.2026	
51	Series 210A - STRPP2	6.35%	540.80	540.80	30.06.2026	
52	Series 216	7.13%	3,000.00	-	15.07.2026	
53	Series 225A	7.77%	3,262.70	-	15.07.2026	
54	Series - 76-B	9.46%	1,105.00	1,105.00	01.08.2026	
55	Series 150-B	7.63%	1,675.00	1,675.00	14.08.2026	
56	Series 212A	6.09%	2,450.00	2,450.00	27.08.2026	
57	Series - 77-B	9.45%	2,568.00	2,568.00	01.09.2026	
58	Series 217B STRPP II	7.15%	276.40	-	08.09.2026	
59	Series 227A	7.70%	1,200.00	-	15.09.2026	
60	Series 151-B	7.56%	210.00	210.00	16.09.2026	
61	Series 152	7.55%	4,000.00	4,000.00	25.09.2026	
62	Series 155	7.23%	2,635.00	2,635.00	05.01.2027	
63	Series 168-B	7.44%	1,540.00	1,540.00	12.06.2027	
64	Series 210A - STRPP3	6.35%	405.60	405.60	30.06.2027	
65	Series 169-B	7.30%	1,500.00	1,500.00	07.08.2027	
66	Series 217B STRPP III	7.15%	276.40	-	08.09.2027	
67	Series 170-B	7.65%	2,001.00	2,001.00	22.11.2027	
68	Series 171	7.62%	5,000.00	5,000.00	15.12.2027	
69	Series 221B	7.59%	3,500.00	-	17.01.2028	Redeemable at par on maturity
70	Series 172	7.74%	850.00	850.00	29.01.2028	
71	Series 101 B	9.00%	1,370.00	1,370.00	11.03.2028	
72	Series 102 A (III)	8.90%	403.00	403.00	18.03.2028	
73	Series 103	8.94%	2,807.00	2,807.00	25.03.2028	
74	Series 177	7.85%	3,855.00	3,855.00	03.04.2028	
75	Series 227B	7.77%	1,390.00	-	15.04.2028	
76	Series 178	8.95%	3,000.00	3,000.00	10.10.2028	
77	Series 179-A	8.67%	1,007.40	1,007.40	19.11.2028	
78	Series 187 B	8.85%	1,982.10	1,982.10	27.05.2029	
79	Series 118 Option B III	9.39%	460.00	460.00	27.08.2029	
80	Series193	7.93%	4,710.50	4,710.50	31.12.2029	
81	Series 196R1	7.41%	1,500.00	1,500.00	25.02.2030	
82	Series 196	7.41%	2,500.00	2,500.00	25.02.2030	
83	Series 225B STRPP I	7.82%	625.00	-	13.03.2030	
84	Series 195	7.86%	1,100.00	1,100.00	12.04.2030	
85	Series 200	7.40%	2,920.00	2,920.00	08.05.2030	
86	Series 197	7.41%	5,000.00	5,000.00	15.05.2030	
87	Series 203B	7.75%	3,318.00	3,318.00	11.06.2030	
88	Series 66-C	8.85%	633.00	633.00	15.06.2030	
89	Series 201	7.68%	3,101.30	3,101.30	15.07.2030	
90	Series 202C	7.79%	1,936.00	1,936.00	22.07.2030	
91	Series 205A	7.05%	1,610.10	1,610.10	09.08.2030	
92	Series 71	9.05%	192.70	192.70	15.12.2030	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
93	Series 207R1	7.04%	2,549.10	2,549.10	16.12.2030	
94	Series 207	7.04%	1,097.40	1,097.40	16.12.2030	
95	Series 225B STRPP II	7.82%	625.00	-	13.03.2031	
96	Series 204B	6.88%	1,300.00	1,300.00	11.04.2031	
97	Series 213	6.95%	1,988.00	1,988.00	01.10.2031	
98	Series 225B STRPP III	7.82%	625.00	-	12.03.2032	
99	Series 214 (BBETF)	6.92%	1,180.00	1,180.00	14.04.2032	
100	Series 217A	7.42%	4,000.00	-	08.09.2032	
101	Series 223	7.64%	3,500.00	-	22.02.2033	
102	Series 225B STRPP IV	7.82%	625.00	-	11.03.2033	
103	Series 220	7.58%	470.00	-	15.04.2033	
104	Series 226A	7.66%	1,200.00	-	15.04.2033	
105	Series 226B	7.70%	583.50	-	15.04.2033	Redeemable at par on maturity
106	Series 179-B	8.64%	528.40	528.40	19.11.2033	
107	Series 180	8.75%	2,654.00	2,654.00	22.02.2034	
108	Series 186	8.79%	2,578.90	2,578.90	30.04.2034	
109	Series 189	8.15%	4,035.00	4,035.00	08.08.2034	
110	Series 190	8.25%	4,016.00	4,016.00	06.09.2034	
111	Series 205B	7.20%	1,605.70	1,605.70	10.08.2035	
112	Series 209	7.34%	1,711.00	1,711.00	29.09.2035	
113	Series 210B	7.11%	1,933.50	1,933.50	30.06.2036	
114	Series 212B	7.15%	2,343.68	2,343.68	27.08.2036	
115	Series 219	7.65%	4,000.00	-	13.11.2037	
116	Series 221A	7.72%	2,782.70	-	19.12.2037	
117	Series 224	7.82%	3,468.50	-	06.03.2038	
	Sub-total (A)		**1,95,743.80**	**1,71,187.84**		
In case of PFC's Subsidiary REC Ltd.						
1	179th Series	8.15%	-	1,000.00		
2	107th Series	9.35%	-	2,378.20		
3	186A Series	6.90%	-	2,500.00		
4	150th Series	7.03%	-	2,670.00		
5	184B Series STRPP-C**	7.55%	-	300.00		
6	152nd Series	7.09%	-	1,225.00		Repaid in FY 2022-23
7	111-II Series	9.02%	-	2,211.20		
8	155th Series	7.45%	-	1,912.00		
9	185th Series	7.09%	-	2,759.00		
10	187th Series	7.24%	-	2,090.00		
11	159th Series	7.99%	-	950.00		
12	188A Series	7.12%	-	1,400.00		

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
13	114th Series	8.82%	4,300.00	4,300.00	12.04.2023	
14	195th Series	6.92%	2,985.00	2,985.00	22.04.2023	
15	197th Series	6.90%	3,740.00	3,740.00	11.05.2023	
16	191A Series	6.80%	1,100.00	1,100.00	30.06.2023	
17	200th Series PP-MLD *	5.36%	500.00	500.00	30.06.2023	
18	184B Series STRPP-D**	7.55%	300.00	298.00	26.09.2023	
19	202B Series	5.69%	2,474.00	2,474.00	30.09.2023	
20	205A Series	4.99%	2,135.00	2,135.00	31.01.2024	
21	209th Series	5.79%	1,550.00	1,550.00	20.03.2024	
22	210th Series	5.74%	4,000.00	4,000.00	20.06.2024	
23	180A Series	8.10%	1,018.00	1,018.00	25.06.2024	
24	191B Series	6.99%	1,100.00	1,100.00	30.09.2024	
25	212th Series - Floating (linked to T-Bill)		2,500.00	2,500.00	31.10.2024	Redeemable at par on maturity
26	186B Series	7.40%	1,500.00	1,500.00	26.11.2024	
27	128th Series	8.57%	2,250.00	2,250.00	21.12.2024	
28	129th Series	8.23%	1,925.00	1,925.00	23.01.2025	
29	130th Series	8.27%	2,325.00	2,325.00	06.02.2025	
30	131st Series	8.35%	2,285.00	2,285.00	21.02.2025	
31	190A Series	6.88%	2,500.00	2,500.00	20.03.2025	
32	201A Series	5.90%	900.00	900.00	31.03.2025	
33	133rd Series	8.30%	2,396.00	2,396.00	10.04.2025	
34	94th Series	8.75%	1,250.00	1,250.00	09.06.2025	
35	95-II Series	8.75%	1,800.00	1,800.00	14.07.2025	
36	136th Series	8.11%	2,585.00	2,585.00	07.10.2025	
37	203B Series	5.85%	2,777.00	2,777.00	20.12.2025	
38	204B Series	5.81%	2,082.00	2,082.00	31.12.2025	
39	205B Series	5.94%	2,000.00	2,000.00	31.01.2026	Redeemable at par on maturity
40	214A Series	7.32%	500.00	-	28.02.2026	
41	219 series	7.60%	3,148.70	-	28.02.2026	
42	220B series	7.69%	1,600.10	-	31.03.2026	Redeemable at par on 31.03.2033 with put option exercisable on 31.03.2026
43	218A series	7.56%	3,000.00	-	30.06.2026	
44	140th Series	7.52%	2,100.00	2,100.00	07.11.2026	
45	142nd Series	7.54%	3,000.00	3,000.00	30.12.2026	
46	147th Series	7.95%	2,745.00	2,745.00	12.03.2027	
47	156th Series	7.70%	3,533.00	3,533.00	10.12.2027	
48	216A series	7.55%	1,701.50	-	31.03.2028	
49	220A series	7.77%	2,000.00	-	31.03.2028	
50	162nd Series	8.55%	2,500.00	2,500.00	09.08.2028	Redeemable at par on maturity
51	163rd Series	8.63%	2,500.00	2,500.00	25.08.2028	
52	168th Series	8.56%	2,552.40	2,552.40	29.11.2028	
53	169th Series	8.37%	2,554.00	2,554.00	07.12.2028	
54	176th Series	8.85%	1,600.70	1,600.70	16.04.2029	
55	178th Series	8.80%	1,097.00	1,097.00	14.05.2029	
56	180B Series	8.30%	2,070.90	2,070.90	25.06.2029	
57	184A Series	8.25%	1,160.80	870.60	26.09.2029	
58	192nd Series	7.50%	2,382.00	2,382.00	28.02.2030	

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for the year ended March 31, 2023

Sr. No.	Particulars	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
59	188B Series	7.89%	1,100.00	1,100.00	31.03.2030	
60	189th Series	7.92%	3,054.90	3,054.90	31.03.2030	
61	198B Series	7.79%	1,569.00	1,569.00	21.05.2030	
62	202A Series	7.25%	3,500.00	3,500.00	30.09.2030	Redeemable at par on maturity
63	203A Series	6.80%	5,000.00	5,000.00	20.12.2030	
64	204A Series	6.90%	2,500.00	2,500.00	31.01.2031	
65	201B Series	6.90%	1,300.00	1,300.00	31.03.2031	
66	211th Series	6.23%	1,200.00	1,200.00	31.10.2031	Redeemable at par on 31.10.2031 with put/ call option exercisable on 31.10.2026
67	213th Series	6.92%	1,380.00	1,380.00	20.03.2032	
68	218B series	7.69%	2,004.40	-	31.01.2033	
69	214B Series	7.50%	1,947.60	-	28.02.2033	Redeemable at par on maturity
70	214B (re-issue)	7.50%	3,000.00	-	28.02.2033	
71	217th series	7.53%	500.00	-	31.03.2033	
72	215th series	7.65%	3,889.00	-	30.11.2033	Redeemable in 5 equal tranches on 30.11.2033, 30.11.2034,30.11.2035,30.11.2036 and 30.11.2037
73	182nd Series	8.18%	5,063.00	5,063.00	22.08.2034	
74	183rd Series	8.29%	3,028.00	3,028.00	16.09.2034	
75	207th Serie	7.02%	4,589.90	4,589.90	31.01.2036	Redeemable at par on maturity
76	208th Series	7.40%	3,613.80	3,613.80	15.03.2036	
77	216B series	7.67%	2,000.00	-	30.11.2037	
			1,48,262.70	**1,44,074.60**		
			3,44,006.50	**3,15,262.44**		

*PP-MLD- Principal Protected Market Linked Debentures

** STRPP- Separately Transferable Redeemable Principal Parts

22.8 The details of Foreign Currency Notes outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
In case of PFC						
1	3.75% USD Bonds 2024	3.75%	3,288.68	3,032.28	18.06.2024	
2	3.25% USD Bonds 2024	3.25%	2,466.51	2,274.21	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,288.68	3,032.28	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,466.51	2,274.21	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,688.23	2,539.80	21.09.2028	
6	6.15% USD Bonds 2028	6.15%	4,110.85	3,790.36	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	4,933.01	4,548.43	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,699.76	3,411.32	16.09.2029	Redeemable at par on maturity
9	3.95% USD Bonds 2030	3.95%	6,166.27	5,685.53	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	4,110.85	3,790.36	16.05.2031	
	Sub-total (A)		**37,219.33**	**34,378.78**		
In case of PFC's Subsidiary REC Ltd.						
1	US $500	4.75%	4,110.85	3,790.36	19.05.2023	
2	US $700	5.25%	5,755.18	5,306.50	13.11.2023	
3	US $650	3.38%	5,344.10	4,927.46	25.07.2024	

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for the year ended March 31, 2023

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
			31.03.2023	31.03.2022		
4	US $500	3.50%	4,110.85	3,790.36	12.12.2024	Redeemable at par on maturity
5	US $500	2.25%	4,110.85	3,790.36	01.09.2026	
6	US $400	2.75%	3,288.68	3,032.28	13.01.2027	
7	US $450	3.88%	3,699.76	3,411.32	07.07.2027	
8	US $300	4.63%	2,466.51	2,274.21	22.03.2028	
	Sub-total (B)		**32,886.78**	**30,322.85**		
	Total (A+B)		**70,106.11**	**64,701.63**		

22.9 In case of PFC's Subsidiary REC Ltd., Global Medium-Term Note (GMTN) Programme

The Company has a Global Medium-Term Note (GMTN) Programme of USD 7 billion which is listed on SGX-ST (Singapore Stock Exchange - Securities Trading), LSE-ISM (London Stock Exchange – International Securities Market), Global Securities Market (GSM) of the India INX (India International Exchange) and NSE IFSC (NSE International Exchange). The summay of funds raised under the GMTN Programme is as below:

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Funds raised during the year under GMTN Programme	Nil*	USD 0.4 billion
Cumulative amount raised under GMTN Programme	USD 4.4 billion	USD 4.4 billion
Outstanding amount out of funds raised under GMTN Programme	USD 4.0 billion	USD 4.0 billion

* Subsequent to the Balance Sheet date, the Company has raised USD 750 million through Green Bonds under its GMTN Programme. Consequently, as on the date of signing of the Balance Sheet, the cumulative amount raised under GMTN Programme is USD 5.15 billion and the outstanding amount out of funds raised under GMTN Programme is USD 4.75 billion.

In case of PFC details of security are as under

22.10 These bond series are secured by first *pari passu* charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.11) along with first *pari passu* charge on immovable property situated at Guindy, Chennai.

22.11 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 254.91 crore as on 31.03.2023 (₹ 438.71 crore as on 31.03.2022) of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

22.12 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first *pari passu* charge on the total receivables / book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.11), limited to the extent of payment / repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable / repayable by the Company to the Bondholders and/or others under / pursuant to the Transaction Documents.

In case of PFC's Subsidiary REC Ltd. details of security are as under (For details of outstanding Secured Debt Securities of REC Ltd - Refer Note no 22.2,22.3,22.4,22.5)

22.13 For all the secured bonds issued by the Company and outstanding as at balance sheet date, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the Company.

22.14 The Bond Series 123-IIIB of Institutional Bonds are secured by way of first *pari passu* charge on the specified immovable property and the loan assets of the Issuer which are charged to other lender / trustee and as may be agreed between the Issuer and the Trustee, pursuant to the terms of the Bond Trust Deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favour of IDBI Trusteeship Services Ltd.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

22.15 Tax Free Bonds issued during FY 2011-12 are secured by first *pari passu* charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of loan assets of ₹ 4,998.66 crore of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).

22.16 Tax Free Bonds issued during FY 2013-14 are secured by first *pari passu* charge on the loan assets (other than those that are exclusively charged/earmarked to lenders / other Trustees) of the Company in favour of SBICap Trustee Company Ltd.

22.17 The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first *pari passu* charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of loan assets (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

22.18 The Bond Series XIV, XV and XVI of 54EC Capital Gain Tax Exemption Bonds are secured by first *pari passu* charge on hypothecation of loan assets (other than those that are exclusively charged/ earmarked to lenders / other Trustees) in favour of SBICap Trustee Company Ltd.

22.19 Refer Note 12 and 17 for the carrying value of receivables and Property, Plant and Equipment (PPE) pledged as security.

22.20 No charges or satisfaction are yet to be registered with Registrar of Companies (ROC) beyond the respective statutory date.

23. BORROWINGS (OTHER THAN DEBT SECURITIES)

The Company and its Subsidiary REC Ltd., have categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(A)	**Secured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Rupee Term Loans (Refer note 23.1)	13,476.25	17,887.50
(ii)	Other Loans from Banks		
	Loan against Term Deposits (Refer note 23.2)	-	228.59
	Sub-Total (A)	**13,476.25**	**18,116.09**
(B)	**Unsecured Borrowings**		
(i)	Term Loans from Banks and Financial Institutions		
	- Foreign Currency Loans (Refer note 23.3)	23,760.24	11,866.70
	- Syndicated Foreign Currency Loans (Refer note 23.4)	64,552.40	55,532.41
	- Rupee Term Loans (Refer note 23.6)	1,11,139.85	90,053.30
(ii)	Term Loans From other Parties		
	- Rupee Term Loans - NSSF (Refer note 23.7)	17,500.00	17,500.00
(iii)	Other Loans from Banks		
	Working Capital Demand Loan/ Overdraft/ Cash Credit/ Line of Credit (Refer Note 23.8)	7,671.42	1,410.93
	Sub-Total (B)	**2,24,623.91**	**1,76,363.34**
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) (A+B)**	**2,38,100.16**	**1,94,479.43**
(D)	Interest accrued but not due on above	1,063.18	725.08
(E)	Unamortised Transaction Cost on above	(820.34)	(587.53)
	Total Borrowings (other than Debt Securities) (C to E)	**2,38,343.00**	**1,94,616.98**
	Geography wise Borrowings		
(i)	Borrowings in India	1,65,851.51	1,37,516.63
(ii)	Borrowings outside India	72,491.49	57,100.35
	Total Geography wise Borrowings	**2,38,343.00**	**1,94,616.98**

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23.1 Details of Secured Rupee Term Loans outstanding are as follows :

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	Bank of Baroda	-	1,225.00	-	Repaid in FY 2022-23
2	Karnataka Bank	-	200.00		
3	State Bank of India	3,570.00	5,000.00	10.07.2023	The loan is to be repaid in 7 half yearly instalments comprising 6 instalments of ₹ 715 crore each and thereafter final instalment of ₹ 710 crore each starting from 10-Jul-2022 and ending on 10-Jul-2025
4	Indian Bank	937.50	1,312.50	28.09.2023	The loan is to be repaid in 08 half yearly instalments of ₹ 187.50 crore each starting from 28-Mar-22 and ending on 28-Sep-2025
5	Indian Bank	1,800.00	1,800.00	29.09.2023	The loan is to be repaid in 12 quarterly instalments of ₹ 150 crore each starting from 29-Sep-2023 and ending on 29-Jun-2026
6	Union Bank of India	200.00	300.00	30.09.2023	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from 30-Sep-2020 and ending on 30-Sep-2024
7	Punjab National Bank	168.75	225.00	30.09.2023	The loan is to be repaid in 04 annual instalments of ₹ 56.25 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
8	Union Bank of India	1,350.00	1,800.00	30.09.2023	The loan is to be repaid in 04 annual instalments of ₹ 450 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
9	Punjab National Bank	750.00	1,125.00	25.02.2024	The loan is to be repaid in 04 annual instalments of ₹ 375 crore each starting from 25-Feb-22 and ending on 25-Feb-2025
10	Union Bank of India	200.00	400.00	15.03.2024	The loan is to be repaid in 5 annual instalments of ₹ 200 crore each starting from 15-Mar-2020 and ending on 15-Mar-2024
11	Canara Bank	1,000.00	1,000.00	20.02.2024	Bullet Repayment at the end of the tenor
12	Bank of India	1,000.00	1,000.00	02.03.2024	The loan is to be repaid in 2 Annual instalments of ₹ 500 crore each starting from 02-Mar-2024 and ending on 02-Mar-2025
13	Indian Bank	500.00	500.00	02.04.2024	Bullet Repayment at the end of the tenor
14	Canara Bank T-1	500.00	500.00	21.06.2024	
15	Canara Bank T-2	500.00	500.00	24.06.2024	
16	Canara Bank	1,000.00	1,000.00	29.06.2024	
	Total Secured Rupee Term Loans	**13,476.25**	**17,887.50**		

23.2 Details of Loan against Term Deposits outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
In case of PFC					
1	Indian Bank	-	142.50	-	Repaid in FY 2022-23
2	Canara Bank	-	41.09	-	
3	Canara Bank	-	45.00	-	
	Total Loan against Term Deposits	**-**	**228.59**		

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23.3 Details of Unsecured Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
In case of PFC					
1	ADB (Guaranteed by the Government of India)	51.35	58.20	15.04.2023	Semi Annual Instalments till 15.10.2028
2	Credit National (Guaranteed by the Government of India)	18.86	27.05	30.06.2023	Semi Annual Instalments till 30.06.2028
3	KFW I (Guaranteed by the Government of India)	41.95	42.82	30.06.2023	Semi Annual Instalments till 30.12.2035
4	KfW EUR 200M 030123	526.42	-	15.11.2023	Semi Annual Instalments till 15.11.2025
5	1 FCNR SBI USD 110M 151222	904.39	-	15.12.2023	Bullet Repayment at the end of the tenor
6	2 FCNR ICICI USD TO EUR 291222	844.48	-	29.12.2023	
8	4 FCNR DBS USD TO EUR 290323	499.53	-	29.12.2023	
7	3 FCNR SBI USD TO EUR 270323	833.03	-	27.03.2024	
9	5 FCNR SBI USD TO EUR 280323	828.79	-	28.03.2024	
10	6 FCNR ICICI USD TO EUR 290323	831.47	-	29.03.2024	
11	7 FCNR SBI USD TO EUR 310323	1,235.68	-	31.03.2024	
	Sub-total (A)	**6,615.95**	**128.07**		
In case of PFC's Subsidiary REC Ltd.					
1	US$200 Mn	-	1,516.14	-	Repaid in FY 2022-23
2	US$150 Mn	-	1,137.11		
3	US$200 Mn	-	1,516.14		
4	US$25 Mn	-	189.52		
5	US$150 Mn	-	1,137.11		
6	US$200 Mn	-	1,516.14		
7	US$75 Mn	-	568.55		
8	US$200 Mn	-	1,516.14		
9	US$100 Mn	-	758.07		
10	JICA Loan	-	23.47		
11	KfW-IV Loan	1,578.56	1,637.43	15.05.2023	Repayable in equal half-yearly instalments of €12.00 million till 15.11.2030, next instalment falling due on 15.05.2023
12	US$200 Mn	1,644.34	-	24.05.2023	Bullet Repayment at the end of the tenor
13	US$150 Mn	1,233.25	-	26.05.2023	
14	US$200 Mn	1,644.34	-	03.06.2023	
15	US$75 Mn	616.63	-	07.06.2023	
16	US$150 Mn	1,233.25	-	21.06.2023	
17	KfW-III Loan	141.51	222.81	30.06.2023	Repayable in equal half-yearly instalments of €5.26 million till 30.03.2024, next instalment falling due on 30.06.2023
18	US$200 Mn	1,644.34	-	08.12.2023	Bullet Repayment at the end of the tenor
19	US$300 Mn	2,466.51	-	13.12.2023	
20	US$75 Mn	616.63	-	14.12.2023	
21	US$100 Mn	822.17	-	15.12.2023	
22	US$200 Mn	1,644.34	-	29.12.2023	
23	€ 69.77 Mn	625.17	-	16.01.2024	
24	US$150 Mn	1,233.25	-	15.02.2024	
	Sub-total (B)	**17,144.29**	**11,738.63**		
	Total (A+B)	**23,760.24**	**11,866.70**		

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23.4 Details of Unsecured Syndicated Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of R edemption	Redemption details
		31.03.2023	31.03.2022		
1	SLN 28 USD	-	1,895.18	-	Repaid in FY 2022-23
2	SLN 28 JPY	-	334.13		
3	SLN 18	-	905.82		
4	SLN 21	-	2,274.21		
5	SLN 22	-	1,895.18		
6	SLN 23	-	1,895.18		
7	SLN 26	2,055.42	1,895.18	26.09.2023	Bullet Repayment at the end of the tenor
8	SLN 27	1,014.18	1,021.24	01.02.2024	
9	SLN 29	2,055.42	1,895.18	20.12.2024	
10	SLN 30	822.17	758.07	13.10.2025	
11	SLN 30	2,466.51	2,274.21	05.11.2025	
12	31 A FCTL USD 525M 301121	4,316.39	3,979.87	30.11.2026	
13	31 B FCTL USD 100M 301121	822.17	758.07	30.11.2026	
14	32 A FCTL JPY 89208M 281222	5,513.05	-	28.12.2026	Redeemable in three instalments: 33.33% loan amount on 28.12.2026, 33.33% of loan amount on 28.12.2027 and balance outstanding on 28.12.2028.
15	32 B FCTL JPY 26762M 050123	1,653.89	-	05.01.2030	Bullet Repayment at the end of the tenor
	Sub-total (A)	**20,719.21**	**21,781.52**		
In case of PFC's Subsidiary REC Ltd.					
1	US $200	-	1,516.14	-	Repaid in FY 2022-23
2	US $150	-	1,137.11	-	
3	¥ 10,327	638.22	642.66	08.08.2023	Bullet Repayment at the end of the tenor
4	US $250	2,055.42	1,895.18	29.08.2023	
5	US $250	2,055.42	1,895.18	27.03.2024	
6	US $150	1,233.25	1,137.11	29.03.2024	
7	US $100	822.17	758.07	01.07.2024	
8	SG $72.0	445.48	403.21	30.03.2025	
9	US $75 M	616.63	568.55	30.03.2025	
10	¥ 10,519	650.07	654.60	25.09.2025	
11	US $170	1,397.69	1,288.72	26.03.2025	$100 million repayable on 26.03.2025 and $ 70 million repayable on 06.10.2025
12	US $425	3,494.22	3,221.80	16.03.2026	Bullet Repayment at the end of the tenor
13	US $600	4,933.01	4,548.43	25.08.2026	
14	US $75 M	616.63	568.55	07.10.2026	
15	US $1175	9,660.49	8,907.33	29.12.2026	
16	¥ 37,506	2,317.91	2,334.04	03.03.2027	
17	US $100	822.17	-	13.06.2027	
18	US $200	1,644.34	-	28.07.2027	
19	US $150	1,233.25	-	13.09.2027	
20	SGD 213.	1,317.80	-	27.10.2027	
21	€ 254.19	2,277.77	-	31.10.2027	
22	€ 349.83	3,134.74	-	27.03.2028	
23	US $300	2,466.51	2,274.21	02.06.2030	
	Sub-total (B)	**43,833.19**	**33,750.89**		
	Total (A+B)	**64,552.40**	**55,532.41**		

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23.5 In case of PFC Ltd. Floating Rate Foreign Currency Loans in above Note No. 23.3 and 23.4 carries an interest rate spread ranging from 5 bps to 150 bps over 6 month USD LIBOR/ ARR (London Inter Bank Offered Rate/Alternative Reference Rate). Except for Foreign Currency Loans from Credit National, KFW-I and FCTL31A & B which are at fixed rate of interest.

In case of PFC's Subsidiary REC Ltd. Foreign Currency Borrowings in Note No. 23.3 and 23.4 have been raised fixed interest rates ranging from 0.65% to 1.86% per annum and variable interest rates ranging from a spread of 13 bps to 210 bps over external benchmarks including 3/6 Months' USD LIBOR (London Inter Bank Offered Rate), 3/6 Months' EURIBOR (Euro Inter Bank Offered Rate), Overnight SOFR (Secured Overnight Financing Rate), 3/6 Months' Term SOFR, SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) and Credit Adjustment Spread (CAS) as applicable on transition of loans to new benchmark rates.

23.6 Details of Unecured Rupee Term Loans outstanding are as follows :

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	Bank of Baroda	-	1,800.00	-	Repaid in FY 2022-23
2	HDFC Bank Ltd.	-	2,000.00		
3	UCO Bank	-	500.00		
4	Union Bank of India	800.00	800.00	15.04.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 100 crore each starting from 15-Apr-2023 and ending on 15-Jan-2025
5	UCO Bank	200.00	200.00	26.05.2023	Bullet Repayment at the end of the tenor
6	HDFC Bank Ltd.	1,000.00	-	10.06.2023	Bullet Repayment at the end of the tenor
7	HDFC Bank Ltd.	650.00	-	13.06.2023	Bullet Repayment at the end of the tenor
8	Canara Bank	875.00	1,750.00	20.06.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 218.75 crore each starting from 20-Jun-2022 and ending on 20-Mar-2024
9	HDFC Bank Ltd.	20.00	-	20.06.2023	Bullet Repayment at the end of the tenor
10	Canara Bank	1,400.00	1,800.00	22.06.2023	The loan is to be repaid in 20 quarterly instalments of ₹ 100 crore each starting from 22-Dec-2021 and ending on 2 2-Sep-2026
11	HDFC Bank Ltd.	7.00	-	22.06.2023	Bullet Repayment at the end of the tenor
12	HDFC Bank Ltd.	55.00	-	23.06.2023	
13	HDFC Bank Ltd.	33.00	-	24.06.2023	
14	HDFC Bank Ltd.	235.00	-	27.06.2023	
15	HDFC Bank Ltd.	3,000.00	3,000.00	29.06.2023	
16	HDFC Bank Ltd.	1,000.00	-	30.06.2023	
17	Bank of India	1,000.00	1,000.00	11.09.2023	The loan is to be repaid in 4 annual instalments of ₹ 250 crore each starting from 11-Sep-2023 and ending on 11-Sep-2026
18	Canara Bank	300.00	400.00	23.09.2023	The loan is to be repaid in 10 half-yearly instalments of ₹ 50 crore each starting from 23-Sep-2021 and ending on 23-Mar-2026
19	State Bank of India	2,999.98	2,999.98	27.09.2023	Bullet Repayment at the end of the tenor
20	HDFC Bank Ltd.	1,000.00	1,000.00	30.09.2023	Bullet Repayment at the end of the tenor
21	HDFC Bank Ltd.	750.00	750.00	05.10.2023	
22	Punjab National Bank	995.00	995.00	24.12.2023	
23	Canara Bank	500.00	500.00	28.12.2023	
24	Canara Bank	500.00	500.00	15.01.2024	
25	Bank of India	2,000.00	2,000.00	21.01.2024	
26	Punjab National Bank	666.67	1,000.00	20.03.2024	The loan is to be repaid in 2 annual instalments of ₹ 333.33 crore each starting from 20-Mar-2023 and ending on 20-Mar-2025

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
27	Union Bank of India	1,250.00	1,875.00	23.03.2024	The loan is to be repaid in 4 annual instalments of ₹ 625 crore each starting from 23-Mar-2022 and ending on 23-Mar-2025
28	KEB Hana Bank	100.00	-	31.05.2024	The loan is to be repaid in 4 halfyearly instalments of ₹ 25 crore each starting from 31-May-2024 and ending on 30-Nov-2025
29	Bank of India	500.00	500.00	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from 18-Sep-2024 and ending on 18-Sep-2028
30	State Bank of India	3,000.00	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
31	HDFC Bank Ltd.	3,000.00	3,000.00	30.09.2025	
32	Bank of Baroda	5,000.00	2,500.00	17.05.2026	The loan is to be repaid in 8 half yearly instalments of ₹ 625 crore each starting from 17-May-2026 and ending on 17-Nov-2029
33	UCO Bank	1,000.00	1,000.00	24.09.2026	Bullet Repayment at the end of the tenor
34	Punjab National Bank	500.00	500.00	27.09.2026	
35	Punjab National Bank	5.00	5.00	29.09.2026	
36	India Infrastructure Finance Company Limited	1,000.00	1,000.00	30.09.2026	
37	Central Bank	1,000.00	1,000.00	31.03.2027	
38	Union Bank	3,000.00	3,000.00	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹ 1500 crore each starting from 31.03.2027 and ending on 31.03.2028
39	Canara Bank	2,250.00	-	28.06.2027	The loan is to be repaid in 2 annually instalments of ₹ 1125 crore each starting from 28-Jun-2027 and ending on 28-Jun-2028
40	Canara Bank	250.00	-	30.06.2027	The loan is to be repaid in 2 annually instalments of ₹ 125 crore each starting from 30-Jun-2027 and ending on 30-Jun-2028
41	Indian Overseas Bank	1,000.00	-	30.09.2027	The loan is to be repaid in 2 yearly instalments of ₹ 500 crore each starting from 30-Sep-2027 and ending on 30-Sep-2028
42	Indian Overseas Bank	500.00	-	30.03.2028	The loan is to be repaid in 2 yearly instalments of ₹ 250 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
43	UCO Bank	1,000.00	-	30.03.2028	Bullet Repayment at the end of the tenor
44	Punjab & Sind Bank	1,000.00	-	30.03.2028	The loan is to be repaid in 2 yearly instalments of ₹ 500 crore each starting from 30-Mar-2028 and ending on 30-Mar-2029
45	National Bank for Financing Infrastructure and Development	3,500.00	-	31.03.2029	The loan is to be repaid in 10 yearly instalments of ₹ 350 crore each starting from 31-Mar-2029 and ending on 31-Mar-2038
	Sub-total (A)	**48,841.65**	**40,374.98**		
In case of PFC's Subsidiary REC Ltd.					
1	JP Morgan Chase Bank	-	1,500.00	-	Repaid in FY 2022-23
2	Mizuho Bank	-	300.00		
3	HDFC Bank	16,350.00	12,000.00	15.06.2023	₹ 2,000 crore repayable on 15.06.2023, ₹ 1,500 crore repayable on 19.06.2023, ₹ 300 crore repayable on 29.09.2023, ₹ 1,500 crore repayable on 30.09.2023, ₹ 350 crore repayable on 11.10.2023, ₹ 350 crore repayable on 05.11.2023, ₹ 500 crore repayable on 15.01.2024, ₹ 850 crore repayable on 17.11.2026, ₹ 2,000 crore repayable on 31.03.2027, ₹ 2,000 crore repayable on 07.09.2027, ₹ 2,500 crore repayable on 29.12.2027 and ₹ 2,500 crore repayable on 27.02.2028.

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
4	Punjab National Bank	4,995.97	4,996.98	27.08.2023	₹ 1,996.66 crore repayable in 3 annual instalments with first instalment due on 27.08.2023, and ₹ 1,999.66 crore repayable on 11.11.2026 and ₹ 999.66 crore repayable in 10 semi-annual instalments starting from 29.03.2028 and final instalment due on 29.12.2031
5	State Bank of India	10,900.26	12,729.30	15.10.2023	₹ 699.84 crore repayable on 15.10.2023, ₹ 919.44 crore repayable in 2 annual instalments due on 05.09.2023 and 05.03.2024, ₹ 3,569.93 crore repayable in 5 semi-annual instalments starting from 15.07.2023 and last instalment due on 15.07.2025, ₹ 1,711.19 crore repayable on 12.12.2027 and ₹ 3,999.86 crore repayable in structured instalments starting from 29.10.2023 and last instalment on 29.10.2031
6	Deutsche Bank	1,000.00	1,000.00	18.12.2023	₹ 500 crore repayable on 18.12.2023 and ₹ 500 crore repayable on 15.06.2027
7	Indian Infrastructure Finance Company Ltd. (IIFCL)	5,500.00	6,800.00	23.02.2024	₹ 1,500 crore repayable on 23.02.2024, ₹ 500 crore repayable on 14.03.2024, ₹ 1,000 crore repayable on 25.03.2026, ₹ 1,000 crore repayable on 27.03.2026, ₹ 1,000 crore repayable on 09.08.2026 and ₹ 500 crore repayable on 28.07.2027
8	Central Bank	2,399.99	500.00	26.03.2024	₹ 1,499.99 repayable on 26.03.2024, ₹ 400 crore repayable on 17.10.2025 and ₹ 500 crore repayable in 7 annual instalments starting from 28.02.2026 and final instalment due on 29.02.2032
9	Indian Bank	1,500.00	-	04.08.2024	₹ 1,500 crore repayable in 6 equal annual instalments starting from 04.08.2024 and final instalment on 04.08.2029
10	Bank of India	1,499.87	749.87	27.09.2024	₹ 749.87 repayable in 5 annual instalments starting from 27.09.2024 and final instalment on 27.09.2028 and ₹ 750 crore repayable on 31.03.2030
11	Bank of Baroda	5,000.00	-	30.09.2024	₹ 5,000 crore repayable in 6 annual instalments starting from 30.09.2024 and final instalment due on 29.09.2029
12	Karnataka Bank	499.99	-	15.05.2025	₹ 499.99 crore repayable on 15.05.2025
13	HSBC Bank	3,402.49	3,402.49	19.05.2025	₹ 565 crore repayable on 19.05.2025, ₹ 187.49 crore repayable on 18.12.2025, ₹ 900 crore repayable on 25.03.2026, ₹ 500 crore repayable on 06.07.2026, ₹ 500 crore repayable on 09.07.2026, ₹ 85 crore repayable on 25.03.2030 and ₹ 665 crore repayable on 28.03.2030
14	Punjab & Sind Bank	700.00	-	09.12.2025	₹ 700 crore repayable on 09.12.2025
15	Union Bank of India	2,999.68	1,999.68	04.01.2026	₹ 1,000 crore repayable on 04.01.2026 and ₹ 1,999.68 crore repayable in 5 annual instalments starting from 31.03.2027 and final instalment on 31.03.2031
16	Jammu & Kashmir Bank	299.95	300.00	28.10.2026	₹ 299.95 crore repayable on 28.10.2026
17	Karur Vysya Bank	250.00	250.00	29.10.2026	₹ 250 crore repayable on 29.10.2026
18	South Indian Bank	500.00	300.00	08.11.2026	₹ 300 crore repayable on 08.11.2026 and ₹ 200 crore repayable on 04.08.2027
19	National Bank for Financing Infrastructure and Development (NaBFID)	500.00	-	31.03.2027	₹ 500 crore repayable in 7 equal annual instalment starting from 31.03.2027 and last instalment due on 31.03.2033
20	ICICI Bank	4,000.00	2,850.00	23.01.2030	₹ 4,000 crore repayable on 23.01.2030
	Sub-total (B)	**62,298.20**	**49,678.32**		
	Total (A+B)	**1,11,139.85**	**90,053.30**		

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23.7 Details of Unsecured Rupee term Loan NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
In case of PFC					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate 8.11% p.a.)	7,500.00	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Sub-total (A)	**7,500.00**	**7,500.00**		
In case of PFC's Subsidiary REC Ltd.					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate 8.29% p.a.)	5,000.00	5,000.00	13.12.2028	Bullet Repayment at the end of the tenor
2	National Small Savings Fund Scheme (NSSF) (Coupon rate 8.16% p.a.)	5,000.00	5,000.00	04.10.2029	Bullet Repayment at the end of the tenor
	Sub-total (B)	**10,000.00**	**10,000.00**		
	Total (A+B)	**17,500.00**	**17,500.00**		

23.8 Details of Unsecured WCDL/ OD/ CC/ Line of Credit outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2023	31.03.2022		
1	State Bank of India (WCL)	1,555.28	-	10.04.2023	Bullet Repayment at the end of the tenor
2	State Bank of India (WCL)	500.00	-	15.04.2023	
3	Punjab National Bank (WCDL)	300.00	-	15.04.2023	
4	HDFC Bank (WCDL)	1,628.55	-	30.06.2023	
	Sub-total (A)	**3,983.83**			
In case of PFC's Subsidiary REC Ltd.					
1	Short-Term Loans/Loans repayable on demand from Banks	3,687.59	1,410.93	Running facility	Running facility
	Sub-total (B)	**3,687.59**	**1,410.93**		
	Total (A+B)	**7,671.42**	**1,410.93**		

23.9 In case of PFC Ltd. Borrowings as at 31.03.2023 in above Note 23.6 have been raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

In case of PFC Subsidiary REC Ltd. Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 23.6 and 23.7 have been raised at interest rates ranging from 5.38% to 8.29% payable on monthly/ quarterly/ semi annual rests.

23.10 None of the borrowings have been guaranteed by Directors.

23.11 There has been no default in repayment of borrowings and interest during periods presented above.

23.12 In case of PFC ,Secured rupee term loans are secured by first *pari passu* charge in favour of lending banks on the receivables of the Company limited to payment/repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/or others under/pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formally known as GDA Trusteeship Limited). Refer Note 12 for carrying values of the receivable pledged as security against secured rupee term loans

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23.13 The Companies in the Group have not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

23.14 The Companies in the Group have not borrowed any funds on the specific security of current assets, where there is any requirement of filing of quarterly returns or statements.

24. SUBORDINATED LIABILITIES

The Company and its Subsidiary REC Ltd., have categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	Subordinated Liabilities (Unsecured)		
(i)	Subordinated Bonds (Principal Outstanding) (Refer Note 24.1)	15,862.20	15,862.20
(ii)	Interest accrued but not due on above	399.25	399.27
(iii)	Unamortised Transaction Cost on above	(176.31)	(133.73)
	Total Subordinated Liabilities	**16,085.14**	**16,127.74**
	Geography wise Subordinated Liabilities		
(i)	Subordinated Bonds in India	16,085.14	16,127.74
(ii)	Subordinated Bonds outside India	-	-
	Total Geography wise Subordinated Liabilities	**16,085.14**	**16,127.74**

24.1 Details of Subordinated Bonds (Unsecured) are as under :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2023	As at 31.03.2022
1	8.06% Bond Series 115 -Redeemable at par on 31.05.2023 - REC Ltd.	2,500.00	2,500.00
2	8.19% Bond Series 105 - Redeemable at par on 14.06.2023 - PFC Ltd.	800.00	800.00
3	9.65% Bond Series 111 - Redeemable at par on 13.01.2024 - PFC Ltd.	1,000.00	1,000.00
4	9.70% Bond Series 114 - Redeemable at par on 21.02.2024 - PFC Ltd.	2,000.00	2,000.00
5	9.25% Bond Series 184A -Redeemable at par on 25.09.2024 - PFC Ltd.	2,000.00	2,000.00
6	9.10% Bond Series 184 B -Redeemable at par on 25.03.2029 - PFC Ltd.	2,411.50	2,411.50
7	8.98% Bond Series 185 -Redeemable at par on 28.03.2029 - PFC Ltd.	1,000.00	1,000.00
8	8.97% Bond Series 175 - Redeemable at par on 28.03.2029 - REC Ltd.	2,151.20	2,151.20
9	7.96% Bond Series 199 - Redeemable at par on 15.06.2030 - REC Ltd.	1,999.50	1,999.50
	Total	**15,862.20**	**15,862.20**

25. OTHER FINANCIAL LIABILITIES

The Group has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Payable on account of Unsecured Government of India Serviced Bonds (Refer Note 25.1)	29,356.50	29,356.50
(ii)	Advance received from Associates	177.16	176.19
(iii)	Unclaimed Dividends (Refer Note 25.2)	12.42	11.85
(iv)	Unpaid - Bonds and Interest Accrued thereon (Refer Note 25.2)		
	- Unclaimed Bonds	26.58	24.03

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for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	- Unclaimed Interest on Bonds	82.95	95.87
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.71	0.90
	- Interest Subsidy Fund and other GOI Funds for disbursement	161.35	1,391.23
	- Lease Liability (Refer Note 51.1)	17.01	19.07
	- Other liabilities	1,129.99	1,523.34
	Total Other Financial Liabilities	**30,964.67**	**32 ,598.98**

25.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds) :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2023	As at 31.03.2022
1	7.10% Bond Series 156 -Redeemable at par on 11.01.2027 - PFC Ltd.	200.00	200.00
2	7.18% Bond Series 158 - Redeemable at par on 20.01.2027 -PFC Ltd.	1,335.00	1,335.00
3	7.60% Bond Series 160 - Redeemable at par on 20.02.2027 - PFC Ltd.	1,465.00	1,465.00
4	7.75% Bond Series 164 - Redeemable at par on 22.03.2027 - PFC Ltd.	2,000.00	2,000.00
5	8.09 % GoI-I Series - Redeemable at par on 21.03.2028 - REC Ltd.	1,837.00	1,837.00
6	8.01% GoI-II Series - Redeemable at par on 24.03.2028 - REC Ltd.	1,410.00	1,410.00
7	8.06% GoI-III Series - Redeemable at par on 27.03.2028 - REC Ltd.	753.00	753.00
8	8.70% - GoI-IV Series -Redeemable at par on 28.09.2028 - REC Ltd.	3,000.00	3,000.00
9	8.54% GoI-V Series - Redeemable at par on 15.11.2028 - REC Ltd.	3,600.00	3,600.00
10	8.80% GoI-VI Series - Redeemable at par on 22.01.2029 - REC Ltd.	2,027.00	2,027.00
11	8.60% GoI-VII Series - Redeemable at par on 08.03.2029 - REC Ltd.	1,200.00	1,200.00
12	8.30% GoI-VIII Series -Redeemable at par on 25.03.2029 - REC Ltd.	4,000.00	4,000.00
13	7.14% GoI-IX Series - Redeemable at par on 02.03.2030 - REC Ltd.	1,500.00	1,500.00
14	8.25% GoI-X Series - Redeemable at par on 26.03.2030 - REC Ltd.	532.30	532.30
15	7.20% GoI-XI Series Redeemable at par on 31.03.2030 - REC Ltd.	1,750.00	1,750.00
16	6.45% GoI-XII Series - Redeemable at par on 07.01.2031 - REC Ltd.	1,000.00	1,000.00
17	6.63% GoI-XIII Series - Redeemable at par on 28.01.2031 - REC Ltd.	1,000.00	1,000.00
18	6.50% GoI-XIV Series - Redeemable at par on 26.03.2031 - REC Ltd.	500.00	500.00
19	Interest accrued on above	247.20	247.20
	Total GoI Serviced Bonds (Unsecured Taxable Bonds)	**29,356.50**	**29,356.50**

25.2 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors / holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

25.3 Amounts payable under GoI Schemes:

(i) PFC has been designated as Nodal Agency for operationalisation and implementation of RDSS Scheme and IPDS (R-APDRP subsumed in it). Role of Nodal Agency *inter alia* includes pass through of loans/grants to eligible utilities under schemes of GOI. The release of the funds under GoI schemes is ensured through Treasury Single Account (TSA) maintained with RBI, as per office memorandum issued by MoF, GoI dated 09th March 2022. This ensures that funds of these schemes are released 'Just in time' from the Consolidated Fund of India (CFI) to the beneficiaries refer Note 55.

(ii) RECL has been appointed by GOI as a nodal agency for implementation of Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) and Revamped Distribution Sector Scheme (RDSS). The funds received for disbursement to various agencies under the scheme are kept in a separate bank accounts. The undisbursed funds for the scheme (including the funds received under erstwhile RGGVY Scheme) including interest earned thereto are classified under the line item 'Interest Subsidy Fund and Other GOI Funds for Disbursement' under 'Other Financial Liabilities' . For further details of GOI schemes, refer Note 55.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(iii) Subsidy Under Accelerated Generation & Supply Programme (AG&SP)

REC is maintaining an Interest Subsidy Fund Account and was given AG&SP subsidy (for disbursement to the eligible borrowers) by Govt. of India at net present value calculated at indicative rates and year in accordance with GOI's letter vide D.O.No. 32024/17/97-PFC dated 23.09.1997 and O.M.No.32024/23/2001-PFC dated 07.03.2003 irrespective of the actual repayment schedule, moratorium year and duration of repayment of the eligible schemes. The impact of difference between the indicative rate and year considered at the time of drawl and the actual can be ascertained only after the end of the respective schemes.

Net amount of ₹ 0.75 crore as at March 31, 2023 (₹ 0.73 crore as at March 31, 2022) represents the balance amount of interest subsidy fund, which is to be passed on to the borrowers against their interest liability arising in future, under Accelerated Generation & Supply Programme (AG&SP), which comprises of the following:-

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Opening Balance of Interest Subsidy Fund	0.73	0.71
Add: Interest earned during the year	0.02	0.02
Less: Interest subsidy passed on to the borrower	-	-
Closing Balance of Interest Subsidy Fund	0.75	0.73

(iv) The movement in Interest on Subsidy/ Grant of RECL is explained as under:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Opening Balance	20.87	37.84
Add: Interest earned/Adjustment during the year	16.65	25.40
Less: Amount refunded to Govt./Adjusted during the year	(13.35)	(42.37)
Closing Balance	**24.17**	**20.87**

26. PROVISIONS

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	For Employee Benefits (Refer Note 50):		
	- Gratuity	3.70	0.37
	- Leave Encashment	98.50	94.79
	- Economic Rehabilitation of Employees	11.99	10.91
	- Provision for Bonus / Incentive	79.54	73.71
	- Provision for Staff Welfare Expenses	28.20	23.04
(ii)	Impairment Loss Allowance - Letter of Comfort & Guarantee (Refer Note 26.1)	66.80	98.11
(iii)	Provision for Unspent CSR Expense	149.38	55.62
	Total Provisions	**438.11**	**356.55**

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26.1 Movement of Impairment loss allowance on Letter of Comfort & Guarantee

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
(i)	Opening balance	98.11	66.12
(ii)	Creation during the year	5.60	76.23
(iii)	Reversal during the year	(36.91)	(44.24)
	Closing balance	**66.80**	**98.11**

27. OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Unamortised Fee - Undisbursed Loans Assets	201.60	187.66
(ii)	Sundry Liabilities (Interest Capitalisation)	29.07	32.45
(iii)	Statutory dues payable	67.45	93.15
(iv)	Advance received from Govt. towards Govt. Schemes	0.10	1.00
(v)	Others	86.57	53.75
	Total Other Non-Financial Liabilities	**384.79**	**368.01**

28. EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at 31.03.2023		As at 31.03.2022	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	11,00,00,00,000	11,000.00	11,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹ 10)	20,00,00,000	200.00	20,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the period	-	-	-	-
	Closing Equity Share capital	**2,64,00,81,408**	**2,640.08**	**2,64,00,81,408**	**2,640.08**

28.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹ 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

28.2 Shares in the Company held by each shareholder holding more than 5% of the shares

	Particulars	As at 31.03.2023		As at 31.03.2022	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	1,47,82,91,778	55.99%	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd.	16,38,70,959	6.21%	22,85,47,160	8.66%
(iii)	Life Insurance Corporation of India	12,37,62,976	4.69%	13,21,17,474	5.00%

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28.3 Shares reserved for issue under options and contract / commitment for the sale of shares or disinvestment, including the terms and amount : Nil

28.4 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Nil

28.5 Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : Nil

28.6 Forfeited shares (amount originally paid up) : Nil

28.7 Capital Management : Refer Note 45.

29. OTHER EQUITY*

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
(i)	Capital Reserve - Common Control (Refer Note 29.1 (i))	(13,114.50)	(13,461.00)
(ii)	Securities Premium (Refer Note 29.1 (ii))	3,606.87	3,953.74
(iii)	Foreign Currency Monetary Item Translation Difference Account (Refer Note 29.1 (iii))	(883.61)	(806.07)
(iv)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 (Refer Note 29.1 (iv))	12,783.26	9,298.33
(v)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961 (Refer Note 29.1 (v))	529.39	680.04
(vi)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(vii)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98 (Refer Note 29.1 (vi))	39,658.38	35,878.11
(viii)	Interest Differential Reserve - KFW Loan (Refer Note 29.1 (vii))	64.97	64.07
(ix)	General Reserve (Refer Note 29.1 (viii))	21,026.85	20,346.81
(x)	Retained Earnings (Refer Note 29.1 (ix))	18,236.28	12,757.10
(xi)	Reserve for Equity Instruments through Other Comprehensive Income (Refer Note 29.1 (x))	2.12	(74.23)
(xii)	Reserve for Effective portion of Cash Flow Hedges (Refer Note 29.1 (xi))	808.03	302.56
(xiii)	Costs of Hedging Reserve (Refer Note 29.1 (xii))	(1,799.49)	(503.16)
	Total Other Equity	**81,518.41**	**69,036.16**

* For movements during the period refer Consolidated Statement of Changes in Equity.

29.1 Nature and purpose of reserve

(i) Capital Reserve - Common Control

Consequent to the acquisition of REC Limited by PFC on 28th March,2019, the difference between PFC's share in equity share capital of REC Limited of ₹ 1039.50 and the consideration paid (including investment of ₹ 0.50 crore existing on the date of acquisition) of ₹ 14500.50 crore has been recognised as capital reserve-common control.

(ii) Securities Premium:

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Foreign Currency Monetary Item Translation Difference Account:

It represents unamortised foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortised over the tenure of the respective borrowings.

(iv) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934:

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as

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may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

(v) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961:

It has been created to enable the PFC and its subsidiary REC Ltd. to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per Section 36(1)(viia)(c) of Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible to avail deduction in respect of any provision / reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

(vi) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable PFC and its subsidiary REC Ltd. to avail tax benefits. As per Section 36(1)(viii) of the Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible for deduction not exceeding 20% of profit derived from long-term finance activity, provided such amount is transferred and maintained in special reserve account.

(vii) Interest Differential Reserve - KFW Loan:

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/ loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

(viii) General Reserve:

General Reserve includes the amounts appropriated from the profits of the Group before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilisation/ reversal of such Reserves. Further the Group appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

(ix) Retained Earnings:

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Group after transfer to and from other reserves and dividend distributions.

(x) Reserve for Equity Instruments through Other Comprehensive Income :

The Companies in the Group elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognised, amounts in the reserve are subsequently transferred to retained earnings and not to consolidated statement of profit and loss. Dividends on such investments are recognised in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

(xi) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

(xii) Cost of Hedging Reserve

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

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29.2 (i) The details of dividend declared/proposed by PFC on equity shares of face value of ₹10 each is as under:

Particulars	FY 2022-23			FY 2021-22		
	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
Interim Dividend	87.50%	8.75	2,310.07	107.50%	10.75	2,838.09
Final Dividend	45.00%	4.50	1,188.04	12.50%	1.25	330.01
Total Dividend	**132.50%**	**13.25**	**3,498.11**	**120.00%**	**12.00**	**3,168.10**

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on 27.05.2023 has recommended final dividend @ 45% on the paid up equity share capital i.e. ₹ 4.50 per equity share of ₹ 10 each for the FY 2022-23 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of Section 123 of Companies Act, 2013, as applicable.

30. NON-CONTROLLING INTEREST

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
	Balance at the beginning of the year	24,040.51	20,464.36
(i)	Share of Net Profit for the period	5,289.26	4,753.42
(ii)	Re-measurement of Defined Benefit Plans	(2.12)	(2.95)
(iii)	Share of Other Comprehensive Income/(Expense)	(457.81)	(24.47)
	Share of Total Comprehensive Income	**4,829.33**	**4,726.00**
(i)	Dividend Declared/ Proposed to Non-Controlling Interest	(1,477.97)	(1,142.15)
(ii)	Others	(127.49)	(7.70)
	Balance at the end of the period - towards Equity Share Holders	**27,264.39**	**24,040.51**
	towards Instruments Entirely Equity in Nature (Refer Note 30.2)	558.40	558.40
	Total Non - Controlling Interest	**27,822.79**	**24,598.91**

30.1 PFC's subsidiary REC Ltd. had issued Perpetual Debt Instruments of face value of ₹ 10 lakhs each, with no maturity and callable only at the option of the Company after 10 years. The claims of the holders of the securities shall be (a) Superior to the claims of the holders of the equity shares issued by the Issuer; and (b) Subordinated to the claims of all other creditors of the Issuer. The instruments carry a step up provision if not called after 10 years. The payment of Coupons may be cancelled or suspended at the discretion of REC Ltd. The coupon of the securities is not cumulative except where the Issuer shall not be liable to pay coupon and may defer the payment of coupon, if (i) The capital to risk assets ratio ("CRAR") of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI.

As these securities are perpetual in nature and the Group does not have any redemption obligation and discretion on payment of coupon, these have been classified as Equity. Further as such Equity is not attributable , directly or indirectly to the parent viz. PFC Limited, the same has been included under Non-Controlling interest. The periodic coupon payments are accordingly adjusted with retained earnings.

30.2 In case of PFC's Subsidiary REC Ltd. details of Instruments Entirely Equity in Nature (Perpetual Debt instruments) are as follows:

(₹ in crore)

Particulars	Coupon Rate	Number of Bonds	Date of allotment	As at 31.03.2023	As at 31.03.2022
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	7.97%	5,584.00	22-Jan-2021	558.40	558.40

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

30.3 Instrument holders holding more than 5% of Perpetual Debt Instruments entirely equity in nature as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2023		As at 31.03.2022	
	Number	Percentage	Number	Percentage
HVPNL Employees Pension Fund Trust	665	11.91%	665	11.91%
HPGCL Employees Pension Fund Trust	500	8.95%	500	8.95%

31. INTEREST INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	76,195.15	74,731.09
	Less: Rebate for Timely Payment to Borrowers	(282.32)	(386.75)
(ii)	Interest on Deposits with Banks	292.69	339.15
(iii)	Interest on Investment	207.26	118.96
(iv)	Other Interest Income	36.22	31.47
B	**On Financial Assets classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	40.76	47.82
(ii)	Other Income	6.17	5.38
	Total Interest Income (A+B)	**76,495.93**	**74,887.12**

32. DIVIDEND INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(A)	**Dividend on equity investments designated at FVTOCI**		
(i)	Investments held at the end of the year	102.00	67.56
(ii)	Investments derecognised during the year	0.98	1.30
	Sub-total (i+ii)	**102.98**	**68.86**
(B)	**Dividend on preference shares**	0.02	0.00
	Total Dividend Income (A+B)	**103.00**	**68.86**

33. FEES AND COMMISSION INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Prepayment Premium on Loans	114.19	816.97
(ii)	Fee based Income on Loans	240.81	228.78
(iii)	Fee for implementation of GoI Schemes (Refer Note 55)	193.79	23.83
	Total Fees and Commission Income	**548.79**	**1,069.58**

34. OTHER OPERATING INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Sale of Services (Refer Note 6.10)	420.58	233.29
(ii)	Other	-	2.81
	Total Other Operating Income	**420.58**	**236.10**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

35. OTHER INCOME

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Excess Liabilities written back	1.72	12.49
(ii)	Miscellaneous Income	55.17	70.77
	Total Other Income	**56.89**	**83.26**

36. FINANCE COSTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and others	11,864.45	8,438.29
	- Interest on Lease Liability (Refer Note 51.1)	1.65	1.75
(ii)	**Interest on Debt Securities**		
	- Bonds/Debentures	31,125.65	32,761.10
	- Commercial Paper	-	54.73
(iii)	**Interest on Subordinated Liabilities**	1,402.49	1,374.10
(iv)	**Other Interest Expense**		
	- Interest on Interest Subsidy Fund	-	1.13
	- Interest on Application Money - Bonds	0.01	0.29
	- Interest on advances received from Subsidiaries	4.66	2.87
	- Interest under Income Tax Act, 1961	0.88	2.66
	- Other	3.62	5.34
	Less: Finance Cost Capitalised	(0.03)	(5.10)
	On Financial Liabilities Classified at Fair Value Through Profit or Loss		
(v)	**Swap Premium (Net)**	2,613.40	2,071.62
	Total Finance Costs	**47,016.78**	**44,708.78**

37. NET TRANSLATION / TRANSACTION EXCHANGE LOSS /(GAIN)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Net Translation/ Transaction Exchange Loss/ (Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	2,221.75	1,078.42
(ii)	Translation of Long-term foreign currency monetary item (LTFCMI) (including Amortisation of FCMITDA) recognised up to 31.03.2018	867.52	626.21
	Total Net Translation/Transaction Exchange Loss /(Gain)	**3,089.27**	**1,704.63**

37.1 The Group's foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2023	As at 31.03.2022
USD / INR	82.2169	75.8071
Euro / INR	89.6076	84.6599
JPY / INR	0.6180	0.6223
SGD / INR	61.8074	55.9438

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for the year ended March 31, 2023

38. FEES AND COMMISSION EXPENSE

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Agency Fees	3.21	3.64
(ii)	Guarantee, Listing and Trusteeship fees	5.37	7.54
(iii)	Credit Rating Fees	10.73	12.41
(iv)	Other Finance Charges	9.04	3.32
	Total Fees and Commission Expense	**28.35**	**26.91**

39. NET LOSS / (GAIN) ON FAIR VALUE CHANGES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	On financial instruments at Fair value through Profit or Loss:		
(i)	- Change in Fair Value of Derivatives	(192.57)	(391.14)
(ii)	- Change in Fair Value of Investments	81.88	43.13
(iii)	- Change in Fair Value of Short-Term Investment of Surplus Funds in Mutual Funds	(5.18)	(7.99)
	Total Net Loss / (Gain) on Fair Value changes	**(115.87)**	**(356.00)**
	Fair value changes:		
(i)	- Realised	(238.88)	(151.88)
(ii)	- Unrealised	123.01	(204.12)
	Total Net Loss / (Gain) on Fair Value changes	**(115.87)**	**(356.00)**

39.1 Fair value changes in this note are other than those arising on account of accrued interest income/expense.

40. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A	**On Financial Assets measured at Amortised Cost:**		
(i)	Loans	(219.87)	5,651.97
(ii)	Other Financial Assets and Trade Receivables	30.91	11.11
(iii)	Letter of Comfort	(21.25)	31.99
B	**On Financial Assets measured through P&L**		
(i)	Write Offs - investments	56.66	-
	Total Impairment on Financial Instruments	**(153.55)**	**5,695.07**

40.1 Refer Note 46.1 for details of impairment on financial assets.

41. EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Salaries and Wages	321.84	296.13
(ii)	Contribution to Provident and other Funds/ Schemes	28.72	30.95
(iii)	Staff Welfare Expenses	74.39	70.01
(iv)	Rent for Residential Accommodation of Employees	13.93	10.23
	Total Employee Benefit Expenses	**438.88**	**407.32**

41.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 50.

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for the year ended March 31, 2023

42. OTHER EXPENSES

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Rent, Taxes and Energy Cost	9.23	11.66
(ii)	Repairs and Maintenance	28.58	38.11
(iii)	Communication Costs	5.08	5.48
(iv)	Printing and Stationery	2.90	2.12
(v)	Advertisement and Publicity	24.65	13.67
(vi)	Directors Fees, Allowance & Expenses	0.83	0.40
(vii)	Auditor's fees and expenses	2.99	3.10
(viii)	Legal & Professional charges	35.30	21.48
(ix)	Insurance	0.50	0.32
(x)	Travelling and Conveyance	39.52	25.37
(xi)	Net Loss / (Gain) on derecognition of Property, Plant and Equipment	9.66	3.88
(xii)	Govt. scheme monitoring expense*	19.04	18.49
(xiii)	Conference And Meeting Expenses	18.12	9.40
(xiv)	Security Expenses	3.63	3.69
(xv)	Other Expenditure	69.41	96.06
	Total Other Expenses	**269.44**	**253.23**

* Includes unreconciled balance from one subsidiary amounting to 3 crore (Previous year nil).

43. DISCLOSURE RELATED TO INCOME TAXES

43.1 Income tax expense recognised in Consolidated Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Current Tax expense:		
Current Year	5,119.10	5,501.89
Earlier Years	(198.44)	(40.01)
(A) Total Current Tax Expense	4,920.66	5,461.88
Deferred Tax Expense /(Income)		
Origination and reversal of temporary differences	396.82	(847.87)
(B) Total Deferred Tax Expense/(Income)	**396.82**	**(847.87)**
Total Income Tax Expense (A+B)	**5,317.48**	**4,614.01**

43.2 Income tax expense recognised in Consolidated Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Current Tax Expense/(Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(1.45)	(1.75)
(A) Total Current Tax Expense/(Income)	**(1.45)**	**(1.75)**
Deferred Tax Expense/(Income)		
(B) Items that will not be reclassified to Profit or Loss		
Re-measurement of Defined Benefit Plans	(1.00)	(1.72)
Net Gain/(Loss) on Fair Value of Equity Instruments	(9.84)	7.03
(C) Items that will be reclassified to Profit or Loss		
Effective portion of Gains and (Loss) on hedging instruments in Cash Flow Hedge	234.65	226.52
Cost of Hedging Reserve	(645.29)	(238.42)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
(D) Total Deferred Tax Expense/(Income) (B+C)	**(421.48)**	**(6.59)**
Total Tax Expense/(Income) recognised in OCI (A+D)	**(422.93)**	**(8.34)**

43.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expenses and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Profit before Tax	26,499.14	23,382.22
Applicable Tax Rate	25.168%	25.168%
Tax using the applicable tax rate	**6,669.30**	**5,884.83**
Tax effect of:		
Non-deductible tax expenses	107.46	139.88
Tax exempt income	(3.00)	(2.62)
Deduction u/s 80M of Income Tax Act, 1961	(439.13)	(609.93)
Deduction u/s 36(1)(viii) of Income Tax Act, 1961	(1,268.07)	(1,114.48)
Others	32.93	26.31
Tax expense pertaining to earlier years	(198.44)	(40.00)
Impact of change in tax rate	-	(3.98)
Effect of eliminations	416.43	334.00
Total tax expenses in the Consolidated Statement of Profit and Loss	**5,317.48**	**4,614.01**

43.4 Deductible temporary differences/ unused tax losses/ unused tax credits carried forward in respect of PFC

Particulars	As at 31.03.2023 (₹ in crore)	Expiry date	As at 31.03.2022 (₹ in crore)	Expiry date
Deductible temporary differences/ unused tax losses/ unused tax credits for which no deferred tax asset has been recognised	-	-	1.25	31.03.2024
	-	-	2.54	31.03.2025
	-	-	0.03	31.03.2028
	-	-	0.07	31.03.2029

44. DISCLOSURE AS PER IND AS 33 "EARNINGS PER SHARE"

Sr. No.	Description	FY 2022-23	FY 2021-22
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
	(i) from continuing operations	15,889.33	14,014.79
	(ii) from discontinued operations	-	-
	(iii) from continuing and discontinued operations	15,889.33	14,014.79
(B)	Weighted average number of equity shares used as denominator (basic & diluted)	2,64,00,81,408	2,64,00,81,408
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (₹):		
	(i) for continuing operations	60.19	53.08
	(ii) for discontinued operations	-	-
	(iii) for continuing and discontinued operations	60.19	53.08

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45. CAPITAL MANAGEMENT

The Group maintains a capital base that is adequate to support the Group's risk profile, regulatory and business needs. The Group sources funds from domestic and international financial markets, *inter alia* leading to diverse investor base and optimised cost of capital. Refer Note 22, 23 & 24 for details w.r.t. sources of funds and refer Consolidated Statement of Changes in Equity for details w.r.t. Equity.

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time (hereinafter referred to as "RBI Master Directions"), NBFCs are required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Company and its subsidiary RECL are registered with RBI as Non Deposit Systematically Important (NDSI) NBFCs. Both the companies regularly monitor the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company and its subsidiary RECL is also guided, *inter alia*, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital to Risk Weighted Assets Ratio (CRAR) is as under:

Particulars	As at 31.03.2023		As at 31.03.2022	
	PFC	RECL	PFC	RECL
CRAR – Tier I Capital	21.61%	22.84%	20.00%	19.58%
CRAR – Tier II Capital	2.76%	2.94%	3.48%	4.03%
Total CRAR	**24.37%**	**25.78%**	**23.48%**	**23.61%**

* Computed as per applicable RBI guidelines.

Dividend Distribution Policy

The companies in the Group have a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars/guidelines, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, an entity is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions.

Though respective companies' endeavours to declare dividend as per these guidelines, they may propose a lower dividend after analysis of various financial parameters like net-worth, CAPEX/ business expansion needs; additional investments in subsidiaries/ associates of the respective company; other regulatory requirements etc. For details of dividend paid/proposed during the year, refer Note 29.2(i) and 29.2.(ii).

46. FINANCIAL RISK MANAGEMENT

The Group is exposed to several risks which are inherent to the environment that it operates in. The Group is primarily into the business of extending financial assistance to power, logistics and infrastructure sector. The principal risks which are inherent with the Group's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

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The following table broadly explains the sources of risks which the Group is exposed to and how it manages the same and related impact in the consolidated financial statements:

Note	Risk	Exposure arising from	Measurement	Risk Management
46.1	Credit Risk	Loans, financial assets, investments, trade receivables, cash and cash equivalents	Ageing analysis	Detailed appraisal process, credit concentration limits, diversification of asset base and collateral including government guarantee
46.2	Liquidity Risk	Debt securities, borrowings, subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
46.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis, cash flow forecasting	Derivative contracts for hedging currency risk
46.4	Market Risk – Interest Rate Risk	Debt securities, borrowings, subordinated liabilities and loans at variable interest rates	Interest rate gap analysis, Sensitivity analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
46.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the companies in the Group have put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the respective Company, PFC and its subsidiary RECL has respective Chief Risk Officers (CRO) who are involved in the process of identification, measurement and mitigation of risks. The risk management approach i.e. objectives, polices and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

46.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Group by failing to discharge its obligation. Details of financial assets that expose the Group to credit risk (gross carrying amount) are:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Low Credit Risk		
Cash and cash equivalents[a]	127.59	914.24
Bank balances other than included in cash and cash equivalents[a]	3,973.43	5,770.26
Loans (Principal outstanding)[c]	7,98,755.96	6,57,482.61
Trade Receivables[b]	185.69	123.02
Investments (Excluding equity investments)[a]	3,772.30	2,138.59
Other financial assets[b]	29,835.07	29,820.35
Moderate Credit Risk		
Loans (Principal outstanding)[c]	27,350.31	62,938.57
Trade receivables[b]	37.62	30.97
High Credit Risk		
Investments (Excluding equity investments)[a]	101.67	101.67
Loans (Principal outstanding)[c]	31,393.73	38,075.17
Other financial assets[b]	113.59	115.97
Trade receivables[b]	66.81	63.32

[a]Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, across the country with diversified deposit base. The Companies in the Group diversify the deposit base by deploying funds in various types of instruments with respective banks/mutual fund houses.

Exposure to credit risk on investments is managed by diversifying the investment portfolio, periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value.

[b]Credit risk on trade receivables and other financial assets is mitigated by assessing the credit worthiness of debtors and is managed by monitoring the recoverability of such amounts. The Group carries requisite impairment loss allowance on such trade receivables and other financial assets.

[c]The Group is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below (Note 46.1.1 – Note 46.1.13).

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46.1.1 Credit Risk Management Approach for lending operations

A. In respect of PFC

PFC has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the PFC's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e., project appraisal & project monitoring. PFC selects the borrowers in accordance with the PFC's approved credit policy, which *inter alia*, defines factors to be considered for rating of the borrower/ project. PFC's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, *inter alia*, based on internal rating awarded by PFC.

(i) Appraisal of Projects

PFC follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Power Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the *prima facie* preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted by the Competent Authority on the basis of preliminary appraisal.

PFC along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. PFC follows an integrated rating methodology whereby Integrated Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt equity ratio) are stipulated.

(b) Appraisal for State Sector Power Projects

State sector projects are taken up for detailed appraisal to determine, *inter alia*, if it is techno economically sound and compatible with integrated power development & expansion plans of the State.

PFC classifies state power generation and transmission utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, PFC adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, PFC's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of PFC's rating structure.

Such categories/ ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. PFC also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling/ projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non-statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of PFC as a lender for timely servicing of debt. PFC has an authorisation/ delegation structure for the approval of credit facilities commensurating with the size of the loan.

(ii) Security and Covenants

PFC stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, PFC adopts a combination of the following measures:

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(a) Primary Security - Charge on Project Assets or State Government Guarantees

(b) Collateral Securities - Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets/ revenues of group/other companies

(c) Payment Security Mechanism - Escrow Account / Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants - Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

PFC has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimise the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

For private sector, where PFC is Lead Financial Institution (FI), PFC engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders/consortium members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilisation of funds in the project periodically. In cases where PFC is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender. From FY 2022-23 onwards PFC has started empanelling Project Management Agency (PMA), as a single entity, for private sector projects, thereby facilitating better coordination of project monitoring activities.

Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction/ implementation etc. and is reviewed by PFC on a regular basis.

PFC continuously monitors delays and/or default of borrowers and their recoverability. On occurrence of default in the borrower's account, PFC initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularisation of the account by recovering all overdues, invocation of guarantees/securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC -2016, sale of the exposures to other entities/investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory/legal framework.

B. In respect of RECL

The credit risk is managed at different levels including at appraisal, disbursements and post disbursement monitoring. RECL has "Integrated Rating Guidelines" and "Comprehensive Risk Management Policy". To mitigate credit risk, RECL follows systematic institutional and project appraisal process to assess the credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. Further, on periodic basis, the loan assets are reviewed and categorised as High/Moderate/Low based on ECL Methodology. The process for Credit Risk Management is as under:

(i) RECL has "Integrated Rating Guidelines" covering credit assessment, risk grading, collateral requirements, reporting, monitoring of end utilisation of funds etc. Further, independent Lender legal counsels are appointed to ensure effective documentation and mitigation of legal risk.

(ii) For all existing private sector projects, where RECL is Lead Financial Institution, RECL engages Lender's Independent Engineers (LIE), Lender's Financial Advisors (LFA) and Lender's Insurance Advisors (LIA), which are independent agencies who act on behalf of various lenders and consortium members. LIE conducts periodic site visits and submits reports on progress status of the project, after discussion with borrower and inspection/review of relevant documents. LFA submit the statements of fund flow and utilisation of funds in the project periodically. In cases where RECL is not the lead Financial Institution, the tasks related to LIE and LFA services are being coordinated with the lead lender.

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RECL also endeavours to appoint a separate Project Management Agency (PMA) for new projects being financed, which subsumes the entire works of LIE/Project Management Consultant (PMC), LFA and LIA for better coordination among the agencies. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of project progress, review of EPC/non-EPC contracts & invoices, fund utilisation and insurance for the project. PMA also verifies the bills of original equipment manufacturer/ supplier, composite works contractor and give its recommendation for disbursement. Initial due diligence is also be performed by PMA taking the sanctity of technical and financial parameters including original project cost & COD.

Concurrent Auditors/ Agencies for Specialised monitoring/ Cash Flow monitoring agencies are being appointed by REC/ Lenders on case to case basis for effective monitoring of Trust & Retention Account (TRA) for stressed projects.

(iii) RECL has an authorisation structure for the approval and renewal of credit facilities. Authorisation limits have been established commensurating with the size of business proposal at CMD/ Executive Committee/ Loan Committee/ Board of Directors based on the recommendation of Screening Committee, as appropriate.

(iv) RECL has developed risk grading structure to categorise its exposures according to the degree of risk of default by charging appropriate interest rates and security package.

(v) Regular reports on the credit quality of loan portfolios are provided to Risk Management Committee and Board, which may require appropriate corrective action to be taken.

(vi) External agencies are appointed from time to time to review the guidelines, policy and existing practices being followed by business units along with providing the specialist skills to promote best practice throughout RECL for management of credit risk.

(vii) Individual and Group Credit Exposures are assessed against designated limits, before facilities are committed to borrowers by the business unit concerned. Sanction of additional facilities is also subject to the same review process.

(viii) RECL continuously monitors delays and/or default of borrowers & other counterparties and their recoverability. On occurrence of default in the borrower's account, RECL initiates necessary steps to cure the default which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC), etc., monitoring of the TRA account, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP), sale of the exposures to other entities/ investors and other recovery mechanisms including invocation of guarantees/ securities to recover the dues.

46.1.2 Credit Risk Measurement - Impairment Assessment for Lending Operations

Ind AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Group uses the following basis:

- A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.
- If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.
- If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

A. In respect of PFC

PFC recognises impairment loss allowance in accordance using the expected credit loss (ECL) model for the financial assets which are not categorised at fair value through profit or loss.

I. Default: In accordance with Ind AS 109, PFC considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

II. SICR: An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In accordance with Ind AS 109, PFC has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

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In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and/ or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

III. Measurement of Expected Credit Loss (ECL)

PFC recognises impairment loss allowance for the financial assets in accordance with a board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). PFC has appointed an independent agency, CRISIL Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109. The brief methodology of computation of ECL is as follows:

(i) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12 month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage 1 accounts, 12 months PD is used.

For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used. For Stage 3 (credit impaired accounts), 100% PD is taken.

12-month PD: In case of State Sector borrowers, for the purpose of PD calculation, the risk rating grades of the utilities are considered. For Gencos/ Transcos/ Others, PFC's internal rating grades have been considered. For Discoms/Power Department borrowers, PFC has adopted the MoP ratings . The ratings as above has been be mapped with the standard external rating benchmarks. The PD factor associated with the mapped external rating as given in the PD transition matrix published by various Credit Rating Agencies(CRAs) have been used for PD calculation.

In case of Private sector borrowers, the latest external rating as published by various Credit Rating Agencies have been referred to compute PD using the PD transition matrix published by various CRAs . If external rating is not available, the PD has been computed through Proxy Risk Scoring Model on a 10-point scale with 1 suggesting minimum risk and 10 suggesting the highest risk. The said model uses the Quantitative financial ratios like Gearing (Debt/Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative factors like PLF, ACS / ARR ratio or LAF to arrive at the final Risk score. The financial risk score obtained have been mapped to external rating benchmarks. This mapped rating has been referred to compute PD associated with the rating using the PD transition matrix published by various CRAs.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(ii) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, the Company considers the credit worthiness of the states on various parameters while estimating the LGD for state utilities. For estimating the credit worthiness of the state, parameters like State GDP per capita, Fiscal deficit/GDP ratio and Proportion on Revenue Expenditure on Energy Sector, etc. are used as key inputs. The state utilities are bifurcated into Low, Medium and High-risk category based on the state category.

In case of Private sector borrowers, LGD has been assessed considering factors related to the project to arrive at realisable value of the plant such as generation capacity, project cost per MW, percentage completion of the plant, and book value of the assets etc. A stress factor was also applied as a haircut to arrive at the realisable value.

For Stage 3 borrowers, LGD has been assessed project wise based on Bid value/resolution plan amount/OTS amount/any other value/ discounted cash flows etc. as applicable.

(iii) Exposure at Default (EAD)

Exposure at Default is the outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest accrued (including delayed charges) in respect of the loan. As per Note no.7.1.(ii) , income on credit impaired assets is recognised as and when received or on accrual basis when expected realisation is higher than the loan amount outstanding, therefore, the same is not used in computation of Exposure at default..

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(iv) Key assumptions used in measurement of ECL

- PFC considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since PFC has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(v) The assessment of significant increase in risk and the calculation of ECL both incorporate forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as IIP (index of industrial production) electricity y-o-y growth rate, Money supply y-o-y growth rate to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

B. In respect of RECL

The impairment loss allowance on loan assets is provided as per Ind AS 109 in accordance with a board- approved policy, which measures the credit risk on the basis of key financial and operational parameters to assess improvement/ deterioration in credit quality. Management overlays to the model output, if any, are duly documented and approved by the Audit Committee. The evaluation of Expected Credit Loss (ECL) is undertaken by an independent agency, ICRA Analytics Limited (formerly ICRA Online Limited).

I. RECL has an internal system of grading for State Governments, Public Sector Undertakings and State Power Utilities. However, for State Distribution Companies (DISCOMs), RECL adopts the ratings by the Ministry of Power as and when they are updated. These ratings are mapped with external rating grades published by various credit rating agencies as part of rating transition matrix. For private borrowers, RECL uses the external rating as published by various credit rating agencies or proxy risk scores in case such rating is not available. The proxy risk score model considers following parameters:

Quantitative factors

- Debt/ EBITDA (30% weightage)
- Return on Capital Employed (15% weightage)
- Interest Coverage (25% weightage)
- Gearing (Debt/Equity) (30% weightage)

Qualitative Factors

- Quarter wise Operational Parameters like PPA, PLF, ACS – ARR Gap, and LAF
- Actual Default dates
- Status of the Project

II. Significant Increase in Credit Risk (SICR)

RECL considers a financial instrument to have experienced a significant increase in credit risk when on any financial instrument if the payment is more than 30 days past due on its contractual payments.

III. Definition of default and credit-impaired assets

RECL defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when the loan account is more than 90 days past due on its contractual payments or any such period allowed by RECL in line with circular issued by the Reserve Bank of India.

IV. Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

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- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.
- EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.
- LGD represents RECL's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

V. Determination of Probability of Default (PD)

RECL has analysed the available annual rating transition matrix published by credit rating agencies to arrive at annual transition matrix based PD. This annual transition matrix was extrapolated to arrive at the lifetime probability of default of various rating grades by loan tenure/maturity profile i.e. lifetime PD. However, for State Distribution Companies (DISCOMs), the Company adopts the ratings by the Ministry of Power as and when they are updated.

VI. Loss Given Default (LGD) computation model

Based on the historical trend, research and industry benchmarking, RECL has constructed a LGD model. Factors reviewed in the LGD model include Project cost per unit, PPA status, FSA status etc. Based on internal research RECL has benchmarked these factors for Thermal, Renewable in Private Sector. In case of Private sector borrowers, the realisable value of the assets were arrived at using suitable assumptions, including valuation on outcome of the resolution process etc., to arrive at LGD. For State Government and Public sector projects, RECL has factored in the state support and assumed that the State/Central governments would step in to repay debt obligations of the state utilities as witnessed in the past.

VII. Alignment of LGD in case of Stage 3 Assets

Stage 3 Assets, where RECL and PFC (Group Companies) are in Consortium for Stage-3 Loan accounts, RECL considers LGD on the following basis:

a) In cases where either RECL or PFC is lead lender, LGD % calculated by the lead lender is adopted

b) In cases where neither RECL nor PFC is lead lender, higher of the LGD% worked out by RECL and PFC is adopted.

VIII. Key assumptions used in measurement of ECL

a) RECL considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

b) EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.

IX. Collateral and other credit enhancements

RECL employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds disbursed. RECL has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgage of Immovable properties
- Hypothecation of Moveable property
- Assignment of project contract documents
- Pledge of instruments through which promoters' contribution is infused in the project
- Pledge of Promoter Shareholding
- Corporate and personal Guarantee of Promoters

46.1.3 Credit risk analysis for Lending Operations Exposure to credit risk

Exposure to credit risk

For loans recognised in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 12 'Loans' for Group's exposure to credit risk arising from loans.

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For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 52 for exposure of Guarantee and Outstanding Disbursement Commitments.

A. In case of PFC

The credit quality and maximum exposure (principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below:

(₹ in crore)

Days past Due (DPD)	As at 31.03.2023				As at 31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	3,89,559.28	674.51#	-	3,90,233.79	3,20,384.30	594.09*	-	3,20,978.39
1-30 days	0.07		-	0.07	5,320.69	-	-	5,320.69
31-60 days	-	-	-	-	-	2,190.12	-	2,190.12
61-90 days	-	15,111.70	-	15,111.70	-	21,477.77	-	21,477.77
More than 90 days	-	650.51@	16,501.65	17,152.16	-	2,252.36@	20,915.28	23,167.64
Total	**3,89,559.35**	**16,436.72**	**16,501.65**	**4,22,497.73**	**3,25,704.99**	**26,514.34**	**20,915.28**	**3,73,134.61**

#Pending transfer of ownership, the account has been classified as Stage 2.

*Since the borrower is in Stage 2 in other loans, these loans (which otherwise would have been categorised in Stage 1) have also been categorised in stage 2.

@Refer Note 46.1.10

B. In respect of RECL

Credit Risk Exposure in respect of the borrowers with different credit ratings is as under

(₹ in crore)

Credit Risk Category (Internal/ Mapped Ratings)	As at 31.03.2023				As at 31.03.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
Very Good (AAA | AA | A | Government Loan)	1,92,836.82	276.33	-	1,93,113.15	1,81,968.90	11,661.35	-	1,93,630.25
Good (BBB | BB |B)	1,47,389.05	9,128.03	-	1,56,517.08	96,631.68	24,762.88	-	1,21,394.57
Average (C)	70,282.47	1,345.98	-	71,628.45	54,755.07	-	-	54,755.07
Fair (D)	1,796.13	157.74	-	1,953.87	2,521.34	-	-	2,521.34
Non-Performing (D)	-	5.50	14,892.08	14,897.58	-	-	17,159.89	17,159.89
Gross Exposure	**4,12,304.47**	**10,913.58**	**14,892.08**	**4,38,110.13**	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.12**
Less: Loss allowance	**3,521.81**	**238.30**	**10,519.51**	**14,279.61**	**2,790.22**	**369.61**	**11,565.73**	**14,725.57**
Net Exposure	**4,08,782.66**	**10,675.28**	**4,372.57**	**4,23,830.51**	**3,33,086.77**	**36,054.62**	**5,594.16**	**3,74,735.55**

46.1.4 Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

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The following table sets out an analysis of risk concentration of overall loan portfolio of PFC and its subsidiary, RECL on the basis of similar risk characteristics:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e. entities under the control of state and/or central government)	7,42,981.50	5,828.25	6,64,451.23	4,210.05
Loans to private sector	1,14,518.50	24,526.97	94,045.12	27,864.03
Total	**8,57,500.00**	**30,355.22**	**7,58,496.35**	**32,074.08**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 66.80 crore. (As at 31.03.2022 ₹ 98.11 crore.)

Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Companies considers that these loans have a low credit risk in comparison to lending to private sector mainly due to low default/loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Further, the Companies have a lending portfolio comprising of loans to generation, renewable, transmission and distribution power projects spread across diverse geographical areas.

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes –				
Generation	3,42,425.28	22,913.72	3,28,159.85	24,617.30
Renewable	77,270.92	3,426.45	48,626.18	3,059.17
Transmission	79,173.24	404.07	95,379.62	2,072.49
Distribution	3,40,947.29	3,492.22	2,80,113.01	2,304.13
Others	17,683.27	118.76	6,217.69	20.98
Total	**8,57,500.00**	**30,355.22**	**7,58,496.35**	**32,074.08**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 66.80 crore. (As at 31.03.2022 ₹ 98.11 crore.)

The exposure to various projects and borrowers is constantly monitored in line with the Credit Concentration Norms applicable to the Companies in the Group.

46.1.5 Details of Stage wise Principal outstanding and Impairment loss Allowance in respect of PFC & RECL:

(₹ in crore)

Particulars	As at 31.03.2023			As at 31.03.2022		
	Principal Outstanding	Impairment loss allowance*	%	Principal Outstanding	Impairment loss allowance*	%
Stage 1	7,98,755.96	6,415.49	0.80	6,57,482.61	4,849.04	0.74
Stage 2	27,350.31	1,420.84	5.19	62,938.57	1,314.93	2.09
Stage 3	31,393.73	22,518.89	71.73	38,075.17	25,910.11	68.05
Total	**8,57,500.00**	**30,355.22**	**3.54**	**7,58,496.35**	**32,074.08**	**4.23**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 66.80 crore. (As at 31.03.2022 ₹ 98.11 crore.)

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46.1.6 Details of Stage wise movement of Principal outstanding and Impairment loss Allowance:

The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) in respect of PFC & RECL between the beginning and the end of the reporting period:

(₹ in crore)

FY 2022-23	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	**6,57,482.61**	**4,849.04**	**62,938.57**	**1,314.93**	**38,075.17**	**25,910.11**	**7,58,496.35**	**32,074.08**
Transfer to Stage 1	43,615.34	(4.88)	(43,615.34)	4.88	-	-	-	-
Transfer to Stage 2	(2,798.11)	(11.28)	2,988.10	83.95	(189.99)	(72.67)	-	-
Transfer to Stage 3	(24.64)	(2.52)	(13.67)	(3.36)	38.31	5.88	-	-
Net change in Principal/ECL during the year	(8,952.62)	1,084.47	(708.96)	(84.46)	(55.53)	(25.59)	(9,717.11)	974.42
New financial assets originated	158,315.69	1,085.17	6,338.03	118.42	-	-	164,653.72	1,203.59
Financial Assets derecognised (loans repaid/pre-payment)	(48,882.31)	(584.51)	(576.43)	(13.52)	(4,443.25)	(1,564.15)	(53,901.99)	(2,162.18)
Financial Assets derecognised (Write Off)	-	-	-	-	(1,452.33)	(1,452.33)	(1,452.33)	(1,452.33)
Financial Assets derecognised during the period (Investment Received)	-	-	-	-	(578.64)	(282.36)	(578.64)	(282.36)
Closing Balance	**798,755.96**	**6,415.49**	**27,350.31**	**1,420.84**	**31,393.73**	**22,518.89**	**857,500.00**	**30,355.22**

(₹ in crore)

FY 2021-22	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	**6,55,373.44**	**2,517.58**	**50,408.61**	**2,086.67**	**39,407.09**	**25,207.67**	**7,48,189.14**	**29,812.99**
Transfer to Stage 1	21,109.54	1,250.50	(19,103.75)	(514.18)	(2,005.79)	(736.33)	-	-
Transfer to Stage 2	(36,173.14)	(44.11)	36,189.77	48.20	(16.63)	(4.09)	-	-
Transfer to Stage 3	(2,657.15)	(329.49)	(1,120.58)	(852.23)	3,777.73	1,181.73	-	-
Net change in Principal/ECL during the year	13,582.41	1,681.06	(1,394.26)	516.66	5.91	2,760.71	12,194.05	4,958.53
New financial assets originated	74,969.67	690.62	3,957.10	40.29	-	-	78,926.77	730.91
Financial Assets derecognised (loans repaid/pre-payment)	(68,722.16)	(917.12)	(5,535.67)	537.45	(235.65)	295.65	(77,493.48)	(85.19)
Financial Assets derecognised (Write Off)	-	-	(462.65)	(547.93)	(2,857.49)	(2,795.23)	(3,320.14)	(3,343.16)
Financial Assets derecognised during the period (Investment Received)	-	-	-	-	-	-	-	-
Closing Balance	**6,57,482.61**	**4,849.04**	**62,938.57**	**1,314.93**	**38,075.17**	**25,910.11**	**7,58,496.35**	**32,074.08**

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46.1.7 Movement of Credit Impaired Accounts (Stage 3 accounts):

The following tables explain the changes in credit impaired accounts (stage 3 accounts) and the corresponding impairment loss allowance in respect of PFC & RECL between the beginning and the end of the reporting period

(₹ in crore)

Sr. No.	Description		As at 31.03.2023	As at 31.03.2022
(i)	Net Credit Impaired accounts to Gross Loans (%)		1.03%	1.60%
(ii)	Net Credit Impaired accounts to Net Loans (%)		1.06%	1.66%
			FY 2022-23	FY 2021-22
(iii)	Movement of Gross Credit Impaired accounts			
	(a)	Opening balance	38,075.17	39,407.09
	(b)	Additions during the year	45.80	3,003.41
	(c)	Reductions/write offs during the year	(6,727.24)	(4,335.33)
	(d)	**Closing balance**	**31,393.73**	**38,075.17**
(iv)	Movement of Net Credit Impaired accounts			
	(a)	Opening balance	12,165.06	14,199.42
	(b)	Additions during the year	399.06	593.80
	(c)	Reductions/write offs during the year	(3,689.28)	(2,628.16)
	(d)	**Closing balance**	**8,874.84**	**12,165.06**
(v)	Movement of impairment loss allowance on Credit Impaired accounts			
	(a)	Opening balance	25,910.11	25,207.67
	(b)	Provisions made during the year	55.06	3,646.63
	(c)	Write-off/write-back of excess provisions	(3,446.28)	(2,944.19)
	(d)	**Closing balance**	**22,518.89**	**25,910.11**

46.1.8 Write off of Loan Assets

PFC and RECL writes off financial assets, in whole or in part in line with the write off policy of the respective companies, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full. The waiver/write off is done in whole or in part as per the restructuring/settlement/resolution process.

46.1.9 Policy for sale out of amortised cost business

PFC & RECL does not resort to the sale of financial assets, in ordinary course of business. However, the respective companies have approved policies that they may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'

46.1.10 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired:

Particulars	As at 31.03.2023	As at 31.03.2022
Number of Borrowers	1	4
Amount of loan outstanding (₹ in crore)	650.51	2,252.36
Amount overdue* (₹ in crore)	160.91	188.18
Amount of Impairment Loss allowance (₹ in crore)	422.68	815.87

*excluding overdue interest of ₹ 186.06 crore as at 31.03.2023 (As at 31.03.2022 ₹ 242.87 crore).

Pursuant to Ad-interim order from Hon'ble High Court(s), these borrower(s) accounts have not been classified as Credit Impaired. The Group holds adequate impairment loss allowance with respect to these loan accounts and has categorised them into Stage 2. The interest income is also not been recognised on these loan accounts on accrual basis since these loans are more than 90 days past due.

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46.1.11 In accordance with RBI's Master Direction - Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, NPA ratios are as under:

NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

Particulars	PFC		RECL	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Gross NPA to Gross Loans	4.72%	6.58%	4.77%	4.45%
Net NPA to Net Loans	1.87%	2.76%	2.41%	1.51%

46.1.12 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment loss allowance as per Ind AS 109 'Financial Instruments'

A. In respect of PFC

As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,89,880.43	2,542.86	3,87,337.57	2,062.73	480.13
	Stage 2	16,956.30	1,182.54	15,773.76	390.50	792.04
	Stage 3	-	-	-	-	-
Sub-total		**4,06,836.73**	**3,725.40**	**4,03,111.33**	**2,453.23**	**1,272.16**
Non-Performing Assets (NPA)						
Sub-standard	Stage 1	453.88	1.82	452.06	45.30	(43.48)
	Stage 2	-	-	-	-	-
	Stage 3	37.04	16.38	20.66	3.70	12.68
Sub-total for Sub-standard		**490.92**	**18.20**	**472.72**	**49.00**	**(30.80)**
Doubtful - up to 1 year	Stage 1	-	-	-	-	-
1 to 3 years	Stage 1	79.76	0.04	79.72	23.43	(23.39)
More than 3 years	Stage 1	2,981.80	298.03	2,683.77	1,462.20	(1,164.17)
Doubtful - up to 1 year	Stage 3	1,142.64	572.64	570.00	256.41	316.23
1 to 3 years	Stage 3	170.10	133.51	36.59	89.70	43.80
More than 3 years	Stage 3	12,066.17	8,191.15	3,875.02	8,329.22	(138.07)
Sub-total for doubtful		**16,440.47**	**9,195.37**	**7,245.10**	**10,160.96**	**(965.60)**
Loss	Stage 3	3,085.70	3,085.70	-	3,085.70	-
Sub-total for NPA		**20,017.09**	**12,299.27**	**7,717.82**	**13,295.67**	**(996.40)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	50.93	(50.93)	-	50.93
	Stage 2					
	Stage 3					
Sub-total			**50.93**	**(50.93)**	**-**	**50.93**
Total	**Stage 1**	**3,93,395.86**	**2,893.68**	**3,90,502.18**	**3,593.67**	**(699.98)**
	Stage 2	**16,956.30**	**1,182.54**	**15,773.76**	**390.50**	**792.04**
	Stage 3	**16,501.65**	**11,999.38**	**4,502.27**	**11,764.73**	**234.65**
	Total	**4,26,853.81**	**16,075.60**	**4,10,778.22**	**15,748.90**	**326.70**

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for the year ended March 31, 2023

As at 31.03.2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,26,133.66	1,676.69	3,24,456.96	1,331.16	345.54
	Stage 2	27,458.63	944.20	26,514.44	637.72	306.48
	Stage 3	-	-	-	-	-
Sub-total		**3,53,592.29**	**2,620.89**	**3,50,971.40**	**1,968.88**	**652.01**
Non-Performing Assets (NPA)						
Sub-standard	Stage 1	296.48	1.33	295.15	29.62	(28.29)
	Stage 2	151.37	1.12	150.25	14.83	(13.70)
	Stage 3	1,142.64	332.93	809.71	114.26	218.66
Sub-total for Sub-standard		**1,590.49**	**335.38**	**1,255.11**	**158.71**	**176.68**
Doubtful - up to 1 year	Stage 1	32.80	0.01	32.78	6.44	(6.42)
1 to 3 years	Stage 1	107.00	0.10	106.91	31.40	(31.30)
More than 3 years	Stage 1	3,105.80	310.93	2,794.87	1,522.95	(1,212.02)
Doubtful - up to 1 year	Stage 3	170.10	133.43	36.67	78.22	55.21
1 to 3 years	Stage 3	3,743.76	1,770.31	1,973.45	1,189.36	580.95
More than 3 years	Stage 3	12,779.39	9,181.94	3,597.46	9,120.21	61.73
Sub-total for doubtful		**19,938.85**	**11,396.72**	**8,542.14**	**11,948.57**	**(551.85)**
Loss	Stage 3	3,079.39	2,918.31	161.08	3,079.39	(161.08)
Sub-total for NPA		**24,608.74**	**14,650.41**	**9,958.33**	**15,186.66**	**(536.25)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	69.75	(69.75)	-	69.75
	Stage 2	-	-	-	-	-
	Stage 3	-	7.47	(7.47)	-	7.47
Sub-total		**-**	**77.21**	**(77.21)**	**-**	**77.21**
Total	**Stage 1**	**3,29,675.75**	**2,058.82**	**3,27,616.93**	**2,921.55**	**(862.74)**
	Stage 2	**27,610.01**	**945.32**	**26,664.69**	**652.55**	**292.77**
	Stage 3	**20,915.28**	**14,344.38**	**6,570.90**	**13,581.44**	**762.95**
	Total	**3,78,201.04**	**17,348.52**	**3,60,852.51**	**17,155.54**	**192.98**

B. In respect of RECL

As at 31.03.2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,04,567.80	3,423.13	4,01,144.67	2,089.93	1,333.20
	Stage 2	11,016.14	232.80	10,783.34	43.63	189.17
Sub-total		**4,15,583.94**	**3,655.93**	**4,11,928.01**	**2,133.56**	**1,522.37**
Non-Performing Assets (NPA)						

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for the year ended March 31, 2023

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Sub-standard	Stage 1	5,866.14	82.81	5,783.33	583.94	(501.13)
Doubtful Assets						
Doubtful - up to 1 year	Stage 3	1,512.48	754.15	758.33	350.72	403.43
1 to 3 years	Stage 3	594.27	452.12	142.14	344.21	107.91
More than 3 years	Stage 3	12,780.46	9,308.37	3,472.09	9,488.51	(180.14)
Sub-total for doubtful		**14,887.21**	**10,514.64**	**4,372.56**	**10,183.44**	**331.20**
Loss	Stage 2	5.50	5.50	-	5.50	-
	Stage 3	4.87	4.87	-	4.87	-
Sub-total for NPA		**20,763.72**	**10,607.82**	**10,155.89**	**10,777.75**	**(169.93)**
Total Loan Assets		**4,36,347.66**	**14,263.75**	**4,22,083.90**	**12,911.31**	**1,352.44**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms -Letter of Comfort	Stage 1	3,098.35	15.87	3,082.48	-	15.87
Sub-total		**3,098.35**	**15.87**	**3,082.48**	**-**	**15.87**
Total	**Stage 1**	**4,13,532.29**	**3,521.81**	**4,10,010.48**	**2,673.87**	**847.94**
	Stage 2	**11,021.64**	**238.30**	**10,783.34**	**49.13**	**189.17**
	Stage 3	**14,892.08**	**10,519.51**	**4,372.56**	**10,188.31**	**331.20**
	Total	**4,39,446.01**	**14,279.62**	**4,25,166.38**	**12,911.31**	**1,368.31**

As at 31.03.2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and I RACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,32,586.36	2,769.32	3,29,817.04	1,771.72	997.60
	Stage 2	36,888.95	369.61	36,519.34	391.52	(21.91)
Sub-total		**3,69,475.31**	**3,138.93**	**3,66,336.38**	**2,163.24**	**975.69**
Non-Performing Assets (NPA)						
Sub-standard	Stage 3	1,512.49	437.16	1,075.33	190.83	246.33
Doubtful - up to 1 year	Stage 3	33.28	3.33	29.95	7.25	(3.92)
1 to 3 years	Stage 3	4,534.01	2,981.99	1,552.01	1,952.89	1029.10
More than 3 years	Stage 3	11,062.89	8,126.03	2,936.86	8,108.58	17.45
Sub-total for doubtful		**15,630.18**	**11,111.35**	**4,518.82**	**10,068.72**	**1,042.63**
		17.22	17.22	-	17.22	-
Loss	Stage 3	17,159.89	11,565.73	5,594.15	10,276.77	1,288.96
Sub-total for NPA		**3,86,635.20**	**14,704.66**	**3,71,930.53**	**12,440.01**	**2,264.65**

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(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and I RACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms -Letter of Comfort	Stage 1	4,089.85	20.90	4,068.95	-	20.90
Sub-total		**4,089.85**	**20.90**	**4,068.95**	**-**	**20.90**
Total	**Stage 1**	**3,36,676.21**	**2,790.22**	**3,33,885.99**	**1,771.72**	**1,018.50**
	Stage 2	**36,888.95**	**369.61**	**36,519.34**	**391.52**	**(21.91)**
	Stage 3	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
	Total	**3,90,725.05**	**14,725.56**	**3,75,999.48**	**12,440.01**	**2,285.55**

46.1.13 Expected Credit Loss for Trade Receivables

A. In respect of RECL

RECL provides for lifetime credit losses in respect of trade receivables of RECPDCL, one of the subsidiaries of RECL using simplified approach under ECL method

(₹ in crore)

Particulars	Less than 1 year	1 year- 2 year	2 year- 3 year	More than 3 year	Total
As at 31.03.2023					
Gross carrying value	127.15	21.32	16.31	56.35	221.13
Expected loss rate	20.19%	62.85%	89.94%	99.31%	49.61%
Expected credit loss (provision)	25.67	13.40	14.67	55.96	109.70
Carrying amount (net of impairment)	101.48	7.92	1.64	0.39	111.43
As at 31.03.2022					
Gross carrying value	88.93	19.35	14.56	54.43	177.27
Expected loss rate	14.03%	6.82%	99.52%	100.00%	46.66%
Expected credit loss (provision)	12.48	1.32	14.49	54.43	82.72
Carrying amount (net of impairment)	76.45	18.03	0.07	-	94.55

B. In respect of PFCCL

The trade receivables of PFCCL comprises mainly amount recoverable from the State Government entities. RECL considers that the exposure to state sector have a low credit risk mainly due to low default/ loss history. Further, the presence of Government interest lowers the risk of non-recoverability.

Subsequent to initial recognition, PFCCL recognises expected credit loss (ECL) on financial assets especially on trade receivables other than related parties. ECL is recognised at 100% on the trade receivables due for more than 2 years and 50% on the trade receivables due for more than one year and less than 2 years.

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Ageing analysis of Trade receivables is as follows:

(₹ in crore)

Particulars	0 to 1 year	1 to 2 year	More than 2 years	Total
Gross carrying amount as at 31.03.2023	43.50	2.87	21.06	67.43
Gross carrying amount as at 31.03.2022	16.88	5.29	17.86	40.04

Movement in the expected credit loss allowance

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance	8.96	7.46
Impairment allowance reversal	-	-
Impairment losses recognised	0.29	1.50
Closing Balance	**9.25**	**8.96**

46.2 Liquidity Risk

Liquidity risk is the risk that the Group doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

46.2.1 The following table analyses the maturity pattern of items of financial liabilities (debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Domestic borrowings				
Principal	90,123.05	259,152.30	229,514.69	578,790.04
Interest	41,565.92	114,557.45	67,338.04	223,461.42
Foreign Currency borrowings				
Principal	40,666.15	78,286.85	39,465.75	158,418.75
Interest	5,948.78	13,717.92	2,684.65	22,351.35
Total	**178,303.90**	**465,714.52**	**339,003.13**	**983,021.56**
As at 31.03.2022				
Domestic borrowings				
Principal	61,140.51	2,56,738.15	1,96,977.66	5,14,856.32
Interest	35,470.38	98,125.96	59,474.65	1,93,070.99
Foreign Currency borrowings				
Principal	22,025.66	72,280.41	37,794.67	1,32,100.74
Interest	3,850.14	10,465.79	3,686.87	18,002.80
Total	**1,22,486.69**	**4,37,610.31**	**2,97,933.85**	**8,58,030.85**

*In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

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46.2.2 The following table analyses the maturity pattern of Derivative financial liabilities:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Forward	21.06	0.00	0.00	21.06
Option/ swaps	64.24	310.18	605.79	980.21
Total	**85.30**	**310.18**	**605.79**	**1,001.27**
As at 31.03.2022				
Forward	-	-	-	-
Option/ swaps	75.64	125.49	455.25	656.38
Total	**75.64**	**125.49**	**455.25**	**656.38**

* The above table details Group's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparties. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

46.2.3 Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2023				
Loan Assets				
Principal	1,16,979.37	3,08,341.85	4,09,659.87	8,34,981.09
Interest	76,654.89	2,22,171.89	1,73,464.65	4,72,291.43
Total	**1,93,634.26**	**5,30,513.74**	**5,83,124.52**	**13,07,272.52**
As at 31.03.2022				
Loan Assets				
Principal	66,026.51	2,77,929.73	3,88,637.47	7,32,593.71
Interest	70,190.29	2,11,553.57	1,72,778.27	4,54,522.13
Total	**1,36,216.80**	**4,89,483.30**	**5,61,415.74**	**11,87,115.84**

* The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date.

46.2.4 Liquidity Risk Management

In order to effectively manage liquidity risk, the Group endeavours to maintain sufficient cash flows to cover maturing liabilities and projected disbursements without incurring unacceptable losses or risking damage to its reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Group's liquidity position is determined keeping in view the current liquidity position; anticipated future funding needs; present and future earning capacity; and available sources of funds.

The Companies in the Group manages its day to day liquidity to ensure that they have sufficient liquidity to meet their financial obligation as & when due.

Further, for overall liquidity monitoring and supervision, PFC and RECL has their respective Asset Liability Committee (ALCO). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mis-matches of its financial assets and liabilities.

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46.2.5 Financing arrangements

A. In respect of PFC

PFC has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, PFC has the highest Domestic Credit Rating of AAA, thereby enabling it to mobilise funds from the domestic market within a short span of time. PFC has access to the following undrawn borrowing facilities:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
CC/ OD/ LoC/ WCDL limits	8,116.17	5,398.00

B. In respect of RECL

RECL had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Expiring within one year (cash credit and other facilities)-Floating Rate	13,364.88	8,803.05
Expiring beyond one year (loans/ borrowings)-Floating Rate	1,393.58	1,245.90

46.2.6 RBI vide its Master Directions applicable for NBFCs prescribe Liquidity Coverage Ratio (LCR) framework for all non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC and its subsidiary, RECL maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed.

46.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

46.3.1 The Company and its subsidiary, RECL is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the foreign currency denominated borrowings of these companies is as follows:

Description	As at 31.03.2023		As at 31.03.2022	
	Crore in respective currency	₹ in crore	Crore in respective currency	₹ in crore
USD Loans	1,585.32	130,340.51	1,621.87	1,22,949.09
- Hedged	1,304.70	107,268.39	1,169.50	88,656.40
- Unhedged	280.62	23,072.12	452.37	34,292.69
Euro Loans	162.13	14,527.63	33.46	2,832.49
- Hedged	123.99	11,110.66	0.09	7.37
- Unhedged	38.14	3,416.97	33.38	2,825.12
JPY Loans	19,073.36	11,787.34	9,506.59	5,915.95
- Hedged	9,925.81	6,134.16	2,084.61	1,297.25
- Unhedged#	9,147.55	5,653.18	7,421.98	4,618.70
SGD Loans	28.53	1,763.27	7.21	403.21
- Hedged	28.53	1,763.27	7.21	403.21
- Unhedged	-	-	-	-
Total		**158,418.75**		**1,32,100.74**
- Hedged		126,276.48		90,364.23
- Unhedged		32,142.27		41,736.51

#includes JPY loan liability hedged for one leg (USD/JPY) for ₹ 5,653.18 crore as at 31.03.2023 (As at 31.03.2022 - Nil)

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46.3.2 Foreign currency risk monitoring and management

PFC & RECL have their respective Board approved risk management policies to manage risks associated with foreign currency borrowings. These policies prescribe appropriate systems and controls to identify, measure and monitor the foreign currency risks through committees comprising of senior level officials. Derivative transactions are done to cover exchange/interest rate risks through various instruments like foreign currency forwards contracts, currency options, principal only swaps, and IRS and forward rate agreements. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

46.3.3 Foreign Currency Sensitivity Analysis

The table below represents the impact on Group's total equity ((Gain / (Loss)) for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

(₹ in crore)

Foreign Currency Liabilities	As at 31.03.2023		As at 31.03.2022	
	Decrease	Increase	Decrease	Increase
USD	1,050.14	(1,050.14)	1,541.40	(1,541.40)
Euro	169.06	(169.06)	138.54	(138.54)
JPY	282.66	(282.66)	201.27	(201.27)
SGD	-	-	-	-
Total	**1,501.86**	**(1,501.86)**	**1,881.21**	**(1,881.21)**

46.4 Market Risk - Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. Interest rates are dynamic and dependent on various internal and external factors including but not limited to RBI policy changes, liquidity in the market, movement of external benchmarks such as AAA bond/ G-Sec yields/ LIBOR etc. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

A. In respect of PFC

(i) Interest rate risk is managed with the objective to control market risk exposure while optimising the return.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

Further, for managing the interest rate risk, PFC reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by PFC through its interest rate & credit policies which *inter alia* covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. PFC also enters into various derivatives transactions like interest rate swaps, cross- currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For interest rate sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shock to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 194.52 crore. (As at 31.03.2022 (+/-) ₹ 118.77 crore).

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest/first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

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Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

(iii) Disclosures in respect of Interest Rate Benchmark Reform

PFC has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, PFC has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate. Significant interest rate benchmark used in PFC's borrowings is 6 month USD /JPY LIBOR (London Interbank Offered Rate).

a) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 656.24 million (Amount in INR ₹ 5,395.44 crore) as on 31.03.2023. Out of this, the amount of the Derivative exposure linked with such liabilities and accounted for under hedge accounting is USD 650 million (Amount in INR ₹ 5,344.10 crore).

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as planned after June 2023:-

Benchmark	As at 31.03.2023				As at 31.03.2022			
	Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crore)			Amount in respective currency (million)	Amount (₹ in crore)
Non-derivative financial liabilities								
6 month USD LIBOR	656.24	5.395.44	650.00	5,344.10	657.67	4,985.66	650.00	4,927.46
Derivatives								
6 month USD LIBOR	650.00	5,344.10	650.00	5,344.10	650.00	4,927.46	650.00	4,927.46

(ii) Managing the process of transition to alternative benchmark rates

PFC has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework *inter alia* covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, PFC shall undertake all transition activities as per the process/ guidelines detailed in the policy. The process of transition from 6 month USD LIBOR to Alternative Reference Rate has been initiated & shall be completed within available timelines.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate / benchmarks for the LIBOR linked loans and their derivatives are yet to be agreed with the lenders and the derivative bankers. However, it has been assumed that as a result of such reform there shall be no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

B. In respect of RECL

(i) RECL's borrowings are exposed to interest rate risk with floating interest rates linked to USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate), T-Bills, Repo Rate etc. RECL manages its interest rate risk through various derivative contracts like interest rate swap contracts, forward interest rate contracts to minimise the risk of fluctuation in interest rates. RECL

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also uses cross-currency interest rate swaps as a cost-reduction strategy to benefit from the interest differentials in different currencies.

The table below shows the overall exposure of RECL to the liabilities linked with floating interest rates as at 31.03.2023 is as under:

(Foreign Currency & INR Equivalent in ₹ crore)

Currency	As at 31.03.2023			As at 31.03.2022		
	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure
INR Borrowings	**62,798.20**	**-**	**62,798.20**	**50,178.32**	**-**	**50,178.32**
USD $	506.20	189.20	317.00	463.60	132.50	331.10
INR Equivalent	**41,618.19**	**15,555.43**	**26,062.76**	**35,144.17**	**10,044.44**	**25,099.73**
JPY ¥	5,835.28	1,032.72	4,802.56	5,835.27	1,032.72	4,802.56
INR Equivalent	**3,606.20**	**638.22**	**2,967.98**	3,631.29	642.66	2,988.63
EURO €	60.40	-	60.40	-	-	-
INR Equivalent	**5,412.51**	**-**	**5,412.51**	**-**	**-**	**-**
SGD $	28.53	7.21	21.32	7.21	7.21	-
INR Equivalent	**1,763.27**	**445.47**	**1,317.80**	403.21	403.21	-
Total INR Equivalent	**1,15,198.37**	**16,639.12**	**98,559.25**	**89,356.99**	**11,090.31**	**78,266.68**

RECL also uses Interest Rate Swaps to manage fair value risk on interest rate borrowings to mitigate the interest rate sensitivity mismatch. Through such swaps, the fixed rate borrowings amounting to ₹ 15,950.70 crore as on March 31, 2023 (Previous year ₹ 11,850.70) have been converted into floating rate borrowings through the use of MIBOR- linked Overnight Indexed Swaps.

RECL's lending portfolio carries interest at semi-fixed rate i.e. fixed rate of interest with 1/3/10 year reset option with the borrower. RECL reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements etc. In order to manage pre-payment risks, RECL charges pre-payment premium from borrowers in case of pre- payment of loan. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

RECL is exposed to interest rate risk on following loan assets which are at semi-fixed rates:

(₹ in crore)

Description	As at 31.03.2023	As at 31.03.2022
Rupee Loans	4,31,992.47	3,75,805.76

(ii) Sensitivity Analysis

The table below represents the impact on P&L (Gain/(Loss)) for 50 basis points increase or decrease in interest rate on RECL's floating rate assets and liabilities on the unhedged exposures:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase	(Decrease)	Increase	(Decrease)
Floating Rate Loan Liabilities	(368.77)	368.77	(292.84)	292.84
Interest Rate Swaps	(59.68)	59.68	(44.34)	44.34
Floating/ semi-fixed Rate Loan Assets	1,616.34	(1,616.34)	1,406.11	(1406.11)

*Holding all other variables constant.

The above sensitivity analysis has been prepared assuming that the amount outstanding at the end of the reporting period remains outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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(iii) Disclosures in respect of Interest Rate Benchmark Reform (IBOR)

RECL has variable interest rate borrowings with interest rates linked with different benchmarks. Such interest rate benchmarks for foreign currency borrowings include 3/6 Months' USD LIBOR (London Inter Bank Offered Rate), 3/6 Months' EURIBOR (Euro Inter Bank Offered Rate), Overnight SOFR (Secured Overnight Financing Rate), 3/6 Months' Term SOFR, SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) etc. The summary of such borrowings as on March 31, 2023 as per the contracted interest rate benchmark is as below:

Benchmark	As at 31-03-2023		As at 31-03-2022	
	Amount (₹ in crore)	Amount (USD million Equivalent)	Amount (₹ in crore)	Amount (USD million Equivalent)
3M USD LIBOR	1,233.26	150.00	7,201.67	950.00
6M USD LIBOR	29,080.13	3,537.00	27,373.94	3,611.00
3M Term SOFR	6,988.44	850.00	-	-
6M Term SOFR	822.17	100.00	-	-
O/N SOFR	3,494.22	425.00	568.55	75.00
3M EURIBOR	3,595.53	437.32	-	-
6M EURIBOR	3,134.74	381.28	-	-
O/N TONA	3,606.20	438.62	3,631.29	479.02
O/N SORA	445.48	54.18	403.21	53.19
Total	**52,400.17**	**6,373.40**	**39,178.67**	**5,168.21**

As announced by the UK Financial Conduct Authority (FCA) on 5 March 2021, 3 Month and 6 Month USD LIBOR will cease to be published after June 30, 2023.

(a) Exposure directly affected by the Interest Rate Benchmark Reform (IBOR)

While some of the floating rate borrowings of the Company are already under the new benchmarks, some of the borrowings will also get repaid before the cessation date of the respective interest rates, i.e. 3M USD LIBOR and 6M USD LIBOR. Accordingly, the total amount of exposure that is directly affected by the Interest Rate Benchmark Reform (IBOR) is ₹ 28,159.29 crore (USD 3.425 billion) as on March 31, 2023 (₹ 25,963.93 crore (USD 3.425 billion) as on March 31, 2022). Out of this, the nominal amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is ₹ 4,110.85 crore (USD 0.500 billion) (Previous year ₹ 3,790.36 crore (USD 0.500 billion)].

(b) Managing the process to transition to alternative benchmark rates

Pursuant to the Interest Rate Benchmark Reform, LIBOR will be replaced with alternative Risk-Free Rates (RFRs). SOFR (Secured Overnight Financing Rate) will be the replacement for USD LIBOR, while TONA (Tokyo Overnight Average Rate) will replace JPY LIBOR. ISDA (International Swaps and Derivatives Association), the globally recognised statutory body governing the global derivative deals, has come up with the ISDA 2020 IBOR Fallbacks Protocol (commonly referred to as Fallback Protocol) to move all the legacy contracts to new benchmarks. The Company has adhered to the Fallbacks Protocol under which the fallbacks for the various LIBOR benchmarks will automatically become applicable to the existing derivative trades with all counterparties.

With respect to the term loans, REC has been actively engaging with the lenders to initiate the transition exercise at an early stage. During the year 2022-23, lenders for 10 USD loans amounting to USD 3,275 million (INR equivalent as on March 31, 2023 ₹ 26,926.04 crore) have agreed for transition of the benchmarks from USD LIBOR to Overnight SOFR/ Term SOFR.

During previous year, the Company has completed the transition documentation for two JPY loans amounting to JPY 20,846.12 billion (INR equivalent as on March 31, 2022 ₹ 1,297.25 crore) with the benchmark changed from JPY LIBOR to TONA. Additionally, an active transition for one SGD loan amounting to SGD 72.08 million (INR equivalent as on March 31, 2022 ₹ 403.21 crore) has also been concluded during the previous year with the benchmark changed from 6M SOR (Singapore Swap Offer Rate) to SORA (Singapore Overnight Rate Average).

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(c) Significant Assumptions for exposures affected by the Interest Rate Benchmark Reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the Interest Rate Benchmark Reform. While the benchmarks for the underlying loan are yet to be agreed with the lenders, it has been assumed that there will be no change in the alternative benchmark rates of the underlying loan and the derivative contracts and hedge effectiveness is not altered as a result of such reform.

46.5 Market Risk - Price risk

(a) The Group is exposed to price risks arising from investments in listed equity shares. Refer Note 13A 'Investments' for Group's exposure to the same.

(b) Sensitivity Analysis

The table below represents the impact on Consolidated Statement of Profit and Loss for 5% increase or decrease in the respective prices on Group's equity investments, outside the Group:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	4.84	(4.84)	8.77	(8.77)
Impact on OCI	59.86	(59.86)	50.16	(50.16)

47. HEDGE ACCOUNTING

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Consolidated Statement of Profit and Loss on a systematic basis.

The table below provides Movement in Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve for PFC and subsidiary RECL:

(₹ in crore)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
	Effective Portion of Cash flow Hedges		
(a)	**Opening balance of Reserves (net of tax)**	**394.55**	**(278.95)**
(b)	Changes in intrinsic value of options contracts	7,502.40	1,537.09
(c)	Changes in fair value of PoS/Forwards/IRS contracts	674.18	665.14
(d)	Amount reclassified from OCI to P&L	(7,244.23)	(1,302.21)
(e)	**Net amount recognised in OCI during the year (b + c + d)**	**932.35**	**900.02**
(f)	Deferred Tax on (e) above	(234.65)	(226.52)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e + f)**	**697.70**	**673.50**
(h)	**Closing balance of Reserves (net of Tax) (a + g)**	**1,092.25**	**394.55**
	Cost of Hedging Reserve		
(a)	**Opening balance of Reserves (net of tax)**	**(690.70)**	**18.21**
(b)	Changes in deferred time value of options/PoS/IRS contracts/Forwards	(5,453.45)	(2,792.42)
(c)	Amortisation of time value	2,889.49	1,845.09
(d)	**Net amount recognised in OCI during the year (b + c)**	**(2,563.96)**	**(947.33)**
(e)	Deferred Tax on (d) above	645.29	238.42
(f)	**Net amount recognised in OCI during the year (Net of Tax) (d + e)**	**(1,918.67)**	**(708.91)**
(g)	**Closing balance of Reserves (net of Tax) (a + f)**	**(2,609.37)**	**(690.70)**

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A. In respect of PFC

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis based dollar offset method.

(ii) The effects of hedging instruments designated as Cash-flow hedge on Consolidated Balance Sheet

Sr. No.	Particulars		Nominal Amount (₹ in crore)	Carrying Amount(1) Assets (₹ in crore)	Carrying Amount(1) Liabilities (₹ in crore)	Date of maturity	Weighted Average Rate / Strike Price
As at 31.03.2023							
1.	Currency Derivatives	Forwards	507.09	20.40	-	Feb 2024	0.6303
		Principal Only Swaps	4,521.93	460.12	-	Sep 2023 - Sep 2024	71.91
		Call Spread Option	13,705.76	679.45	-	Oct 2023 - Dec 2024	76.99
		Seagull Option	29,169.51	2,826.19	3.26	Dec 2023 - Dec 2027	USD/INR76.5202 EUR/USD-1.0775 USD/JPY- 130.83
	Sub-total		**47,904.29**	**3,986.16**	**3.26**		
2.	Interest rate Derivatives	Interest Rate Swap	7,399.52	364.11	-	Sep 2023 - Jun 2024	1.27%
	Sub-total		**7,399.52**	**364.11**	**-**		
3.	**Total(1+2)**		**55,303.81**	**4,350.27**	**3.26**		
As at 31.03.2022							
1.	Currency Derivatives	Forward	-	-	-	-	-
		Principal Only Swaps	6,064.57	277.61	-	Jun 2022 - Sep 2024	71.09
		Call Spread Option	7,959.75	70.55	21.55	Oct-2023 - Dec-2024	73.90
		Seagull option	10,802.51	1,453.26	-	May 2026 - Nov-2026	73.96
	Sub-total		**24,826.83**	**1,801.42**	**21.55**		
2.	Interest rate Derivatives	Interest Rate Swap	8,717.82	198.86	39.15	Jun 2022 - Jun 2024	1.38%
	Sub-total		**8,717.82**	**198.86**	**39.15**		
3.	**Total (1+2)**		**33,544.65**	**2,000.28**	**60.70**		

(1)Forms part of the line item 'Derivative Financial Instruments' in the Consolidated Balance Sheet.

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge*

(₹ in crore)

Description (including derivative)	As at 31.03.2023	As at 31.03.2022
Currency derivatives		
Up to 1 year	16,901.55	1,895.18
1 – 5 years	31,002.74	22,931.65
More than 5 years	-	-
Sub-total (A)	**47,904.29**	**24,826.83**
Interest rate Derivatives		
Up to 1 year	2,055.42	1,895.18
1 – 5 years	5,344.10	6,822.64
More than 5 years	-	-
Sub-total (B)	**7,399.52**	**8,717.82**
Total (A+B)	**55,303.81**	**33,544.65**

*Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

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(iv) The effects of hedging instruments designated as Cash-flow hedge on the Consolidated Statement of Profit and Loss

(₹ in crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at 31.03.2023					
1.	Currency Derivatives	504.02	-	945.75	Finance Costs
				(1,972.41)	Net Translation / Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	221.69	-	(117.17)	Finance Costs
As at 31.03.2022					
1.	Currency Derivatives	(451.84)	-	702.18	Finance Costs
				(532.79)	Net Translation / Transaction Exchange Loss / (Gain)
2.	Interest rate Derivatives	238.72	-	100.10	Finance Costs

B. In respect of RECL

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. RECL applies the following effectiveness testing strategies:

(i) For cross currency swaps, principal only swaps and interest rate swaps that exactly match the terms of the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

(ii) For other interest rate swaps (in cases of late designation), the Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

(iii) For option structures, RECL analyses the behaviour of the hedging instrument and hedged item using regression analysis based dollar offset method.

RECL has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

(i) Effects of hedge accounting on Consolidated Balance Sheet

(₹ in crore)

Type of hedge and risks	Notional Amount (in million)	Carrying amount of hedging instruments		Maturity Dates	Hedge ratio	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
As at 31.03.2023								
Cash flow hedge								
Foreign exchange and interest rate risk								
Seagull Structure	USD 8,387	6,970.98	2.25	May 2023 - Nov 2030	1:1	77.03	1,594.19	(1,594.19)
	EUR 673.79	403.91	-	Dec 2023 - Mar 2028	1:1	1.03	210.89	(210.89)
	SGD 285.29	32.00	83.52	Mar 2025 - Oct- 2027	1:1	0.36	(65.66)	65.66
	JPY 58,352.74	572.12	-	Aug 2023 - Mar 2027	1:1	0.61	(52.15)	52.15
Call Spread	USD 250	208.14	-	March 2024	1:1	57.52	58.14	(58.14)

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(₹ in crore)

Type of hedge and risks	Notional Amount (in million)	Carrying amount of hedging instruments		Maturity Dates	Hedge ratio	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
Cross Currency swaps	USD 800	85.92	-	May 2023 - Mar 2025	1:1	3.52% and 72.79	98.24	(98.24)
	JPY 10,327.12	-	0.60	Aug 2023	1:1	4.31% and 0.62	(0.33)	0.33
Principal only swaps	USD 375	38.85	-	Mar 2025 - Jun 2030	1:1	75.41	(35.15)	35.15
Interest rate swaps	USD 1992	251.77	10.87	May 2023 - Nov 2030	1:1	0.98%	189.27	(189.27)
As at 31.03.2022								
Cash flow hedge								
Foreign exchange and interest rate risk								
Seagull Structure	USD 7,045	4,744.05	-	May 2022 - Jan 2027	1:1	74.31	(399.81)	399.81
	USD 20,846.12	102.15	-	Aug 2023 - Sep 2025	1:1	0.66	(96.08)	96.08
Call Spread	USD 250	76.73	-	March 2024	1:1	57.523	(74.08)	74.08
Cross Currency swaps	USD 1,300	22.69	43.78	May 2022 - Mar 2025	1:1	2.99% and 72.94	112.67	(112.67)
	JPY 10,327.12	-	1.50	Aug 2023	1:1	0.42% and 0.62	0.82	(0.82)
	SGD 72.08	23.86	-	Mar 2025	1:1	1.44%	21.54	(21.54)
Principal only swaps	USD 375	-	48.37	Mar 2025 - Jun 2030	1:1	75.41	(49.08)	49.08
Interest rate swaps	USD 425	92.42	-	Mar 2024 - Oct 2026	1:1	2.23%	130.27	(130.27)

(ii) Effects of Cash Flow hedge accounting on Consolidated Statement of Profit and Loss

(₹ in crore)

Sr. No.	Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
As at 31.03.2023					
1.	Currency risk and interest rate risk	1,997.43	-	(4,995.73)	Net Translation/ Transaction Exchange Loss/ (Gain)
				(158.91)	Finance Costs
As at 31.03.2022					
1.	Currency risk and interest rate risk	(377.06)	-	(995.95)	Net Translation/ Transaction Exchange Loss/ (Gain)
				126.43	Finance Costs

(iii) Fair Value Hedges

At March 31, 2023, Company has outstanding interest rate swap agreements of ₹ 15,950.70 crore (Previous year ₹ 11,850.70 crore) wherein the Company receives a fixed rate of interest and pays interest at a variable rate on the notional amount. Such agreements are being used to hedge the exposure to the changes in fair value of fixed rate borrowings.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). As such, a hedge ratio of 1:1 for the hedging relationships has been established as the underlying risk of the interest rate swap is identical to the hedged risk component.

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The impact of the hedging instrument on the balance sheet is as follows:

(₹ in crore)

Particulars	Fair value hedge	Notional amount	Carrying amount *	Line item in balance sheet where hedging instrument is disclosed	Changes in fair value for calculating hedge ineffectiveness
As at 31-03-2023	- Interest rate swap	15,950.70	(279.02)	Derivative financial instruments	(167.10)
As at 31-03-2022	- Interest rate swap	11,850.70	(111.92)	Derivative financial instruments	(111.92)

* Carrying amount here is exclusive of the interest receivable under such derivative contract as on reporting date

The impact of the hedged item on the balance sheet is as follows:

(₹ in crore)

Particulars	Fair value hedge	Carrying amount	Accumulated fair value adjustments	Line item in the balance sheet in which the hedged item is included	Change in value used for calculating hedge ineffectiveness
As at 31-03-2023	- Subordinated Liabilities	4,748.24	(178.16)	Subordinated Liabilities	(49.83)
	- Institutional bonds	7,773.47	(100.86)	Debt Securities- Institutional Bonds	(117.27)
As at 31-03-2022	- Subordinated Liabilities	4,148.36	(128.33)	Subordinated Liabilities	(128.33)
	- Institutional bonds	7,881.97	16.41	Debt Securities- Institutional Bonds	16.41

The decrease in fair value of the interest rate swap of ₹ 167.10 crore (Previous year ₹ 111.92 crore) has been offset with a similar gain on the respective subordinated liabilities and debt securities.

48. FAIR VALUE MEASUREMENTS

48.1 Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset/Financial Liability - Recurring fair value	Fair Value as at		Fair value hierarchy (Refer Note 6.1)	Valuation technique(s) & Key input(s)
		31.03.2023	31.03.2022		
1	**Quoted Equity investments**				
	- PTC India Limited	102.06	98.70	Level 1	Quoted market price
	- Coal India Limited	298.35	255.62		
	- NHPC Limited	690.13	570.26		
	- Suzlon Energy Limited	105.15	77.42		
	-Housing & Urban Development Corporation. Ltd	1.50	1.14		
	- RattanIndia Power Limited	96.67	175.31		
2	**Un-Quoted Equity investments**				
	- Power Exchange India Limited	3.59	0.00		Fair value has been determined using the Ind AS financials of the investee company.
	- RKM PowerGen Pvt. Ltd.	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
	- Universal Commodity Exchange Limited (UCX)	-	-	Level 3	Fair value has been calculated as Nil as UCX was shut down and ceases to exist as a going concern.
	- Energy Efficiency Services Ltd. (EESL)	298.51	456.47		Fair value has been determined using the Ind AS financials of the investee company.
	Jhabua Power Limited	602.82	-		
	Ind Barath Energy Utkal Limited	1.81	-		

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for the year ended March 31, 2023

(₹ in crore)

Sr. No.	Financial asset/Financial Liability - Recurring fair value	Fair Value as at 31.03.2023	Fair Value as at 31.03.2022	Fair value hierarchy (Refer Note 6.1)	Valuation technique(s) & Key input(s)
3	**Investment in preference shares**				
	- RattanIndia Power Limited - OCCRPS	-	-	Level 3	Owing to default in redemption of RPS of Rattan India Power Ltd., PFC & RECL estimates no material amount may be realised from the Investment.
	- Suzlon Global Services Limited - CCPS	-	0.00		Converted into equity shares pursuant to resolution.
4	**Investment in debentures**				
	- Essar Power Transmission Company Ltd. - Series A3 - OCD	122.49	129.83		Fair valued using discounted future cash flow as per terms of agreement
	- Essar Power Transmission Company Ltd. - Series B3 - OCD	52.59	55.75		
	- Suzlon Energy Limited – OCD	-	102.69		During FY 2022-23, OCD of the Company was converted into Equity Shares of the Company.
	- Essar Power Transmission Company Ltd. - Series C - OCD	0.00	0.00	Level 3	Fair valued a ₹ 1 due to the non- availability of structured repayment schedule. The debentures are unsustainable in nature and future cashflows are uncertain.
	- RKM Powergen Pvt. Ltd. - Series A – OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series B – OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series AI – OCD	0.00	0.00		
	7.99% Perpetual bonds - Canara Bank	208.47	-		Fair valued by discounting future cash flows at coupon rate.
	9.50% Perpetual Bonds of UCO Bank	228.79	-		
5	**Derivative Financial Instruments**				
	- Assets	13,785.01	8,590.73	Level 2	The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	- Liability	1,001.27	656.39		

48.2 There were no transfers between Level 1 and Level 2 during the year.

48.3 Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following table shows the reconciliation of the opening and closing amounts of financial assets and liabilities of the Group measured at fair value through Level 3 inputs:

(₹ in crore)

Particulars	FVTPL			FVTOCI	
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in Debentures	Investment in Units of SIB fund of KSK	Investment in Un-quoted Equity Shares
FY 2022-23					
Opening Balance	-	-	288.27	-	456.47
Investment made during the year	428.00	-	-	-	633.53
Settlement	-	-	(26.66)		-
Transfer in Level[3]	-	-	-	-	-
Transfer from Level[3]	-	-	-	-	-
Interest income[(1)]	9.26	3.24	28.26	-	-
Fair Value gain/(loss)	-	(3.24)[(3)]	(114.79)[(3)]	-	(183.27)[(2)]

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(₹ in crore)

Particulars	FVTPL			FVTOCI	
	Investment in Perpetual Bonds	Investment in Preference Shares	Investment in Debentures	Investment in Units of SIB fund of KSK	Investment in Un-quoted Equity Shares
Closing Balance	**437.26**	**-**	**175.08**	**-**	**906.73**
Unrealised gains on balances held at the end of the year	9.26	-	15.70	-	(199.27)
FY 2021-22					
Opening Balance	-	139.18	294.69	-	-
Investment made during the year	-	-	-	-	-
Settlement	-	-	(58.53)	(0.95)	-
Transfer in Level[3]	-	-	-	-	496.26
Transfer from Level[3]	-	-	-	-	-
Interest income[(1)]	-	6.02	41.80	-	-
Fair Value gain/ (loss)	-	(145.20)[(3)]	10.31[(3)]	0.95[(2)]	(39.79)[(2)]
Closing Balance	**-**	**-**	**288.27**	**-**	**456.47**
Unrealised gains/(loss) on assets held at the end of the year	-	(128.61)	29.41	-	(55.79)

[(1)]Forms part of line item 'Interest Income' in the Consolidated Statement of Profit and Loss.

[(2)]Fair value gain/(loss) on Investments at FVTOCI forms part of line item 'Net Gain/(Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Consolidated Statement of Profit and Loss.

[(3)]Fair value gain/(loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Consolidated Statement of Profit and Loss.

48.4 Fair Value of financial assets/liabilities measured at amortised cost:

(₹ in crore)

Asset/Liability	Fair value hierarchy	As at 31.03.2023		As at 31.03.2022	
		Amortised Cost	Fair Value	Amortised Cost	Fair Value
Loans	Level 3	832,903.36	840,976.30	7,32,850.76	7,39,774.58
Investments[(a)]	Level 1/3	3,159.96	3,176.94	1,850.32	1,888.89
Other financial assets	Level 2	29,835.15	29,841.80	29,820.35	29,829.30
Debt securities[(a)]	Level 1/2	496,729.38	485,766.39	4,49,731.56	4,58,028.81
Borrowings other than debt securities[(b)]	Level 2	238,343.00	234,437.30	1,94,616.98	1,91,511.59
Subordinated liabilities	Level 2	16,085.14	16,589.24	16,127.74	17,091.64

[(a)]Includes listed instruments with Level 1 fair value hierarchy

Investment in G-Sec and SDL being fair valued using market price as at reporting date.

Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[(b)]Includes foreign currency loans linked to LIBOR/Alternative reference rate and multilateral agencies loans being valued at par.

(i) The fair value of the above financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(ii) The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

Notes to the Consolidated Financial Statements

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49. RELATED PARTY DISCLOSURES

49.1 Related Parties:

Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Coastal Karnataka Power Limited (up to 30.06.2022)	12	Tatiya Andhra Mega Power Limited (Struck off from the records of Registrar of Companies on 27.09.2022)
13	Chhattisgarh Surguja Power Limited (Struck off from the records of Registrar of Companies on 11.01.2023)	14	Coastal Maharashtra Mega Power Limited (Struck off from the records of Registrar of Companies on 29.09.2022)
15	Deoghar Infra Limited	16	Chhatarpur Transmission Limited
17	Mohanlalganj Transmission Limited (Transferred on 30.05.2022)	18	Bijawar-Vidarbha Transmission Limited (Under process of striking off the name from the records of Registrar of Companies)
19	Shongtong Karcham-Wangtoo Transmission Limited (Struck off from the records of Registrar of Companies on 13.01.2023)	20	Tanda Transmission Company Limited (Struck off from the records of Registrar of Companies on 13.01.2023)
21	Bhadla Sikar Transmission Limited (Transferred on 28.03.2023)	22	Ananthpuram Kurnool Transmission Limited
23	Fatehgarh III Beawar Transmission Limited (Incorporated on 05.05.2022)	24	Khetri-Narela Transmission Limited (Transferred on 11.05.2022)
25	Siot Transmission Limited (Incorporated on 27.04.2022)	26	Kishtwar Transmission Limited (Transferred on 06.12.2022)
27	Bhadla III Transmission Limited (Incorporated on 27.05.2022)	28	Beawar Dausa Transmission Limited (Incorporated on 06.05.2022)
29	Dharamjaigarh Transmission Limited (Incorporated on 18.11.2022 and transferred on 28.03.2023)	30	Fatehgarh III Transmission Limited (Incorporated on 18.05.2022)
31	Khandukhal Rampura Transmission Limited (Incorporated on 13.05.2022 and transferred on 07.10.2022)	32	Fatehgarh IV Transmission Limited (Incorporated on 08.06.2022)
33	Raipur Pool Dhamtari Transmission Limited (Incorporated on 18.11.2022 and transferred on 28.03.2023)	34	Chandil Transmission Limited
35	Dumka Transmission Limited	36	Bidar Transmission Limited
37	Koderma Transmission Limited	38	Beawar Transmission Limited (Incorporated on 27.04.2022)
39	Mandar Transmission Limited	40	Luhri Power Transmission Limited (Incorporated on 28.10.2022)
41	Ramgarh II Transmission Limited (Incorporated on 20.04.2022)	42	NERES XVI Power Transmission Limited (Incorporated on 10.01.2023)
43	Sikar Khetri Transmission Limited (Incorporated on 06.05.2022)	44	Rajgarh Transmission Limited (Transferred on 30.05.2022)
45	Meerut Shamli Power Transmission Limited (Incorporated on 14.12.2022)	46	ER NER Transmission Limited (Transferred on 10.10. 2022)
47	Khavda II-D Transmission Limited (Incorporated on 25.04.2022 and under the process of striking off the name of Company from the records of Registrar of Companies)	48	MP Power Transmission Package-I Limited (Transferred on 21.01 2023)
49	Neemuch Transmission Limited (Incorporated on 12.04.2022 and transferred on 24.08.2022)	50	Khavda II-C Transmission Limited (Incorporated on 22.04.2022 and transferred on 21.03.2023)
51	WRSR Power Transmission Ltd. (Incorporated on 22.09.2022 and transferred on 17.01.2023)	52	Khavda RE Transmission Limited (Incorporated on 02.05.2022 and transferred on 21.03,2023)
53	Khavda II-B Transmission Limited (Incorporated on 21.04.2022 and transferred on 21.03.2023)	54	ERWR Power Transmission Ltd. (Incorporated on 27.09.2022 and transferred on 21.03. 2023)
55	KPS3 Transmission Limited (Incorporated on 29.04.2022 and transferred on 21.03.2023)	56	KPS1 Transmission Limited (Incorporated on 06.05.2022 and transferred on 20.04.2023)
57	KPS2 Transmission Limited (Incorporated on 04.05.2022 and transferred on 21.03.2023)	58	GADAG II-A Transmission Limited (Transferred on 18.11.2022)
59	Khavda II-A Transmission Limited (Incorporated on 19.04.2022 and transferred on 28.03.2023)		

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Associates:		
Key Managerial Personnel (KMP) of the Company & their relatives:		**Designation**
In respect of PFC		
1	Shri Ravinder Singh Dhillon	Chairman and Managing Director
2	Smt Parminder Chopra	Director (Finance)
3	Shri Rajiv Ranjan Jha	Director (Projects)
4	Shri Manoj Sharma (w.e.f 29.08.2022)	Director (Commercial)
5	Shri Ajay Tewari (w.e.f 09.06.2022)	Government Nominee Director
6	Shri Vishal Kapoor (up to 08.06.2022)	Government Nominee Director
7	Shri Ram Chandra Mishra (up to 11.07.2022)	Part Time Non-Official Independent Director
8	Adv. Bhaskar Bhattacharya	Part Time Non-Official Independent Director
9	Shri Prasanna Tantri	Part Time Non-Official Independent Director
10	Smt Usha Sanjeev Nair	Part Time Non-Official Independent Director
11	Shri Manohar Balwani (up to 30.04.2023)	CGM & Company Secretary
In respect of subsidiary RECL		
1	Shri S.K.G Rahate Director (up to 10.05.2022)	Chairman & Managing Director
2	Shri Ravinder Singh Dhillon (w.e.f. 10.05.2022 & up to 16.05.2022)	Chairman & Managing Director
3	Shri Vivek Kumar Dewangan (w.e.f. 17.05.2022)	Chairman & Managing Director
4	Shri Ajoy Choudhury	Director (Finance)
5	Shri V.K. Singh (w.e.f. 15.07.2022)	Director (Technical) (w.e.f. July 15, 2022)
6	Smt. Parminder Chopra	PFC Nominee Director (Non-executive Director)
7	Shri Vishal Kapoor (up to 14.09.2022)	Govt. Nominee Director (ceased w.e.f. September 14, 2022)
8	Shri Piyush Singh (w.e.f. 14.09.2022)	Govt. Nominee Director (w.e.f. September 14, 2022)
9	Dr. Gambheer Singh	Part Time Non-Official Independent Director
10	Dr. Manoj M. Pande	Part Time Non-Official Independent Director
11	Dr. Durgesh Nandini	Part Time Non-Official Independent Director
12	Shri Narayanan Thirupathy (w.e.f. 06.03.2023)	Part Time Non-Official Independent Director (w.e.f. March 6, 2023)
13	Shri J.S. Amitabh	Executive Director & Company Secretary
In respect of subsidiary PFCCL		
1	Shri Ravinder Singh Dhillon	Chairman
2	Smt. Parminder Chopra	Director
3	Shri Rajiv Ranjan Jha	Director
4	Shri Manoj Kumar Rana	Chief Executive Officer
5	Shri Milind M. Dafade (w.e.f. 03.12.2022)	Chief Financial Officer
6	Shri Manish Kumar Agrawal (up to 16.02.2023)	Company Secretary
7	Shri Sachin Arora (w.e.f. 16.02.2023)	Company Secretary
Trusts/Funds under control of PFC		
1	PFC Employees Provident Fund	2 PFC Employees Gratuity Fund
3	PFC Defined Contribution Pension Scheme 2007	4 PFC Superannuation Medical Fund
Trusts/ Funds/ Society of subsidiary RECL		
1	REC Retired Employees' Medical Trust	2 REC Employees' Superannuation Trust
3	REC Gratuity Fund	4 REC Limited Contributory Provident Fund Trust
5	REC Employees' Benevolent Fund	6 REC Foundation
Companies in which Key Managerial Personnel are Directors		
1	PTC India Limited	2 Energy Efficiency Services Limited (EESL) (w.e.f. 29.09.2022 for PFC & w.e.f. 28.07.2022 for REC)
3	SJVN Limited (w.e.f. 01.12.2022)	4 Samarpan Hospitals Private Limited
5	NTPC Limited (w.e.f. 14.09.2022)	6 Nellore Transmission Limited (w.e.f. 15.07.2022)
7	Jammu and Kashmir State Power Trading Company Limited (w.e.f. 18.01.2023)	

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49.2 Transactions with the Related Parties are as follows:

Intra Group related party transactions with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group related party transactions.

(₹ in crore)

Particulars	During FY 2022-23	During FY 2021-22
Joint Venture		
Lease Rentals on Vehicles*	-	0.09
Associates		
Recoveries of advances (including interest) from associates	1.83	5.04
Interest income on advances to associates	19.23	18.15
Repayment of advance taken from Associate	2.27	1.12
Interest expenses on advances from associates	4.66	2.87
Income on transfer of associate	58.89	39.93
Others	9.77	6.11
Trusts/ Funds/ Foundations of the Group		
Contributions made during the year	48.64	25.66
Finance cost on bonds	3.54	4.00
Redemption of bonds	5.10	4.80
Others	151.95	112.80
Key managerial personnel		
Short-term employee benefits (i)	8.36	7.08
Post-employment benefits (ii)	0.96	0.60
Other long-term benefits (iii)	0.14	0.41
Sub-total (i+ii+iii)	**9.46**	**8.09**
Repayment/ recovery of loans and advances including Interest Income	0.66	0.47
Subscription of bonds	-	0.17
Redemption of bonds	0.10	-
Directors' sitting fee paid	0.80	0.41
Finance cost on bonds paid	0.08	0.04
Companies in which Key Managerial Personnel are Directors		
Dividend received	6.96	13.13
Directors' Sitting Fee received	0.08	0.05
Finance Cost	-	0.35
Others	15.34	-

* Transactions up to the date of cessation of joint control in EESL have been disclosed.

49.3 Outstanding balances with Related Parties are as follows:

Intra Group related party outstanding balances with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group Outstanding balances with related party

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Amount recoverable towards loans, advances and others(including interest)		
Associates	223.51	209.26
Key managerial personnel	0.53	0.66
Trusts/Funds under control of the Group	15.11	1.20
Companies in which Key Managerial Personnel are Directors	5.60	-
Amount payable towards loans, advances and others (including interest)		
Associates	177.12	177.14

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(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Debt Securities		
Key managerial personnel	0.35	0.54
Trusts/ Funds under control of the Company	35.90	41.00
Provisions made w.r.t. Trusts/Funds under control of the Company	17.95	1.05
Investments made in		
Associates	0.55	0.75
Companies in which Key Managerial Personnel are Directors	400.57	313.44

49.4 Disclosure in respect of entities under the control of the same government (Government related entities)

Companies in the Group are Central Public Sector Undertaking (CPSU) controlled by Central Government. List of Government related entities with which the Group has done transactions, includes but not limited to:

Bhartiya Rail Bijlee Company Ltd.	Damodar Valley Corporation
Tehri Hydro Development Corporation	Mumbai Metro Rail Corporation Limited
Neyveli UP Power Ltd.	Bihar Grid Company Ltd.
Meja Urja Nigam Pvt. Ltd.	Coal India Ltd.
Raichur Power Corporation Ltd.	NHPC Ltd.
NLC Tamil Nadu Power Ltd.	Sardar Sarovar Narmada Nigam Ltd.
National High Power Test Laboratory Pvt. Ltd.	Neyveli Lignite Corporation Ltd.
Power Foundation of India	SJVN Thermal Pvt Ltd.
Nabinagar Power Generating Co. Pvt. Ltd.	NTPC Tamil Nadu Energy Company Ltd.
Patratu Vidut Utpadan Nigam Ltd.	Power Grid Corporation of India Ltd.
Broadcast Engineering Consultants India Ltd.	India Tourism Development Corporation Ltd.
Balmer Lawrie & Co. Ltd.	Mahanagar Telphone Nigam Ltd.
National Informatic Centre Services Inc. (NICSI)	MSTC Ltd.
WAPCOS Ltd.	

Significant transactions with entities under the control of same government:

(₹ in crore)

Particulars	During FY 2022-23	During FY 2021-22
Disbursement of loans	9,220.07	2,832.23
Interest received	4,144.59	4,805.82
Membership fees paid	13.40	5.00

Refer Note 14, 23, 25.1, 25.3 and 55 in respect of material transactions with the Central Govt.

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Group has also entered into other transactions such as telephone expenses, deposits, expenses on Government Programmes, etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All transactions are carried out on market terms.

49.5 Major Terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel are in line with the HR Policies of the respective Companies.

(iii) Loans and advances given to Directors/ KMPs have specified terms/ period of repayment and are in line with the HR Policies of the respective Companies in the group.

Notes to the Consolidated Financial Statements

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(iv) The Companies in the Group makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the respective Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the respective Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of Group companies at the year-end are unsecured.

50 EMPLOYEE BENEFITS

50.1 Defined contribution plans:

50.1.1 Pension

The Companies in the Group pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

50.1.2 Provident Fund

The Companies in the Group pays fixed contribution on account of provident fund at prescribed rates to a separate trusts, which invests the funds in permitted securities. The trusts have to ensure, a minimum rate of return to the members, as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Companies in the Group. The Companies in the Group estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

The Group has recognised an expense in the Consolidated Statement of Profit and Loss of ₹ 30.87 crore (Previous year ₹ 26.47 crore) towards defined contribution plans.

50.2 Defined benefit plans:

50.2.1 Gratuity

The Companies in the Group have a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
a) Present value of Defined benefit obligation	58.77	57.96
b) Fair Value of Plan Assets	54.97	57.59
c) Net Defined Benefit (Asset)/Liability (a-b)	3.80	0.37

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for the year ended March 31, 2023

Movement in net defined benefit (asset)/liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
I. Opening Balance	57.96	61.11	57.59	57.13	0.37	3.98
Included in profit or loss						
Current service cost	2.90	3.44	-	-	2.90	3.44
Past service cost	2.16	-	-	-	2.16	-
Interest cost/income	4.11	4.20	4.27	4.01	(0.16)	0.19
II. Total amount recognised in profit or loss	**9.17**	**7.64**	**4.27**	**4.01**	**4.90**	**3.63**
Included in OCI						
Re-measurement loss/(gain)	-	-	-	-	-	-
Actuarial loss (gain) arising from changes in financial assumptions	0.40	(1.54)	-	-	0.40	(1.54)
Actuarial loss (gain) arising from experience adjustment	(1.30)	(1.69)	-	-	(1.30)	(1.69)
Effect of change in demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	0.15	(0.72)	(0.15)	0.72
III. Total amount recognised in OCI	**(0.90)**	**(3.23)**	**0.15**	**(0.72)**	**(1.05)**	**(2.51)**
IV. Contribution by participants	-	-	-	-	-	-
V. Contribution by employer	-	-	0.42	4.73	(0.42)	(4.73)
VI. Benefits paid	(7.46)	(7.56)	(7.46)	(7.56)	-	-
VII. Closing Balance (I+II+III+IV+V+VI)	**58.77**	**57.96**	**54.97**	**57.59**	**3.80**	**0.37**

50.2.2 Post-Retirement Medical Scheme (PRMS)

The Companies in the Group have Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated and deceased employees and their dependent family members. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the respective Company. The Companies in the Group estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
a) Present value of Defined benefit obligation	228.98	221.90
b) Fair Value of Plan Assets	238.58	214.92
c) Net Defined Benefit (Asset)/ Liability (a-b)	(9.60)	6.98

Notes to the Consolidated Financial Statements

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Movement in net defined benefit (asset)/liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
I. Opening Balance	**221.90**	**200.06**	**214.92**	**187.46**	**6.98**	**12.60**
Included in profit or loss						
Current service cost	6.74	5.88	-	-	6.74	5.88
Past service cost	-	2.50	-	-	-	2.50
Interest cost/income	16.07	13.77	15.89	13.14	0.18	0.63
II. Total amount recognised in profit or loss	**22.81**	**22.15**	**15.89**	**13.14**	**6.92**	**9.01**
Included in OCI						
Re-measurement loss/(gain)	-	-	-	-	-	-
Actuarial loss (gain) arising from changes in financial assumptions	2.74	(5.34)	-	-	2.74	(5.34)
Actuarial loss (gain) arising from experience adjustment	(4.07)	10.92	-	-	(4.07)	10.92
Effect of change in demographic assumptions	-	9.30	-	-	-	9.30
Return on plan assets excluding interest income	-	-	2.14	3.23	(2.14)	(3.23)
III. Total amount recognised in OCI	**(1.33)**	**14.88**	**2.14**	**3.23**	**(3.46)**	**11.65**
IV. Contribution by participants	0.44	0.15	0.14	0.10	0.30	0.05
V. Contribution by employer	-	-	8.23	13.30	(8.23)	(13.30)
VI. Benefits paid	(14.84)	(15.34)	(2.74)	(2.31)	(12.10)	(13.03)
VII. Closing Balance (I+II+III+IV+V+VI)	**228.98**	**221.90**	**238.58**	**214.92**	**(9.60)**	**6.98**

50.2.3 Economic Rehabilitation Scheme (ERS)

The Companies in the Group have an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Present value of Defined benefit obligation	11.99	10.92

Movement in Defined Benefit Obligation

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation for the year ended	
	31.03.2023	31.03.2022
I. Opening Balance	10.92	8.66
Included in profit or loss		
Current service cost	0.67	0.58
Past service cost	-	-
Interest cost/income	0.77	0.58
II. Total amount recognised in profit or loss	**1.44**	**1.16**
Included in OCI		
Actuarial loss (gain) arising from changes in financial assumptions	0.27	(0.30)
Actuarial loss (gain) arising from experience adjustment	1.28	3.64
Effect of change in demographic assumptions	-	-
Return on plan assets excluding interest income	-	-
III. Total amount recognised in OCI	**1.55**	**3.34**
IV. Contribution by participants	-	-
V. Contribution by employers	-	-
VI. Benefits paid	(1.92)	(2.24)
VII. Closing Balance (I+II+III+IV+V+VI)	**11.99**	**10.92**

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50.2.4 Risk exposure

Through its defined benefit plans, the Companies in the Group are exposed to a number of risks, the most significant of which are detailed below:

(i) Investment risk/Asset Volatility Risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

(ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

(iii) Mortality rate risk/Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(v) Employee Turnover rate/Withdrawal rate

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

50.2.5 Plan Assets

The value of plan assets for each category, are as follows:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	0.27	1.16	0.40	0.20
State/Central Government Debt Securities	25.71	76.40	14.15	52.68
Corporate Bonds/Debentures	20.69	161.02	12.08	162.04
Others	8.30	-	30.96	-
Total	**54.97**	**238.58**	**57.59**	**214.92**

- Actual return on plan assets is ₹ 22.44 crore (Previous year ₹ 19.67 crore).

50.2.6 Significant Actuarial Assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31.03.2023 by TransValue Consultants for Companies in the Group. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for actuarial valuation are:-

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A. In respect of PFC

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Discount rate & expected return on plan assets, if funded	7.33%	7.45%	7.33%	7.45%	7. 33%	7.45%
Salary escalation rate/ Medical inflation rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality rate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate
Withdrawal rate	**0.01%**	**0.01%**	**0.01%**	**0.01%**	**0.01%**	**0.01%**

B. In respect of RECL

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Method used	PUCM					
Discount rate & expected return on plan assets	7.31%	7.37%	7.31%	7.37%	7.31%	7.37%
Future salary escalation/medical inflation	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	17.72	17.35	17.72	17.35	17.72	17.35

50.2.7 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation of PFC & RECL by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(2.05)	2.21	(1.92)	2.06
- PRMS	(16.72)	17.93	(16.44)	17.48
- ERS	(0.43)	0.48	(0.39)	0.44
Salary Escalation/ Medical inflation rate (0.50% movement)				
- Gratuity	0.40	(0.32)	0.33	(0.40)
- PRMS	14.34	(13.03)	16.28	(14.80)
- ERS	0.44	(0.39)	0.40	(0.36)
Medical Cost (10% movement)				
- PRMS	22.68	(21.28)	23.15	(21.43)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Group actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Group to manage its risks from prior periods.

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50.2.8 Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Up to 1 year	8.28	6.43	16.24	16.03	2.11	1.93
1 to 5 years	26.89	28.25	93.89	97.02	5.50	6.90
Over 5 years	88.11	82.46	379.01	392.00	11.83	12.44
Total	**123.28**	**117.14**	**489.14**	**505.05**	**19.44**	**21.27**

The table above is drawn on the basis of expected cash flows.

50.2.9 Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Expected contribution	**6.26**	**3.27**	**8.61**	**13.71**

50.2.10 The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.14 years (as at 31.03.2022: 13.98 years) for PFC and 11.18 years (as at 31.03.2022: 12.20 years) for subsidiary, RECL.

50.3 Other long-term employee benefits

50.3.1 Leave

The companies in the Group provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300 days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 11.88 crore (previous year ₹ 20.99 crore) for the year has been made at the year end and debited to the Consolidated Statement of Profit and Loss.

50.3.2 Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 5.04 crore for the year (Previous year ₹ 1.14 crore) has been made on the basis of actuarial valuation and debited to the Consolidated Statement of Profit and Loss.

50.3.3 In case of RECPDCL, the Loyalty incentive to the employees is payable after completion of three years of continuous service only, except in case of separation due to death. The payment of dues to outgoing employee is released at the time of separation. Expenses amounting to nil (Previous year nil) have been debited to the Consolidated Statement of Profit and Loss on the basis of actuarial valuation.

50.4 Employee benefits (viz. Gratuity, PRMS, Terminal Benefits, Leave encashment and other employee benefits) in respect of PFC's employees working in its wholly-owned subsidiary PFCCL on deputation / secondment basis, are being allocated based on a fixed percentage of employee cost.

51 LEASES

The Group has recognised a Right of Use Asset and Lease Liability with respect to leasehold land:

51.1 The table below shows the movement of Lease Liabilities during the year

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	**19.07**	**9.43**
Additions during the year	-	11.95
Finance cost accrued during the period	1.65	1.75
Payment of lease liabilities	(3.71)	(3.72)
Reassessment of lease liabilities	-	(0.34)
Closing balance	**17.01**	**19.07**

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51.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

(₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Up to 1 year	3.72	3.72
1-5 years	9.65	12.60
More than 5 years	54.74	55.51

51.3 During the year 2022-23, the expenses relating to short-term/low value leases amounting to ₹ 16.88 crore (Previous year ₹ 13.50 crore) has been charged to Consolidated statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

51.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 20.12 crore. (Previous year ₹ 17.35 crore)

52. CONTINGENT LIABILITIES AND COMMITMENTS:

(₹ in crore)

Sr. No	Description	As at 31.03.2023	As at 31.03.2022
Contingent Liabilities			
(i)	Guarantees[(a)&(b)]	7.50	8.29
(ii)	Claims against the Group not acknowledged as debts	27.67	30.39
(iii)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned[(b)]	5,510.43	11,101.40
(iv)	Additional demands raised by the Income Tax Department of earlier years which are being contested	307.15	262.13
	Income Tax Department has filed appeals against the relief allowed by appellate authorities to the Companies in the Group. The same are also being contested	0.90	0.90
(v)	Service Tax/GST demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested	43.87	42.42
	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	50.90	53.40
(vi)	Bank Guarantees	32.63	33.37
(vii)	Others	315.30	-
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	264.85	328.85
(ii)	Other Commitments – unspent CSR	306.53	499.68
Total		**6,867.73**	**12,360.84**

[(a)]Default payment guarantee given by PFC 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. Refer note 26

53. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTEREST (NCI):

Name of Subsidiary	Proportion of ownership interests held by NCI		TCI allocated to non-controlling interests (₹ in crore)		Accumulated non-controlling interests (₹ in crore)	
	As at 31.03.2023	As at 31.03.2022	Year ended 31.03.2023	Year ended 31.03.2022	As at 31.03.2023	As at 31.03.2022
RECL	47.37%	47.37%	4,829.33	4,726.00	27,822.74	24,598.91

* Includes Instruments in nature of equity of ₹ 558.40 crore issued by PFC's subsidiary RECL.

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54. SUMMARISED FINANCIAL INFORMATION FOR GROUP'S SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (BEFORE INTRA GROUP ELIMINATIONS):

(₹ in crore)

Particulars (RECL)	As at 31.03.2023	As at 31.03.2022
Financial assets	4,61,166.67	4,06,800.96
Non-financial assets	4,331.43	4,054.75
Assets classified as held for sale	4.65	4.38
Financial liabilities	4,07,153.50	3,59,341.02
Non-financial liabilities	228.72	204.96
Liabilities directly associated with assets classified as held for sale	0.02	0.01
Equity attributable to the owners of the Company	30,297.72	26,715.19
Non-Controlling interests towards Instruments Entirely Equity in Nature	558.40	558.40
Non-Controlling interests towards Equity Shareholders	27,264.39	24,040.51
Total Non-controlling interests	**27,822.79**	**24,598.91**

(₹ in crore)

Particulars (RECL)	FY 2022-23	FY 2021-22
Total Revenue	39,520.16	39,339.20
Total Expenses	25,622.49	26,896.86
Profit/(loss) for the year	**11,166.98**	**10,035.70**
Profit/(loss) attributable to owners of the Company	5,877.72	5,282.28
Profit/(loss) attributable to the non-controlling interests	5,289.26	4,753.42
Other comprehensive income for the year	**(971.04)**	**(57.90)**
Other comprehensive income attributable to owners of the Company	(511.11)	(30.48)
Other comprehensive income attributable to the non-controlling interests	(459.93)	(27.42)
Total comprehensive income for the year	**10,195.94**	**9,977.80**
Total comprehensive income attributable to owners of the Company	5,366.61	5,251.80
Total comprehensive income attributable to the non-controlling interests	4,829.33	4,726.00
Dividends paid to non-controlling interests	1,477.97	1,142.15
Net cash inflow(outflow) from operating activities	(37,359.77)	(818.53)
Net cash inflow(outflow) from investing activities	(942.95)	(287.44)
Net cash inflow(outflow) from financing activities	38,122.84	67.72
Net cash inflow(outflow)	(179.88)	(1,038.25)

55. THE GOVERNMENT OF INDIA (GOI) SCHEMES BEING IMPLEMENTED IN THE GROUP

A. In respect of PFC

PFC has been designated as Nodal Agency for operationalisation and implementation of RDSS Scheme and IPDS (R-APDRP subsumed in it). Role of Nodal Agency *inter alia* includes pass through of loans/grants to eligible utilities under schemes of GOI. The release of the funds under GoI schemes is ensured through Treasury Single Account (TSA) maintained with RBI, as per office memorandum issued by MoF, GoI dated 09th March 2022. This ensures that funds of these schemes are released 'Just in time' from the Consolidated Fund of India (CFI) to the beneficiaries

55.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with REC is the nodal agency for operationalisation of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

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

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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.

The Scheme has an outlay of ₹ 3, 03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI. The amount of grant received and administered to the eligible entities during FY 2022-23 is ₹ 1319.86 crore (Previous year ₹ 359 crore) and the cumulative grant administered till 31.03.2023 is ₹ 1,678.86 crore (till 31.03.2022 is ₹ 359 crore).

Further, No amount of grant remained undisbursed as on 31.03.2023 and 31.03.2022.

PFC is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2022-23 stands at ₹.71.58 crore. (Previous year Nil).

55.2 Integrated Power Development Scheme (IPDS) (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) subsumed)

IPDS scheme was launched in December 2014 to 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. This scheme has the sunset date of 31.03.2022 and the ongoing approved projects have been subsumed as a separate component under the new RDSS scheme.

The estimated outlay of the scheme was ₹ 32,612 crore including a budgetary support of ₹ 25,354 crore from GoI. R-APDRP scheme cost of ₹ 44,011 crore including budgetary support of ₹ 22,727 crore have also been carried forward to IPDS scheme. The amount of fund received and administered to the eligible entities during FY 2022-23 is ₹ 474.46 crore (previous year ₹ 2125.01 crore) and the cumulative grant administered till 31.03.2023 is ₹ 18,381.91 crore (till 31.03.2022 ₹ 17,907.45 crore).

The amount of fund received under R-APDRP (subsumed with IPDS) and administered to the eligible entities during FY 2022-23 is ₹ 65.00 crore (Previous year ₹ 326.64 crore) and the cumulative grant administered till 31.03.2023 is ₹ 13,562.07 crore (till 31.03.2022 ₹ 13,497.07 crore).

Further, no fund remained undisbursed as on 31.03.2023 and 31.03.2022.

The total amount of nodal agency fee income from this scheme for FY 2022-23 stands at Nil (Previous year ₹ 8.60 crore). Additionally, PFC has also received Nil (Previous year ₹ 28.20 crore) as reimbursement of expenditure from MoP under the said scheme.

B. In respect of RECL

55.3 Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Government of India launched a scheme "Pradhan Mantri Sahaj Bijli Har Ghar Yojana" - Saubhagya to achieve universal household electrification in the country during Oct 2017. The scheme envisaged to provide last mile connectivity and electricity connections to all remaining un-electrified households in rural areas and poor households in urban areas. The capital outlay of Saubhagya Scheme was ₹ 16,320 crore including Gross Budgetary Support of ₹ 12,320 crore during the entire implementation period. Ministry of Power designated REC as the Nodal agency for operationalisation of Saubhagya Scheme. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

55.4 Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the flagship scheme of Government of India covering all aspects of rural power distribution was launched in Nov 2014. Under the scheme 60% of the project cost (85% for special States) is provided as grant by Government of India and additional grant up to 15% (5% for special States) on achievement of prescribed milestones. DDUGJY facilitates towards achievement of '24x7 Power for All' in the country through the following project components:

(i) Separation of agriculture and non-agriculture feeders facilitating adequate power supply to agriculture & continuous power supply to non-agricultural consumers in the rural areas;

(ii) Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/ feeders/ consumers;

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(iii) Micro-grid and Off-grid distribution network;

(iv) Rural Electrification component under the RGGVY 12th and 13th plans, subsumed to DDUGJY.

The scheme had estimated outlay of ₹ 75,893 crore including budgetary support of ₹ 63,027 crore from Government of India during the entire implementation period. Additional Infra under DDUGJY was sanctioned with a total outlay of ₹ 7,069 crore including budgetary support of ₹ 5,302 crore. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. 31.03.2022.

55.5 National Electricity Fund (NEF)

The National Electricity Fund (NEF), an interest subsidy scheme, has become operational since FY 2012-13. The scheme has been introduced by the Government of India to promote capital investment in the distribution sector. The scheme provides interest subsidy linked with reform measures, on the loans taken by public and private distribution power utilities for various capital works in the Distribution sector. NEF would provide interest subsidy aggregating up to ₹ 8,466 crore (including interest subsidy to the borrowers, Service Charges to the Nodal Agency, payments to Independent Evaluators and other incidental expenses) spread over 14 years for loan disbursement against projects approved during 2012-13 and 2013-14. RECL has been nominated as the Nodal Agency for operationalisation of NEF scheme across the country.

55.6 Revamped Distribution Sector Scheme (RDSS)

Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to them so as to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 crore over 5 years i.e. FY 2021-22 to FY 2025-26 including an estimated Government Budgetary Support (GBS) of ₹ 97,631 crore.

(i) Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.

(ii) Reduction of ACS-ARR gap to zero by 2024-25.

(iii) Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Components of the scheme are:

Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.

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

55.7 J&K Prime Minister's Development Plan (PMDP)

Government of Jammu & Kashmir, Power Development Department has appointed RECPDCL as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commissioning of all the material and services works to be taken-up for execution of transmission projects under PMDP in J&K state and Ladakh on nomination basis, as per actual cost to be discovered through competitive biddings.

55.8 11 kV Feeder Monitoring

Ministry of Power has appointed RECPDCL to implement 11 kV Feeder Monitoring Scheme. The scheme is to develop a Self-sustained independent web based system for automated 11 kV Rural Feeder Monitoring System through Data Logging of various essential parameters of all the Outgoing 11kV rural feeders from 66, 33/11 kV sub stations and make the information available online for various stake holders including public portal, on real time basis for power supply monitoring, alerts, meter data analysis, information dissemination and energy audit.

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C. In respect of subsidiary PFCCL

55.9 PFC's subsidiary PFCCL has been selected as nodal agency for facilitating short-term power requirements through competitive bidding as per MoP guidelines dated 30.03.2016. As per the guidelines, every bidder is required to deposit with PFCCL the requisite fees of ₹ 500 per MW plus applicable taxes for the maximum capacity a bidder is willing to bid. Only successful bidder(s) will have to pay the fees to PFCCL for the quantum allocated to each bidder after completion of activity and the balance amount will be refunded to the bidder.

55.10 In connection with Aatma Nirbhar Bharat Abhiyan of Govt. of India, Power Departments/ Utilities in Union Territories has to be corporatised/ privatised. MoP through PFC has conveyed to provide hand-holding support and the services of a transaction advisor to the UTs and to fund the expenditure incurred in this regard which will be recoverable from the successful bidder/ MoP alongwith interest. PFC has appointed PFCCL as the nodal agency for this work.

56. STATUS OF DOCUMENTATION SUBSEQUENT TO UNBUNDLING OF SEBS

Some of the erstwhile State Electricity Boards (SEBs) against whom loans were outstanding or on whose behalf guarantees were given, were restructured by the respective State Governments and new entities were formed in the past. Consequently, the liabilities of the erstwhile SEBs stand transferred to new entities.

56.1 Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the state of Jammu & Kashmir into two union territories- Jammu & Kashmir UT and Ladakh UT, the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/repaid in line with the existing loan agreements.

56.2 Status of documentation subsequent to reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans (except for above R-APDRP loans) with the new/name changed utilities. Till that time, the demand for payment of interest/principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

In respect of RECL

56.2.1 Where ever the loans have been sanctioned to erstwhile APCPDCL, APNPDCL and APGENCO prior to bifurcation and documentation has not been done, these schemes have been re-sanctioned in the name of newly formed utilities and documentation formalities completed and accordingly the charge has been registered with the Ministry of Corporate Affairs (MCA).

56.2.2 Where ever the loans sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed and drawls have been made, in these schemes an undertaking has been obtained from the name changed/newly formed utility and disbursements have been made to the newly formed utility by changing the name of the borrower in the name of new/name changed utility.

56.2.3 Where ever the Loan is sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed with Government Guarantee and drawls have been made, further documentation for these schemes shall be done on Gazette Notification.

57. IN THE CONTEXT OF REPORTING BUSINESS / GEOGRAPHICAL SEGMENT AS REQUIRED BY IND AS 108 - 'OPERATING SEGMENTS'

The Group's operations majorly comprise of one business segment i.e. lending to power , logistics and infrastructure sector entities. All activities revolve around the main business. Accordingly, there are no reportable segments as per Ind AS 108. Based on "management approach" as defined in Ind AS 108 'Operating Segments', the Chief Operating Decision Maker evaluates the Group's performance based on analysis of various factors of one business segment.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

57.1 The Group does not have any geographical segments as its operations are mainly carried out within the country.

57.2 Revenue from major services

The following is an analysis of Group's revenue from operations from its major products/services:

(₹ in crore)

	FY 2022-23	FY 2021-22
Interest income		
- on loans	75,912.83	74,344.34
- others	583.10	542.78
Dividend income	103.00	68.86
Fees and commission income	548.79	1,069.58
Other operating income	420.58	236.10
Total Revenue from Operations	**77,568.30**	**76,261.66**

57.3 Information about major borrowers

No single borrower contributed 10% or more to respective companies' revenue for both FY 2022-23 and FY 2021-22.

58. AMOUNTS EXPECTED TO BE RECOVERED / SETTLED WITHIN 12 MONTHS AND BEYOND FOR EACH LINE ITEM UNDER ASSET AND LIABILITIES

(₹ in crore)

	Particulars	As at 31.03.2023			As at 31.03.2022		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	127.59	-	127.59	914.24	-	914.24
(b)	Bank Balance other than included in Cash & Cash Equivalents	3,902.57	70.86	3,973.43	5,705.25	65.01	5,770.26
(c)	Derivative Financial Instruments	2,937.48	10,847.53	13,785.01	1,324.01	7,266.72	8,590.73
(d)	Trade Receivable	171.17	-	171.17	125.63	-	125.63
(e)	Loans	1,33,824.78	6,99,078.58	8,32,903.36	87,291.13	6,45,559.63	7,32,850.76
(f)	Investments	1,272.39	4,700.50	5,972.89	1,146.91	2,626.60	3,773.51
(g)	Other Financial Assets	369.01	29,463.07	29,832.08	383.72	29,436.63	29,820.35
	Total Financial Assets (1)	**1,42,604.66**	**7,44,160.87**	**8,86,765.53**	**96,890.89**	**6,84,954.59**	**7,81,845.48**
2	**Non- Financial Assets**						
(a)	Current Tax Assets (Net)	26.91	516.17	543.08	29.79	465.46	495.25
(b)	Deferred Tax Assets (Net)	-	7,340.03	7,340.03	0	7,315.37	7,315.37
(c)	Property, Plant and Equipment	-	737.66	737.66	0	668.94	668.94
(d)	Capital Work-in-Progress	-	10.66	10.66	0	53.36	53.36
(e)	Intangible Assets under development	-	11.20	11.20	0	0	0
(f)	Other Intangible Assets	-	1.67	1.67	0	4.41	4.41
(g)	Right of use asset	-	42.97	42.97	0	45.83	45.83
(h)	Other Non-Financial Assets	207.61	433.53	641.14	169.12	382.56	551.68
(i)	Investments accounted for using equity method	-	0.51	0.51	0	0.5	0.5
	Total Non-Financial Assets (2)	**234.52**	**9,094.40**	**9,328.92**	**198.91**	**8,936.42**	**9,135.34**
3	**Assets classified as held for sale**	17.41	-	17.41	19.45	0	19.45
	Total Assets (1+2+3)	**1,42,856.59**	**7,53,255.27**	**8,96,111.86**	**97,109.25**	**6,93,891.01**	**7,91,000.27**
	LIABILITIES						

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in crore)

	Particulars	As at 31.03.2023			As at 31.03.2022		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	87.43	913.84	1,001.27	75.65	580.74	656.39
(b)	Trade Payables	50.86	-	50.86	49.75	-	49.75
(c)	Debt Securities	63,400.22	4,33,329.16	4,96,729.38	55,156.00	3,94,575.56	4,49,731.56
(d)	Borrowings (other than Debt Securities)	72,559.00	1,65,784.00	2,38,343.00	45,795.24	1,48,821.74	1,94,616.98
(e)	Subordinated Liabilities	6,699.20	9,385.94	16,085.14	399.28	15,728.46	16,127.74
(f)	Other Financial Liabilities	1,735.18	29,229.49	30,964.67	3,294.26	29,304.72	32,598.98
	Total Financial Liabilities (1)	**1,44,531.89**	**6,38,642.43**	**7,83,174.32**	**1,04,770.18**	**5,89,011.22**	**6,93,781.40**
2	**Non- Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	28.32	105.02	133.34	23.98	195.17	219.15
(b)	Provisions	336.47	101.64	438.11	168.05	188.5	356.55
(c)	Other Non-Financial Liabilities	311.25	73.54	384.79	312.24	55.77	368.01
	Total Non-Financial Liabilities (2)	**676.04**	**280.20**	**956.24**	**504.27**	**439.44**	**943.71**
3	Liabilities directly associated with assets classified as held for sale	0.02	-	0.02	0.01	0	0.01
	Total Liabilities (1+2+3)	**1,45,207.95**	**6,38,922.63**	**7,84,130.58**	**1,05,274.46**	**5,89,450.66**	**6,94,725.12**

59. DETAILS IN AGGREGATE, FOR INTERESTS IN ALL INDIVIDUALLY IMMATERIAL ASSOCIATES THAT ARE ACCOUNTED FOR USING THE EQUITY METHOD:

(₹ in crore)

Particulars	FY 2022-23	FY 2021-22
Profit or loss from continuing operations	0.01	0.00
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**0.01**	**0.00**

60. DISCLOSURES IN RESPECT OF ENTITIES CONSOLIDATED AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013

60.1 Share in net assets i.e. total assets minus total liabilities

(₹ in crore)

Name of entity	As at 31.03.2023		As at 31.03.2022	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
PFC Ltd.	60.91%	68,202.23	61.65%	59,350.28
Subsidiaries - Indian				
RECL	51.90%	58,120.51	53.30%	51,314.10
PFC Consulting Limited (PFCCL)	0.15%	163.08	0.12%	111.41
PFC Projects Limited*	0.00%	-	-	-
Associates - Indian				
Chhattisgarh Surguja Power Limited**	-	-	0.00%	-
Coastal Karnataka Power Limited*	-	-	0.00%	-
Coastal Maharashtra Mega PowerLimited**	-	-	0.00%	-
Orissa Integrated Power Limited	0.00%	-	0.00%	-
Coastal Tamil Nadu Power Limited	0.00%	0.08	0.00%	0.08

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in crore)

Name of entity	As at 31.03.2023		As at 31.03.2022	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Sakhigopal Integrated Power Limited	0.00%	0.05	0.00%	0.05
Ghogarpalli Integrated Power Company Limited	0.00%	0.05	0.00%	0.05
Tatiya Andhra Mega Power Limited**	-	-	0.00%	-
Deoghar Mega Power Limited	0.00%	0.05	0.00%	0.05
Cheyyur Infra Limited	0.00%	0.05	0.00%	0.05
Odisha Infrapower Limited	0.00%	0.04	0.00%	0.05
Deoghar Infra Limited	0.00%	0.05	0.00%	0.05
Bihar Infrapower Limited	0.00%	0.05	0.00%	0.05
Bihar Mega Power Limited	0.00%	0.05	0.00%	0.05
Jharkhand Infrapower Limited	0.00%	0.04	0.00%	0.05
Adjustments or eliminations effect	(12.95%)	(14,505.05)	(15.06%)	(14,501.17)
Total	**100.00%**	**1,11,981.28**	**100.00%**	**96,275.15**

* PFC projects (formerly Coastal Karnataka Power Ltd), subsidiary w.e.f. 01.07.2022.

** Associates struck off during the year by the Registrar of Companie.s

60.2 Share in profit and loss

(₹ in crore)

Name of entity	As at 31.03.2023		As at 31.03.2022	
	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount
Parent				
PFC Ltd.	54.80%	11,605.47	53.40%	10,021.90
Subsidiaries - Indian				
REC Limited	52.73%	11,166.98	53.47%	10,035.70
PFC Consulting Limited (PFCCL)	0.30%	63.81	0.20%	37.68
PFC Projects Limited*	0.00%	(0.11)		
Joint Venture - Indian**				
Energy Efficiency Services Limited (EESL)	-	-	(0.12)%	(22.40)
Associates - Indian	0.00%	0.01	0.00%	-
Adjustments or eliminations effect	(7.83)%	(1,657.57)	(6.95)%	(1,304.67)
Total	**100.00%**	**21,178.59**	**100.00%**	**18,768.21**

* PFC projects (formerly Coastal Karnataka Power Ltd), subsidiary w.e.f. 01.07.2022.

**EESL ceases to be a Joint Venture w.e.f 01.09.2021.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

60.3 Share in other comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2023		As at 31.03.2022	
	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
Parent				
PFC Ltd.	14.12%	(159.67)	148.74%	180.83
Subsidiaries - Indian				
REC Limited	85.88%	(971.04)	(47.63)%	(57.90)
PFC Consulting Limited (PFCCL)	0.00%	-	0.00%	-
PFC Projects Limited *	0.00%	-		
Joint Venture - Indian**				
Energy Efficiency Services Limited (EESL)	-	-	(0.15)%	(0.19)
Associates - Indian	0.00%	-	0.00%	-
Adjustments or eliminations effect	0.00%	-	(0.96)%	(1.17)
Total	**100.00%**	**(1,130.71)**	**100.00%**	**121.57**

* PFC projects (formerly Coastal Karnataka Power Ltd), subsidiary w.e.f. 01.07.2022.

**EESL ceases to be a Joint Venture w.e.f 01.09.2021.

60.4 Share in total comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2023		As at 31.03.2022	
	As a % of consolidated total comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent				
PFC Ltd.	57.09%	11,445.80	54.01%	10,202.73
Subsidiaries - Indian				
REC Limited	50.86%	10,195.95	52.82%	9,977.80
PFC Consulting Limited (PFCCL)	0.32%	63.81	0.20%	37.68
PFC Projects Limited *	0.00%	(0.11)	-	-
Joint Venture - Indian**				
Energy Efficiency Services Limited	-	-	(0.12%)	(22.59)
Associates - Indian	0.00%	0.01	0.00%	-
Adjustments or eliminations effect	(8.27%)	(1,657.57)	(6.91)%	(1,305.84)
Total	**100.00%**	**20,047.88**	**100.00%**	**18,889.78**

* PFC projects (formerly Coastal Karnataka Power Ltd), subsidiary w.e.f. 01.07.2022.

**EESL ceases to be a Joint Venture w.e.f. 01.09.2021.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

61. Disclosures in Consolidated Financial Statements have been made to the extent relevant for Consolidated Financial Statements and to the extent of information available in subsidiaries' financial statements.

62. Figures of the previous year have been regrouped/ rearranged wherever necessary, in order to make them comparable.

63. Figures have been rounded off to the nearest crore of rupees with two decimals.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Form AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART "A" : SUBSIDIARIES

(₹ in crore)

A.	Subsidiaries[1]	REC Ltd.	PFC Consulting Limited (PFCCL)	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)	PFC Projects Limited (PPL)[6]
1	Information for the year ended as on[2]	31.03.2023	31.03.2023	31.03.2023	31.03.2023
2	Date of acquisition/incorporation	28.03.2019	25.03.2008	28.03.2019	06.02.2006
3	Share Capital	2,633.22	0.05	0.09	0.05
4	Reserves & Surplus	54,488.05	163.04	440.84	(0.17)
5	Instruments in the nature of Equity	558.40	-	-	-
6	Total Assets	4,64,877.13	276.97	680.50	1.31
7	Total Liabilities	4,07,197.46	113.88	239.57	1.43
8	Investments	3,137.98	-	78.77	-
9	Turnover[3]	39,208.06	133.03	307.27	-
10	Profit before Taxation	13,738.77	85.45	186.35	(0.11)
11	Provision for Taxation	2,684.13	21.64	46.56	-
12	Profit after taxation	11,054.64	63.81	139.79	(0.11)
13	Proposed Dividend	Nil	Nil	23.40	Nil
14	% of Shareholding	52.63%	100.00%	100.00%	100.00%

Notes:

1. The Company does not have any foreign subsidiary.
2. Reporting period of all the subsidiaries is same as that of the holding company.
3. Turnover is considered as Revenue from Operations.
4. Name of Subsidiaries which are yet to commence operations - Nil
5. Name of Subsidiaries which have been liquidated or sold during the year - Nil
6. In view of PFC acquiring the ability to direct the activities of PPL, it is being considered a subsidiary w.e.f. 01.07.2022

Form AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART "B": ASSOCIATES AND JOINT VENTURES

(₹ in crore)

B.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the Company on the year end			Description of how there is Significant Influence	Reason why the associate /joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit/Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
Associates[1]										
1	Sakhigopal Integrated Power Company Ltd.[2]	31-Mar-22	50,000	0.05	100%	SPVs are managed as per the mandate from Government of India (GoI) and the Company does not have the practical ability to direct the relevant activities of these SPVs unilaterally. Therefore, investment in these SPVs are considered as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.	NA	0.05	0.00	-
2	Ghogarpalli Integrated Power Company Ltd.2	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
3	Jharkhand Infrapower Ltd.[2]	31-Mar-22	50,000	0.05	100%		NA	0.04	-	-
4	Odisha Infrapower Ltd.[2]	31-Mar-22	50,000	0.05	100%		NA	0.04	-	-
5	Orissa Integrated Power Ltd.[2]	31-Mar-22	50,000	0.05	100%		NA	(0.07)	0.00	-
6	Cheyyur Infra Ltd.[2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
7	Coastal Tamil Nadu Power Ltd.[2]	31-Mar-22	50,000	0.05	100%		NA	0.08	-	-
8	Bihar Infrapower Limited.[2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
9	Bihar Mega Power Limited.[2]	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
10	Deoghar Infra Limited.[2]	31-Mar-22	50,000	0.05	100%		NA	0.05	-	-
11	Deoghar Mega Power Ltd.2	31-Mar-22	50,000	0.05	100%		NA	0.05	0.00	-
12	Chhatarpur Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
13	Fatehgarh III Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
14	Ananthpuram Kurnool Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	-	-
15	Fatehgarh III Beawar Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
16	Siot Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
17	Bhadla III Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
18	Beawar Dausa Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	
19	Fatehgarh IV Transmission Limited	31-Mar-23	10,000	0.01	100%		NA	0.01	0.00	-
20	Koderma Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(2.28)	-	(0.01)
21	Chandil Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(2.55)	-	(0.01)
22	Dumka Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(2.10)	-	0.00
23	Mandar Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(1.87)	-	0.00
24	Bidar Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.10)	-	(0.11)
25	Sikar Khetri Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.67)	-	(0.72)
26	KPS1 Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.57)	-	(0.62)
27	Ramgarh II Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.69)	-	(0.74)
28	Beawar Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.71)	-	(0.76)
29	Khavda II-D Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	0.03	-	(0.02)

Form AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in crore)

B.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the Company on the year end			Description of how there is Significant Influence	Reason why the associate /joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit/Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
30	Luhri Power Transmission Limited	31-Mar-23	50,000	0.05	100%		NA	(0.46)	-	(0.51)
31	Meerut Shamli Power Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(0.38)	-	(0.43)
32	NERES XVI Power Transmission Limited[2]	31-Mar-23	50,000	0.05	100%		NA	(0.14)	-	(0.19)

Notes:

1. SPVs from sl no 1 to 19 are under pre-operative stage and yet to commence operations.
2. Amount of Profit/Loss is as per management approved financial statements as on 31.03.2023
3. Names of SPVs struck off by the Registrar of Companies during the year:

Name of SPV	Date of Striking off
Tatiya Andhra Mega Power Limited	27-Sep-22
Coastal Maharashtra Mega Power Limited	29-Sep-22
Chhattisgarh Surguja Power Limited	11-Jan-23

Form AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

4. Names of associates or joint ventures which have been liquidated or sold during the year :

Name of SPV	Date of Sale
Khetri-Narela Transmission Limited	11-May-22
Mohanlalganj Transmission Limited	30-May-22
Khandukhal Rampura Transmission Limited	7-Oct-22
Kishtwar Transmission Limited	6-Dec-22
Bhadla Sikar Transmission Limited	28-Mar-23
Dharamjaigarh Transmission Limited	28-Mar-23
Raipur Pool Dhamtari Transmission Limited	28-Mar-23
Rajgarh Transmission Limited	30-May-22
MP Power Transmission Package-I Limited	21-Jan-23
ER NER Transmission Limited	10-Oct-22
GADAG II-A Transmission Limited	8-Nov-22
WRSR Power Transmission Ltd.	18-Jan-23
Khavda II-A Transmission Limited	28-Mar-23
Khavda II-B Transmission Limited	21-Mar-23
Khavda II-C Transmission Limited	21-Mar-23
KPS3 Transmission Limited	21-Mar-23
KPS2 Transmission Limited	21-Mar-23
Khavda RE Transmission Limited	21-Mar-23
ERWR Power Transmission Ltd.	21-Mar-23
Neemuch Transmission Limited	24-Aug-22

5. Assocaites classified under held for sale and valued at cost or fair market value (less cost to sales) whichever is less, hence profit not considered.

For and on behalf of Board of Directors

Sd/-
(Manish Kumar Agarwal)
GM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Meenakshi Bansal
Partner
Membership No. 520318

Place: New Delhi
Date : May 27, 2023

Notes

Reference Information

Registered Office
'Urjanidhi',
1, Barakhamba Lane,
Connaught Place, New Delhi-110001
Tel. No. : (91) (11) 23456000
Website: http://www.pfcindia.com

Subsidiaries (as on March 31, 2022)
PFC Consulting Limited
REC Limited
PFC Projects Limited(erstwhile Coastal Karnataka Power Limited)
Coastal Tamil Nadu Power Limited
Orissa Integrated Power Limited
Sakhigopal Integrated Power Company Limited
Ghogarpalli Integrated Power Company Limited
Deoghar Mega Power Limited
Cheyyur Infra Limited
Odisha Infrapower Limited
Deoghar Infra Limited
Bihar Infrapower Limited
Bihar Mega Power Limited
Jharkhand Infrapower Limited
Bijawar-Vidarbha Transmission Limited*
Ananthapuram Kurnool Transmission Limited*
Chhatarpur Transmission Limited*
Fatehgarh IV Transmission Limited*
Fatehgarh III Transmission Limited*
Bhadla III Transmission Limited*
Fatehgarh III Beawar Transmission Limited*
Beawar Dausa Transmission Limited*
Siot Transmission Limited*
REC Power Development & Consultancy Limited$
Bidar Transmission Limited$
Chandil Transmission Limited$
Dumka Transmission Limited$
Koderma Transmission Limited$
Mandar Transmission Limited$
Sikar Khetri Transmission Limited$
Ramgarh II Transmission Limited$
Beawar Transmission Limited$
Meerut Shamli Power Transmission Limited$
Luhri Power Transmission Limited$
Neres XVI Power Transmission Limited$
Khavda II-D Transmission Limited$
KPSI Transmission Limited$

*Through PFC Consulting Limited.
$Through REC Limited.

Shares Listed at
National Stock Exchange of India Limited
BSE Limited (formerly known as Bombay Stock Exchange Limited)

Depositories
National Securities Depository Limited
Central Depository Services (India) Limited

Company Secretary
Shri Manish Kumar Agarwal

Auditors
Dass Gupta & Associates, Chartered Accountants
Prem Gupta & Company, Chartered Accountants

Secretarial Auditors
Mehta & Mehta, Company Secretaries

Registrar & Share Transfer Agent
KFin Technologies Private Limited
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Telangana, India
Tel: +91 40 67162222
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Bankers
Reserve Bank of India
State Bank of India
ICICI Bank
HDFC Bank

(A Maharatna Company)

नई सोच,
नई राहें

POWER FINANCE CORPORATION LIMITED
(A Government of India Undertaking)

Regd. Office: "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi-110001
Tel.: 011-23456000, **Fax:** 011-23412545, **Website:** www.pfcindia.com
CIN: L65910DL1986GOI024862

/pfclindia | /pfclindia | /pfclindia

/Concept, content and design at AICL (hello@aicl.in)

Power Finance Corporation Limited

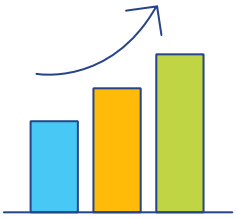
(A Maharatna Company)



Diversifying Growth
Consolidating Strengths

36th Annual Report 2021-22

Diversifying Growth Consolidating Strengths



India is emerging as one of the fastest-growing economies in the world, and we at Power Finance Corporation, are ready to transform and help electrify India's growth story. As India's newest Maharatna PSU, we are ready to strengthen our partnership with the Government of India and ready to explore emerging opportunities in terms of financing metros, oil refineries, and manufacturing.

FY 2021-22 was a year of growth and consolidation for us. We achieved our highest-ever PAT and lowest NPA in five years. Our impressive financial performance reflects the strengths and resilience of our business model and demonstrates our capacity for growth. Our focus on stressed asset resolution and diversification of the funding mix lends strength to our balance sheet during the year. We continued our strategic alignment by funding renewable energy projects.

As India forges ahead, we are committed to continuing our strategic role in India's growth story and helping achieve the aspirations of our country.

Operational Highlights FY 2021-22

₹ 59,350 CR
Net worth

₹ 14,030 CR
Standalone Net Interest Income

₹ 51,242 CR
Loan Disbursed

1.76%
Standalone Net NPA

Highest Ever

₹ 10,022 CR
Standalone PAT

Asset Quality Snapshot FY 2021-22

Lowest Net NPA in 5 years

69%
Provision Coverage Ratio[1]

1.76%
Net Stage III Ratio[2]

[1]Provision coverage ratio is the percentage of funds that a financial institution sets aside for losses due to bad debts.

[2]Net stage III ratio is the percentage stage III net assets in asset loan book.

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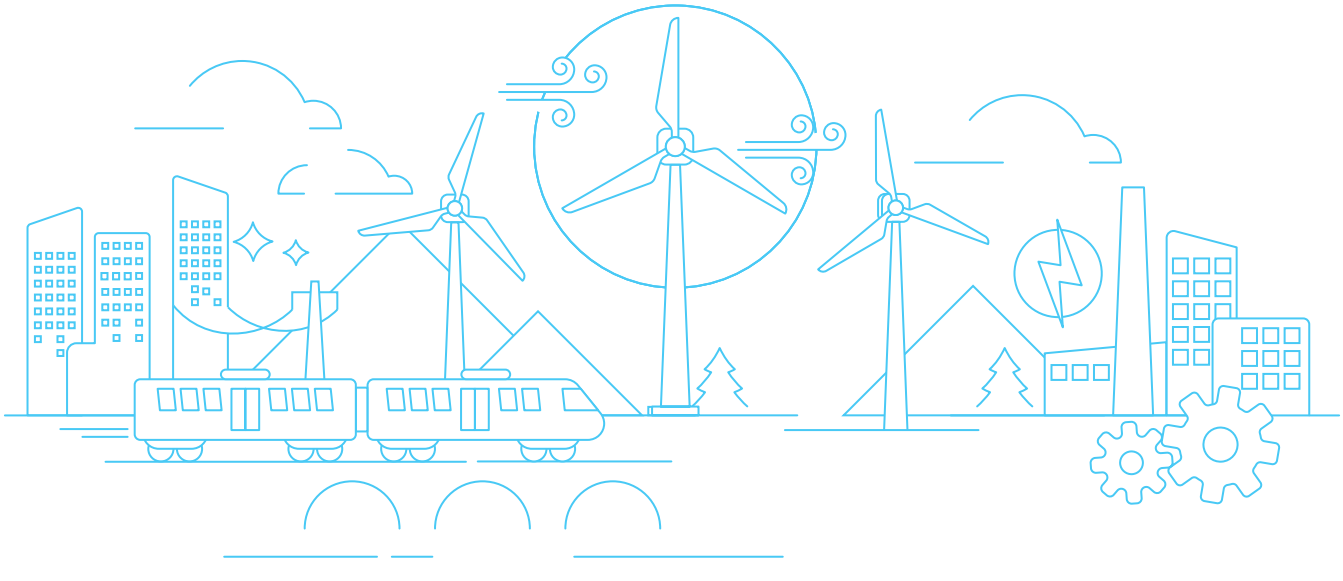
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Reference information **Back Inside Cover**



BOARD OF DIRECTORS



Shri Ravinder Singh Dhillon
Chairman and Managing Director



Smt. Parminder Chopra
Director (Finance)



Shri Rajiv Ranjan Jha
Director (Projects)



Shri Manoj Sharma
Director (Commercial)



Shri Ajay Tewari
Director (Govt. Nominee)



Shri Bhaskar Bhattacharya
Independent Director



Smt. Usha Sajeev Nair
Independent Director



Shri Prasanna Tantri
Independent Director

SENIOR MANAGEMENT*



Smt. Simmi R Nakra
CVO



Shri Subir Saha
Executive Director



Shri R.K.Bhardwaj
Executive Director



Shri P.K.Sinha
Executive Director



Shri Sandeep Kumar
Executive Director



Shri Ram Kishore Talluri
Executive Director



Shri Rizwanur Rahman
Executive Director



Shri Manoj Kumar Rana
Executive Director



Shri G. Jawahar
Executive Director



Shri Gaddam David
Executive Director



Shri Raj Kumar Malhotra
Executive Director



Shri R K Chaturvedi
Executive Director



Shri V.Packirisamy
Executive Director



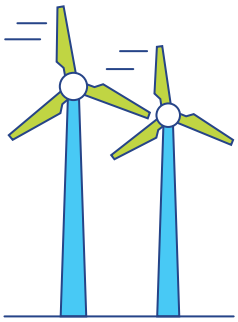
Shri Saurav Shah
Executive Director



Shri Manohar Balwani
Company Secretary

*As on 30.08.2022

Electrifying India's Progress



Power Finance Corporation Limited (PFC) is India's largest government-owned NBFC and provides funding to the Indian power sector. We are the nodal agency for Revamped Distribution Sector Scheme (RDSS), Ultra Mega Power Projects (UMPPs), Integrated Power Development Scheme (IPDS), and Bid Process Co-ordinator for Independent Transmission Projects (ITPs).

Incorporated in 1986, Power Finance Corporation Ltd. is a Schedule-A Maharatna Central Public Sector Enterprises (CPSE) and is a leading Non-Banking Financial Company (NBFC) in the country. Our 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. Our 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.



Vision

To be the leading institutional partner for the power and allied infrastructure sectors in India and overseas across the value chain.



Mission

PFC would be the most preferred financial institution, providing affordable, and competitive products and services with efficient and internationally integrated sourcing and servicing, partnering the reforms in the Indian Power Sector, and enhancing value to its stakeholders; by promoting efficient investments in the power and allied sectors in India and abroad.

We will achieve this by being a dynamic, flexible, forward-looking, trustworthy, socially responsible organisation, sensitive to our stakeholders' interests, profitable and sustainable at all times, with transparency and integrity in operations.

Leading Financer in Power Sector

Power Finance Corporation

- Highest Status of **'Maharatana'** for a PSU conferred by the Government of India in FY 2021-22
- **Largest Consolidated Balance Sheet** among all Central Public Sector Enterprises (CPSEs)

- Majority owned by the **Government of India**
- **Key financial partner** for the Government in the Power Sector
- Highest Long-Term Domestic **Rating of 'AAA' across CRISIL, CARE and ICRA**
- **#365** in the world in terms of balance sheet assets size as per Forbes Global 2021
- **#29** in Fortune 500 India 2021

PFC Group Structure

Power Finance Corporation

- Subsidiaries
- Associates

PFC Consulting Limited

PFC Consulting is our wholly-owned subsidiary which provides consultancy services such as transaction advisory, and project development to India's power sector.

100%

Shareholding

REC Limited

REC is an NBFC with infrastructure loan status, which finances and promotes power sector projects across India.

52.63%

Shareholding

Ultra-Mega Power Projects (UMPP)

UMPP is an initiative to set up massive power projects by the Government of India. Under UMPP, we have set up a Special Purpose Vehicle (SPV) to secure clearances, acquire land and water and obtain a commitment for coal to fast-track UMPPs for private companies.

Nodal Agency

Responsible Finance for a Better World



Being a trusted partner of the government, we use our expertise and experience in delivering customised and expansive suite of products and services to support India's power infrastructure ambitions.

Fund Based Products

- 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 Products

- 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



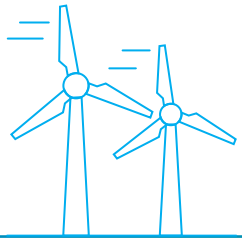
A Story of Growth



When we were incorporated, India was an energy-starved nation. Thirty-four years later, we have helped India in its journey towards achieving energy sufficiency and are now facilitating the nation's transition to a greener future.



2020
Ranked 33rd in Fortune India's 500 companies



2019
Acquired REC Limited became the largest financial player in the power sector



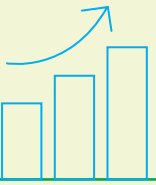
1988
Incorporated and commenced lending activity



1998
Registered with RBI as NBFC



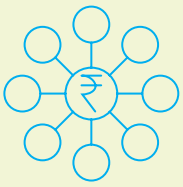
2021
Accorded 'Maharatna' status by the Government of India (The highest Recognition for a CPSE)



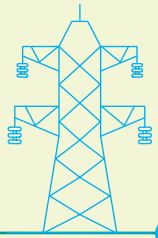
2022
Highest ever PAT of ₹ 10,022 Cr



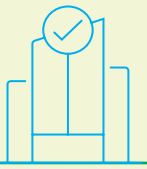
2014
Surpassed the mark of ₹ 2 trillion in loan assets



2010
Registered with RBI as an IFC
FPO of Equity shares



1999
PFC Consulting Limited is incorporated



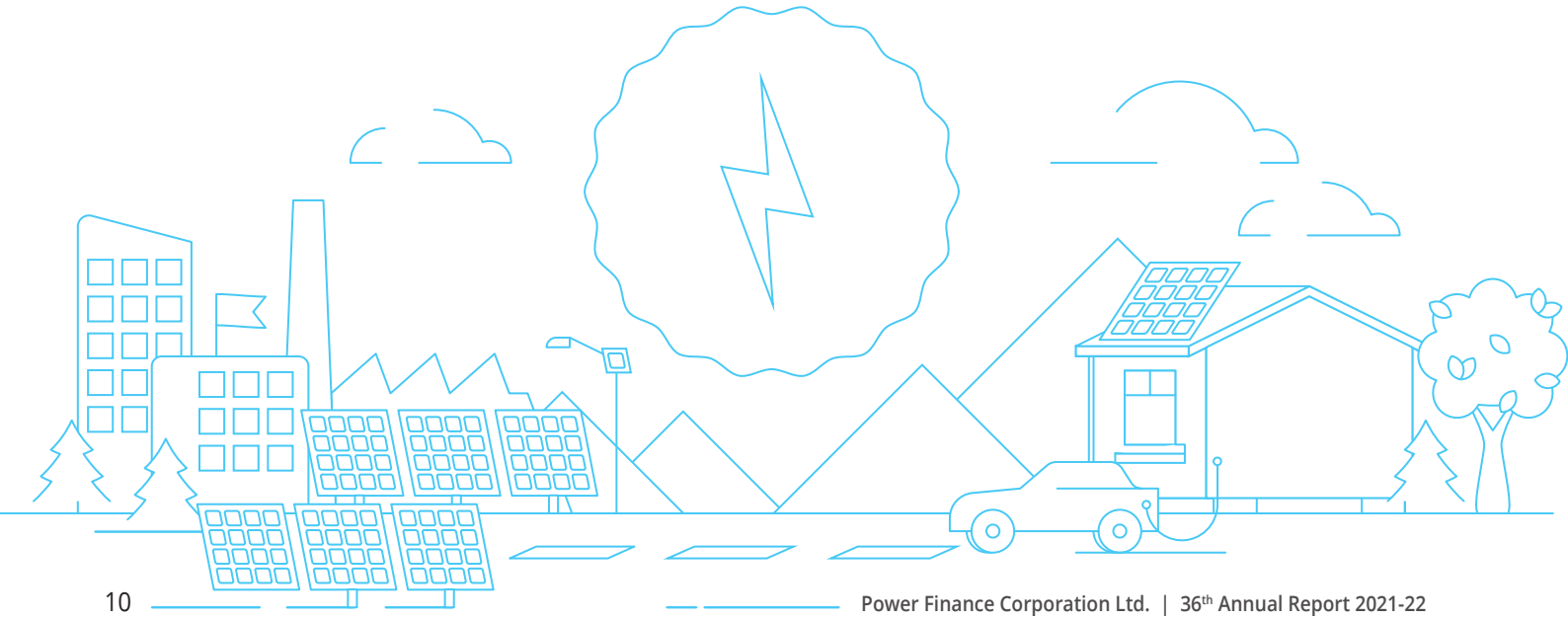
2007
Became a listed company

Powering Forward

We are committed to becoming the most preferred financial institution in the country and enabling efficient investments in the power and infrastructure sectors in India and abroad.

Going forward, we aspire to contribute to the government's thrust toward renewable and clean energy sources. We have aligned our business operations to leverage emerging opportunities in Ē-mobility and increased thrust in the transmission and distribution (T&D) space. Being a strategic partner of the Government of India, we will contribute to being an instrumental financial partner in government reform schemes for the Power sector.

- Increasing thrust in T&D space
- Tapping opportunities in E-mobility spaces
- Continued focus on renewable business
- Continue to fund GOI initiatives such as discom (distribution companies) package



Partnering with the Government of India

Revamped Distribution Sector Scheme (RDSS)

Electricity is the fuel for India to prosper and emerge as an economic superpower. During the year, the Government of India introduced Revamped Distribution Sector Scheme (RDSS) in a bid to make the distribution sector more efficient and financially sustainable. We are proud to partner with the Government of India to improve the quality, reliability, and affordability of power supply to consumers.

The RDSS is a reform-based and results-linked scheme, which plans to reduce AT&C losses to 12-15% by FY 2024-25 and reduce ACS-ARR gap to zero through financial support to discoms for upgradation of the Distribution Infrastructure and Prepaid Smart Metering & System Metering. PFC (alongwith its subsidiary REC) are the designated nodal agencies for the operationalisation of this scheme.

Status Update – RDSS

Objective

Reduce AT&C losses to 12-15% by FY 2024-25

Reduce ACS-ARS gaps to zero by FY 2024-25

Current Status

States actively participating in formulating a state-specific action plan

Projects sanctioned for 28 discoms in 13 states by monitoring committee – 14 each of PFC* and REC

Key Feature

An outlay of ₹ 3,03,758 Cr and Government grant of ₹ 97,631 Cr

Action Plan customised for each state

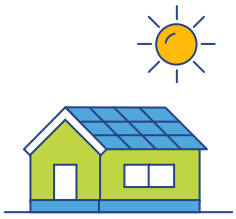
PFC & REC were appointed as the nodal agencies

Business Opportunity

Potential counterparty lending opportunity for PFC in 14 Discoms sanctioned by the monitoring committee

* Fourteen discoms in the state of Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Madhya Pradesh & Uttarakhand

Powered by Efficiency



Growth and staying true to our vision and mission is fundamental to the company. During the year, we achieved and set benchmarks for our industry.

Accorded with the highest recognition of 'Maharatna' status

We were accorded the special distinction of 'maharatna' status by the Government of India on 12th October 2021. With this recognition, we become the 11th public sector enterprise to join the Maharatna CPSE club and joined the ranks of companies such as ONGC, Indian Oil Corporation, Steel Authority of India (SAIL), and BHEL among others.

The Maharatna status is a reflection of the confidence the Government of India has in our strategic role in the overall development of the Indian Power Sector and an endorsement of our stellar performance. The status of Maharatna gives our board enhanced powers to make financial decisions. Going forward, this recognition will empower us to diversify our operations, accelerate our growth, and leverage our position to help achieve the government's objectives for the overall development of the Power Sector.

Greater financial and operational efficiency

We can now invest up to ₹ 5,000 crore, or 15% of its net worth, in a single project apart from the enhanced powers granted by the government for undertaking mergers and acquisitions. In comparison, Navratna and Miniratna CPSEs can invest only up to ₹ 1,000 crore and ₹ 500 crore respectively. Our Board can now also structure and implement schemes relating to personnel and human resource management and training, giving us flexibility in our operations. Another benefit of the recognition is the ability to enter joint ventures or strategic alliances among others.

Becoming a stronger partner for the Government of India

The enhanced power that comes with the Maharatna recognition will help us in pushing the government's agenda of funding under the national infrastructure pipeline, a national commitment of 40% green energy by 2030, and effective monitoring and implementation of the New Revamped Distribution Sector (RDSS) scheme with an outlay of more than ₹ 3 lakh crore.

What is Maharatna Status?

The Maharatna status is conferred by the Government of India to mega Central Public Sector Enterprises (CPSE) if a CPSE records either of the following conditions.

An average annual net worth of
₹ 15,000 CR
for three consecutive years

More than
₹ 5,000 CR
of net profit for three consecutive years

An average annual turnover of
₹ 25,000 CR
for three consecutive years

The Maharatna distinction is bestowed on CPSEs for exceptional and sustainable financial and operational performance.

List of Maharatna CPSEs

Power Finance Corporation (PFC)	
National Thermal Power Corporation (NTPC)	Oil and Natural Gas Corporation (ONGC)
Steel Authority of India Limited (SAIL)	Bharat Heavy Electricals Limited (BHEL)
Indian Oil Corporation Limited (IOCL)	Hindustan Petroleum Corporation Limited (HPCL)
Coal India Limited (CIL)	Gas Authority of India Limited (GAIL)
Bharat Petroleum Corporation Limited (BPCL)	Power Grid Corporation of India (POWERGRID)

Improved balance sheet position

We improved our balance sheet position this year. We improved our capital adequacy ratio (CRAR) to 23.48% compared to 18.83% in the previous year. In terms of tier I and tier II assets, our CRAR stood at 20% and 3.48% respectively. This was because of our active resolution efforts of tier III assets. During the year, we resolved ₹ 2,787 crore from Essar Power MP, RS India Wind Energy, GVK Ratle, Astonfield Solar & Krishna Godavari. As a result, Net NPA declined to 1.76% in FY2021-22 compared to 2.09% in FY2020-21. Going forward, we expect our balance sheet position to improve even further as two of our projects under NCLT are at advanced stages of resolution. Infrastructure and Prepaid Smart Metering & System Metering. PFC (alongwith its subsidiary REC) are the designated nodal agencies for the operationalisation of the said scheme.

Highest-ever annual PAT registered

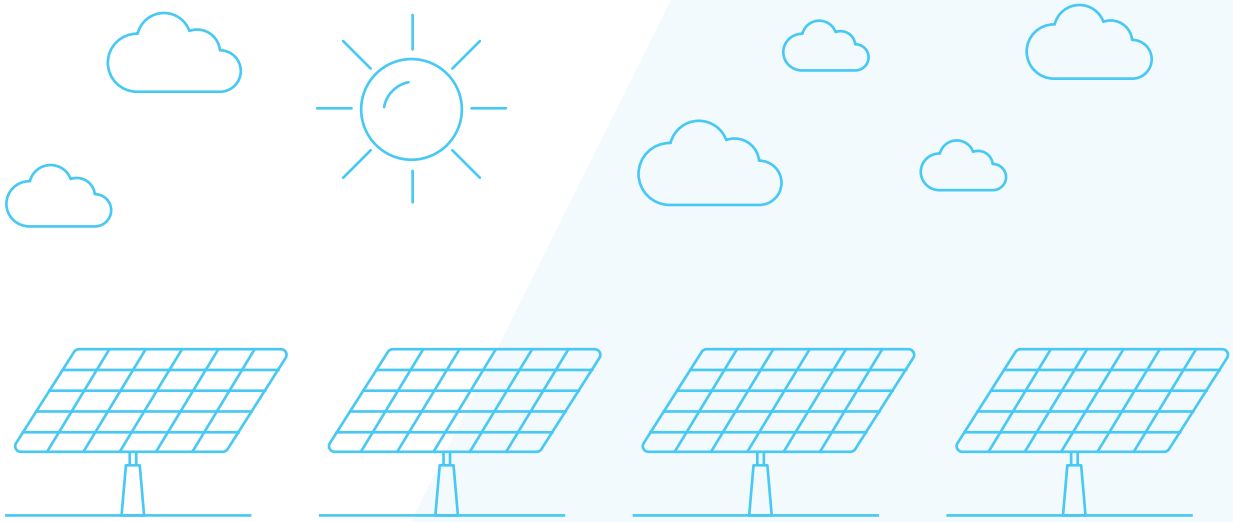
We registered the highest-ever annual PAT of ₹ 10,022 crore compared to ₹ 8,444 crore in the previous year.

PAT (in ₹ Cr)

Particulars	FY2020-21	FY2021-22
Interest Income	36,146	**36,701**
Interest Expense	23,194	**22,671**
Net Interest Income	12,951	**14,030**
Profit after tax (PAT)	8,444	**10,022**

Improved our EC Bond Mobilisation

We are aligned with the push for clean energy sources by the Government of India and society. We have started to focus more and more on financing of renewable energy projects. In FY2021-22, 15% of our gross loan assets comprised renewable energy. We expect this figure to increase in the future. During the year, we saw 1.5 times increase in our EC bond portfolio, which stood at ₹ 3999 crore (as on 31.03.2022)



Performance at a Glance

Particulars	FY2017-18	FY2018-19	FY2019-20	FY2020-21	FY2021-22
RESOURCES (At the end of the Year) (₹ in Cr)					
Equity Capital	2,640	2,640	2,640	2,640	**2,640**
Reserves and Surplus	34,316	40,648	42,524	49,753	**56,710**
Borrowings (Principal Outstanding) (₹ in Cr)					
(i) Domestic Borrowings	2,11,278	2,59,601	2,55,751	2,75,259	**2,63,840**
(ii) Foreign Currency Borrowings	18,260	28,827	47,701	49,836	**56,288**
FINANCING OPERATIONS (During the Year) (₹ in Cr)					
Sanctions	1,16,233	95,230	1,11,089	1,66,370	**51,616**
Disbursements	64,414	67,678	67,997	88,302*	**51,242**
WORKING RESULTS (For the Year) (₹ in Cr)					
Total Income	25,980	28,766	33,371	37,767	**38,591**
Total Expenses	20,135	18,951	25,179	27,559	**26,364**
Profit Before Tax	5,845	9,816	8,193	10,207	**12,228**
Tax Expense	1,458	2,863	2,537	1,763	**2,206**
Profit After Tax	4,387	6,953	5,655	8,444	**10,022**
EMPLOYEES					
No. of Employees	498	498	484	483	**501**

* Includes ₹ 20,144 Cr towards moratorium loans during COVID Pandemic

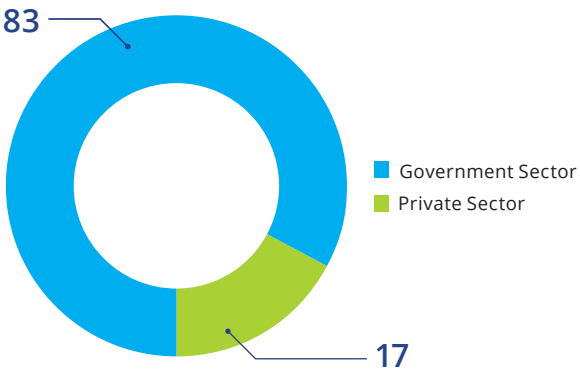
Note: Sanctions and Disbursements are excluding R-APDRP / IPDS

Delivering on Our Commitments

Disbursements

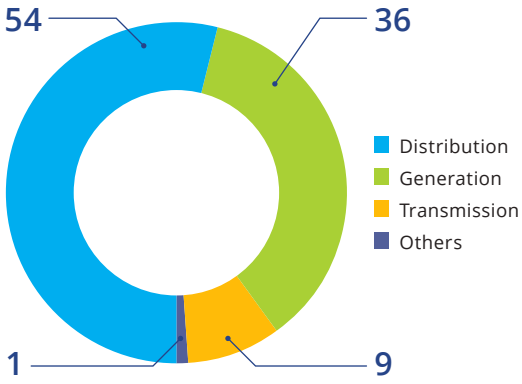
Sector-wise

(%)



Scheme-wise

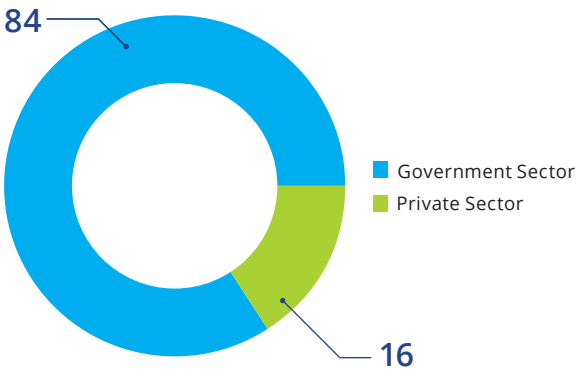
(%)



Loan Assets

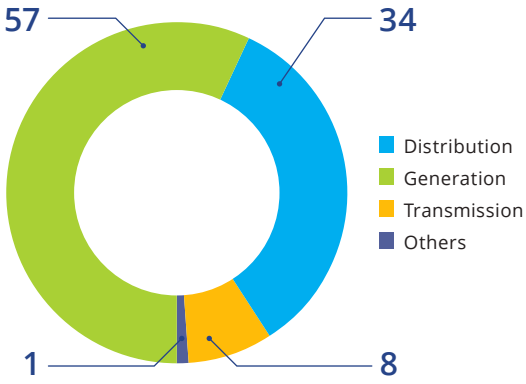
Sector-wise

(%)



Scheme-wise

(%)



Ratings

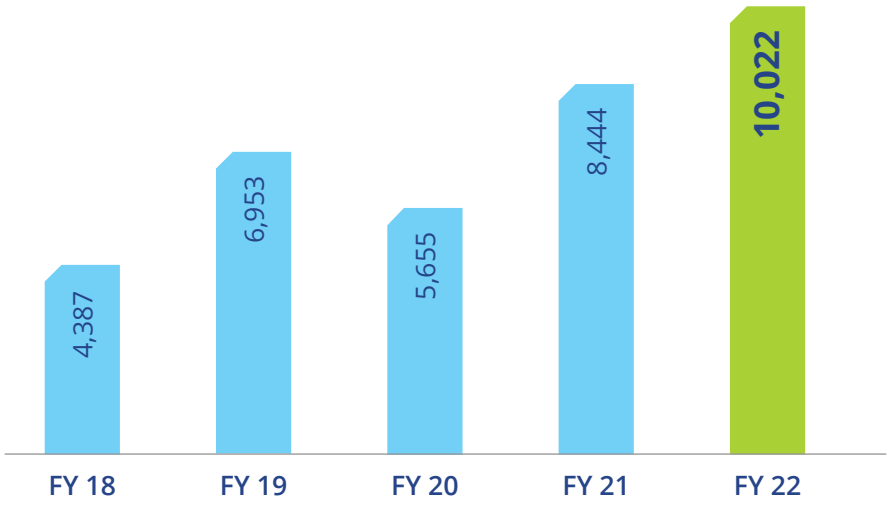
International Agency Rating		Domestic Agency Rating	
Agency	Rating	Agency	Rating
Moody's	Baa3	CRISIL	AAA
Fitch	BBB(-)	ICRA	AAA
		CARE	AAA

Key Performance Indicators

Financial Performance

Profit After Tax

(₹ in Cr)

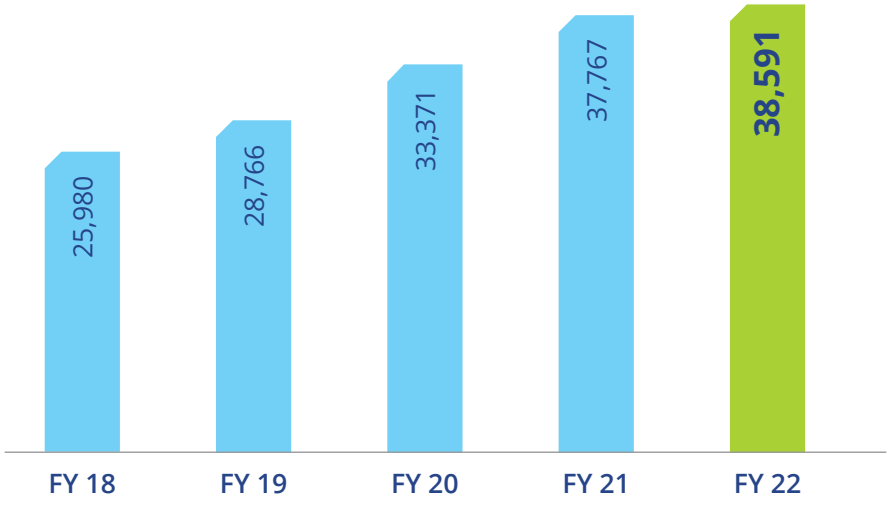


↑ 18.69%
Y-O-Y GROWTH

↑ 22.94%
5-YEAR CAGR

Total Income

(₹ in Cr)



↑ 2.18%
Y-O-Y GROWTH

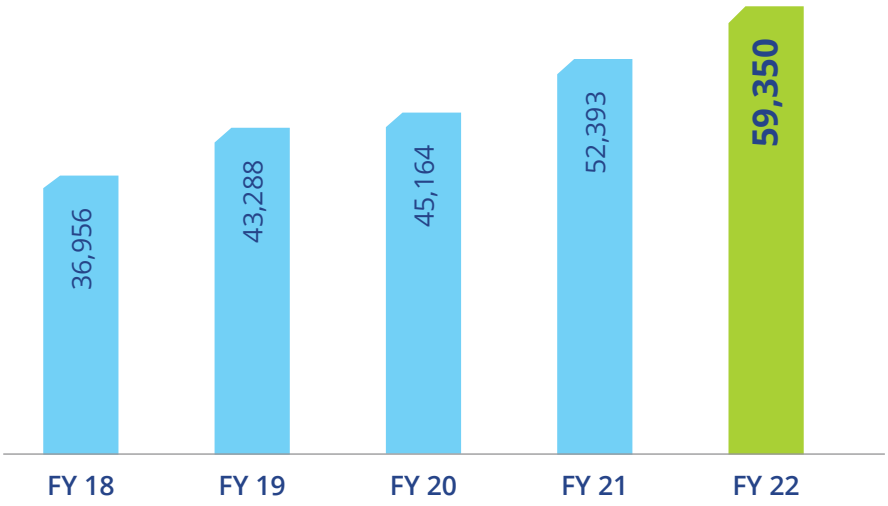
↑ 10.39%
5-YEAR CAGR

Key Performance Indicators

Operational Performance

Net Worth

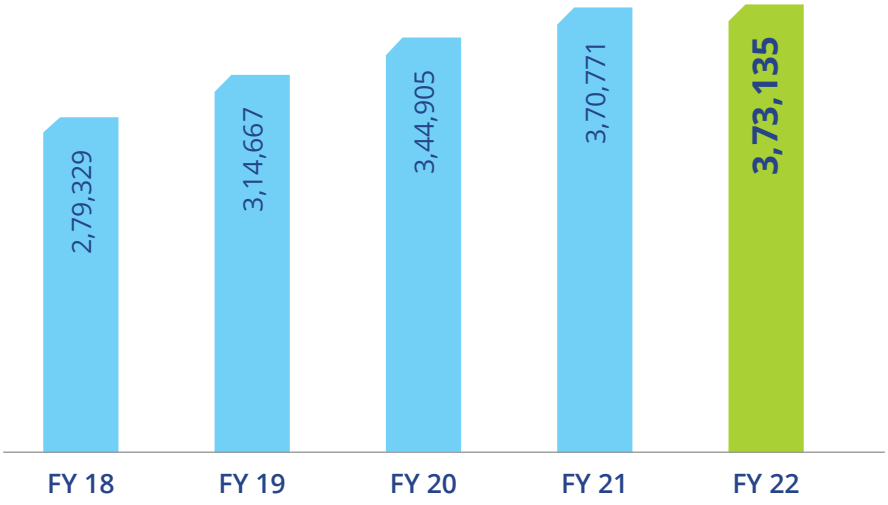
(₹ in Cr)



↑ 13.28%
Y-O-Y GROWTH

Loan Asset Book

(₹ in Cr)



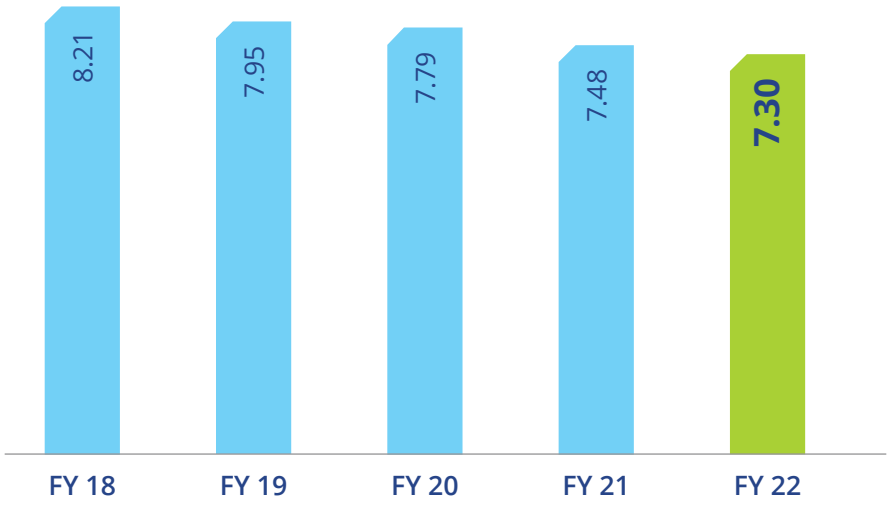
↑ 0.64%
Y-O-Y GROWTH

↑ 4.35%
5-YEAR CAGR

Key Performance Indicators

Cost of Funds

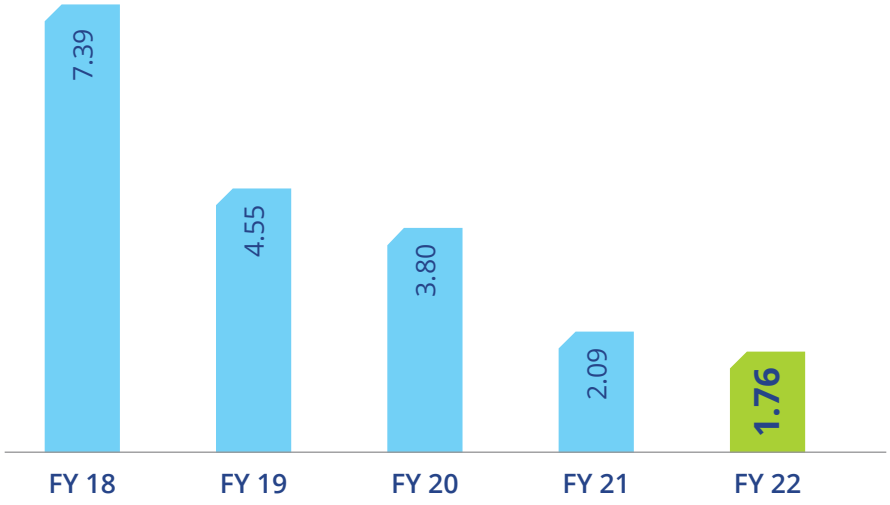
(%)



↓ (15 BPS)
Y-O-Y DECLINE

NET Non-Performing Assets

(%)



↓ (15.75%)
Y-O-Y DECLINE

Letter to Shareholders

Ladies and Gentlemen,

Welcome to the 36th Annual General Meeting of your company.

The pandemic had a significant impact on a wide range of businesses and industries in the last two years. Our economy is gradually emerging from its debilitating impact, with the revival of consumption demand and easing of supply chain constraints. Power demand has also surpassed the pre pandemic highs, with peak demand hitting new lifetime highs in 2022. However, the war in Ukraine and comeback of inflation after almost a decade have posed a new set of hurdles to the global economic recovery. With prices of fuel and other commodities, especially of food items remaining volatile, inflation is likely to remain elevated in the near term. Under these unusual circumstances, your company was able to measure up to the challenges and deliver excellent results.

PFC is now a Maharatna Company

During the year, your company was conferred 'Maharatna' status by Govt. of India, the highest recognition for a public sector company. This is an endorsement of PFC's enhanced stature and an acknowledgement of its sterling role in turning a power deficit country into a power surplus state with universal access to electricity. Maharatna status will give PFC greater operational and financial autonomy and enable diversification of its operations to further accelerate its business growth.

To reward our shareholders, PFC has declared a total dividend of 120% i.e. ₹ 12 per share during FY 2021-22, which is the highest pay out in the history of PFC.





Ravinder Singh Dhillon
Chairman & Managing Director



Shri R.S. Dhillon, CMD along with Ms. Peggy Frantzen, Ambassador of the grand Duchy of Luxembourg at the listing ceremony of PFC's Euro Green Bond on Luxembourg Stock Exchange. Her Excellency Ms. Peggy Frantzen, Ambassador of the grand Duchy of Luxembourg.

Operational & Financial Performance

I am pleased to announce that, during FY 2021–22, we have delivered the highest ever net profit of ₹ 10,022 crore, up 19% from the previous fiscal. On a consolidated basis, the company earned net profit of ₹ 18,768 crore, a 19% increase from FY 2020-21. At the end of the fiscal year, PFC's loan assets stood at ₹ 3.73 lakh crore on standalone basis and ₹ 7.59 lakh crore on consolidated basis. The Net Worth of your company was ₹ 59,350 crore as on 31.03.2022 and the Capital to Risk Weighted Assets Ratio was at a healthy level of 23.48%, with Tier I capital ratio of 20.00%. To reward our shareholders, PFC has declared a total dividend of 120% i.e. ₹ 12 per share during FY 2021-22, which is the highest pay out in the history of PFC.

On asset quality front, your company continued the steady improvement, with net NPAs at 1.76%, the lowest level in the past 6 years. Stressed assets worth ₹ 2,787 crore were resolved, including Essar Power MP, RS India Wind Energy & GVK Ratle. Two other projects, namely Sout East UP Transmission and Jhabua Power are in advanced stages of resolution in NCLT.

Your company took various measures to reduce the cost of borrowing and as a result, the cost of funds reduced by 18 bps in FY 2021-22 to 7.30%. In September 2021, PFC issued its first ever Euro Green Bonds amounting to EUR 300 million at a coupon of 1.841%. This was the first ever Euro denominated Green bond issuance from India and the bonds are listed on the Singapore Stock Exchange, India INX and NSE IFSC. The funds raised under Green bonds have been utilized to finance renewable energy projects in line with PFC's Green Bond Framework. The company also increased its 54 EC Bond mobilisation by 1.5 times in FY 2021-22 compared to the previous fiscal. These bonds have a low coupon of 5% and are an important source of low cost funds. PFC continues to enjoy the highest domestic credit ratings for its long term and short term borrowing programmes. The company's international credit ratings continue to be Baa3 and BBB-, which is at par with the sovereign rating of India.

PFC continues to enjoy the highest domestic credit ratings for its long term and short term borrowing programmes. The Company's international credit ratings continue to be Baa3 and BBB, which is at par with the sovereign rating of India.



Shri R.K. Singh, Hon'ble Union Minister of Power, New & Renewable Energy releasing the "Ranking & 10th Integrated Rating of State Distribution Utilities" in New Delhi in presence of Shri Alok Kumar, Secretary (Power), Shri Indu Shekhar Chaturvedi, Secretary (MNRE), Shri R.S.Dhillon, CMD, PFC and other senior officers of Ministry of Power.

Power Sector Reforms

Your company plays a developmental role in the Indian power sector and is designated by the Government of India as the nodal agency for implementation of various schemes in the sector. The R-APDRP and IPDS schemes, which resulted in strengthening of power distribution systems in urban areas, were successfully closed during the year. The schemes involved execution of about 2,000 projects across India, involving total expenditure of about ₹ 60,000 crore.

Roll out of the Revamped Distribution Sector Scheme (RDSS) is progressing smoothly, with enthusiastic participation by the states. Till now more than 20 States and UTs have got their reform action plans approved under the scheme. When implemented by 2024-25, the scheme will restrict pan India level AT&C losses to 12-15% and reduce the ACS-ARR gap to zero, which would bring about a marked improvement in the viability of the power distribution sector.

In order to address the issue of mounting dues of power distribution companies to generators and transmission companies, Government of India has introduced the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022. PFC has extended financial assistance to various distribution companies under the rules, to clear their outstanding dues. PFC shall also act as the nodal agency to monitor implementation of these rules, which have provisions to prevent accumulation of dues in the future. This would ease the financial position of power generation and transmission companies and will improve investors' confidence in the sector.

Your company has been publishing performance report on state power utilities on an annual basis and is also the co-ordinating agency for Integrated Rating exercise carried out as per framework approved by Ministry of Power. The 10th Integrated Rating & Ranking of Power Distribution Utilities marked a new milestone with the inclusion of Private Distribution Utilities and Power Departments covering a total of 71 utilities across India. These reports are widely used by stakeholders including utilities, policy makers, developers, lenders, equity analysts and regulators, for decision making.

Leading the Fight on Climate Change

Shift in energy consumption to cleaner and green options will play a significant role in economic growth globally. During the COP 26 summit held in Glasgow in October 2021, India has substantially enhanced its climate change mitigation goals. Our country would follow a five-pronged strategy, named 'Panchamrita', for phased reduction in greenhouse gas emissions, culminating in net Zero emissions by the year 2070. As part of the strategy, intermediate targets have been set for achieving 500 GW non-fossil fuel generation capacity by 2030 and meeting 50% of our energy requirement from renewable energy sources. These targets, though quite steep, can be achieved through collaboration between domestic private, state-owned and foreign players.

The Ministries of Power and New & Renewable Energy have rolled out a slew of reforms to push mainstreaming of energy from green and sustainable sources and achieve the 500 GW target. Towards this end, thermal



Shri Manohar Lal, Hon'ble Chief Minister of Haryana inaugurating construction of Phase-II of Daulah Smartgram Secondary School in Gurugram, Haryana in the presence of Shri R.S. Dhillon, CMD. PFC has signed a MoA with Haryana State Corporate Social Responsibility Trust for construction of phase-II of Daulah Smartgram Secondary School in Gurugram as part of its CSR initiative.

power generators have been allowed to set up renewable energy capacities on their own or through dedicated developers and to supply it to the consumers under the existing PPAs. Bundling of thermal and renewable energy sources will also benefit the customers, with power getting cost effective while improving the profitability of energy companies.

Your company is already playing a significant role in India's energy transition effort. PFC has supported renewable energy capacity addition of 18 GW, which is 16% of the country's installed renewable capacity. During the last fiscal, 44% of the disbursement made by PFC to the generation sector was to non-fossil fuel projects. PFC's renewable energy assets grew at a CAGR of 32% in the last 5 years, compared to 9% growth in total loan assets.

The upward revision in green energy targets would fuel expansion of the green energy financing market, and would demand innovative financing models. According to various estimates, the fund requirement to meet India's net zero target is about US$ 10 trillion, a large part of which is to be deployed in the energy sector. Your company being a major financier of the sector would play a key role in channelizing this investment.

Corporate Governance & Social Responsibility

Good corporate governance is essential to ensure transparency and to boost stakeholder trust and confidence. Being a listed company, PFC complies with all applicable provisions within its ambit, relating to corporate governance as stipulated under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, DPE Guidelines etc. Your company maintains the highest standards of transparency, accountability and adequate disclosures.



Shri R.K. Singh, Hon'ble Cabinet Minister of Power and New & Renewable Energy congratulating PFC on being accorded the 'Maharatna' Status by Government of India in the presence of Shri Alok Kumar, Secretary (Power), Shri R.S. Dhillon, CMD, Shri S.K.G. Rahate, the then Addl. Secretary (Power), Shri Ashish Upadhyaya, Addl. Secretary (Power), Shri Vishal Kapoor, Jt. Secretary (Power), Shri P.K Singh, former Director (Commercial), Smt. Parminder Chopra, Director (Finance) and Shri Y. Venugopal, Chief GM, PFC.

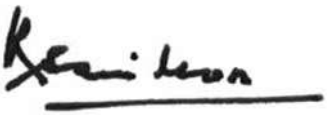
Being a socially responsible entity, PFC has put its CSR and sustainability policy into practise with utmost sincerity. I am proud to state that PFC's cumulative CSR spending has surpassed ₹ 1,000 crore to date. PFC has a Board-level CSR & SD Committee of Directors, which is led by an Independent Director, in place to oversee the activities of CSR. PFC has taken a wide range of initiatives in the areas of healthcare, sanitation & drinking water, skill development and environmental sustainability. In addition, PFC has made contributions to the thematic areas of health and nutrition, with a special focus on COVID-related measures, including setting up makeshift hospitals and temporary COVID Care Facilities with a preference for aspirational districts. Your company shall remain a socially conscious entity committed to enhancing the standard of living of our society through projects for sustainable development, with a primary focus on meeting the society's need for power and energy.

Diversification & Way Forward

In order to sustain the growth momentum, your company has diversified into funding infrastructure projects in irrigation, waste to energy and water treatment sectors and also into new and emerging sectors like e-mobility, utility scale energy storage etc. Taking the initiative forward, PFC has recently sanctioned financial assistance to projects in infrastructure sectors including metro rail, petroleum refining, bio ethanol manufacturing and nuclear energy. With your company's growing balance sheet size, diversification into newer infrastructure areas is expected to gather steam in the coming years.

Acknowledgement

I convey my sincere gratitude to our shareholders who have reposed faith in us. I am grateful to the Hon'ble Union Minister of Power, New and Renewable Energy, Hon'ble Minister of State for Power and the officials of Ministry of Power for their support and guidance. I also thank the Board of Directors, our client utilities, employees, various ministries, government departments and other stakeholders of PFC for their continued support.



R. S. Dhillon
Chairman & Managing Director

Notice

Power Finance Corporation Limited

CIN : L65910DL1986GOI024862
Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001, India
Tel: +91 11 23556000, **Fax:** +91 11 23512545,
E-mail ID: investorsgrievance@pfcindia.com
Website: www.pfcindia.com

Notice is hereby given that the Thirty Sixth Annual General Meeting of the members of Power Finance Corporation Limited will be held on **Wednesday, the September 21, 2022 at 11:30 a.m.** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a) the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as on March 31, 2022 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.

   b) the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2022 including the Audited Balance Sheet as on March 31, 2022 and the Statement of Profit & Loss for the year ended on that date and the Reports of Statutory Auditor and Comptroller and Auditor General of India thereon.

2. To confirm the payment of Interim Dividend and declare Final Dividend on Equity Shares for the financial year 2021-22.

3. To appoint a Director in place of Smt. Parminder Chopra (DIN: 08530587), who retires by rotation and being eligible, offers herself for re-appointment.

4. To fix the remuneration of the Statutory Auditors.

SPECIAL BUSINESS

5. To appoint Shri Rajiv Ranjan Jha (DIN:03523954), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri Rajiv Ranjan Jha (DIN: 03523954), who was appointed as Director (Projects), by the President of India through Ministry of Power vide letter no. 24-8/1/2020-PFC (MoP) dated October 28, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, appointed as an Additional Director by the Board of Directors with effect from October 28, 2021 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as Director (Projects) of the Company, on terms & conditions determined by the Govt. of India from time to time."

6. To appoint Shri Bhaskar Bhattacharya (DIN: 09406292), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri Bhaskar Bhattacharya (DIN: 09406292), who was appointed as part-time Non-Official Director, by the President of India through Ministry of Power vide letter no. F.No.8/1/2012-PFC Desk (Vol II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, appointed as an Additional Director (part-time Non-Official Director) by the Board of Directors with effect from December 23, 2021 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as part-time Non-Official Director (Independent Director) of the Company, on terms & conditions determined by the Govt. of India from time to time."

7. To appoint Smt. Usha Sajeev Nair (DIN: 09408454), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Smt. Usha Sajeev Nair (DIN: 09408454), who was appointed as part-time Non-Official Director, by the President of India through Ministry of Power vide letter no. F. No. 8/1/2012-PFC Desk (Vol. II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, appointed as an Additional Director (part-time

Non-Official Director) by the Board of Directors with effect from December 23, 2021 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as part-time Non-Official Director (Independent Director) of the Company, on terms & conditions determined by the Govt. of India from time to time."

8. To appoint Shri Prasanna Tantri (DIN: 06471864), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Shri Prasanna Tantri (DIN: 06471864), who was appointed as part-time Non-Official Director, by the President of India through Ministry of Power vide letter no. F. No. 8/1/2012-PFC Desk (Vol. II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, appointed as an Additional Director (part-time Non-Official Director) by the Board of Directors with effect from December 23, 2021 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as part-time Non-Official Director (Independent Director) of the Company, on terms & conditions determined by the Govt. of India from time to time."

9. To change Object Clause of the Memorandum of Association of the Company and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**

"RESOLVED THAT pursuant to approval of Ministry of Power vide letter no. F.No.24-3/2/2019-PFC (MoP) dtd. 25th August, 2022, Section 13 & other applicable provisions, if any, of the Companies Act, 2013 including Rules made thereunder as well as any other applicable laws for the time being in force & such other approvals, permissions and sanctions, as may be necessary, the consent of the Company be and is hereby accorded to alter the Memorandum of Association of the Company by insertion of following new sub-clause 7 in Clause III(A) titled 'Objects for which the Company is established'-

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

By order of the Board of Directors



Manohar Balwani
CGM & Company Secretary

Registered office:
"Urjanidhi", 1, Barakhamba Lane,
Connaught Place,
New Delhi - 110 001
CIN: L65910DL1986GOI024862
Date: 29.08.2022

NOTES:-

1. In view of the outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs has, vide its circular dated May 5, 2022 read with Circulars dated May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 (collectively referred to as "MCA Circulars") and SEBI vide circular dated May 13, 2022, permitted convening the Annual General Meeting ("AGM"/"Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The Company has enabled the Members to participate at the 36th AGM through the VC facility provided by KFin Technologies Limited (KFintech), Registrar and Share Transfer Agents (RTA). The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.

3. As per the provisions under the MCA Circulars, Members attending the 36th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. The Company is providing the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The remote e-voting period shall commence at 10.00 a.m. on September 18, 2022 and will end at 5.00 p.m. on September 20, 2022. The e-voting module shall be disabled by KFintech at 5.00 p.m. on September 20, 2022. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 36th AGM being held through VC.

5. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

   Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

6. The Company has fixed Thursday, September 15, 2022 as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 36th AGM.

   A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights shall be as per the number of equity share held by the Member(s) as on cut-off date. Members are eligible to cast vote only if they are holding shares as on that date. Kindly note that a person who is not a member of the Company as on the Cut-off date should treat this Notice for Information Purposes Only.

7. The Company has appointed Shri Amit Agarwal, Proprietor, M/s. Amit Agarwal & Associates, Company Secretaries (FCS No. 5311, C.P No. 3647) to act as the Scrutiniser, to scrutinise the e-voting process in a fair and transparent manner.

8. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 36th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 36th AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

9. Corporate Members are required to send a certified copy of the Board resolution authorising their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail address to amitagcs@gmail.com with a copy marked to evoting@kfintech.com.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. The Register of Members and Share Transfer books will remain closed from Sunday, September 4, 2022 to Wednesday, September 21, 2022 (both days inclusive).

12. In line with the MCA Circulars, the notice of the 36th AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at https://www.pfcindia.com/investors/annual-reports/, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech, RTA at https://evoting.kfintech.com/

13. Members who have not registered their e-mail address with the Company/Depository Participants, as the case may be, are requested to visit the website of KFintech https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for temporary registration of e-mail ID of shareholders for 36th AGM and follow the process as mentioned on the landing page to receive the Annual Report, AGM Notice and Voting Instructions.

14. As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Directors retiring by rotation and seeking re-appointment/ appointment under item nos. 3, 5, 6, 7 & 8 of the notice in accordance with applicable provisions of the Companies Act, 2013 is forming part of the notice.

15. The final dividend @12.5% (₹ 1.25 per share) (subject to deduction of TDS) on the face value of the paid-up equity shares of ₹ 10/- per share for the FY 2021-22 as recommended by the Board of Directors in its meeting held on May 25, 2022, if approved by the members at the Annual General Meeting, will be paid on or before October 20, 2022 to the Members or their mandates whose names appear on the Company's Register of Members on June 10, 2022 in respect of physical shares. In respect of dematerialized shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours on June 10, 2022.

16. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Acts, 2020 and 2021 dividend declared and paid by the Company after April 1, 2020, is taxable in the hands of shareholders. The Company is required to deduct the tax at source on the distribution of dividend income to its shareholders at the applicable rates. The rate for deducting TDS may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. Certain category of shareholders such as Mutual Funds and Insurance Companies are exempted while for other category like Foreign Portfolio Investor tax has to be deducted at 20% (plus surcharge and cess) or at a beneficial tax rate applicable under Double Taxation Avoidance Agreement (DTAA).

    Companies require certain categories of shareholders to submit few details and required documents in order to determine the applicable rate for TDS. Say for example in respect of shareholders in category of Mutual Funds, Insurance companies, etc. companies seek certain set of documents like PAN, registration certificate, self-declaration, etc. in order to determine TDS rates. These details and documents are required to be provided by shareholders to every such company who declare dividends. Generally in respect of shareholders like Mutual Funds, Insurance companies, Foreign Portfolio Investors, etc. these details and documents are provide by their custodian on behalf of shareholders to every such company which is declaring dividend.

    The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms/ declarations/ documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

    This will provide an alternative to custodians to upload documents of their mutual fund/ insurance companies/ FPI clients if already not done on NSDL platform, which will be auto downloaded to RTAs as per the beneficiary positions as of a record date without a need for Issuer/RTAs to track several e-mails received from custodians. Further, reports containing details of demat accounts for which investor documents are downloaded will be available to issuers/ RTAs, thereby facilitating reconciliation.

17. Pursuant to Section 139 of the Companies Act, 2013, the Auditors of a Government Company are to be appointed or reappointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in general meeting may determine. The Comptroller and Auditor General of India shall appoint the Statutory Auditors of the Company for the FY 2022-23 under Section 139 of the Companies Act, 2013. The members may authorise the Board of Directors to fix an appropriate remuneration of Auditors for the FY 2022-23 as may be deemed fit by the Board.

18. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them and participate in corporate actions.

19. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021, the furnishing of PAN, Address with PIN, e-mail address, mobile number, bank account details and nomination by holders of physical securities is mandated. Folios, wherein any one of the cited document/details are not available on or after April 1, 2023, shall be frozen by the Registrars and Transfer Agent of the Company (RTA).

20. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. The shares in respect of which the dividends have not been paid or claimed for a period of seven consecutive years or more, are also liable to be transferred to the demat account of the IEPF Authority. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The details of investors' (whose payment is due) are available on company's website so as to enable the investors to claim the same.

21. Members are advised to submit/update their Electronic Clearing System (ECS) mandates, to enable the Company to make remittance by means of ECS. Those holding shares in physical form may obtain and send the ECS Mandate Form to KFintech, RTA of the Company. Those holding shares in Electronic Form may obtain and send the ECS Mandate Form directly to their Depository Participant (DP). Those who have already furnished the ECS Mandate Form to the Company/ RTA/DP with complete details need not send it again.

22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

23. Members holding shares in multiple folios in physical mode are requested to apply for consolidation of their holdings in one folio to the Company or KFintech, RTA of the Company along with relevant Share Certificates. A letter of confirmation will be issued in lieu of consolidated share certificate to such Members after making requisite changes.

24. Members who hold shares in physical form are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in name, address, e-mail address, telephone/ mobile numbers, nominations, power of attorney, or bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to RTA of the Company in prescribed format and in case of shares held in electronic mode, to their respective Depository Participants

25. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to KFintech, RTA of the Company in the prescribed form. In case of shares held in dematerialised form, the nomination has to be lodged with the respective Depository Participant.

26. Members desirous of getting any information on financial statements and any other item(s) of business of this Meeting are requested to address their queries to Company Secretary of the Company through e-mail on agm2022@pfcindia.com at least fifteen days prior to the date of the meeting. The same will be replied by the Company suitably.

27. All documents referred to in the accompanying Notice and the Explanatory Statement and Statutory Registers shall be available electronically on Company's website at www.pfcindia.com from the date of circulation of this Notice, up to the date of AGM i.e. September 21, 2022.

28. The Results on resolutions shall be declared after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions. The Results declared along with the Scrutiniser's Report(s) will be available on the website of the Company (www.pfcindia.com) and on KFintech's website (https://evoting.kfintech.com) and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E- voting facility to all the Shareholders of the Company in respect of items to be transacted at this Meeting. The Company has engaged the services of KFintech for facilitating remote e-voting for AGM.

The remote e-voting period shall commence at 10.00 a.m. on September 18, 2022 and will end at 5.00 p.m. on September 20, 2022. The e-voting module shall be disabled by KFintech at 5.00 p.m. on the same day.

Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.

Procedure and Instructions for remote e-voting

I. Instructions for remote e-voting by **Individual shareholders** holding shares of the Company in Demat mode.

As per SEBI circular on e-voting Facility, dated December 9, 2020, all individual shareholders holding shares of the Company in the demat mode can cast their vote, by way of single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Accordingly, the procedure to login and access remote e-voting, as devised by the Depositories/Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi/Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e. **KFintech** where the e-Voting is in progress.
Individual Shareholder login through their demat accounts/Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **KFintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Individual Members who are voting through the facilities provided by their Depository

Participants, contact their respective Depository Participants on their helpline/contact details.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738** or **022-23058542-43**

II. Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) **In case of Members receiving an e-mail from** KFintech **[*applicable to members whose e-mail IDs are registered with the Company/Depository Participant(s)*]:**

i. Launch an internet browser and open https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 6904, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering the above details Click on - Login.

iv. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, $, etc.) The system will also prompt you to update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

v. On successful login, the system will prompt you to select the EVEN of Power Finance Corporation Limited and click on 'Submit'.

vi. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date i.e. September 15, 2022 under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

viii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

ix. You may then cast your vote by selecting an appropriate option and click on "Submit".

x. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail ID: amitagcs@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

(B) In case of Members who have not registered their e-mail address, please follow the steps for registration of e-mail address and obtaining User ID and Password for e-voting.

i. Members who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their e-mail address and mobile number provided

with KFintech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx . Members are requested to follow the process as guided to capture the e-mail address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com .

ii. Alternatively, member may send an e-mail request at the e-mail ID einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report and Notice of AGM.

iii. Please follow all steps above to cast your vote by electronic means.

III. In case of any queries, you may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available in the downloads section of KFintech's website https://evoting.kfintech.com or contact Ms. Swati Reddy (Unit: POWER FINANCE CORPORATION LIMITED), at einward.ris@kfintech.com and evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. Members who have acquired shares after the dispatch of the Annual Report and on or before the cut-off date i.e. September 15, 2022, may obtain the User ID and Password for exercising their right to vote by electronic means as follows:

a) If the e-mail or mobile number of the member is registered against Folio No./DP ID Client ID:

The member may send SMS: MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> POW1234567

OR

The member may go to the home page of https://evoting.kfintech.com, and click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b) Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at einward.ris@kfintech.com.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC:

1. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com/ by clicking "Video Conference tab" and login through the user id and password provided in the mail received from KFintech. The link for the AGM will be available in the shareholder/members login where the "Event" and the "Name of the Company" can be selected. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.

3. Members are encouraged to join the Meeting using Google Chrome (preferred browser) for better experience.

4. Members will be required to grant access to the webcam to enable two-way video conferencing.

5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.

6. Members who may want to express their views or ask questions may visit https://emeetings.kfintech.com/ and click on the tab "Post Your Questions" to post their queries in the window provided, by mentioning their name, demat account number/folio number, e-mail ID and mobile number. The window shall remain active from September 18, 2022 and September 19, 2022.

7. In addition to the above-mentioned step, the Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. Accordingly, the Members may visit https://emeetings.kfintech.com/ and click on 'Speaker Registration' during the period from September 18, 2022 and September 19, 2022. Members shall be provided a 'queue number' before the AGM. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon ("Thumb sign") on the left side of the screen to cast their votes.

9. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech Limited at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE.

Item No. 5

The following statement sets out the material facts relating to the special business mentioned in Item No. 5 of the accompanying Notice:

Shri Rajiv Ranjan Jha (DIN: 03523954) was appointed as Director (Projects) of the Company by the President of India through Ministry of Power vide communication no. 24-8/1/2020-PFC (MoP) dated October 28, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director by the Board of Directors with effect from October 28, 2021 until the date of this Annual General Meeting. The terms and conditions regulating the appointment of Shri Rajiv Ranjan Jha would be as determined by the Government of India from time to time.

His brief resume, *inter alia*, giving nature of expertise in specific functional area is being provided which forms part of this notice.

Shri Rajiv Ranjan Jha, is concerned and interested, in the resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 5 of this notice for your approval as an Ordinary Resolution.

Item No. 6

The following statement sets out the material facts relating to the special business mentioned in item No.6 of the accompanying Notice:

Shri Bhaskar Bhattacharya (DIN: 09406292) was appointed as part-time Non-Official Director of the Company by the President of India through Ministry of Power vide communication no. F.No. 8/1/2012-PFC Desk (Vol. II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (part-time Non-Official Director) (Independent Director) by the Board of Directors with effect from December 23, 2021 until the date of this Annual General Meeting. The terms and conditions regulating the appointment of Shri Bhaskar Bhattacharya would be as determined by the Government of India from time to time.

His brief resume, *inter alia*, giving nature of expertise in specific functional area is being provided which forms part of this notice.

Shri Bhaskar Bhattacharya, is concerned and interested, in the resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 6 of this notice for your approval as an Ordinary Resolution.

Item No. 7

The following statement sets out the material facts relating to the special business mentioned in item No.7 of the accompanying Notice:

Smt. Usha Sajeev Nair (DIN: 09408454) was appointed as part-time Non-Official Director of the Company by the President of India through Ministry of Power vide communication no. F.No. 8/1/2012-PFC Desk (Vol. II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (part-time Non-Official Director) (Independent Director) by the Board of Directors with effect from December 23, 2021 until the date of this Annual General Meeting. The terms and conditions regulating the appointment of Smt. Usha Sajeev Nair would be as determined by the Government of India from time to time.

Her brief resume, *inter alia*, giving nature of expertise in specific functional area is being provided which forms part of this notice.

Smt. Usha Sajeev Nair is concerned and interested, in the resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 7 of this notice for your approval as an Ordinary Resolution.

Item No. 8

The following statement sets out the material facts relating to the special business mentioned in item No.8 of the accompanying Notice:

Shri Prasanna Tantri (DIN: 06471864) was appointed as part-time Non-Official Director of the Company by the President of India through Ministry of Power vide communication no. F.No.8/1/2012-PFC Desk (Vol. II) dated November 15, 2021 and subsequently on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director (part-time Non-Official-Director) (Independent Director) by the Board of Directors with effect from December 23, 2021 until the date of this Annual General Meeting. The terms and conditions regulating the appointment of Shri Prasanna Tantri would be as determined by the Government of India from time to time.

His brief resume, *inter alia*, giving nature of expertise in specific functional area is being provided which forms part of this notice.

Shri Prasanna Tantri is concerned and interested, in the resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 8 of this notice for your approval as an Ordinary Resolution.

Item No. 9

The following statement sets out the material facts relating to the special business mentioned in item No.9 of the accompanying Notice:

The Company is a "MAHARATNA" CPSE under the administrative control of Ministry of Power, Govt. of India and a notified public financial institution under the provisions of the Companies Act, 2013 as also a systemically important non-deposit taking Non-Banking Financial Company (NBFC) classified as an Infrastructure Finance Company by the Reserve Bank of India. The Company is presently engaged in providing financial assistance to Power Utilities for meeting financing and development requirements of the Power Sector. In order to leverage potential synergies of emerging opportunities in the changed business environment and to facilitate providing financial assistance to Infrastructure Sector for meeting its financing and development requirements, it is proposed to expand the objects of the company by insertion of following new sub-clause 7 in Clause III(A) of Memorandum of Association titled 'Objects for which the Company is established'-

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

The Board of Directors approved alteration of the Memorandum of Association of the Company subject to approval of Ministry of Power and such other approvals, permissions and sanctions, as may be necessary and subject to approval of shareholders. Ministry of Power, Govt. of India vide letter no. F.No.24-3/2/2019-PFC (MoP) dtd. 25th August, 2022, has accorded its approval to the amendment in Memorandum of Association and the approval of the members of the Company is being sought for the same. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

Further, no Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution given at Sr. No. 9 of this notice for your approval as a Special Resolution.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT 36th AGM UNDER ITEM NOs. 3, 5, 6, 7 and 8

Name	Smt. Parminder Chopra	Shri Rajiv Ranjan Jha	Shri Bhaskar Bhattacharya	Smt. Usha Sajeev Nair	Shri Prasanna Tantri
Date of Birth and Age	30.04.1967/55 years	26.04.1966/56 years	15.07.1958/64 years	02.07.1976/46 years	14.10.1981/40 years
Qualification	Bachelor's degree in Commerce and is a qualified Cost Accountant and MBA	Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and Diploma in Management from IGNOU	B.Com (Hons.) L.LB, Post Graduate Diploma in Business Management	B.A. (Gradution)	Ph.D, Deakin University FPM, Indian School of Business PGP, Indian School of Business ICWA, Institute of Cost Accountants of India B.Com, Mangalore University
Date of Appointment	01.07.2020	28.10.2021	23.12.2021	23.12.2021	23.12.2021
Terms and Conditions of Appointment	Appointed as Director (Finance) by President of India through Ministry of Power for a period of 5 years w.e.f. 1.07.2020 or till the date of her superannuation or until further orders, whichever is the earlier.	Appointed as Director (Projects) by President of India through Ministry of Power for a period from the date of his assumption of charge of the post till the date of his superannuation or until further orders, whichever is the earlier.	Appointed as Part-time Non-official (Independent) Director by President of India through Ministry of Power for a period of three years from the date of his appointment or until further orders.	Appointed as Part-time Non-official (Independent) Director by President of India through Ministry of Power for a period of three years from the date of her appointment or until further orders.	Appointed as Part-time Non-official (Independent) Director by President of India through Ministry of Power for a period of three years from the date of his appointment or until further orders.
Remuneration	As per standard terms of appointment issued by President of India through Ministry of Power.	As per standard terms of appointment issued by President of India through Ministry of Power.	NIL	NIL	NIL
Expertise in Functional Areas	She has around 35 years of experience in power sector, serving in key power sector organisations like National Hydroelectric Power Corporation of India (NHPC) and Power Grid Corporation of India (PGCIL). She joined PFC in 2005 and was working as an Executive Director (Finance) before assuming charge as Director (Finance), PFC. She has handled a gamut of finance portfolios such as resource mobilisation from domestic as well as international markets, banking & treasury, asset liability management, stressed assets resolution etc.	He has been working with Power Finance Corporation Limited (PFC) since March 1997. He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and a Diploma in Management from IGNOU. He has overall 34 years of experience and had been holding the position as Executive Director (Projects), PFC since May 27, 2019. Previously, he has been handling the PFC's loan portfolio in Western Region including State Sector Coordination Work in the States of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh and Goa. He has earlier handled the entire loan portfolio in Consortium Lending with PFC as lead FI. He has also handled the entire Renewable Energy loan portfolio of PFC. He has also worked on Project Appraisal (especially for Independent Private Power Projects) & Ultra Mega Power Projects in PFC. Before joining PFC,	He is a Graduate in Commerce (Hons.) and has a Bachelor degree in Law. He also holds a Post Graduate Diploma in Business Management. He has been acting as an Advocate for more than 25 years. He is the Chairman of Hooghly Tax Advocates Bar Association and Member of West Bengal Taxation Tribunal. He has also worked as a Gen-Secretary in a NGO named Nibedan.	She is a female entrepreneur engaged in her own business in Dadra and Nagar Haveli and Daman and Diu providing employment and support to a number of families for quite some time now. Besides this, she is actively engaged in social work for upliftment of needy people. In the period of COVID pandemic, She together with her support team provided food, medical supplies, masks, sanitisers, gloves etc. to people in distress. She is also engaged in raising women issues, support to old and homeless people and orphans.	Shri Prasanna Tantri, holds a B.Com degree from Mangalore University and is a qualified Cost Accountant. He has also done Fellow Programme Management and Post Graduate Programme in Management from Indian School of Business and also holds a Ph.D from Deakin University. At present, he is an Associate Professor in the Finance area at the Indian School of Business and Executive Director of the Centre for Analytical Finance at ISB. His research areas include- banking, financial inclusion, financial contagion, regulation, and the relationship between politics and finance.

Name	Smt. Parminder Chopra	Shri Rajiv Ranjan Jha	Shri Bhaskar Bhattacharya	Smt. Usha Sajeev Nair	Shri Prasanna Tantri
		he has worked with Visakhapatnam Steel Plant from November 1988 to February 1997 and dealt with Operation and Maintenance of their coal based Captive Power Plant and also in Material Planning			
Number of Meetings of the Board held during the tenure and number of Board Meetings attended	10/10	7/7	5/5	5/5	5/5
Relationship with any other Director, Manager and other KMP of the Company	NIL	NIL	NIL	NIL	NIL
Number of shares held in the Company	2000	16004	NIL	NIL	NIL
Directorship in other companies	• Coastal Tamil Nadu Power Limited • Cheyyur Infra Limited • PFC Consulting Limited • Bihar Mega Power Limited • Deoghar Mega Power Limited • Chhattisgarh Surguja Power Limited • PTC India Limited • REC Limited	• PFC Consulting Limited • Orissa Integrated Power Limited	NIL	NIL	NIL
Chairman/Membership of committees* across all public companies (as on the date of Notice)	**Power Finance Corporation Limited** • Member, Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee **REC Limited** • Member, Audit Committee	**Power Finance Corporation Ltd.** • Member, Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee • Member, Audit Committee	**Power Finance Corporation Ltd.** • Member, Audit Committee	**Power Finance Corporation Ltd.** • Chairman, Stakeholders Relationship and Shareholder'/ Investor' Grievance Committee	**Power Finance Corporation Ltd.** • Chairman, Audit Committee
Details of listed entities from which resigned in the past three years	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

* Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Stakeholders Relationship and Shareholder'/Investor' Grievance Committee.

Directors' Profile



Shri Ravinder Singh Dhillon
Chairman and Managing Director
DIN: 00278074

Shri Ravinder Singh Dhillon, 59 years, is the Chairman and Managing Director (CMD) of PFC. As CMD, PFC he is spearheading entire operations of PFC and also playing a critical role in implementation of key power sector initiatives of Government of India, namely Revamped Distribution Sector Scheme, Late Payment Surcharge Rules, Liquidity Package to Power Sector under Atmanirbhar Bharat Scheme, Privatisation of Discoms, Integrated Power Development Scheme, 24X7 Power for All, Ultra Mega Power Projects and Independent Transmission Projects.

He has over 37 years of varied experience spread across the entire value chain of power sector. His diverse work experience covers 3 years in Bharat Heavy Electricals Ltd. designing power generating equipment, 6 years in Central Electricity Authority with macro level planning of power systems, and 28 years in PFC, playing a key role in project appraisal, financial modeling, project monitoring & stressed asset resolution.

Prior to being appointed as the Chairman and Managing Director of PFC, Mr. Dhillon held the post of Director (Projects), where he was responsible for business growth & asset quality. Under his leadership, PFC increased its focus on Renewable Energy business and refinancing of operational assets. He has also spearheaded PFC's business diversification efforts, both by cross border funding and expanding business into new market segments like funding of EV fleets, Hybrid Pumped Storage projects etc.

Shri Dhillon holds B.E. (Electrical) degree from Thapar Institute of Engg. & Tech., and M. Tech. in Power Systems from IIT Delhi.

Shri Ravinder Singh Dhillon, was holding 27,050 equity shares in the Company as on March 31, 2022.



Smt. Parminder Chopra
Director (Finance)
DIN: 08530587

Smt. Parminder Chopra, 55 years, holds a Bachelor's degree in Commerce and is a qualified Cost Accountant and MBA. She took over the charge of Director (Finance), Power Finance Corporation Ltd. on July 1, 2020. She is also PFC nominated Director on the Board of REC Ltd. She has around 35 years of experience in power sector, serving in key power sector organizations like National Hydroelectric Power Corporation of India (NHPC) and Power Grid Corporation of India (PGCIL). She joined PFC in 2005 and was working as an Executive Director (Finance) before assuming charge as Director (Finance), PFC. She has handled a gamut of finance portfolios such as resource mobilization from domestic as well as international markets, banking & treasury, asset liability management, stressed assets resolution etc.

Smt. Parminder Chopra, was holding 2000 equity shares in the Company as on March 31, 2022.



Shri Rajiv Ranjan Jha
Director (Projects)
DIN: 03523954

Shri Rajiv Ranjan Jha, aged 56 years has been working with Power Finance Corporation Limited (PFC) since March 1997.

He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University and a Diploma in Management from IGNOU. He has overall 34 years of experience and had been holding the position as Executive Director (Projects), PFC since May 27, 2019. Previously, he has been handling the PFC's loan portfolio in Western Region including State Sector Coordination Work in the States of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh and Goa. He has earlier handled the entire loan portfolio in Consortium Lending with PFC as lead FI. He has also handled the entire Renewable Energy loan portfolio of PFC. He has also worked on Project Appraisal (especially for Independent Private Power Projects) & Ultra Mega Power Projects in PFC.

Before joining PFC, he has worked with Visakhapatnam Steel Plant from November 1988 to February 1997 and dealt with Operation and Maintenance of their coal based Captive Power Plant and also in Material Planning.

Shri Rajiv Ranjan Jha was holding 16,004 equity shares in the Company as on March 31, 2022.



Shri Manoj Sharma
Director (Commercial)
DIN: 06822395

Shri Manoj Sharma, 56 years, is a chartered accountant with a degree in law (LLB). He joined PFC in 1990 and was working as Executive Director (In charge) of Commercial Division before assuming charge as Director (Commercial), PFC. He has more than 30 years of experience in power sector. In PFC, he has handled multiple areas & domains including institutional appraisal & development, entity appraisal, legal & documentation, taxation, budget, audit, preparation of financial statements & audit reports, financial analysis, resource mobilization, debt syndication and consultancy assignments on financial/commercial aspects in power sector.

During the last 3 decades, he has been associated with entire spectrum of PFC's loan assets, covering formulation of lending policies, putting in place a policy framework to guide appraisal with a structured format for financial analysis, compliance with applicable regulatory and statutory frameworks, monitoring conditions, facilitating disbursement, resolution mechanism for stressed accounts, etc.

He is also Chairman of PFC Projects Limited and Jharkhand Infrapower Limited.

Shri Manoj Sharma, was holding Nil equity shares in the Company as on August 29, 2022.



Shri Ajay Tewari
Government Nominee Director
DIN: 09633300

Shri Ajay Tewari, 52 years, is an Indian Administrative Service Officer of 1993 Batch. He is presently Additional Secretary, Ministry of Power looking after Energy Conservation, Energy Transition, International Co-operation, Training & Research and Perspective Planning of Ministry of Power. Mr. Ajay Tewari is B. Tech (Electrical Engineer) from Indian Institute of Technology and holds PG Diploma in Financial Management. Before joining Central deputation in the Ministry of Labour & Employment as Joint Secretary & Director General of Labour Welfare in the year 2018, he had worked in different capacities in the State of Assam and Meghalaya. Shri Ajay Tewari has wide range of experience of working in Finance, Education, Housing & Urban Affairs, Sports, Youth Welfare, General Administration, Revenue Administration, Disaster Management & Labour Welfare sectors.

Shri Ajay Tewari was born on August 5, 1970 and before joining Indian Administrative Service in the year 1993, he had also worked in Gas Authority of India Ltd. (GAIL) and Ordnance Factory, Nagpur for brief periods.

Shri Ajay Tewari was holding Nil equity shares in the Company as on March 31, 2022.



Shri Bhaskar Bhattacharya
Independent Director
DIN: 09406292

Shri Bhaskar Bhattacharya, 64 years, is an Honours Graduate in Commerce and Bachelor degree in Law. He also holds a Post Graduate Diploma in Business Management. He has been acting as an Advocate for more than 25 years. He is the Chairman of Hooghly Tax Advocates Bar Association and Member of West Bengal Taxation Tribunal. He has also worked as a Gen-Secretary in a NGO named Nibedan.

Shri Bhaskar Bhattacharya was holding Nil equity shares in the Company as on March 31, 2022.



Smt. Usha Sajeev Nair
Independent Director
DIN: 09408454

Smt. Usha Sajeev Nair, 46 years, holds a graduation degree in Bachelors of Arts. She is a female entrepreneur engaged in her own business in Dadra and Nagar Haveli and Daman and Diu providing employment and support to a number of families for quite some time now. Besides this, she is actively engaged in social work for upliftment of needy people. In the period of COVID pandemic, She together with her support team provided food, medical supplies, masks, sanitizers, gloves etc to people in distress. She is also engaged in raising women issues, support to old and homeless people and orphans.

Smt. Usha Sajeev Nair was holding Nil equity shares in the Company as on March 31, 2022.



Shri Prasanna Tantri
Independent Director
DIN: 06471864

Shri Prasanna Tantri, 40 years, holds a B.Com degree from Mangalore University and is a qualified Cost Accountant. He has also done Fellow Programme Management and Post Graduate Programme in Management from Indian School of Business and also holds a Ph.D from Deakin University. At present, he is an Associate Professor in the Finance area at the Indian School of Business and Executive Director of the Centre for Analytical Finance at ISB. His research areas include- banking, financial inclusion, financial contagion, regulation, and the relationship between politics and finance.

Shri Prasanna Tantri was holding Nil equity shares in the Company as on March 31, 2022.

Report of the Board of Directors

FY 2021-22

To,
The Members,
Power Finance Corporation Limited

Your Directors are pleased to present their 36th Annual Report on the performance of your Company for the financial year ended March 31, 2022 along with Audited Financial Statements, Auditor's Report, Secretarial Auditor's Report & report by the Comptroller and Auditor General of India.

Your Directors, at the outset take pride in informing you that during the year, your company has been accorded 'Maharatna' Status – the highest recognition by Government of India to Central Public Sector Enterprises (CPSE's).

1.0 Financial and Operational Highlights

- Total income achieved during the FY 2021-22 was up by 2% to ₹38,591 crore.
- Net Interest Income during the FY 2021-22 increased by 8% to ₹14,030 crore.
- Delivered highest ever Net profit of ₹10,022 crore up by 19% during FY 2021-22.
- Board recommended a final dividend of ₹1.25 per equity share in addition to an interim dividend of ₹10.75 per equity share, which was paid during FY 2021-22. The total dividend for the FY 2021-22 thus aggregates to ₹12 per equity share as against ₹10 per equity share paid for the previous year. The final dividend will be paid after your approval at the Annual General Meeting. The total dividend pay-out for the FY 2021-22 will thus amount to ₹3,168.1 crore (inclusive of TDS) representing 32% of the profit after tax.
- Total expenditure for the FY 2021-22 amounted to ₹26,364 crore. Out of it, finance cost amounted to ₹22,671 crore. This constituted 86% of total expenses in FY 2021-22. During FY 2021-22, employee benefit expenses and other expenses, which includes administrative and office expenses were ₹336 crore (1.27% of total expenses) against ₹265 crore (0.96% of total expenses) in the previous year.
- Loans Sanctioned amounted to ₹51,616 crore during the FY 2021-22 to State, Central, Private and Joint Sector entities. Disbursements amounted to ₹51,242 crore during the same period.
- Gross Loan Asset book as on FY 2021-22 stood at ₹3,73,135 crore. The outstanding borrowing as on FY 2021-22 stood at ₹3,20,128 crore.
- Total provision of ₹14,344 crore towards Stage- III Loan Assets as at the end of FY 2021-22. The Net Stage-III Assets stands at ₹6,571 crore as on March 31, 2022, which is 1.76% to the Total Gross Loan Assets. In addition to above, provision of ₹2,059 crore and ₹945 crore on Stage-I Loan Assets and Stage-II Loan Assets respectively is available as on March 31, 2022.
- As on March 31, 2022, the Government of India's shareholding is 55.99%.
- PFC's robust financials inspire higher levels of confidence amongst investors, regulators and other stakeholders in your Company.

1.1 Financial Performance Overview

1.1.1 Profitability

(₹ in crore)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Income	**38,591.17**	**37,766.57**	**76,344.92**	**71,700.67**
Profit Before Tax	**12,227.65**	**10,207.31**	**23,382.22**	**19,890.73**
Tax expenses	2,205.75	1,763.30	4,614.01	4,174.53
Profit After Tax	**10,021.90**	**8,444.01**	**18,768.21**	**15,716.20**
Owners of the Company	-	-	14,014.79	11,747.83
Non-Controlling Interests	-	-	4,753.42	3,968.37
Total Comprehensive Income	**10,202.73**	**8,534.21**	**18,889.78**	**16,264.09**
Owners of the Company	-	-	14,163.78	12,078.90
Non-Controlling Interests	-	-	4,726.00	4,185.19

1.1.2 Reserve & Surplus

(₹ in crore)

Particulars	Standalone		Consolidated*	
	2021-22	2020-21	2021-22	2020-21
Opening Balance of Surplus	**7,203.86**	**6,042.40**	**9,760.52**	**8,080.18**
Profit after tax for the year	10,021.90	8,444.01	14,014.79	11,747.83
Re-Measurement of Defined Benefit Plans	(3.70)	(3.13)	(6.98)	(8.75)
Transfer towards Reserve for Bad & Doubtful Debts u/s 36(1)(viia)(c) of Income Tax Act, 1961	(576.44)	(609.83)	(576.44)	(761.49)
Transfer to Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961	(2,423.45)	(2,534.77)	(4,044.97)	(3,883.87)
Transfer to Special Reserve created u/s 45-IC(1) of Reserve Bank of India Act, 1934	(2,004.38)	(1,688.80)	(3,062.34)	(2,569.38)
Transfer to Debenture Redemption Reserve	-	-	-	-
Transfer to General Reserve	-	-	-	(516.40)
Transfer to Interest Differential Reserve – KFW Loan (net)	(1.42)	(1.25)	(1.42)	(1.25)
Dividends	(3,366.10)	(2,112.07)	(3,366.10)	(2,112.07)
Dividend Distribution Tax	-	-	-	-
Transfer from Debenture Redemption Reserve on account of utilisation	-	-	-	-
Transfer from OCI – Equity Instruments	-	-	-	-
Other Comprehensive Income/(Expense)	-	-	-	-
Reclassification of gain/loss on sale of equity instrument measured at OCI	13.22	6.98	58.90	134.73
Pooling of interest accounting for common control business combination	-	-	-	-
Impairment Reserve	-	-	-	-
Adjustments	-	(339.68)	(18.86)	(349.01)
Closing Balance of Surplus	**8,863.49**	**7,203.86**	**12,757.10**	**9,760.52**

*Attributable to owners of the Company (PFC)

1.2 OPERATIONAL PERFORMANCE OVERVIEW

1.2.1 ASSET QUALITY

(₹ in crore)

Particulars	2021-22	2020-21
Gross Loan Assets	3,73,135	3,70,771
Stage III Assets	20,915	21,150
Provision on Stage III Assets	14,344	13,416
Gross Stage III as % of Gross Loan Assets	5.61%	5.70%
Net Stage III as % of Gross Loan Assets	1.76%	2.09%

1.2.2 SANCTION / DISBURSEMENT (EXCLUDING R-APDRP / IPDS)

(₹ in crore)

SECTOR	FY 2021-22		FY 2020-21	
Category	Sanctions	Disbursements	Sanctions	Disbursements
State Sector	36,197	41,512	1,15,170	73,016
Central Sector	63	10	9,172	3,912
Joint Sector	6,743	773	8,907	2,123
Private Sector	8,613	8,947	33,121	9,251
Total	**51,616**	**51,242**	**1,66,370**	**88,302***

* Includes ₹ 20,144 Crore towards moratorium loans during Covid pandemic.

1.2.3 Borrowings

1.2.3.1 Deposits

Your Company is a non-deposit taking NBFC, and thus has not accepted any public deposits during the FY 2021-22. Further, no Perpetual Debt Instruments (PDI) was issued by your Company during FY 2021-22.

1.2.3.2 Borrowings from Domestic Market

The details of borrowings made from domestic market during FY 2021-22 are as under:

(₹ in crore)

Source	Amount
Bonds (including 54EC)	14,666.84
Rupee Term Loans	14,005.00
Total	**28,671.84**

Further, for maintaining adequate liquidity, credit lines to the tune of ₹9,030 crore were sanctioned as on March 31, 2022 by various scheduled commercial banks to the Company for short-term funding generally without any commitment charges.

RBI has prescribed Liquidity Coverage Ratio (LCR) framework for NBFCs. These guidelines aims for maintenance of a liquidity buffer in terms of LCR by ensuring that NBFCs have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC maintains sufficient liquidity buffer in the form of HQLA as prescribed.

1.2.3.3 External Borrowings

The foreign currency denominated borrowings during FY 2021-22 are as follows:

(₹ in crore)

Source	Amount
Bonds under GMTN programme	2,597.41
Syndicated Loans	4,674.28
Total	**7,271.69**

Green Bonds

PFC established its Green Bond Framework in October, 2017 as approved by Climate Bonds Initiative (CBI), London, UK. The Green Bond framework for funding renewable projects (viz. Solar and Wind) has been updated in August, 21 to align with the latest set of guidelines namely Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA). In this context, an agreement was executed between PFC & Climate Bonds Initiative.

PFC has issued its first USD Green bond in December, 2017 and raised US $400 million (₹2,575 crore) at a coupon of 3.75% and these bonds are listed on the London Stock Exchange's new International Securities Market (ISM) and Singapore Stock Exchange. Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (₹2,597 crore) at a coupon of 1.841% and these bonds are listed on the Singapore Stock Exchange, India INX and NSE IFSC. Annual update to the holders of the bonds, as required under the PFC's Green bond framework is as follows:-

The funds raised under Green bonds have been utilised to finance renewable energy projects as per the "Eligible Projects" under PFC's Green Bond Framework. As at March 31, 2022, outstanding loan balances of Solar & Wind energy projects funded by PFC are ₹11,794 crore & ₹6,573 crore respectively. The total capacity (MW) of outstanding Solar & Wind energy projects funded by PFC as on March 31, 2022 is 6,225MW. Accordingly, PFC green bond portfolio is more than the amount raised through issue of green bonds.

1.3 CREDIT RATING

During the FY 2021-22, Company's both long-term & short-term domestic borrowing programme (including bank loans) continued to be the highest rating.

- **Domestic Rating assigned by CRISIL, ICRA and CARE**
  - Long-term domestic borrowing programme Rating – CRISIL AAA, ICRA AAA and CARE AAA
  - Short-term domestic borrowing programme Rating – CRISIL A1+, ICRA A1+ and CARE A1+
- **International Rating**
  The Company's international credit ratings continue to be Baa3 and BBB- assigned by International Credit Rating Agencies Moody's and Fitch respectively.

1.4 MEMORANDUM OF UNDERSTANDING WITH GOVT. OF INDIA

Your Company has been consistently accorded 'Excellent' Rating by Government of India since FY 1993-94 except for two financial years. For the FY 2020-21, your Company was accorded 'Excellent rating'. The rating for FY 2021-22 is still awaited.

In FY 2021-22, the achievement of your Company on some key MoU parameters has been as under:

MoU Parameter	Achievement
Revenue from Operations	₹ 38,545.40 Cr.
Loans Disbursed to Total Funds Available	98.59%
Overdue loans to Total Loans	0.29%
NPA to Total Loans	1.82%
Cost of raising funds through Bonds as compared to similarly rated CPSEs/entities (Margin over Reuters)	(-) 17.24 bps

1.5 SUBSIDIARIES

1.5.1 REC LIMITED

Consequent upon acquisition of majority stake in REC (Formerly Rural Electrification Corporation Limited) from Government of India on March 28, 2019, Your Company is the promoter and holding Company of REC. Accordingly, the following subsidiaries of REC as on March 31, 2022 are also subsidiaries of PFC:

(i) REC Power Development and Consultancy Limited
(ii) Chandil Transmission Limited
(iii) Dumka Transmission Limited
(iv) Koderma Transmission Limited
(v) Mandar Transmission Limited
(vi) Bidar Transmission Limited
(vii) Rajgarh Transmission Limited
(viii) MP Power Transmission Package-I Limited
(ix) ER-NER Transmission Limited

REC is also 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). Its business activities involve financing projects in the complete power sector value chain, be it generation, transmission or distribution. REC provides financial assistance to state electricity boards, state governments, central/state power utilities, independent power producers, rural electric cooperatives and private sector utilities.

During the FY 2021-22, the total income of REC was ₹39,231 crore and the net profit was ₹10,046 crore, on standalone basis.

The detailed operational and financial performance of REC is available on its website i.e. www.recindia.nic.in.

1.5.2 PFC CONSULTING LIMITED

Your Company had been offering consultancy support to the Power Sector through PFC Consulting Limited, its wholly-owned subsidiary.

The Services offered by PFCCL are broadly in the following areas:

Transaction Advisory

- Selection of Sellers/Developers Through 'Case-1' and 'Case-2';
- Guidelines & SBDs: Short-Term, Medium-Term, Long-Term (Case '1', Case '2' and UMPPs), Hydro, Solar, Wind, Pilot Scheme 1 & 2
- Reform & Restructuring
- Independent Transmission Projects
- Privatisation of Electricity Distribution in UTs

Project Development

- Ultra Mega Power Projects (UMPPs)
- Ultra Mega Renewable Energy Power Parks (UMREPPs)
- Owner's Engineer, Lender's Independent Engineer, Lender's Insurance Advisor
- Setting up of Manufacturing Zone for power and renewable energy equipment

PMA / PMC/ Other GoI Schemes

- Revamped Distribution Sector Scheme (RDSS)
- Procurement of Power: DEEP Portal
- Coal Linkage Auction under SHAKTI Scheme
- Pilot Scheme I & II
- PRAAPTI Portal
- Integrated Power Development Scheme (IPDS)
- Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)
- National Smart Grid Mission (NSGM)
- Restructured Accelerated Power Development and Reforms Programme (R-APDRP)

Smart Solutions

- Smart Metering
- Energy Portfolio Management

Other Services

- Tariff & Regulatory
- Selection of EPC Contractor
- Resource Mobilisation
- Project advisory for new power plant
- Strategy
- Contracts, commercial and legal
- Project Appraisal
- Computerisation of Operations
- Accounting Systems
- Policy
- Energy Audit

Till date, consultancy services have been rendered to 77 clients spread across 27 States/UTs in India by PFCCL. The total number of assignments undertaken as on date are more than 160.

Further, during the FY 2021-22, the total income of PFCCL on consolidated basis was ₹91.09 crore and the net profit earned was ₹37.67 crore. The net worth of PFCCL as on March 31, 2022 was ₹111.35 crore.

- Your Company is designated by Ministry of Power Government of India as the 'Nodal Agency' for facilitating development of Ultra Mega Power Projects and its wholly-owned subsidiary i.e. PFC Consulting Limited is the 'Bid Process Coordinator' for Independent Transmission Projects.

  As on March 31, 2022, for the said purpose, the following Special Purpose Vehicles (SPVs) have been incorporated as subsidiaries/deemed subsidiaries of the Company:

  i. Chhattisgarh Surguja Power Limited^
  ii. Coastal Karnataka Power Limited
  iii. Coastal Maharashtra Mega Power Limited^
  iv. Coastal Tamil Nadu Power Limited
  v. Orissa Integrated Power Limited
  vi. Sakhigopal Integrated Power Company Limited
  vii. Ghogarpalli Integrated Power Company Limited
  viii. Tatiya Andhra Mega Power Limited^
  ix. Deoghar Mega Power Limited
  x. Cheyyur Infra Limited
  xi. Odisha Infrapower Limited
  xii. Deoghar Infra Limited
  xiii. Bihar Infrapower Limited
  xiv. Bihar Mega Power Limited
  xv. Jharkhand Infrapower Limited
  xvi. Tanda Transmission Company Limited *^
  xvii. Bijawar-Vidarbha Transmission Limited*
  xviii. Shongtong Karcham-Wangtoo Transmission Limited*^
  xix. Ananthapuram Kurnool Transmission Limited*
  xx. Bhadla Sikar Transmission Limited*
  xxi. Khetri Narela Transmission Limited*
  xxii. Kishtwar Transmission Limited*
  xxiii. Mohanlalganj Transmission Limited*
  xxiv. Chhatarpur Transmission Limited*

^ SPV under the process of striking-off.

* wholly-owned subsidiaries of PFC Consulting Limited.

2.0 Risk Management

2.1 Asset Liability Management

Your Company has put in place an effective Asset Liability Management System as per Asset Liability Management Policy formulated in line with the RBI's guidelines on Liquidity Risk Management Framework to manage the liquidity and interest rate risks. Measurement and monitoring of Liquidity risk is done through cash flow approach; and for Interest rate risk, it is done through traditional gap analysis technique as detailed in RBI guidelines. Such analysis is made on periodical basis in various time buckets and is used for critical decisions regarding the time, volume and maturity profile of the borrowings and

creation of mix of assets and liabilities in terms of time period (short, medium and long-term) and in terms of fixed and floating interest rates. The details of the asset liability management maturity pattern are given at Note No. 53 of the Notes to Accounts of the Standalone Financial statements forming part of this Annual Report.

2.2 Foreign Currency Risk Management

Your Company has put in place "Policy for Management of Risks on Foreign Currency Borrowings" to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

As on March 31, 2022, the total o/s foreign currency liabilities are USD 6,783 million, JPY 36,336 million & EUR 308 million; out of which USD 4,075 million is hedged. Further, 92% of the FC portfolio with residual maturity up to 5 years has been hedged.

2.3 Integrated Enterprise Wide Risk Management

In order to manage risks faced by your Company, it has put in place an Integrated Enterprise Wide Risk Management Policy (IRM policy). For implementation of the policy, Your Company has constituted a Risk Management Committee of Directors. Under the IRM policy, the Company has to identify the principal risks which may have an impact on its profitability/revenues. In this regard, the Company has identified 11 significant risk parameters which arise from the Company's business model and from its use of financial instruments. These risk parameters cover the major operational risks, financial risks, market risks, regulatory risks etc. faced by the Company and are regularly assessed as per the Risk Assessment Criteria.

3.0 PFC & Government Partnership

3.1 Independent Transmission Projects (ITPs)

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

Further in the month of April & May, 2022, PFCCL has incorporated 5 new SPVs for development of transmission schemes.

i. Fatehgarh III Beawar Transmission Limited
ii. Beawar Dausa Transmission Limited
iii. Siot Transmission Limited
iv. Khandukhal Rampura Transmission Limited
v. Fatehgarh III Transmission Limited

As on date, out of 45 SPVs, 31 SPVs were transferred to the successful bidders and bidding process for 8 SPVs are under progress. Further, due to de-notification of schemes by MoP, 2 SPVs were closed, other 3 SPVs are under process of closure and 1 scheme is under abeyance.

3.2 Ultra Mega Power Projects (UMPPs)

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 your Company 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.

Your Company 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.

3.3 Revamped Distribution Sector Scheme (RDSS) & Integrated Power Development Scheme (With Restructured Accelerated Power Development and Reform Programme (R-APDRP) Subsumed in IT)

Your Company is involved in various GoI programmes for the power sector, including acting as a nodal agency for the IPDS (R-APDRP subsumed) and Revamped Distribution Sector Scheme (RDSS) launched by Govt. of India in July, 2021.

3.3.1 Revamped Distribution Sector Scheme (RDSS)

MoP/GoI vide OM dated July 20, 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 0.50% 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.

The Scheme has two parts:

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

ii. Part B covers training & capacity building and other enabling & supporting activities.

Outlay and Budgetary Support

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

Progress of implementation

Based on the recommendations of PFC, upto March 2022, GoI has approved projects worth ₹65,018 crore (GoI Grant component of ₹25,613 crore) to DISCOMs of Andhra Pradesh (AP), Gujarat, Himachal Pradesh (HP), Kerala, Madhya Pradesh (MP) and Uttarakhand under RDSS. Further, PFC has disbursed an amount of ₹537 crore to Discoms of AP, Gujarat and HP towards Phase - I advance of 5% of GoI Grant for implementation of Loss Reduction Projects, as per RDSS guidelines. Your Company is also supporting the States by preparing Model Bidding Documents for Automation and ERP projects under RDSS.

Part-B component of RDSS focuses on the human resources and skill development *inter alia* 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. Upto March 2022, total 31 training programmes were conducted through NPTI covering 1,168 DISCOM personnel. Your Company is also handholding the Discoms in incorporating better corporate governance practices.

3.3.2 Integrated Power Development Scheme (IPDS)

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 ₹32,612 crore including a budgetary support of ₹25,354 crore from Government of India during the entire implementation period.

- R-APDRP scheme cost of ₹44,011 crore (with a budgetary support of ₹22,727 crore) as already approved by CCEA is also carried forward to IPDS in addition to the outlay of ₹32,612 crore.

Financial Assistance under IPDS / R-APDRP

(₹ 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 ₹67 crore (cumulative ₹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 ₹29 crore (cumulative ₹563 crore) under Part-C of R-APDRP to PFC.

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

Progress of Implementation

IPDS

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, your Company also disbursed an amount of ₹440 crore (cumulative disbursement ₹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, your Company has also disbursed an amount of ₹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, your Company is contributing towards improving operational efficiency and financial health of Distribution Utilities.

4.0 Other Major Investments (As on March 31, 2022)

4.1 Energy Efficiency Services Limited

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. The shareholding of your Company (along with its subsidiary REC) as on March 31, 2022 is 33.33%.

4.2 PTC INDIA LIMITED

PTC India Limited (PTC) was jointly promoted by Power Grid, NTPC, NHPC and PFC. PFC has invested ₹12 crore in PTC which is 4.05% of PTC's total equity. PTC is the leading provider of power trading solutions in India, a Government of India initiated public-private partnership, whose primary focus is to develop a commercially vibrant power market in the country.

5.0 Initiatives Towards Reforms and Restructuring

5.1 Categorisation of Utilities

For purposes of funding, your Company classifies State Power Generation and Transmission entities into A++, A+, A, B and C categories. The categorisation (biannually) of State Power Generation and Transmission entities is arrived based on the evaluation of entity's performance against specific parameters covering operational & financial performance including

regulatory environment, availability of audited accounts, etc. as per categorisation policy.

With respect to State Power Distribution entities (including SEBs/entities with integrated operations), your Company's categorisation policy provides for adoption of MoP's Integrated Ratings by aligning such ratings/gradings with PFC's standard categories of A+, A, B and C.

The categorisation enables PFC to determine credit exposure limits, pricing of loans and stipulation of security to the state power entities.

5.2 Annual Performance Report of Power Utilities

PFC publishes the Report on Performance of State Power Utilities on an annual basis. The Report covers a range of key financial and operational parameters such as profitability, gap between average cost of supply and average revenue, net worth, receivables, payables, generation capacity (MW), energy generation (MU), AT&C losses (%) etc. and consumption pattern of the sector at utility, state and national level.

The Report for the period 2017-18 to 2019-20 was published in August 2021. The coverage of the utilities in the Report from this edition onwards has been increased to include distribution utilities in all UTs and major Private Distribution Companies. Accordingly, the report covers distribution utilities in all States and UTs of India and all State Gencos/ Transcos/ Trading utilities, offering a comprehensive insight into the Indian Power Sector.

The report for the years 2018-19 to 2020-21 is under finalisation.

5.3 Annual Integrated Rating of State Distribution Utilities

Ministry of Power has taken various reform initiatives, to bring about improvements in the Distribution Sector and has put in place an Integrated Rating Methodology for an objective evaluation of performance of Distribution Utilities. The objective of the integrated rating is to rate all utilities in the power distribution sector based on their financial performance and their ability to sustain the performance level. Private Distribution Utilities and Power Departments are also being included to provide complete sectoral coverage.

The methodology adopted attempts to objectively adjudge the performance of distribution utilities against various parameters broadly classified under i) Financial Sustainability parameters ii) Performance Excellence parameters and iii) External Environment parameters. For the introduction of Power Departments in the rating exercise, a subset of metrics with modified weightages from the overall methodology will be utilised for rating.

These ratings are carried out by reputed independent agencies and co-ordinated by your Company. These ratings are immensely beneficial as a diagnostic tool in the hands of the State Governments as well as Utilities to build on their strengths and work on areas requiring improvements so as to improve their operational efficiency and financial sustainability.

Ninth Integrated Ratings for FY 2019-20, covering 41 Utilities in 22 States and *inter se* ranking of the Utilities was released by the Hon'ble Minister of Power, New & Renewable Energy on July 16, 2021. From the Tenth Integrated Rating exercise onwards, for the rating year FY 2020-21 covering 71 utilities/departments is under finalisation.

6.0 Presidential Directives

During last 3 years, there has been no Presidential Directive.

7.0 Corporate Social Responsibility

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Company becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfilment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has implemented wide range of activities in the field of Environment Sustainability, Healthcare, Sanitation & Drinking water and Skill development etc. Further, as per DPE's mandate, PFC has also contributed to thematic areas i.e. 'Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities' with preference given to Aspirational Districts.

The CSR Report under Companies (CSR Policy), Rules is annexed herewith.

8.0 HR Initiatives

Development & Training

During the year, 12 Nos. of in-house programmes was maintained in order to ensure specific skill development in line with the corporate goals. Customised virtual in-house programmes viz. Risk Management, General Management Programmes, Leadership Programme, KYC policy/Anti Money Laundering, Corporate Credit & Risk Management, Stressed Asset Management & IBC 2016, Induction Programme, Awareness Programme on Gender Sensitisation, Government e-Marketplace (GeM), Communication Skills – Writing, Documentation & Presentation, etc. were organised along with other need-based programmes.

As on March 31, 2022, 12 Nos. of In-house training programmes were organised by your Company for its employees. A total of 1396 man-days were achieved through conducting various in-house programmes and by sponsoring PFC employees to programmes organised by external training agencies.

Recreational Activities

PFC being a founding member of Power Sports Control Board (PSCB), PFC employees participated with full vigor and enthusiasm in various Inter-CPSU sports tournaments organised

by the PSCB member organisations during the period, viz. Badminton, Carrom, Table Tennis, Kabbadi, Cricket and Chess Tournament. PFC organised the Inter CPSU Chess Tournament under the aegis of PSCB. PFC also participated in Power Cup Cricket Tournament which was organised in collaboration with all power sector CPSEs based in Delhi-NCR. Apart from these, PFC also organised a Sports Meet for its employees & their family members to encourage team spirit in the Company.

Human Resource Management

Your Company has put in place effective human resource acquisition and maintenance function, which is benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity. The employees of the Company have access to the Top Management officials thereby contributing effectively in the management and growth of the Company.

The Industrial Relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. There were no man-days lost during the year under review. The attrition during the period from April 1, 2021 to March 31, 2022 was 1.42%.

Welfare Measures

Your Company endeavours to follow the best management practices of the industry.

Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce. During the period, several new initiatives were taken for employees' welfare such as amendments in Death Relief Scheme, Economic Rehabilitation Scheme, Medical Attendance Rules, Monthly Conveyance Reimbursement Rules etc.

Reservation of posts for SC/ ST/ OBC/ EX- Servicemen and Physically Handicapped Persons:

Group	Total Employees as on March 31, 2022	SC	SC%	ST	ST%	OBC	OBC%	EWS	EWS%
A	479	86	17.95%	30	6.26%	93	19.41%	2	0.41%
B	7	1	14.28%	1	14.28%	0	0.00%	0	0.00%
C	15	2	13.33%	1	6.66%	3	20.00%	0	0.00%
D	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**501**	**89**	**17.76%**	**32**	**6.38%**	**96**	**19.16%**	**2**	**0.39%**

PFC makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ ESM/ PwD employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions. Separate Liaison officers have been appointed to look into the matter of reservations.

Representation of Women Employees

Your Company has women in important and critical functional areas. Women representations have gone across hierarchical levels. The Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. The women are well represented, with 19.96% of the total work force.

Group	Total Employees as on March 31, 2022	Number of Women Employees	Percentage of overall staff strength
A	479	97	20.25%
B	7	2	28.57%
C	15	1	6.66%
D	0	0	0.00%
Total	**501**	**100**	**19.96%**

PFC as part of its social responsibility makes all efforts to ensure compliance of the Directives and guidelines issued by the Government of India from time to time pertaining to the welfare of female employees.

INTERNAL COMPLAINTS COMMITTEE

An Internal Complaints Committee to examine the cases related to sexual harassment is in place under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. The complaints received by the Committee are being dealt in line with the provisions in the Act.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of complaints pending as on April 1, 2021: Nil

b) Number of complaints filed during FY 2021-22: Nil

c) Number of complaints disposed of during FY 2021-22: Nil

d) Number of complaints pending as on March 31, 2022: Nil

HEALTH AND SAFETY

PFC has acquired certification in ISO 45001:2018 which stands for Occupational Health and Safety (OH&S) Management System. OH&S is the first and only International Standard for occupational health and safety management, containing agreed good practice from around the world. Due to COVID-19 pandemic we had to face various challenges and in line with

guidelines set in OH&S, we strive to provide a healthy and safe working environment for employees.

9.0 AWARDS & RECOGNITIONS

- PFC bagged Dun & Bradstreet's India's Best PSU Award in the category of "Best Navratna" in a virtual format.
- PFC received Dalal Street Investment Journal PSU AWARD OF THE YEAR 2020 in the Category – Navratna of the Year and the Most Efficient and Profitable Navratna of the Year – Non-Manufacturing.
- PFC has been awarded the First prize in Public Sector Category in Region 'A' of 'Rajbhasha Kirti puruskar' for the year 2020-21.
- PFC's House Journal 'Urja Deepti' was awarded First prize in the 'Best House Journal Category'.
- PFC won the prestigious ICAI (Institute of Chartered Accountants of India) Silver award for excellence in financial reporting for the financial year 2020-21 in 'Public Sector Entities' category. PFC was bestowed with this coveted award for its highest degree of compliance with accounting standards, commendable accounting practices adopted while preparing financial statements, the policies adopted for disclosure & presentation of financial statements amongst other information contained in the annual report.
- The Company Secretary of your Company, Shri Manohar Balwani has been included amongst top 10 Chief Compliance Officers of India - 2022 by 'CEO Insights' in its July 2022 publication. This is an annual recognition that showcases exceptional leaders and professionals in Compliance Assurance Department in an Organisation.

10.0 Brief on COVID-19 Related Activities

PFC adopted SOPs in Corporate office building to prevent spread of COVID-19, which included Temperature checking at entrance, Mask and gloves at entrance, Chemical sanitisation foot mats, Face capturing and infra-red temperature reading devices, Quick Response Team to tackle COVID cases.

For regular operations, PFC adopted digital technologies including E-Office solutions for internal approvals, meetings on virtual mode, facilitating Work from Home (WFH), secure VPN & Remote Desktop access (RDA) for seamless secured connectivity. PFC shifted to virtual reskilling amidst restrictions on physical training. Onboarding programme for new employees was also organised virtually during the financial year.

PFC emphasised the importance of health and safety for employees' well-being. Multiple health talks and awareness programmes on COVID-19 were organised. Vaccination camps, RT-PCR testing camps were organised for employees and dependent family members. Entry into the Office campus was strictly regulated. Use of Aarogya Setu application is highly emphasised for both employees and visitors. An online wellness status report was developed for daily updates. Food and critical medical supplies including oxygen cylinders, concentrators, medicines, etc. were provided to Covid-affected employees and families. Periodic sanitisation of office premises was conducted. Online consultation facility with physicians and pulmonologists for employees and dependent family members was also provided.

11.0 VIGILANCE

The Vigilance Unit proactively perform as an effective tool of Organisation. During the Financial Year 2021-22, the Vigilance Unit has done preventive vigilance, by constantly emphasising on periodic & surprise inspections of various units. During the period, the Vigilance Unit has also issued directions/effective guidelines to rationalise systems and procedures in order to eradicate gaps and confirming transparency in day to day operations. As a new initiative a "Vigilance Corner" has been introduced on the websites of PFC and PFCCL for creating mass awareness and sensitisation among the stakeholders. The Vigilance Unit carried out detailed investigation in respect of complaints registered during this period.

The Vigilance Unit continuously functioned for systemic improvements with a view to increase transparency, objectivity and accountability in the operations of the Company. Thus, it has contributed towards strengthening in the functioning of the organisation.

12.0 OFFICIAL LANGUAGE

It is a matter of great pride that once again PFC has been awarded the First Prize in Public Sector Category in Region 'A' of 'Rajbhasha Kirti Puraskar' for the year 2020-21 by Rajbhasha Vibhag, Ministry of Home Affairs for its concerted efforts made in implementation of Official Language Policy.

Hindi Day on September 14, 2021 and Hindi Month from September 14, 2021 to October 13, 2021 were celebrated to create a Hindi oriented environment.

Four Issues including 'Bhartiya Sanskriti Visheshank' of House Journal 'Urja Deepti' were also published and made available on website of Department of Official Language, Ministry of Home Affairs. It is a matter of pride that 'Urja Deepti' was awarded First Prize in the 'Best House Journal category' for the year 2021 by the Town Official Language Implementation Committee (Undertaking -I), Delhi.

All these efforts were motivational tools in creating possibilities of better and progressive use of Rajbhasha Hindi in the Company.

13.0 DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, it is confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14.0 Auditors

Statutory Auditors

Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants were appointed as Joint Statutory Auditors of the Company for FY 2021-22 by the Office of the Comptroller & Auditor General of India.

The Statutory Auditors have not issued any qualification, reservation or adverse remark or disclaimer on the financial statements for FY 2021-22.

The Joint Statutory Auditors have audited the accounts of the Company for the FY 2021-22 and have given their report without any qualification, reservation, adverse remark or disclaimer. The copy of the audit report is annexed herewith.

Secretarial Auditor

Amit Agarwal & Associates, Company Secretaries was appointed as the Secretarial Auditor of the Company for the FY 2021-22 by the Board of Directors of the Company.

The observations of the Secretarial Auditor and reply of the management on the observations, for the FY 2021-22 along with copy of the audit report is annexed herewith.

Comments of Comptroller & Auditor General of India

The Comptroller and Auditor General of India (C&AG) has mentioned that on the basis of audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report. The copy of the report of C&AG is annexed herewith.

15.0 Statutory Disclosures

15.1 Conservation of Energy/ Technology Absorption

There are no significant particulars, relating to conservation of energy and technology absorption as your Company does not own any manufacturing facility.

15.2 Foreign Exchange Earnings and Outgo

The Foreign exchange outgo for the FY 2021-22 aggregated to ₹31,477.69 crore. The Foreign exchange earnings for the FY 2020-21 were nil.

15.3 Particulars of Loans, Guarantees or Investments Under Section 186 of Companies Act, 2013

Your Company is exempt from the provisions of Section 186 of the Companies Act, 2013.

However, the details of Investment are given at Note No. 11 of the Notes to Accounts of the Standalone Financial statements forming part of this Annual Report.

15.4 Details of Adequacy of Internal Financial Controls with reference to the Financial Statements

M/s. ASA & Associates LLP, Chartered Accountants, appointed for the said purpose, has certified that the Company maintains an adequate system of internal financial controls, evaluates and makes an assessment of its adequacy and effectiveness in a satisfactory manner which takes care of requirements under Companies Act, 2013.

The Statutory Auditors of the Company i.e. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants and have also given their Report on the Internal Financial Controls stating that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

15.5 Compliance of Secretarial Standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

15.6 Particulars of Remuneration U/S 197(12) of the Companies Act, 2013

The provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder related to Managerial Remuneration are not applicable to your Company being a Government Company.

15.7 Annual Return Link

The Annual Return of PFC for FY 2020-21 is available on the link https://www.pfcindia.com/DocumentRepository/ckfinder/files/Investors/Annual_Return/Annual_Return_23112021.pdf and for FY2021-22 it shall be made available on your Company's website www.pfcindia.com.

15.8 Reporting of Frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against PFC by its officers or employees.

15.9 Debenture Trustees

The details of Debenture Trustees appointed by the Company for the different series of Bonds issued by your Company are annexed herewith.

15.10 Details of significant and material orders passed by the Regulators or Courts or tribunals impacting the going concern status and Company's operations in future

No significant and material orders were passed by any regulator or court or tribunal impacting the going concern status and company's operations during the FY 2021-22.

15.11 Details of the application made or any proceedings pending under the insolvency and bankruptcy code, 2016 during the year along with their status as at the end of the financial year and details of the difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

During the year no application has been made or any proceedings pending against PFC under the Insolvency and Bankruptcy Code, 2016. Further, details of the difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions, are not applicable.

15.12 Details of procurement from MSEs

The details of the procurements made from Micro, Small and Medium Enterprises (MSEs) during the FY 2021-22 and the targets for FY 2022-23 as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 along with Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 is as under:

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	Target for FY 2022-23
I.	Total annual procurement (in value)	176.67	267.99*
II.	Total value of goods and services procured from MSEs (including MSEs owned by SC / ST entrepreneurs)	68.12	69.75
III.	Total value of goods and services procured from only MSEs owned by SC / ST entrepreneurs.	0.016	15.34
IV.	% age of procurement from MSE (including MSEs owned by SC / ST entrepreneurs) out of total procurement.	38.56	25.98
V.	% age of procurement from only MSEs owned by SC / ST entrepreneurs) out of total procurement	0.009	5.72
VI.	Total Number of vender development programmes for MSEs	2	2
VII.	Confirmation of uploading annual MSE procurement profile on your website by hyperlink of same.	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Public_Procurement_Policy_for_MSME/Procurement_target_and_profile_20_202223.pdf	

*Including ₹ 208 crore as one time requirement of MS unit in PFC (related to IT infrastructure refresh – planned for FY 2022-23).

16.0 Information Technology

PFC has taken up various Information Technology initiatives to improve overall productivity. PFC has implemented state-of-the-art Data center housing various IT services and ERP application system to integrate all the Business functions. Further, PFC is in the process of implementing latest & advanced IT systems including a single-platform ERP systems to consolidate the technology landscape.

Compliance to guidelines issued by statutory bodies:

As per the guidelines issued by RBI vide Master Directions to NBFCs, the IT Strategy Committee has been constituted, IT policy has been implemented and IT audits are being carried out. Guidelines and regulations with respect to Information Technology issued by various statutory & regulatory bodies such as Meity, RBI, MoP, NCCC, NCIIPC etc have been complied by PFC.

Revamped PFC Website:

The bi-lingual PFC website has been revamped and maintained with up-to-date information. The face uplifted website has been made more informative to address the information requirements of external stakeholders.

17.0 Right to information Act

Right to Information is derived from our fundamental right of freedom of speech and expression under Article 19 of the Constitution. Democracy revolves around the basic idea of Citizens being at the centre of governance. The right to information has been recognised as a fundamental human right, which upholds the inherent dignity of all human beings. The right to information forms the crucial underpinning of participatory democracy - it is essential to ensure accountability and good governance. The greater the access of the citizen to information, the greater the responsiveness of government to community needs. RTI Act is a progressive legislation based on citizen's right to know which is a fundamental right enshrined in the Constitution of India. The purpose of the Act is to make the executive accountable and ensure transparency in the implementation of schemes and policies. Under the act, information may be sought from a public authority as defined under the act. Right to information includes right to inspect documents. Under the Act, it is believed that an informed citizen is better equipped to keep necessary vigil on the instruments of governance and make the government more accountable. The information seekers, have, subject to few exceptions, an overriding right under the Act, to get information lying in the possession of the Public Authorities.

An elaborate mechanism has been set up in PFC to deal with requests received under the RTI Act, 2005. Your Company has implemented the Right to Information Act, 2005 to provide information to the citizens of India and also to maintain accountability and transparency in the working of the Company. The Company has designated a Public Information Officer (PIO) and a First Appellate Authority (RTI) at its registered office for effective implementation of the RTI Act. The relevant information/ disclosures are also made available on the official website (www.pfcindia.com) of the Company. During the period from April 1, 2021 to March 31, 2022, all 152 applications received under the RTI Act, were duly processed and replied to. PFC has also complied with the requirement of filing of online RTI Quarterly Returns on the portal of Central Information Commission (CIC) during the said period.

Further, in order to strengthen compliance of the provisions of disclosures as contained in Section 4 of the RTI Act, 2005, Department of Personnel & Training (DoPT) vide its OM No. 1/6/2011-IR dated 15.04.2013 issued certain guidelines on Suo moto disclosure of more items. In compliance of the aforesaid Guidelines, PFC has placed the requisite information on the website of the Company.

Besides the above, PFC is also linked with the online RTI Portal of Govt. of India, Department of Personnel & Training (https://rtionline.gov.in), which enables citizens of India, to file RTI applications/first appeals online along with payment gateway. Payment can be made through internet banking of SBI & its associate banks, debit/credit cards of Master/Visa and RuPay cards.

18.0 Establishment of Vigil Mechanism

Your Company has established stringent vigil mechanism by way of implementing various codes and policies like Fair Practices Code, Code of Conduct, Code for Prevention of Insider Training, Fraud Prevention Policy, Policy on Related Party Transactions, Public Procurement Policy, Whistle Blower Policy, etc. The details are also posted on the Company's website.

19.0 Grievance Redressal

PFC has a Grievance Redressal System for dealing with grievances of the public at large. The systems are duly notified and the Nodal Officers ensure quick redressal of grievances within the permissible time frame. PFC has also notified Citizen's Charter to ensure transparency in its work activities. The Charter is available on the website of PFC to facilitate easy access.

20.0 Statutory and other information

Information required to be furnished as per the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE's Guidelines on Corporate Governance for CPSEs and other applicable statutory provisions is annexed to this report as follows:

Particulars	Annexure
Management Discussion and Analysis Report	A
Integrated Reporting	B
Report on Corporate Governance	C
Business Responsibility Report	D
Secretarial Audit Report	E
Annual Report on CSR Activities	F
Disclosure of particulars of contracts/arrangements entered into by the company with related parties (AOC-2)	G
Details of Debenture Trustees	H

21.0 ACKNOWLEDGEMENT

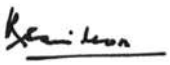
The Board of Directors place on record their appreciation for the co-operation, guidance and encouragement extended to the Company by the Government of India particularly Ministry of Power, Ministry of Finance, Ministry of Corporate Affairs, Reserve Bank of India, Department of Public Enterprises, NITI Aayog, DIPAM, Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Ministry of Micro, Small and Medium Enterprises, and other concerned Government departments/agencies at the Central and State level etc.

The Board also conveys its gratitude to the shareholders, investors, various International and Indian Banks/Multilateral agencies/financial Institutions/ credit rating agencies for the continued trust and for the confidence reposed by them in PFC. Your Directors would also like to convey their gratitude to the clients and customers for their unwavering trust and support.

The Company is also thankful to the Comptroller & Auditor General of India and the Statutory Auditors, Secretarial Auditor and RBI Auditors for their constructive suggestions and co-operation.

Your Directors also recognise and appreciate the untiring efforts and contributions made by the employees to ensure excellent all round performance of your Company.

For and on behalf of the Board of Directors



(R. S. Dhillon)
Chairman & Managing Director
DIN: 00278074

Place: New Delhi
Dated: August 29, 2022

Management Discussion & Analysis Report

The Management of the Company (PFC) is pleased to present its Report on Industry scenario including Company's performance during the FY 2021-22.

(A) Industry Structure and Development

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. Gradual unlocking of the economy, record vaccinations, improvement in consumer demand, continued policy support towards industries by the government in the form of Atmanirbhar Bharat Abhiyan and further reinforcements in FY 2021-22 have led to an upturn in the performance of the industrial sector.

Power sector is the back bone for any economy. The extent and quality of the sector determines the ability of the country to utilise its comparative advantage and enables cost competitiveness. Given the strong backward and forward linkages and the positive externalities that it generates, it can be a vehicle for social and economic transformation.

India has witnessed a significant transformation from being an acutely power deficit country to a situation of demand being fully met. India has also made remarkable strides to ensure universal access to electricity for every household.

Generation

Installed Capacity

As on March 31, 2022, India's total installed capacity was 3,89,179 MW. The installed capacity stood at around 27% (1,04,264 MW) in state sector, around 48% (1,87,024 MW) in private sector and around 25% (97,891 MW) in central sector. Thermal sources continued to have a dominant share at around 60%, Hydro around 12%, Renewable around 26% and Nuclear around 2%.

The Overall generation (Including generation from grid connected renewable sources) in the country has been increased from 1110.458 BU during 2014-15 to 1173.603 BU during the year 2015-16, 1241.689 BU during 2016-17, 1308.146 BU during 2017-18, 1376.095 BU during 2018-19, 1389.121 BU during 2019-20, 1381.855 BU during 2020-21 and 1491.859 BU during 2021-22. The performance of Category wise generation during the year 2021-22 was as follows:-

Thermal Increased by:	7.96 %
Nuclear Increased by:	9.49 %
Hydro Increased by:	0.88 %
Bhutan Import Reduced by:	14.51 %
Solar Wind & Other RES Increased by:	16.07 %
Overall Generation Increased by:	7.96 %

Transmission

Transmission system establishes the link between source of generation on one side and distribution system, which is connected to load/ultimate consumer, on the other side. The transmission systems are planned and implemented for evacuation of power from Generating stations, strengthening of existing transmission network for meeting projected growth in load / demand and Optimum utilisation of distributed generation resources in different regions.

The transmission systems that are in place in the country consist of Inter-State Transmission System (ISTS) and Intra State Transmission System (Intra-STS). Transmission planning is a continuous process of identification of transmission system addition requirements, their timing and need. The transmission requirements could arise from a) new generation additions in the system b) increase in demand c) System strengthening that may become necessary to achieve reliability as per the planning criteria under change load generation scenario.

During FY 2021-22, against a target of adding 19,255 Ckms of transmission lines, 14,895 Ckms have been achieved.

Distribution

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. Under the Indian Constitution, power is a Concurrent subject and the responsibility for distribution and supply of power to rural and urban consumers rests with the states. Government of India provides assistance to states through various Central Sector / centrally sponsored schemes for improving the distribution sector.

Government of India is supporting states for strengthening distribution system necessary for providing 24x7 power supply to all households through various schemes like Integrated Power Development Scheme (IPDS) for development of urban distribution sector, Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) an integrated scheme for covering all aspects of rural power distribution, Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) scheme which aims to achieve universal household electrification covering every village and every district in the country, Ujwal DISCOM Assurance Yojana (UDAY) for financial turnaround of Power Distribution Companies. Also, Government of India has launched Revamped Distribution Sector Scheme (RDSS) to improve the operational efficiencies and financial sustainability of DISCOMs.

Revamped Distribution Sector Scheme (RDSS)

A Reforms-based and Results-linked, Distribution Sector Scheme has been formulated by Ministry of Power 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.

The objectives of the Scheme are to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector; Reduce AT&C losses to pan-India levels of 12-15% by 2024-25 and Reduce ACS-ARR gap to zero by 2024-25. PFC and REC Limited (PFC's subsidiary) are the designated nodal agencies for operationalization of the said scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26).

RDSS has an outlay of ₹3,03,758 crore with an estimated gross budgetary support from Central Government of ₹97,631 crore.

(B) Opportunities & Threats

Opportunities

Govt. of India accorded the prestigious 'Maharatna' status to PFC on October 12, 2021, thus giving PFC greater operational and financial autonomy. The grant of 'Maharatna' status to PFC has imparted enhanced power to the PFC Board for taking various financial decisions like to make equity investments to undertake financial joint ventures and wholly-owned subsidiaries, undertake mergers and acquisitions in India and abroad etc. 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.

The 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'.

PFC played a significant role amid Covid by funding DISCOMs under the Liquidity Infusion Scheme ('Aatmanirbhar Bharat Scheme') to avert liquidity crisis in Power Sector. With the enhanced powers of Maharatna, PFC will diversify its operations to further accelerate its business growth going forward and leverage its position for achieving the Government's objectives for the overall development of Power Sector.

Threats, Risks & Concerns

Inspite of the fact that PFC is a very sound financial player in power sector, its business is not free from risks. The Company actively identifies evolving risks keeping in view its nature of operations and takes timely action to address and manage them. The following are some of the risks and concerns faced by your Company:

1

Economic slowdown, Climate change and health epidemics

A slowdown in economic growth in India could adversely impact the business of PFC as it's performance and business growth depends on the performance of the overall Indian economy. Further, Climate change and health epidemics could also have a negative impact on the Indian economy and in turn impact the business of PFC.

2

Credit risk

PFC being a Financial Institution focused on financing of the power sector in India, there are a limited number and type of borrowers. The 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.

3

Liquidity risk

Liquidity risk primarily arises due to the maturity mismatch associated with assets and liabilities of the Company. Liquidity risk involves the inability of the Company to fund increase in assets, manage unplanned changes in funding sources and to meet obligations when required.

4

Legal risk

Legal risk arises from the uncertainty of the enforceability of contracts relating to the obligations of our borrowers. This could be on account of delay in the process of enforcement.

5

Interest rate risk

Interest rates are dynamic and dependent on various internal and external factors including cost of borrowing, liquidity in the market, competitors' rates, movement of benchmarks such as AAA bond/GSEC yields and RBI policy changes. Changes in market interest rates will adversely affect the Company's financial condition. The primary interest rate-related risks that the Company faces are from timing differences.

6

Changes in legislation

PFC is a listed Government company and a public financial institution under the Companies Act. It is registered with the RBI as a non-deposit taking systemically important NBFC and was classified as an IFC in July 2010. As a result, various legislations are applicable to PFC like Companies Act, 2013, Securities and Exchange Board of India Regulations, DPE's Guidelines for CPSEs, RBI Act and guidelines, Tax regulations etc. Changes in these legislations could affect our Company's results/operations.

(C) Segment–wise or product-wise performance

Company's main business is to provide financial assistance to the power sector and Company does not have any separate reportable segments.

(D) Outlook

Your Company is a leading financial institution in India focused on the power sector. It plays a strategic role in the GoI's initiatives for the development of the power sector in India. PFC works closely with GoI, State Governments, 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, it is involved in various GoI programmes for the power sector, including acting as the nodal agency for the UMPP programme 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.

PFC provides a comprehensive range of financial products and related advisory and other services from project conceptualisation to the post-commissioning stage to our clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernisation projects. PFC 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. Your Company also provide various fee-based technical advisory and consultancy services for power sector projects through our wholly-owned subsidiary.

(E) Internal control system and its adequacy

The Company is having an internal control system including suitable monitoring procedures commensurate with its size of operations. Internal Auditor of the Company works on a continuous basis, covering the financial and other matters. In order to ensure that all checks and balances are in place and all internal control systems are in order, regular and exhaustive internal audits are conducted by experienced firms of Chartered Accountants in close co-ordination with Company's own internal audit department. Further, the findings of the different audits are also periodically reviewed by the Audit Committee of the Board.

Our outsourced Internal Auditor M/s ASA & Associates LLP, Chartered Accountants, has certified that the Company maintains an adequate system of internal financial controls, evaluates and makes an assessment of its adequacy and effectiveness in a satisfactory manner which takes care of requirements under Companies Act, 2013.

The Statutory Auditors of the Company i.e. Dass Gupta & Associates, Chartered Accountants and Prem Gupta & Company, Chartered Accountants and have also given their Report on the Internal Financial Controls stating that the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PFC is an ISO certified Company. These stringent internal control processes and credit review mechanisms reduce the number of defaults and ultimately contribute in gaining the faith of all the stakeholders.

(F) Discussion on Financial Performance with respect to Operational Performance

Your Company continued to accomplish a healthy growth during the FY2021-22. The total income stood at ₹38,591 crore and the net profit earned was ₹10,022 crore.

Further, Net Worth (share capital plus all reserves) of the Company grew by 13% in FY2021-22 to ₹59,350 crore as compared to ₹52,393 crore in FY2020-21 and the gross loan assets as at March 31, 2022 grew to ₹3,73,135 crore from ₹3,70,771 crore as at March 31, 2021.

The Interest Spread on Earning Assets was 2.92% and the net Debt Equity Ratio was 5.38 times in FY2021-22. The Net Interest Margin on Earning Assets has increased from 3.54% in FY2020-21 to 3.62% in FY2021-22.

In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

(G) Material Developments in Human Resources/Industrial Relations front

Your Company has put in place effective human resource acquisition and maintenance function, which is benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity. Commitment of the workforce is ensured through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce. PFC considers its employees as most valuable resources and lays great emphasis on their continuous development including their skill enhancement. As part of the overall human resource development plan, the Company has an annual training plan system to assess the training needs of its employees. Requisite skills are also imparted across all level of employees through customised training intervention.

Further, towards ensuring safety of employees and promoting their better health during COVID-19 pandemic, multiple health talks and awareness programmes on COVID-19 were organised. Vaccination camps, RT-PCR testing camps were organised for employees and dependent family members. Entry into the office campus was strictly regulated. Food and critical medical supplies including oxygen cylinders, concentrators, medicines, etc. were provided to Covid-affected employees and families. Periodic sanitisation of office premises was conducted. Online consultation facility with physicians and pulmonologists for employees and dependent family members was also provided.

The Company has very cordial and harmonious relationship with its employees. There were no man-days lost during the period under review. Total Number of employees on the rolls of the Company as on March 31, 2022 was 501.

(H) Corporate Social Responsibility and Sustainable Development (CSR & SD)

Your Company, through its Corporate Social Responsibility and Sustainable Development initiatives, aims to become a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfilment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. The Company has implemented wide range of activities in the field of Environment Sustainability, Healthcare, Sanitation & Drinking water and Skill development etc. Further, as per DPE's mandate, PFC has also contributed to thematic areas i.e. 'Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities' with preference given to Aspirational Districts.

(I) Renewable and Clean Development Mechanism

All societies require energy services to meet basic human needs (e.g. lighting, cooking, space comfort, mobility, communication) and to serve productive processes. For development to be sustainable, delivery of energy services need to be secure and have low environmental impacts. Renewable Energy offers opportunity to contribute to social and economic development, energy access, secure energy supply, climate change mitigation, and the reduction of negative environmental and health impacts.

Keeping in view the Government thrust in clean energy sources, PFC is also focusing more and more on finance to clean/ renewable energy projects. As on March 31, 2022, PFC's Gross Loan assets comprised of ₹36,777 crore in Renewable energy comprising ₹16,610 crore of large hydro projects (>25MW) and ₹20,167 crore other than large hydro projects.

PFC established its Green Bond Framework in October, 2017 as approved by Climate Bonds Initiative (CBI), London, UK. The Green Bond framework for funding renewable projects (viz. Solar and Wind) has been updated in August, 21 to align with the latest set of guidelines namely Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA).

PFC had issued its first USD Green bond in December, 2017 and raised US $400 million (₹2,575 crore). Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (₹2,597 crore).

In April 2022, PFC was conferred with "Green Urja Energy Efficiency Award" under the Elet's Innovation Award for being the Best Renewable Energy Financing Institution this year at the Atma Nirbhar Bharat Summit organised by Elets.

Cautionary Note

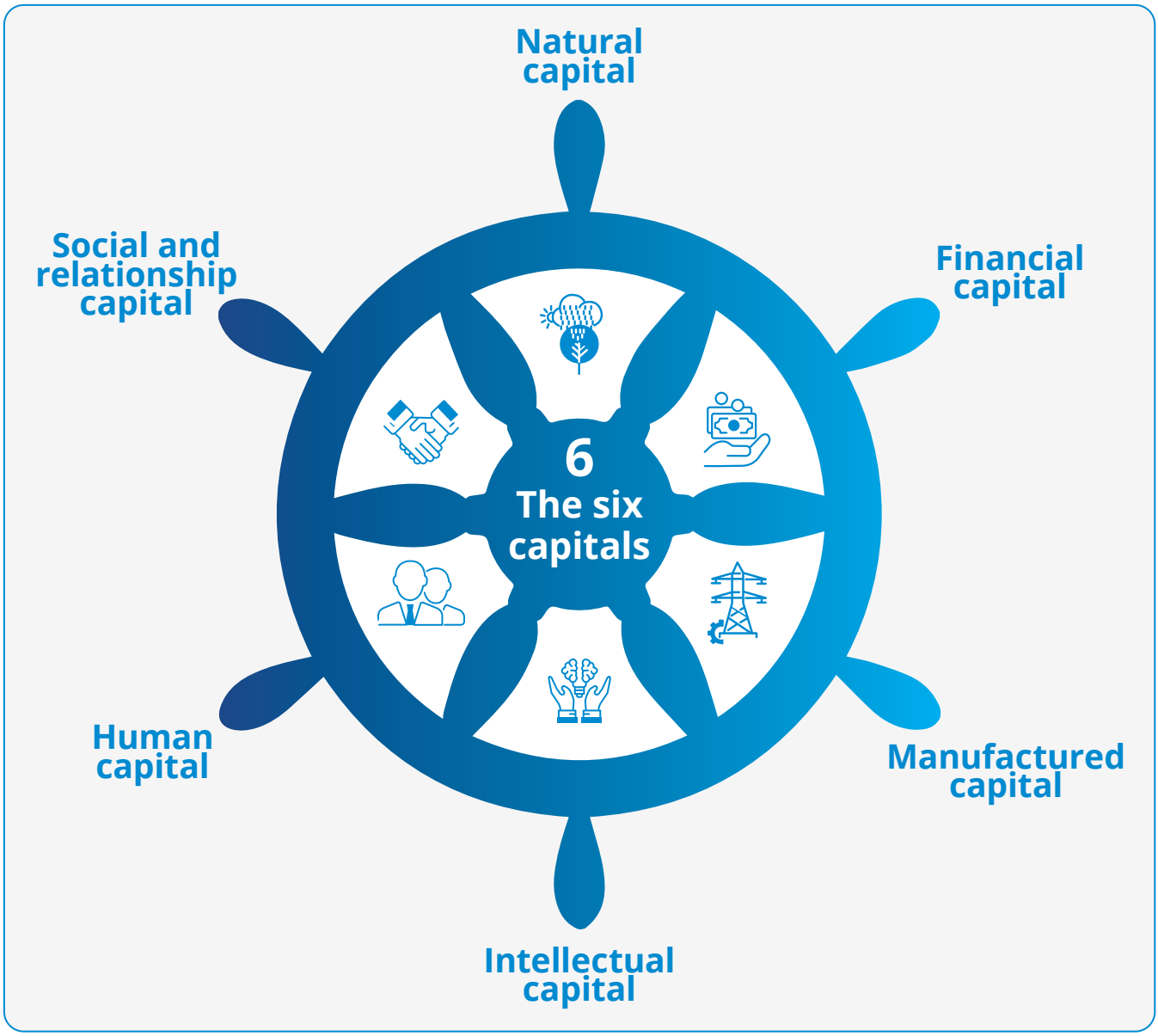
Certain statements in the "Management Discussion and Analysis" section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook. Readers are cautioned not to place undue reliance on these forward-looking statements.

Integrated Reporting

Integrated Reporting is an ideal tool to explore value creation. Every organisation depends on various capitals for success and it is very important to know how these capitals particularly non-financial parameters create value for the organisation and all the stakeholders.

Integrated reporting framework enables your Company to highlight comprehensive and meaningful information about all aspects of it's performance both financial and non-financial. This disclosure is structured using the capitals model of value creation, adopted by the International Integrated Reporting Council (IIRC) in the International Framework and explains our dependence and impact on the forms of capital that are fundamental to our ability to create value over the long-term.

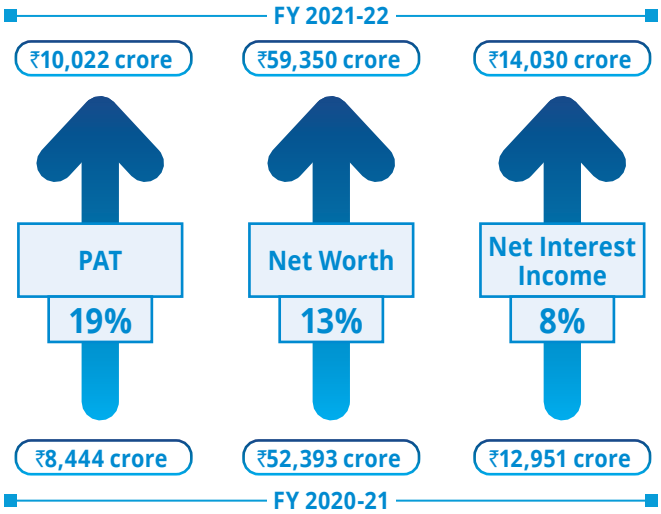
The capitals are categorised in the above said framework as financial, manufactured, intellectual, human, social & relationship and natural.



Financial capital

Financial capital is broadly understood as the pool of funds available to an organisation. This is a very important capital because it also serves as a medium of exchange that can obtain value through conversion into other forms of capital.

The accrued financial capital is given to shareholders as dividend and interest on debt instruments. Different taxes are paid to the government thereby promoting the overall growth of our country. Main financials of your Company are as below:



The above volumes speak for themselves. PFC through its financial capital is contributing in creating superior value for its stakeholders especially by playing the role of a pioneer in power sector funding and as a result contributing to the development of power sector of the county. By using the financial capital, PFC is also creating other capitals like Human capital and Social and relationship capital.

Manufactured capital

Manufactured Capital means physical objects that an organisation uses in the production of goods or the provision of services, including buildings, equipment, infrastructure etc. PFC is not a Manufacturing Company and offers financial assistance mainly to Power Sector projects only. However, PFC contributes to manufactured capital by way of its tangible and intangible infrastructure.

PFC is headquartered in New Delhi and has state-of-the-art infrastructure, cutting-edge technology and a customer-centric approach. PFC also maintains regional offices to facilitate its business operations.

PFC invests in physical assets, which includes physical infrastructure, IT systems & infrastructure to improve efficiency and delivery mechanism, which ultimately leads to better services to all the associated stakeholders.

Existing manufactured capital enables PFC to be able to be responsive to market needs, enabling the employees to work remotely, efficiently and seamlessly to ensure business continuity.

Manufactured capital is also helping PFC in focusing on creating other forms of capital more particularly Human Capital and Intellectual capital.

Intellectual capital

Intellectual capital is broadly understood as Intangibles that provide competitive advantage, including intellectual property, such as patents, copyrights, software and organisational systems, procedures and protocols and intangibles that are associated with the brand and reputation that an organisation has developed.

PFC works closely with Government of India, State Governments, 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, PFC is involved in various GoI programmes for the power sector, including acting as the nodal agency for the UMPP programme and the IPDS/R-APDRP/ RDSS and as a bid process coordinator through our wholly-owned subsidiary PFC Consulting Limited for the ITP scheme. As nodal agency for various programmes of the Government, your Company is contributing towards development of power sector and improving financial health of Distribution Utilities.

Keeping in view the role of PFC in development of Indian power sector, PFC has developed sound organisational systems, procedures, software and protocols which are proving PFC a competitive edge and helping it in developing brand and reputation in the market.

Since Intellectual capital mainly relates to human resource, PFC has put in place effective human resource acquisition and maintenance system, which is benchmarked with best corporate practices designed to meet the organisational needs.

Through these organisational systems, procedures and protocols i.e. Intellectual Capital, PFC has acquired the knowledge and intellect necessary for its operation and processes. In order to sustain in this dynamic business environment, PFC continues to prepare its talent pool and create Intellectual capital to embrace disruptions, to innovate, to be able to adapt to the changes brought by transformed business models.

Human capital

Human capital refers to the skills and know-how of an organisation's professionals as well as their commitment and motivation and their ability to lead, cooperate or innovate.

Your Company has put in place effective human resource acquisition and maintenance system, which is benchmarked with best corporate practices designed to meet the organisational needs. This apart from other strategic interventions leads to an effective management of Human Resources thereby ensuring high level of productivity.

PFC is having highly skilled, professionally qualified and experienced workforce. PFC follows best management practices. PFC believes that employees become empowered only when they are aware of the policies and processes that impact them, therefore, PFC has institutionalised key policies relating to human resource, which ensures commitment of the workforce through an effective package of welfare measures which include comprehensive insurance, medical facilities and other amenities which lead to a healthy workforce.

The relations within the Company have been very cordial and harmonious with the employees committing themselves entirely to the objectives of the Company. The reason being, PFC has been consistent in holistic personality development of its employees through facilities like Gymnasium, participation of employees in various sports, cultural and literary activities.

Further, towards ensuring safety of employees and promoting their better health during COVID-19 pandemic, multiple health talks and awareness programmes on COVID-19 were organised. Vaccination camps, RT-PCR testing camps were organised for employees and dependent family members. Entry into the office campus was strictly regulated. Food and critical medical supplies including oxygen cylinders, concentrators, medicines, etc. were provided to Covid-affected employees and families. Periodic sanitisation of office premises was conducted. Online consultation facility with physicians and pulmonologists for employees and dependent family members was also provided.

By doing so PFC has been able to create a strong Human Capital and as a result of this highly motivated workforce, PFC could achieve the outstanding growth year by year. The growth of PFC is contributing in the growth of country and creating value to its stakeholders. This highly motivated workforce is bringing change in the society at large.

Social and relationship capital

Social and relationship capital refers to the resources and value created by the relationship between an organisation and all its stakeholders. These relationships include ties with the community, government relations, customers and supply chain partners.

PFC always wants to bring change in the lives of the people and the society at large. PFC consistently strives towards meeting the expectations of the society so as to help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. PFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

PFC has a CSR and Sustainability policy in place. The aim of the policy is to ensure that the Company becomes socially responsible corporate entity committed to improving the quality of life of the society at large. PFC implemented wide range of CSR & SD activities in the field of Environment Sustainability, Healthcare, Sanitation & Drinking water and Skill development etc. Further, as per DPE's mandate, PFC has also contributed to thematic areas i.e. Health & Nutrition with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities with preference given to Aspirational Districts.

As part of preventive initiatives against COVID-19, PFC contributed to PM CARES fund set up by the Central Government, procured & distributed medical facilities/equipment's and provided packed Lunch facility to Doctors and Health staff of dedicated COVID-19 Hospital, procured & distributed Cold chain equipment (CCE) as part of COVID-19 vaccination programme etc.

PFC as a part of its social responsibility makes all efforts to ensure compliance of the Directives and Guidelines issued by the Government of India from time to time pertaining to the welfare of SC/ ST/ OBC/ PwD employees. The steps taken include due reservations and relaxation as applicable under the various directives for direct recruitment as well as for promotions.

Natural capital

Natural capital refers to all renewable and non-renewable environment resources such as water, land, energy on which an organisation depends to operate.

PFC always endeavours to protect environment by minimising consumption of natural resources and also by minimising wastage of the same. PFC endeavours to reduce its paper consumption through IT solutions by digitalising processes, wherever possible. PFC, being a Financial Institution, has limited applicability of mechanism to recycle products and waste, however, the Company has installed an Organic Composting machine in the office premises for recycling organic waste generated on routine basis in the office building kitchen/ pantry etc.

PFC has gone paperless, wherever possible, thereby empowering its employees to work with lesser carbon footprint.

The Company, under its CSR initiatives, undertakes various projects ensuring environmental sustainability through Supply, installation and commissioning of Solar based LED Street Lighting Systems in various regions across the country.

PFC established its Green Bond Framework in October, 2017 as approved by Climate Bonds Initiative (CBI), London, UK. The Green Bond framework for funding renewable projects (viz. Solar and Wind) has been updated in August, 21 to align with the latest set of guidelines namely Climate Bonds Standard version 3.0, the Green Bond Principles (GBP), 2021 issued by the International Capital Markets Association (ICMA).

PFC had issued its first USD Green bond in December, 2017 and raised US $400 million (₹2,575 crore). Further, in September, 2021 PFC issued its first ever Euro Green Bonds amounting to EUR 300 million (₹2,597 crore).

Your Company through such measures contributes in preservation and enhancing natural capital. Through investment in renewable products, promoting renewable energy and works towards integrating positive environmental action in business, PFC is committed to create Natural Capital.

Report on Corporate Governance

Corporate governance is the framework that defines the business relationships that exist between company, shareholders, management teams, the Board of Directors, and all other key stakeholders. The fundamental objective of corporate governance is to boost and maximise shareholder value and protect the interest of other stake holders. The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. It encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

Your Company has always endeavoured to practice good Corporate Governance norms to attain company's objectives while maximising stakeholders value.

A Report in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

1. Corporate Governance philosophy of PFC:

Your Company's Corporate Governance philosophy is based on two core principles. These are:

i. Management must have the executive freedom to drive the enterprise forward for sustainable growth without undue restraints; and

ii. This freedom of management should be exercised within the framework of regulatory environment and effective accountability.

Your Company's corporate structure, conduct of business and disclosure practices have been accordingly aligned to its Corporate Governance Philosophy.

The Company firmly endorses the principles of governing disclosures and obligations as provided in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as guiding force. The Company has ensured compliance with the objectives of 'the principles of Corporate Governance' stated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Board of Directors

The Board of Directors of your Company provides leadership, objective judgement and strategic guidance to the Company. The Board Charter can be said to be governed within the framework set out in the Companies Act, Memorandum of Association, Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and internal codes/procedures of the Company etc.

It reviews corporate policies, overall performance, accounting and reporting standards and other significant areas of management, corporate governance and regulatory compliance. Your Company's Board consists of eminent individuals with diverse experience and expertise.

Composition

PFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India as on March 31, 2022 holds 55.99% of the total paid-up share capital of the Company and as per Articles of Association of the Company, the power to appoint Directors vests in the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

During part of the year i.e. till January 31, 2022, the composition of the Board of Directors was not in conformity with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by DPE. The Company requested Ministry of Power, Government of India, the appointing authority, to expedite appointment of the requisite number of Independent Directors on the Board of the Company to enable the Company to comply with the applicable provisions.

During the FY 2021-22, the following changes took place in the composition of the Board of Directors of the Company:-

(i) Shri Vishal Kapoor, Joint Secretary, Ministry of Power was nominated by Ministry of Power, Government of India as Government Nominee Director on the board w.e.f. September 7, 2021 vice Shri Tanmay Kumar, Joint Secretary, who was earlier nominated on the Board of PFC.

(ii) Consequent upon appointment by Ministry of Power, Government of India, Shri Rajiv Ranjan Jha assumed the charge of Director (Projects) w.e.f. October 28, 2021.

(iii) Consequent upon appointment by Ministry of Power, Government of India, three Independent Directors viz. Shri Bhaskar Bhattacharya, Smt. Usha Sajeev Nair and Shri Prasanna Tantri joined the Board of PFC w.e.f. December 23, 2021.

(iv) Consequent upon reaching the age of superannuation, Shri P. K. Singh, Director (Commercial), ceased to be a Member of the Board w.e.f. February 1, 2022.

(v) Shri Ravinder Singh Dhillon, Chairman & Managing Director was given the additional charge of Director (Commercial) by Ministry of Power, Government of India w.e.f. February 1, 2022.

As on March 31, 2022 the Company's Board comprised of eight Directors which includes three Whole Time Functional Directors, one Part Time Government Nominee Director and four Non-Official Part Time (Independent) Directors, including one Independent Women Director and thus is in compliance with the composition required pursuant to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by DPE. A brief profile of all the Directors is provided in this Annual report.

The composition of Board of Directors as on March 31, 2022 was as follows:

Whole Time Directors		
(i)	Shri Ravinder Singh Dhillon	Chairman and Managing Director, Chief Executive Officer and Key Managerial Personnel
(ii)	Smt. Parminder Chopra	Director (Finance), Chief Finance Officer and Key Managerial Personnel
(iii)	Shri Rajiv Ranjan Jha	Director (Projects) and Key Managerial Personnel
Government Nominee Director		
(iv)	Shri Vishal Kapoor*	Director (Government Nominee)
Non-Official Part Time (Independent) Director		
(v)	Shri R. C. Mishra**	Independent Director
(vi)	Shri Bhaskar Bhattacharya	Independent Director
(vii)	Smt. Usha Sajeev Nair	Independent Director
(viii)	Shri Prasanna Tantri	Independent Director

* ceased to be Director (Government Nominee) on the Board of PFC w.e.f. June 9, 2022.

** ceased to be an Independent Director on the Board of PFC w.e.f. July 11, 2022.

Subsequently, Shri Ajay Tewari, Additional Secretary, Ministry of Power joined as Government Nominee Director on the Board of Power Finance Corporation Limited w.e.f. June 9, 2022 vice Shri Vishal Kapoor, Joint Secretary, Ministry of Power. Further, consequent upon completion of tenure Shri R. C. Mishra, Independent Director, ceased to be a Member of the Board w.e.f. July 11, 2022.

Your Company has under the RBI's Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, formulated a Fit and Proper Policy for ascertaining the fit and proper status of the Directors of the Company. The Nomination and Remuneration Committee of the Company has in terms of the said policy ascertained all the Members on the Board of the Company as fit and proper for the FY 2021-22.

Further, pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority.

Since, PFC is a Government Company, the Directors on the Board of the Company are appointed by the Government of India through Ministry of Power. Further, PFC being an NBFC engaged in the business of Financing Power Sector, the Ministry of Power ensures that the Directors appointed on the Board of the Company have the requisite skills and expertise in the areas required to conduct affaires of the Company i.e. finance and technical etc. The details of qualifications and experience illustrating the core skills, expertise, and competencies in Financial Management, Risk Management, Corporate Planning & Strategy, Business Development etc., of the Members of the Board are detailed hereinafter in the report.

Board Meetings

The meetings of the Board are generally held at the registered office of the Company and are scheduled well in advance. The Board of PFC meets regularly. The meetings of Board are governed by a structured agenda and any member of the Board is free to recommend inclusion of any subject matter in the agenda for deliberations. Detailed agenda papers including explanatory notes are circulated in advance on all major issues to facilitate the Board to take well-informed and independent decisions. Your Company follows Secretarial Standard-1 on Meetings of the Board of Directors as issued by Institute of Company Secretaries of India in its true letter and spirit.

During the year under review, the Board met 13 times on the following dates:

(i) May 21, 2021 (ii) June 15, 2021 (iii) August 12, 2021 (iv) August 30, 2021 (v) September 17, 2021 (vi) October 22, 2021 (vii) November 11, 2021 (viii) December 23, 2021 (ix) January 18, 2022 (x) January 31, 2022 (xi) February 11, 2022 (xii) February 28, 2022 and (xiii) March 15, 2022.

Annual General Meeting

The last Annual General Meeting of the Company was held on September 21, 2021.

Directors' attendance (physical presence/through video conferencing) at the Board Meetings held during the FY 2021-22 and at the last Annual General Meeting, number of directorships in other companies and Membership/Chairmanship in the committees of other companies, core skills, expertise, and competencies of the Members of the Board etc. are as follows:

Name and Designation	Board Meetings		No. of other Directorships as on March 31, 2022*	Chairmanship/ Membership in the committees of other companies as on March 31, 2022**		Attendance at the last AGM held on September 21, 2021	Core skills, expertise, and competencies
	Held during the tenure	Attended		Member	Chairman		
Shri R. S. Dhillon Chairman & Managing Director	13	13	1	Nil	Nil	Present	• B.E (Electrical)- Thapar Institute of Engineering & Technology, Patiala • M. Tech (Power Systems) - Indian Institute of Technology (IIT), Delhi More than 37 years of experience in Power Sector
Shri Praveen Kumar Singh Director (Commercial)	10	10	Term of office expired w.e.f. February 1, 2022			Present	-
Smt. Parminder Chopra Director (Finance)	13	13	8#a	1	Nil	Present	• Bachelor's degree in Commerce and is a qualified Cost Accountant and MBA • Around 35 years of experience in power sector.
Shri Rajiv Ranjan Jha Director (Projects) (w.e.f. October 28, 2021)	7	7	2	Nil	Nil	NA	• He holds a Bachelor Degree in Science (Mechanical Engg.) from NIT Jamshedpur of Ranchi University • Diploma in Management from IGNOU • Around 34 years of experience in power sector.
Shri Tanmay Kumar Director (Government Nominee)	4	4	Term of office expired on September 7, 2021				
Shri Vishal Kapoor Director (Government Nominee) (w.e.f. September 7, 2021)	9	9	1#b	Nil	Nil	Present	-
Shri R. C. Mishra Independent Director	13	13	Nil	Nil	Nil	Present	• Indian Administrative Service (IAS) in 1978. • Master degree in Science (M.Sc.) from University of Allahabad and Master degree in Business Administration (M.B.A) from University of Ljubljana, Slovenia. • More than 40 years of experience in power sector.
Shri Bhaskar Bhattacharya Independent Director (w.e.f. December 23, 2021)	5	5	Nil	Nil	Nil	NA	• B.Com (Hons.) • L.LB, Post Graduate Diploma in Business Management • Work experience of more than 25 Years
Smt. Usha Sajeev Nair Independent Director (w.e.f. December 23, 2021)	5	5	Nil	Nil	Nil	NA	• B.A (GRADUTION) • Social Worker
Shri Prasanna Tantri Independent Director (w.e.f. December 23, 2021)	5	5	Nil	Nil	Nil	NA	• B. Com, Mangalore University • ICWA, Institute of Cost Accountants of India • FPM, Indian School of Business • PGP, Indian School of Business • Ph.D, Deakin University

* Does not include Directorship in Private Companies, Section 8 Companies under the Companies Act, 2013 and Foreign Companies.

** Does not include Chairmanship/ Membership in Board Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee.

Details of Directorship in Listed Entities

#a Nominee Director of PFC in REC Limited and PTC India Limited

#b Government Nominee Director in REC Limited

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director. None of the Directors of the Company are in any way related to each other.

Separate Meeting of Independent Directors

The Separate Meeting of Independent Directors was held on March 25, 2022 in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting.

Declaration by Independent Director

All the Independent Directors in the first meeting of the Board of the FY 2021-22 held on May 21, 2021, gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs.

Further, all the Independent Directors in the first meeting of the Board of the FY 2022-23 held on April 9, 2022 gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfill the conditions specified in Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY 2021-22.

Familiarisation programme for Independent Directors

The details of familiarisation programmes imparted to Independent Directors are displayed on the Company's website after completion of the programme. The details posted on the website can be accessed by following the weblink given hereunder:

https://www.pfcindia.com/DocumentRepository/ckfinder/files/Investors/Equities/Disclosure/Details_of_Familiarisation_Programs07022022.pdf

3. Committees of the Board of Directors

In terms of the regulatory requirements and in order to facilitate expeditious consideration and focused decision making on the affairs of the Company, the Board has constituted Board level committees with distinct role, accountability and authority. The board had accepted the recommendations of committees of the board which is mandatorily required, in the relevant financial year. The Board Level Committees are as follows:

(i) Audit Committee of Directors

(ii) Nomination and Remuneration Committee

(iii) Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee

(iv) Board Level Risk Management Committee

(v) CSR & Sustainable Development Committee of Directors

(vi) Investment Committee of Directors

(vii) HR Committee

(viii) ALM Committee of Functional Directors

The Board of Directors dissolved the Loans Committee of Functional Directors w.e.f. August 12, 2021, and delegated its powers to the Chairman and Managing Director on the recommendation of all Functional Directors.

3.1 Audit Committee of Directors

As per the requirements under the Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms, the Board of Directors of the Company has constituted an Audit Committee of Directors.

Due to absence of requisite number of Independent Directors on the Board, the Audit Committee was not in conformity with the applicable statutory provision and it comprised of one Independent Director, one Government Nominee Director and two Functional Directors for part of the year i.e. till December 22, 2021. However, consequent upon joining of three Independent Directors on the Board of PFC, the Audit Committee was reconstituted on December 23, 2021 comprising of two Independent Directors and one Functional Director as members of the Committee.

As on March 31, 2022, the Audit Committee comprised of the following:

Name of Member	Designation
Shri R. C. Mishra	Chairman
Shri Prasanna Tantri	Member
Shri R. R. Jha	Member

The Company Secretary continued to be the Secretary to the Committee. The role, terms of reference, scope and authority of Audit Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms. The meetings of the committee, during the year, were chaired by an Independent Director.

During the FY 2021-22, five meetings of the Audit Committee were held i.e. (i) June 15, 2021 (ii) August 12, 2021 (iii) November 11, 2021 (iv) February 11, 2022 and (v) February 14, 2022.

The details of the meetings attended by members during the FY 2021-22 are as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. C. Mishra	Independent Director	5	5
Shri Prasanna Tantri (w.e.f. December 23, 2021)	Independent Director	2	2
Shri Rajiv Ranjan Jha (w.e.f. October 28, 2021)	Director (Projects)	3	3
Shri Tanmay Kumar (up to September 6, 2021)	Government Nominee Director	2	2
Shri Vishal Kapoor (from September 7, 2021 to December 22, 2021)	Government Nominee Director	1	1
Shri P. K. Singh (up to December 22, 2021)	Director (Commercial)	3	3

Director (Finance) and Director (Commercial - w.e.f. December 23, 2021) are the permanent invitees to the meetings of the said committee.

Further, the head of Internal Audit, Independent Internal Auditors and representative of the Statutory Auditor(s) were invited to the Audit Committee Meetings for interacting with the Members of the Committee as and when required.

3.2 Nomination and Remuneration Committee

Your Company is a Central Public Sector Undertaking, and accordingly the appointment of CMD & Directors and fixation of their remuneration are decided by President of India in terms of the Articles of Association of the Company. However, your Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

Due to absence of requisite number of Independent Directors on the Board, the Nomination and Remuneration Committee was not in conformity with the applicable statutory provisions and it comprised of one Independent Director, one Government Nominee Director and one Functional Director for part of the year i.e. till December 22, 2021. However, consequent upon joining of three Independent Directors on the Board of PFC, the Nomination and Remuneration Committee was reconstituted on December 23, 2021 comprising of three Independent Directors as members of the Committee.

As on March 31, 2022 the Nomination and Remuneration Committee comprised of the following:

Name of Member	Designation
Shri Prasanna Tantri	Chairman
Shri Bhaskar Bhattacharya	Member
Smt. Usha Sajeev Nair	Member

Director (Finance), Director (Projects) and Director (Commercial - w.e.f. December 23, 2021) are permanent invitees to the meetings of the said committee.

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI's Corporate Governance norms.

During the FY 2021-22, five meetings of the Nomination and Remuneration Committee were held i.e. (i) August 12, 2021 (ii) September 10, 2021 (iii) November 11, 2021 (iv) December 23, 2021 and (v) January 18, 2022.

The detail of the meeting attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. C. Mishra (up to December 23, 2021)	Independent Director	4	4
Shri Prasanna Tantri (w.e.f. December 23, 2021)	Independent Director	1	1
Shri Bhaskar Bhattacharya (w.e.f. December 23, 2021)	Independent Director	1	1
Smt. Usha Sajeev Nair (w.e.f. December 23, 2021)	Independent Director	1	1
Shri Tanmay Kumar (up to September 6, 2021)	Government Nominee Director	1	1
Shri Vishal Kapoor (from September 7, 2021 to December 23, 2021)	Government Nominee Director	3	2
Shri P. K. Singh (up to December 23, 2021)	Director (Commercial)	4	4

Remuneration Policy

Your Company is a Central Public Sector Undertaking in which all members of the Board are appointed by the President of India through the administrative ministry i.e. Ministry of Power, Government of India, which, *inter alia*, fixes the remuneration of such Whole Time Directors through their respective appointment orders/ pay fixation orders. The appointment and remuneration of other employees of the Company is done as per the DPE

guidelines. The members of the Board, apart from receiving Directors' remuneration, in case of CMD and Whole Time Directors, do not have any material pecuniary relationship or transaction with the Company, its promoters or its subsidiary, which in the judgement of Board may affect independence of judgement of Directors. PFC being a Government Company, the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

The Ministry of Corporate Affairs (MCA) vide its notification dated June 5, 2015 has *inter alia* exempted the Government Companies in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the Company, as per its own evaluation methodology. Accordingly, PFC being a Government company is exempted in terms of above notification as the evaluation of performance of all the members of the Board including Independent Directors is undertaken by administrative ministry i.e. Ministry of Power, Government of India.

Further, MCA vide Notification dated July 5, 2017 prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism, prescribed in Schedule IV of the Companies Act, 2013, is also not applicable to Government Companies.

Remuneration of Whole Time Directors

The remuneration paid to whole time directors including the Chairman & Managing Director was as per the terms and conditions of their appointment.

Details of remuneration of Whole Time Directors of the Company during FY 2021-22 are given below:

Name of the Director	Salary (₹)	Benefits (₹)	Bonus/ Commission ex-gratia (₹)	Performance linked incentives (₹)	Stock Options (₹)	Total (₹)	Number of shares held as on March 31, 2022
Shri R. S. Dhillon	49,22,553	13,29,070	0	20,82,186	0	83,33,809	27,050
Shri P. K. Singh (up to January 31, 2022)	68,55,916	16,56,732	0	20,79,681	0	1,05,92,329	NA
Smt. Parminder Chopra	39,71,241	14,85,501	0	19,26,628	0	73,83,370	2,000
Shri Rajiv Ranjan Jha (w.e.f. October 28, 2021)	18,70,736	7,86,613	0	12,96,641	0	12,96,641	16,004

Notes:

1. Salary & Allowances have been considered on paid basis for the period working in capacity of Director.
2. Above information does not include Lease Rent, Non-taxable Allowances, Non-taxable Medical Reimbursement, Other Non-taxable Perquisites Contribution to Superannuation Benefits, Service Award and Reimbursement towards Conveyance, Uniform, Electricity, Water and Attendant Charges.
3. The performance linked incentives are paid as per the Performance Related Pay (PRP) System of the Company.
4. The appointment of Directors and terms of appointment including remuneration, notice period, severance fees, if any etc. are decided by President of India.

Remuneration of Non-Executive Directors/ Independent and Government Nominee Directors

The Independent & Government Nominee Directors do not have any material pecuniary relationship or transactions with the Company. However, the Independent Directors were paid the sitting fees i.e. ₹40,000/- for attending each Meeting of the Board of Directors and ₹30,000/- for attending each Meeting of Committee of Directors.

Government Nominee Director is not entitled to any remuneration or sitting fee from the Company.

As on March 31, 2022, Shri R. C. Mishra, Independent Director, Shri Prasanna Tantri, Independent Director, Shri Bhaskar Bhattacharya, Independent Director, Smt. Usha Sajeev Nair, Independent Director and Shri Vishal Kapoor, Government Nominee Director held nil shares in the Company.

3.3 Stakeholder Relationship and Shareholders'/ Investors' Grievance Committee

The Company has set up a Stakeholder Relationship and Shareholders'/Investors' Grievance Committee to look into the redressal of the complaints of investors as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2022 the Stakeholder Relationship and Shareholders'/Investors' Grievance Committee comprised of the following:

Name of Member	Designation
Smt. Usha Sajeev Nair	Chairman
Shri Prasanna Tantri	Member
Smt. Parminder Chopra	Member
Shri Rajiv Ranjan Jha	Member

Shri Manohar Balwani, Company Secretary acts as the Compliance Officer of the Company.

During the FY 2021-22, four meetings of the Stakeholder Relationship and Shareholders'/Investors' Grievance Committee were held i.e. (i) June 15, 2021 (ii) August 12, 2021 (iii) November 11, 2021 and (iv) February 10, 2022.

The detail of the meeting attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Usha Sajeev Nair (w.e.f. December 23, 2021)	Independent Director	1	1
Shri Prasanna Tantri (w.e.f. December 23, 2021)	Independent Director	1	1
Smt. Parminder Chopra	Director (Finance)	4	4
Shri Rajiv Ranjan Jha (w.e.f. December 23, 2021)	Director (Projects)	1	1
Shri R. C .Mishra (up to December 22, 2021)	Independent Director	3	3
Shri P. K. Singh (up to December 22, 2021)	Director (Commercial)	3	3

Information on investor complaints for the year ended March 31, 2022 is as follows:

Particulars	Equity	Bonds
Pending at the beginning of the year	16	0
Received during the year	1,886	8,666
Disposed off during the year	1,902	8,666
Lying unresolved at the end of the year	0	0

3.4 Board Level Risk Management Committee

A Board level Risk Management Committee was constituted by the Board of Directors in its meeting held on August 12, 2021 vice the then existing Risk Management Committee. The Board Level Risk Management Committee has been constituted to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on March 31, 2022, the Board Level Risk Management Committee comprised of the following:

Name of Member	Designation
Shri Bhaskar Bhattacharya	Chairman
Shri R. S. Dhillon*	Member
Smt Parminder Chopra	Member
Shri Rajiv Ranjan Jha	Member

* By virtue of holding additional charge of Director (Commercial)

During the FY 2021-22, two meetings of the Board Level Risk Management Committee were held on (i) September10, 2021 and (ii) February 28, 2022.

The detail of the meetings attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri Bhaskar Bhattacharya (w.e.f. December 23, 2021)	Independent Director	1	1
Shri R. S. Dhillon* (w.e.f. February 1, 2022)	CMD & Additional charge of Director (Commercial)	1	Not Present
Smt. Parminder Chopra	Director (Finance)	2	2
Shri Rajiv Ranjan Jha (w.e.f. October 28, 2021)	Director (Projects)	1	1
Shri R. C. Mishra (up to December, 22, 2021)	Independent Director	1	1
Shri P. K. Singh (up to January 31, 2022)	Director (Commercial)	1	1

* By virtue of holding additional charge of Director (Commercial)

Chief Risk Officer is a Permanent Invitee to all the meetings of Board Level Risk Management Committee.

3.5 CSR & Sustainable Development Committee of Directors

CSR & Sustainable Development Committee has been constituted to give direction to the CSR and SD activities of the Company and to make recommendations to the Board of Directors for taking up various CSR & SD projects.

As on March 31, 2022, the CSR & Sustainable Development Committee comprised of the following:

Name of Member	Designation
Shri R. C. Mishra	Chairman
Smt. Usha Sajeev Nair	Member
Shri R. S. Dhillon*	Member
Smt. Parminder Chopra	Member

* By virtue of holding additional charge of Director (Commercial)

During the FY 2021-22, eight meetings of the CSR & Sustainable Development Committee of Directors were held on (i) May 17, 2021 (ii) August 6, 2021 (iii) December 6, 2021 (iv) January 18, 2022 (v) January 27, 2022 (vi) March 14, 2022 (vii) March 16, 2022 and (viii) March 29, 2022.

The detail of the meetings attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. C. Mishra	Independent Director	8	8
Shri R. S. Dhillon* (w.e.f. February 1, 2022)	CMD & Additional charge of Director (Commercial)	3	Not Present
Smt. Usha Sajeev Nair (w.e.f. December 23, 2022)	Independent Director	5	5
Smt Parminder Chopra	Director (Finance)	8	8
Shri P. K. Singh (up to January 31, 2022)	Director (Commercial)	5	5

* By virtue of holding additional charge of Director (Commercial)

3.6 Investment Committee of Directors

The Investment Committee of Directors has been constituted for approving equity investment in IPOs of Central Power Sector Undertakings and also other related matters like exit/sale decisions, the number of shares to be applied through IPO, individual investment limit in each company on case to case basis, etc.

As on March 31, 2022 the Investment Committee of Directors comprised of the following:

Name of Member	Designation
Shri R. S. Dhillon	Chairman
Shri Bhaskar Bhattacharya	Member
Smt. Parminder Chopra	Member
Shri Rajiv Ranjan Jha	Member

During the FY 2021-22, three meetings of the Investment Committee of Directors was held on (i) April 13, 2021 (ii) August 12, 2021 and (iii) November 11, 2021.

The detail of the meetings attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Shri R. S. Dhillon	Chairman and Managing Director	3	3
Shri Bhaskar Bhattacharya (w.e.f. December 23, 2021)	Independent Director	-	-
Smt. Parminder Chopra	Director (Finance)	3	3
Shri R. C. Mishra (up to December 22, 2021)	Independent Director	3	3
Shri P. K. Singh (up to January 31, 2022)	Director (Commercial)	3	3
Shri Rajiv Ranjan Jha (w.e.f. October 28, 2021)	Director (Projects)	1	1

3.7 HR Committee

HR Committee has been constituted to consider and submit their recommendations to the Board of Directors on all HR related matters before they are submitted to the Board for approval.

As on March 31, 2022, the HR Committee comprised of the following:

Name of Member	Designation
Shri R. S. Dhillon*	Chairman
Smt. Parminder Chopra	Member
Shri Rajiv Ranjan Jha	Member

* By virtue of holding additional charge of Director (Commercial)

During the FY 2021-22, no meeting of the HR Committee was held.

3.8 ALM Committee of Functional Directors

ALM Committee of Functional Directors has been constituted pursuant to RBI's Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

As on March 31, 2022, the ALM Committee of Functional Directors comprised of the following:

Name of Member	Designation
Smt. Parminder Chopra	Chairperson
Shri Rajiv Ranjan Jha	Member

During the FY 2021-22, one meeting of the ALM Committee of Functional Directors was held on March 30, 2022 respectively.

The detail of the meeting attended by members during the FY 2021-22 is as follows:

Name of the Members	Designation	No. of Meetings	
		Held during the tenure	Attended
Smt. Parminder Chopra	Chairperson	1	1
Shri Rajiv Ranjan Jha	Member	1	1

4. OTHER COMMITTEES

IT Strategy Committee

Pursuant to RBI's Master Directions for Information Technology Framework for NBFCs, the Board of Directors of the Company constituted the IT Strategy Committee. As on March 31, 2022, the committee comprised of Shri R. C. Mishra, Independent Director, Chief Information Officer/ Chief Technology Officer and Chief Information Security Officer of the Company. The terms of reference and roles and responsibilities of the said IT Strategy Committee include approving IT strategy and policy documents, monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use

of IT resources; Ensuring proper balance of IT investments for sustaining PFC's growth and becoming aware about exposure towards IT risks and controls etc.

5. General Body Meeting

The details of the last three Annual General Meetings of the Company are as under:

AGM	Date	Day	Time	Location	Special Resolution
33rd	August 27, 2019	Tuesday	11.00 a.m.	Talkatora Indoor Stadium, Talkatora Garden, New Delhi – 04.	• For Raising funds up to ₹70,000 crore through issue of Bonds/Debentures/notes/debt securities on Private Placement basis in India and/or outside India.
34th	September 29, 2020	Tuesday	12:30 p.m.	At the Registered Office of the Corporation through Video Conferencing	• 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 • To Change Object Clause of the Memorandum of Association of the Company
35th	September 21, 2021	Tuesday	12:30 p.m.	At the Registered Office of the Corporation through Video Conferencing	Nil

POSTAL BALLOT

No Special Resolution was passed last year through Postal Ballot. Further, no special resolution is proposed to be conducted through postal ballot up to the ensuing AGM.

During August 2022, a resolution seeking consent of members through Postal Ballot for appointment of Shri Ajay Tewari (DIN 09633300), Additional Secretary, Ministry of Power as Govt. Nominee Director on the Board of Directors of PFC is open for voting.

6. Disclosures

The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a "Policy on Related Party Transaction" and the same is available at

https://www.pfcindia.com/Default/ViewFile/?id=1561552784406_Final%20Policy%20on%20RPT%2017052019.pdf&path=Page

Neither any penalty nor any stricture has been imposed by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital market during the last three years. However, during FY 2021-22, the Company was in receipt of notices of penalty from National Stock Exchange and Bombay Stock Exchange for non-compliance of the requirement of composition of the Board and its Committees. As the said compliances are beyond the ambit of PFC, the Company is following up with the stock exchanges for waiver of the said fine(s). As on March 31, 2022, PFC is compliant w.r.t. composition of the Board and its Committees.

The Company has in place an Internal Complaints committee to examine the cases related to sexual harassment under the "Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013. During the FY 2021-22, no complaint has been filed under the said Act.

In terms of the requirements under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to, *inter alia*, establish a 'Vigil Mechanism'/ 'Whistle-Blower Policy' for Directors and Employees to report their genuine concerns or grievances, about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. As an integral part of such Vigil Mechanism, the Whistle Blower Policy of PFC has been put in place and it is affirmed that no personnel has been denied access to the Audit Committee. The same is available at

http://www.pfcindia.com/Default/ViewFile/?id=1490188785276_WBP.pdf&path=Page.

Pursuant to the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a "Policy on Material Subsidiary" and the same is available at

https://www.pfcindia.com/Default/ViewFile/?id=1561552854274_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page

No item of expenditure was debited in books of account which was not for the purpose of the business. Further, no expense was incurred which was personal in nature and was incurred for the Board of Directors and Top Management.

The Company has not issued any Stock Options/ESOPs during the financial year 2021-22.

Your Company has broadly complied with all requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India, as amended from time to time, except for the compliances related to appointment of requisite number of Independent Directors for part of the year. The status of adoption of non-mandatory requirements is as under:

1. **The Board:** The Company is headed by an executive Chairman.

2. **Shareholder Rights:** The quarterly/half yearly/annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means and Communication" of the Corporate Governance report and also displayed on the website of the Company.

3. **Modified opinion(s) in audit report:** It is always Company's endeavour to move towards a regime of financial statements with unmodified audit opinion. The Company has received unmodified report from its Statutory Auditors in FY 2021-22.

4. **Reporting of Internal Auditor:** The Internal auditors of the Company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

The Company has laid down the procedures to inform the board about the risk assessment and minimisation. The Board of Directors of the Company periodically reviews these procedures to ensure risks are managed through a properly defined framework.

The total fee paid by your Company to the Statutory Auditors is ₹1.45 crore.

In the preparation of financial statements, the Company has followed Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018, issued by the Ministry of Corporate Affairs, to the extent applicable.

7. Means of Communication

The Company recognises communication as a key element of the overall Corporate Governance framework and therefore emphasises continuous, efficient and relevant communication to public at large. The Company communicates with its shareholders through its annual report, general meeting, newspapers and disclosures through website. The Company also communicates with its institutional shareholders through investor conferences, conference calls etc. While the Quarterly/Annual Financial results are published in national newspapers like The Economic Times, The Navbharat Times, The Hindustan Times, Business Standard, Business Standard (Hindi), The Financial Express, Dainik Bhaskar, Dainik Jagran (Hindi), Amar Ujala, The Indian Express, etc., the same are also available on the website of the Company, viz. www.pfcindia.com and are also submitted to stock exchanges for wider dissemination.

All important information pertaining to the Company is mentioned in the Annual Report of the Company containing *inter alia* Audited Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Report on Corporate Governance which is circulated to the members and other entitled persons for each financial year.

8. CEO/CFO certification

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by CEO i.e. Chairman & Managing Director and CFO i.e. Director (Finance) was placed before the Board of Directors at its meetings held on May 25, 2022 (Copy enclosed at **Annexure I** of this Report).

9. Compliance with applicable laws

The Company has a robust Compliance monitoring system in place. The Board periodically reviews the status of compliances to ensure proper compliance of all laws applicable to the Company.

10. Code of Conduct

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company i.e. www.pfcindia.com.

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at **Annexure II** of this Report.

11. Code for Prevention of Insider Trading

In pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, your Company has formulated the comprehensive Code i.e. "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" to preserve the confidentiality and to prevent misuse of un-published price sensitive information. All Designated

Persons and other Connected Persons as mentioned in the Code have a duty to safeguard the confidentiality of all such information obtained in the course of his or her assignment at the Company and not to misuse his or her position or information to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the securities of the Company and the consequences of non-compliance. The Company Secretary has been appointed as Compliance Officer and is responsible for ensuring adherence of the said Code.

In line with the requirement of the said Code, trading window was closed from time to time, whenever some price sensitive information was submitted to the Board. The Compliance Officer notified the closure of trading window on the website of the Company well in advance restraining all the designated persons and their relatives not to deal in the securities of the Company when the trading window is closed.

The copy of the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading in the Securities of Power Finance Corporation Limited" is also available on the Company website

https://www.pfcindia.com/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page

12. Shareholders Information

a) Annual General Meeting

Date	Time	Venue
September 21, 2022	11.30 A.M.	Through Video Conferencing (VC)

The 36th Annual General Meeting shall be held through Video Conferencing/Other Audio Visual Means. The Company will provide facility to shareholders to attend the said AGM electronically and also enable shareholders to exercise their right to vote through electronic means at the said AGM. Details regarding participation in the said AGM and other relevant information is appearing in the Notice of the 36th AGM of the Company.

b) Financial calendar for FY 2022-23 (Tentative)

Particulars	Date
Financial year	April 1, 2022 to March 31, 2023
Un-audited financial results for the first three quarters	Will be announced within 45 days from the end of each quarter.
Audited Financial Results	Audited Financial Results will be announced on or before 60 days from the end of financial year.
AGM (Next year)	August/September 2023

c) Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, September 4, 2022 to Wednesday, September 21, 2022 inclusive of both days.

d) Payment of Dividend

- **Dividend Distribution Policy**

  The Company has formulated a Dividend Distribution Policy in compliance of Regulation 43A of the SEBI (LODR) Regulations, which, *inter alia*, specifies the external and internal factors including financial parameters, that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend.

  The policy is available on PFC's website at

  http://www.pfcindia.com/Default/ViewFile/?id=1546009180778_DividendDistribution.pdf&path=Page.

- **Dividend details for the FY 2021-22**

  The Board of Directors of the Company, has recommended payment of final dividend of ₹1.25 per equity share (subject to deduction of TDS) for the financial year ended March 31, 2022 on the paid up equity share capital of the Company, which will be paid after approval at the Annual General Meeting. This is in addition to the Interim Dividend of ₹10.75 per equity share (subject to deduction of TDS) already declared and paid during the year in three tranches on the paid up equity share capital of the Company. Thus, the total dividend for the FY 2021-22 amounts to ₹12 per equity share (subject to deduction of TDS).

  The final dividend on equity shares as recommended by the Board of Directors, subject to the provisions of the Companies Act, if approved by the members at the Annual General Meeting, will be paid to the Members or their mandates whose names appear on the Company's Register of Members on June 10, 2022 in respect of physical shares. In respect of dematerialised shares, the dividend will be payable to the "beneficial owners" of the shares whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of business hours on June 10, 2022 . The Dividend, if declared at the AGM, would be paid to the shareholders within 30 days from the date of declaration of the same at the AGM.

- **Dividend History**

Year	Total Paid-up Capital (₹ in crore)	Total Amount of Dividend paid (₹ in crore)	Rate of Dividend (%)	Date of Payment (Interim & Final)
2016-17	2,640.08 (Interim)	1,320.04	50	April 7, 2017
	Total	**1,320.04**	**50**	**-**
2017-18	2,640.08 (1st Interim)	1,584.05	60	November 23, 2017
	2,640.08 (2nd Interim)	475.21	18	March 19, 2018
	Total	**2,059.26**	**78**	**-**
2018-19	2,640.08	-	-	-
2019-20	2,640.08 (Interim)	2,508.07	95	March 12, 2020
	Total	**2,508.07**	**95**	**-**
2020-21	2,640.08 (Interim)	2,112.06	80	March 31, 2021
	2,640.08 (Final)	528.02	20	October 12, 2021
	Total	**2,640.08**	**100**	

- **Status of Unclaimed Amounts and Shares/ Dividend/ Bonds transferred to IEPF Account**

Bonds

The total unclaimed and unpaid amount as on March 31, 2022 was ₹91.17 crore (principal plus interest). The unpaid/unclaimed amount of bonds transferred to IEPF during FY 2021-22 is Nil.

Unclaimed Dividend-Equity

The unclaimed balance amount of dividend (equity) as on March 31, 2022 was ₹5.46 crore. The unclaimed dividend of ₹0.289 crore became due for transfer during the year ended March 31, 2022 and was accordingly transferred to Investor Education and Protection Fund (IEPF).

Equity Shares transferred to IEPF

As per the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 {IEPF Rules}, all shares in respect of which dividend has not been claimed for seven consecutive years, are required to be transferred by the Company to the Demat Account of the IEPF Authority. Accordingly, the Company has transferred 15,357 Equity shares (of ₹10/- each) in June, 2021 and 10,886 Equity shares (of ₹10/- each) in January, 2022. As on March 31, 2022, the number of equity shares held in Demat account to IEPF Authority were 89,597. Subsequently, 7,394 Equity shares (of ₹10/- each) were also transferred to the Demat Account of IEPF Authority in June, 2022.

The members who have a claim on the above dividend and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividends/shares, so transferred to the IEPF Authority.

Nodal Officer

Pursuant to Rule 7(2A) of the IEPF Rules, the following persons are the Nodal Officers of the Company:-

Nodal Officer	Shri Manohar Balwani, Company Secretary
Deputy Nodal Officer in respect of bonds/debentures	Sh. Ishwar Singh, CGM (RMD-II)

e) Listing on Stock Exchanges

PFC shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)	**Bombay Stock Exchange Limited (BSE)**
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip Code: PFC EQ	Floor – 25, PJ Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 532810
Stock Code (ISIN) : INE134E01011	

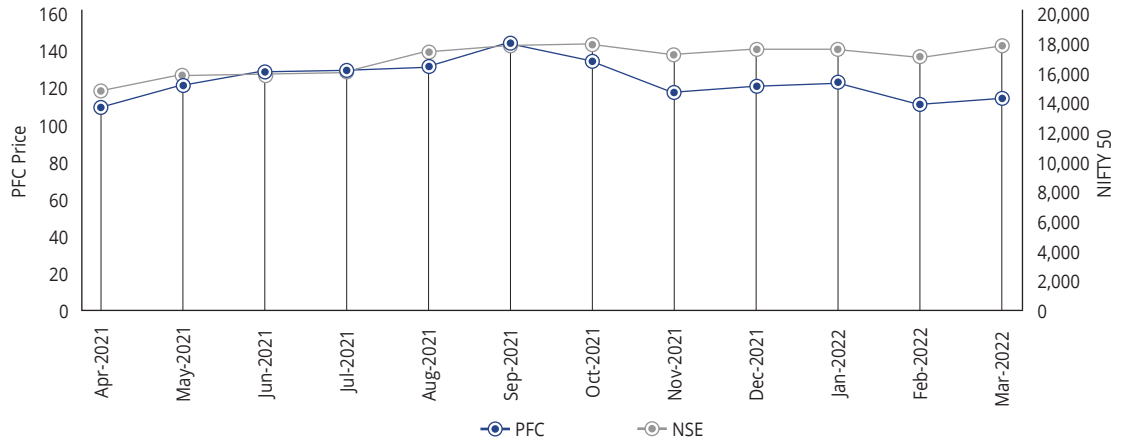
The annual listing fees for the FY 2021-22 have been paid to NSE and BSE.

f) Market Price Data

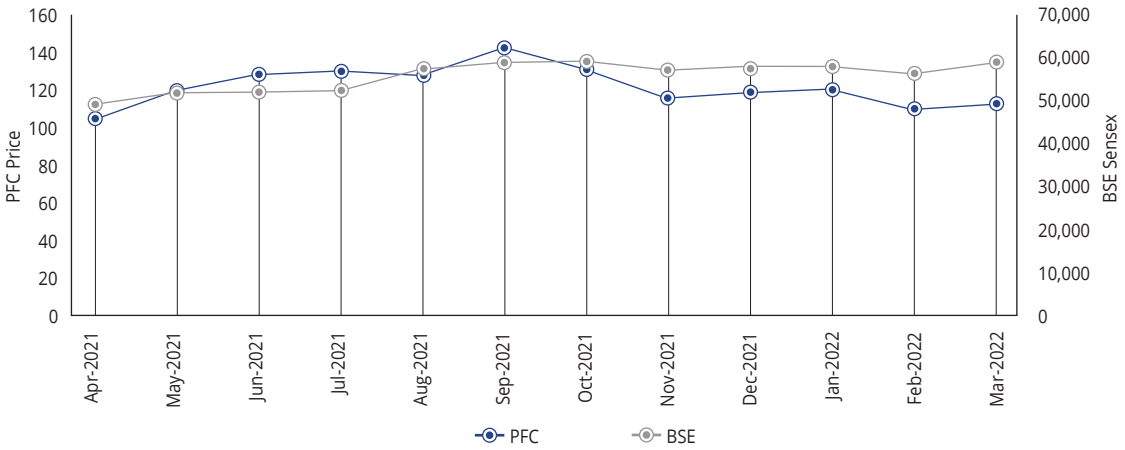
Month	High (₹)		Low (₹)		Closing (₹)	
	NSE	BSE	NSE	BSE	NSE	BSE
April'21	118.95	118.95	104.1	104.45	108.40	108.4
May'21	121.85	121.8	106.1	106.25	120.30	120.3
June'21	132.9	132.95	118.2	118.2	128.80	128.75
July'21	131.9	131.8	120.5	120.4	129.95	129.9
August'21	135.7	135.7	122.3	122.25	129.05	128.95
September'21	148.15	148.1	125.8	125.8	142.10	142.2
October'21	153.75	153.75	131	131.05	133.10	133.05
November'21	142.3	142.1	115.3	115.25	116.30	116.25
December'21	125.8	125.75	113.05	113.1	119.75	119.75
January'22	128.2	128.15	116.25	116.3	121.70	121.2
February'22	124.35	124.35	106.9	106.75	109.85	109.85
March'22	117.1	117.15	104.4	104.3	112.60	112.45

g) Performance in comparison to indices

PFC share price and NIFTY 50



PFC share price and BSE Sensex



h) Registrar and Transfer Agent for Equity Shares

Communication Address

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032, Rangareddi, Telangana, India
Tel: +91 40 67162222
Email: einward.ris@kfintech.com
Website: www.kfintech.com

i) Share Transfer System

Transfer of equity shares in electronic form are done through the depositories with no involvement of the Company. Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to the Company to register the transfer.

SEBI, effective April 1, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat mode. However, investors are not barred from holding shares in physical form.

j) Details of Demat Suspense Account

The details of shares in the Demat Suspense account as on March 31, 2022 is as follows:

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2021.	3	1,432
Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2021-22.	0	0
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2021-22.	0	0
Less: Number of shares which were transferred to IEPF Account during the year 2021-22.	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e., March 31, 2022.	3	1,432

The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares.

k) Distribution of shareholding

- **Distribution of shareholding as on March 31, 2022**

Sr. No.	Amount	No. of shareholders	% of shareholders	Amount (₹)	% of shares
1	1-5,000	3,90,443	87.61	4,48,46,9630	1.70
2	5,001-10,000	29,994	6.73	24,06,10,450	0.91
3	10,001-20,000	13,133	2.94	19,74,92,510	0.74
4	20,001-30,000	3,981	0.90	10,20,89,310	0.40
5	30,001-40,000	1,893	0.42	6,83,74,910	0.26
6	40,001-50,000	1,414	0.31	6,69,54,420	0.25
7	50,001-100,000	2,648	0.60	19,09,46,760	0.73
8	100,001 & Above	2,133	0.50	25,08,58,76,090	95.01
	Total	**4,45,639**	**100**	**26,40,08,14,080**	**100**

- **Shareholding pattern as on March 31, 2022**

Category	Total No. of shares	% to Equity
President of India	1,47,82,91,778	55.99
Foreign Portfolio – CORP	44,25,41,559	16.77
Mutual Funds	34,50,72,201	13.07
Resident Individuals	18,19,14,150	6.90
Qualified Institutional Buyers	13,60,72,729	5.15
Bodies Corporate	2,17,62,718	0.82
Insurance Companies	93,22,973	0.35
HUF	91,43,393	0.34
Banks	40,64,733	0.15
Non-Resident Indians	40,04,780	0.15
Non-Resident Indian non-repatriable	34,48,084	0.13
Clearing Members	12,56,092	0.05
NBFC's	11,23,656	0.04
Trusts	9,95,951	0.04
Employees	9,39,514	0.04
IEPF	89,597	0.00
Overseas Corporate Bodies	36,000	0.00
Foreign Nationals	1,500	0.00
Total	**2,64,00,81,408**	**100**

l) Dematerialisation of shares

Number of shares held in dematerialised form with NSDL, CDSL and physical mode as on March 31, 2022.

Description	No. of Shares	% to total Capital Issued
NSDL	2,52,80,34,074	95.76
CDSL	11,20,17,778	4.24
Physical	29,556	0.00
Total	**2,64,00,81,408**	**100**

m) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

n) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place Currency Risk Management (CRM) policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

o) Address for correspondence

Registered Office

'Urjanidhi', 1, Barakhamba Lane,
Connaught Place,
New Delhi – 110 001

Company Secretary

Shri Manohar Balwani
Tel: +91 11 23456020
Fax: +91 11 23456786
e-mail: investorsgrievance@pfcindia.com

p) Credit Ratings

During the FY 2021-22, Company's both long-term & short-term domestic borrowing programme (including bank loans) continued to be the highest rating.

- **Domestic Rating assigned by CRISIL, ICRA and CARE**
  - Long-term domestic borrowing programme Rating - CRISIL AAA, ICRA AAA and CARE AAA
  - Short-term domestic borrowing programme Rating - CRISIL A1+, ICRA A1+ and CARE A1+

- **International Rating**

The Company's international credit ratings continue to be Baa3 and BBB- assigned by International Credit Rating Agencies Moody's and Fitch respectively.

q) Preferential Allotment/Qualified Institutions placement

During the year, company has not raised any money by way of Preferential Allotment/Qualified Institutions placement of shares or other convertible securities.

ANNEXURE I OF REPORT ON CORPORATE GOVERNANCE

Certificate to the Board of Directors under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors that:

We have reviewed financial statements and the statement of cash flows for the year ended March 31, 2022 and that to the best of our knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or voliative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:-

i) Significant changes in internal control over financial reporting during the year;

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial: and

iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Parminder Chopra)
Director (Finance)/CFO
DIN – 08530587

Sd/-
(R. S. Dhillon)
Chairman & Managing Director/CEO
DIN – 00278074

ANNEXURE II OF REPORT ON CORPORATE GOVERNANCE

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance:

"All the members of the Board and Senior Management Personnel have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management' for the financial year ended on March 31, 2022."

Sd/-
(R. S. Dhillon)
Chairman & Managing Director
DIN – 00278074

Certificate on Corporate Governance

To,
The Members,
Power Finance Corporation Limited
'Urjanidhi', 1,Barakhamba Lane,
Connaught Place, New Delhi - 110001

We have examined the compliance of the conditions of Corporate Governance by Power Finance Corporation Limited, (herewith referred as 'the Company') for the period ended on March 31, 2022 as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI (LODR) Regulations, 2015") and 'Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises Government of India.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in above mentioned regulations and guidelines. It is neither an audit nor an expression of opinion on the financial statement of the company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations and in the guidelines on corporate governance issued by the 'Department of Public Enterprises' except that:

(i) The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulation and the DPE guidelines upto January 31, 2022 for which company has regularly written to its administrative ministry i.e. Ministry of Power for appointment of appropriate number of Independent Directors on the Board.

And

(ii) The company has not complied with the provision of regulation 17 (1) up to January 31, 2022, 17 (10), 18 (1) (B) up to December 22, 2021 and 19 (1)(b & c) up to December 22, 2021 as required under the SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency of the effectiveness with which the Management has conducted the affairs of the company.

For **Amit Agrawal & Associates**
(Companies Secretaries)

Sd/-
CS Amit Agrawal
(Proprietor)
M. No. F5311, C.P. No. : 3647
UDIN: F005311D000869768

Place: Delhi
Date: August 29, 2022

Business Responsibility Report

Section A: General Information about the Company

Corporate Identification Number (CIN) of the Company	L65910DL1986GOI024862
Name of the Company	Power Finance Corporation Limited
Registered address	'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001
Website	www.pfcindia.com
E-mail ID	mb@pfcindia.com
Financial Year reported	2021-22
Sector(s) that the Company is engaged in (industrial activity code-wise)	64920 (Other Financial Services and Activities - Other Credit Granting)
List three key services that the Company provides	PFC is a leading financial institution focused on the power sector. It provides a comprehensive range of financial products and related advisory and other services from project conceptualisation to the post-commissioning stage to our clients in the power sector, including for generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernisation projects. PFC provides various fund based financial assistance, including long-term project finance, short-term loans, buyer's line of credit, as well as non-fund based assistance including credit enhancement guarantees and letters of comfort etc. In addition, it is involved in various GoI programmes for the power sector, including acting as the nodal agency for the UMPP programme 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.
Total number of locations where business activity is undertaken by the Company i. Number of International Locations ii. Number of National Locations	The registered office of PFC is located at New Delhi. Further, PFC has 2 Regional Offices in India i.e. Mumbai and Chennai. The Company does not have any international office, at present.
Markets served by the Company - Local/State/National/International	PFC serves the Indian markets and its business extends throughout the country. For resource mobilisation purpose, the Company also taps international capital markets besides domestic markets.

Section B: Financial Details of the Company (as on March 31, 2022)

Paid up Capital (INR)	₹2,640.08 crore
Total Turnover (INR) (Revenue from Operations)	₹38,545.40 crore
Total profit after taxes (INR)	₹10,021.90 crore
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.14% (₹214.72 crore) of Profit After Tax (PAT) during FY 2021-22. It is submitted that ₹214.72 crores includes (i) ₹54.87 crores transferred to Unspent CSR Account during FY 2021-22 and (ii) ₹39.39 crores being excess amount spent during FY 2020-21 and adjusted in FY 2021-22.
List of CSR activities in which expenditure has been incurred	The major areas on which the above expenditure has been incurred includes health care, sanitation, safe drinking water, education, vocational skills & livelihood enhancement, environmental sustainability, disaster management including relief rehabilitation & reconstruction activities and rural development projects, besides contribution to PM CARES Fund.

Section C: Other Details

Does the Company have any Subsidiary Company/ Companies?	Yes
Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?	No
Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company?	No

Section D: BR Information

1. Details of Director responsible for BR

a) Details of the Director responsible for implementation of the BR policies

Particulars	Details
DIN Number	08530587
Name	Parminder Chopra
Designation	Director (Finance)

b) Details of the BR head

Particulars	Details
DIN Number (if applicable)	NA
Name	Shri Manohar Balwani
Designation	Company Secretary
Telephone number	011- 23456749
E-mail id	mb@pfcindia.com

2. Principle-wise (as per NVGs and NGRBC) BR policies

The National Voluntary Guidelines and National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 – Businesses should promote the well-being of all employees.

P4 – Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5 – Businesses should respect and promote human rights.

P6 – Businesses should respect, protect and make efforts to restore the environment.

P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should promote inclusive growth and equitable development.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	PFC being an NBFC, this principle has limited applicability	Y	Y	The policy is embedded in company's HR policies and practices	The policy is embedded in company's various policies and practices	The policy is embedded in company's various policies and practices	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	-	-	-	Y	Y
3.	Does the policy confirm to any national/international standards?	Y	-	Y	Y	-	-	-	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	-	Y	Y	-	-	-	Y	Y

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	Y	Y	-	-	-	Y	Y
6.	Indicate the link for the policy to be viewed online?	#	-	Policy being an internal document is accessible to employees only	#	-	-	-	#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	-	-	-	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	-	Y	Y	-	-	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	-	Y	Y	-	-	-	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	-	Y	Y	-	-	-	Y	Y

#The relevant explanation/ information/ links are mentioned at Annexure to this Report.

(b) If answer to Sr. No. 1 against any principle, is 'No', please explain why:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	NOT APPLICABLE								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason									

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.**

  The BR activities of the Company are overseen by a Functional Director and the Board also reviews the Business Responsibility Report as part of Directors' Report on annual Basis.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  The Business Responsibility Report is published as a part of Annual Report from FY 2012-13 onwards. The current Report shall form a part of Annual Report for FY 2021-22 and shall be available on company's website: www.pfcindia.com.

Section E: Principle-wise performance

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   Power Finance Corporation Ltd. (PFC) is a leading power sector public financial institution and a non-banking financial company, providing fund and non-fund based support for the development of the Indian power sector. It plays a major role in channelising investment into the power sector and acts as a vehicle for development of this sector. Its clients include state power utilities, central power sector utilities, power departments, private power sector utilities (including independent power producers), joint sector power utilities etc. PFC has developed the Fair Practices Code (FPC) for its lending operations based on the RBI guidelines, which intends to provide assurance to all the borrowers of the Company's commitment to fair dealing and transparency in its businesses transactions.

   PFC also considers Corporate Governance as an integral part of good management and is committed to act professionally, fairly and with integrity in all its dealings. In this direction, Company has an established Code of Business Conduct & Ethics for Board Members & Senior Management.

   The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of the Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

   An Anti-Fraud Policy is in place in PFC to enforce controls and to aid in prevention & detection of fraud in the Company. It covers employees (including contractual employees) as well as shareholders, consultants, vendors, suppliers, service providers, contractors, lenders, borrowers, outside agencies and any other parties having a business relationship with PFC.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   Under the Anti-Fraud Policy, the Company had not received any complaint during the FY 2021-22.

   The Company had received a total of 10,568 complaints (including 16 complaints lying pending as on April 1, 2021) from the shareholders and bondholders of the Company during the FY 2021-22, out of which all 10,568 (100%) complaints were resolved by March 31, 2022.

   Under PFC's Citizen Charter, total 51 complaints were received from customers/consumers during the FY 2021-22 in addition to 2 complaints pending at the beginning of the year. Out of which 52 (98.11%) were resolved by March 31, 2022 leaving 1 complaint pending.

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   PFC has financial products like term loan, buyer's line of credit, lease financing etc. including financing of renewable energy projects which are sustainable and environmentally benign. The Company endeavours to incorporate social and environmental concerns in the appraisal of the projects it finances and its activities in general.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product:**

   Since PFC is not a Manufacturing Company and offers financial assistance to Power Sector projects only, following questions mentioned below are generally applicable to manufacturing sector:

   i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
   Not Applicable.

   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
   Not Applicable.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Not Applicable.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   PFC, being a Financial Institution, is relatively less resource intensive in terms of material inputs. We are also following the Government of India's directives, issued from time to time, in respect of reservation for Micro, Small & Medium Enterprises in procurements.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so?**

   The Company, being a Financial Institution, has limited applicability of mechanism to recycle products and waste. However, the Company has installed a Composter

Machine in PFC premises of 50Kg capacity. It can recycle wet materials into 10% within 24 hrs. and can convert 90% material into organic compost. The produced Organic Compost has been used by PFC for plantation in the premises and nearby plants.

PFC has been ranked 3rd in "Swachhata Ranking" by NDMC in the category of offices in NDMC area in December, 2021.

Principle 3

1. **Please indicate the total number of employees.**
   As on March 31, 2022 there were 501 employees in PFC.

2. **Please indicate the total number of employees hired on temporary/ contractual/ casual basis.**
   There were 67 employees hired on contractual basis in PFC as on March 31, 2022.

3. **Please indicate the number of permanent women employees.**
   As on March 31, 2022, there were 100 permanent women employees in the Company.

4. **Please indicate the number of permanent employees with disabilities.**
   There were 17 permanent employees with disabilities as on March 31, 2022.

5. **Do you have an employee association that is recognised by management?**
   PFC has PFC Employees Union, PFC SC/ ST/ OBC Employees Welfare Association and PFC Executive Association.

6. **What percentage of your permanent employees is members of this recognised employee association?**
   100% of the permanent employees are members of these recognised employee associations.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year 2021-22	No. of complaints pending as on March 31, 2022
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
   - Permanent Employees 51.49%
   - Permanent Women Employees 47.00%
   - Casual/Temporary/Contractual Employees 54.23%
   - Employees with Disabilities 64.70%

Principle 4

1. **Has the Company mapped its internal and external stakeholders?**
   Yes

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**
   All reserved category employees (SC/ ST/ OBC/ PwBD/ EWS) and minorities are identified as disadvantaged, vulnerable & marginalised stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?**
   All Government of India directives are followed for engagement at various levels of career progression for all reserved category employees (SC/ ST/ OBC/ PwBD/ EWS) & Minorities. Various infrastructure arrangements were made for benefits of PwBD persons. Meritorious awards are being given to children of these categories along with other children by giving special relaxation in percentage of marks. Separate Liaison Officers are in place to look after the welfare of the employees in the ambit of this category. It is ensured that a person of reserved category of appropriate level is nominated as member in various selection and promotion committees to look into the interest of the employees of reserved categories.

Principle 5

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**
   PFC does not have any specific policy on human rights. However, it is embedded in company's various HR policies and practices.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
The details of stakeholder complaints during FY 2021-22 are given herein below:

Particulars	No. of Complaints			
	Equity Shareholders	Bondholders	Under Anti-Fraud Policy	Under Citizen Charter
Pending at the beginning	16	0	0	2
Received during the year	1,886	8,666	0	51
Disposed off during the year	1,902	8,666	0	52
Lying unresolved at the end of the year	0	0	0	1
% of Complaints resolved	100%	100%	0	98.11%

Principle 6

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?**
The policy is embedded in company's various policies and practices and covers the Company as a whole.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**
PFC is a socially conscious organisation and fully endorses the nine principles of Global Compact enunciated by the United Nations Organisation (UNO) which encompass areas of human rights, environmental protection and labour rights. These principles of Global Compact are embedded in various organisational policies of the Company thereby facilitating their implementation in a natural way.

   PFC consistently strives towards meeting the expectations of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. PFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

3. **Does the Company identify and assess potential environmental risks?**
Since PFC is not a Manufacturing Company and offers financial products only, the question is not applicable to the Company.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**
The above question is not applicable to PFC as it is not a manufacturing company. However, your Company funds renewable energy projects and energy saving projects at special rates of interest in State and Private Sectors.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N? If yes, please give hyperlink for web page etc.**
Yes. The Company has undertaken various Clean Technology/ Renewable energy/ Energy Efficiency etc. The details of such initiatives are available at https://www.pfcindia.com/DocumentRepository/ckfinder/files/CSR/Latestupdate06062022.pdf.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
Not Applicable.

7. **Number of show cause/ legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on March 31, 2022.**
Not Applicable.

Principle 7

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.**
Yes, PFC is a member of the following associations:-
   1. SCOPE
   2. FICCI
   3. Central Board of Irrigation and Power
   4. ASSOCHAM
   5. Confederation of Indian Industry (CII)
   6. World Energy Council

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good?**
PFC supports the initiatives taken by above associations in their endeavours for the advancement or improvement of public good.

Principle 8

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

PFC has a CSR and Sustainability policy in place. The aim of the policy is to ensure that the Company becomes a socially responsible corporate entity committed to improving the quality of life of the society at large.

As a socially responsible corporate entity, PFC endeavours to:

- Promote and Leverage green technologies to produce goods and services that contribute to social and environmental sustainability.
- Take up projects that provide energy, water and sanitation facilities to the communities.
- Take up activities to support "Differently abled persons" and the "Health sector".
- Take up issues which are of foremost concern in the national development agenda, like safe drinking water for all, provision of toilets especially for girls, health and sanitation, education, etc.
- Contribute to inclusive growth and equitable development in society through education, capacity building measures, empowerment of the marginalised and underprivileged sections/communities.

The objective of the PFC CSR Policy is to:

- Ensure an increased level of commitment at all levels in the Organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of its stakeholders.
- Generate a societal goodwill for PFC through CSR activities and help reinforce a positive and socially responsible image of PFC as a corporate.

2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organisation?

All the projects undertaken under CSR & SD policy were executed by Govt./Semi Govt./Quasi-Govt. implementing agencies and other reputed organisations.

3. Have you done any impact assessment of your initiative?

PFC's CSR Department conducts Impact Assessment of CSR projects and programmes of its major CSR projects on a periodic basis as per its CSR policy. PFC's CSR Department has been engaging reputed agencies and academic institutes to undertake Impact Assessment studies of its CSR projects.

4. What is your Company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

During the year 2021-22, PFC undertook various CSR projects in Health sector as part of Preventive Measures of COVID-19 Pandemic, Skill Development, Education and Solar application sector. PFC's contribution in terms of amount sanctioned and disbursed are as given below:

Nature of Activities	Sanctioned (₹ in crore)	Disbursement (₹ in crore)
Sanitation/ Waste Management/ Drinking Water	9.12	4.04
Skill Development and Education	17.19	19.97
Solar Application/Energy Efficiency	9.02	4.87
Environment	-	1.03
Health Sector	95.11	78.12
Rural Development including Relief and Rehabilitation	4.70	14.68
Others (Impact Studies, Admin. Overheads, etc.)	4.41	4.41
Total	**139.55**	**127.12**

Spread across various CSR initiatives (inclusive of Health care projects), PFC disbursed ₹127.12 crore (including administrative overheads) and received ₹0.09 crore as refund during the FY 2021-22.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The projects sanctioned by PFC are implemented by Govt./ Semi Govt./ Quasi-Govt. Implementing agencies and other reputed organisations. During Skill development training programmes, placement of around 70% is ensured. In projects such as environment sustainability, renewable energy etc. assets are created, transferred to beneficiaries and also monitored by PFC by various activities such as site visits, tour reports etc.

Principle 9

1. What percentage of customer complaints/consumer cases apart from shareholders and bondholders are pending as at the end of financial year?

Under PFC's Citizen Charter, total 51 complaints were received from customers/consumers during the FY 2021-22 in addition to 2 complaints pending at the beginning of the year. Out of which 52 (98.11%) were resolved by March 31, 2022 leaving 1 complaint pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

The Company is a NBFC offering financial products. The Company ensures that adequate disclosures in respect of its financial products & services are displayed on its Corporate website and other stakeholder/media communications issued from time to time.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on March 31, 2022.**

PFC is committed to the highest standards of ethical practices and moral business conduct within the frameworks of law. As on March 31, 2022, no case was pending against PFC regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

In PFC, customer complaints are obtained through structured meetings held periodically with Power Utilities, periodic visits undertaken by PFC executives to the customers' offices/project sites, through regular written/ telephonic correspondence during the appraisal, loan documentation and disbursement stages of various projects/loans, customers visiting PFC office etc.

Based on the responses, the complaints are recorded and a Corrective and Preventive Action Record (CAPR) is initiated for each complaint. The concerned customer is intimated about the corrective action being taken to resolve the complaint and prevent its further occurrence.

ANNEXURE TO BUSINESS RESPONSIBILITY REPORT

The links of relevant policies approved by the Board of Directors of the Company are given below:-

Name of the Policy	Web links	
	English	Hindi
CSR and Sustainability Policy	https://www.pfcindia.com/DocumentRepository/ckfinder/files/CSR/CSRpolicy_07032019.pdf	https://pfcindia.com/hnsite/DocumentRepository/ckfinder/files/CSR/HINDI_PFCs_CSR_and_Sustainability_Policy.pdf
Fair Practice Code	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Fair_Practices_Code/2020-09-02%20Fair%20Practice%20Code%20of%20PFC%20updated%20.pdf	http://pfcindia.com/hnsite/Home/VS/62
Code of Business Conduct and Ethics	https://www.pfcindia.com/Default/ViewFile/?id=1472556128687_Code%20of%20Conduct%2017042015.pdf&path=Page&Name=Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel	http://pfcindia.com/hnsite/Home/VS/63
Anti-Fraud Policy	https://www.pfcindia.com/Default/ViewFile/?id=1471520577857_ANTI%20FRAUD%20POLICY%2005_11_2011.pdf&path=Page&Name=Anti%20Fraud%20Policy	http://pfcindia.com/hnsite/Home/VS/65
Whistle-Blower Policy	https://www.pfcindia.com/Default/ViewFile/?id=1490188785276_WBP.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1490268719103_wbpHND.pdf&path=Page
Policy on Related Party Transactions	https://www.pfcindia.com/Default/ViewFile/?id=1561552784406_Final%20Policy%20on%20RPT%2017052019.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1562840382760_policy%20of%20related%20party%20transactions.pdf&path=Page
Policy on Material Subsidiary	https://www.pfcindia.com/Default/ViewFile/?id=1561552854274_Final%20Policy%20for%20Material%20Subsidiary17052019.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1563962455491_Policy_on_Material_Subsidiary.pdf&path=Page
Dividend Distribution Policy	https://www.pfcindia.com/Default/ViewFile/?id=1546009180778_DividendDistribution.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1500987575423_Dividend_Distribution_Policy_of_pfc_hindi.pdf&path=Page
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for regulating, monitoring & reporting of trading in the securities of Power Finance Corporation Limited	https://pfcindia.com/Default/ViewFile/?id=1614952208955_Insider_Trading_Code_Amended05032021.pdf&path=Page	https://pfcindia.com/hnsite/Default/ViewFile/?id=1561571325217_Hindi_Insider_Trading_Code26062019.pdf&path=Page
Policy for Determination of Materiality of Events	https://www.pfcindia.com/DocumentRepository/ckfinder/files/Statutory_Requirements/Codes_and_Policies/Policy_for_Determination_of_Materiality_of_Events/Final%20Policy%20for%20Determination%20of%20Materiality%20of%20Events17052019.pdf	https://pfcindia.com/hnsite/DocumentRepository/ckfinder/files/Statutory_investor/DoMEvents_hi.pdf

The other policies are internal documents and accessible only to employees of the organisation.

Form No. MR-3

Secretarial Audit Report

For The Financial Year Ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Power Finance Corporation Limited
Urjanidhi', 1, Barakhamba Lane,
Connaught Place, New Delhi-110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Power Finance Corporation Limited** hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **March 31, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the company during the Audit Period];

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the company during the Audit Period];

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client [Not applicable to the company during the Audit Period];

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the company during the Audit Period];

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the company during the Audit Period];and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

(vi) Other laws applicable specifically to the Company namely

a. The DPE Guidelines;

b. The Competition Act, 2002;

c. The Right to Information Act, 2005;

d. E-Waste (Management & Handling) Rules, 2011;

e. Labour and Social Security Laws as possible.

f. The Reserve bank of India Act, 1934 and NBFC rules and

g. Regulations and Prevention of Money Laundering Act, 2002

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to conducting board and general meetings.

(ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above subject to the following observations:

i. The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulation and the DPE guidelines upto January 31, 2022 for which company has regularly written to its administrative ministry i.e. Ministry of Power for appointment of appropriate number of Independent Directors on the Board.

ii. The company has not complied with the provision of regulation 17 (1) up to January 31, 2022, 17 (10), 18 (I) (B) up to December 22, 2021 and 19 (I)(b & c) up to December 22, 2021 as required under the SEBI (LODR) Regulations,2015.

I further report that:

Under Regulation 19(4) read with schedule II part D (A) of the Securities Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015 the Nomination and Remuneration Committee shall inter alia:

(a) Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

Under Regulation 25(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations, 2015 the Independent Directors shall in their meeting inter alia:

(a) Review the performance of non-independent directors and the Board of Directors as a whole;

(b) Review the performance of the chairperson of the listed entity, taking into account the views of Executive Directors and Non-Executive Directors.

Adequate notice of schedule of the meetings of Board and its Committees was given to all Directors. Most of the agenda and detailed notes on agenda were circulated within the period specified in the applicable Secretarial Standards issued by The Institute of Company Secretaries of India under section 118 (10) of Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the meetings of Board and its Committees were taken through unanimous vote and the same are reflected in the minutes of such meetings.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

For **Amit Agarwal & Associates**
(Company Secretaries)

Sd/-
CS Amit Agarwal
Proprietor
C.P. No.: 3647
M. No. : 5311
UDIN: F005311D000642310

Date: July 18, 2022
Place: New Delhi

This report is to be read with my letter of even date which is annexed as an **"Annexure-A"** and forms an integral part of this report.

ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,
The Members,
Power Finance Corporation Limited
Urjanidhi', 1, Barakhamba Lane,
Connaught Place, New Delhi-110001

My Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

For **Amit Agarwal & Associates**
(Company Secretaries)

Sd/-
CS Amit Agarwal
Proprietor
C.P. No.: 3647
M. No. : 5311
UDIN: F005311D000642310

Date: July 18, 2022
Place: New Delhi

Observations of the Secretarial Auditor alongwith explanations to the same required to be included in the Directors Report to the shareholders for the FY 2021-22

Sl. No.	Observation	Explanation
1.	*The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulation and the DPE guidelines upto January 31, 2022 for which company has regularly written to its administrative ministry i.e. Ministry of Power for appointment of appropriate number of Independent Directors on the Board.*	In terms of clause 86 of Articles of Association (AoA) of PFC, the members of the Board of PFC are appointed by President of India. Accordingly, the Company has from time to time requested Ministry of Power, Government of India to expedite appointment of Independent Director(s) on the Board of the Company to enable it to comply with the requisite provisions under SEBI (LODR), Regulations 2015 and DPE guidelines. The Board of Directors in its 419th meeting held on December 23, 2021 appointed Advocate Bhaskar Bhattacharya, Smt. Usha Sajeev Nair and Shri Prasanna Tantri as Part-time Non-Official Director on the Board of Power Finance Corporation Limited (PFC) vide Ministry of Power order No. 8/1/2012-PFC Desk (Vol-II) dated November 15, 2021.
2.	*The company has not complied with the provision of regulation 17 (1) up to January 31, 2022, 17 (10), 18 (1) (b) up to December 22, 2021 and 19 (l)(b & c) up to December 22, 2021 as required under the SEBI (LODR) Regulations, 2015.*	During the year 2021-22, after January 31, 2022, the composition of Board of Directors was in compliance with the provisions of regulation 17 (1). Regulation 17 (10) was not complied for the year 2021-22. In terms of Clause 86 of Articles of Association (AoA) of the Company, the appointment of Functional Directors, Government Nominee Directors and Independent Directors of PFC are made by Government of India. The terms & conditions of such appointment including remuneration and evaluation vests with the Government of India. All the members of the Board are appointed by Government of India after thorough evaluation and are subjected to periodic performance review and that, the Company's performance is also periodically reviewed with reference to annual MoU signed between PFC and Government. After December 22, 2021, the composition of Audit committee of Directors and Nomination & Remuneration Committee was in compliance with the provisions of regulation 18 (1) (b) and 19 (l) (b & c).
3.	***I.*** *Under Regulation 19(4) read with schedule II part D (A) of the Securities and Exchange Board of India (LODR) Regulations, 2015 the Nomination and Remuneration Committee shall inter alia:-* *(a) Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;* ***II.*** *Under Regulation 25(4) of the Securities Exchange Board of India (LODR) Regulations, 2015 the Independent Directors shall in their meeting inter alia:-* *(a) Review the performance of Non-Independent Directors and the Board of Directors as a whole;* *(b) Review the performance of the chairperson of the listed entity, taking into account the views of Executive Directors and Non-Executive Directors.*	In terms of Clause 86 of Articles of Association (AoA) of the Company, the appointment of Functional Directors, Government Nominee Directors and Independent Directors of PFC are made by Government of India. The terms & conditions of such appointment including remuneration and evaluation vests with the Government of India. All the members of the Board are appointed by Government of India after thorough evaluation and are subjected to periodic performance review and that, the Company's performance is also periodically reviewed with reference to annual MoU signed between PFC and Government.

ANNEXURE F OF THE BOARD'S REPORT

Annual Report on CSR Activities for the FY 2021-22

Sr. No.	Particulars

1. Brief outline on CSR Policy of the Company.

The aim of PFC's Corporate Social Responsibility and Sustainability Policy (CSR and Sustainability Policy) is to ensure that the Company becomes a socially responsible corporate entity committed to improving the quality of life of the society at large by undertaking projects for Sustainable Development, mainly focusing on fulfillment of Power and Energy needs of the society.

PFC has implemented its CSR and Sustainability Policy with all its earnest and zeal. To oversee the activities of CSR, PFC has in place a Board level CSR&SD Committee of Directors headed by an Independent Director.

PFC has been implementing wide range of activities in the field of Environment Sustainability, Healthcare, Sanitation & Drinking water and Skill development etc. Further, as per DPE's mandate, PFC has also been contributed to thematic areas i.e. ***'Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID Care Facilities'*** with preference given to Aspirational Districts.

2. Composition of CSR Committee as on March 31, 2022

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri R. C. Mishra	Chairman/Independent Director	8	8
2.	Shri R. S. Dhillon*	Member/CMD	3	Not Present
3.	Smt. Usha Sajeev Nair	Member/Independent Director	5	5
4.	Smt. Parminder Chopra	Member/Director (Finance)	8	8

*By virtue of holding additional charge of Director (Commercial)

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

(a)	Composition of CSR committee	https://pfcindia.com/Default/ViewFile/?id=1614341684991_Latest_Composition_of_Committees26022021.pdf&path=Page
(b)	CSR Policy	https://pfcindia.com/DocumentRepository/ckfinder/files/CSR/CSRpolicy_07032019.pdf
(c)	CSR projects approved by the board	https://www.pfcindia.com/DocumentRepository/ckfinder/files/CSR/Latestupdate06062022.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

NIL

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2020-21	Nil	Nil
2	2021-22	39.39	39.39
	Total	**39.39**	**39.39**

6. Average net profit of the company as per section 135(5).

₹8,521.50 crore

7. (a) Two percent of average net profit of the Company as per section 135(5)

₹170.43 crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

₹0.01 crore

(c) Amount required to be set off for the financial year, if any

₹39.39 crore

(d) Total CSR obligation for the financial year (7a+7b-7c).

₹131.05 crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
76.18	54.87	April 29, 2022	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial Year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Impleme--ntation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Project for Training, Research and Enterpreneurship development in Smart Grid through IIT	Item (iv) - Ensuring environmental sustainability	No	Pan India	NA	36	0.99	0.04	0.94	No	Indian Institute of Technology, Kanpur	CSR00004774
2	Supply, installation and commissioning of various solar interventions in various villages of Sawai Madhopur, Rajasthan	Item (iv) - Ensuring environmental sustainability	No	Rajasthan	Sawai Madhopur	36	0.55	0.49	0.05	Yes	-	-
3	Supply, installation and commissioning of 500 nos. of Solar based LED Street Lighting System (SLS) in various villages of Mohanlalganj, Lucknow, UP	Item (iv) - Ensuring environmental sustainability	No	Uttar Pradesh	Lucknow	36	0.97	0.68	0.29	Yes	-	-
4	Construction of Phase II of Daullah Smartgram Secondary School at village Daullah Gurugram, Haryana	Item (i) - Sanitation, Item (ii) - Promoting education, Item (iv) - Ensuring environmental sustainability	No	Haryana	Gurugram	9	0.59	0.12	0.47	No	Haryana State CSR Trust	CSR00002371
5	Project for Relief and Rehabilitation activities in Uttarakhand	Item (i) - Healthcare Item (ii) - Promoting education Item (xii) - Disaster management, including relief, rehabilitation and reconstruction activities	No	Uttarakhand	Multiple Districts	17	4.00	4.00	-	No	Uttarakhand State Disaster Management Authority	CSR00017007
6	Project for undertaking rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan (SBSV) in the States of Rajasthan, after survey of toilets	Item (i) - Sanitation Item (ii) - Promoting education	No	Rajasthan	Multiple Districts	4	3.23	0.49	2.74	No	Rajasthan Council of School Education, Jaipur	CSR00023877
7	Providing skill development training to 1,000 nos. of unemployed youth belonging to SC/ ST/ OBC/ PwD/ Women/ EWS sections of society in various locations in India	Item (ii) - Promoting education	No	Pan India	NA	12	10.03	3.01	7.02	No	Central Institute of Plastics Engineering and Technology	CSR00008481

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial Year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Impleme--ntation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
8	Providing health related skill development training to 900 nos. of unemployed youth belonging to SC/ ST/ OBC/ PwD/ Women/ EWS sections of society in various locations in India	Item (i) - Healthcare Item (ii) - Promoting education	No	Multiple States	Multiple Districts	12	2.61	-	2.61	No	National Institute for Micro, Small and Medium Enterprises	CSR00014671
9	Providing Medical Infrastructure in Community Health Care Centre (CHC) at Bandgaon Block, West Singhbhum, Jharkhand	Item (i) - Healthcare	No	Jharkhand	West Singhbhum	3	1.23	0.12	1.11	No	District CSR Fund, Chaibasa	CSR00006981
10	Construction of Community Centre in Brundhan and Talera Villages in Bundi District, Rajasthan	Item (x) - Rural development projects	No	Rajasthan	Bundi	12	0.70	0.42	0.28	No	Rajasthan Medicare Relief Society, Bundi	CSR00019253
11	Procurement of Medical Equipment's in Tata Memorial Hospital, Mumbai & Advanced Centre for Treatment, Research and Education in Cancer, Navi Mumbai.	Item (i) - Healthcare	No	Maharashtra	Mumbai	24	9.97	1.00	8.97	No	Tata Memorial Centre	CSR00001287
12	Supply, installation and commissioning of Grid Connected SPV Power Plant with a cumulative capacity of 240 kWp at Chattarpur Temple, Delhi	Item (iv) - Ensuring environmental sustainability	Yes	Delhi	South West Delhi	5	0.99	0.70	0.29	Yes	-	-
13	Project for upgrading C.H.C Gulaothi in Bulandshahr District, Uttar Pradesh	Item (i) - Healthcare	No	Uttar Pradesh	Bulandshahr	3	0.88	0.09	0.79	No	Rogi Kalyan Samiti, Gulaothi	CSR00014941
14	Providing one unit of Cancer Detection & Awareness Mobile Van and related equipment for Dr. Ram Manohar Lohia Institute of Medical Sciences, Lucknow, UP.	Item (i) - Healthcare	No	Uttar Pradesh	Lucknow	9	3.49	-	3.49	No	Dr. Ram Manohar Lohia Institute of Medical Sciences	CSR00019420
15	Distribution of 1,000 nos. of Motorised Tricycle to orthopedically impaired, Persons with Disabilities (Divyangjans) in 10 districts.	Item (i) - Healthcare	No	Multiple States	Multiple Districts	12	4.70	2.35	2.35	No	Artificial Limbs Manufacturing Corporation of India	CSR00000532

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration (in months)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial Year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Impleme--ntation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
16	Supply, Installation and Commissioning of 4324 nos. of LED Street Lighting Systems (SLS) & fixtures in 21 villages of Faridabad, Haryana.	Item (iv) - Ensuring environmental sustainability	No	Haryana	Faridabad	9	3.56	0.35	3.21	No	Muncipal Corporation of Faridabad	CSR00022036
17	Project for undertaking rectification of toilets constructed by PFC in FY 2014-15 under CSR Swachh Bharat Swachh Vidyalaya Abhiyan (SBSV) in the States of Andhra Pradesh (1st phase), after survey of toilets	Item (i) - Sanitation Item (ii) - Promoting education	No	Andhra Pradesh	Multiple Districts	3	5.89	2.94	2.94	No	Connect to Andhra	CSR00008366
18	Project for upgrading District Combined Hospital (D.C.H) Vrindavan in Mathura District, Uttar Pradesh	Item (i) - Healthcare	No	Uttar Pradesh	Mathura	3	0.99	0.10	0.89	No	Rogi Kalyan Samiti, Vrindavan	CSR00019938
19	Project of Establishment of Trauma Centre in Siddharthnagar District, Uttar Pradesh	Item (i) - Healthcare	No	Uttar Pradesh	Siddharthnagar	12	3.99	-	3.99	No	Jila Civil Social Responsibility Association, Siddharthnagar	CSR00009393
20	Project for Supply, Installation and Commissioning of 1750 nos. of 15 Watt Solar Photovoltaic Street Lighting Systems (SLS) in Una District of Himachal Pradesh	Item (iv) - Ensuring environmental sustainability	No	Himachal Pradesh	Una	12	2.95	-	2.95	No	HP Government Energy Development Agency	CSR00020953
21	Project for supply, installation and commissioning of Grid Connected SPV Power Plant with a cumulative capacity of 450 kWp in various Leprosy Mission Hospitals across the country	Item (i) - Healthcare Item (iv) - Ensuring environmental sustainability	No	Pan India	NA	8	1.99	0.60	1.39	Yes	-	-
22	Project for Construction of six classrooms at AMU City Girls High School, Aligarh	Item (ii) - Promoting education	No	Uttar Pradesh	Aligarh	6	1.27	0.13	1.14	No	Aligarh Muslim University	CSR00025283
23	Project for Upgradation of Public Health Infrastructure in Nubra Sub-Divison, Leh District	Item (i) - Healthcare	No	Ladakh	Leh	8	6.93	-	6.93	No	Rogi Kalyan Samiti, Nubra	CSR00022876
24	Providing Medical Infrastructure in District Hospital in Pratapgarh district, Rajasthan	Item (i) - Healthcare	No	Rajasthan	Pratapgarh	10	0.50	0.17	-	No	Rajasthan Medical Relief Society, Pratapgarh	CSR00010176
25	Construction of classrooms and allied facilities in Akal Academy schools in 4 districts of Punjab	Item (ii) - Promoting education	No	Punjab	Ferozpur, Moga, Amritsar, Tarn-Taran	7	5.30	-	-	Yes	-	-
26	Project for Upgradation of Public Health Infrastructure in Machilipatnam region, Andhra Pradesh	Item (i) - Healthcare	No	Andhra Pradesh	Machilipatnam	6	5.07	-	-	No	Indian Red Cross Society, Krishna District	CSR00025812
	TOTAL							**17.79**	**54.87**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in crore)	Mode of impleme--ntation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Reg. no.
1	Providing Packed-Lunch facility to 450 nos. of Doctors and Health Staff of dedicated COVID-19 Hospital in Dr. RML Hospital, Phase-III	Item (i) - Healthcare	Yes	Delhi	Central Delhi	1.01	No	Taj SATS Air Catering Ltd.	NA
2	Procurement & distribution of Cold Chain Equipment (CCE) as part of COVID-19 vaccination programme	Item (i) - Healthcare	No	Dadra and Nagar Haveli	Dadra and Nagar Haveli	0.06	No	REC Limited	NA
3	Project towards airing jingles on FM channels for Mass Awareness Campaign on 'Swachhta'	Item (i) - Sanitation	No	PAN India	NA	0.14	Yes	-	-
4	Providing oxygen concentrators in the Covid care centres in Siddharthnagar, UP	Item (i) - Healthcare	No	Uttar Pradesh	Siddharthnagar	0.55	No	Jila Civil Social Responsibility Association, Siddharthnagar	CSR00009393
5	Providing COVID-19 relief measures in Kota, Rajasthan	Item (i) - Healthcare	No	Rajasthan	Kota	0.50	No	Indian Red Cross Society, Kota	CSR00007062
6	Providing Medical Infrastructure in Covid care centres, CHCs, PHCs in Churachandpur, Manipur	Item (i) - Healthcare	No	Manipur	Churachandpur	1.72	No	District Rural Development Agency, Churachandpur	CSR00010395
7	Contribution to PM CARES	Item (i) - Healthcare	No	PAN India	NA	50.00	Yes	-	-
	Total					**53.98**			

(d) Amount spent in Administrative Overheads

₹4.41 crore

(e) Amount spent on Impact Assessment, if applicable

Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

₹76.18 crore

Note: The total CSR amount charged to Standalone Statement of Profit and Loss during FY 2021-22 is ₹214.72 crore. Out of this, ₹44.28 crore pertains to projects sanctioned against the budget of the period up to March 31, 2020, whereas, the remaining amount i.e. ₹170.44 crore pertains to projects sanctioned against the budget of FY 2021-22. Further, the said amount of ₹170.44 crore includes ₹39.39 crore being excess amount spent during FY 2020-21 and set off in current FY and ₹54.87 crore transferred to Unspent CSR Account as per Section 135(6).

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	170.43
(ii)	Total amount spent for the Financial Year	170.44
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.01
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ in Crores)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account u/s 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	Till FY 2019-20	143.43*	44.28	NA	NA	NA	99.15*
2	FY 2020-21	Nil	NA	NA	NA	NA	Nil
	Total	**143.43**	**44.28**				**99.15**

* Not required to be transferred as the provision of Section 135 (6) was made effective from the FY 2020-21

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(₹ in Crores)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1.	36	Water Distribution Pipeline in selected wards of Chanderi town, Ashok Nagar district, Madhya Pradesh	2013-14	54	3.66	0.37	3.66	Completed
2.	44	Relief & Rehabilitation activities in the flood affected areas of Uttarakhand for re-building of infrastructure destroyed during calamity	2013-14	90	3.00	0.74	2.52	Ongoing
3.	69	Construction of toilets in Govt. Schools of Andhra Pradesh under Swachh Vidyalaya Abhiyaan	2014-15	11	68.44	0.68	66.46	Ongoing
4.	102	Implementation of Solar based LED Street Lighting System (SLS) and Solar High Mast Lights (SHMLS) in Deoria region of Uttar Pradesh (UP)	2016-17	19	0.49	0.10	0.48	Completed
5.	103	Implementation of Solar based LED Street Lighting System (300 SLS) and Solar High Mast Lights (160 SHMLS) in Agra (North), Agra (South) and Firozabad regions of Uttar Pradesh	2016-17	19	2.26	0.43	2.19	Completed
6.	122	Contribution to National Sports Development Fund (NSDF) for sporting activities and sports infrastructure upgradation in the rural areas of Jaipur district	2017-18	48	2.00	0.95	0.95	Ongoing
7.	128	Skill development programme for unemployed youth/ school Dropouts belonging to SC/ST/OBC/PwD/Women/EWS of society for 290 persons in six states of North East	2017-18	9	1.56	0.01	1.56	Completed
8.	130	Setting up CNG crematorium in Delhi	2017-18	43	3.27	2.24	3.27	Completed
9.	131	Supply, installation and commissioning of 100 nos. of LED based Solar Street Lighting System (SLS) in Varanasi and Chandauli, Uttar Pradesh	2017-18	9	0.24	0.01	0.22	Ongoing
10.	136	Development works in the 3 blocks (Piro, Bihiya, Jagdishpur) of Arrah District, Bihar-Bhojpur Village Development Programme	2018-19	50	22.90	2.22	20.44	Ongoing
11.	138	Providing Renewable Energy systems in various backward villages/ blocks of Durgi and Veldurthy Mandals in Guntur District, Andhra Pradesh	2018-19	34	2.33	0.55	2.20	Ongoing
12.	141	Supply,installation and commissioning of 500 nos. of LED based Solar Street Lighting System (SLS) in various villages of Lalganj , Uttar Pradesh	2018-19	6	1.13	0.02	1.08	Ongoing
13.	144	Infrastructure works in Dr.K.B hedgewar School in Tiswadi, Goa	2018-19	29	3.00	0.50	2.70	Ongoing
14.	148	Supply, installation and commissioning of 100 Nos of solar PV Highmast Lighting system (White LED) SHMLS in various village of Basti, UP	2018-19	28	1.15	0.23	1.06	Ongoing
15.	154	Implementation of 500 nos. of solar based LED Street Lighting System in Basti District, Uttar Pradesh phase-II	2018-19	25	1.16	0.23	1.07	Ongoing
16.	156	Supply installation commissioning of 500 Nos of LED based solar street lighting system in various village/ block of Banda, UP	2018-19	9	1.42	0.34	1.36	Ongoing
17.	159	Installation of RO units in various Government/Government aided Schools of Ferozepur District,Punjab	2018-19	24	6.76	0.20	4.71	Ongoing
18.	160	Upgradation of various Government School in Khammam District, Telangana	2018-19	17	9.46	2.95	9.44	Completed
19.	162	Creating 100 model aaganwadi centre (AWC) alongwith provision of other infrastructural facilities in shravasti District, UP	2019-20	35	4.18	0.69	1.12	Ongoing
20.	164	Supply, installation and Commissioning of 500 Nos of solar PV LED street light system in Hamirpur, Himachal pradesh	2019-20	7	1.12	0.02	1.04	Ongoing
21.	165	Supply and installation of 100 Nos of India Mark II hand pumps fo drinking water purpose in Mirzapur UP	2018-19	18	0.97	0.05	0.88	Ongoing
22.	167	Impact on Project for Skill Development Programme for Unemployed youth of SC/ST/OBC/EWS of society categories during FY 2016-17 & FY 2017-18	2019-20	6	0.08	0.08	0.08	Completed
23.	168	Impact of Construction of toilets constructed in Govt. Schools of Andhra Pradesh under Swachh Bharat Swachh Vidyalay Abhiyan	2019-20	2	0.10	0.06	0.10	Completed
24.	169	Providing skill development training for unemployed youth belongs to SC/ST/OBC/PwD/Women/EWS section of society-500 persons	2019-20	12	1.65	1.16	1.65	Completed
25.	171	Up-gradation of Government Schools in Siddarthnagr District, Uttar Pradesh	2019-20	23	9.29	2.53	9.25	Completed
26.	172	Construction of 200 anganwadi centres alongwith provision of other infrastructural facilities in Ferozepur Dist. Punjab	2019-20	38	19.06	2.54	10.67	Ongoing
27.	173	Construction of Building of Govt Higher secondary school munderi, Kannur	2019-20	20	3.30	1.20	3.30	Completed

(₹ in Crores)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration (months)	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
28.	174	Energy Efficient Interventions for improving Education and Health standards in Tribal Resdential schools and Hostels & providing Digital Classrooms in Tribal schools in Bhupalpalli and Mulug of Telangana state	2019-20	35	10.51	5.26	5.26	Ongoing
29.	175	Providing Skill Development Training to 140 Nos. Unemployed Youth belonging to SC/ST/OBC/PwD/Women/EWS sections of society in Kanyakumari	2018-19	19	0.44	0.43	0.43	Completed
30.	179	Project for conducting Skill Development Training (3630 persons)	2019-20	39	10.00	4.05	5.21	Ongoing
31.	186	Construction of Ground Floor of 100 Bedded Multi Specialty Hospital at Trimbakeshwar Nashik for Shri Ramakrishna Arogya Sansthan	2019-20	30	7.82	0.88	1.83	Ongoing
32.	188	Supply and installation of Grid connected of SPV Power plant with 100 KVP at ISKCON Temple, Nehru place	2019-20	12	0.48	0.01	0.44	Ongoing
33.	189	Providing 5KWp SPV Power plant in each 37 nos of ASHA school supported by ARMY Wives association	2019-20	13	1.76	0.03	1.58	Ongoing
34.	192	Project for providing portable Solar Micro Pumping System (PSMP) to 20 Gram Panchayat in Baghpat Region, Uttar Pradesh	2018-19	35	0.69	0.25	0.25	Ongoing
35.	194	Supply installation and commissioning of 500 Nos of solar photovoltaic LED street lighting system SLS in various village of Kairana, UP	2019-20	24	1.12	0.65	0.80	Ongoing
36.	195	Construction of Two No. of Modular Operation theatre room in District Hospital in Siddharthnagar District, Uttar Pradesh	2019-20	19	0.93	0.82	0.82	Ongoing
37.	196	Reconstruction & restoration of Kedarnath town and surrounding areas	2019-20	24	25.97	2.33	2.33	Ongoing
38.	197	Construction of 100 bedded district hospital building for 'In – patient department (IPD)' block in Mamit, Mizoram	2019-20	36	12.55	4.74	5.93	Ongoing
39.	198	Development of Sub Health Centres 'Anganwadi centres' provision of mobility for health providers, and development of digital classrooms in selected Government schools in Bhadradri Kothagudem, Telangna	2019-20	31	6.29	2.05	2.68	Ongoing
40.	202	Provision of aids and appliances in the form of motorized tricycles to PWD in Bhadradri Kothagudem, Telangana	2019-20	23	0.73	0.24	0.24	Ongoing
41.	203	Providing Skill Development Training for 92 nos.of unemployed Youth belongs to SC/ST/OBC/PwD/Women/EWS categories	2019-20	10	0.27	0.27	0.27	Completed
42.	204	Project for Supply, Installation and Commissioning of fully equipped Modular Operation Theatre in Rotary Ambala Cancer & General Hospital, Ambala	2019-20	9	1.18	1.16	1.16	Completed
Total						**44.28**		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) : Nil

(b) Amount of CSR spent for creation or acquisition of capital asset : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Unspent CSR amount of ₹54.87 crore pertains to ongoing projects (multi-year) where payment is made in tranches upon achievement of milestone till completion of projects. Accordingly, the said amount has been deposited in unspent CSR Account as per requirements of Section 135(6) of Companies Act, 2013.

Sd/-
(R. S. Dhillon)
Chairman & Managing Director
DIN: 00278074

Sd/-
(Prasanna Tantri)
Chairman, CSR Committee
DIN: 02469982

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Sr. No.	Particulars	Details
1.	**Details of contracts or arrangements or transactions not at arm's length basis**	
(a)	Name(s) of the related party and nature of relationship	There was no transaction attracting the applicable provisions of sub-section (1) of Section 188 of the Companies Act, 2013.
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	**Details of material contracts or arrangement or transactions at arm's length basis**	
(a)	Name(s) of the related party and nature of relationship	There was no transaction attracting the applicable provisions of sub-section (1) of Section 188 of the Companies Act, 2013.
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	

For and on behalf of the Board of Directors

Sd/-
(R. S. Dhillon)
Chairman & Managing Director
DIN: 00278074

Place: New Delhi
Dated: August 29, 2022

ANNEXURE H OF BOARD'S REPORT

Debenture Trustees appointed by the Company for the different series of Bonds as on March 31, 2022

1.	**IDBI Trusteeship Services Ltd.** Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai – 400 001	8.60% TAX BOND SERIES-57 C
		8.50% TAXU BOND SERIES-61
		8.80% TAXU BOND SERIES-62B
		8.90% TAXU BONDS SERIES-63
		8.95% TAXU BOND SERIES-64
2.	**PNB Investment Services Limited** 10 Rakeshdeep Building, Yusuf Sarai Commercial Complex, Gulmohar Enclave, New Delhi – 110 049	8.7% TAXU Bond Series - 65
		8.75% TAXU PFC BONDS-66 B SERIES
		8.85% TAXU PFC BONDS-66 C SERIES
		9.05% TAXU PFC BONDS-71-SERIES
		9.46% TAXU PFC Bond Series - 76-B
		9.45% TAXU PFC Bond Series - 77-B
		7.75% SEC TAX FREE PFC BONDS - Series 79-B
		8.16% SEC TAX FREE PFC BONDS - Series 80-B
		9.26% TAXU PFC Bonds - Series 85-D
		9.48% TAXU PFC Bonds - Series 88-C
		Infrastructure Bond (2011-12) trache 1-Series -III
		Infrastructure Bond (2011-12) trache 1-Series -IV
		8.43% Series III Private Placement
		8.43% Series IV Private Placement
3.	**Catalyst Trusteeship Ltd.** (Formerly GDA Trusteeship Ltd.) GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038	7.21% Tax Free Bond Series 94-A
		7.38% Tax Free Bond Series 94-B
		7.22% Tax Free Bonds Series 95-A
		7.38% Tax Free Bonds Series 95 B
		8.84% PFC BOND SERIES 100-B
		9.00% PFC BOND SERIES 101-B
		8.90% PFC BOND SERIES 102-A (II)
		8.90% PFC BOND SERIES 102-A (III)
		8.94% PFC BOND SERIES 103
		9.37% PFC BOND SERIES 117-B
		9.39% PFC BOND SERIES 118-B-II
		9.39% PFC BOND SERIES 118-B-III
		8.98% PFC BOND SERIES 120-A
		8.98% PFC BOND SERIES 120-B
		8.48% PFC BOND SERIES 124-C
		8.65% PFC BOND SERIES 125
		8.65% PFC BOND SERIES 126
		8.20% PFC BOND SERIES 128
		8.39% PFC BOND SERIES 130-C
		8.41% PFC BOND SERIES 131-C
		Infrastructure Bond (2010-11) trache 1-Series -III
		Infrastructure Bond (2010-11) trache 1-Series -IV
		8.30% Public Issue of Tax Free Bond FY 2011-12

4.	**Vistra ITCL (India) Ltd** (Formerly IL & FS Trust Company Ltd.) IL & FS Financial Centre Plot C- 22, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	Zero Coupon Bonds (2022) XIX Series
		8.19% PFC SUBORDINATED TIER II - DEBT BOND SERIES 105
		8.01% TAX FREE BOND SERIES 107-A
		8.46% TAX FREE BOND SERIES 107-B
		9.65% PFC SUBORDINATED TIER II - DEBT BOND SERIES 111
		9.70% PFC SUBORDINATED TIER II - DEBT BOND SERIES 114
		7.19%10YRS TAX FREE BOND20 12-13 TR SERIES 1
		7.69%10YRS TAX FREE BOND20 12-13 TR SERIES 1
		7.36%15YRS TAX FREE BOND20 12-13 TR SERIES 2
		7.86%15YRS TAX FREE BOND20 12-13 TR SERIES 2
		6.88TAX FREE BOND20 12-13 TR 2
		7.388TAX FREE BOND20 12-13 TR 2
		7.04TAX FREE BOND20 12-13 TR 2
		7.54TAX FREE BOND20 12-13 TR 2
		8.18%Tax Free Bonds 13-14 Series 1A
		8.43%Tax Free Bonds 13-14 Series 1B
		8.54%Tax Free Bonds 13-14 Series 2A
		8.79%Tax Free Bonds 13-14 Series 2B
		8.67%Tax Free Bonds 13-14 Series 3A
		8.92%Tax Free Bonds 13-14 Series 3B
5.	**Milestone Trusteeship Services Pvt. Ltd.** Windsor, 6th Floor, Office No. 604 C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400 098	7.16% PFC BOND SERIES 136
		8.40% PFC BOND SERIES 141-B
		8.03% PFC BOND SERIES 147
		7.63% PFC BOND SERIES 150-B
		7.56% PFC BOND SERIES 151-B
		7.55% PFC BOND SERIES 152
		7.27% PFC BOND SERIES 155
		7.27% PFC BOND SERIES 156 – GoI Fully Serviced Bond
		7.27% PFC BOND SERIES 158 – GoI Fully Serviced Bond
		7.27% PFC BOND SERIES 160 – GoI Fully Serviced Bond
		7.27% PFC BOND SERIES 164 – GoI Fully Serviced Bond
		7.28% PFC BOND SERIES 168A
		7.44% PFC BOND SERIES 168B
		7.10% PFC BOND SERIES 169A
		7.30% PFC BOND SERIES 169B
		7.35% PFC BOND SERIES 170A
		7.65% PFC BOND SERIES 170B
		7.62% PFC BOND SERIES 171
		7.74% PFC BOND SERIES 172
		7.99% PFC BOND SERIES 176B
		7.85% PFC BOND SERIES177
		7.11% TAXFREE BONDS 1A 2015-16
		7.36% TAXFREE BONDS 1B 2015-16
		7.27% TAXFREE BONDS 2A 2015-16
		7.52% TAXFREE BONDS 2B 2015-16
		7.35% TAXFREE BONDS 3A 2015-16
		7.60% TAXFREE BONDS 3B 2015-16
6.	**Beacon Trusteeship Ltd.** 4 C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (E), Mumbai – 400 051	8.95% PFC BOND SERIES 178
		8.6 % PFC BOND SERIES 179(A)
		8.64% PFC BOND SERIES 179(B)
		8.75% PFC BOND SERIES 180
		8.45% PFC BOND SERIES 181
		9.25% PFC BOND SERIES 184(A)
		9.10% PFC BOND SERIES184(B)
		8.98% PFC BOND SERIES 185
		8.79% PFC BOND SERIES 186

8.20% PFC BOND SERIES 187(A)
8.85% PFC BOND SERIES187(B)
8.10% PFC BOND SERIES 188
8.15% PFC BOND SERIES 189
8.25% PFC BOND SERIES 190
7.35% PFC BOND SERIES 191
7.42% PFC BOND SERIES 192
7.93% PFC BOND SERIES 193
7.04% PFC BOND SERIES 194
7.86% PFC BOND SERIES 195
7.41% PFC BOND SERIES 196&196R
7.41% PFC BOND SERIES 197
6 98 TX USC BND SRS 198
6 83 TX USC BND SRS 199A
7 16 TX USC BND SRS 199B
7 40 TX USC BND SRS 200
7 68 TX USC BND SRS 201
6 75 TX USC BND SRS 202A
7 17 TX USC BND SRS 202B
7 79 TX USC BND SRS 202C
6 72 TX USC BND SRS 203A
7 75 TX USC BND SRS 203B
5 77 TX USC BND SRS 204A
6 88 TX USC BND SRS 204B
7 05 TX USC BND SRS 205A
7 20 TX USC BND SRS 205B
5 47 TX USC BND SRS 206
7 04 TX USC BND SRS 207&207R
6 50 TX USC BND SRS 208
7 34 TX USC BND SRS 209
6 35 TX USC BND SRS 210A STRPP1
6 35 TX USC BND SRS 210A STRPP2
6 35 TX USC BND SRS 210A STRPP3
7 11 TX USC BND SRS 210B
4 05 TX USC BND SRS 211 Floating
7 15 TX USC BND SRS 212B
6 09 TX USC BND SRS 212 A
6 95 TX UNS BND SRS 213
6 92 TX USC BND SRS 214 BBETF
4 80 SEC TAX NCD PI TR I SER I CAT III-IV
5 65 SEC TAX NCD PI TR I SER II CAT I-II
5 80 SEC TAX NCD PI TR I SER II CAT III-IV
6 63 SEC TAX NCD PI TR I SER III CAT I-II
6 82 SEC TAX NCD PI TR I SER III CAT III-IV
6 80 SEC TAX NCD PI TR I SER IV CAT I-II
7 00 SEC TAX NCD PI TR I SER IV CAT III-IV
10YR GSEC LINK SEC TAX NCD PI TR I SER V CAT I-II
10YR GSEC LNK SEC TAX NCD PI TR I SER V CAT III-IV
6 78 SEC TAX NCD PI TR I SER VI CAT I-II
6 97 SEC TAX NCD PI TR I SER VI CAT III-IV
6 95 SEC TAX NCD PI TR I SER VII CAT I-II
7 15 SEC TAX NCD PI TR I SER VII CAT III-IV
5.75% PFC 54 EC BOND SERIES II
5.75% PFC 54 EC BOND SERIES III
5.00% PFC 54 EC BOND SERIES IV
5.00% PFC 54 EC BOND SERIES V

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

3. EMPHASIS OF MATTER

(i) We draw attention to Note 40.1.2 (iii) of the Standalone Financial Statements regarding the provision of impairment allowance in respect of loan assets, undisbursed letter of comfort and guarantee. The Company has recognised expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, on the basis of documents provided by independent expert agency appointed by the Company. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/parameters considered by the said independent expert agency and management's judgement on the same.

(ii) We draw attention to Note 58 of the Standalone Financial Statements regarding the impact of COVID-19 pandemic on the Company. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the Company to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of these matters.

4. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments – Loan Assets** The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss. The key indicators underlying for assessment of impairment allowance are appraised on the ongoing basis by the management. The most significant areas where we identified greater levels of management Judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets in the Standalone Financial Statements, i.e. 94.61% of total assets, impairment of loan assets there on has been considered as Key Audit Matter in our audit.	**Our audit procedures included:** • Company has availed services of independent expert to estimate the carrying value of the loan assets. We verified the criterion/ framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance as well as the completeness and accuracy of the data shared with the independent experts. • Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. • We have reviewed the underlying assumptions and broad methodology of ECL assessment and shared our inputs. • Components and calculations in the study for impairment allowance carried out by the third party are test checked, discussed with management and relied upon by us. Our audit procedure in the same is limited in view of not sharing certain parameters of study being considered confidential by such third party. We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable & satisfactory.
(ii)	**Fair Valuation of Derivative financial instruments** Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Company's board approved currency risk management policy. Derivative contracts are either categorised at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorised at FVTPL is recognised in P&L and that of Hedge Accounting is recognised in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/ assumptions/ estimate by contracting bank could lead to a material effect on the income statement.	**Our audit procedures included:** Discussing and understanding management's perception and studying policy of the Company for risk management. Verification of fair value of derivative in term of Ind AS 109. Evaluation of key internal control over classification of derivative instruments. Company obtains fair value of derivative from the counterparty banks. Our procedure includes evaluation of details of various financial derivative contracts outstanding as on March 31, 2022 and fair value thereon. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in profit & loss account and other comprehensive income in case of derivatives contracts under cash flow hedge. We did not find any material misstatement in measuring derivative contracts at fair value obtained from counterparty banks.

5. OTHER MATTERS

The Standalone financial information of the Company for the year ended March 31, 2021 included in the Standalone Financial Statements, were audited by joint statutory auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Standalone Financial Statements vide their report dated June 15, 2021.

6. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

7. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

8. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

9. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and on the basis of such examination of the books and records of the Company as we considered appropriate and according to information and explanation given to us, we give in **"Annexure-A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. The Comptroller and Auditor General of India has issued the directions indicating the areas to be examined in term of sub-section 5 of Section 143 of the Act, the compliance of which is set out in **"Annexure B".**

III. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash flows, dealt with by this Report are in agreement with the books of account;

(d) In our opinion and to the best of our information and explanation given to us, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules;

(e) As per notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C";**

(g) As per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company; and

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements

– Refer Note 46 to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented (refer Note 10.4) that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that (refer Note 10.4), to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material mis-statement.

v. As stated in Note 24.2(iii) to the Standalone Financial Statements:

(a) The final dividend proposed for the previous year, declared and paid by the Company during the year declared is in compliance with Section 123 of the Companies Act, 2013, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 22082069AJOPOK5877

Place: New Delhi
Dated: May 25, 2022

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOPGU1470

Annexure A

to Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para I under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2022)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars, of intangible assets.

(b) Based on the information and explanation given to us, the Company's management carries out the physical verification of Property, Plant and Equipment once in a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification.

(c) Based on our examination of the records of the Company we report that, the title deeds, comprising all immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date. Further, in respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

(e) As informed to us, no proceedings have been initiated or are pending against the Company as at the date of Balance Sheet for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is a Non-Banking Financial Company and does not have any inventory. Thus, clause 3(ii)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, during the year, in aggregate, from banks or financial institutions which are unsecured or on the basis of security of current assets in the form of lien over term deposits, which do not require any filing of quarterly returns or statements with the banks by the Company.

(iii) During the year, the Company has made investments in, provided guarantees and granted loans/advances in the nature of loans, secured/ unsecured to companies, firms, limited liability partnerships, and other parties. In this regard, we report hereunder:

(a) The Company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable

(b) In our opinion, the investments made, guarantees provided, if any and the terms and conditions of the grant of all loans and advances in the nature of loans, during the year are, *prima facie*, not prejudicial to the Company's interest.

(c) Being a registered Non-Banking Financial Company (NBFC), the Company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets except credit impaired assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days are as under. The Company takes steps for recovery of the principal and interest as per its defined procedures, which in our opinion are reasonable.

No. of borrowers	Principal amount overdue (₹ in crore)	Interest overdue* (₹ in crore)	Total overdue (₹ in crore)
26	13,183.17	10,824.87	24,008.04

* The same has not been recognised as income as a matter of prudence as per practices of the Company.

(e) Reporting under clause 3(iii)(e) of the Order is not applicable, since the principal business of the Company is to give loans.

(f) To the best of our knowledge and according to information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to information and explanation given to us the Company has not given any loan or given any guarantee or provided any security in contravention of Section 185 of the Companies Act, 2013 to the extent applicable to the Company.

Further in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), the Company is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. In respect of investments the Company has complied with the provisions of Section 186(1) of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposit from public to which directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of Companies Act, 2013 and rules made thereunder are applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(vii) In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of the records of the Company, we report that:

(a) The Company is regular in depositing with appropriate Authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, and other statutory dues as applicable to it and there is no undisputed amount payable in respect of aforesaid dues outstanding for a period of more than six months from the date they become payable as on March 31, 2022, as per the accounts of the Company.

(b) According to the information and explanations given to us and as certified by the management on which we have relied upon, the disputed statutory dues aggregating to ₹ 109.84 crore have not been deposited on account of disputes/ deposited under protest and the matters are pending before appropriate authorities as detailed below:

Name of the Statute	Nature of the Dues	Total Disputed Amount (₹ in crore)	Amount paid under protest (₹ in crore)	Pending Amount (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Chapter V of Finance Act, 1994	Service Tax and Penalty	0.87	0.06	0.81	April 2011 to December 2015	CESTAT, Delhi
		0.17	-	0.17	January 2016 to November 2016	Commissioner, CE & ST, LTU, New Delhi
		0.14	-	0.14	December 2016 to June 2017	Pr. Commissioner, CE & ST, LTU, New Delhi
Income Tax Act, 1961	Income Tax	71.91	71.91	-	AY 2016-17	CIT (Appeals), Delhi
		20.30	20.30	-	AY 2018-19	
		16.45	16.45	-	AY 2020-21	

(viii) As per information and explanation given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or on the payment of interest thereon to any lender.

(b) According to the information and explanations given to us the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) As per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company other than temporary usage pending receipts from long-term sources.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) As informed to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) We have been informed by the management that no whistle blower complaints have been received by the Company during the year.

(xii) According to information and explanation given to us the Company is not a Nidhi Company. Hence the Nidhi Rules, 2014 are not applicable to the Company. Accordingly, clause 3(xii) of the Companies (Auditor's Report) Order 2020 is not applicable to the Company.

(xiii) According to information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable. The details have been disclosed in the Financial Statements as per the requirement of the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is a Non-Banking Financial Company and has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934. The registration number issued to the Company is B-14.00004 dated 28-07-2010.

(b) According to the information and explanations given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3 (xvi) (c) of the order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.

(xvii) On the basis of our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and

we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date to a special account, within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Companies Act.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 22082069AJOPOK5877

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOPGU1470

Place: New Delhi
Dated: May 25, 2022

Annexure B

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para II under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2022)

As required under Section 143(5) of the Companies Act, 2013 with respect to the directions issued by The Comptroller & Auditor General of India, we report that:

Directions	Replies
Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us we have not come across any instance having significant implications on the integrity of accounts.
Whether there is any restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender company)	There is no such case and the Company is regular in servicing its debts and borrowing obligations.
Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilised as per its term and conditions? List the cases of deviation.	GoI funds released by Ministry of Power to the Company for the projects sanctioned under various schemes, have been properly accounted for and released onward to concerned beneficiary for implementation of Projects, as per specified scheme guidelines and terms & conditions of the sanction.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 22082069AJOPOK5877

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOPGU1470

Place: New Delhi
Dated: May 25, 2022

Annexure C

to the Independent Auditors' Report on the Audit of the Standalone Financial Statements

(Referred to in Para III(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Standalone Financial Statements for the year ended March 31, 2022)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone financial statements of Power Finance Corporation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies the safeguarding of its assets the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

3. MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of the Management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Company has, in all material respects, an internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 22082069AJOPOK5877

Place: New Delhi
Dated: May 25, 2022

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOPGU1470

Non-Banking Financial Companies Auditors' Report

for the year ended 31st March, 2022

The Board of Directors
Power Finance Corporation Limited
Urjanidhi, 1, Barakhamba Lane,
Connaught Place, New Delhi-110001

We have audited the accompanying Standalone Financial Statements of Power Finance Corporation Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone financial statements")

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India, on the matters specified in Chapter - II of the said Directions to the extent applicable to the Company, and according to the explanations give to us for the purpose of the audit, we report that:

1. The Company is engaged in the business of Non-Banking Financial Institution, having valid certificate of registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No. B- 14.00004 dated 28-07-2010 in lieu of earlier certificate no. 14.00004 dated 10.02.1998. Further, the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2022.
2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
3. The Company is registered as Non-deposit accepting Infrastructure Finance Company with RBI. The Board of Directors has passed resolution in its meeting held on 28.02.2022 for non-acceptance of any public deposit in future without obtaining prior written permission of Reserve Bank of India.
4. The Company has not accepted any public deposits during the financial year 2021-22.
5. The financial statements of the Company for the year 2021-22 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with relevant rules issued there under. Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of Companies Act 2013 for adoption of a mechanism for preparation of financial statements, the Company is required to make provision of impairment loss as per Ind AS 109 and not required to follow the Prudential norms relating to income recognition, asset classification and provisioning (IRACP norms) for Bad and Doubtful debts in terms of Directions 2016. However in this regard, in compliance of RBI Notification No. DOR(NBFC). CC.PD. No.109/22.10.106/2019-20 dated 13th March 2020, the company has calculated provision required under IRACP Norms (including standard assets provisions) and company is not required to appropriate any amount to "Impairment Reserve".
6. As per information and explanation given to us, the statement of capital funds, risk assets / exposures and risk asset ratio (DNBS 03 return) has been filed by the Company for all the quarters of FY 2021-22 based on provisional financial results, including CRAR of respective quarters, drawn on the date of filing with in the stipulated period, in compliance with RBI norms. Further, CRAR based on audited financial statements for the year ended 31.03.2022 has been correctly arrived at and it is in compliance with minimum prescribed CRAR by RBI.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN: 22082069AJOSFP8975

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOSEW1002

Place: New Delhi
Dated: May 25, 2022

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(B) of the Companies Act, 2013 on the Financial Statements of Power Finance Corporation Limited for the Year Ended March 31, 2022

The preparation of financial statements of Power Finance Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company . The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2022.

I , on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Power Finance Corporation Limited for the year ended 31 March 2022 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records .

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors ' report under Section 143 (6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)
Director General of Audit (Energy),
New Delhi

Place: New Delhi
Dated: July 25, 2022

Standalone Balance Sheet

as at March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	7	720.91	3,717.62
(b)	Bank Balance other than included in Cash and Cash Equivalents	8	3,240.31	1,044.58
(c)	Derivative Financial Instruments	9	3,080.56	1,251.45
(d)	Loans	10	3,60,929.74	3,60,124.77
(e)	Investments	11	16,084.27	15,973.50
(f)	Other Financial Assets	12	5,382.67	5,336.77
	Total Financial Assets (1)		**3,89,438.46**	**3,87,448.69**
2	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)	13	273.65	260.64
(b)	Deferred Tax Assets (Net)	37	4,151.82	3,996.76
(c)	Property, Plant and Equipment	14	44.72	37.21
(d)	Intangible Assets	14	0.13	0.24
(e)	Right-of-use Assets	15	34.85	35.30
(f)	Other Non-Financial Assets	16	466.38	305.23
	Total Non-Financial Assets (2)		**4,971.55**	**4,635.38**
	Total Assets (1+2)		**3,94,410.01**	**3,92,084.07**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	9	103.25	494.04
(b)	Debt Securities	17	2,30,156.95	2,42,811.54
(c)	Borrowings (other than Debt Securities)	18	87,965.42	80,837.60
(d)	Subordinated Liabilities	19	9,311.27	9,310.20
(e)	Other Financial Liabilities	20	6,803.99	5,828.05
	Total Financial Liabilities (1)		**3,34,340.88**	**3,39,281.43**
2	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	13	194.92	43.24
(b)	Provisions	21	247.00	155.15
(c)	Other Non-Financial Liabilities	22	276.93	211.13
	Total Non-Financial Liabilities (2)		**718.85**	**409.52**
	Total Liabilities (1+2)		**3,35,059.73**	**3,39,690.95**
3	**Equity**			
(a)	Equity Share Capital	23	2,640.08	2,640.08
(b)	Other Equity	24	56,710.20	49,753.04
	Total Equity (3)		**59,350.28**	**52,393.12**
	Total Liabilities and Equity (1+2+3)		**3,94,410.01**	**3,92,084.07**

Notes annexed hereto form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Dated: 25.05.2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
	Revenue from Operations			
(i)	Interest Income	25	36,701.22	36,145.76
(ii)	Dividend Income	26	1,347.42	1,204.21
(iii)	Fees and Commission Income	27	496.76	394.90
I.	**Total Revenue from Operations**		**38,545.40**	**37,744.87**
II.	Other Income	28	45.77	21.70
III.	**Total Income (I+II)**		**38,591.17**	**37,766.57**
	Expenses			
(i)	Finance Costs	29	22,671.30	23,194.49
(ii)	Net Translation/ Transaction Exchange Loss/ (Gain)	30	905.58	(164.06)
(iii)	Fees and Commission Expense	31	10.18	14.28
(iv)	Net Loss/(Gain) on Fair Value changes	32	(9.42)	518.95
(v)	Impairment on Financial Instruments	33	2,222.14	3,496.40
(vi)	Employee Benefit Expenses	34	213.11	194.62
(vii)	Depreciation, Amortisation and Impairment	14/15	13.20	11.17
(viii)	Corporate Social Responsibility Expenses	35	214.72	222.61
(ix)	Other Expenses	36	122.71	70.80
IV.	**Total Expenses**		**26,363.52**	**27,559.26**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**		**12,227.65**	**10,207.31**
VI.	Exceptional Items		-	-
VII.	**Profit/(Loss) Before Tax (V-VI)**		**12,227.65**	**10,207.31**
	Tax Expense:	37		
	(1) Current Tax:			
	- Current Year		2,418.91	2,613.09
	- Earlier Years		(36.05)	178.94
	(2) Deferred Tax Expense/(Income)		(177.11)	(1,028.73)
VIII.	**Total Tax Expense**		**2,205.75**	**1,763.30**
IX.	**Profit/(Loss) from Continuing Operations (VII-VIII)**		**10,021.90**	**8,444.01**
X.	Profit/(Loss) from Discontinued Operations (After Tax)		-	-
XI.	**Profit/(Loss) (from continuing and discontinued operations) (IX+X)**		**10,021.90**	**8,444.01**
XII.	**Other Comprehensive Income**			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(5.07)	(4.26)
	- Net Gain/(Loss) on Fair Value of Equity Instruments		151.94	137.25
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		1.37	1.13
	- Net Gain/(Loss) on Fair Value of Equity Instruments		(9.58)	-
	Sub-Total (A)		**138.66**	**134.12**
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains/(Loss) in Cash Flow Hedge		419.18	(27.64)
	- Cost of Hedging Reserve		(362.82)	(31.06)
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains/(Loss) in Cash Flow Hedge		(105.50)	6.96
	- Cost of Hedging Reserve		91.31	7.82
	Sub-Total (B)		**42.17**	**(43.92)**
	Other Comprehensive Income (A+B)		**180.83**	**90.20**
XIII.	**Total Comprehensive Income (XI+XII)**		**10,202.73**	**8,534.21**
XIV.	**Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):**	38		
	(1) For continuing operations (in ₹)		37.96	31.98
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		37.96	31.98

Notes annexed hereto form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Dated: 25.05.2022

Standalone Statement of Changes in Equity

for the year ended March 31,2022

A. Equity Share Capital

(₹ in crore)

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Changes during the period	Closing Balance
Issued, Subscribed and fully paid up:				
FY 2020-21	2,640.08	-	-	2,640.08
FY 2021-22	2,640.08	-	-	2,640.08

Refer Note 23 for detail

B. Other Equity

(₹ in crore)

Particulars	Reserves and Surplus									Other Comprehensive Income			
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/(Loss) Cash Flow Hedges	Cost of Hedging Reserve	Total
Balance as at 31.03.2020	**2,544.96**	**2,514.17**	**599.85**	**18,848.40**	**2,776.54**	**(1,441.18)**	**61.40**	**10,983.81**	**6,042.40**	**(313.64)**	**(92.66)**		**42,524.05**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	8,444.01	-	-	-	8,444.01
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	(3.13)	-	-	-	(3.13)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	137.25	(20.68)	(23.24)	93.33
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,440.88**	**137.25**	**(20.68)**	**(23.24)**	**8,534.21**
Dividends	-	-	-	-	-	-	-	-	(2,112.07)	-	-	-	(2,112.07)
Transfer to / from Retained Earnings	1,688.80	609.83	-	2,534.77	-	-	-	-	(4,833.40)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(2,844.05)	-	-	-	-	-	2,844.05	-	-	-		-
Reclassification of gain/ (loss) on sale/ extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	6.98	(6.98)	-	-	-
Additions/Deletions during the period (net)	-	7.30	-	332.38	-	806.85	1.25	-	(340.93)	-	-	-	806.85

(₹ in crore)

Particulars	Reserves and Surplus									Other Comprehensive Income			
	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Retained Earnings	Equity Instruments through Other comprehensive Income	Effective portion of Gain/(Loss) Cash Flow Hedges	Cost of Hedging Reserve	Total
Balance as at 31.03.2021	**4,233.76**	**287.25**	**599.85**	**21,715.55**	**2,776.54**	**(634.33)**	**62.65**	**13,827.86**	**7,203.86**	**(183.37)**	**(113.34)**	**(23.24)**	**49,753.04**
Changes in Accounting Policy/Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	10,021.90	-	-	-	10,021.90
Re-measurement of Defined Benefit Plans (net of tax)	-	-	-	-	-	-	-	-	(3.70)	-	-	-	(3.70)
Other Comprehensive Income/(Expense)	-	-	-	-	-	-	-	-	-	142.36	313.68	(271.51)	184.53
Total Comprehensive Income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,018.20**	**142.36**	**313.68**	**(271.51)**	**10,202.73**
Dividends	-	-	-	-	-	-	-	-	(3,366.10)	-	-	-	(3,366.10)
Transfer to/from Retained Earnings	2,004.38	576.44	-	2,423.45	-	-	-	-	(5,004.27)	-	-	-	-
Utilisation of reserve against bad debts written off	-	(287.25)	-	-	-	-	-	287.25	-	-	-	-	-
Reclassification of gain/ (loss) on sale/ extinguishment of FVTOCI equity instrument	-	-	-	-	-	-	-	-	13.22	(13.22)	-	-	-
Additions/Deletions during the period (net)	-	-	-	-	-	120.53	1.42	-	(1.42)	-	-	-	120.53
Balance as at 31.03.2022	**6,238.14**	**576.44**	**599.85**	**24,139.00**	**2,776.54**	**(513.80)**	**64.07**	**14,115.11**	**8,863.49**	**(54.23)**	**200.34**	**(294.75)**	**56,710.20**

Notes annexed hereto form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Signed in terms of our report of even date attached

For Dass Gupta & Associates
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Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Dated: 25.05.2022

Standalone Statement of Cash Flows

for the Year ended March 31, 2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
I.	**Cash Flow from Operating Activities :**				
	Profit before Tax	**12,227.65**		**10,207.31**	
	Adjustments for:				
	Loss on derecognition of Property, Plant and Equipment (net)	2.91		1.12	
	Depreciation and Amortisation	13.20		11.17	
	Interest expense on Zero Coupon Bonds and Commercial Papers	92.79		9.21	
	Unrealised Foreign Exchange Translation Loss / (Gain)	1,343.15		293.25	
	Net Change in Fair Value	(9.42)		518.95	
	Impact of Effective Interest Rate on Loans	2.25		(19.90)	
	Impairment on Financial Instruments	2,222.14		3,496.40	
	Interest on Interest Subsidy Fund	1.13		1.41	
	Provision for interest under Income Tax Act, 1961	1.91		2.19	
	Excess Liabilities written back	(2.38)		-	
	Provision for Retirement Benefits etc.	112.49		50.16	
	Effective Interest Rate on Borrowings / Debt Securities / Subordinated Liabilities	5.98		82.28	
	Interest on Income Tax Refund	-		(9.67)	
	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**	
	Increase / Decrease :				
	Loans (Net)	(2,936.88)		(29,814.52)	
	Other Financial and Non-Financial Assets	(2,402.13)		(1,174.43)	
	Derivative	(2,123.78)		(95.29)	
	Other Financial & Non-Financial Liabilities and Provisions	488.52		1,302.95	
	Cash Flow before Exceptional Items	**8,984.87**		**(15,137.41)**	
	Exceptional Items	-		-	
	Cash Flow from Operations Before Tax	**8,984.87**		**(15,137.41)**	
	Income Tax paid	(2,246.45)		(2,671.39)	
	Income Tax Refund	-		294.12	
	Net Cash Inflow from Operating Activities		**6,738.42**		**(17,514.68)**
II.	**Cash Flow From Investing Activities :**				
	Proceeds from disposal of Property, Plant and Equipment	0.24		0.20	
	Purchase of Property, Plant and Equipment	(23.30)		(17.73)	
	Increase / (Decrease) in Other Investments	(7.47)		898.45	
	Net Cash Inflow from Investing Activities		**(30.53)**		**880.92**
III.	**Cash Flow From Financing Activities :**				
	Raising of Bonds (including premium) (Net of Redemptions)	(12,600.78)		13,733.45	
	Raising of Long Term Loans (Net of Repayments)	4,663.50		4,000.00	
	Raising of Foreign Currency Loans (Net of Repayments)	5,229.95		2,648.62	
	Raising of Commercial paper (Net of Repayments)	(3,120.00)		3,120.00	
	Raising of Working Capital Demand Loan / OD / CC / Line of Credit (Net of Repayments)	(454.45)		(1,355.32)	
	Unclaimed Bonds (Net)	(58.28)		133.76	
	Unclaimed Dividend (Net)	1.56		0.42	
	Payment of Dividend	(3,366.10)		(2,112.07)	
	Net Cash Inflow from Financing Activities		**(9,704.60)**		**20,168.86**
	Net Increase / Decrease in Cash and Cash Equivalents		**(2,996.71)**		**3,535.10**
	Add : Cash and Cash Equivalents at beginning of the financial year		3,717.62		182.52
	Cash and Cash Equivalents at the end of the period		**720.91**		**3,717.62**

Standalone Statement of Cash Flows

for the Year ended March 31, 2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
	Details of Cash and Cash Equivalents at the end of the period:				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	17.64		699.48	
	In Term Deposit Accounts (original maturity up to 3 months)	703.27	720.91	3,018.14	3,717.62
	ii) Cheques, Drafts on hand including postage and Imprest		-		-
	Total Cash and Cash Equivalents at the end of the period		**720.91**		**3,717.62**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Company has cash outflow of an amount of ₹ 120.46 crore (Previous year ₹ 262 crore) towards Corporate Social Responsibility. (Refer Note 35)

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds / Debenture*	Term Loans**	Foreign Currency Loans	Commercial Paper	WCDL etc.	Subordinated Debts	Total
	Opening Balance as at 01.04.2020	**1,87,402.52**	**57,098.98**	**47,700.79**	**0.00**	**2,038.36**	**9,211.50**	**3,03,452.17**
	Cash Flow During the Year	13,733.45	4,000.00	2,648.62	3,120.00	(1,355.32)	(0.00)	22,146.75
	Non-Cash Changes due to:							
	Amortisation of discount / interest on Zero Coupon Bond / Financial Charges on Commercial Paper	48.98	-	-	(39.77)	-	-	9.21
	Variation in Exchange Rates	-	-	(513.61)	-	-	-	(513.61)
	Closing Balance as at 31.03.2021	**2,01,184.95**	**61,098.98**	**49,835.80**	**3,080.23**	**683.04**	**9,211.50**	**3,25,094.52**
	Cash Flow During the Year	(12,600.78)	4,663.50	5,229.95	(3,120.00)	(454.45)	0.00	(6,281.80)
	Non-Cash Changes due to:							
	Amortisation of discount on Zero Coupon Bonds & Financial Charges on Commercial Papers	53.02	-	-	39.77	-	-	92.79
	Variation in Exchange Rates	-	-	1,222.62	-	-	-	1,222.62
	Closing Balance as at 31.03.2022	**1,88,637.19**	**65,762.48**	**56,288.37**	**0.00**	**228.59**	**9,211.50**	**3,20,128.13**

*Foreign Currency Notes form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

**Foreign Currency Loans and Syndicated Foreign Currency Loans form part of Foreign Currency Loans in Standalone Statement of Cash Flows.

Notes annexed hereto form integral part of Standalone Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Dated: 25.05.2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

1. Company Information

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986. The Company is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi - 110 001.

The Company is a Government Company engaged in extending financial assistance to power sector and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company has been conferred with 'Maharatna' Status by the Govt. of India during the FY 2021-22.

Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Further, various debt securities of the Company are also listed on the Stock Exchanges.

2. Statement of Compliance

The Standalone Financial Statements of the Company comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/guidelines. The Standalone Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Standalone Financial Statements have been approved for issue by Board of Directors (BoD) of the Company on 25.05.2022.

4. Standards/Amendments issued but not yet effective

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23.03.2022, whereby amendments to various Indian Accounting Standards has been made applicable w.e.f. from 01.04.2022.

The Company has evaluated the amendments made vide the aforesaid notification dated 23.03.2022 and there will be no impact of the same on the Financial Statements as and when these are made applicable.

5. Significant Accounting Policies

The significant accounting policies applied in preparation of the Standalone Financial Statements are as given below:

5.1 Basis of Preparation and Measurement

These Standalone Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

5.2 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.3 Derivative Financial Instruments

(i) The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cash flow hedge or fair value hedge. The Company designates certain derivative contracts as cash flow hedges.

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognised immediately in Statement of Profit and Loss.

(v) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vi) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss.

5.4 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Statement of Profit and Loss.

5.4.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Company while applying EIR method, generally amortises any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain/loss measured using the previous EIR as calculated before the modification, is recognised in the Statement of Profit and Loss in period during which such renegotiations occur.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and

- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Company's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company is in the business of lending loans across power sector value chain and such loans are managed to realise the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Company to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company transfers the cumulative gain/loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Balance Sheet.

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Company measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

(iv) De-recognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in Equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

5.4.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial guarantee

A financial guarantee issued by the Company is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Statement of Profit and Loss.

(iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Statement of Profit and Loss.

5.5 Investment in Subsidiaries, Joint Ventures and Associates

Investment in equity shares of subsidiaries, joint ventures and associates are accounted at cost, less impairment if any.

5.6 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realisable value.

(ii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received/approved, subject to necessary adjustment in the year of final settlement.

(iii) Cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance or servicing costs of PPE are recognised in Statement of Profit and Loss as incurred.

(iv) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

(v) Depreciation is recognised so as to write-off the cost of assets less their residual values as per written down value method, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except for cell phones where useful life has been estimated by the Company as 2 years. Residual value is estimated as 5% of the original cost of PPE.

(vi) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

(vii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(viii) Items of PPE costing up to ₹ 5000/- each are fully depreciated, in the year of purchase.

5.7 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use.

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Company as 5 years.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.8 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the financial statements. However, contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

5.9 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when currently there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

5.10 Recognition of Income and Expenditure

(i) Interest income, on financial assets subsequently measured at amortised cost, is recognised using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Interest on financial assets subsequently measured at fair value through profit and loss (FVTPL), is recognised on accrual basis in accordance with the terms of the respective contract and disclosed separately under the head 'Interest Income'

(iii) Rebate on account of timely payment of dues by borrowers is recognised on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(iv) Income from services rendered is recognised based on the terms of agreements/arrangements with reference to the stage of completion of contract at the reporting date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(v) Dividend income from investments including those measured at FVTPL, is recognised in Statement of Profit and Loss under the head 'Dividend Income' when the Company's right to receive dividend is established and the amount of dividend can be measured reliably.

(vi) Interest expense on financial liabilities subsequently measured at amortised cost is recognised using Effective Interest Rate (EIR) method.

(vii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(viii) A Prepaid expense up to ₹ 1,00,000/- is recognised as expense upon initial recognition in the Statement of Profit and Loss.

5.11 Expenditure on issue of shares

Expenditure on issue of shares is charged to the securities premium account.

5.12 Employee Benefits

(i) Defined Contribution Plan

Company's contribution paid/payable during the reporting period towards provident fund and pension are charged in the Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan

The Company's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit, and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined benefit plans are recognised in Other Comprehensive Income (OCI). Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

(iii) Other long-term employee benefits

The Company's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Statement of Profit and Loss.

(iv) Short-term employee benefits

Short-term employee benefits such as salaries and wages are recognised in the Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognised at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the Loan on a prospective basis.

5.13 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets/liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities,

and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

5.14 Leases

For recognition, measurement and presentation of lease contracts, the Company applies the principles of Ind AS 116 'Leases'.

(i) The Company as a lessee

The Company at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (a) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Company has the right to direct the use of the identified asset.

The Company at inception of a lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short-term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Company's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Company in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of lease at the reporting date.

5.15 Foreign Currency Transactions and Translations

The functional currency of the Company is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary

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items recognised in the financial statements before April 1, 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term monetary item.

5.16 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

5.17 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

5.18 Dividends

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company.

5.19 Earnings Per Share

Basic earnings per equity share is calculated by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

6. Use of Estimates and Management Judgement

In preparation of the Standalone Financial Statements, the Management is required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision & future periods if it affects both current & future periods.

6.1 Significant Management Judgements

In order to enhance understanding of the Standalone Financial Statements, information about significant areas of critical judgements, apart from those involving estimation (Note 6.2), in applying accounting policies that have the most significant effect on the amounts recognised in the Standalone Financial Statements, are as under:

(i) Deferred tax Liability on Special Reserve

The Company had passed a Board resolution that it has no intention to withdraw any amount from the Special Reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961. Accordingly, the Special Reserve created and maintained is not capable of being withdrawn. Hence, the Company does not create deferred tax liability on the said reserve.

(ii) Non-recognition of income on Credit Impaired loan assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received and/or on accrual basis when expected realisation is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on credit impaired loan assets

Outstanding amount of unamortised transaction cost is credited to Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) Energy Efficiency Services Limited (EESL) was incorporated in 2009 as a Joint Venture (JV) of NTPC Ltd., Power Grid Corporation of India Ltd. (PGCIL), REC Ltd. (RECL) and PFC Ltd. During the current financial year, 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 stands withdrawn. Therefore, in absence of any joint control, EESL ceases to be a Joint Venture Company.

Further, as on 31.03.2022, 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 28 'Investment in Associates and Joint Ventures', the Company does not have any significant influence and EESL has not been considered as an associate company.

b) Ultra-Mega Power Projects (UMPPs) are managed as per the mandate from Government of India (GoI) and the Company does not have the practical ability to direct the relevant activities of these UMPPs unilaterally. The Company therefore, considers its investment in respective UMPPs as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as Associates for the purpose of financial statements.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Company has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities – Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL)/ debt/ equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Statement of Profit and Loss on repayment of FITL or sale/ redemption of debt/ equity instruments.

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in change in recoverable amount of the assets. The Company makes significant judgement in identifying the default and significant increase in credit risk (SICR) based on available information.

6.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined Benefit Obligation (DBO)

The Company's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO

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for the year ended March 31, 2022

amount and the annual defined benefit expenses as detailed at Note 44.

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan, lease assets, LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g. inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/ collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 40.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Company applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details are disclosed at Note 42.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 37 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Company reviews its estimate of the useful lives of depreciable/amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 14 for details on useful lives and carrying values of PPE and Intangible assets.

(vi) Impact of COVID-19 on financial statements

Currently, there is no major impact of COVID-19 on the Standalone Financial Statements of the Company. However, the extent to which impact this pandemic will impact the Company's financial statements continue to be dependent on future developments relating to duration & severity of COVID-19, and any further actions by the Government & Regulatory bodies to contain its impact on the power sector and on the NBFCs. The Company shall also continue to closely monitor any material changes arising of uncertain future economic conditions and potential impact on its financial statements.

7. Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Balances with Banks (of the nature of cash and cash equivalents)**		
	- In Current Accounts	17.64	699.48
	- In Term Deposit Accounts (original maturity up to 3 months)	703.27	3,018.14
(ii)	**Cheques, Drafts on hand including Postage and Imprest**	0.00	0.00
	Total Cash and Cash Equivalents	**720.91**	**3,717.62**

8. Bank Balance other than included in Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Earmarked Balances with Banks for**		
	- Term Deposits Accounts – LAD (Refer note 8.1)	245.84	683.32
	- Term Deposits Accounts – HQLA (Refer note 8.2)	2,398.99	-
	- Unpaid Dividend	5.46	3.90
	- Unpaid - Bonds/Interest on Bonds etc.	91.19	146.36
	- Amount received under GOI schemes	498.83	211.00
	Total Bank Balance other than included in Cash and Cash Equivalents	**3,240.31**	**1,044.58**

8.1 The Company has availed Loan against these Term Deposits (LAD) and is presented in Note 18 'Borrowings (other than Debt Securities)'.

8.2 Refer Note 55.6 for disclosure regarding High Quality Liquid Assets (HQLA).

8.3 No amount is due for deposit in Investor Education and Protection Fund.

9. Derivative Financial Instruments

The Company enters into derivative contracts for hedging Currency & Interest Rate risk. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	**Currency Derivatives**						
	- Spot and Forwards	-	-	-	2,417.38	5.33	40.53
	- Currency Swaps	12,129.14	1,111.15	-	11,760.75	936.99	-
	- Options	18,762.25	1,523.81	21.55	7,717.99	-	51.92
	Total Currency Derivatives	**30,891.39**	**2,634.96**	**21.55**	**21,896.12**	**942.32**	**92.45**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	17,931.98	445.60	81.70	18,585.59	309.13	401.59
	Total Interest Rate Derivatives	**17,931.98**	**445.60**	**81.70**	**18,585.59**	**309.13**	**401.59**
	Total Derivative Financial Instruments (i+ii)	**48,823.37**	**3,080.56**	**103.25**	**40,481.71**	**1,251.45**	**494.04**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Part - II : Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Notional Amount	Fair value Assets	Fair value Liabilities	Notional Amount	Fair value Assets	Fair value Liabilities
(i)	**Cash Flow Hedging (Designated)**						
	- Currency Derivatives	24,826.83	1,801.42	21.55	13,689.45	198.77	51.92
	- Interest Rate Derivatives	8,717.82	198.86	39.15	8,453.04	4.10	178.32
	Total Cash Flow Hedging (Designated)	**33,544.65**	**2,000.28**	**60.70**	**22,142.49**	**202.87**	**230.24**
(ii)	Undesignated Derivatives	15,278.72	1,080.28	42.55	18,339.22	1,048.58	263.80
	Total Undesignated Derivatives	**15,278.72**	**1,080.28**	**42.55**	**18,339.22**	**1,048.58**	**263.80**
	Total Derivative Financial Instruments (i+ii)	**48,823.37**	**3,080.56**	**103.25**	**40,481.71**	**1,251.45**	**494.04**

9.1 Details of Forward Rate Agreements/Interest Rate Swaps:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Notional principal of swap agreements	17,931.98	18,585.59
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	445.60	309.13
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	Refer note [a] below	
(v)	Fair value of swap book (obtained from counterparty banks)	363.90	(92.46)

[a] The Company enters into swap agreements with Category-I Authorised Dealer Banks (PSU Banks, Private Indian Banks & Foreign Banks), in accordance with the RBI guidelines. All the swap agreements entered into with the banks are well within the limits defined in the Board approved "Policy for Management of Risks on Foreign Currency Borrowings".

9.2 Details of nature and terms of Forward Rate Agreements/Interest Rate Swaps

Benchmark	As at 31.03.2022	As at 31.03.2021	Terms
	Notional principal (₹ in crore)		
INBMK	3,149.60	3,149.60	Fixed Receivable V/s Floating Payable
USD LIBOR	14,782.38	15,435.99	Fixed Payable V/s Floating Receivable
Total	**17,931.98**	**18,585.59**	

9.3 The Company does not hold any exchange traded derivatives as at 31.03.2022 (as at 31.03.2021 Nil).

9.4 Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging[b] & [c]	30,891.39	17,931.98[a]	21,896.12	18,585.59[a]
(ii)	Marked to Market Positions (MTM)				
	a) Asset (+MTM)[c]	2,634.96	445.60	942.32	309.13
	b) Liability (-MTM)	21.55	81.70	92.45	401.59
(iii)	Credit Exposure	5,087.22	585.16	2,938.49	489.54
(iv)	Unhedged Exposures[b]	25,396.98	2,319.39	29,254.48	3,444.15

[a] Interest rate derivatives include derivatives on rupee liabilities of ₹ 3,149.60 crore as at 31.03.2022 (As at 31.03.2021 ₹ 3,149.60 crore).

[b] Includes partly hedged liability of Nil (As at 31.03.2021 JPY loan liability partly hedged through forward rate contract entered for one leg (USD/INR) for ₹ 940.86 crore).

[c] Includes MTM on currency derivatives against interest payments of Nil (As at 31.03.2021, positive MTM of ₹ 0.56 crore on currency derivatives of USD 51 million equivalent to INR ₹ 373.95 crore).

9.5 Refer Note 40.3 and Note 40.4 for Foreign Currency Risk Management and Interest Rate Risk Management respectively and Note 41 for disclosures related to hedge accounting.

10. Loans

The Company has categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	**Loans to Borrowers***		
(i)	Rupee Term Loans (RTLs)	3,69,272.18	3,60,970.56
(ii)	Buyer's Line of Credit	2,495.83	2,185.02
(iii)	Working Capital Loans	597.73	6,662.81
(iv)	Others	768.87	952.60
(v)	**Principal Outstanding (i to iv)**	**3,73,134.61**	**3,70,770.99**
(vi)	Interest accrued but not due on Loans	4,509.31	5,242.46
(vii)	Interest accrued & due on Loans	646.93	736.65
(viii)	Unamortised Fee on Loans	(89.81)	(84.58)
	Gross Carrying Amount (v to viii)*	**3,78,201.04**	**3,76,665.52**
	Less: Impairment loss allowance	(17,271.30)	(16,540.75)
	Net Carrying Amount*	**3,60,929.74**	**3,60,124.77**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	1,90,400.05	1,95,117.87
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	1,42,783.25	1,14,251.00
(iv)	Unsecured	45,017.74	67,296.65
	Gross Security-wise classification	**3,78,201.04**	**3,76,665.52**
	Less: Impairment loss allowance	(17,271.30)	(16,540.75)
	Net Security-wise classification	**3,60,929.74**	**3,60,124.77**
(C) I	**Loans in India**		
(i)	Public Sector	3,18,825.66	3,16,893.92
(ii)	Private Sector	59,375.38	59,771.60
	Gross Carrying Amount of Loans in India	**3,78,201.04**	**3,76,665.52**
	Less: Impairment loss allowance	(17,271.30)	(16,540.75)
	Net Carrying amount of Loans in India	**3,60,929.74**	**3,60,124.77**
(C) II	**Loans Outside India**		
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**3,60,929.74**	**3,60,124.77**

*For details of Loans pledged as security refer Note 17.11, 17.12, 17.13 and 18.13.

10.1. During the year, the Company has sent letters to borrowers seeking confirmation of balances as at 31.03.2022 except where loans have been recalled or pending before court/NCLT.

Confirmations for 98.03% of the said balances have been received. Out of the remaining loans amounting to ₹ 7,076.02 crore for which balance confirmations have not been received, 62.74% loans are secured by tangible securities, 29.95% by way of Government Guarantee/ Loans to Government and 7.31% are unsecured loans.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

10.2 The details of resolution plans implemented during the year:

(₹ in crore)

Sr. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off including impairment on investments	Remarks
FY 2021-22						
1	Krishna Godavari Power Utilities Ltd.	Restructuring with change in ownership through NCLT	76.63	76.63	64.23	Loan stands settled as at 31.03.2022.
2	GVK Ratle Hydro Electric Project Pvt. Ltd.	One time settlement	1,116.65	851.93	462.65	Loan amount representing arbitration award of ₹ 304 crore with 100% impairment provisioning is appearing in books as at 31.03.2022.
3	Essar Power MP Ltd.	Restructuring with change in ownership through NCLT	1,344.55	731.27	730.77	Sustainable loan amounting to ₹ 466.48 crore is continuing in books as at 31.03.2022.
4	Astonfield Solar (Gujarat) Pvt. Ltd.	Restructuring with change in ownership through NCLT	25.85	23.47	15.78	Sustainable loan amounting to ₹ 4.11 crore is continuing in books as at 31.03.2022.
5	RS India Wind Energy Private Limited	One time settlement	223.77	134.48	122.70	Loan stands settled as at 31.03.2022.
	Total		**2,787.45**	**1,817.78**	**1,396.13**	
FY 2020-21						
1	Essar Power Transmission Corp. Ltd.	Restructuring without change in ownership	438.20	13.15	57.63	Optionally Convertible Debentures (OCDs) of the borrower company were obtained under restructuring.
2	Suzlon Energy Limited	Restructuring without change in ownership	915.11	518.62	448.23	Equity shares, Optionally Convertible Debentures (OCDs) of the borrower company and Compulsorily Convertible Preference Shares (CCPS) of the borrower's group company were obtained under restructuring.
3	RKM Powergen Pvt. Ltd.	Restructuring without change in ownership	5,104.75	2,130.90	2,001.76	Equity shares and Optionally Convertible Debentures (OCDs) of the borrower company were obtained under restructuring.
4	Ratnagiri Gas & Power Pvt. Ltd.	Composite Resolution Plan including One time settlement	207.05	66.59	66.59	Loan Account stands settled as at 31.03.2021.
5	Jal Power Corporation Ltd.	One time settlement	386.23	287.99	286.39	Loan Account stands settled as at 31.03.2021.
	Total		**7,051.34**	**3,017.25**	**2,860.60**	

10.3 In addition to the above, the Company has also approved settlement proposal with a borrower Narasimhaswamy Solar Generations Private Limited having loan outstanding amounting to ₹ 13.66 crore. The Company has provided time till 31.05.2022 to make payment of the total loan amount.

10.4 The Company has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Company has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10.5 For details of credit risk exposure and management by the Company, refer Note 40.1.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

11 Investments

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-Total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Government Securities	98.69	-	-	-	-	98.69
(ii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.65	14,500.65
	- Joint Venture	-	-	-	-	-	-
	- Associates	-	-	-	-	0.75	0.75
	- Others	-	1,191.35	125.79	1,317.14	-	1,317.14
(iii)	Preference Shares	84.47	-	-	-	-	84.47
(iv)	Debentures	-	-	155.72	155.72	-	155.72
(v)	Others	-	-	-	-	-	-
	Total Investments	**183.16**	**1,191.35**	**281.51**	**1,472.86**	**14,501.40**	**16,157.42**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	183.16	1,191.35	281.51	1,472.86	14,501.40	16,157.42
	Gross Geography wise investment	**183.16**	**1,191.35**	**281.51**	**1,472.86**	**14,501.40**	**16,157.42**
	Less: Impairment loss allowance	(72.95)	-	-	-	(0.20)	(73.15)
	Net Geography wise investment	**110.21**	**1,191.35**	**281.51**	**1,472.86**	**14,501.20**	**16,084.27**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2021					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Sub-Total (4)=(2)+(3)	Others* (5)	Total (1)+(4)+(5)
(A)	**Investments**						
(i)	Government Securities	-	-	-	-	-	-
(ii)	Equity Instruments						
	- Subsidiaries	-	-	-	-	14,500.65	14,500.65
	- Joint Venture	-	-	-	-	245.50	245.50
	- Associates	-	-	-	-	0.75	0.75
	- Others	-	842.03	59.96	901.99	-	901.99
(iii)	Preference Shares	76.99	-	96.19	96.19	-	173.18
(iv)	Debentures	-	-	151.63	151.63	-	151.63
(v)	Others	-	-	-	-	-	-
	Total Investments	**76.99**	**842.03**	**307.78**	**1,149.81**	**14,746.90**	**15,973.70**
(B)	**Geography wise investment**						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	76.99	842.03	307.78	1,149.81	14,746.90	15,973.70
	Gross Geography wise investment	**76.99**	**842.03**	**307.78**	**1,149.81**	**14,746.90**	**15,973.70**
	Less: Impairment loss allowance	-	-	-	-	(0.20)	(0.20)
	Net Geography wise investment	**76.99**	**842.03**	**307.78**	**1,149.81**	**14,746.70**	**15,973.50**

* Others includes Investment in Subsidiaries, Associates and Joint Venture Company which have been carried at cost in accordance with the provisions of Ind AS 27 'Separate Financial Statements'.

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Details of Investments

(₹ in crore)

Sr. No.	Particulars	Measured at	As at 31.03.2022			As at 31.03.2021		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities**	Amortised Cost	1,00,00,000	100	98.69	-	-	-
(ii)	**Equity Instruments**							
	Subsidiaries							
	- REC Ltd. - Quoted	Cost	1,03,94,95,247	10	14,500.50	1,03,94,95,247	10	14,500.50
	- PFC Consulting Ltd.- Unquoted*	Cost	52,246	10	0.15	52,246	10	0.15
	Joint Venture							
	- Energy Efficiency Services Limited - Unquoted (Refer Note 11.3)	Cost	-	-	-	24,55,00,000	10	245.50
	Associates							
	- Companies for development of Ultra Mega Power Projects [number and face value for each of 15 companies] - Unquoted (Refer Note 11.2)*	Cost	50,000	10	0.75	50,000	10	0.75
	Others							
	- PTC India Limited - Quoted	Designated - FVTOCI	1,20,00,000	10	98.70	1,20,00,000	10	93.30
	- Coal India Limited - Quoted	Designated - FVTOCI	1,39,64,530	10	255.62	1,39,64,530	10	182.03
	- NHPC Limited - Quoted (Refer Note 11.4)	Designated - FVTOCI	18,62,86,983	10	517.88	21,44,73,240	10	524.39
	- Power Exchange India Limited - Unquoted*	Designated - FVTOCI	32,20,000	10	-	32,20,000	10	-
	- Suzlon Energy Limited - Quoted	Designated - FVTOCI	8,46,15,798	2	77.42	8,46,15,798	2	42.31
	- Energy Efficiency Services Limited - Unquoted (Refer Note 11.3)	Designated - FVTOCI	24,55,00,000	10	241.73	-	-	-
	- RattanIndia Power Limited - Quoted	FVTPL	23,51,27,715	10	125.79	23,51,27,715	10	59.96
	- RKM PowerGen Pvt. Ltd - Unquoted	FVTPL	40,39,15,920	10	0.00	40,39,15,920	10	0.00
(iii)	**Preference Shares - Unquoted**							
	- Raipur Energen Limited - RPS	Amortised Cost	59,82,371	100	11.52	59,82,371	100	10.35
	- RattanIndia Power Limited - RPS	Amortised Cost	7,29,49,786	10	72.95	7,29,49,786	10	66.64
	- RattanIndia Power Limited - OCCRPS	FVTPL	10,99,93,397	10	-	10,99,93,397	10	96.19
	- Suzlon Global Services Limited -CCPS	FVTPL	38,161	1,00,000	-	38,161	1,00,000	-
(iv)	**Debentures - Unquoted**							
	- Essar Power Transmission Company Ltd. - Series 1 - OCD	FVTPL	9,00,92,774	10	37.80	9,00,92,774	10	40.88
	- Essar Power Transmission Company Ltd. - Series 2 - OCD	FVTPL	3,62,88,085	10	15.23	3,62,88,085	10	16.47
	- Essar Power Transmission Company Ltd. - Series 3 - OCD	FVTPL	68,79,504	10	0.00	68,79,504	10	0.00
	- Suzlon Energy Limited - OCD	FVTPL	34,791	1,00,000	102.69	34,791	1,00,000	94.28
	- RKM Powergen Pvt. Ltd. - Series A - OCD	FVTPL	41,93,96,250	100	0.00	41,93,96,250	100	0.00
	- RKM Powergen Pvt. Ltd. - Series B - OCD	FVTPL	1,34,71,484	100	0.00	1,34,71,484	100	0.00
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	FVTPL	2,32,72,410	100	0.00	2,32,72,410	100	0.00
(v)	**Others**							
	- Units of "Small is Beautiful" Fund - Unquoted (Refer Nore.11.4)	Designated - FVTOCI	-	-	-	61,52,200	10	-
	Total Investments				**16,157.42**			**15,973.70**
	Less: Impairment Loss Allowance				**(73.15)**			**(0.20)**
	Net Investments				**16,084.27**			**15,973.50**

RPS - Redeemable Preference Shares, CRPS - Cumulative Redeemable Preference Shares, OCCRPS - Optionally Convertible Cumulative Redeemable Preference Shares, CCPS - Compulsorily Convertible Preference Shares, OCD - Optionally Convertible Debenture.

* Investment held in physical form

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

11.1 Movement of impairment loss allowance on investments

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Opening Balance	0.20	0.25
Add: Impairment loss allowance recognised during the year	72.95*	-
Less: Reversal of excess impairment loss allowance during the year	-	0.05
Closing Balance	**73.15**	**0.20**

* Impairment loss allowance on Redeemable preference shares of Rattan India Power Ltd.

11.2 Details of Investment in Subsidiaries, Joint Venture and Associates:

Sr. No.	Name of investee company	Principal place of business/Country of incorporation	Proportion of ownership interest as at 31.03.2022	Proportion of ownership interest as at 31.03.2021
A.	**Subsidiaries:**			
(i)	REC Limited	India	52.63%	52.63%
(ii)	PFC Consulting Ltd.	India	100%	100%
B.	**Joint Venture:**			
(i)	Energy Efficiency Services Ltd. (Ceases to be JV w.e.f. 01.09.2021, for further details refer note 11.3)	India	17.65%	24.97%
C.	**Associates*:**			
(i)	Coastal Maharashtra Mega Power Limited[$]	India	100%	100%
(ii)	Orissa Integrated Power Limited	India	100%	100%
(iii)	Coastal Karnataka Power Limited	India	100%	100%
(iv)	Coastal Tamil Nadu Power Limited	India	100%	100%
(v)	Chhattisgarh Surguja Power Limited [$]	India	100%	100%
(vi)	Sakhigopal Integrated Power Company Limited	India	100%	100%
(vii)	Ghogarpalli Integrated Power Company Limited	India	100%	100%
(viii)	Tatiya Andhra Mega Power Limited [$]	India	100%	100%
(ix)	Deoghar Mega Power Limited	India	100%	100%
(x)	Cheyyur Infra Limited	India	100%	100%
(xi)	Odisha Infrapower Limited	India	100%	100%
(xii)	Deoghar Infra Limited	India	100%	100%
(xiii)	Bihar Infrapower Limited	India	100%	100%
(xiv)	Bihar Mega Power Limited	India	100%	100%
(xv)	Jharkhand Infrapower Limited	India	100%	100%

*Investment in each associate is ₹ 0.05 crore as at 31.03.2022 and 31.03.2021. These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) with the intention to hand over the same to successful bidders on completion of the bidding process.

[$] Under Process of striking off.

11.3 During the current year ended 31.03.2022, pursuant to Board of Directors Resolution dated 30.08.2021, amendment in JV agreement was made in respect of Energy Efficiency Services Limited (EESL) amongst all the JV partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited vide Supplementary Agreement dated 01.09.2021. Due to this amendment, EESL ceases to be a jointly controlled entity under Ind AS framework for the Company w.e.f. 01.09.2021 and accordingly investments in EESL has been classified as FVTOCI.

11.4 At initial recognition, the Company made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Company's main operation is to provide financial assistance to power sector. Thus, in order to insulate Standalone Statement of Profit and Loss from price fluctuations of these instruments, the Management believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Details of FVTOCI instruments derecognised during the year:

(₹ in crore)

Details of investment	No. of shares/units derecognised	Fair Value as on date of derecognition	Cumulative gain/(loss) on derecognition
FY 2021-22			
NHPC Limited[a]	2,81,86,257	79.82	18.42
'Small is Beautiful' Fund[b]	61,52,200	0.95	(5.20)
Total			**13.22**
FY 2020-21			
NHPC Limited[a]	2,00,00,000	50.54	6.98
Total			**6.98**

(a) These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain have been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

(b) Pursuant to the completion of liquidation proceedings of 'Small is Beautiful' Fund; 61,52,200 units of the 'Small is Beautiful' Fund held by the Company have been derecognised from the books.

Subsequent to derecognition of such investments, the Company has transferred the cumulative gain/loss on such shares within Equity (from Reserve for Equity instruments through OCI to Retained Earnings) during the year. Refer Standalone Statement of Changes in Equity for further details.

11.5 Refer Note 42 for details of fair valuation of investments.

12. Other Financial Assets

The Company has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Recoverable on account of Government of India Serviced Bonds	5,038.21	5,038.21
(ii)	Advances to Subsidiaries and Associates	185.73	169.09
(iii)	Advances to Employees	0.97	0.51
(iv)	Loans to Employees	110.65	99.29
(v)	Others	71.90	52.13
(vi)	Less: Impairment loss allowance on Others	(24.79)	(22.46)
	Total Other Financial Assets	**5,382.67**	**5,336.77**

12.1 Detail of Loans & Advances to KMPs (Included in Note 12 (iii) & (iv) above):

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Loans & Advances to KMPs (including interest accrued)	0.48	0.57

12.2 Movement of Impairment on Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
(i)	Opening Balance	22.46	20.41
(ii)	Add: Creation during the year	4.01	4.92
(iii)	Less: Reversal during the year	(1.68)	(2.87)
(iv)	**Closing Balance**	**24.79**	**22.46**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

13. Current Tax Assets/Liabilities (Net)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Advance income tax and TDS net of Provision	197.20	197.20
(ii)	Tax deposited on income tax demands under contest	76.45	63.44
	Current Tax Assets (Net)	**273.65**	**260.64**
(i)	Provision for income tax net of Advance Tax	194.92	43.24
	Current Tax Liabilities (Net)	**194.92**	**43.24**

14. Property, Plant and Equipment (PPE) and Intangible Assets

(₹ in crore)

Particulars	Property, Plant and Equipment							Intangible Assets
	Freehold Land	Buildings	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total	Computer Software
Gross Carrying Amount								
Opening Balance as at 01.04.2020	**3.38**	**24.92**	**17.87**	**21.10**	**14.54**	**0.12**	**81.93**	**10.28**
Additions/Adjustments	-	-	7.70	6.75	3.18	-	17.63	0.10
Deductions/Adjustments	-	-	3.09	1.87	0.57	-	5.53	-
Closing Balance as at 31.03.2021	**3.38**	**24.92**	**22.48**	**25.98**	**17.15**	**0.12**	**94.03**	**10.38**
Additions/Adjustments	-	-	7.95	10.28	4.97	0.10	23.30	-
Deductions/Adjustments	-	-	2.40	7.33	3.51	0.09	13.33	-
Closing Balance as at 31.03.2022	**3.38**	**24.92**	**28.03**	**28.93**	**18.61**	**0.13**	**104.00**	**10.38**
Accumulated Depreciation/ Amortisation								
Opening Balance as at 01.04.2020	**-**	**12.43**	**13.66**	**15.31**	**9.09**	**0.09**	**50.58**	**9.87**
For the period	-	0.61	3.47	4.60	1.76	0.01	10.45	0.27
On Assets Sold/Written off from books	-	-	2.52	1.53	0.16	-	4.21	-
Closing Balance as at 31.03.2021	**-**	**13.04**	**14.61**	**18.38**	**10.69**	**0.10**	**56.82**	**10.14**
For the period	-	0.53	5.47	4.86	1.74	0.04	12.64	0.11
On Assets Sold/Written off from books	-	-	1.91	6.14	2.04	0.09	10.18	-
Closing Balance as at 31.03.2022	**-**	**13.57**	**18.17**	**17.10**	**10.39**	**0.05**	**59.28**	**10.25**
Net Carrying Amount								
As at 31.03.2021	**3.38**	**11.88**	**7.87**	**7.60**	**6.46**	**0.02**	**37.21**	**0.24**
As at 31.03.2022	**3.38**	**11.35**	**9.86**	**11.83**	**8.22**	**0.08**	**44.72**	**0.13**

14.1 The estimated useful life and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 5.6 (v).

14.2 The Company reviews the estimated useful life, residual values and depreciation method of Property, Plant & Equipment and Intangible Assets at the end of each financial year and changes in estimates, if any, are accounted prospectively. Details of useful life of Property Plant & Equipment and Intangible Assets are as under:

Category	Building	EDP Equipment		Office Equipment	Cell Phone	Furniture and Fixture	Vehicles	Intangible Assets
		Servers and networks	End user devices i.e. desktops, laptops etc.					
Useful Life (in Years)	60	6	3	5	2	10	8	5
Residual value as a % of original Cost	5%	5%	5%	5%	5%	5%	5%	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

14.3 In the opinion of management, there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36 'Impairment of Assets'. Accordingly, no provision for impairment loss has been made.

14.4 Certain Property, Plant & Equipment of the Company have been pledged as security against secured borrowings of the Company as per details below:

Particulars	As at 31.03.2022	As at 31.03.2021
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.43	3.45

For details of borrowings against which above assets are pledged as security refer note 17.11 and 17.12.

14.5 Title deeds of immovable properties (Freehold land) are held in the name of the Company.

14.6 There has been no revaluation of PPE and Intangible assets during the year.

15. Right-of-use Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Opening Balance of Leasehold Land**	35.30	35.75
(ii)	Additions	-	-
(iii)	Less: Depreciation*	(0.45)	(0.45)
	Closing Balance of Leasehold Land	**34.85**	**35.30**

*As required by Ind AS 116 'Leases' Depreciation expense on Right-of-Use assets is included under Depreciation, Amortisation and Impairment line item in the Standalone Statement of Profit and Loss.

16. Other Non-Financial Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Prepaid Expenses	4.21	5.50
(ii)	Deferred Employee Costs	47.52	47.41
(iii)	Excess Spent – CSR Expenses	-	39.39
(iv)	Advance towards Capital assets	330.99	150.13
(v)	Others	83.66	62.80
	Total Other Non-Financial Assets	**466.38**	**305.23**

17. Debt Securities

The Company has categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Bonds/Debenture		
	- Infrastructure Bonds (Refer Note 17.5)	38.51	119.56
	- Tax Free Bonds (Refer Note 17.6)	8,983.03	12,275.11
	- 54EC Capital Gain Tax Exemption Bonds (Refer Note 17.7)	3,998.82	2,564.18
	- Taxable Bonds (Refer Note 17.8)	1,75,616.83	1,86,226.10
	- Foreign Currency Notes (Refer Note 17.9)	34,378.78	30,871.97
(ii)	Commercial Paper (Refer Note 17.10)	-	3,080.23
(iii)	**Total Principal Outstanding of Debt Securities (i + ii)**	**2,23,015.97**	**2,35,137.15**
(iv)	Interest accrued but not due on (iii) above	7,290.90	7,867.39
(v)	Unamortised Transaction Cost on (iii) above	(149.92)	(193.00)
	Total Debt Securities (iii to v)	**2,30,156.95**	**2,42,811.54**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Geography wise Debt Securities		
(i)	Debt Securities in India	1,95,581.80	2,11,821.46
(ii)	Debt Securities outside India	34,575.15	30,990.08
	Total Geography wise Debt Securities	**2,30,156.95**	**2,42,811.54**

17.1 The Company raises funds through various instruments including non-convertible bond issues. During the year, the Company has not defaulted in servicing of any of its debt securities.

17.2 The amounts raised during the period have been utilised for the stated objects in the offer document/Information memorandum/facility agreement other than temporary deployment pending application of proceeds.

17.3 All the secured listed non-convertible debentures of the Company are fully secured by way of mortgage on specified immovable properties and/or charge on receivables of the Company. Further, the Company has maintained security cover of 1.01 times as per the terms of offer document/information memorandum sufficient to discharge the principal and interest thereon at all times for these non-convertible debt securities issued.

17.4 Wherever required, the Company has registered the charges with RoC within the statutory timelines.

17.5 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2022	31.03.2021			
1	Infrastructure Bonds (2011-12) - Series I	8.50%	-	21.85	-	17.11	Repaid in FY 2021-22
2	Infrastructure Bonds (2011-12) - Series II	8.50%	-	36.35			
3	Infrastructure Bonds Private Placement	8.43%	-	7.39			
4	Infrastructure Bonds Private Placement	8.43%	-	15.47			
5	Infrastructure Bonds (2010-11) - Series III	8.50%	5.27	5.27	31.03.2026	17.12	Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds (2010-11) - Series IV	8.50%	19.33	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
7	Infrastructure Bonds (2011-12) - Series III	8.75%	2.86	2.86	21.11.2026	17.11	Redeemable at par on a date falling Fifteen years from the date of allotment
8	Infrastructure Bonds (2011-12) - Series IV	8.75%	7.77	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
9	Infrastructure Bonds 86 C - Series	8.72%	0.87	0.87	30.03.2027		Redeemable at par on a date falling Fifteen years from the date of allotment
10	Infrastructure Bonds 86 D - Series	8.72%	2.40	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Total		**38.51**	**119.56**			

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

17.6 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2022	31.03.2021			
1	Tax Free Bonds Series 79A	7.51%	-	205.23	-		Repaid in FY 2021-22
2	Tax Free Bond Series 80A	8.09%	-	334.31			
3	Tax Free Bonds (2011-12) Public Issue	8.20%	-	2,752.55			
4	Tax Free Bond Series 94A	7.21%	255.00	255.00	22.11.2022	17.13	Redeemable at par on maturity
5	Tax Free Bonds Series 95A	7.22%	30.00	30.00	29.11.2022		
6	Tax Free Bonds (2012-13) Tranch I Series 1	7.69%	140.23	145.66	04.01.2023		
7	Tax Free Bonds (2012-13) Tranch I Series 1	7.19%	202.52	197.09	04.01.2023		
8	Tax Free Bonds (2012-13) Tranch II	7.38%	41.43	43.25	28.03.2023		
9	Tax Free Bonds (2012-13) Tranch II	6.88%	54.72	52.90	28.03.2023		
10	Tax Free Bonds Series 107A	8.01%	113.00	113.00	30.08.2023		
11	Tax Free Bonds Series IB	8.43%	335.47	335.47	16.11.2023		
12	Tax Free Bonds Series 1A	8.18%	325.07	325.07	16.11.2023		
13	Tax Free Bonds Series 136	7.16%	300.00	300.00	17.07.2025		
14	Tax Free Bonds (2015-16) Series 1B	7.36%	79.35	79.35	17.10.2025		
15	Tax Free Bonds (2015-16) Series 1A	7.11%	75.09	75.09	17.10.2025		
16	Tax Free Bond Series 79-B	7.75%	217.99	217.99	15.10.2026		
17	Tax Free Bond Series 80-B	8.16%	209.34	209.34	25.11.2026		
18	Tax Free Bonds (2011-12) Public Issue	8.30%	1,280.58	1,280.58	01.02.2027		
19	Tax Fee Bond Series 94B	7.38%	25.00	25.00	22.11.2027		
20	Tax Free Bonds Series 95B	7.38%	100.00	100.00	29.11.2027		
21	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	185.78	194.28	04.01.2028		
22	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	171.22	162.72	04.01.2028		
23	Tax Free Bonds (2012-13) Tranch II	7.54%	56.97	58.96	28.03.2028		
24	Tax Free Bonds (2012-13) Tranch II	7.04%	12.24	10.25	28.03.2028		
25	Tax Free Bonds Series 107-B	8.46%	1,011.10	1,011.10	30.08.2028		
26	Tax Free Bonds Series 2-B	8.79%	353.32	353.32	16.11.2028		
27	Tax Free Bonds Series 2-A	8.54%	932.70	932.70	16.11.2028		
28	Tax Free Bonds (2015-16) Series 2-B	7.52%	45.18	45.18	17.10.2030		
29	Tax Free Bonds (2015-16) Series 2-A	7.27%	131.33	131.33	17.10.2030		
30	Tax Free Bonds Series 3-B	8.92%	861.96	861.96	16.11.2033		
31	Tax Free Bonds Series 3-A	8.67%	1,067.38	1,067.38	16.11.2033		
32	Tax Free Bonds (2015-16) Series 3-B	7.60%	155.48	155.48	17.10.2035		
33	Tax Free Bonds (2015-16) Series 3-A	7.35%	213.58	213.57	17.10.2035		
	Total		**8,983.03**	**12,275.11**			

17.7 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		For Security, Refer Note	Redemption details
			31.03.2022	31.03.2021		
1	Series II (FY 2018-19)	5.75%	491.95	491.95		Redeemable at par during FY 2023-24
2	Series III (FY 2019-20)	5.75%	1,134.44	1,134.44		Redeemable at par during FY 2024-25
3	Series IV (FY 2020-21)	5.75%	252.38	252.38	17.13	Redeemable at par during FY 2025-26
4	Series IV (FY 2020-21)	5.00%	685.41	685.41		Redeemable at par during FY 2025-26
5	Series V (FY 2021-22)	5.00%	1,434.64	-		Redeemable at par during FY 2026-27
	Total		**3,998.82**	**2,564.18**		

17.8 The details of Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2022	31.03.2021			
1	Series 173-B	7.73%	-	1,325.00			
2	Series 175	7.75%	-	600.00			
3	Series 73	9.18%	-	1,000.00			
4	Series 146	8.05%	-	300.00			
5	Series 28	8.85%	-	600.00			
6	Series 74	9.70%	-	1,693.20			
7	Series 75-C	9.61%	-	2,084.70			
8	Series 115 III	9.20%	-	700.00			
9	Series - 76-A	9.36%	-	2,589.40		-	Repaid in FY 2021-22
10	Series 150-A	7.50%	-	2,660.00			
11	Series 151-A	7.47%	-	2,260.00			
12	Series 153	7.40%	-	1,830.00			
13	Series 123 C	8.66%	-	200.00			
14	Series 124 B	8.55%	-	1,200.00			
15	Series 154	7.27%	-	1,101.00			
16	Series 183	8.18%	-	3,751.20			
17	Series 88 C	9.48%	184.70	184.70	15.04.2022		
18	Series 187 A	8.20%	1,605.00	1,605.00	27.05.2022		
19	Series 168-A	7.28%	1,950.00	1,950.00	12.06.2022		
20	Series 169-A	7.10%	3,395.00	3,395.00	08.08.2022		
21	Series 181	8.45%	2,155.00	2,155.00	11.08.2022		
22	Series 191	7.35%	3,735.00	3,735.00	15.10.2022		
23	Series 170-A	7.35%	800.00	800.00	22.11.2022		
24	Series 176-B	7.99%	1,295.00	1,295.00	20.12.2022		
25	Zero Coupon Unsecured Taxable Bonds 2022-XIX Series	-	707.97	654.92	30.12.2022		Redeemable at par on maturity
26	Series 100 B	8.84%	1,310.00	1,310.00	04.03.2023		
27	Series 102 A (II)	8.90%	403.00	403.00	18.03.2023		
28	Series 194	7.04%	1,400.00	1,400.00	14.04.2023		
29	Series 85 D	9.26%	736.00	736.00	15.04.2023		
31	Series 198	6.98%	3,160.00	3,160.00	20.04.2023		
30	Series 199A	6.83%	1,970.00	1,970.00	24.04.2023		
32	Series 202A	6.75%	2,145.00	2,145.00	22.05.2023		
33	Series 203A	6.72%	2,206.00	2,206.00	11.06.2023		

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for the year ended March 31, 2022

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
34	Series 206	5.47%	3,000.00	3,000.00	19.08.2023		
35	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	1.95	1.95	22.01.2024	17.13	
36	Series 188	8.10%	691.10	691.10	04.06.2024		
37	Series 211 (3M TB Link)	4.38%	1,985.00	-	02.08.2024		
38	Series 57- B	8.60%	866.50	866.50	07.08.2024		
39	Series 117 Option B	9.37%	855.00	855.00	19.08.2024		
40	Series 118 Option B II	9.39%	460.00	460.00	27.08.2024		
41	Series Option 120 B	8.98%	950.00	950.00	08.10.2024		
42	Series 120 Option A	8.98%	961.00	961.00	08.10.2024		
43	Series 192	7.42%	3,000.00	3,000.00	19.11.2024		
44	Series 124 C	8.48%	1,000.00	1,000.00	09.12.2024		
45	Series 61	8.50%	351.00	351.00	15.12.2024		
46	Series 125	8.65%	2,826.00	2,826.00	28.12.2024		
47	Series 126	8.65%	5,000.00	5,000.00	04.01.2025		
48	Series 62-B	8.80%	1,172.60	1,172.60	15.01.2025		
49	Series 128	8.20%	1,600.00	1,600.00	10.03.2025		
50	Series 63-III	8.90%	184.00	184.00	15.03.2025		
51	Series 131-C	8.41%	5,000.00	5,000.00	27.03.2025		
52	Series 64	8.95%	492.00	492.00	30.03.2025		
53	Series 204A	5.77%	900.00	900.00	11.04.2025		
54	Series 130-C	8.39%	925.00	925.00	19.04.2025		
55	Series 199B	7.16%	1,320.00	1,320.00	24.04.2025		Redeemable at par on maturity
56	Series 65 III	8.70%	1,337.50	1,337.50	14.05.2025		
57	Series 202B	7.17%	810.00	810.00	22.05.2025		
58	Series 66-B	8.75%	1,532.00	1,532.00	15.06.2025		
59	Series 210A - STRPP1	6.35%	405.60	-	30.06.2025		
60	Series 208	6.50%	2,806.00	2,806.00	17.09.2025		
61	Series 141-B	8.40%	1,000.00	1,000.00	18.09.2025		
62	Series 71	9.05%	192.70	192.70	15.12.2025		
63	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	27.05	27.05	22.01.2026	17.13	
64	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	3.50	3.50	22.01.2026	17.13	
65	Series 147	8.03%	1,000.00	1,000.00	02.05.2026		
66	Series 210A - STRPP2	6.35%	540.80	-	30.06.2026		
67	Series - 76-B	9.46%	1,105.00	1,105.00	01.08.2026		
68	Series 150-B	7.63%	1,675.00	1,675.00	14.08.2026		
69	Series 212A	6.09%	2,450.00		27.08.2026		
70	Series - 77-B	9.45%	2,568.00	2,568.00	01.09.2026		
71	Series 151-B	7.56%	210.00	210.00	16.09.2026		
72	Series 152	7.55%	4,000.00	4,000.00	25.09.2026		
73	Series 155	7.23%	2,635.00	2,635.00	05.01.2027		
74	Series 168-B	7.44%	1,540.00	1,540.00	12.06.2027		
75	Series 210A - STRPP3	6.35%	405.60	-	30.06.2027		

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for the year ended March 31, 2022

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
76	Series 169-B	7.30%	1,500.00	1,500.00	07.08.2027		
77	Series 170-B	7.65%	2,001.00	2,001.00	22.11.2027		
78	Series 171	7.62%	5,000.00	5,000.00	15.12.2027		
79	Series 172	7.74%	850.00	850.00	29.01.2028		
80	Series 101 B	9.00%	1,370.00	1,370.00	11.03.2028		
81	Series 102 A (III)	8.90%	403.00	403.00	18.03.2028		
82	Series 103	8.94%	2,807.00	2,807.00	25.03.2028		
83	Series 177	7.85%	3,855.00	3,855.00	03.04.2028		
84	Series 178	8.95%	3,000.00	3,000.00	10.10.2028		
85	Series 179-A	8.67%	1,007.40	1,007.40	19.11.2028		
86	Series 187 B	8.85%	1,982.10	1,982.10	27.05.2029		
87	Series 118 Option B III	9.39%	460.00	460.00	27.08.2029		
88	Series193	7.93%	4,710.50	4,710.50	31.12.2029		
89	Series 196R1	7.41%	1,500.00	1,500.00	25.02.2030		
90	Series 196	7.41%	2,500.00	2,500.00	25.02.2030		
91	Series 195	7.86%	1,100.00	1,100.00	12.04.2030		
92	Series 200	7.40%	2,920.00	2,920.00	08.05.2030		
93	Series 197	7.41%	5,000.00	5,000.00	15.05.2030		
94	Series 203B	7.75%	3,318.00	3,318.00	11.06.2030		
95	Series 66-C	8.85%	633.00	633.00	15.06.2030		
96	Series 201	7.68%	3,101.30	3,101.30	15.07.2030		
97	Series 202C	7.79%	1,936.00	1,936.00	22.07.2030		
98	Series 205A	7.05%	1,610.10	1,610.10	09.08.2030		
99	Series 71	9.05%	192.70	192.70	15.12.2030		Redeemable at par on maturity
100	Series 207R1	7.04%	2,549.10	2,549.10	16.12.2030		
101	Series 207	7.04%	1,097.40	1,097.40	16.12.2030		
102	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	6.83% (10 YR GSEC Link)	1,250.73	1,250.73	22.01.2031		
103	Secured Public Issue (2020-21) Tranche I Series V Category I-II	6.58% (10 YR GSEC Link)	10.35	10.35	22.01.2031		
104	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	1,635.53	1,635.53	22.01.2031		
105	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	33.67	33.67	22.01.2031	17.13	
106	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	28.74	28.74	22.01.2031		
107	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	0.50	0.50	22.01.2031		
108	Series 204B	6.88%	1,300.00	1,300.00	11.04.2031		
109	Series 213	6.95%	1,988.00	-	01.10.2031		
110	Series 214 (BBETF)	6.92%	1,180.00	-	11.04.2032		
111	Series 179-B	8.64%	528.40	528.40	19.11.2033		
112	Series 180	8.75%	2,654.00	2,654.00	22.02.2034		

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
113	Series 186	8.79%	2,578.90	2,578.90	30.04.2034		
114	Series 189	8.15%	4,035.00	4,035.00	08.08.2034		
115	Series 190	8.25%	4,016.00	4,016.00	06.09.2034		
116	Series 205B	7.20%	1,605.70	1,605.70	10.08.2035		
117	Series 209	7.34%	1,711.00	1,711.00	29.09.2035		
118	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	1,330.05	1,330.05	22.01.2036		
119	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	50.05	50.05	22.01.2036		
120	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	53.36	53.36	22.01.2036	17.13	Redeemable at par on maturity
121	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	3.50	3.50	22.01.2036		
122	Series 210B	7.11%	1,933.50	-	30.06.2036		
123	Series 212B	7.15%	2,343.68		27.08.2036		
	Total		**1,75,616.83**	**1,86,226.10**			

17.9 The details of Foreign Currency Notes outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	Redemption details
1	3.75% USD Bonds 2024	3.75%	3,032.28	2,940.19	18.06.2024	
2	3.25% USD Bonds 2024	3.25%	2,274.21	2,205.14	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,032.28	2,940.19	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,274.21	2,205.14	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,539.80	-	21.09.2028	Redeemable at par on maturity
6	6.15% USD Bonds 2028	6.15%	3,790.36	3,675.24	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	4,548.43	4,410.28	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,411.32	3,307.71	16.09.2029	
9	3.95% USD Bonds 2030	3.95%	5,685.53	5,512.85	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	3,790.36	3,675.23	16.05.2031	
	Total		**34,378.78**	**30,871.97**		

17.10 The details of Commercial Papers outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	Redemption details
1	CP - 115	4.03%	-	3,120.00	-	
	Less: Unamortised Financial Charges		-	(39.77)	-	Repaid in FY 2021-22
	Total		**-**	**3,080.23**		

17.11 These bond series are secured by first *pari passu* charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.12) along with first *pari passu* charge on immovable property situated at Guindy, Chennai.

17.12 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 438.71 crore as on 31.03.2022 of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

17.13 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first *pari passu* charge on the total receivables / book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 17.12), limited to the extent of payment/repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.

18. Borrowings (other than Debt Securities)

The Company has categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	Term Loans		
(i)	From Banks and Financial Institutions		
	- Foreign Currency Loans (Refer Note 18.3 & 18.5)	128.07	150.65
	- Syndicated Foreign Currency Loans (Refer Note 18.4 & 18.5)	21,781.52	18,813.18
	- Rupee Term Loans (Refer Note 18.6)	58,262.48	53,598.98
(ii)	From other Parties		
	- Rupee Term Loans - NSSF (Refer Note 18.8)	7,500.00	7,500.00
(B)	Other Loans from Banks		
(i)	Loan against Term Deposits (Refer Note 18.9)	228.59	683.04
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) - (A+B)**	**87,900.66**	**80,745.85**
(D)	Interest accrued but not due on above	294.39	283.74
(E)	Unamortised Transaction Cost on above	(229.63)	(191.99)
	Total Borrowings (other than Debt Securities) (C to E)	**87,965.42**	**80,837.60**
	Geography wise Borrowings		
(i)	Borrowings in India	66,194.94	62,015.73
(ii)	Borrowings outside India	21,770.48	18,821.87
	Total Geography wise Borrowings	**87,965.42**	**80,837.60**

18.1 Wherever required, the Company has registered the charges with RoC within the statutory timelines.

18.2 The Company has not borrowed any funds on the specific security of current assets, where there is any requirement of filing of quarterly returns or statements.

18.3 Details of Unsecured Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	ADB (Guaranteed by the Government of India)	58.20	66.96	15.04.2022	Semi Annual Instalments till 15.10.2028
2	Credit National (Guaranteed by the Government of India)	27.05	36.90	30.06.2022	Semi Annual Instalments till 30.06.2028
3	KFW I (Guaranteed by the Government of India)	42.82	46.79	30.06.2022	Semi Annual Instalments till 30.12.2035
	Total Foreign Currency Loans	**128.07**	**150.65**		

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18.4 Details of Unsecured Syndicated Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	SLN 17	-	1,102.57	-	Repaid in FY 2021-22
2	SLN 28 USD	1,895.18	1,837.62	28.06.2022	Bullet Repayment at the end of the tenor
3	SLN 28 JPY	334.13	356.30	28.06.2022	
4	SLN 18	905.82	1,931.86	04.11.2022	Redeemable in three equal instalments falling due on 06.11.2020, 08.11.2021 and 04.11.2022.
5	SLN 21	2,274.21	2,205.14	12.12.2022	Bullet Repayment at the end of the tenor
6	SLN 22	1,895.18	1,837.62	28.02.2023	
7	SLN 23	1,895.18	1,837.62	22.03.2023	
8	SLN 26	1,895.18	1,837.62	26.09.2023	
9	SLN 27	1,021.24	1,089.02	01.02.2024	
10	SLN 29	1,895.18	1,837.62	20.12.2024	
11	SLN 30	758.07	735.05	13.10.2025	
12	SLN 30	2,274.21	2205.14	05.11.2025	
13	31 A FCTL USD 525M 301121	3,979.87	--	30.11.2026	
14	31 B FCTL USD 100M 301121	758.07	--	30.11.2026	
	Total Syndicated Foreign Currency Loans	**21,781.52**	**18,813.18**		

18.5 Floating Rate Foreign Currency Loans in above Note No. 18.3 and 18.4 carries an interest rate spread ranging from 60 bps to 150 bps over 6 month USD LIBOR/ ARR (London Inter Bank Offered Rate/Alternative Reference Rate). Except for Foreign Currency Loans from Credit National, KFW and FCTL31A &B which are at fixed rate of interest.

18.6 Details of Rupee Term Loans outstanding are as follows:

(i) Secured Rupee Term Loans (Refer Note 18.13)

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	Bank of Maharashtra	-	750.00	-	Repaid in FY 2021-22
2	Bank of Baroda	1,225.00	1,400.00	16.04.2022	Pre Payment of Principal
3	Karnataka Bank	200.00	500.00	30.04.2022	The loan is to be repaid in 5 quarterly instalments of ₹ 100 crore each starting from July 31, 2021 and ending on July 31, 2022
4	State Bank of India	5,000.00	5,000.00	10.07.2022	The loan is to be repaid in 7 quarterly instalments comprising 6 instalments of ₹ 715 crore each and thereafter final instalment of ₹ 710 crore each starting from July 10, 2022 and ending on 10-Jul-2025
5	Indian Bank	1,312.50	1,500.00	28.09.2022	The loan is to be repaid in 08 half yearly instalments of ₹ 187.50 crore each starting from March 28, 2022 and ending on September 28, 2025
6	Union Bank of India	300.00	400.00	30.09.2022	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from September 30, 2020 and ending on September 30, 2024

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
7	Punjab National Bank	225.00	225.00	30.09.2022	The loan is to be repaid in 04 annual instalments of ₹ 56.25 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
8	Union Bank of India	1,800.00	1,800.00	30.09.2022	The loan is to be repaid in 04 annual instalments of ₹ 450 crore each starting from 30-Sep-22 and ending on 30-Sep-2025
9	Punjab National Bank	1,125.00	1,500.00	25.02.2023	The loan is to be repaid in 04 annual instalments of ₹ 375 crore each starting from 25-Feb-22 and ending on 25-Feb-2025
10	Union Bank of India	400.00	600.00	15.03.2023	The loan is to be repaid in 5 annual instalments of ₹ 200 crore each starting from 15-Mar-2020 and ending on 15-Mar-2024
11	Indian Bank	1,800.00	1,800.00	29.09.2023	The loan is to be repaid in 12 quarterly instalments of ₹ 150 crore each starting from 29-Sep-2023 and ending on 29-Jun-2026
12	Canara Bank	1,000.00	1,000.00	20.02.2024	Bullet Repayment at the end of the tenor
13	Bank of India	1,000.00	1,000.00	02.03.2024	The loan is to be repaid in 2 Annual instalments of ₹ 500 crore each starting from 02-Mar-2024 and ending on 02-Mar-2025
14	Indian Bank	500.00	500.00	02.04.2024	Bullet Repayment at the end of the tenor
15	Canara Bank T-1	500.00	500.00	21.06.2024	Bullet Repayment at the end of the tenor
16	Canara Bank T-2	500.00	500.00	24.06.2024	
17	Canara Bank	1,000.00	1,000.00	29.06.2024	
	Total Secured Rupee Term Loans	**17,887.50**	**19,975.00**		

(ii) Unsecured Rupee Term Loans

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
1	UCO Bank	-	1,000.00	-	Repaid in FY 2021-22
2	India Infrastructure Finance Company Limited	-	800.00	-	
3	HDFC Bank Ltd.	-	1,000.00	-	
4	HDFC Bank Ltd.	-	1,000.00	-	
5	India Infrastructure Finance Company Limited	-	1,429.00	-	
6	Bank of Maharashtra	-	500.00		
7	Bank of Baroda	2,500.00	3,000.00	16.04.2022	Pre Payment of Principal
8	Bank of Baroda	1,800.00	1,900.00	16.04.2022	Pre Payment of Principal
9	HDFC Bank Ltd.	2,000.00	2,000.00	31.05.2022	Bullet Repayment at the end of the tenor
10	Canara Bank	1,750.00	1,750.00	20.06.2022	The loan is to be repaid in 8 quarterly instalments of ₹ 218.75 crore each starting from 20-Jun-2022 and ending on 20-Mar-2024

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
11	Canara Bank	1,800.00	2,000.00	22.06.2022	The loan is to be repaid in 20 quarterly instalments of ₹ 100 crore each starting from 22-Dec-2021 and ending on 22-Sep-2026
12	Canara Bank	400.00	500.00	23.09.2022	The loan is to be repaid in 10 half-yearly instalments of ₹ 50 crore each starting from 23-Sep-2021 and ending on 23-Mar-2026
13	Punjab National Bank	1,000.00	1,000.00	20.03.2023	The loan is to be repaid in 3 annual instalments of ₹ 333.33 crore each starting from 20-Mar-2023 and ending on 20-Mar-2025
14	Union Bank of India	1,875.00	2,500.00	23.03.2023	The loan is to be repaid in 4 annual instalments of ₹ 625 crore each starting from 23-Mar-2022 and ending on 23-Mar-2025
15	UCO Bank	500.00	500.00	31.03.2023	Bullet Repayment at the end of the tenor
16	Union Bank of India	800.00	800.00	15.04.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 100 crore each starting from 15-Apr-2023 and ending on 15-Jan-2025
17	UCO Bank	200.00	200.00	26.05.2023	Bullet Repayment at the end of the tenor
18	HDFC Bank Ltd.	3,000.00		29.06.2023	Bullet Repayment at the end of the tenor
19	Bank of India	1,000.00	1,000.00	11.09.2023	The loan is to be repaid in 4 annual instalments of ₹ 250 crore each starting from 11-Sep-2023 and ending on 11-Sep-2026
20	State Bank of India	2,999.98	2,999.98	27.09.2023	₹ 3,000 crore repaid on 30.03.2021 balance amount to be paid at the end of the tenor
21	HDFC Bank Ltd.	1,000.00	-	30.09.2023	Bullet Repayment at the end of the tenor
22	HDFC Bank Ltd.	750.00	750.00	05.10.2023	
23	Punjab National Bank	995.00	995.00	24.12.2023	
24	Canara Bank	500.00	500.00	28.12.2023	
25	Canara Bank	500.00	500.00	15.01.2024	
26	Bank of India	2,000.00	2,000.00	21.01.2024	
27	Bank of India	500.00	-	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from 18-Sep-2024 and ending on 18-Sep-2028
28	State Bank of India	3,000.00	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
29	HDFC Bank Ltd.	3,000.00	-	30.09.2025	
30	UCO Bank	1,000.00	-	24.09.2026	
31	Punjab National Bank	500.00	-	27.09.2026	
32	Punjab National Bank	5.00	-	29.09.2026	
33	India Infrastructure Finance Company Limited	1,000.00		30.09.2026	
34	Central Bank	1,000.00	-	31.03.2027	
35	Union Bank	3,000.00	-	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹ 1,500 crore each starting from 31.03.2027 and ending on 31.03.2028
	Total Unsecured Rupee Term Loans	**40,374.98**	**33,623.98**		
	Total Rupee Term Loans (Unsecured & Secured)	**58,262.48**	**53,598.98**		

18.7 Borrowings as at 31.03.2022 in above Note 18.6 were raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

18.8 Details of Unsecured Rupee term Loan - NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.11% p.a.)	7,500.00	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Total	**7,500.00**	**7,500.00**		

18.9 Details of Loan against Term Deposits outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	HDFC Bank	-	683.04	-	Repaid in FY 2021-22
2	Indian Bank	142.50	-	02.04.2022	Redeemable at par on maturity
3	Canara Bank	41.09	-	02.04.2022	
4	Canara Bank	45.00	-	02.04.2022	
	Total Loan against Term Deposits	**228.59**	**683.04**		

18.10 None of the borrowings have been guaranteed by Directors.

18.11 There has been no default in repayment of borrowings and interest during periods presented above.

18.12 The amounts raised during the year have been utilised for the stated objects in the offer document/ Information memorandum/ facility agreement.

18.13 Refer Note 10 for carrying values of the receivable pledged as security against secured rupee term loans. Secured rupee term loans are secured by first *pari passu* charge in favour of lending banks on the receivables of the Company limited to payment/ repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/or others under/pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formally known as GDA Trusteeship Limited).

19. Subordinated Liabilities

The Company has categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	**Subordinated Liabilities**		
(i)	Subordinated Bonds (Principal Outstanding) (Refer Note 19.1)	9,211.50	9,211.50
(ii)	Interest accrued but not due on above	102.33	101.80
(iii)	Unamortised Transaction Cost on above	(2.56)	(3.10)
	Total Subordinated Liabilities	**9,311.27**	**9,310.20**
(B)	**Geography wise Subordinated Liabilities**		
(i)	Subordinated Bonds in India	9,311.27	9,310.20
(ii)	Subordinated Bonds outside India	-	-
	Total Geography wise Subordinated Liabilities	**9,311.27**	**9,310.20**

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19.1 Details of Subordinated Bonds are as under :

(₹ in crore)

Sr. No.	Subordinated Bond Series	As at 31.03.2022	As at 31.03.2021
(i)	8.19% Bond Series 105 - Redeemable at par on 14.06.2023	800.00	800.00
(ii)	9.65% Bond Series 111 - Redeemable at par on 13.01.2024	1,000.00	1,000.00
(iii)	9.70% Bond Series 114 - Redeemable at par on 21.02.2024	2,000.00	2,000.00
(iv)	9.25% Bond Series 184A -Redeemable at par on 25.09.2024	2,000.00	2,000.00
(v)	9.10% Bond Series 184 B -Redeemable at par on 25.03.2029	2,411.50	2,411.50
(vi)	8.98% Bond Series 185 -Redeemable at par on 28.03.2029	1,000.00	1,000.00
	Total Subordinated Bond Series	**9,211.50**	**9,211.50**

20. Other Financial Liabilities

The Company has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Payable on account of Government of India Serviced Bonds (Refer Note 20.1)	5,038.21	5,038.21
(ii)	Advance received from Subsidiaries and Associates	177.13	176.86
(iii)	Unclaimed Dividends (Refer Note 20.2)	5.46	3.90
(iv)	Unpaid - Bonds and Interest Accrued thereon (Refer Note 20.2)		
	- Unclaimed Bonds	2.02	0.53
	- Unclaimed Interest on Bonds	89.15	148.92
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.90	0.69
	- Interest Subsidy Fund (Refer Note 20.3)	-	18.72
	- Payable under GoI schemes (Refer Note 51)	498.83	211.00
	- Lease Liability (Refer Note. 45.1)	8.81	8.81
	- Other liabilities	983.48	220.41
	Total Other Financial Liabilities	**6,803.99**	**5,828.05**

20.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds) :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2022	As at 31.03.2021
(i)	7.10% Bond Series 156 -Redeemable at par on 11.01.2027	200.00	200.00
(ii)	7.18% Bond Series 158 - Redeemable at par on 20.01.2027	1,335.00	1,335.00
(iii)	7.60% Bond Series 160 - Redeemable at par on 20.02.2027	1,465.00	1,465.00
(iv)	7.75% Bond Series 164 - Redeemable at par on 22.03.2027	2,000.00	2,000.00
(v)	Interest accrued but not due on above	38.21	38.21
	Total GoI Serviced Bonds	**5,038.21**	**5,038.21**

20.2 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors/holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

20.3 Interest Subsidy Fund under Accelerated Generation & Supply Programme (AG & SP):

Under AG & SP Scheme the Company had claimed subsidy from GoI at net present value to be passed on to the eligible borrowers. The said scheme has been closed during current FY 2021-22 and after adjusting all the subsidy benefits, an amount of ₹ 19.85 crore is refundable to MoP and it forms part of line item 'other liabilities' in Note 20. The details are as under:

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(₹ in crore)

Description	Year ended 31.03.2022	Year ended 31.03.2021
Opening Balance	**18.72**	**17.31**
Add: Received during the year	-	-
Interest credited during the year	1.13	1.41
Closing Balance	**19.85**	**18.72**

21. Provisions

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	For Employee Benefits (Refer Note 44)		
	- Gratuity	0.03	1.79
	- Leave Encashment	47.73	40.28
	- Economic Rehabilitation of Employees	6.76	4.53
	- Provision for Bonus/Incentive	42.11	34.73
	- Provision for Staff Welfare Expenses	18.29	16.79
(ii)	Impairment Loss Allowance - Letter of Comfort & Guarantee (Refer Note 21.1)	77.21	57.03
(iii)	Provision for Unspent CSR Expense (Refer Note 35)	54.87	-
	Total Provisions	**247.00**	**155.15**

21.1 Movement of Impairment on Letter of Comfort & Guarantee

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
(i)	Opening balance	57.03	180.47
(ii)	Creation during the year	59.05	12.72
(iii)	Reversal during the year	(38.87)	(136.16)
	Closing balance	**77.21**	**57.03**

22. Other Non-Financial Liabilities

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Unamortised Fee - Undisbursed Loan Assets	158.94	148.72
(ii)	Statutory dues payable	35.81	29.71
(iii)	Sundry Liabilities Account (Interest Capitalisation)	28.35	32.02
(iv)	Others	53.83	0.68
	Total Other Non-Financial Liabilities	**276.93**	**211.13**

23. Equity Share Capital

Sr. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	11,00,00,00,000	11,000.00	11,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹ 10)	20,00,00,000	200.00	20,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the year	-	-	-	-
	Closing Equity Share Capital	**2,64,00,81,408**	**2,640.08**	**2,64,00,81,408**	**2,640.08**

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23.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹ 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

23.2 Shares in the Company held by each shareholder holding more than 5% of the shares

Sr. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	1,47,82,91,778	55.99%	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd	22,85,47,160	8.66%	23,81,25,247	9.02%
(iii)	Life Insurance Corporation of India	13,21,17,474	5.00%	15,75,97,304	5.97%

23.3 Shares reserved for issue under options and contract / commitment for the sale of shares or disinvestment, including the terms and amount : Nil

23.4 The Company has issued 132,00,40,704 bonus shares in the ratio of 1:1 during FY 2016-17 and has not bought back any shares.

23.5 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Nil

23.6 Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : Nil

23.7 Forfeited shares (amount originally paid up) : Nil

23.8 Refer Note 39 for Capital Management.

24. Other Equity

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Securities Premium (Refer Note 24.1(i))	2,776.54	2,776.54
(ii)	Foreign Currency Monetary Item Translation Difference Account (Refer Note 24.1(ii))	(513.80)	(634.33)
(iii)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 (Refer Note 24.1(iii))	6,238.14	4,233.76
(iv)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961 (Refer Note 24.1(iv))	576.44	287.25
(v)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(vi)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98 (Refer Note 24.1(v))	24,139.00	21,715.55
(vii)	Interest Differential Reserve - KFW Loan (Refer Note 24.1(vi))	64.07	62.65
(viii)	General Reserve (Refer Note 24.1(vii))	14,115.11	13,827.86
(ix)	Retained Earnings (Refer Note 24.1(viii))	8,863.49	7,203.86
(x)	Reserve for Equity Instruments through Other Comprehensive Income (Refer Note 24.1(ix))	(54.23)	(183.37)
(xi)	Reserve for Effective portion of Cash Flow Hedges (Refer Note 24.1 (x))	200.34	(113.34)
(xii)	Cost of Hedging Reserve (Refer Note 24.1 (xi))	(294.75)	(23.24)
	Total Other Equity	**56,710.20**	**49,753.04**

24.1 Nature , purpose and movement of reserves:

(i) Securities Premium:

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**2,776.54**	**2,776.54**
Add: Transferred from Retained Earnings	-	-
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**2,776.54**	**2,776.54**

(ii) Foreign Currency Monetary Item Translation Difference Account:

It represents unamortised foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortised over the tenure of the respective borrowings.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**(634.33)**	**(1,441.18)**
Add: Foreign Currency Translation Gain/ Loss (-) on long-term monetary items during the year	(270.87)	287.07
Less: Amortisation during the year	391.40	519.78
Balance as at the end of the year	**(513.80)**	**(634.33)**

(iii) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934:

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**4,233.76**	**2,544.96**
Add: Transferred from Retained Earnings	2,004.38	1,688.80
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**6,238.14**	**4,233.76**

(iv) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961:

It has been created to enable the Company to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per Section 36(1)(viia)(c) of Income Tax Act, 1961, the Company is eligible to avail deduction in respect of any provision / reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**287.25**	**2,514.17**
Add: Transferred from Retained Earnings	576.44	617.13
Less: Transferred to General Reserve	(287.25)	(2,844.05)
Balance as at the end of the year	**576.44**	**287.25**

(v) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable the Company to avail tax benefits. As per Section 36(1)(viii) of the Income Tax Act, 1961, the Company is eligible for deduction not exceeding 20% of profit derived from long-term finance activity, provided such amount is transferred and maintained in special reserve account.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**21,715.55**	**18,848.40**
Add: Transferred from Retained Earnings	2,423.45	2,867.15
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**24,139.00**	**21,715.55**

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for the year ended March 31, 2022

(vi) Interest Differential Reserve - KFW Loan:

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/ loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	62.65	61.40
Add: Addition during the year	2.34	2.55
Less: Deletion during the year	(0.92)	(1.29)
Balance as at the end of the year	**64.07**	**62.65**

(vii) General Reserve:

General Reserve includes the amounts appropriated from the profits of the Company before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilisation/ reversal of such Reserves. Further the Company appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**13,827.86**	**10,983.81**
Add: Transferred from Reserve for Bad & Doubtful Debts u/s 36(1) (viia) of the Income Tax Act, 1961	287.25	2,844.05
Balance as at the end of the year	**14,115.11**	**13,827.86**

(viii) Retained Earnings:

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Company after transfer to and from other reserves and dividend distributions.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**7,203.86**	**6,042.40**
Add: Profit for the year	10,021.90	8,444.01
Add: Remeasurement of Defined Benefit Plans (net of taxes)	(3.70)	(3.13)
Less: Transferred to Special Reserve created u/s 36(1) (viii) of the Income Tax Act, 1961	(2,423.45)	(2,867.15)
Less: Transferred to Reserve for Bad and doubtful debts u/s 36(1)(viia) of the Income Tax Act, 1961	(576.44)	(617.13)
Less: Transferred to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(2,004.38)	(1,688.80)
Less: Transferred to Interest Differential Reserve - KFW Loan	(1.42)	(1.25)
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument	13.22	6.98
Less: Dividend paid during the year	(3,366.10)	(2,112.07)
Balance as at the end of the year	**8,863.49**	**7,203.86**

(ix) Reserve for Equity Instruments through Other Comprehensive Income:

The Company elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognised, amounts in the reserve are subsequently transferred to retained earnings and not to standalone statement of profit and loss. Dividends on such investments are recognised in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	(183.37)	(313.64)
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	142.36	137.25
Add: Reclassification of gain/ (loss) on sale/ extinguishment of FVOCI equity instrument (net of taxes)	(13.22)	(6.98)
Balance as at the end of the year	**(54.23)**	**(183.37)**

(x) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**(113.34)**	**(92.66)**
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	313.68	(20.68)
Balance as at the end of the year	**200.34**	**(113.34)**

(xi) Cost of Hedging Reserve:

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

(₹ in crore)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Balance as at the beginning of the year	**(23.24)**	-
Add: Recognition through Other Comprehensive Income / (Expense) (net of taxes)	(271.51)	(23.24)
Balance as at the end of the year	**(294.75)**	**(23.24)**

24.2 Dividend declared/proposed by the Company for Equity Shares of ₹10/- each

(i)	Particulars	FY 2021-22			FY 2020-21		
		% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
	Interim Dividend	107.50%	10.75	2,838.09	80%	8.00	2,112.06
	Final Dividend	12.50%	1.25	330.01	20%	2.00	528.02
	Total Dividend	**120.00%**	**12.00**	**3,168.10**	**100%**	**10.00**	**2,640.08**

During the current year ended 31.03.2022, an amount of ₹1,884.82 crore has been paid to Government of India as dividend (being proportionate share in final dividend for FY 20-21 and interim dividend for FY 21-22).

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on 25.05.2022 has recommended final dividend @ 12.50% on the paid up equity share capital i.e. ₹ 1.25 /- per equity share of ₹ 10/- each for the FY 2021-22 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of Section 123 of Companies Act 2013, as applicable.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

25. Interest Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A)	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	36,780.13	36,058.44
	Less : Rebate for Timely Payment to Borrowers	(386.71)	(331.27)
(ii)	Interest on Deposits with Banks	246.50	289.80
(iii)	Other Interest Income	35.25	33.91
	Sub-Total (A)	**36,675.17**	**36,050.88**
(B)	**On Financial Assets Classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	20.67	90.93
(ii)	Other Income	5.38	3.95
	Sub-Total (B)	**26.05**	**94.88**
	Total Interest Income ((A)+(B))	**36,701.22**	**36,145.76**

26. Dividend income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A)	Dividend on equity investments designated at FVTOCI		
(i)	Investments held at the end of the year	64.36	60.13
(ii)	Investments derecognised during the year	0.29	0.64
	Sub-Total (A)	**64.65**	**60.77**
(B)	Dividend on equity investments at cost (Subsidiaries)	1,282.77	1,143.44
(C)	Dividend on preference Shares	0.00	-
	Total Dividend Income (A+B+C)	**1,347.42**	**1,204.21**

27. Fees and Commission Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Prepayment Premium on Loans	351.60	330.46
(ii)	Fee based Income on Loans	136.56	59.79
(iii)	Fee for implementation of GoI Schemes (Refer Note 51)	8.60	4.65
	Total Fees and Commission Income	**496.76**	**394.90**

28. Other Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Excess Liabilities written back	2.38	-
(ii)	Gain on cessation of joint control in Joint Venture	32.66	-
(iii)	Miscellaneous Income	10.73	21.70
	Total Other Income	**45.77**	**21.70**

29. Finance Costs

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and Others	4,264.34	4,694.63
	- Interest on Lease Liability (Refer Note 45.1)	0.77	0.77
(ii)	**Interest on Debt Securities**		
	- Bonds/Debentures	16,706.94	17,081.20
	- Commercial Papers	39.97	129.42
(iii)	**Interest on Subordinated Liabilities**	850.80	850.04
(iv)	**Other Interest Expense**		
	- Interest on Interest Subsidy Fund (Refer Note 20.3)	1.13	1.41
	- Interest on Application Money - Bonds	0.29	0.04
	- Interest on advances received from Subsidiaries	2.87	2.88
	- Interest under Income Tax Act, 1961	1.91	2.19
(v)	- Swap Premium (Net)	802.28	431.91
	Total Finance Costs	**22,671.30**	**23,194.49**

30. Net Translation/Transaction Exchange Loss/(Gain)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Net Translation/ Transaction Exchange Loss / (Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	514.18	(683.84)
(ii)	Amortisation of Foreign Currency Monetary Item Translation Difference Account created on LTFCMI recognised up to 31.03.2018	391.40	519.78
	Total Translation/ Transaction Exchange Loss/ (Gain)	**905.58**	**(164.06)**

30.1 The foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2022	As at 31.03.2021
USD / INR	75.8071	73.5047
Euro / INR	84.6599	86.0990
JPY / INR	0.6223	0.6636

31. Fees and Commission Expense

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Agency Fees	1.63	1.28
(ii)	Guarantee, Listing and Trusteeship fees	2.41	2.31
(iii)	Credit Rating Fees	5.72	9.36
(iv)	Other Finance Charges	0.42	1.33
	Total Fees and Commission Expense	**10.18**	**14.28**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

32. Net Loss/(Gain) on Fair Value changes

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On financial instruments at Fair value through Profit or Loss:		
(i)	- Change in Fair Value of Derivatives	(39.77)	542.78
(ii)	- Change in Fair Value of Investments	30.35	(23.83)
	Total Net Loss/(Gain) on Fair Value changes	**(9.42)**	**518.95**
	Fair value changes:		
(i)	- Realised	213.16	258.50
(ii)	- Unrealised	(222.58)	260.45
	Total Net Loss/(Gain) on Fair Value changes	**(9.42)**	**518.95**

32.1 Fair value changes in this note are other than those arising on account of accrued interest income/expense.

33. Impairment on Financial Instruments

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On Financial Assets measured at Amortised Cost:		
(i)	Loans *	2,126.68	3,617.79
(ii)	Investment	72.95	-
(iii)	Other Financial Assets	2.33	2.05
(iv)	Letter of Comfort & Guarantee	20.18	(123.44)
	Total Impairment on Financial Instruments	**2,222.14**	**3,496.40**

* including write off and impairment on investment acquired under loan settlement of ₹ 1,396.13 crore (previous year ₹ 2,860.60 crore) and corresponding reversal of impairment loss allowance of ₹ 1,817.78 crore (Previous year ₹ 3,017.25 crore).

33.1 Refer Note 40.1 for details of impairment on financial assets.

34. Employee Benefit Expenses

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Salaries and Wages	150.68	141.31
(ii)	Contribution to Provident and other Funds	17.75	15.19
(iii)	Staff Welfare Expenses	38.22	32.28
(iv)	Rent for Residential Accommodation of Employees	6.46	5.84
	Total Employee Benefit Expenses	**213.11**	**194.62**

34.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 44.

35. Corporate Social Responsibility

In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. 22.01.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, if the Company spends an amount in excess of the requirement under statute, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent.

As the notification was made effective during FY 2020-21, the Company complied with the amended provisions of Section 135 of the Companies Act, 2013 with effect from the FY 2020-21. Accordingly, the unspent CSR amount as at 31.03.2020 would continue to be dealt with in accordance with the pre-amendment framework.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

35.1 Details of amount required to be spent by the Company on CSR activities during the year:

(₹ in crore)

Sr. No.	Particulars	FY 2021-22			FY 2020-21		
		For FY 2021-22	For period up to 31.03.2020	Total	For FY 2020-21	For period up to 31.03.2020	Total
(i)	Opening unspent/(Excess) amount	(39.39)	143.43*	104.04	-	217.59	217.59
(ii)	Amount required to be spent as per Section 135 (5) of Companies Act, 2013	170.43	-	170.43	148.45	-	148.45
(iii)	Amount approved by the Board out of (ii) above to be spent during the year	170.43	-	170.43	148.45	-	148.45
(iv)	Surplus arising out of the CSR projects	0.01	-	0.01	-		
(v)	**Sub-Total (iii + iv)**	**170.44**	**-**	**170.44**	**148.45**	**-**	**148.45**
(vi)	Amount required to be spent after set off excess spent of earlier years (i+v)	131.05	143.43	274.48			
(vii)	Amount spent during the year	76.18$	44.28	120.46	187.84	74.16	262.00
(viii)	Closing Unspent / (Excess) amount	**54.87@**	**99.15**	**154.02**	**(39.39)**	**143.43***	**104.04**

*Sanctioned to various projects where disbursement is being made as per agreed terms.

$ includes ₹ 15.49 crore disbursed where utilisation is pending.

@ Since amount pertains to ongoing projects, it has been transferred to unspent CSR Account on 29.04.2022.

35.2 Unspent CSR amount of ₹ 54.87 crore pertains to multi-year (ongoing) projects where payment is made in tranches upon achievement of milestone. Accordingly, the said amount has been deposited in unspent CSR Account with State Bank of India as per requirements of Section 135(6) of Companies Act, 2013.

35.3 Activity wise detail of amount spent during the year on CSR activities:

(₹ in crore)

Sr. No.	Particulars	FY 2021-22			FY 2020-21		
		Paid or settled	Yet to be paid	Total	Paid or settled	Yet to be paid	Total
(i)	Construction/acquisition of any assets	-	-	-	-	-	-
(ii)	On purposes other than (i) above						
(iia)	Sanitation/ Waste Management/ Drinking water	4.93	-	4.93	11.69	-	11.69
(iib)	Education/Vocational Skill development	21.72	-	21.72	15.91	-	15.91
(iic)	Environmental Sustainability (Solar Applications/ Afforestation/ Energy efficient LED lighting)	7.36	-	7.36	8.17	-	8.17
(iid)	Sports	0.95	-	0.95	0.15	-	0.15
(iie)	Others#	81.10	-	81.10	221.23	-	221.23
(iif)	Administrative overheads including training, impact assessment etc. limited to 5% of total amount required to be spent on CSR	4.40	-	4.40	4.85	-	4.85
(iii)	**Total Amount Spent during FY ((i) +(ii))**	**120.46**	**-**	**120.46***	**262.00**	**-**	**262.00**
(iv)	Add: To be transferred to Unspent CSR Account			54.87			-
(v)	Add/Less: Excess amount adjusted/(spent)			39.39			(39.39)
(vi)	**CSR Expenses charged to Standalone Statement of Profit and Loss (iii + iv + v)**			**214.72**			**222.61**

includes a contribution of ₹ 50 crore to PM CARES Fund (Previous year ₹ 200 crore).

*includes ₹ 44.28 crore for the period up to 31.03.2020.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

35.4 Details of Unspent CSR amount as per requirements of Section 135(6) of Companies Act, 2013:-

(₹ in crore)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance		Details of ongoing projects
With Company	In Separate CSR Unspent A/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c	
Nil	Nil	131.05	76.18	Nil	54.87*	Nil	Various projects to support research, training, solar power, sanitation, skill development, Health care etc.

* Transferred on 29.04.2022 to unspent CSR Account with State Bank of India.

36. Other Expenses

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Rent, Taxes and Energy Cost	3.95	4.43
(ii)	Repairs and Maintenance	9.93	4.63
(iii)	Communication Costs	2.40	2.09
(iv)	Printing and Stationery	1.11	0.92
(v)	Advertisement and Publicity	11.29	8.30
(vi)	Directors Fees, Allowance and Expenses	0.28	0.20
(vii)	Auditor's fees and expenses (Refer Note 36.1)	1.45	1.19
(viii)	Legal & Professional charges	9.83	8.11
(ix)	Insurance	0.23	0.27
(x)	Travelling and Conveyance	13.01	11.09
(xi)	Net Loss/ (Gain) on Sale/ derecognition of PPE	2.91	1.12
(xii)	Other Expenditure	66.32	28.45
	Total Other Expenses	**122.71**	**70.80**

36.1 Auditor's fees and expenses are as under:

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Fee paid to Statutory Auditors:		
(i)	as Auditor	0.58	0.46
(ii)	for Taxation matters	0.15	0.12
(iii)	for Company Law Matters (includes Limited Review Fees)	0.32	0.28
(iv)	for Other services	0.29	0.24
	Sub-Total	**1.34**	**1.10**
(v)	Non-recoverable GST credit in respect of fees paid to auditors	0.11	0.09
	Total Auditor's fees and expenses	**1.45**	**1.19**

Notes to the Standalone Financial Statements

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37. Disclosures related to 'Income Taxes'

37.1 Income tax expense recognised in Standalone Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Tax expense:		
Current Year	2,418.91	2,613.09
Earlier Years	(36.05)	178.94
(A) Total Tax Expense	**2,382.86**	**2,792.03**
Deferred Tax Expense/(Income)		
Origination and reversal of temporary differences	(177.11)	(1,028.73)
(B) Total Deferred Tax Expense/(Income)	**(177.11)**	**(1,028.73)**
Total Income Tax Expense (A+B)	**2,205.75**	**1,763.30**

37.2 Income tax expense recognised in Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Current Tax Expense/(Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	0.35	-
(A) Total Current Tax Expense/(Income)	**0.35**	**-**
Deferred Tax Expense/(Income)		
(B) Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(1.72)	(1.13)
Net Gain/(Loss) on Fair Value of Equity Instruments	9.58	
(C) Items that will be reclassified to Profit and Loss		
Effective portion of Gains and Losses on Hedging Instruments in Cash flow Hedge	105.50	(6.96)
Cost of hedging reserve	(91.31)	(7.82)
(D) Total Deferred Tax Expense/(Income) (B+C)	**22.05**	**(15.91)**
Total Tax Expense/(Income) recognised in OCI (A+D)	**22.40**	**(15.91)**

37.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expense and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Profit before Tax	12,227.65	10,207.31
Company's Applicable Tax Rate	25.168%	25.168%
Tax using the Company's applicable tax rate	**3,077.45**	**2,568.98**
Tax effect of:		
Non-deductible tax expenses	97.41	8.09
Deduction u/s 80M	(339.12)	(303.08)
Deduction u/s 36(1)(viii)	(609.93)	(637.95)
Others	15.99	(51.68)
Previous year tax liability	(36.05)	178.94
Total tax expense in the Standalone Statement of Profit and Loss	**2,205.75**	**1,763.30**

Notes to the Standalone Financial Statements

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37.4 Deductible temporary differences/ unused tax losses/ unused tax credits carried forward

Particulars	As at 31.03.2022 (₹ in crore)	Expiry date	As at 31.03.2021 (₹ in crore)	Expiry date
Deductible temporary differences / unused tax losses / unused tax credits for which no deferred tax asset has been recognised in the Standalone Balance Sheet	1.25	31.03.2024	1.25	31.03.2024
	2.54	31.03.2025	2.54	31.03.2025
	0.03	31.03.2028	0.03	31.03.2028
	0.07	31.03.2029	-	-

37.5 Movement in Deferred Tax balances:

FY 2021-22

(₹ in crore)

Particulars	Net balance at 01.04.2021	Recognised in Profit and Loss	Recognised in OCI	Net balance at 31.03.2022
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	24.26	2.96	1.72	28.94
(ii) Unamortised income on loans to borrowers	58.71	3.90	-	62.61
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	4,110.68	116.75	-	4,227.43
(iv) Depreciation and amortisation	2.35	0.60	-	2.95
(v) Fair value of derivatives (Net)	18.67	12.08	(14.19)	16.56
(vi) Others	24.38	11.59	(9.58)	26.39
(B) (Deferred Tax Liabilities)				
(i) Unamortised Exchange Loss (Net)	(160.46)	30.59	-	(129.87)
(ii) Unamortised expenditure on loan liabilities	(81.80)	(1.36)	-	(83.16)
(iii) Others	(0.03)	-	-	(0.03)
Net Deferred Tax Assets/(liabilities)	**3,996.76**	**177.11**	**(22.05)**	**4,151.82**

FY 2020-21

(₹ in crore)

Particulars	Net balance at 01.04.2020	Recognised in Profit and Loss	Recognised in OCI	Net balance at 31.03.2021
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	20.42	2.71	1.13	24.26
(ii) Unamortised income on loans to borrowers	51.99	6.72	-	58.71
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	3,390.19	720.49	-	4,110.68
(iv) Depreciation and amortisation	1.49	0.86	-	2.35
(v) Fair value of derivatives (Net)	10.88	(6.99)	14.78	18.67
(vi) Others	20.60	3.78	-	24.38
(B) (Deferred Tax Liabilities)				
(i) Lease income	(47.99)	47.99	-	-
(ii) Unamortised Exchange Loss (Net)	(365.07)	204.61	-	(160.46)
(iii) Unamortised expenditure on loan liabilities	(80.04)	(1.76)	-	(81.80)
(iv) Others	(50.35)	50.32	-	(0.03)
Net Deferred Tax Assets/(liabilities)	**2,952.12**	**1,028.73**	**15.91**	**3,996.76**

38. Disclosure as per Ind AS 33 "Earnings per Share"

(₹ in crore)

Sr. No.	Description	FY 2021-22	FY 2020-21
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
(i)	from continuing operations	10,021.90	8,444.01
(ii)	from discontinued operations	-	-
(iii)	from continuing and discontinued operations	10,021.90	8,444.01
(B)	Weighted average number of equity shares used as denominator (basic & diluted)	2,64,00,81,408	2,64,00,81,408
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (in ₹):		
(i)	for continuing operations	37.96	31.98
(ii)	for discontinued operations	-	-
(iii)	for continuing and discontinued operations	37.96	31.98

39. Capital Management

The Company maintains a capital base that is adequate to support the Company's risk profile, regulatory and business needs. The Company sources funds from domestic and international financial markets, *inter alia* leading to diverse investor base and optimised cost of capital. Refer Note 17, 18 and 19 for details w.r.t. sources of funds and refer Standalone Statement of Changes in Equity for details w.r.t Equity.

As contained in RBI Master Directions – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Company regularly monitors the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company is also guided, *inter alia*, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

39.1 Certain key financial parameters of the Company are as under:

Sr. No.	Ratios	Numerator*	Denominator*	As at 31.03.2022	As at 31.03.2021	% variance
1.	**Total Capital to risk-weighted assets ratio (CRAR)**	**Tier I Capital + Tier II Capital**	**Risk Weighted assets**	**23.48%**	**18.83%**	**24.69%**
1 (a)	CRAR – Tier I Capital	Tier I Capital	Risk Weighted assets	20.00%	15.46%	
1 (b)	CRAR – Tier II Capital	Tier II Capital	Risk Weighted assets	3.48%	3.37%	
2.	**Liquidity Coverage Ratio(LCR)**	**Total High Quality Liquid Assets**	**Total Net Cash Outflows**	**60.00%**	**50.00%**	**20.00%**

* Computed as per applicable RBI guidelines.

39.2 Details of Subordinated Debt/Perpetual Debt raised are as under:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

39.3 Dividend Distribution Policy

The Company has a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars / guidelines, future capital expenditure plans, profits earned during the financial

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year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, the Company is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions. Though, the Company endeavours to declare dividend as per these guidelines, it may propose to MoP, a lower dividend after analysis of various financial parameters like net-worth, CAPEX / business expansion needs; additional investments in subsidiaries/ associates of the Company; other regulatory requirements etc. For details of dividend paid/recommended during the year, refer Note 24.2 and Note 24.3.

40. Financial Risk Management

The Company is exposed to several risks which are inherent to the environment that it operates in. The Company is into business of extending financial assistance to power sector. The principal risks which are inherent with the Company's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

The following table broadly explains sources of risks which the Company is exposed to and how it manages the same and related impact in the financial statements:

Note	Risk	Exposure arising from	Measurement	Risk Management
40.1	Credit Risk	Loans, investments, cash and cash equivalents, other financial assets	Ageing analysis	Detailed appraisal process, credit concentration limits and collateral including government guarantee
40.2	Liquidity Risk	Debt securities, borrowings, subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
40.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis	Derivative contracts for hedging currency risk
40.4	Market Risk – Interest Rate Risk	Debt securities, Borrowings, subordinated liabilities and loans at variable interest rates	Interest rate gap analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
40.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the Company has put in place an integrated enterprise-wide risk management mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the Company, the Company has a Chief Risk Officer (CRO) who is involved in the process

of identification, measurement and mitigation of risks. The risk management approach i.e., Company's objectives, policies and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

40.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Company by failing to discharge its obligation. Details of financial assets that expose the Company to credit risk are:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Low Credit Risk		
Cash and cash equivalents[(a)]	720.91	3,717.62
Bank balances other than included in cash and cash equivalents[(a)]	3,240.31	1,044.58
Loans (Principal Outstanding)[(c)]	3,25,704.99	3,02,100.27
Investments (Excluding equity investments)[(a)]	265.93	324.81
Other financial assets[(b)]	5,382.67	5,336.77
Moderate Credit Risk		
Loans (Principal Outstanding)[(c)]	26,514.34	47,520.56
High Credit Risk		
Investments (Excluding equity investments)[(a)]	72.95	-
Loans (Principal Outstanding)[(c)]	20,915.28	21,150.16
Other financial assets[(b)]	24.79	22.46

(a) Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, which meets the empanelment criteria as set out in the Company's policy. The Company has also set exposure limits for deployment of funds in various types of instruments with respective banks/mutual fund houses.

For its investments, the Company manages its exposure to credit risk by periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value.

(b) Credit risk on other financial assets is evaluated based on Company's knowledge of the credit worthiness of those parties and managed by monitoring the recoverability of such amounts. The Company carries an impairment loss allowance of ₹ 24.79 crore on its other financial assets as at 31.03.2022 (as at 31.03.2021 ₹ 22.46 crore).

(c) The Company is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below.

40.1.1 Credit Risk Management for Lending Operations

The Company has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the Company's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e., project appraisal & project monitoring. The Company selects the borrowers in accordance with the Company's approved credit policy, which *inter alia*, defines factors to be considered for rating of the borrower/ project. The Company's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, *inter alia*, based on internal rating awarded by the Company.

(i) Appraisal of Projects

The Company follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Power Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the *prima facie* preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted on the basis of preliminary appraisal.

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The Company along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. The Company follows an integrated rating methodology whereby Integrated Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt-equity ratio) are stipulated.

(b) Appraisal for State Sector Power Projects

State sector projects are taken up for detailed appraisal to determine, *inter alia*, if they are techno economically sound and compatible with integrated power development & expansion plans of the State.

The Company classifies state power generation utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, the Company adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, the Company's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of Company's rating structure.

Such categories/ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. The Company also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling/projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non-statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of the Company as a lender for timely servicing of debt. The Company has an authorisation/ delegation structure for the approval of credit facilities commensurating with the size of the loan.

(ii) Security and Covenants

The Company stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, the Company adopts a combination of the following measures:

(a) Primary Security – Charge on Project Assets or State Government Guarantees

(b) Collateral Securities – Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets/ revenues of group/other companies

(c) Payment Security Mechanism – Escrow Account/ Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants – Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

The Company has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimise the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

For private sector, where the Company is Lead Financial Institution (FI), the Company engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders/consortium

members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilisation of funds in the project periodically. In cases the Company is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender.

Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction/implementation etc. and is reviewed by the Company on a regular basis.

The Company continuously monitors delays and/or default of borrowers and their recoverability. On occurrence of default in the borrower's account, the Company initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularisation of the account by recovering all over dues, invocation of guarantees/ securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC-2016, sale of the exposures to other entities/investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory/legal framework.

40.1.2 Credit Risk Measurement – Impairment Assessment for Lending Operations

(i) Staging of loans

Ind AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Company uses the following basis:

- A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.
- If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial assets. In accordance with Ind AS 109 'Financial Instruments', the Company has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

- If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and/ or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

(ii) Default

In accordance with Ind AS 109 'Financial Instruments', the Company considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

(iii) Measurement of Expected Credit Loss (ECL)

The Company recognises impairment loss allowance for the financial assets in accordance with a Board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Company has appointed an independent agency, ICRA Analytics Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109 'Financial Instruments'. The brief methodology of computation of ECL is as follows:

(a) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12-month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained.

For Stage 1 accounts, 12 months PD is used.

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For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used.

For Stage 3 (credit impaired accounts), 100% PD is taken.

For 12-month PD: PDs as associated with external ratings grades (published as a part of rating transition matrix of ICRA) have been used for assessment of ECL. In case of State Sector borrowers, the same have been derived on the basis of mapping with the Company's internal ratings. Whereas in case of private sector borrowers, the same have been derived on the basis of mapping with latest external ratings as published by various credit rating agencies. In case of non-availability of external rating for private sector borrowers, the 12-month PD has been computed through a Proxy Risk Scoring Model developed by the agency. The said model uses the Quantitative financial ratios like Gearing (Debt/Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative parameters like Plant Load Factor, LAF and ACS ARR gap.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(b) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, LGD has been assigned on the basis of risk category considering State GDP and fiscal deficit

In case of Private sector borrowers, LGD has been assessed considering factors like Project Cost per Unit, Percentage Completion, Project Capacity in case of generation projects and on the basis of book value of assets, Percentage Completion in case of transmission & distribution projects. The said assessed values have thereafter been discounted by applying stress factor and depreciation based on useful life of assets as published by CERC. Further, stage wise average LGD had been applied in case of other types of projects.

For Stage 3 borrowers, LGD has been assessed based on discounted projected cash flow analysis for operational projects and on assets valuation/Bid value/OTS amount etc. as available for other projects.

(c) Exposure at Default (EAD)

It is outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest in respect of the loan.

(d) Key assumptions used in measurement of ECL

- The Company considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since the Company has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(e) The assessment of significant increase in risk and the calculation of ECL both incorporate forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as IIP (index of industrial production) electricity y-o-y growth rate, Money supply y-o-y growth rate to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

40.1.3 Credit risk analysis for Lending Operations

(i) Exposure to credit risk

For loans recognised in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 10 'Loans' for Company's exposure to credit risk arising from loans.

For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Company would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 46 for exposure of Guarantee and Outstanding Disbursement Commitments.

The credit quality and maximum exposure (Principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below.

(₹ in crore)

Days past Due (DPD)	As at 31.03.2022				As at 31.03.2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	3,20,384.30	594.09*	-	3,20,978.39	3,01,686.14	13178.38*	-	3,14,864.52
1-30 days	5,320.69	-	-	5,320.69	414.13	-	-	414.13
31-60 days	-	2,190.12	-	2,190.12	-	14,261.70	-	14,261.70
61-90 days	-	21,477.77	-	21,477.77	-	18,313.31	-	18,313.31
More than 90 days	-	2252.36[@]	20,915.28	23,167.64	-	1767.16[@]	21,150.16	22,917.32
Total	**3,25,704.99**	**26,514.34**	**20,915.28**	**3,73,134.61**	**3,02,100.27**	**47,520.56**	**21,150.16**	**3,70,770.99**

* Since the borrower is in stage 2 in other loans, these loans (which otherwise would have been categorised in stage 1) have also been categorised in stage 2.

[@]Refer Note 40.1.6.

(ii) Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

The following table sets out an analysis of risk concentration of overall loan portfolio on the basis of similar risk characteristics:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e. entities under the control of state and/or central government)	3,14,004.35	1,525.46	3,11,386.55	1,335.17
Loans to private sector	59,130.26	15,823.06	59,384.44	15,262.62
Total	**3,73,134.61**	**17,348.52**	**3,70,770.99**	**16,597.79**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 77.21 crore (as at 31.03.2021 ₹ 57.03 crore).

Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Company considers that these loans have a low credit risk in comparison to lending to private sector mainly due to low default / loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Further, the Company has a lending portfolio comprising of loans to generation, renewable, transmission and distribution power projects spread across diverse geographical areas.

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes				
Generation	1,75,434.21	12,318.35	1,89,577.54	12,775.90
Renewable	36,777.49	2,833.98	37,474.49	2,016.49
Transmission	30,499.70	1,298.11	29,344.59	1,194.83
Distribution	1,28,006.79	892.46	1,12,298.51	572.90
Others	2,416.42	5.62	2,075.85	37.67
Total	**3,73,134.61**	**17,348.52**	**3,70,770.99**	**16,597.79**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 77.21 crore (as at 31.03.2021 ₹ 57.03 crore).

The Company's exposure to various projects and borrowers is constantly monitored in line with the applicable Credit Concentration Norms.

(iii) Details regarding Concentration of Loans and Exposures:

(a) Concentration of Advances:

Description	As at 31.03.2022	As at 31.03.2021
Total Advances (Principal Outstanding) to twenty largest borrowers (₹ in crore)	2,39,932.52	2,31,514.64
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	64.30%	62.44%

(b) Concentration of Exposures:

Description	As at 31.03.2022	As at 31.03.2021
Total Exposure to twenty largest borrowers/customers (₹ in crore)	3,05,673.62	3,17,648.56
Percentage of Exposures to twenty largest borrowers/ customers to Total Exposure of the Company on borrowers/ customers	53.81%	52.42%

(c) Concentration of Credit impaired accounts (Stage 3 accounts):

(₹ in crore)

Description	As at 31.03.2022	As at 31.03.2021
Principal outstanding of top four Stage 3 accounts	10,939.56	10,939.56

(iv) Details of Stage-wise Principal outstanding and Impairment loss Allowance:

Particulars	As at 31.03.2022			As at 31.03.2021		
	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage(%)	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage(%)
Stage 1	3,25,704.99	2,058.82	0.63	3,02,100.27	1,236.19	0.41
Stage 2	26,514.34	945.32	3.57	47,520.56	1,945.24	4.09
Stage 3	20,915.28	14,344.38	68.58	21,150.16	13,416.36	63.43
Total	**3,73,134.61**	**17,348.52**	**4.65**	**3,70,770.99**	**16,597.79**	**4.48**

*including impairment loss allowance on Letter of Comfort and Guarantee of ₹ 77.21 crore (as at 31.03.2021 ₹ 57.03 crore).

(v) The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) between the beginning and the end of the reporting period:

FY 2021-22

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	3,02,100.27	1,236.19	47,520.56	1,945.24	21,150.16	13,416.36	3,70,770.99	16,597.79
Transfer to Stage 1	19,077.60	1,115.88	(17,707.20)	(374.52)	(1,370.40)	(741.36)	-	-
Transfer to Stage 2	(812.08)	(3.96)	828.71	8.05	(16.63)	(4.09)	-	-
Transfer to Stage 3	(1,140.42)	(114.62)	(1,120.58)	(852.23)	2,261.00	966.86	-	-
Net change in Principal/ ECL during the year	13,582.41	445.65	(1,394.27)	222.87	5.91	1,242.94	12,194.04	1,911.47
New financial assets originated	13,967.24	120.77	80.00	0.07	-	-	14,047.24	120.84
Financial assets derecognised (loans repaid/pre- payment)	(21,070.03)	(741.09)	(1,230.23)	543.77	(181.28)	334.89	(22,481.54)	137.57
Financial Assets derecognised (Write Off)	-	-	(462.65)	(547.93)	(933.48)	(871.22)	(1,396.13)	(1,419.15)
Closing Balance	**3,25,704.99**	**2,058.82**	**26,514.34**	**945.32**	**20,915.28**	**14,344.38**	**3,73,134.61**	**17,348.52**

FY 2020-21

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	2,84,211.50	441.67	32,821.37	773.90	27,871.70	14,748.46	3,44,904.58	15,964.03
Transfer to Stage 1	26,498.71	198.33	(25,837.68)	(127.94)	(661.03)	(70.39)	-	-
Transfer to Stage 2	(37,317.79)	(37.93)	40,425.43	316.05	(3,107.64)	(278.12)	-	-
Transfer to Stage 3	(151.59)	(3.28)	-	-	151.59	3.28	-	-
Net change in Principal/ ECL during the year	5,745.50	417.94	(958.63)	976.38	51.36	1,806.06	4,838.23	3,200.38
New financial assets originated	48,620.96	239.42	1,657.09	6.89	-	-	50,278.05	246.31
Financial assets derecognised (loans repaid/pre-payment)	(25,440.44)	(17.28)	(587.02)	(0.04)	(201.68)	(43.42)	(26,229.14)	(60.75)
Financial Assets derecognised (Write Off)	(66.59)	(2.67)	-	-	(286.39)	(286.39)	(352.98)	(289.06)
Financial Assets derecognised (Investment Received)	-	-	-	-	(2,667.74)	(2,463.13)	(2,667.74)	(2,463.13)
Closing Balance	**3,02,100.27**	**1,236.19**	**47,520.56**	**1,945.24**	**21,150.16**	**13,416.36**	**3,70,770.99**	**16,597.79**

Notes to the Standalone Financial Statements

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(vi) Movement of Credit Impaired Accounts (Stage 3 accounts):

(₹ in crore)

Sr. No.	Description	As at 31.03.2022	As at 31.03.2021
(i)	Net Credit Impaired accounts to Gross Loans (%)	1.76	2.09
(ii)	Net Credit Impaired accounts to Net Loans (%)	1.83	2.16
		FY 2021-22	FY 2020-21
(iii)	Movement of Gross Credit Impaired accounts		
	(a) Opening balance	21,150.16	27,871.70
	(b) Additions during the year	1,486.68	205.11
	(c) Reductions during the year	(1,721.56)	(6,926.65)
	(d) Closing balance	20,915.28	21,150.16
(iv)	Movement of Net Credit Impaired accounts		
	(a) Opening balance	7,733.80	13,123.24
	(b) Additions during the year	809.71	131.53
	(c) Reductions during the year	(1,972.61)	(5,520.97)
	(d) Closing balance	6,570.90	7,733.80
(v)	Movement of impairment loss allowance on Credit Impaired accounts		
	(a) Opening balance	13,416.36	14,748.46
	(b) Provisions made during the year	1,913.99	1,809.86
	(c) Write-off/write-back of excess provisions	(985.97)	(3,141.96)
	(d) Closing balance	14,344.38	13,416.36

(vii) Percentage of Gross Credit Impaired Assets (Stage 3) to Gross Loans – sector wise

Description	As at 31.03.2022	As at 31.03.2021
Power Sector	5.61%	5.70%

40.1.4 Write off of Loan Assets

The Company writes off financial assets, in whole or in part, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full.

40.1.5 Policy on sales out of amortised cost business

The Company does not resort to the sale of financial assets, in ordinary course of business. However, the Company has an approved policy that it may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'.

40.1.6 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired

Particulars	As at 31.03.2022	As at 31.03.2021
Number of Borrowers	4	2
Amount of loan outstanding (₹ in crore)	2,252.36	1,767.16
Amount overdue *(₹ in crore)	188.18	100.91
Amount of Impairment Loss allowance (₹ in crore)	815.87	1,086.48

*excluding overdue interest of ₹ 242.87 crore as at 31.03.2022 (As at 31.03.2021 ₹ 249.65 crore).

Pursuant to Ad-interim order from Hon'ble High Court(s) these borrower(s) accounts have not been classified as Credit impaired. The Company holds adequate impairment loss allowance with respect to these loan accounts and has categorised them in Stage 2. The interest income is also not been recognised on these loan accounts on accrual basis since these loans are more than 90 days past due.

40.1.7 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment allowance as per Ind AS 109 'Financial Instruments'

(₹ in crore)

As at 31.03.2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,26,133.66	1,676.69	3,24,456.96	1,331.16	345.54
	Stage 2	27,458.63	944.20	26,514.44	637.72	306.48
	Stage 3	-	-	-	-	-
Sub-Total		**3,53,592.29**	**2,620.89**	**3,50,971.40**	**1,968.88**	**652.01**
Non-Performing Assets (NPA)						
Substandard	Stage 1	296.48	1.33	295.15	29.62	(28.29)
	Stage 2	151.37	1.12	150.25	14.83	(13.70)
	Stage 3	1,142.64	332.93	809.71	114.26	218.66
Sub-Total for Substandard		**1,590.49**	**335.38**	**1,255.11**	**158.71**	**176.68**
Doubtful - up to 1 year	Stage 1	32.80	0.01	32.78	6.44	(6.42)
1 to 3 years	Stage 1	107.00	0.10	106.91	31.40	(31.30)
More than 3 years	Stage 1	3,105.80	310.93	2,794.87	1,522.95	(1,212.02)
Doubtful - up to 1 year	Stage 3	170.10	133.43	36.67	78.22	55.21
1 to 3 years	Stage 3	3,743.76	1,770.31	1,973.45	1,189.36	580.95
More than 3 years	Stage 3	12,779.39	9,181.94	3,597.46	9,120.21	61.73
Sub-Total for doubtful		**19,938.85**	**11,396.72**	**8,542.14**	**11,948.57**	**(551.85)**
Loss	Stage 3	3,079.39	2,918.31	161.08	3,079.39	(161.08)
Sub-Total for NPA		**24,608.74**	**14,650.41**	**9,958.33**	**15,186.66**	**(536.25)**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	69.75	(69.75)	-	69.75
	Stage 2	-	-	-	-	-
	Stage 3	-	7.47	(7.47)	-	7.47
Sub-Total		**-**	**77.21**	**(77.21)**	**-**	**77.21**
Total	**Stage 1**	**3,29,675.75**	**2,058.82**	**3,27,616.93**	**2,921.55**	**(862.74)**
	Stage 2	**27,610.01**	**945.32**	**26,664.69**	**652.55**	**292.77**
	Stage 3	**20,915.28**	**14,344.38**	**6,570.90**	**13,581.44**	**762.95**
	Total	**3,78,201.04**	**17,348.52**	**3,60,852.51**	**17,155.54**	**192.98**

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As at 31.03.2021

(₹ in crore)

Asset Classification as per RBI Norms	Asset classifica tion as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,05,410.67	1,193.00	3,04,217.67	1,586.86	(393.86)
	Stage 2	49,037.04	1,901.40	47,135.64	2,226.57	(325.17)
	Stage 3	-	-	-	-	-
Sub-Total		**3,54,447.71**	**3,094.40**	**3,51,353.31**	**3,813.43**	**(719.03)**
Non-Performing Assets (NPA)						
Substandard	Stage 1	321.79	29.33	292.46	32.17	(2.84)
	Stage 2	-	-	-	-	-
	Stage 3	170.10	40.24	129.86	17.01	23.23
Sub-Total for Substandard		**491.89**	**69.57**	**422.32**	**49.18**	**20.39**
Doubtful - up to 1 year	Stage 1	115.49	0.05	115.44	22.59	(22.55)
1 to 3 years	Stage 1	313.92	0.50	313.42	94.35	(93.85)
More than 3 years	Stage 1	316.45	0.11	316.34	154.45	(154.34)
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	13,863.97	7,703.23	6,160.75	6,357.63	1,345.59
More than 3 years	Stage 3	5,874.82	4,431.62	1,443.19	4,650.66	(219.04)
Sub-Total for doubtful		**20,484.65**	**12,135.51**	**8,349.14**	**11,279.68**	**855.81**
Loss	Stage 3	1,241.27	1,241.27	-	1,241.27	-
Sub-Total for NPA		**22,217.85**	**13,446.35**	**8,771.50**	**12,570.14**	**876.21**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	13.20	(13.20)	-	13.20
	Stage 2	-	43.83	(43.83)	-	43.83
	Stage 3	-	-	-	-	-
Sub-Total		**-**	**57.03**	**(57.03)**	**-**	**57.03**
Total	**Stage 1**	**3,06,478.32**	**1,236.19**	**3,05,242.13**	**1,890.43**	**(654.24)**
	Stage 2	**49,037.04**	**1,945.24**	**47,091.81**	**2,226.57**	**(281.33)**
	Stage 3	**21,150.16**	**13,416.36**	**7,733.80**	**12,266.57**	**1,149.79**
	Total	**3,76,665.52**	**16,597.79**	**3,60,067.74**	**16,383.57**	**214.22**

40.1.8 In accordance with RBI's Master Direction-Non-Banking Financial Company- Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

Particulars	As at 31.03.2022	As at 31.03.2021
Gross NPA to Gross Loans	6.58%	5.99%
Net NPA to Net Loans	2.76%	2.45%

40.2 Liquidity Risk

Liquidity risk is the risk that the Company doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

In order to effectively manage liquidity risk, the Company endeavours to maintain sufficient cash flows to cover maturing liabilities without incurring unacceptable losses or risking damage to the Company's reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Company's liquidity position is determined keeping in view the current liquidity position , anticipated future funding needs, present and future earning capacity and available sources of funds.

The Company manages its day to day liquidity to ensure that the Company has sufficient liquidity to meet its financial obligation as & when due. The long-term liquidity is managed keeping in view the long-term fund position and the market factors. This is in line with the Board approved framework and breaches, if any, are to be reported to the Board of Directors. The Company has never defaulted in servicing of its borrowings.

Further, for overall liquidity monitoring and supervision, the Company has an Asset Liability Committee (ALCO) headed by Director (Finance). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mismatches of its financial assets and liabilities. The mismatches are analysed by way of liquidity statements prescribed by RBI, wherein the cumulative surplus or deficit of funds is arrived at by distributing the cash flows against outstanding financial assets and financial liabilities according to the maturity ladder.

(i) The following table analyses the maturity pattern of items of financial liabilities(debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2022				
Domestic borrowings				
Principal	28,934.60	1,28,392.62	1,06,554.59	2,63,881.81
Interest	18,797.58	52,004.68	33,379.09	1,04,181.35
Foreign Currency borrowings				
Principal	9,222.97	17,958.25	29,107.15	56,288.37
Interest	1,745.64	5,804.15	2,999.03	10,548.82
Total	**58,700.79**	**2,04,159.70**	**1,72,039.86**	**4,34,900.36**
As at 31.03.2021				
Domestic borrowings				
Principal	40,237.18	1,21,261.97	1,13,894.40	2,75,393.55
Interest	20,451.25	54,751.33	37,843.56	1,13,046.14
Foreign Currency borrowings				
Principal	2,091.66	21,970.46	25,773.68	49,835.80
Interest	1,476.91	5,322.99	3,938.05	10,737.95
Total	**64,257.00**	**2,03,306.75**	**1,81,449.69**	**4,49,013.44**

* In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

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(ii) The following table analyses the maturity pattern of Derivative financial liabilities*:

(₹ in crore)

Particulars	Up to 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2022				
Forward	-	-	-	-
Option/swaps	56.75	46.50	-	103.25
Total	**56.75**	**46.50**	**-**	**103.25**
As at 31.03.2021				
Forward	40.53	-	-	40.53
Option/swaps	15.48	438.03	-	453.51
Total	**56.01**	**438.03**	**-**	**494.04**

* The above table details the Company's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparty banks. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

(iii) Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Upto 1 year	1 – 5 years	More than 5 years	Total
As at 31.03.2022				
Loan assets				
Principal	28,263.46	1,28,615.86	2,01,918.38	3,58,797.70
Interest	34,703.91	1,06,907.01	1,00,935.58	2,42,546.50
Total	**62,967.37**	**2,35,522.87**	**3,02,853.96**	**6,01,344.20**
As at 31.03.2021				
Loan assets				
Principal	33,603.33	1,19,449.05	2,04,302.25	3,57,354.63
Interest	34,823.78	1,08,997.32	1,20,916.68	2,64,737.78
Total	**68,427.11**	**2,28,446.37**	**3,25,218.93**	**6,22,092.41**

* The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date.

(iv) The Company has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, the Company has the highest domestic Credit Rating of AAA, thereby enabling it to mobilise funds from the domestic market within a short span of time. The Company has access to the following undrawn borrowing facilities:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
CC/ OD/ LoC / WCDL limits	5,398.00	8,098.00

(v) The Company also maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed by RBI for NBFCs. Refer note 55.6 for disclosure in this regard.

40.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

(i) The Company is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the Company's foreign currency denominated borrowings is as follows:

Description	As at 31.03.2022		As at 31.03.2021	
	Crore in respective currency	₹ in Crore	Crore in respective currency	₹ in Crore
USD Loans	**678.27**	**51,417.51**	**630.91**	**46,374.92**
- Hedged	407.50	30,891.39	280.00	20,581.32
- Unhedged	270.77	20,526.12	350.91	25,793.60
Euro Loans	**30.83**	**2,609.67**	**0.97**	**83.69**
- Hedged	-	-	-	-
- Unhedged	30.83	2,609.67	0.97	83.69
JPY Loans	**3,633.60**	**2,261.19**	**5,089.20**	**3,377.19**
- Hedged	-	-	-	-
- Unhedged#	3,633.60	2,261.19	5,089.20	3,377.19
Total		**56,288.37**		**49,835.80**
- Hedged		**30,891.39**		**20,581.32**
- Unhedged		**25,396.98**		**29,254.48**

#includes partly hedged liability of Nil (As at 31.03.2021, JPY loan partly hedged through forwards covering USD/ INR exposure for ₹ 940.86 crore).

(ii) Foreign currency risk monitoring and management

The Company has put in place a Board approved "Policy for Management of Risks on Foreign Currency Borrowings" to manage and hedge risks associated with foreign currency borrowings which prescribes the structure and organisation for management of associated risks.

The Company enters into various derivative transactions viz. principal only swaps, options and forward contracts for hedging the exchange rate risk. As per extant policy, a system for reporting and monitoring of risks is in place wherein Committee for Management of Risks on Foreign Currency Borrowings, consisting of senior executives of the Company, monitors the foreign currency exchange rate. These derivative transactions are done for hedging purpose and not for trading or speculative purpose. The policy lays down the appropriate systems and controls to identify, measure and monitors, the currency risk for reporting to the Management.

(iii) Foreign Currency Sensitivity Analysis

The following table presents the impact on total equity [Gain / (Loss)] for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

(₹ in crore)

Foreign Currency Liabilities	As at 31.03.2022		As at 31.03.2021	
	Decrease	Increase	Decrease	Increase
	on account of change in foreign exchange rate			
USD	1,026.31	(1,026.31)	1,289.68	(1,289.68)
Euro	130.48	(130.48)	4.18	(4.18)
JPY	113.06	(113.06)	168.86	(168.86)
Total	**1,269.85**	**(1,269.85)**	**1,462.72**	**(1,462.72)**

40.4 Market Risk – Interest Rate Risk

40.4.1 Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

(i) Interest rate risk is managed with the objective to control market risk exposure while optimising the return.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

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for the year ended March 31, 2022

Further, for managing the interest rate risk, the Company reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by the Company through its interest rate & credit policies which *inter alia* covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. The Company also enters into various derivatives transactions like interest rate swaps, cross-currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For Interest Rate Sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shocks to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 118.77 crore. (As at 31.03.2021 (+/-) ₹ 58.00 crore).

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest/first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

40.4.2 Disclosures in respect of Interest Rate Benchmark Reform

The Company has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, the Company has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate. Significant interest rate benchmark used in the Company's borrowings is 6 month USD LIBOR (London Interbank offer rate).

(i) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 657.67 million (Amount in INR ₹ 4,985.66 crore) as on 31.03.2022. Out of this, the amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is USD 650 million (Amount in INR ₹ 4,927.46 crore).

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as planned after June 2023:-

Benchmark	As at 31.03.2022				As at 31.03.2021			
	Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crore)			Amount in respective currency (million)	Amount (₹ in crore)
Non-derivative financial liabilities								
6 month USD LIBOR	657.67	4,985.66	650.00	4,927.46	659.11	4,844.76	659.11	4,844.76
6 month JPY LIBOR*	-	-	-	-	30,966.75	2,054.95	30,966.75	2,054.95
Derivatives								
6 month USD LIBOR	650.00	4,927.46	650.00	4,927.46	650.00	4,777.81	650.00	4,777.81

** During the current year, JPY liabilities impacted due to cessation of JPY LIBOR have been translated to an alternative reference rate.*

(ii) Managing the process of transition to alternative benchmark rates

The Company has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework *inter alia* covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, the Company shall undertake all transition activities as per the process/guidelines detailed in the policy.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate/benchmarks for the LIBOR linked loans and their derivatives are yet to be agreed with the lenders and the derivative bankers. However, it has been assumed that as a result of such reform there shall be no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

40.5 Market Risk – Price risk

(i) The Company is exposed to price risks arising from investments in listed equity shares. Refer Note 11 'Investments' for Company's exposure to the same.

(ii) Sensitivity Analysis

The table below represents the impact on Statement of Profit and Loss for 5% increase or decrease in the respective prices on Company's equity investments, outside the group:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	6.29	(6.29)	3.00	(3.00)
Impact on OCI	47.48	(47.48)	42.10	(42.10)

41. Hedge Accounting

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis based dollar offset method.

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(ii) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Balance Sheet:

Sr. No.	Particulars		Nominal Amount (₹ in crore)	Carrying Amount[1] Assets (₹ in crore)	Carrying Amount[1] Liabilities (₹ in crore)	Date of maturity	Weighted Average Rate / Strike Price
As at 31.03.2022							
1.	Currency Derivatives	Forwards	-	-	-	-	-
		Principal Only Swaps	6,064.57	277.61	-	Jun 2022-Sep 2024	71.09
		Call Spread Option	7,959.75	70.55	21.55	Oct-2023-Dec-2024	73.90
		Seagull Option	10,802.51	1,453.26	-	May 2026-Nov-2026	73.96
	Sub-Total		**24,826.83**	**1,801.42**	**21.55**		
2.	Interest rate Derivatives	Interest Rate Swap	8,717.82	198.86	39.15	Jun 2022-Jun 2024	1.38%
	Sub-Total		**8,717.82**	**198.86**	**39.15**		
3.	**Total (1+2)**		**33,544.65**	**2,000.28**	**60.70**		
As at 31.03.2021							
1.	Currency Derivatives	Forward	91.08	0.17	-	Jun 2021	73.70
		Principal Only Swaps	5,880.38	198.60	-	Jun 2022-Sep 2024	71.09
		Call Spread Option	7,717.99	-	51.92	Oct-2023-Dec-2024	73.90
	Sub-Total		**13,689.45**	**198.77**	**51.92**		
2.	Interest rate Derivatives	Interest Rate Swap	8,453.04	4.10	178.32	Jun 2022-Jun 2024	1.38%
	Sub-Total		**8,453.04**	**4.10**	**178.32**		
3.	**Total (1+2)**		**22,142.49**	**202.87**	**230.24**		

[1] forms part of the line item 'Derivative Financial Instruments' in the Standalone Balance Sheet.

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge *

(₹ in crore)

Description (including derivative)	As at 31.03.2022	As at 31.03.2021
Currency derivatives		
Up to 1 year	1,895.18	91.08
1 – 5 years	22,931.65	13,598.37
More than 5 years	-	-
Sub-Total (A)	**24,826.83**	**13,689.45**
Interest rate derivatives		
Up to 1 year	1,895.18	-
1 – 5 years	6,822.64	8,453.04
More than 5 years	-	-
Sub-Total (B)	**8,717.82**	**8,453.04**
Total (A+B)	**33,544.65**	**22,142.49**

*Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

(iv) The effects of hedging instruments designated as Cash-flow hedge on the Standalone Statement of Profit and Loss:

(₹ in crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at 31.03.2022					
1.	Currency Derivatives	(451.84)	-	702.18	Finance Costs
				(532.79)	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	238.72	-	100.10	Finance Costs
As at 31.03.2021					
1.	Currency Derivatives	(621.69)	-	365.46	Finance Costs
				129.89	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	1.18	-	66.46	Finance Costs

(v) Reconciliation of Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve

(₹ in crore)

Sr. No.	Particulars	FY 2021-22		FY 2020-21	
		Currency Derivative	Interest rate Derivative	Currency Derivative	Interest rate Derivative
(a)	**Opening balance of Reserves (net of tax)**	**(12.24)**	**(124.34)**	**82.30**	**(174.96)**
(b)	Hedge ineffectiveness recognised in P&L	-	-	-	-
(c)	Amount recognised in OCI during the year	(451.84) [(a)]	238.72 [(b)]	(621.69) [(a)]	1.18 [(b)]
(d)	Amount reclassified from OCI to P&L	169.38	100.09	495.35	66.46
(e)	**Net amount recognised in OCI during the year (c + d)**	**(282.46)**	**338.81**	**(126.34)**	**67.64**
(f)	Deferred Tax on (e) above	71.09	(85.27)	31.80	(17.02)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e + f)**	**(211.37)**	**253.54**	**(94.54)**	**50.62**
(h)	**Closing balance of Reserves (net of Tax) (a + g)**	**(223.61)**	**129.20**	**(12.24)**	**(124.34)**

[(a)]Comprises of changes in intrinsic value and time value of options contracts, changes in fair value of PoS/Forwards contracts

[(b)]Comprises of changes in fair value of IRS contracts

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42. Fair Value Measurements

(i) Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset/Financial Liability – Recurring fair value	Fair Value as at 31.03.2022	Fair Value as at 31.03.2021	Fair value hierarchy (Refer Note 5.1)	Valuation technique(s) & Key input(s)
1)	**Quoted Equity investments**				
	- PTC India Limited	98.70	93.30	Level 1	Quoted market price
	- Coal India Limited	255.62	182.03		
	- NHPC Limited	517.88	524.39		
	- Suzlon Energy Limited	77.42	42.31		
	- RattanIndia Power Limited	125.79	59.96		
2)	**Un-Quoted Equity investments**				
	- Power Exchange India Limited	0.00	0.00	Level 3	Fair value has been calculated as Nil as PFC estimates no material amount may be realised from the investment.
	- RKM PowerGen Pvt. Ltd.	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
	- Energy Efficiency Services Ltd. (EESL)	241.73	NA		EESL ceases to be a jointly controlled entity w.e.f. 01.09.2021. Accordingly, the investment in EESL has been designated at fair value and the fair value has been determined using the financials of the investee company.
3)	**Investment in preference shares**				
	- RattanIndia Power Limited – OCCRPS	0.00	96.19	Level 3	Owing to default in redemption of RPS of RattanIndia Power Ltd., PFC estimates no material amount may be realised from the investment.
	- Suzlon Global Services Limited – CCPS	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
4)	**Investment in debentures**				
	- Essar Power Transmission Company Ltd. - Series 1 - OCD	37.80	40.88	Level 3	Fair valued using discounted future cash flow as per terms of agreement.
	- Essar Power Transmission Company Ltd. - Series 2 - OCD	15.23	16.47		
	- Suzlon Energy Limited - OCD	102.69	94.28		
	- Essar Power Transmission Company Ltd. - Series 3 - OCD	0.00	0.00		Fair valued a ₹ 1 due to the non-availability of structured repayment schedule. The debentures are unsustainable in nature and future cash flows are uncertain.
	- RKM Powergen Pvt. Ltd. - Series A - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series B - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	0.00	0.00		
5)	**Units of 'Small Is Beautiful' Fund of KSK**	-	0.00	Level 3	Pursuant to the completion of liquidation proceedings, investment has been derecognised from the books during the FY 2021-22.
6)	**Derivative Financial Instruments**				
	- Assets	3,080.56	1,251.45	Level 2	The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	- Liability	103.25	494.04		

(ii) There were no transfers between Level 1 and Level 2 during the year.

(iii) Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following tables show the reconciliation of the opening and closing amounts of financial assets and liabilities measured at fair value using Level 3 inputs:

(₹ in crore)

Particulars	FVTOCI		FVTPL		
	Investment in Units of SIB fund of KSK	Investment in Un-quoted Equity Shares	Investment in Bonds of Union Bank (Pre-merger Andhra Bank)	Investment in Preference Shares	Investment in Debentures
FY 2021-22					
Opening Balance	**0.00**	**0.00**	**-**	**96.19**	**151.63**
Investment made during the year	-	-	-	-	-
Settlement	(0.95)	-	-	-	(16.58)
Transfer in Level 3	-	278.16	-	-	-
Transfer from Level 3	-	-	-		-
Interest income[1]	-	-	-	-	20.67
Fair Value gain/ (loss)	0.95[2]	(36.43)[2]	-	(96.19)[3]	
Closing Balance	**-**	**241.73**	**-**	**-**	**155.72**
Unrealised gains/(loss) on assets held at the end of the year	-	(36.43)	-	(96.19)	16.92
FY 2020-21					
Opening Balance	**-**	**0.00**	**810.05**	**100.58**	**-**
Investment made during the year	-	-	-	-	157.06
Settlement	-	-	(887.60)	-	(18.81)
Transfer in Level 3	6.12	0.00	-	-	-
Transfer from Level 3	-	-	-	-	-
Interest income[1]	-	-	77.55	-	13.38
Fair Value gain/ (loss)	(6.12)[2]	-	-	(4.39)[3]	-
Closing Balance	**0.00**	**0.00**	**-**	**96.19**	**151.63**
Unrealised gains/(loss) on assets held at the end of the year	(6.12)	-	-	(4.39)	-

[1]Forms part of line item 'Interest Income' in the Standalone Statement of Profit and Loss.

[2]Fair value gain/ (loss) on Investments at FVTOCI forms part of line item 'Net Gain/(Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Standalone Statement of Profit and Loss.

[3]Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Standalone Statement of Profit and Loss.

(iv) Fair Value of financial assets/liabilities measured at amortised cost:

The fair value of the following financial assets and liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(₹ in crore)

Asset/Liability	Fair value hierarchy	As at 31.03.2022		As at 31.03.2021	
		Amortised Cost	Fair Value	Amortised Cost	Fair Value
Loans	Level 3	3,60,929.74	3,67,609.10	3,60,124.77	3,63,723.47
Investments[a]	Level 1/3	110.21	110.60	-	-
Other Financial Assets	Level 2	5,382.67	5,391.78	5,336.77	5,346.27
Debt Securities[a]	Level 1 / 2	2,30,156.95	2,36,861.56	2,42,811.54	2,53,736.40
Borrowings other than debt securities[b]	Level 2	87,965.42	84,205.44	80,837.60	79,334.36
Subordinated Liabilities	Level 2	9,311.27	9,960.39	9,310.20	10,215.26

[a]Includes listed instruments with Level 1 fair value hierarchy.

Investment in G-Sec being fair valued using market price as at reporting date.

Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[b]Includes foreign currency loans linked to LIBOR and multilateral agencies loans being valued at par.

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The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

43. Related Party Disclosures

43.1 Related Parties

Subsidiaries:			
1	PFC Consulting Limited (PFCCL)	2	REC Limited (RECL) (formerly Rural Electrification Corporation Limited))
3	REC Power Development & Consultancy Limited (through RECL) (formerly REC Power Distribution Company Ltd.)		
Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Deoghar Infra Limited	12	Tatiya Andhra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
13	Chhattisgarh Surguja Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)	14	Coastal Maharashtra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
15	Coastal Karnataka Power Limited		
Through PFCCL			
16	Mohanlalganj Transmission Limited (incorporated on 08.06.2021)	17	Karur Transmission Limited (transferred on 18.01.2022)
18	Shongtong Karcham-Wangtoo Transmission Limited (under process of Striking off the name of Company from the records of Registrar of Companies)	19	Bijawar-Vidarbha Transmission Limited (under approval for striking off the name from the records of Registrar of Companies))
20	Koppal- Narendra Transmission Limited (transferred on 13.12.2021)	21	Tanda Transmission Company Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
22	Bhadla Sikar Transmission Limited	23	Ananthpuram Kurnool Transmission Limited
24	Nangalbibra-Bongaigaon Transmission Limited (incorporated on 09.04.2021 and transferred on 16.12.2021)	25	Khetri-Narela Transmission Limited
26	Sikar-II Aligarh Transmission Limited (transferred on 08.06.2021)	27	Kishtwar Transmission Limited (incorporated on 15.04.2021)
28	Khavda-Bhuj Transmission Limited (incorporated on 18.05.2021 and transferred on 18.01.2022)	29	Chhatarpur Transmission Limited (incorporated on 25.01.2022)
Through RECL			
30	Dumka Transmission Limited	31	Dinchang Transmission Limited (struck off from the RoC vide MCA letter dated 17.08.2021)
32	Koderma Transmission Limited	33	Chandil Transmission Limited
34	Mandar Transmission Limited	35	Sikar New Transmission Limited (transferred on 04.06.2021)
36	ER-NER Transmission Limited (incorporated on 06.10.2021)	37	MP Power Transmission Package-I Limited
38	MP Power Transmission Package-II Limited (transferred on 01.11.2021)	39	Kallam Transmission Limited (transferred on 28.12.2021)
40	Gadag Transmission Limited (transferred on 17..03.2022)	41	Fatehgarh Bhadla Transco Limited (transferred on 04.06.2021)
42	Rajgarh Transmission Limited	43	Bidar Transmission Limited
Key Managerial Personnel (KMP) of the Company:		**Designation**	
1	Shri Ravinder Singh Dhillon	Chairman and Managing Director & Additional charge Director (Commercial)	
2	Shri P. K. Singh (superannuated on 31.01.2022)	Director (Commercial)	
3	Smt Parminder Chopra	Director (Finance)	
4	Shri Rajiv Ranjan Jha (w.e.f. 28.10.2021)	Director (Projects)	
5	Shri Tanmay Kumar (up to 06.09.2021)	Government Nominee Director	
6	Shri Vishal Kapoor (w.e.f. 07.09.2021)	Government Nominee Director	

7	Shri Ram Chandra Mishra	Part Time Non-Official Independent Director	
8	Adv. Bhaskar Bhattacharya (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director	
9	Shri Prasanna Tantri (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director	
10	Smt Usha Sanjeev Nair (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director	
11	Shri Manohar Balwani	CGM & Company Secretary	
Trusts/Funds under control of the Company			
1	PFC Employees Provident Fund	2	PFC Employees Gratuity Fund
3	PFC Defined Contribution Pension Scheme 2007	4	PFC Superannuation Medical Fund
Companies in which Key Managerial Personnel are Directors			
1	PTC India Limited	2	NHPC Limited (up to 06.09.2021)
3	SJVN Limited (up to 06.09.2021)	4	Kholongchhu Hydro Energy Limited (up to 06.09.2021)
5	Punatsangchhu-I, Hydroelectric Project Authority in Bhutan (up to 06.09.2021)	6	Punatsangchhu-II Hydroelectric Project Authority in Bhutan (up to 06.09.2021)
7	Mangdechhu Hydroelectric Project Authority in Bhutan (up to 06.09.2021)		
Joint Ventures			
1	Energy Efficiency Services Limited (EESL) (up to 31.08.2021)		

43.2 Transactions with the Related Parties are as follows:

(₹ in crore)

Particulars	During FY 2021-22	During FY 2020-21
Subsidiaries:		
REC Ltd.		
Loan given (including interest)	-	3,000.49
Repayment of Loan (including interest)	3,014.47	-
Dividend received	1,269.22	1,143.44
Directors' sitting fee received	0.09	0.10
PFC Consulting Ltd.		
Loans given (including interest)	9.52	-
Advances given (including interest)	0.29	2.13
Dividend received	13.55	-
Allocation of employee benefits	1.11	1.04
Joint Venture		
Lease rental on vehicles *	0.09	0.21
Associates		
Repayment of advances (including interest) by associates	-	33.21
Advances taken from Associates	-	6.81
Repayment of advance taken from Associate	1.12	-
Interest income on advances to associates	16.43	15.70
Interest expenses on advances from associates	2.87	2.88
Trusts/Funds under control of the Company		
Contributions made during the year	7.38	8.25
Redemption of bonds	2.60	-
Finance cost on bonds paid	0.34	0.34
Key managerial personnel		
(i)Short term employee benefits	3.17	3.42
(ii) Post-employment benefits	0.42	0.38
(iii) Other long-term benefits	0.41	0.45
Sub-Total (i+ii+iii)	**4.00**	**4.25**
Repayment/ Recovery of loans and advances	0.33	0.30

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(₹ in crore)

Particulars	During FY 2021-22	During FY 2020-21
Subscription of bonds	0.17	-
Redemption of bonds(net of subscription)	-	0.36
Directors' Sitting Fees paid	0.28	0.19
Finance cost on bonds paid	0.01	0.04
Companies in which Key Managerial Personnel are Directors		
Dividend received – PTC India Limited	9.00	9.00
Directors' Sitting Fee received – PTC India Limited	0.05	0.02

* Transactions up to the date of cessation of joint control in EESL have been disclosed.

43.3 Outstanding balances with Related Parties are as follows:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Amount recoverable towards loans & advances (including interest)		
Subsidiaries	13.83	3,003.39
Associates	181.42	166.19
Key managerial personnel	0.48	0.57
Amount payable towards loans & advances (including interest)		
Associates	177.13	176.86
Subsidiaries	-	-
Debt Securities		
Key managerial personnel	0.21	0.04
Trusts/Funds under control of the Company	1.10	3.70

43.4 Maximum amount of loans/investments outstanding are as follows:

(₹ in crore)

Particulars	Loans		Investments	
	During FY 2021-22	During FY 2020-21	During FY 2021-22	During FY 2020-21
REC	3,000.00	3,000.00	14,500.50	14,500.50
PFCCL	9.52	-	0.15	0.15

43.5 Disclosure in respect of entities under the control of the same government (Government related entities)

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government. During the year, the Company had transactions with the related entities under the control/ joint control of the same government including but not limited to

Bhartiya Rail Bijlee Company Ltd.	Damodar Valley Corporation
Tehri Hydro Development Corporation	Power Grid Corporation of India Ltd.
Neyveli UP Power Ltd.	Bihar Grid Company Ltd.
Meja Urja Nigam Pvt Ltd.	Coal India Ltd.
Raichur Power Corporation Ltd.	NHPC Ltd.
NLC Tamil Nadu Power Ltd.	North East Transmission Company Ltd.
National High Power Test Laboratory Pvt Ltd.	Neyveli Lignite Corporation Ltd.
Sardar Sarovar Narmada Nigam Ltd.	

Significant transactions with entities under the control of same government:

(₹ in crore)

Nature of Transaction	During FY 2021-22	During FY 2020-21
Dividend received	55.65	51.77
Disbursement of loans	772.59	3,034.61
Interest received	2,976.13	3,920.30
Repayment of principal received	5,875.14	15,789.64

Refer Note 12, 18, 20.1, 20.3, 24.2 and 51 in respect of material transactions with the Central Govt.

Above transactions with the Government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses and deposits etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All the transactions have been carried out on market terms.

43.6 Major terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel are in line with the HR policies of the Company.

(iii) Loans and advances given to Directors/ KMPs have specified terms/ period of repayment and are in line with the HR Policies of the Company.

(iv) The Company makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of group companies at the year-end are unsecured.

44. Employee Benefits

44.1 Defined contribution plans:

(a) Pension

The Company pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

(b) Provident Fund

The Company pays fixed contribution on account of provident fund at prescribed rates to a separate trust, which invests the funds in permitted securities. The trust has to ensure, a minimum rate of return to the members as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

An amount of ₹ 14.87 crore (Previous year ₹ 13.10 crore) for the year is recognised as expense in the Standalone Statement of Profit and Loss on account of the Company's contribution to the defined contribution plans.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

44.2 Defined benefit plans:

(a) Gratuity

The Company has a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Present value of Defined benefit obligation	27.53	28.67
(b) Fair Value of Plan Assets	27.50	26.88
(c) Net Defined Benefit (Asset)/Liability (a-b)	0.03	1.79

Movement in net defined benefit (asset)/liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
I. Opening Balance	**28.67**	**28.43**	**26.88**	**25.67**	**1.79**	**2.76**
Included in profit and loss						
Current service Cost	1.65	1.85	-	-	1.65	1.85
Past service cost	-	-	-	-	-	-
Interest cost/income	2.03	1.92	1.90	1.74	0.13	0.18
II. Total amount recognised in profit and loss	**3.68**	**3.77**	**1.90**	**1.74**	**1.78**	**2.03**
Included in OCI						
Re-measurement loss/(gain):						
Actuarial loss (gain) arising from changes in financial assumptions	(0.89)	(0.81)	-	-	(0.89)	(0.81)
Actuarial loss (gain) arising from experience adjustment	(1.40)	0.12	-	-	(1.40)	0.12
Actuarial loss (gain) arising from changes in demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	(0.54)	(0.45)	0.54	0.45
III. Total amount recognised in OCI	**(2.29)**	**(0.69)**	**(0.54)**	**(0.45)**	**(1.75)**	**(0.24)**
IV. Contribution by participants	-	-	-	-	-	-
V. Contribution by employer	-	-	1.79	2.76	(1.79)	(2.76)
VI. Benefits paid	(2.53)	(2.84)	(2.53)	(2.84)	-	-
VII. Closing Balance (I+II+III+IV+V+VI)	**27.53**	**28.67**	**27.50**	**26.88**	**0.03**	**1.79**

(b) Post-Retirement Medical Scheme (PRMS)

The Company has a Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated employees, dependent family members of superannuated and deceased employees. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the Company. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Present value of Defined benefit obligation	56.39	48.37
(b) Fair Value of Plan Assets	50.12	43.40
(c) Net Defined Benefit (Asset)/ Liability (a-b)	6.27	4.97

Movement in net defined benefit (asset)/liability

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
I. Opening Balance	**48.37**	**42.00**	**43.40**	**37.07**	**4.97**	**4.93**
Included in profit and loss						
Current service Cost	2.59	2.16	-	-	2.59	2.16
Past service cost	-	-	-	-	-	-
Interest cost/income	3.46	2.85	3.07	2.51	0.39	0.34
II. Total amount recognised in profit and loss	**6.05**	**5.01**	**3.07**	**2.51**	**2.98**	**2.50**
Included in OCI						
Re-measurement loss/(gain)						
Actuarial loss (gain) arising from changes in financial assumptions	(1.26)	(2.53)	-	-	(1.26)	(2.53)
Actuarial loss (gain) arising from Experience adjustment	0.34	5.30	-	-	0.34	5.30
Actuarial loss (gain) arising from changes in demographic assumptions	5.55	-	-	-	5.55	-
Return on plan assets excluding interest income	-	-	0.33	(0.37)	(0.33)	0.37
III. Total amount recognised in OCI	**4.63**	**2.77**	**0.33**	**(0.37)**	**4.30**	**3.14**
IV. Contribution by participants	-	-	0.04	0.04	(0.04)	(0.04)
V. Contribution by employer	-	-	5.59	5.49	(5.59)	(5.49)
VI. Benefits paid	(2.66)	(1.41)	(2.31)	(1.34)	(0.35)	(0.07)
VII. Closing Balance (I+II+III+IV+V+VI)	**56.39**	**48.37**	**50.12**	**43.40**	**6.27**	**4.97**

(c) Economic Rehabilitation Scheme (ERS)

The Company has an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	6.76	4.53

Notes to the Standalone Financial Statements

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Movement in defined benefit obligation

(₹ in crore)

Particulars	Present value of Defined Benefit Obligation for the year ended	
	31.03.2022	31.03.2021
I. Opening Balance	**4.53**	**2.89**
Included in profit and loss		
Current service Cost	0.37	0.36
Past service cost	-	-
Interest cost / income	0.32	0.20
II. Total amount recognised in profit and loss	**0.69**	**0.56**
Included in OCI		
Actuarial loss (gain) arising from changes in financial assumptions	(0.24)	(0.10)
Actuarial loss (gain) arising from Experience adjustment	2.75	1.47
Actuarial loss (gain) arising from changes in demographic assumptions	-	-
Return on plan assets excluding interest income	-	-
III. Total amount recognised in OCI	**2.51**	**1.37**
IV. Contribution by participants	-	-
V. Contribution by employers	-	-
VI. Benefits paid	(0.97)	(0.29)
VII. Closing Balance (I+II+III+IV+V+VI)	**6.76**	**4.53**

(d) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Investment risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cash flow for plan assets does not match with cash flow for plan liabilities.

ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

iii) Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

v) Turnover rate/Withdrawal rate of employee

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

(e) Plan Assets

The value of plan assets for each category is as follows:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	0.02	0.09	0.15	0.44
State/Central Government Debt Securities	14.15	30.10	14.47	22.54
Corporate Bonds/Debentures	12.08	19.93	11.25	20.42
Others	1.25	-	1.01	-
Total	**27.50**	**50.12**	**26.88**	**43.40**

As at 31.03.2022, an amount of ₹ Nil (as at 31.03.2021 ₹ 0.50 crore) is included in the value of plan assets in respect of the Company's own financial instruments (corporate bonds).

Actual return on plan assets is ₹ 4.77 crore (Previous year ₹ 3.43 crore).

(f) Significant actuarial assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31.03.2022 by TransValue Consultants. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method. The principal assumptions used for actuarial valuation are: -

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Discount Rate & expected return on plan assets, if funded	7.45%	7.08%	7.45%	7.08%	7.45%	7.08%
Salary Escalation Rate/Medical inflation rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality Rate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate
Withdrawal rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

(g) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(1.12)	1.21	(1.24)	1.27
- PRMS	(4.28)	4.82	(3.67)	4.13
- ERS	(0.24)	0.27	(0.16)	0.18
Salary Escalation/Medical inflation Rate (0.50% movement)				
- Gratuity	0.14	(0.19)	0.16	(0.16)
- PRMS	4.60	(4.23)	3.95	(3.63)
- ERS	0.25	(0.22)	0.17	(0.15)
Medical Cost (10% movement)				
- PRMS	6.17	(5.15)	5.29	(4.41)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes to the Standalone Financial Statements

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The Company actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Company to manage its risks from prior periods.

(h) Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Up to 1 year	1.72	1.91	2.01	1.60	0.82	0.54
1 to 5 years	10.64	8.84	13.56	10.76	3.30	2.17
Over 5 years	49.54	49.61	64.37	51.09	7.70	5.07
Total	**61.90**	**60.36**	**79.94**	**63.45**	**11.82**	**7.78**

The table above is drawn on the basis of expected cash flows.

(i) Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Expected contribution	1.51	3.58	9.36	7.55

(j) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.98 years (as at 31.03.2021: 15.94 years).

44.3 Other long-term employee benefits

(a) Leave

The Company provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300 days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 11.62 crore (Previous year ₹ 8.85 crore) for the year has been made at the year end and debited to the Standalone Statement of Profit and Loss.

(b) Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 1.14 crore for the year (Previous year ₹ 2.68 crore) has been made on the basis of actuarial valuation and debited to the Standalone Statement of Profit and Loss.

44.4 Employee benefits (viz. Gratuity, PRMS, Terminal Benefits, leave encashment and other employee benefits) in respect of Company's employees working in its wholly-owned subsidiary on deputation / secondment basis are being allocated based on a fixed percentage of employee cost.

45. Leases

The Company has recognised a Right of Use Asset and Lease Liability with respect to leasehold land being used as office premises.

45.1 The table below shows the movement of lease liabilities during the year:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening balance	8.81	8.81
Additions during the year	-	-
Finance cost accrued during the period	0.77	0.77
Payment of lease liabilities	(0.77)	(0.77)
Closing balance	8.81	8.81

45.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Up to 1 year	0.77	0.77
1-5 years	3.09	3.09
More than 5 years	55.51	56.29

45.3 During the year 2021-22, the expenses relating to short-term/low value leases amounting to ₹ 7.20 crore (Previous year ₹ 6.49 crore) has been charged to Standalone statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

45.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 8.10 crore. (Previous year ₹ 7.14 crore)

46. Contingent Liabilities and Commitments

(₹ in crore)

Sr. No.	Description	As at 31.03.2022	As at 31.03.2021
Contingent Liabilities			
(i)	Guarantees[(a) & (b)]	8.29	44.65
(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	62.23
(iv)	Service Tax demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested.	24.53	22.51
	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	50.07
(v) [(b)]	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned	7,032.45	3,913.01
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	174.53	335.65
(ii)	Other Commitments – CSR unspent amount pertaining to the period up to 31.03.2020	99.15	143.43
Total		**7,484.13**	**4571.55**

[(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. Refer note 21.

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47. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2022 (Nil as at 31.03.2021). This has been determined to the extent the status of such parties could be identified on the basis of information available with the Company.

48. In the context of reporting business/geographical segment as required by Ind AS 108 'Operating Segments', the Company's operations comprise of only one business segment lending to power sector entities. All activities revolve around the main business. Hence, there are no reportable segments as per Ind AS 108.

49. Modifications in the significant accounting policies:

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.

50. Amount expected to be recovered/ settled within 12 months and beyond for each line item under asset and liabilities:

(₹ in crore)

	Particulars	As at 31.03.2022			As at 31.03.2021		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	720.91	-	720.91	3,717.62	-	3,717.62
(b)	Bank Balance other than included in Cash & Cash Equivalents	3,240.31	-	3,240.31	1,044.58	-	1,044.58
(c)	Derivative Financial Instruments	980.64	2,099.92	3,080.56	5.33	1,246.12	1,251.45
(d)	Loans	48,146.53	3,12,783.21	3,60,929.74	55,541.19	3,04,583.58	3,60,124.77
(e)	Investments	1,084.80	14,999.47	16,084.27	882.65	15,090.85	15,973.50
(f)	Other Financial Assets	102.08	5,280.59	5,382.67	138.30	5,198.47	5,336.77
	Total financial assets[1]	**54,275.27**	**3,35,163.19**	**3,89,438.46**	**61,329.67**	**3,26,119.02**	**3,87,448.69**
2	**Non-Financial Assets**						
(a)	Current Tax Assets (Net)	-	273.65	273.65	-	260.64	260.64
(b)	Deferred Tax Assets (Net)	-	4,151.82	4,151.82	-	3,996.76	3,996.76
(c)	Property, Plant and Equipment	-	44.72	44.72	-	37.21	37.21
(d)	Other Intangible Assets	-	0.13	0.13	-	0.24	0.24
(e)	Right of use asset	-	34.85	34.85	-	35.30	35.30
(f)	Other Non-Financial Assets	92.16	374.22	466.38	112.55	192.68	305.23
	Total non-financial assets[2]	**92.16**	**4,879.39**	**4,971.55**	**112.55**	**4,522.83**	**4,635.38**
	Total Asset[1+2]	**54,367.43**	**3,40,042.58**	**3,94,410.01**	**61,442.22**	**3,30,641.85**	**3,92,084.07**
	LIABILITIES						
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	56.76	46.49	103.25	56.01	438.03	494.04
(b)	Debt Securities	25,518.09	2,04,638.86	2,30,156.95	38,118.69	2,04,692.85	2,42,811.54
(c)	Borrowings (other than Debt Securities)	23,265.32	64,700.10	87,965.42	11,220.79	69,616.81	80,837.60
(d)	Subordinated Liabilities	102.33	9,208.94	9,311.27	101.80	9,208.40	9,310.20
(d)	Other Financial Liabilities	1,618.05	5,185.94	6,803.99	683.31	5,144.74	5,828.05
	Total financial liabilities[1]	**50,560.55**	**2,83,780.33**	**3,34,340.88**	**50,180.60**	**2,89,100.83**	**3,39,281.43**
2	**Non-Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	-	194.92	194.92	-	43.24	43.24
(b)	Provisions	106.57	140.43	247.00	99.61	55.54	155.15
(c)	Other Non-Financial Liabilities	250.67	26.26	276.93	181.19	29.94	211.13
	Total non-financial liabilities[2]	**357.24**	**361.61**	**718.85**	**280.80**	**128.72**	**409.52**
	Total liabilities (1+2)	**50,917.79**	**2,84,141.94**	**3,35,059.73**	**50,461.40**	**2,89,229.55**	**3,39,690.95**

51. Government of India(GoI) schemes being implemented by the Company

The Company has been designated as Nodal Agency for operationalisation and implementation of RDSS Scheme and IPDS (R-APDRP subsumed in it). Role of Nodal Agency *inter alia* includes pass through of loans/grants to eligible utilities under schemes of GOI. The Company receives the amount on such accounts and disburses it in accordance with the scheme. When funds are received from GOI, the amount is shown under other financial liabilities till the payments are released to the beneficiaries.

51.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with REC is the nodal agency for operationalisation of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

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.

The Company is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2021-22 stands at Nil.

The Scheme has an outlay of ₹ 3,03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI and the amount of GoI grant administered to the eligible entities till 31.03.2022 through the Company is ₹ 359 crore.

51.2 Integrated Power Development Scheme (IPDS) (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) subsumed)

IPDS scheme was launched in December 2014 to 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. This scheme has the sunset date of 31.03.2022 and the ongoing approved projects have been subsumed under the new RDSS scheme.

The estimated outlay of the scheme was ₹ 32,612 crore including a budgetary support of ₹ 25,354 crore from GoI. R-APDRP scheme cost of ₹ 44,011 crore including budgetary support of ₹ 22,727 crore have also been carried forward to IPDS scheme. The amount of GOI grant administered to the eligible utilities till 31.03.2022 is ₹17,907.45 crore (₹ 15,782.44 crore as at 31.03.2021).

The total amount of nodal agency fee income from this scheme for FY 2021-22 stands at ₹ 8.60 crore (Previous year ₹ 4.65 crore). Additionally, the Company has also received ₹ 28.20 crore (Previous year ₹ 6.29 crore) as reimbursement of expenditure from MoP under the said scheme.

52. (a) Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the State of Jammu & Kashmir into two Union territories- Jammu & Kashmir UT and Ladakh UT, the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/repaid in line with the existing loan agreement.

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(b) Status of documentation subsequent to reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans with the new / name changed utilities. Till that time, the demand for payment of interest/principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

53. Disclosures as required under RBI's Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit Taking Company and Deposit taking Company(Reserve Bank) Directions, 2016 as amended from time to time.

53.1 Asset Liability Management – Maturity pattern of items of Assets and Liabilities:

In the tables below, the principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date. Further, Bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

(₹ in crore)

Bucket as at 31.03.2022	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	374.80	0.00	86.09	-	0.00
8 to 14 days	460.83	1933.65	184.70	-	0.00
15 days to 30/31 Days	2,510.53	3,565.02	1,067.50	-	5.43
Over 1 Month up to 2 Months	1,075.65	655.95	3,605.00	-	0.00
Over 2 Months up to 3 Months	2.03	970.23	2,268.75	-	2,235.52
Over 3 Months & up to 6 Months	2.39	6,607.24	7,733.04	-	0.00
Over 6 Months & up to 1 Year	4.49	14,531.37	13,989.53	-	6,982.03
Over 1 Year & up to 3 Years	14.74	65,323.48	83,967.36	-	10,160.98
Over 3 Years & up to 5 Years	9.50	63,292.38	44,425.26	-	7,797.27
Over 5 Years	14,975.23	2,01,918.38	1,06,554.59	-	29,107.15
Total	**19,430.19**	**3,58,797.70**	**2,63,881.81**	**-**	**56,288.37**

(₹ in crore)

Bucket as at 31.03.2021	Deposits/ Investments	Advances	Domestic Borrowings	Foreign Currency Items	
				Assets	Liabilities
1 to 7 days	2,308.02	1,000.00	2,008.04	-	-
8 to 14 days	-	2,130.70	-	-	-
15 days to 30/31 Days	1,392.13	3,933.99	2,000.00	-	5.26
Over 1 Month up to 2 Months	799.72	3,729.18	600	-	-
Over 2 Months up to 3 Months	-	1,328.74	3,796.65	-	6.32
Over 3 Months & up to 6 Months	-	7,340.85	15,228.15	-	1,102.57
Over 6 Months & up to 1 Year	-	14,139.88	16,604.34	-	977.51
Over 1 Year & up to 3 Years	-	57,861.78	66,122.35	-	12,012.31
Over 3 Years & up to 5 Years	-	61,587.27	55,139.62	-	9,958.15
Over 5 Years	15,173.78	2,04,302.25	1,13,894.40	-	25,773.68
Total	**19,673.65**	**3,57,354.63**	**2,75,393.55**	**-**	**49,835.80**

53.2 Exposures

53.2.1 The Company does not have any exposure to real estate sector.

53.2.2 Exposure to Capital Market:

(₹ in crore)

Sr. No.	Description	Amount as at 31.03.2022	Amount as at 31.03.2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares);	15,974.26	15,896.71
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e., where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	2,699.02	2,705.94
(vii)	Bridge loans to companies against expected equity flows/issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		**18,673.28**	**18,602.65**

53.2.3 Details of financing of parent company products:

The Company does not have a parent company.

53.2.4 RBI has categorised the Company as an Infrastructure Finance Company (IFC) in terms of instructions contained in RBI Circular CC No.168 dated 12.02.2010.

In respect of Central/State Government entities, RBI has exempted the Company from applicability of RBI's concentration of credit/investment norms till 31.03.2022. Considering Company's business model and strategic positioning being a Government Company, the matter for exemption is under consideration of RBI and the response is awaited. In view of above, the Company is continuing its operations in respect of Central/State Government entities as per Ministry of Power approved Credit Concentration Norms in line with its Board of Directors approval.

In respect of Private sector entities, PFC is following RBI's concentration of credit/investment norms.

53.2.5 Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the Company:

The Company has not exceeded applicable prudential exposure limits against Single Borrower/Group Borrower during FY 2021-22 and FY 2020-21.

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53.3 Details of registrations with regulators:

Sr. No.	Regulator	Particulars	Registration Details
1.	Ministry of Corporate Affairs	Corporate Identification Number	L65910DL1986GOI024862
2.	Reserve Bank of India	Registration Number	B-14.00004
3.	Legal Entity Identifier India Ltd.	LEI Number	3358003Q6D9LIJJZ1614
4.	Central Registry of Securitisation Asset Reconstruction and Security Interest of India	Registration Number	F0084

53.4 Disclosure of Penalties imposed by RBI and other regulators during the year :

During FY 2021-22, NSE and BSE have levied fine on the Company for non-compliance in regard to composition of the Board of Directors, Audit Committee and Nomination & Remuneration Committee of the Board of Directors.

The Company had taken up the matter with Ministry of Power to expedite the process of appointment of balance number of Independent Directors.

The President of India had ordered appointment of three Independent Directors (including one Independent Woman Director) vide Ministry of Power communication dated 15.11.2021.Thus, the Company is in compliance in regard to composition of the Board of Directors, Audit Committee and Nomination & Remuneration Committee of the Board of Directors.

Accordingly, Company vide its letters dated 29.03.2022 had requested both the exchanges to waive the above said penalty. Revert on the matter is awaited.

During the previous year, NSE & BSE had levied fine on the Company for the similar reason. However, BSE vide its email dated September 24, 2020 and April 19, 2021 has waived the penalty imposed for the previous year. Whereas, NSE vide letter/e-mail dated 08.12.2021 had communicated that waiver can be considered after complying with the requirement.

53.5 Credit Ratings

53.5.1 Ratings assigned by domestic credit rating agencies as at 31.03.2022:

Sr. No.	Rating Agency	Long Term Rating	Short Term Rating
1.	CRISIL	CRISIL AAA	CRISIL A1+
2.	ICRA	ICRA AAA	ICRA A1+
3.	CARE	CARE AAA	CARE A1+

53.5.2 Long-term foreign currency issuer rating assigned by international credit rating agencies as at 31.03.2022:

Sr. No.	Rating Agency	Rating
1.	Fitch Ratings	BBB-
2.	Moody's	Baa3

53.5.3 In respect of the above, there has been no migration of ratings during the year.

53.6 Provisions, Contingencies and Impairment loss allowances debited to Standalone Statement of Profit and Loss

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
1	Impairment loss allowance towards loans, investments acquired under loan settlement , letter of comfort and guarantees *	2,146.86	3,494.35
2	Impairment loss allowance on other financial assets	2.33	2.05
3	Impairment loss allowance on investment	72.95	-
4	Provision made towards Income tax	2,382.86	2,792.03

* including write off and impairment on investment acquired under loan settlement of ₹ 1,396.13 crore (Previous year ₹ 2860.60 crore) and corresponding reversal of impairment loss allowance of ₹ 1,817.78crore (Previous year ₹ 3017.25 crore).

53.7 Draw Down from reserves

Reference may be made to Note 24.

53.8 Others

(a) The Company is preparing Consolidated Financial Statements in accordance with Ind AS – 110 'Consolidated Financial Statements'.

(b) The Company does not have any Overseas Assets in the form of Joint Ventures/Subsidiaries abroad.

(c) There are no Off-Balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

53.9 Customer Complaints for FY 2021-22

No complaints have been received by the Company from its borrowers during the year ended 31.03.2022. (Previous year Nil).

54. Information/Particulars as set out in Annex IV of RBI's Master Direction dated 01.09.2016 applicable to the Company, as updated from time to time :

(₹ in crore)

Particulars	Amount as on 31.03.2022		Amount as on 31.03.2021	
Liabilities Side	Outstanding	Overdue	Outstanding	Overdue
(1) Loans and Advances availed by the Company inclusive of interest accrued thereon but not paid:				
(a) Bonds : Secured	17,980.13	-	15,617.62	-
: Unsecured	2,21,335.61	-	2,33,619.99	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(i) Rupee Term Loans	65,507.07	-	61,332.50	-
(ii) Foreign Currency Loans	22,000.10	-	19,013.86	-
(d) Inter-corporate loans & borrowings	-	-	-	-
(e) Commercial Paper	-	-	3,080.23	-
(f) Public Deposits	-	-	-	-
(g) Others				
(i) Short-Term Borrowings	228.62	-	683.23	-

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Assets Side		Amount as on 31.03.2022	Amount as on 31.03.2021
(2)	**Break-up of Loans and Advances including bills receivables (other than those included in (3) below) (Net of Provisions) :**		
(a)	Secured	1,87,185.54	1,91,256.29
(b)	Unsecured	1,85,949.07	1,79,559.82
(c)	Less: Impairment loss allowance	(17,271.30)	(16,410.98)
(d)	Loans and advances (net of provision)	3,55,863.31	3,54,405.13
(3)	**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities (Net of Provisions) :**		
(i)	Lease assets including lease rentals under sundry debtors:		
(a)	Financial lease	-	94.00
(b)	Operating lease	-	-
(4)	**Break-up of Investments (Net of Provisions)**		
	Investments carried at Cost/Amortised Cost		
1.	**Quoted**		
(i)	Shares		
	(a) Equity	14,500.50	14,500.50
(ii)	Government securities	98.69	-
2.	**Unquoted**		
(i)	Shares		
	(a) Equity	0.90	246.40
	(b) Preference	84.47	76.99
	(c) Less: Impairment Loss allowance	(73.15)	(0.20)
	(d) Unquoted Shares (net of Provision)	**12.22**	**323.19**
	Investments carried at Fair Value		
1.	**Quoted**		
(i)	Shares		
	(a) Equity	1,075.41	901.99
2.	**Unquoted**		
(i)	Shares		
	(a) Equity	241.73	-
	(b) Preference	-	96.19
(ii)	Debentures and Bonds	155.72	151.63

(5) Borrower group-wise classification of assets financed as in (2) and (3) above: (as per applicable provisioning norms)

Category		Amount Net of Provisions (as on 31.03.2022)			Amount Net of Provisions (as on 31.03.2021)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1.	Related Parties						
(a)	Subsidiaries and Associates	-	185.73	185.73	-	3,168.51	3,168.51
(b)	Other related parties	0.48	-	0.48	0.57	-	0.57
2.	Other than related parties	1,87,185.06	1,85,763.34	3,72,948.40	1,91,349.72	1,76,391.31	3,67,741.03
Total		**1,87,185.54**	**1,85,949.07**	**3,73,134.61**	**1,91,350.29**	**1,79,559.82**	**3,70,910.11**

(6) Investor group-wise classification of all investments (at cost/amortised cost and fair value) in shares and securities (both quoted and unquoted)

Category		As on 31.03.2022		As on 31.03.2021	
		Break up value$	Book Value (Net of Provisions)	Break up value$	Book Value (Net of Provisions)
1.	Related Parties				
	(a) Subsidiaries	26,824.33	14,500.65	22,825.70	14,500.65
	(b) Companies in the same group	0.50	0.55	290.37	246.05
2.	Other than related parties	1,583.07	1,583.07	1,226.80	1,226.80
	Total	**28,407.90**	**16,084.27**	**24,342.87**	**15,973.50**

(7) Other Information

Particulars		Amount (as on 31.03.2022)	Amount (as on 31.03.2021)
(i)	Gross Stage III Assets		
	(a) Other than related parties	20,915.28	21,150.16
(ii)	Net Stage III Assets		
	(a) Other than related parties	6,570.91	7,733.80
(iii)	Assets acquired in satisfaction of debt (Gross value of investment)	443.40	467.96

$In case of negative break-up value, Nil value has been considered.

55. Disclosures in accordance with guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio as per RBI's Master Direction – Non-Banking Financial Company- Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time.

55.1 Funding Concentration based on significant counterparty (borrowings)

Particulars	Number of significant counterparties*	Amount (₹ crore)	% of Total Liabilities
As at 31.03.2022	7	59,447.08	17.74%
As at 31.03.2021	7	52,897.08	15.57%

*Significant counterparty/ significant instrument/ product is defined as a single counterparty or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total liabilities.

55.2 Top 10 borrowings (amount in ₹ crore & % of total borrowings)

Sr. No.	Particulars*	As at 31.03.2022	
		Amount (₹ crore)	% of Total Borrowings
1	RTL from State Bank of India	10,999.98	3.44%
2	RTL from HDFC Bank	9,750.00	3.05%
3	RTL from National Small Savings Scheme (NSSF)	7,500.00	2.34%
4	RTL from Union Bank of India	6,675.00	2.09%
5	RTL from Canara Bank	6,200.00	1.94%
6	3.95% USD BONDS 2030	5,685.53	1.78%
7	RTL from Bank of Baroda	5,344.00	1.67%
8	8.65% Taxable Bond Series 126	5,000.00	1.56%
9	8.41% Taxable Bond Series 131 C	5,000.00	1.56%
10	7.62% Taxable Bond Series 171	5,000.00	1.56%

*Based on size of bond issuance/term loans from banks.

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Sr. No.	Particulars*	As at 31.03.2021	
		Amount (₹ crore)	% of Total Borrowings
1	RTL from State Bank of India	10,999.98	3.38%
2	RTL from Canara Bank	8,250.00	2.54%
3	RTL from National Small Savings Scheme Fund (NSSF)	7,500.00	2.31%
4	RTL from Bank of Baroda	6,300.00	1.94%
5	RTL from Union Bank of India	6,100.00	1.88%
6	3.95% USD Bonds 2030	5,512.85	1.70%
7	7.41% Taxable Bond Series 197	5,000.00	1.54%
8	7.62% Taxable Bond Series 171	5,000.00	1.54%
9	8.41% Taxable Bond Series 131 C	5,000.00	1.54%
10	8.65% Taxable Bond Series 126	5,000.00	1.54%

*Based on size of bond issuance / term loans from banks

55.3 Funding Concentration based on significant instrument/product

Sr. No.	Significant instrument /product	As at 31.03.2022		As at 31.03.2021	
		Amount (₹ crore)	% of Total Liabilities	Amount (₹ crore)	% of Total Liabilities
1	**Debt Securities**				
	- Infrastructure Bonds	38.51	0.01%	119.56	0.04%
	- Tax Free Bonds	8,983.03	2.68%	12,275.11	3.61%
	- 54EC Capital Gain Tax Exemption Bonds	3,998.82	1.19%	2,564.18	0.75%
	- Taxable Bonds	1,75,616.83	52.41%	1,86,226.10	54.82%
	- Foreign Currency Notes	34,378.78	10.26%	30,871.97	9.09%
	- Commercial Paper	-	-	3,080.23	0.91%
	Sub-Total (1)	**2,23,015.97**	**66.56%**	**2,35,137.15**	**69.22%**
2	**Borrowings (other than Debt Securities)**				
	- Foreign Currency Loans	128.07	0.04%	150.65	0.04%
	- Syndicated Foreign Currency Loans	21,781.52	6.50%	18,813.18	5.54%
	- Rupee Term Loan	58,262.48	17.39%	53,598.98	15.78%
	- Rupee Term Loan - GoI	7,500.00	2.24%	7,500.00	2.21%
	- Loan against Term Deposits	228.59	0.07%	683.04	0.20%
	- Working Capital Demand Loan/ Overdraft/ Cash Credit/ Line of Credit	-	-	-	-
	Sub-Total (2)	**87,900.66**	**26.23%**	**80,745.85**	**23.77%**
3	**Subordinated Liabilities**	9,211.50	2.75%	9,211.50	2.71%
	Sub-Total (3)	**9,211.50**	**2.75%**	**9,211.50**	**2.71%**
	Total (1+2+3)	**3,20,128.13**	**95.54%**	**3,25,094.50**	**95.70%**

55.4 Stock Ratios

Sr. No.	Particulars	% to total public funds	% to total liabilities	% to total assets
As at 31.03.2022				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	-	-	-
3	Other short-term liabilities	0.07%	0.07%	0.06%
As at 31.03.2021				
1	Non-convertible debentures (original maturity less than 1 year)	-	-	-
2	Commercial papers	0.95%	0.91%	0.79%
3	Other short-term liabilities	0.21%	0.20%	0.17%

55.5 Refer Note 40.2 for Institutional set up for management of liquidity risk in the Company.

55.6 Liquidity Coverage Ratio

(₹ in crore)

Particulars		Quarter ended 31.03.2022		Quarter ended 31.12.2021				Quarter ended 30.09.2021	
				From 01.10.2021 to 30.11.2021		From 01.12.2021 to 31.12.2021			
		Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)[a]	3,460.28	3,460.28	1,197.07	1,197.07	1,643.33	1,643.33	1,723.60	1,723.60
Cash Outflows									
2	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
3	Other contractual funding obligations	5,827.99	6,702.19	2,882.16	3,314.48	3,717.79	4,275.46	7,459.28	8,578.18
4	Other contingent funding obligations	6,920.18	7,958.20	5,445.29	6,262.08	5,808.74	6,680.05	4,416.87	5,079.40
5	**TOTAL CASH OUTFLOWS**	**12,748.17**	**14,660.39**	**8,327.45**	**9,576.57**	**9,526.53**	**10,955.51**	**11,876.15**	**13,657.58**
Cash Inflows									
6	Lines of credit – Credit or liquidity facilities or other contingent funding facilities	6,122.75	4,592.06	8,248.64	6,186.48	7,765.19	5,823.90	8,276.46	6,207.34
7	Inflows from fully performing exposures	5,617.12	4,212.84	4,257.79	3,193.34	7,604.30	5,703.23	5,247.89	3,935.92
8	Other cash inflows	117.81	88.36	300.08	225.06	121.12	90.84	89.48	67.11
9	**TOTAL CASH INFLOWS**	**11,857.68**	**8,893.26**	**12,806.50**	**9,604.87**	**15,490.62**	**11,617.96**	**13,613.83**	**10,210.37**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
10	**TOTAL HQLA**		**3,460.28**		**1,197.07**		**1,643.33**		**1,723.60**
11	**TOTAL NET CASH OUTFLOWS** [(Total Weighted Cash Outflows)- Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		**5,767.13**		2,394.14		2,738.88		3,447.21
12	**LIQUIDITY COVERAGE RATIO (%)**		**60.00%**		**50.00%**		**60.00%**		**50.00%**

[a]The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the required LCR level of 60% (w.e.f 01.12.2021) and 50% (up to 30.11.2021) has been considered.

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(₹ in crore)

Particulars		Quarter ended 30.06.2021		Quarter ended 31.03.2021		Quarter ended 31.12.2020	
		Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)	Total Unweighted Value (Average)	Total weighted Value (Average)
High Quality Liquid Assets							
1	Total High Quality Liquid Assets (HQLA) (b)	1,211.59	1,211.59	1,393.57	1,393.57	733.75	733.75
Cash Outflows							
2	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	8.15	9.37
3	Other contractual funding obligations	3,860.18	4,439.21	4,008.29	4,609.54	2,940.22	3,381.25
4	Other contingent funding obligations	4,132.23	4,752.07	2,990.66	3,439.26	2,155.96	2,479.35
5	**TOTAL CASH OUTFLOWS**	**7,992.42**	**9,191.28**	**6,998.95**	**8,048.80**	**5,104.33**	**5,869.97**
Cash Inflows							
6	Lines of credit – Credit or liquidity facilities or other contingent funding facilities	2,786.31	2,089.73	-	-	-	-
7	Inflows from fully performing exposures	6,231.83	4,673.87	6,717.70	5,038.28	8,787.09	6,590.32
8	Other cash inflows	6.00	4.50	297.85	223.39	4.01	3.01
9	**TOTAL CASH INFLOWS**	**9,024.14**	**6,768.10**	**7,015.55**	**5,261.67**	**8,791.10**	**6,593.33**
			Total Adjusted Value		**Total Adjusted Value**		Total Adjusted Value
10	**TOTAL HQLA**		**1,211.59**		**1,393.57**		**733.75**
11	**TOTAL NET CASH OUTFLOWS** [(Total Weighted Cash Outflows)- Minimum of (75% of Total Weighted Cash outflow or Total Weighted Cash inflows)]		**2,423.18**		**2,787.14**		**1,467.49**
12	**LIQUIDITY COVERAGE RATIO (%)**		**50.00%**		**50.00%**		**50.00%**

[(a)]The Company is having adequate HQLA. However, for the above disclosure, HQLA amount required to meet the LCR level of 50% has been considered.

55.6.1 RBI vide its Master Direction-NBFC- Systemically Important Non-Deposit Taking Company,2016 issued the guidelines covering liquidity risk management for NBFCs wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by Stock of High Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLA are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little / no loss of value or can be used as collateral to obtain funds in stress situations.

The Company has complied with LCR requirement w.e.f. 01.12.2020 against stipulated requirement of minimum LCR of 50%, progressively increasing up to the required level of 100% by December 1, 2024.The HQLA is being maintained by the Company as balance with Banks in Current Account and Fixed Deposits with Scheduled Commercial Banks and eligible securities. The Company is maintaining LCR in INR only; hence there is no currency mismatch. For the quarter ended 31.03.2022, data has been presented as simple averages of daily observations over the quarter.

55.6.2 The position of HQLA holding as on 31.03.2022 is as follows

HQLA items	% of Overall HQLA As at 31.03.2022
Assets without Haircut	
Cash and Cash Equivalents	93.75%
G-Sec	2.86%
Assets with 15% Haircut	-
Assets with 50% Haircut	
Coal India Ltd. shares	3.39%
Total	**100.00%**

56. There are no reportable cases of loans transferred/ acquired during the FY 2021-22 (Previous year Nil) under Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021.

57. The disclosures as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 have been made in Note 5, 9.1 to 9.4,11.1, 39.1, 39.2, 40.1.3(iii), 40.1.3(vi), 40.1.3(vii),40.1.5,40.1.6,40.1.7,40.1.8,40.3,40.4 ,49,53, 54 ,55 and 56.

58. Impact of COVID-19 on the Company

During the financial year ended 31.03.2022, India experienced two waves of COVID-19 pandemic following the spread of mutant corona virus variants. These waves led to the imposition of temporary lockdown/ curbs by Central/ State Governments that were subsequently lifted.

The Company believes that considering its high credit worthiness and well-established relationship with stakeholders, there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position, and in its ability to continue as a going concern.

The impact of this pandemic on the Company will, *inter alia*, continue to be dependent on future developments which are uncertain. The Company shall also continue to closely monitor any material changes arising from future economic conditions and potential impact on its business.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

59. The Company is a 'Large Corporate' in terms of the Chapter XII of SEBI Operational Circular dated 10.08.2021 on "Fund raising by Issuances of Debt Securities by Large Entities". Disclosures required under the said circular is as under:

Particulars	FY 2021-22	FY 2020-21
Name of Company	Power Finance Corporation Limited	
CIN	L65910DL1986GOI024862	
Outstanding borrowings of company as on March 31 of FY **(₹ in crore)** (in line with Chapter XII of SEBI Operational Circular dated August 10, 2021)	2,63,611.19	2,71,495.44
Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	AAA by CRISIL, ICRA & CARE	
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange (BSE)	
Disclosure for FY 2021-22		
2-year block period	FY 2021-22, FY 2022-23	
Details of incremental borrowings: (₹ in crore)		
Incremental borrowing done in FY(2021-22) **(a)**	28,671.83	
Mandatory borrowing to be done through issuance of debt securities in FY (2021-22) **(b)** = (25% of a)	7,167.96	
Actual borrowings done through debt securities in FY (2021-22) **(c)**	14,666.83	
Shortfall in the borrowing through debt securities if any, for FY 2020-21 carried forward to FY 2021-22 **(d) = (b) – (c) {If calculated value is zero or negative, write "Nil"}**	Nil	
Quantum of (d), which has been met from (c) **(e)**	N.A.	
Shortfall, If any, in the mandatory borrowing through debt securities for FY (2020-21) {after adjusting for any shortfall in borrowing for FY (2020-21) which was carried forward to FY (2021-22)} **(f)** = (b)-[(c)-**(e)] {If calculated value is zero or negative, write "Nil"}**	Nil	
Details of penalty to be paid ,if any, in respect to previous block		
2-year block period	FY 2020-21, FY 2021-22	
Amount of fine to be paid for the block ,if applicable Fine= 0.2% of {(d)-(e)}	N.A.	
Disclosure for FY 2020-21		
Details of incremental borrowings: (₹ in crore)		
Incremental borrowing done in FY (a)	66,732.37	
Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	16,683.09	
Actual borrowings done through debt securities in FY (c)	46,332.37	
Shortfall in the mandatory borrowing through debt securities, if any (d) = (b)-(c)	NIL	
Reasons for shortfalls	N.A.	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

60. Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Particulars	As at /Year ended 31.03.2022	As at /Year ended 31.03.2021
Net Debt to Equity Ratio (times)	5.38	6.13
Outstanding Redeemable Preference Shares	-	-
Capital redemption reserve/debenture redemption reserve	-	-
Net Worth (₹ in crore)	59,350.28	52,393.12
Total Debt to Total Assets (times)	0.81	0.83
Operating Margin (%)	31.60%	26.99%
Net Profit Margin (%)	25.97%	22.36%

Notes:

1. Net debt=Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities} less cash and cash equivalents.
2. Net worth = Equity Share Capital + Other Equity.
3. Total debt to Total assets = Principal outstanding of {Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities}/Total assets.
4. Operating Margin = (Profit before Tax - Other Income)/Total Revenue from operations.
5. Net profit margin = Net profit After Tax/Total Income.
6. Debt service coverage ratio, Interest service coverage ratio, Current ratio, Current Liability Ratio, Long term debt to working capital, Bad debts to Account receivable ratio, Debtors turnover, Inventory turnover ratio are not applicable to the Company.
7. Other disclosures required under Regulation 52(4) are presented at Note no. 38, 39.1.

61. Figures of the previous year have been regrouped/rearranged wherever necessary, in order to make them comparable.

62. Figures have been rounded off to the nearest crore of rupees with two decimals.

Sd/-
(Manohar Balwani)
CGM & Company Secretary

For and on behalf of the Board of Directors

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Dated: 25.05.2022

Independent Auditors' Report

TO THE MEMBERS OF POWER FINANCE CORPORATION LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPINION

We have audited the accompanying Consolidated Financial Statements of Power Finance Corporation Limited (hereinafter referred to as "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the subsidiaries and associates, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associates as at March 31, 2022, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

2. BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. Emphasis of matter

(i) We draw attention to Note 46.1.2 of the Consolidated Financial Statements regarding the provision of impairment allowance in respect of loan assets, undisbursed letter of comfort and guarantee. The Company and one of its subsidiaries has recognised expected credit loss in respect of loan assets, undisbursed letter of comfort and guarantee as required under Ind AS 109, on the basis of documents provided by independent expert agency appointed by them. Since the calculation parameters require certain technical and professional expertise, we have relied upon the basis of determination of impairment allowance in so far as it relates to technical aspects/ parameters considered by the said independent expert agency and management's judgement on the same.

(ii) We draw attention to Note 57 of the Consolidated Financial Statements regarding the impact of COVID-19 pandemic on the Group. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the Group to continue as a going concern. Nevertheless, the impact in sight of evolvement of pandemic in future period is uncertain and could impact the impairment allowance in future years.

Our opinion is not modified in respect of the above said matters.

4. KEY AUDIT MATTERS

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditors' Response
(i)	**Credit impairment of financial instruments – Loan Assets** The Holding Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain guidelines and procedures in respect of criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure Impairment loss. The key indicators underlying for assessment of impairment allowance are appraised on the ongoing basis by the management. The most significant areas where we identified greater levels of management Judgement are: Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in Ind AS, estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Individually assessed Stage 3 carrying value. The carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately estimated based upon certain estimates, future cash flow and asset valuations. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation & uncertainty. In view of the significance of the amount of loan assets in the Consolidated Financial Statements as a percentage of total assets, impairment of loan assets there on has been considered as Key Audit Matter in our audit.	**Our audit procedures included:** • The Holding Company has availed services of independent expert to estimate the carrying value of the loan assets. We verified the criterion/ framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance as well as the completeness and accuracy of the data shared with the independent experts. • Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. • We have reviewed the underlying assumptions and broad methodology of ECL assessment and shared our inputs. • Components and calculations in the study for impairment allowance carried out by the third party are test checks, discussed with management and relied upon by us. Our audit procedure in the same is limited in view of not sharing certain parameters of study being considered confidential by such third party. We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable & satisfactory.
(ii)	**Fair Valuation of Derivative financial instruments** The Holding Company enters into derivative contracts in accordance with RBI guidelines to mitigate its currency and interest rate risk in accordance with Company's board approved currency risk management policy. Derivative contracts are either categorised at Fair Value through P&L (FVTPL) or under cash flow hedge (Hedge Accounting). Mark to market gain/loss on derivatives categorised at FVTPL is recognised in P&L and that of Hedge Accounting is recognised in the other comprehensive income. We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to material exposure and the fact that the inappropriate application of these requirements/assumptions/estimate by contracting bank could lead to a material effect on the income statement.	**Our audit procedures included:** • Discussing and understanding management's perception and studying policy of the Company for risk management. • Verification of fair value of derivative in term of Ind AS 109. • Evaluation of key internal control over classification, of derivative instruments. • The Holding Company obtains fair value of derivative from the counterparty banks. Our procedure includes evaluation of details of various financial derivative contracts outstanding as on March 31, 2022 and fair value thereon. Additionally, we verified the accounting of gain or loss on mark to market basis of derivative contracts in profit & loss account and other comprehensive income in case of derivatives contracts under cash flow hedge. • We did not find any material misstatement in measuring derivative contracts at fair value obtained from counterparty banks.

The following key audit matters with respect audit opinion on the financial statement of Company's subsidiary REC Limited has been reported by the component auditors vide their report dated May 13, 2022 and has been reproduced by us as under:

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment allowance of Loan Assets –** (Refer Note Note No. 52.1.3 to the Standalone Ind AS Financial Statements read with accounting policy No. 3.14) The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. Impairment allowance is measured as product of the Probability of Default, Exposure at Default and Loss Given Default being the key parameters for assessing the impairment allowance. The key indicators underlying for assessment of impairment allowance are appraised on an ongoing basis by the management. Further the management has adopted a methodology which in addition to the model adopted as above is further analysed on case to case basis and wherever impairment impact need to be changed the same is considered in the financial statements. Since the Company is a Non-Banking Finance Company (NBFC) involved in business of financing and if any of the key parameter/ criteria/ assumptions mentioned as above is applied improperly, it can result in impacting the carrying value of loan assets materially either individually or collectively. In view of the significance of the amount of loan assets in the standalone Ind AS Financial Statements i.e. 90.52% of total assets, the audit procedure for impairment of loan assets has been considered as Key Audit Matter in our audit.	**We have applied following audit procedures in this regard** a) According to the provisions of Ind AS 109 "Financial Instruments", we have obtained the report of the external agency and verified the criterion/framework with various regulatory updates along with Company's internal guidelines and procedures in respect of the impairment allowance. b) Verification of loan assets on test check basis covering substantial part of total loans with respect to monitoring thereof for recovery/performance aspects and assessment of the loan impairment considering management perception on the same. c) Recoveries are verified applying the standard audit procedures. Loan balances are confirmed and quality of the borrower is evaluated and tested with key control parameters. d) Assessment of impairment based upon performance of the loan assets is carried out on the basis of available documents comprising loan papers, financial data, valuation reports, progress report, periodical financial information, information on public domain, procedure applied by the management e.g. inspection of loans, physical verification, assessing borrower past records etc. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact as impairment allowance on financial statement. e) We have discussed with the management wherever underlying weakness is observed and management assessment is carried out in detail in such cases. f) Components and calculations in the study for impairment allowance carried out by external agency are relied upon by us and test checks are carried out for the same. Such components are credit rating of borrowers, calculation of probability of default/loan given defaults etc. Our audit procedure in the same are limited in view of reliance on report of the external agency. g) Further, the Management, pursuing a Board approved methodology reviews the impairment allowance in the report of the external agency and enhanced/reduced the impairment on case to case basis as management overlay. We have obtained a detailed analysis from the management for such changes. Our audit procedure in this regard is constrained by the management appraisal and we have relied upon the same. h) Comparison of ECL with the amount of provisioning as required in terms of Income Recognition, Assets classification and provisioning norms (IRACP) of Reserve Bank of India in pursuance of RBI Notification No. DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020.

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 9 to the standalone Ind AS Financial Statements read with accounting policy No. 3.13) To mitigate the Company's exposure to foreign currency risk and interest rate risk, non-INR cash flows are monitored and derivative contracts are entered into in accordance with the Company's board approved risk management policies and RBI guidelines. The Company has applied hedge accounting requirements as per Ind AS 109 'Financial Instruments' wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency. The derivatives are measured at fair value as per Ind AS 109. Mark to market gain/loss on these derivatives are recognised in the other comprehensive income for cash flow hedges. In view of significance and impact on financial statements we have identified it as a key audit matter.	**We have applied following audit procedure in this regard** a) Discussing and understanding management's perception and studying policy of the Company for risk management. Motive of derivative transactions are studied and observed underlying exposure is not more than the volume of derivatives. b) Verification of fair value of derivative in terms of Ind AS 109. c) Testing the accuracy and completeness of derivative transactions. d) Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. e) Obtained details of various financial derivative contracts as outstanding as on March 31, 2022. f) Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. g) We also obtained confirmations from the banks with whom such financial derivative contracts have been entered into and independently compared the valuation so arrived at by the contracting banks. h) Additionally, we have verified the accounting of gain/loss on mark to market basis in the other comprehensive income for cash flow hedges. i) Assessing whether the financial statement disclosures appropriately reflect the Company's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.

5. INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions if required.

6. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (other Comprehensive Income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective board of directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of

the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

7. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its associates have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management of holding company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing

so would reasonably be expected to outweigh the public interest benefits of such communication.

8. OTHER MATTERS

(a) We did not audit the Financial Statements/financial information of two subsidiaries whose Financial Statements/financial information reflect total assets of ₹ 4,11,090.61 crore as at March 31, 2022, total revenues of ₹ 39,083.73 crore and net cash flows amounting to ₹ (1,016.94) crore for the year ended on that date, as considered in the consolidated Financial Statements. These Financial Statements/financial information have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

(b) The consolidated Financial Statements also include unaudited financial Statements/other financial information in respect of one jointly controlled entity and fifteen associates (including three associates which are under process of striking off), whose Financial Statements reflect Group's share of net profit of ₹ (22.40) crore for the year ended March 31, 2022 (up to date of cessation of joint control for Joint venture entity), as considered in the consolidated Financial Statements.

These Financial Statements/financial information are unaudited and have been furnished to us by the Management, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates and jointly controlled entity, is based solely on such unaudited Financial Statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these Ind AS Financial Statements/financial information are not material to the Group.

(c) The Consolidated financial information of the Company for the year ended March 31, 2021 included in the Consolidated Financial Statements, were audited by joint statutory auditors of the Company, one of whom was predecessor audit firm, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their report dated June 15, 2021.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by expert agency, the reports of the other auditors and the Financial Statements/financial information certified by the Management.

9. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate Financial Statements and the other financial information of subsidiaries, associates as noted in the other matters paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated change in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion and to the best our information and explanation given to us, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules;

(e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Holding company and its subsidiaries, & Associates.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**.

(g) As per Notification No. GSR 463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of Section 197(16) of the Act is not applicable to the Holding company and its subsidiaries & Associates.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, - Refer Note 52 to the Consolidated Financial Statements;

ii. The group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate companies, incorporated in India.

iv. (a) The Management of the Group has represented (Refer Note 12.4), that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Group, has represented (Refer Note 12.4) that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. As stated in Note 29.2(iii) to the Consolidated Financial Statements :

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year declared is in compliance with section 123 of the Companies Act, 2013.

(b) The interim dividend declared and paid during the year and until the date of this report is in compliance with section 123 of the Companies Act, 2013.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

II. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in the Auditor's report, on the basis of examination of the CARO reports of the subsidiaries included in the Consolidated Financial Statements, no qualifications or adverse remarks have been reported by the respective auditors.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN : 22082069AJORTX9615

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOQOT2276

Place: New Delhi
Dated: May 25, 2022

Annexure A

to the Independent Auditors' Report on the Audit of the Consolidated Financial Statements

(Referred to in Para I(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Power Finance Corporation Limited on the Consolidated Financial Statements for the year ended March 31, 2022)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of **Power Finance Corporation Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, which are companies incorporated in India, as of that date.

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies, and its associate companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

3. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. OPINION

In our opinion, the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India have, in all material respects, an internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

6. OTHER MATTERS

Our aforesaid reports under sub-section 3 (i) of Section 143 of the Act, on the internal financial controls with reference to Consolidated Financial Statements in so far as applicable to two subsidiary companies is based on the corresponding reports of the auditors of such companies incorporated in India and in respect of fifteen associates, we have relied on the explanation provided by the management of holding company in absence of report on Internal Financial Controls of such entities. In our opinion, the same is not considered material for the Consolidated Financial Statement of the Group and its associates.

FOR DASS GUPTA & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 000112N

Sd/-
CA NARESH KUMAR
Partner
Membership No. 082069
UDIN : 22082069AJORTX9615

FOR PREM GUPTA & COMPANY
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA PREM BEHARI GUPTA
Partner
Membership No. 080245
UDIN: 22080245AJOQOT2276

Place: New Delhi
Dated: May 25, 2022

Comments of the Comptroller and Auditor General of India

Under Section 143(6)(b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Power Finance Corporation Limited for the Year Ended March 31, 2022

The preparation of consolidated financial statements of Power Finance Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with Section 129 (4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Power Finance Corporation Limited for the year ended 31 March 2022 under Section 143 (6) (a) read with Section 129 (4)of the Act. We conducted a supplementary audit of the financial statements of Power Finance Corporation Limited, REC Limited, REC Power Development and Consultancy Limited and Bidar Transmission Limited but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under Section 143 (6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)
Director General of Audit (Energy),
New Delhi

Place: New Delhi
Dated: July 25, 2022

Annexure A

List of Subsidiaries, Associates Companies and Jointly Controlled Entities of Power Finance Corporation Limited whose financial statements were not audited by the Comptroller and Auditor General of India

A. Subsidiaries Companies:

1. PFC Consulting Limited

B. Associate Companies and Joint Ventures:

1. Sakhigopal Integrated Power Company Limited
2. Ghogarpalli Integrated Power Company Limited
3. Coastal Karnataka Power Limited
4. Coastal Maharashtra Mega Power Limited
5. Jharkhand Infrapower Limited
6. Chhattisgarh Surguja Power Limited
7. Odisha Infrapower Limited
8. Orissa Integrated Power Limited
9. Cheyyur Infra Limited
10. Coastal Tamil Nadu Power Limited
11. Bihar Infrapower Limited
12. Bihar Mega Power Limited
13. Deoghar Infra Limited
14. Deoghar Mega Power Limited
15. Tatiya Andhra Mega Power Limited
16. Ananthpuram Kurnool Transmission Limited
17. Khetri Narela Transmission Limited
18. Bhadla Sikar Transmission Limited
19. Mohanlalganj Transmission Limited
20. Kishtwar Transmission Limited
21. Bijawar-Vidhrbha Transmission Limited
22. Tanda Transmission Company Limited
23. Shongtong Karcham-Wangtoo Transmission Limited
24. ER NER Transmission Limited
25. Koderma Transmission Limited
26. MP Power Transmission Package I Limited
27. Rajgarh Transmission Limited
28. Chandil Transmission Limited
29. Dumka Transmission Limited
30. Mandar Transmission Limited

Consolidated Balance Sheet

as at March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS				
1	**Financial Assets**			
(a)	Cash and Cash Equivalents	8	914.24	4,927.74
(b)	Bank Balance other than included in Cash and Cash Equivalents	9	5,770.26	3,274.82
(c)	Derivative Financial Instruments	10	8,590.73	3,562.67
(d)	Trade Receivables	11	125.63	167.61
(e)	Loans	12	7,32,850.76	7,22,386.84
(f)	Investments (Other than accounted for using equity method)	13A	3,773.51	2,950.48
(g)	Other Financial Assets	14	29,820.35	29,779.87
	Total Financial Assets (1)		**7,81,845.48**	**7,67,050.03**
2	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)	15	495.25	525.32
(b)	Deferred Tax Assets (Net)	43	7,315.37	6,461.03
(c)	Investment Property	16	-	0.01
(d)	Property, Plant and Equipment	17	668.94	297.75
(e)	Capital Work-in-Progress	17	53.36	335.67
(f)	Intangible Assets under development	17	-	0.77
(g)	Other Intangible Assets	17	4.41	6.39
(h)	Right of Use Assets	18	45.83	37.17
(i)	Other Non-Financial Assets	19	551.68	411.43
(j)	Investments accounted for using equity method	13B	0.50	548.35
	Total Non-Financial Assets (2)		**9,135.34**	**8,623.89**
3	**Assets Classified as held for sale**	20	19.45	33.16
	Total Assets (1+2+3)		**7,91,000.27**	**7,75,707.08**
LIABILITIES AND EQUITY				
Liabilities				
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments	10	656.39	1,340.35
(b)	Trade Payables	21		
	(i) Total outstanding dues of Micro, Small and Medium Enterprises		1.11	0.01
	(ii) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		48.64	70.76
(c)	Debt Securities	22	4,49,731.56	4,80,080.65
(d)	Borrowings (other than Debt Securities)	23	1,94,616.98	1,63,344.42
(e)	Subordinated Liabilities	24	16,127.74	16,257.09
(f)	Other Financial Liabilities	25	32,598.89	32,065.25
	Total Financial Liabilities (1)		**6,93,781.31**	**6,93,158.53**
2	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	15	219.15	140.68
(b)	Provisions	26	356.55	272.28
(c)	Other Non-Financial Liabilities	27	368.10	345.26
	Total Non-Financial Liabilities (2)		**943.80**	**758.22**
3	**Liabilities directly associated with assets classified as held for sale**	20	0.01	0.08
	Total Liabilities (1+2+3)		**6,94,725.12**	**6,93,916.83**

Consolidated Balance Sheet

as at March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
4	**Equity**			
(a)	Equity Share Capital	28	2,640.08	2,640.08
(b)	Other Equity	29	69,036.16	58,127.40
	Equity attributable to owners of the Company (a+b)		**71,676.24**	**60,767.48**
(c)	Non-Controlling Interest	30	24,598.91	21,022.77
	Total Equity (4)		**96,275.15**	**81,790.25**
	Total Liabilities and Equity (1+2+3+4)		**7,91,000.27**	**7,75,707.08**

Notes annexed hereto form an integral part of the Consolidated Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No.: 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Date : May 25, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
	Revenue from Operations			
(i)	Interest Income	31	74,887.12	70,845.58
(ii)	Dividend Income	32	68.86	88.74
(iii)	Fees and Commission Income	33	1,069.58	490.36
(iv)	Other Operating Income	34	236.10	231.42
I.	**Total Revenue from Operations**		**76,261.66**	**71,656.10**
II.	Other Income	35	83.26	44.57
III.	**Total Income (I+II)**		**76,344.92**	**71,700.67**
	Expenses			
(i)	Finance Costs	36	44,708.78	44,683.52
(ii)	Net Translation/ Transaction Exchange Loss/ (Gain)	37	1,704.63	166.20
(iii)	Fees and Commission Expense	38	26.91	24.23
(iv)	Net Loss/(Gain) on Fair Value changes	39	(356.00)	(53.39)
(v)	Impairment on Financial Instruments	40	5,695.07	5,942.29
(vi)	Cost of Services Rendered		76.83	101.39
(vii)	Employee Benefit Expenses	41	406.57	370.82
(viii)	Depreciation, Amortisation and Impairment	17/18	34.77	25.46
(ix)	Corporate Social Responsibility Expenses		388.76	370.22
(x)	Other Expenses	42	253.98	185.44
IV.	**Total Expenses**		**52,940.30**	**51,816.18**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**		**23,404.62**	**19,884.49**
VI.	Exceptional Items		-	-
VII.	Share of Profit/(Loss) in Joint Venture and Associates		(22.40)	6.24
VIII.	**Profit/(Loss) Before Tax (V-VI+VII)**		**23,382.22**	**19,890.73**
	Tax Expense:	43		
	(1) Current Tax			
	- Current Year		5,501.89	5,321.55
	- Earlier Years		(40.01)	401.96
	(2) Deferred Tax Expense/(Income)		(847.87)	(1,548.98)
IX.	**Total Tax Expense**		**4,614.01**	**4,174.53**
X.	**Profit/(Loss) for the year from Continuing Operations (VIII-IX)**		**18,768.21**	**15,716.20**
XI.	Profit/(Loss) From Discontinued Operations (After Tax)		-	-
XII.	**Profit/(Loss) for the year (from continuing and discontinued operations) (X+XI)**		**18,768.21**	**15,716.20**
XIII.	**Other Comprehensive Income**			
(A)	(i) Items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		(13.40)	(18.52)
	- Net Gain/(Loss) on Fair Value of Equity Instruments		174.13	303.78
	- Share of Other Comprehensive Income/(Loss) in Joint Venture accounted for using equity method		(0.02)	(0.12)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
	- Re-measurement of Defined Benefit Plans		3.47	4.72
	- Net Gain/(Loss) on Fair Value of Equity Instruments		(7.03)	(6.01)
	Sub-Total (A)		**157.15**	**283.85**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in crore)

Sr. No.	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
(B)	(i) Items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		900.02	53.17
	- Cost of Hedging Reserve		(947.33)	297.94
	- Share of Other Comprehensive Income/(loss) of Joint Venture accounted for using equity method		(0.17)	1.29
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss			
	- Effective Portion of Gains and (Loss) in Cash Flow Hedge		(226.52)	(13.38)
	- Cost of Hedging Reserve		238.42	(74.98)
	Sub-Total (B)		**(35.58)**	**264.04**
	Other Comprehensive Income (A+B)		**121.57**	**547.89**
XIV.	**Total Comprehensive Income for the year (XII+XIII)**		**18,889.78**	**16,264.09**
	Profit for the year attributable to:			
	- Owners of the Company		14,014.79	11,747.83
	- Non-Controlling Interest		4,753.42	3,968.37
			18,768.21	**15,716.20**
	Other Comprehensive Income for the year			
	- Owners of the Company		148.99	331.07
	- Non-Controlling Interest		(27.42)	216.82
			121.57	**547.89**
	Total Other Comprehensive Income for the year			
	- Owners of the Company		14,163.78	12,078.90
	- Non-Controlling Interest		4,726.00	4,185.19
			18,889.78	**16,264.09**
XV.	**Basic and Diluted Earnings Per Equity Share (Face Value ₹ 10/- each):**	**44**		
	(1) For continuing operations (in ₹)		53.08	44.50
	(2) For discontinued operations (in ₹)		-	-
	(3) For continuing and discontinued operations (in ₹)		53.08	44.50

Notes annexed hereto form an integral part of the Consolidated Financial Statements

For and on behalf of Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No.: 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Date : May 25, 2022

Consolidated Statement of Changes in Equity

for Year ended March 31, 2022

A. Equity Share Capital

(₹ in crore)

Particulars	Opening Balance	Changes in Equity Share Capital due to prior period errors	Changes during the period	Closing Balance
Issued, Subscribed and fully paid up:				
FY 2020-21	2,640.08	-	-	2,640.08
FY 2021-22	2,640.08	-	-	2,640.08

Refer Note 28 for detail

B. Other Equity

(₹ in crore)

	Reserves and surplus											Other Comprehensive Income					Non-Controlling Interest		
Particulars	Capital Reserve - Common Control	Capital Reserve - Change in share-holding in Joint Venture	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1) (viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1) (viii) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained u/s 36(1) (viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Impair-ment Reserve	Retained Earnings	Equity Instru-ments through Other compre-hensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve	Share of other Compre-hensive Income of Joint Venture and associates accounted using equity method	Attribu-table to owners of the parent	towards Equity Share Holders	towards Instru-ments Entirely Equity in Nature	Total
Balance as at 31.03.2020	**(13,461.00)**	**2.47**	**3,666.61**	**4,089.44**	**599.85**	**27,616.89**	**3,953.74**	**(2,346.18)**	**61.40**	**14,655.76**	**417.55**	**8,080.18**	**(257.72)**	**(211.65)**	**(107.77)**	**0.15**	**46,759.72**	**16,765.57**	**-**	**63,525.29**
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	11,747.83	-	-	-	-	11,747.83	3,968.37	-	15,716.20
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	-	-	(8.75)	-	-	-	-	(8.75)	(5.05)	-	(13.80)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	221.74	11.15	106.35	0.58	339.82	221.87	-	561.69
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,739.08**	**221.74**	**11.15**	**106.35**	**0.58**	**12,078.90**	**4,185.19**	**-**	**16,264.09**
Dividends	-	-	-	-	-	-	-	-	-	-	-	(2,112.07)	-	-	-	-	(2,112.07)	(1,028.97)	-	(3,141.04)
Transfer to / from Retained Earnings	-	-	2,569.38	761.49	-	3,883.87	-	-	-	516.40	-	(7,731.14)			-	-	-	-	-	-
Transfer to / from General Reserve	-	-	-	-	-	-	-	-	-	-	-	-			-		-	-	-	-
Utilisation of reserve against bad debts written off	-	-	-	(3,450.69)	-	-	-	-	-	3,868.24	(417.55)	-	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	-	7.30	-	332.38	-	1,410.17	1.25	-	-	(340.93)	-	-	-	-	1,410.18	542.90	-	1,953.08
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	-	134.73	(134.73)	-	-	-	-	-	-	-
Issue of Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-			558.40	558.40
Issue expenses on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	(0.37)	-	-	-	-	(0.37)	(0.33)	-	(0.70)
Other Adjustments	-	-	-	-	-	-	-	-	-	-	-	(8.96)	-	-	-	-	(8.96)		-	(8.96)
Balance as at March 31, 2021	**(13,461.00)**	**2.47**	**6,235.99**	**1,407.54**	**599.85**	**31,833.14**	**3,953.74**	**(936.01)**	**62.65**	**19,040.40**	**-**	**9,760.52**	**(170.71)**	**(200.50)**	**(1.42)**	**0.73**	**58,127.40**	**20,464.36**	**558.40**	**79,150.16**

(₹ in crore)

Particulars	Reserves and surplus											Other Comprehensive Income					Non-Controlling Interest			
	Capital Reserve - Common Control	Capital Reserve - Change in share-holding in Joint Venture	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934	Reserve for Bad & doubtful debts u/s 36(1) (viia)(c) of Income-Tax Act,1961	Special Reserve created u/s 36(1) (viii) of Income Tax Act, 1961 upto Financial Year 1996-97	Special Reserve created and maintained u/s 36(1) (viii) of Income Tax Act, 1961 from Financial Year 1997-98	Securities Premium	Foreign Currency Monetary Item Translation Difference Account	Interest Differential Reserve - KFW Loan	General Reserve	Impair-ment Reserve	Retained Earnings	Equity Instru-ments through Other compre-hensive Income	Effective portion of Gain/ (Loss) Cash Flow Hedges	Costs of Hedging Reserve	Share of other Compre-hensive Income of Joint Venture and associates accounted using equity method	Attribu-table to owners of the parent	towards Equity Share Holders	towards Instru-ments Entirely Equity in Nature	Total
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	14,014.79	-	-	-	-	14,014.79	4,753.42	-	18,768.21
Re-measurement of Defined Benefit Plans	-	-	-	-	-	-	-	-	-	-	-	(6.98)	-	-	-	-	(6.98)	(2.95)	-	(9.93)
Other Comprehensive Income / (Expense)	-	-	-	-	-	-	-	-	-	-	-	0.00	155.38	503.06	(501.74)	(0.73)	155.97	(24.47)	-	131.50
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,007.81**	**155.38**	**503.06**	**(501.74)**	**(0.73)**	**14,163.78**	**4,726.00**	**-**	**18,889.78**
Dividends	-	-	-	-	-	-	-	-	-	-	-	(3,366.10)	-	-	-	-	(3,366.10)	(1,142.15)	-	(4,508.25)
Transfer to / from Retained Earnings	-	-	3,062.34	576.44	-	4,044.97	-	-	-	-	-	(7,683.75)			-	-	(0.00)	-	-	(0.00)
Transfer to / from General Reserve	-	(2.47)	-	-	-	-	-	-	-	2.47	-	-			-		-	-	-	-
Utilisation of reserve against bad debts written off	-		-	(1,303.94)	-	-	-	-	-	1,303.94	-	-	-	-	-	-	-	-	-	-
Additions / Deletion during the period (net)	-	-	-	-	-	-	-	129.94	1.42	-	-	(1.42)	-	-	-	-	129.94	8.46	-	138.40
Reclassification of gain / loss on sale of equity instrument measured at OCI	-	-	-	-	-	-	-	-	-	-	-	58.90	(58.90)	-	-	-	-	-	-	-
Issue of Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Coupon Payment on Perpetual Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	(17.96)	-	-	-	-	(17.96)	(16.16)	-	(34.12)
Other Adjustments		-	-	-	-	-	-	-	-	-	-	(0.90)	-	-	-	-	(0.90)	-	-	(0.90)
Balance as at March 31, 2022	**(13,461.00)**	**-**	**9,298.33**	**680.04**	**599.85**	**35,878.11**	**3,953.74**	**(806.07)**	**64.07**	**20,346.81**	**-**	**12,757.10**	**(74.23)**	**302.56**	**(503.16)**	**0.00**	**69,036.16**	**24,040.51**	**558.40**	**93,635.07**

Notes annexed hereto form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No.: 000112N

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Place : New Delhi
Date : May 25, 2022

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN - 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN - 00278074

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Consolidated Statement of Cash Flows

for the Year ended March 31, 2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
I.	**Cash Flow from Operating Activities:**				
	Profit before Tax	**23,382.22**		**19,890.73**	
	Adjustments for:				
	Loss on derecognition of Property, Plant and Equipment (net)	3.91		5.81	
	Depreciation and Amortisation	34.78		25.45	
	Interest expense on Zero Coupon Bonds and Commercial Papers	107.55		126.31	
	Unrealised Foreign Exchange Translation Loss/(Gain)	(821.27)		819.96	
	Net Change in Fair Value	(348.00)		(29.40)	
	Impact of Effective Interest Rate on Loans	(9.74)		12.49	
	Impairment on Financial Instruments	5,695.07		5,943.36	
	Interest on Interest Subsidy Fund	1.13		1.41	
	Provision for interest under Income Tax Act, 1961	1.91		24.90	
	Excess Liabilities written back	(2.40)		(0.15)	
	Provision for Retirement Benefits etc.	112.49		50.16	
	Effective Interest Rate on Borrowings/ Debt Securities/ Subordinated Liabilities	(105.33)		234.47	
	Interest on Income Tax Refund	-		(9.67)	
	Share of Profit/Loss of Joint Venture accounted for using equity method	22.40		(6.24)	
	Impairment Allowance on Assets Classified as Held for Sale	9.71		-	
	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**	
	Increase/Decrease:				
	Loans (Net)	(12,804.48)		(83,336.45)	
	Other Financial and Non-Financial Assets	(2,852.51)		(3,015.58)	
	Derivative	(4,584.30)		615.91	
	Other Financial & Non-Financial Liabilities and Provisions	(817.12)		4,579.10	
	Cash Flow before Exceptional Items	**6,973.77**		**(54,067.43)**	
	Exceptional Items	-			
	Cash Flow from Operations Before Tax	**6,973.77**		**(54,067.43)**	
	Income Tax paid	(5,364.56)		(5,381.03)	
	Income Tax Refund	23.26		305.85	
	Net Cash Inflow from Operating Activities		**1,632.47**		**(59,142.61)**
II.	**Cash Flow From Investing Activities:**				
	Proceeds from disposal of Property, Plant and Equipment	0.48		0.97	
	Purchase of Property, Plant and Equipment & Intangible Assets (including CWIP and Capital Advance)	(120.15)		(92.78)	
	Finance Cost Capitalised	(5.10)		(22.04)	
	Increase/(Decrease) in Other Investments	(273.02)		1,854.91	
	Sale of assets held for sale	31.24		-	
	Net Cash Inflow from Investing Activities		**(366.55)**		**1,741.06**
III.	**Cash Flow From Financing Activities:**				
	Raising of Bonds (including premium) (Net of Redemptions)	(33,444.88)		29,233.11	
	Raising of Long-Term Loans (Net of Repayments)	15,603.25		19,838.32	
	Raising of Foreign Currency Loans (Net of Repayments)	29,540.53		5,533.01	
	Raising of Subordinated Liabilities (Net of Redemptions)	-		1,999.50	
	Raising of Commercial paper (Net of Repayments)	(3,134.76)		195.00	
	Raising of Working Capital Demand Loan/ OD/ CC/ Line of Credit (Net of Repayments)	(9,230.04)		6,076.34	
	Coupon Expenses on Perpetual Debt Instruments entirely equity in nature	(45.60)		557.46	
	Unclaimed Bonds (Net)	(58.28)		133.76	
	Unclaimed Dividend (Net)	1.56		0.42	
	Payment of Lease Liability	(2.95)		(0.73)	
	Payment of Dividend	(4,508.25)		(3,142.11)	
	Net Cash Inflow from Financing Activities		**(5,279.42)**		**60,424.08**

Consolidated Statement of Cash Flows

for the Year ended March 31, 2022

(₹ in crore)

Sr. No.	Description	Year ended 31.03.2022		Year ended 31.03.2021	
	Net Increase/Decrease in Cash and Cash Equivalents		**(4,013.50)**		**3,022.53**
	Add: Cash and Cash Equivalents at beginning of the financial year		4,927.74		1,905.21
	Cash and Cash Equivalents at the end of the period		**914.24**		**4,927.74**
	Details of Cash and Cash Equivalents at the end of the period:				
	i) Balances with Banks (of the nature of cash and cash equivalents)				
	In current accounts	148.32		970.90	
	In Term Deposit Accounts (original maturity up to 3 months)	765.90	914.22	3,956.72	4,927.62
	ii) Cheques, Drafts on hand including postage and Imprest		0.02		0.12
	Total Cash and Cash Equivalents at the end of the period		**914.24**		**4,927.74**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

During the year, the Group has spent an amount of ₹ 291.27 crore (Previous year ₹ 412.31 crore) towards Corporate Social Responsibility.

Reconciliation of liabilities (principal o/s) arising from financing activities

(₹ in crore)

Sr. No.	Particulars	Bonds/ Debenture*	Term Loans**	Foreign Currency Loans	Commercial Paper	WCDL etc.	Subordinated Debts	Total
	Opening Balance as at 01.04.2020	**3,75,883.33**	**86,998.76**	**99,052.48**	**2,925.00**	**4,793.21**	**13,862.70**	**5,83,515.50**
	Cash Flow During the Year	29,233.11	19,838.32	5,533.01	195.00	6,076.34	1,999.50	62,875.28
	Non-Cash Changes due to:							
	Adjustments	130.74	0.48	164.55	(39.77)	0.01	-	256.01
	Variation in Exchange Rates			(2,098.71)				(2,098.71)
	Closing Balance as at March 31, 2021	**4,05,247.18**	**1,06,837.56**	**1,02,651.33**	**3,080.23**	**10,869.56**	**15,862.20**	**6,44,548.08**
	Cash Flow During the Year	(33,444.88)	15,603.25	29,540.53	(3,134.76)	(9,230.04)	-	(665.92)
	Non-Cash Changes due to:							
	Adjustments	69.42	2,999.99	(42.45)	54.53	-	-	3,081.49
	Variation in Exchange Rates			(48.67)				(48.67)
	Closing Balance as at March 31, 2022	**3,71,871.72**	**1,25,440.80**	**1,32,100.74**	**(0.00)**	**1,639.52**	**15,862.20**	**6,46,914.98**

*Foreign Currency Notes form part of Foreign Currency Loans in Statement of Cash Flows.

**Foreign Currency loans and syndicated foreign currency loans form part of foreign currency loan in Statement of Cash Flows.

Notes annexed hereto form integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No.: 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No.: 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Date : May 25, 2022

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

1. Group Information

Power Finance Corporation Limited ("PFC" or "the Company") was incorporated in India in the year 1986. PFC is domiciled in India and is limited by shares, having its registered office at 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi – 110 001.

PFC is a Government company engaged in extending financial assistance to power sector and is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI) as an Infrastructure Finance Company (IFC). The Company has been conferred with 'Maharatna' Status by the Govt. of India in the FY 2021-22.

Equity shares of PFC are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Further, various debt securities of PFC are also listed on the Stock Exchanges.

These Consolidated Financial Statements comprise the financial statements of PFC & its subsidiaries (referred to collectively as the 'Group'), its associates and the Group's interest in its joint venture entities, as listed at Note 5. The Group is primarily engaged in extending financial assistance to power sector. Other businesses include providing consultancy services to power sector and facilitation of development of Ultra Mega Power Projects (UMPPs) and Independent Transmission Projects (ITPs) as per mandate from Government of India (GoI).

2. Statement of Compliance

These Consolidated Financial Statements comply with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/guidelines. The Consolidated Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented as per the requirements of Division III of Schedule III to the Companies Act, 2013 applicable for Non-Banking Financial Companies (NBFCs). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

3.

These Consolidated Financial Statements have been approved for issue by Board of Directors (BoD) of PFC on May 25, 2022.

4. Standards/Amendments issued but not yet effective

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022, whereby amendments to various Indian Accounting Standards has been made applicable w.e.f. from January 01, 2022.

The Group has evaluated the amendments made vide the aforesaid notification dated March 23, 2022 and there will be no impact of the same on the Consolidated Financial Statements as and when these are made applicable.

5. The Consolidated Financial Statements represent consolidation of accounts of the Company, its Subsidiaries, Joint Venture entity and Associates as detailed below:

Sr. No.	Name of the Company		Country of incorporation/Principal place of Business	Proportion of ownership interest as at 31.03.2022	Proportion of ownership interest as at 31.03.2021	Status of Audit of financial statements for the year ended 31.03.2022
Subsidiaries:						
1	REC Limited (RECL) *		India	52.63%	52.63%	Audited
2	PFC Consulting Ltd. (PFCCL)*		India	100%	100%	Audited
Joint Venture:						
1	Energy Efficiency Services Ltd. (EESL)	PFC's share	India	17.65%	24.97%	NA (Refer Note 5.1)
		through RECL		15.68%	22.18%	
		Group's share		33.33%	47.15%	
Associates:						
1	Coastal Maharashtra Mega Power Limited		India	100%	100%	Unaudited
2	Orissa Integrated Power Limited		India	100%	100%	Unaudited
3	Coastal Karnataka Power Limited		India	100%	100%	Unaudited
4	Coastal Tamil Nadu Power Limited		India	100%	100%	Unaudited
5	Chhattisgarh Surguja Power Limited		India	100%	100%	Unaudited
6	Sakhigopal Integrated Power Company Limited		India	100%	100%	Unaudited
7	Ghogarpalli Integrated Power Company Limited		India	100%	100%	Unaudited

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Sr. No.	Name of the Company	Country of incorporation/Principal place of Business	Proportion of ownership interest as at		Status of Audit of financial statements for the year ended 31.03.2022
			31.03.2022	31.03.2021	
8	Tatiya Andhra Mega Power Limited	India	100%	100%	Unaudited
9	Deoghar Mega Power Limited	India	100%	100%	Unaudited
10	Cheyyur Infra Limited	India	100%	100%	Unaudited
11	Odisha Infrapower Limited	India	100%	100%	Unaudited
12	Deoghar Infra Limited	India	100%	100%	Unaudited
13	Bihar Infrapower Limited	India	100%	100%	Unaudited
14	Bihar Mega Power Limited	India	100%	100%	Unaudited
15	Jharkhand Infrapower Limited	India	100%	100%	Unaudited

*Consolidated Financial Statements of these subsidiaries (which incorporates financial statements of their subsidiaries, JVs and associates) have been used for preparation of Consolidated Financial Statements of PFC.

5.1 Energy Efficiency Services Limited (EESL) was incorporated in 2009 as a Joint Venture (JV) of NTPC Ltd., Power Grid Corporation of India Ltd. (PGCIL), RECL and PFC. During the current financial year, 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 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 March 31, 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 28 '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.

5.2 Wherever unaudited financial statements of subsidiaries, JV & associates are used for preparation of Consolidated Financial Statements, the audited financial statements of those companies are obtained subsequently and necessary adjustment is made in Consolidated Financial Statements of subsequent year and is presented under 'Other adjustments' line item in Statement of changes in equity.

6. Group's Significant Accounting Policies

The Group's significant accounting policies applied in preparation of the Consolidated Financial Statements are as given below:

6.1 Basis of Preparation and Measurement

These Consolidated Financial Statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value as applicable at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorised into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

6.2 Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as the "Group"). The Group has investment in joint venture entity and associates which are accounted using equity method (except when the investment is classified as held for sale) in these Consolidated Financial Statements.

The financial statements of Subsidiaries, Joint Venture and Associates are drawn up to the same reporting date as of the Company for the purpose of Consolidation.

(i) Subsidiaries:

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the Company obtains the control (except for Business Combinations under Common Control).

The Company combines the financial statements of its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. The carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary are eliminated. Intercompany transactions, balances, unrealised gains on transactions between the Company and subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders. Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except as otherwise stated. When necessary, adjustments are made to the financial statements to bring their accounting policies in line with the Group's Significant Accounting Policies.

If the Company loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

(ii) Joint Venture and Associates:

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of Joint Venture or Associates are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment or a portion thereof, is classified as held for sale, in which case it is measured at lower of their carrying amount and fair value less cost to sell. Under the equity method, an investment in a Joint Venture or Associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the Joint Venture or Associate. Distributions received from a joint venture/ associate reduce the carrying amount of the investment.

Upon loss of joint control over the Joint Venture or significant influence over the Associate, the Company measures and recognises any retained investment at its fair value. Any difference between a) the carrying amount of the Joint Venture or Associate upon loss of joint control or significant influence respectively and b) the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.

6.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. The Group considers cash equivalents as all short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

6.4 Derivative Financial Instruments

(i) The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

(ii) Under hedge accounting, an entity can designate derivative contracts either as cashflow hedge or fair value hedge.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(iii) To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument.
- the effect of credit risk does not dominate the value changes that result from that economic relationship.
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

(iv) Cash flow hedge

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Consolidated Statement of Profit and Loss on a systematic basis. The gain or loss relating to ineffective portion is recognised immediately in Consolidated Statement of Profit and Loss.

(v) Fair Value Hedge

In line with the recognition of change in the fair value of the hedging instruments in the Consolidated Statement of Profit & Loss, the change in the fair value of the hedged item attributable to the risk hedged is recognised in the Consolidated Statement of Profit and Loss. Such changes are made to the carrying amount of the hedged item and are adjusted in Effective Interest Rate in the period when the hedging instrument ceases to exist. If the hedged item is derecognised, the unamortised fair value is recognised immediately in Consolidated Statement of Profit and Loss.

(vi) Hedge accounting is discontinued when the hedging instrument expires, or terminated, or exercised, or when it no longer qualifies for hedge accounting.

(vii) Derivatives, other than those designated under hedge relationship, are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss.

6.5 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that is attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in Consolidated Statement of Profit and Loss.

6.5.1 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and Measurement of Financial Assets (other than Equity instruments)

a) Financial Assets at Amortised Cost:

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Effective Interest Rate (EIR) method

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The Group while applying EIR method, generally amortises

any fees, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Consolidated Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain/loss measured using the previous EIR as calculated before the modification, is recognised in the Consolidated Statement of Profit and Loss in period during which such renegotiations occur.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if both the following conditions are met:

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Consolidated Statement of Profit and Loss.

Business Model

An assessment of business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective of generating cash flows. The Group's business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group is primarily in the business of lending loans across power sector value chain and such loans are managed to realise the contractual cash flows over the tenure of the loan. Further, other financial assets may also be held by the Group to collect the contractual cash flows.

(ii) Classification, Measurement and Derecognition of Equity Instruments

All equity investments other than in subsidiaries, joint ventures and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group at initial recognition makes an irrevocable election to classify it as either FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis.

An equity investment classified as FVTOCI is initially measured at fair value plus transaction costs. Subsequently, it is measured at fair value and, all fair value changes are recognised in Consolidated Other Comprehensive Income (OCI) and accumulated in Consolidated Reserve. There is no recycling of the amounts from Consolidated OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group transfers the cumulative gain/loss within Consolidated equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

(iii) Impairment of Financial Assets

Subsequent to initial recognition, the Group recognises expected credit loss (ECL) on financial assets measured at amortised cost as required under Ind AS 109 'Financial Instruments'. The Group presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Consolidated Statement of Profit and Loss as "Impairment on financial instruments" and as a cumulative deduction from gross carrying amount in the Consolidated Balance Sheet, wherever applicable.

The impairment requirements for the recognition and measurement of ECL are equally applied to financial asset measured at FVTOCI except that ECL is recognised in Other Comprehensive Income and is not reduced from the carrying amount in the Consolidated Balance Sheet.

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for the year ended March 31, 2022

a) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):

The Group measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Group measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Group considers reasonable and supportable information, that is available without undue cost or effort. If the Group measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Group again measures the loss allowance based on 12-month ECL.

ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

The Group measures impairment on commitments under LoC on similar basis as in case of Loan assets.

b) Impairment of financial assets, other than loan assets:

ECL on financial assets, other than loan assets, is measured at an amount equal to life time expected losses.

c) Financial assets are written off by RECL either partially or in their entirety only when it has stopped pursuing the recovery.

(iv) De-recognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with all the substantial risks and rewards of ownership of the asset to another party. The renegotiation or modification of the contractual cash flows of a financial asset can also lead to derecognition of the existing financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Consolidated Other Comprehensive Income and accumulated in Consolidated Equity, is recognised in Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

6.5.2 Financial Liabilities

(i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

(ii) Financial Guarantee

A financial guarantee issued by the Group is initially measured at fair value and, if not designated as at FVTPL, is subsequently measured at the higher of:

- the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in the Consolidated Statement of Profit and Loss.

(iii) De-recognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid & payable is recognised in Consolidated Statement of Profit and Loss.

6.5.3 Offsetting of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet when currently there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6.5.4 Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of

the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts or if the embedded derivative feature leverages the exposure and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

6.6 Investment Property

(i) Investment properties are the assets which have undetermined future use. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment properties are stated at cost less accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group beyond one year. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

(ii) Subsequent measurement (depreciation and useful lives)

The Group only has land as an investment property, which is not depreciated.

(iii) De-recognition

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Consolidated Statement of Profit and Loss in the period in which the property is derecognised.

6.7 Property, Plant and Equipment (PPE) and Depreciation

(i) Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of its book value or net realisable value.

(ii) The expenditure incurred on improvement of leasehold premises is recognised at cost and is shown as "Leasehold Improvements" under PPE.

(iii) In case of assets put to use, capitalisation is done on the basis of bills approved or estimated value of work done as per contracts where final bill(s) is/are yet to be received/approved subject to necessary adjustment in the year of final settlement.

(iv) Cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. Maintenance or servicing costs of PPE are recognised in Consolidated Statement of Profit and Loss as incurred.

(v) Under-construction PPE is carried at cost, less any recognised impairment loss. Such PPE items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as of other assets, commences when the assets are ready for their intended use.

(vi) Depreciation is recognised so as to write-off the cost of assets less their residual values# as per written down value method*, over the estimated useful lives that are similar to as prescribed in Schedule II to the Companies Act, 2013, except following:

Nature of PPE	Life of PPE
Cell phones	2 years (in case of PFC & PFCCL)
Lease hold improvement[(1)]	Lease period or their useful lives whichever is shorter (in case of PFCCL)

Residual value is estimated as 5% of the original cost of PPE.

* Depreciation is provided using Straight-line method by RECL

[(1)]Leasehold Improvements are amortised on straight-line basis

(vii) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

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(viii) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

(ix) Capital expenditure directly attributable for Smart metering project are initially shown in 'Capital work-in-progress' (net of contribution from client) and capitalised as PPE when it is ready for use. Depreciation on items of PPE in smart metering project is recognised on pro-rata basis on Straight-Line Method over the useful life of assets not exceeding project implementation period of 9 years.

(x) Items of PPE costing up to ₹ 5,000/- each are fully depreciated, in the year of purchase.

(xi) The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress'. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition/ construction of PPE which are outstanding at the Balance Sheet date are classified under 'Capital Advances.'

6.8 Intangible Assets and Amortisation

(i) Intangible assets with finite useful lives that are acquired separately are recognised at cost. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

(ii) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as Intangible Assets under Development till they are ready for their intended use. Advances paid for the acquisition/ development of intangible assets which are outstanding at the balance sheet date are classified under 'Capital Advances'

(iii) Estimated useful life of intangible assets with finite useful lives has been estimated by the Group as 5 years. In case of PFCCL, life is estimated as 36 months.

(iv) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

6.9 Assets/Disposal Groups held for sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable. A sale is considered as highly probable when such assets have been decided to be sold by the Group; are available for immediate sale in their present condition; are being actively marketed for sale at a price and the sale has been agreed or is expected to be concluded within one year of the date of classification. Such non-current assets are measured at lower of carrying amount or fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets held for sale are presented separately from other assets in the Consolidated Balance Sheet.

Where the Group is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity (i.e. all the assets and liabilities of that entity) as held for sale.

6.10 Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, if it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(ii) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(iii) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(iv) Where it is not probable that an outflow of economic benefits will be required or the amount cannot be

estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.

(v) Contingent assets are not recognised in the Consolidated Financial Statements. However, contingent assets are disclosed in the Consolidated Financial Statements when inflow of economic benefits is probable.

6.11 Recognition of Income and Expenditure

(i) Interest income on financial assets subsequently measured at amortised cost, is recognised using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Unless otherwise specified, the recoveries from the borrowers of RECL are appropriated in the order of (i) costs and expenses of RECL (ii) delayed and penal interest including interest tax, if any (iii) overdue interest including interest tax, if any and (iv) repayment of principal; the oldest being adjusted first, except for credit impaired loans and recalled loans, where principal amount is appropriated only after the complete recovery of other costs, expenses, delayed and penal interest and overdue interest including interest tax, if any. The recoveries under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings are appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

(iii) Interest on financial assets subsequently measured at fair value through profit and loss (FVTPL), is recognised on accrual basis in accordance with the terms of the respective contract and is disclosed separately under the head 'Interest Income'.

(iv) Rebate on account of timely payment of dues by borrowers is recognised on receipt of entire dues in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

(v) The Group uses the principles laid down by Ind AS 115 to determine that how much and when revenue is recognised, what is the nature, amount, timing and uncertainty of revenues etc. In accordance with the same, revenue is recognised through a five-step approach:

a) Identify the contract(s) with customer;

b) Identify separate performance obligations in the contract;

c) Determine the transaction price;

d) Allocate the transaction price to the performance obligations; and

e) Recognise revenue when a performance obligation is satisfied.

Revenues are measured at the fair value of the consideration received or receivable, net of discounts and other indirect taxes.

In Cost Plus Contracts – Revenue is recognised by including eligible contractual items of expenditures plus proportionate margin as per contract;

In Fixed Price Contracts – Revenue is recognised on the basis of stage of completion of the contract. The Group has assessed that the stage of completion is determined as the proportion of the total time expected to complete the performance obligation to that has lapsed at the end of the reporting period, which is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(vi) Revenue from consulting services, in connection with development of Independent Transmission Projects (ITP) and Ultra Mega Power Projects (UMPP) taken up as per the directions from the Ministry of Power, Government of India, is recognised on completed contract method basis i.e. when the ITP / UMPP created for the project is transferred to a successful bidder evidenced by share purchase agreement. The expenses incurred on development of these projects which are not recovered as direct costs are recovered through billing manpower charges at agreed charge out rates decided by the management.

(vii) Income from Smart Metering services of PFCCL are recognised when bills for meter rent is raised to the clients and right to receive such income is established. Income from project development management agency charges (PDMA) during project implementation period is recognised over the period of contract.

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(viii) The sale proceeds from Request for qualification (Rfq) documents for Independent Transmission Projects (ITPs) and Ultra Mega Power Project (UMPPs) are accounted for when received.

(ix) Income from short/medium-term bidding of power and Coal Flexibility Scheme is recognised when letter of award (LOA) is issued to the successful bidder.

(x) Dividend income from investments is recognised in Consolidated Statement of Profit and Loss when the Group's right to receive dividend is established and the amount of dividend can be measured reliably.

(xi) Dividend on financial assets subsequently measured at fair value through profit and loss is recognised separately under the head 'Dividend Income'.

(xii) Interest expense on financial liabilities subsequently measured at amortised cost is recognised using Effective Interest Rate (EIR) method.

(xiii) Other income and expenses are accounted on accrual basis, in accordance with terms of the respective contract.

(xiv) A Prepaid expense up to ₹ 1,00,000/- is recognised as expense upon initial recognition in the Consolidated Statement of Profit and Loss.

6.12 Expenditure on issue of Shares

Expenditure on issue of shares is charged to the securities premium account.

6.13 Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use, are capitalised. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

6.14 Employee Benefits

(i) Defined Contribution Plan

Group's contribution paid/payable during the reporting period towards provident fund and pension are charged in the Consolidated Statement of Profit and Loss when employees have rendered service entitling them to the contributions.

(ii) Defined Benefit Plan

The Group's obligation towards gratuity to employees and post-retirement benefits such as medical benefit, economic rehabilitation benefit and settlement allowance after retirement are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined benefit plans is recognised in Other Comprehensive Income (OCI). Past service cost is recognised in the Consolidated Statement of Profit and Loss in the period of a plan amendment.

(iii) Other long-term employee benefits

The Group's obligation towards leave encashment, service award scheme is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These obligations are recognised in the Consolidated Statement of Profit and Loss.

(iv) Short-term employee benefits

Short-term employee benefits such as salaries and wages are recognised in the Consolidated Statement of Profit and Loss, in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

(v) Loan to employees at concessional rate

Loans given to employees at concessional rate are initially recognised at fair value and subsequently measured at amortised cost. The difference between the initial fair value of such loans and transaction value is recognised as deferred employee cost upon issuance of Loan, which is amortised on a straight-line basis over the expected remaining period of the loan. In case of change in expected remaining period of the loan, the unamortised deferred employee cost on the date of change is amortised over the updated expected remaining period of the loan on a prospective basis.

6.15 Income Taxes

Income Tax expense comprises of current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss, except when it relates to an item that is recognised in Consolidated Other Comprehensive Income (OCI) or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

(i) Current Tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of earlier years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date, based on the expected manner of realisation or settlement of the carrying amount of assets/liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

6.16 Leases

For recognition, measurement and presentation of lease contracts, the Group applies the principles of Ind AS 116 'Leases'.

(i) The Group as a lessee

The Group at inception of a contract assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (a) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (b) the Group has the right to direct the use of the identified asset.

The Group at inception of a lease contract recognises a Right-of-Use (RoU) asset at cost and a corresponding lease liability, except for leases with term of less than twelve months (short-term) and low-value assets which are recognised as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use (RoU) assets are initially recognised at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. They are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortised cost at the present value of future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates in the country of domicile of the leases.

Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use (RoU) asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and RoU asset is separately presented in the Balance Sheet. Interest expense on lease liability is presented separately from depreciation on right of use asset as a component of finance cost in the Consolidated Statement of Profit and Loss. Lease payments for the principal portion are classified as Cash flow used in financing activities and lease payments for the interest portion are classified as Cash flow used in operating activities.

(ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

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for the year ended March 31, 2022

Amount due from lessee under finance leases is recognised as receivable at an amount equal to the net investment of the Group in the lease. Finance income on the lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of lease at the reporting date.

6.17 Foreign Currency Transactions and Translations

The functional currency of the Group is Indian Rupees. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currency are translated using exchange rates prevailing on the last day of the reporting period. Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. However, for the long-term monetary items recognised in the consolidated financial statements before April 1, 2018, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term monetary item.

6.18 Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.
- The financial information in the Consolidated Financial Statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the Consolidated Financial Statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

6.19 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

6.20 Dividends and Other Payments to holders of Instruments classified as Equity

Final dividends are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the respective company in the Group.

Liability for the payments to the holders of instruments classified as equity are recognised in the period when such payments are authorised for payment by the Company.

6.21 Earnings Per Share

Basic earnings per equity share are calculated by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

7. Use of Estimates and Management Judgement

In preparation of the Consolidated Financial Statements, the Management is required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the related disclosures. The estimates and underlying assumptions are based on historical experience & other relevant factors and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Changes in accounting estimates, if any, are recognised in the period in which the estimate is revised if the revision

affects only that period or in the period of the revision and future periods if it affects both current and future periods.

7.1 Significant Management Judgements

In order to enhance understanding of the Consolidated Financial Statements, information about significant areas of critical judgements, apart from those involving estimation (Note no. 7.2), in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements, are as under:

(i) Deferred Tax Liability on Special Reserve

The Company and its subsidiary RECL have obtained resolution from their respective Board of Directors that there is no intention to make withdrawal from the Special Reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961 and the same is not capable of being withdrawn. Accordingly, no deferred tax liability has been created on the said reserve.

(ii) Non-recognition of income on Credit Impaired Loan Assets

As a matter of prudence, income on credit impaired loan assets is recognised as and when received and on accrual basis either on resolutions of stressed assets or when expected realisation is higher than the loan amount outstanding.

(iii) Amortisation of transaction cost on Credit Impaired Loans Assets

Outstanding amount of unamortised transaction cost is credited to Consolidated Statement of Profit and Loss on classification of loan asset as credit impaired.

(iv) Classification of Investments

In order to classify an investment in a company as investment in subsidiary or joint venture (JV) or associate, judgement is required to assess the level of control depending upon the facts and circumstances of each case.

a) Energy Efficiency Services Limited (EESL) was incorporated in 2009 as a Joint Venture (JV) of NTPC Ltd., Power Grid Corporation of India Ltd. (PGCIL), RECL and PFC. During the current financial year, 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 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 March 31, 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 28 '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 the purpose of consolidation of financial statements..

b) Ultra-Mega Power Projects (UMPPs), RECL's transmission projects (SPV) and PFCCL's ITPs are managed as per the mandate from Government of India (GoI) and the Group does not have the practical ability to direct their relevant activities unilaterally. The Group therefore, considers its investment in respective UMPPs, ITPs and SPVs as associates having significant influence despite the respective Companies holding 100% of their paid- up equity share capital.

c) By virtue of holding Board position or equity stake in borrower companies, the rights exercised by PFC in such companies are protective in nature. Thus, the borrower companies are not considered as associates.

(v) Low value leases

An assessment is required, if lessee opts not to apply the recognition and measurement requirements of Ind AS 116 'Leases' to leases where the underlying asset is of low value. For the purpose of determining low value, the Group has considered nature of assets and concept of materiality as defined in Ind AS 1 'Presentation of Financial Statements' and the conceptual framework of Ind AS which involve significant judgement.

(vi) Sundry Liabilities – Interest Capitalisation

Unrealised income on credit impaired loans, represented by Funded Interest Term Loan (FITL)/ debt/ equity instruments acquired under resolution, is transferred to a separate account titled 'Sundry Liabilities Account (Interest Capitalisation)' and is recognised in Consolidated Statement of Profit and Loss on repayment of FITL or sale/ redemption of debt/ equity instruments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(vii) Evaluation of indicators for impairment loss allowance of financial assets

The evaluation of the applicability of indicators for computation of impairment loss allowance of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the Assets. The Group makes significant judgement in identifying the default, and significant increase in credit risk (SICR) as well as grouping of similar financial assets based on available information.

(viii) Deferred tax liability/deferred tax asset in respect of undistributed profits/losses of subsidiaries, branches, investments in associates and joint ventures

Judgement is required in accounting for deferred tax liability/deferred tax asset in respect of Group's investments in respect of undistributed profits/ losses of subsidiaries, investments in associates and joint ventures. In respect of undistributed profits/losses of subsidiaries, investments in joint ventures, the Company is able to control the timing of the reversal of the temporary differences and the temporary differences will not be reversed in the foreseeable future. Accordingly, the Group does not recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures.

7.2 Assumptions and Key Sources of Estimation Uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(i) Defined benefit obligation (DBO)

The Group's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses as detailed at Note –50.

(ii) Impairment test of Financial Assets (Expected Credit Loss)

The measurement of impairment loss allowance for financial assets which includes loan, lease assets, LoCs and guarantees measured at amortised cost requires use of statistical models, expected future economic conditions, estimated cash flows and credit behaviour (e.g., inputs and weights used for credit risk scoring, likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the borrower's financial situation, current status of the project, net realisable value of securities/collateral etc. are assessed.

As these estimates are based on various assumptions, actual results may vary. Refer Note 46.1 for further details.

(iii) Fair value measurement

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Group applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses quoted prices and market-observable data to the extent it is available. In case of non-availability of the same, unobservable inputs are used for calculation of fair value of the assets/ liabilities. The information about the valuation techniques, inputs used in determination of fair value of various assets & liabilities and other details is disclosed at Note 48.

(iv) Income Taxes

Estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset. Refer Note 43 for details.

(v) Useful life of Property, Plant & Equipment (PPE) and Intangible Assets

The Group reviews its estimate of the useful lives of depreciable/amortisable assets at the end of each financial year, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets. Refer Note 17 for details on useful lives and carrying values of PPE and Intangible assets.

(vi) Impact of COVID-19 on financials

Currently, there is no major impact of COVID-19 on the Consolidated Financial Statements of the Group. However, the extent to which impact this pandemic will impact the Group's financial statements continue to be dependent on future developments relating to duration & severity of Covid-19, and any further actions by the Government & Regulatory bodies to contain its impact on the power sector and on the NBFCs. The Group shall also continue to closely monitor any material changes arising of uncertain future economic conditions and potential impact on its financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

8. Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Balances with Banks (of the nature of cash and cash equivalents)		
	- In Current Accounts	148.32	970.90
	- In Term Deposit Accounts (original maturity up to 3 months)	765.90	3,956.72
(ii)	Cheques, Drafts on hand including Postage & Imprest	0.02	0.12
	Total Cash and Cash Equivalents	**914.24**	**4,927.74**

9. Bank Balance other than included in Cash and Cash Equivalents

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Earmarked Balances and Term Deposits with Banks for:		
	- Term Deposits Accounts – LAD (Refer Note 9.1)	245.84	683.32
	- Term Deposits Accounts – HQLA (Refer Note 9.2)	2,398.99	-
	- Unpaid Dividend	11.85	9.69
	- Unpaid - Bonds/Interest on Bonds etc.	91.19	146.36
	- Amount received under GoI scheme	1379.42	1534.55
	- Fixed Deposits with Banks – for Redemption of Debentures	225.33	-
	- Held as Margin money/against security deposits	0.27	0.25
(ii)	Deposit in compliance of Court	0.59	0.56
(iii)	Balance with Bank not available for use pending allotment of securities	1,291.54	856.62
(iv)	Term Deposits with Banks – More than 3 months but less than 12 months	10.99	6.66
(v)	Other Term Deposits	114.25	36.81
	Total Bank Balance other than included in Cash and Cash Equivalents	**5,770.26**	**3,274.82**

9.1 The Group has availed Loan against these Term Deposits (LAD) and is presented in Note 23 'Borrowings (other than Debt Securities).'

9.2 Term Deposits held for maintence of High Quality Liquid Assets (HQLA) as per RBI.

10. Derivative Financial Instruments

The Company and its Subsidiary REC Ltd., enters into derivatives for hedging Currency and Interest Rate risk. Derivatives held for risk management purposes include hedges that are either designated as effective hedges under the hedge accounting requirements or hedges that are economic hedges. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Part - I

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	**Currency Derivatives:**						
	- Spot and Forwards	-	-	-	2,417.38	5.33	40.53
	- Currency Swaps	14,979.27	1,112.54	48.37	14,615.29	980.06	121.08
	- Options	75,384.97	6,468.82	21.55	32,463.34	1,928.55	95.17
	Total Currency Derivatives:	**90,364.24**	**7,581.36**	**69.92**	**49,496.01**	**2,913.94**	**256.78**
(ii)	**Interest Rate Derivatives**						
	- Forward Rate Agreements and Interest Rate Swaps	51,171.39	1,009.37	255.22	43,621.27	648.73	805.24
	Total Interest Rate Derivatives	**51,171.39**	**1,009.37**	**255.22**	**43,621.27**	**648.73**	**805.24**
(iii)	**Other Derivatives**						
	- Reverse cross currency swaps	4,747.00	-	331.25	4,547.00	-	278.33
	Total Other Derivatives	4,747.00	-	331.25	4,547.00	-	278.33
	Total Derivative Financial Instruments [(i) + (ii) + (iii)]	**1,46,282.63**	**8,590.73**	**656.39**	**97,664.28**	**3,562.67**	**1,340.35**

Part - II: Included in above (Part I) are Derivatives held for hedging and risk management purposes as follows:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Notional Amounts	Fair value Assets	Fair value Liabilities	Notional amounts	Fair value Assets	Fair value Liabilities
(i)	**Fair Value Hedging (Designated)**						
	- Interest Rate Derivatives						
	- Forward Rate Agreements and Interest Rate Swaps	11,850.70	19.76	112.00	-	-	-
	Total Fair Value Hedging (Designated)	**11,850.70**	**19.76**	**112.00**	**-**	**-**	**-**
(ii)	**Cash Flow Hedging (Designated):**						
	- Currency Derivatives	84,292.31	6,746.43	69.92	38,765.58	1,957.56	216.25
	- Interest Rate Derivatives	22,031.03	313.96	84.42	21,508.88	4.10	496.50
	Total Cash Flow Hedging (Designated)	**1,06,323.34**	**7,060.39**	**154.34**	**60,274.46**	**1,961.66**	**712.75**
(iii)	**Undesignated Derivatives**	28,108.59	1,510.58	390.05	37,389.82	1,601.01	627.60
	Total Undesignated Derivatives	**28,108.59**	**1,510.58**	**390.05**	**37,389.82**	**1,601.01**	**627.60**
	Total Derivative Financial Instruments [(i) + (ii)]	**1,46,282.63**	**8,590.73**	**656.39**	**97,664.28**	**3,562.67**	**1,340.35**

10.1 Details of Forward Rate Agreements/Interest Rate Swaps:

(₹ in crore)

Sr. No.	Description	As at 31.03.2022	As at 31.03.2021
(i)	Notional principal of swap agreements	51,171.39	43,621.27
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,009.37	648.73
(iii)	Collateral required by NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from swaps	Refer note [a] below	
(v)	Fair value of swap book (obtained from counterparty banks)	754.15	(156.51)

[a]The Group has entered into swap agreements with Category-I Authorised Dealer Banks only, in accordance with the RBI guidelines.

10.2 The Group does not hold any exchange traded derivatives as at March 31, 2022 (as at March 31, 2021 Nil).

10.3 Quantitative Disclosures on Risk Exposure in Derivatives:

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022			As at 31.03.2021		
		Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps)[a]	Currency Derivatives	Interest Rate Derivatives	Other Derivatives (Reverse cross currency swaps)[a]
(i)	Derivatives (Notional Principal Amount)						
	For hedging	90,364.24	51,171.39[b]	4,747.00	49,496.01	43,621.27[b]	4,547.00
(ii)	Marked to Market Positions (MTM)						
	a) Asset (+MTM)	7,581.36	1,009.37	-	2,913.94	648.73	-
	b) Liability (-MTM)	69.92	255.22	331.25	256.78	805.24	278.33
(iii)	Credit Exposure	10,218.30	1,075.98	662.05	7,792.89	1,064.50	632.05
(iv)	Unhedged Exposures	41,736.51	2,319.39	-	54,470.11	3,444.15	-

[a] as a strategy of cost reduction

[b]Interest rate derivatives include derivatives on Rupee liabilities and also those held as strategy of cost reduction.

10.4 Refer Note 46.3 and 46.4 for Foreign Currency Risk Management and Interest Rate Risk Management respectively and Note 47 for disclosures related to hedge accounting.

11. Trade Receivables

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Trade Receivables		
(i)	- considered good - Secured (Gross)	31.08	27.54
(ii)	- considered good - Unsecured (Gross)	91.94	124.45
(iii)	less: Impairment loss allowance	(12.48)	(19.12)
(iv)	- which have Significant Increase in Credit Risk (Gross)	30.97	55.32
(v)	less: Impairment loss allowance	(15.88)	(20.58)
(vi)	- credit Impaired (Gross)	63.32	54.26
(vii)	less: Impairment loss allowance on Credit Impaired	(63.32)	(54.26)
	Total Trade Receivables	**125.63**	**167.61**

11.1 For details of impairment loss allowance on Trade Receivables Refer Note 46.1.13

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

11.2 Trade Receivables ageing schedule

(₹ in Crore)

Particulars	Outstanding as at 31st March 2022					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	78.37	27.46	4.19	3.19	6.81	120.02
- which have significant increase in credit risk	-	-	19.35	14.56	-	33.91
- credit impaired	-	-	1.10	1.27	61.01	63.38
Sub- total (i)	**78.37**	**27.46**	**24.64**	**19.02**	**67.82**	**217.31**
(i) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total (i+ii)	**78.37**	**27.46**	**24.64**	**19.02**	**67.82**	**217.31**

(₹ in Crore)

Particulars	Outstanding as at 31st March 2021					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) - Undisputed Trade receivables						
- considered good	111.74	29.30	0.85	3.19	6.81	151.89
- which have significant increase in credit risk	-	-	22.85	32.47	-	55.32
- credit impaired	-	-	0.87	0.97	52.42	54.26
Sub- total (i)	**111.74**	**29.30**	**24.57**	**36.63**	**59.23**	**261.47**
(ii) - Disputed Trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Sub- total (ii)	**-**	**-**	**-**	**-**	**-**	**-**
(iii) Adjustment for PFCCL's audited & unaudited Financials						0.10
Total (i+ii+iii)	**111.74**	**29.30**	**24.57**	**36.63**	**59.23**	**261.57**

12. Loans

The Company and its Subsidiary REC Ltd., have categorised all loans at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	**Loans to Borrowers***		
(i)	- Rupee Term Loans (RTLs)	7,52,573.06	7,38,012.54
(ii)	- Buyer's Line of Credit	2,495.83	2,185.02
(iii)	- Working Capital Loans	2,658.59	4,038.98
(iv)	- Others	768.87	952.60
(v)	**Principal Outstanding (i to iv)**	**7,58,496.35**	**7,45,189.14**
(vi)	- Interest accrued but not due on Loans	5,467.27	5,876.97
(vii)	- Interest accrued & due on Loans	1,070.52	1,240.75
(viii)	- Unamortised Fee on Loans	(207.42)	(174.23)
	Gross Carrying Amount (v to viii) *	**7,64,826.72**	**7,52,132.63**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Less: Impairment loss allowance	(31,975.96)	(29,745.79)
	Net Carrying Amount *	**7,32,850.76**	**7,22,386.84**
(B)	**Security-wise classification**		
(i)	Secured by Tangible Assets	4,14,821.03	4,52,447.33
(ii)	Secured by Intangible Assets	-	-
(iii)	Covered by Bank/Government Guarantees	2,74,293.60	2,15,707.48
(iv)	Unsecured	75,712.09	83,977.82
	Gross Security-wise classification	**7,64,826.72**	**7,52,132.63**
	Less: Impairment loss allowance	(31,975.96)	(29,745.79)
	Net Security-wise classification	**7,32,850.76**	**7,22,386.84**
(C) I	**Loans in India**		
(i)	Public Sector	6,70,548.18	6,53,770.87
(ii)	Private Sector	94,278.54	98,361.76
	Gross Carrying Amount of Loans in India	**7,64,826.72**	**7,52,132.63**
	Less: Impairment loss allowance	(31,975.96)	(29,745.79)
	Net Carrying Amount of Loans in India	**7,32,850.76**	**7,22,386.84**
(C) II	**Loans Outside India**	-	-
	Less: Impairment loss allowance	-	-
	Net Carrying Amount of Loans Outside India	**-**	**-**
	Net Carrying Amount of Loans in India and Outside India	**7,32,850.76**	**7,22,386.84**

*For details of Loans pledged as security refer Note 22.8 to 22.16 and 23.11.

12.1 Balance Confirmation from Borrowers

During the year, PFC has sent letters to borrowers, seeking confirmation of balances as at March 31, 2022 except where loans have been recalled or pending before court/NCLT. Confirmations for 98.03 % of the said balances have been received. Out of the remaining loans amounting to ₹ 7,076.02 crore for which balance confirmations have not been received, 62.74 % loans are secured by tangible securities, 29.95 % by way of Government Guarantee/ Loans to Government and 7.31% are unsecured loans

In respect of RECL, loan balance confirmations for 93% of total loan assets as at March 31, 2022 have been received from the borrowers. Out of the remaining 7% loan assets amounting to ₹ 28,447.81 crore for which balance confirmations have not been received, 45% loans are secured by way of hypothecation of assets, 33% by way of Government Guarantee/ Loans to Government and 22% are unsecured loans.

12.2 The details of resolution plans implemented during the year by PFC and subsidiary RECL:

(₹ in crore)

S. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off (including impairment on investment)	Instruments received by the Group under Resolution Plan*
FY 2021-22						
1	Krishna Godavari Power Utilities Ltd.	Restructuring with change in ownership through NCLT	76.63	76.63	64.23	Loan stands settled as at March 31, 2022.
2	GVK Ratle Hydro Electric Project Pvt. Ltd.	One time settlement	1,116.65	851.93	462.65	Loan amount representing arbitration award of ₹ 304 crore with 100% impairment provisioning is appearing in books as at March 31, 2022.
3	Essar Power MP Ltd.	Restructuring with change in ownership through NCLT	2,689.55	1,462.78	1,455.17	Sustainable Loan amounting to ₹ 938.14 crore is continuing in books as at March 31, 2022.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(₹ in crore)

S. No.	Name of Borrower	Details of Resolution Plan	Principal O/s prior to date of Resolution	Impairment allowance provided till date of Resolution	Amount written off (including impairment on investment)	Instruments received by the Group under Resolution Plan*
4	Astonfield Solar (Gujarat) Pvt. Ltd.	Restructuring with change in ownership through NCLT	25.85	23.47	15.78	Sustainable Loan amounting to ₹ 4.11 crore is continuing in books as at March 31, 2022.
5	RS India Wind Energy Private Limited	One time settlement	223.77	134.48	122.70	Loan stands settled as at March 31, 2022.
6	VS Lignite Power Private Limited	Resolution Plan approved under IBC proceedings	54.24	40.69	39.45	Loan amounting to ₹ 12.54 crore is appearing in books as at March 31, 2022
7	Lanco Babandh Power Limited	Liquidation order passed under IBC proceedings	1,200.55	1,146.53	1,160.16	Loan stands settled as at March 31, 2022.
8	Amrit Jal Ventures Private Limited	Resolution Plan approved under IBC proeedings	4.35	2.10	-	Loan stands settled as at March 31, 2022.
	Total		**5,391.59**	**3,738.61**	**3,320.14**	
FY 2020-21						
1	Essar Power Transmission Corp. Ltd.	Restructuring without change in ownership	1,483.01	117.63	122.88	Optionally Convertible Debentures (OCDs) of the borrower company were obtained under restructuring.
2	Suzlon Energy Limited	Restructuring without change in ownership	915.11	518.62	448.23	Equity shares, Optionally Convertible Debentures (OCDs) of the borrower company and Compulsorily Convertible Preference Shares (CCPS) of the borrower's group company were obtained under restructuring.
3	RKM Powergen Pvt. Ltd.	Restructuring without change in ownership	7,406.74	3,077.92	2,907.20	Equity shares and Optionally Convertible Debentures (OCDs) of the borrower company were obtained under restructuring.
4	Ratnagiri Gas & Power Pvt. Ltd.	Composite Resolution Plan including One time settlement	207.05	66.59	66.59	Loan Account stands settled as at March 31, 2021.
5	Jal Power Corporation Ltd.	One time settlement	386.23	287.99	286.39	Loan Account stands settled as at March 31, 2021.
6	Facor Power Ltd.	Settled through NCLT proceeding under IBC	510.98	198.93	181.86	NCDs were received as per approved resolution plan under IBC.
	Total		**10,909.12**	**4,267.68**	**4,013.15**	

* For more details of instruments received under resolution plan in FY 2020-21 refer Note 13A

12.3 In addition to the above, PFC has also approved settlement proposal with a borrower Narasimhaswamy Solar Generations Private Limited having loan outstanding amounting to ₹13.66 crore. PFC has provided time till 31.05.2022 to make payment of the total loan amount.

12.4 The Companies in the Group has not advanced or loaned or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Companies in the Group has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12.5 For details of credit risk exposure and management by the Group refer Note 46.1.

13A. Investments (Other than accounted for using equity method)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	1,473.20			-		1,473.20
(ii)	Debt securities	365.60		288.27	288.27		653.87
(iii)	Equity Instruments		1,459.61	175.31	1,634.92		1,634.92
(iv)	Preference Shares	113.19		-	-		113.19
(v)	Others		-		-		-
	Total Investments (Other than accounted for using equity method)	**1,951.99**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,875.18**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,951.99	1,459.61	463.58	1,923.19	-	3,875.18
	Gross Geography wise investment	**1,951.99**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,875.18**
	Less: Impairment loss allowance	(101.67)	-	-	-	-	(101.67)
	Net Geography wise investment	**1,850.32**	**1,459.61**	**463.58**	**1,923.19**	**-**	**3,773.51**

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2021					
		Amortised Cost (1)	Designated at FVTOCI (2)	FVTPL (3)	Subtotal (4)=(2)+(3)	Others (5)	Total (1)+(4)+(5)
(i)	Government Securities	649.08					649.08
(ii)	Debt securities	408.73		294.69	294.69		703.42
(iii)	Equity Instruments		1,272.16	83.56	1,355.72		1,355.72
(iv)	Preference Shares	103.08		139.18	139.18		242.26
(v)	Others		-		-		-
	Total	**1,160.89**	**1,272.16**	**517.43**	**1,789.59**	**-**	**2,950.48**
	Geography wise investment						
(i)	Investments Outside India	-	-	-	-	-	-
(ii)	Investments in India	1,160.89	1,272.16	517.43	1,789.59	-	2,950.48
	Gross Geography wise investment	**1,160.89**	**1,272.16**	**517.43**	**1,789.59**	**-**	**2,950.48**
	Less: Impairment loss allowance	-			-		-
	Net Geography wise investment	**1,160.89**	**1,272.16**	**517.43**	**1,789.59**	**-**	**2,950.48**

FVTOCI - Fair Value through Other Comprehensive Income, FVTPL - Fair Value through Profit or Loss

Details of Investments

(₹ in crore)

Sr. No.	Particulars *	Measured at	As at 31.03.2022			As at 31.03.2021		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
(i)	**Government Securities**	Amortised Cost	14,39,32,800	100	1,473.20	6,25,00,000	100	649.08
(ii)	**Debt Securities (HQLAs)**	Amortised Cost	3,14,940	1000 to 1000000	259.39	3,14,940	1000 to 1000000	259.63
	Debt Securities (Other than HQLAs)							
	- Essar Power Transmission Company Limited - OCD Series 1	FVTPL	26,86,36,304	10	129.83	31,86,17,853	10	140.21
	- Essar Power Transmission Company Limited - OCD Series 2	FVTPL	11,48,94,246	10	55.75	13,69,00,996	10	60.20

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(₹ in crore)

Sr. No.	Particulars *	Measured at	As at 31.03.2022			As at 31.03.2021		
			Number	Face Value (₹)	Amount	Number	Face Value (₹)	Amount
	- Essar Power Transmission Company Limited - OCD Series 3	FVTPL	2,55,14,666	10	0.00	2,55,14,666	10	-
	- Suzlon Energy Limited - OCD	FVTPL	34,791	1,00,000	102.69	34,791	1,00,000	94.28
	- RKM Powergen Pvt. Ltd. - OCD Series A	FVTPL	63,31,99,420	100	0.00	63,31,99,420	100	-
	- RKM Powergen Pvt. Ltd. - OCD Series B	FVTPL	1,97,74,516	100	0.00	1,97,74,516	100	-
	- RKM Powergen Pvt. Ltd. - OCD Series AI	FVTPL	3,37,46,560	100	0.00	3,37,46,560	100	-
	- Ferro Alloys Corporation Limited - NCD	Amortised Cost	2,54,95,144	1,00,000	106.21	2,52,91,783	1,00,000	149.10
	Total Debt Securities				**653.87**			**703.42**
(iii)	**Equity instruments**							
	- PTC India Limited	Designated - FVTOCI	1,20,00,000	10	98.70	1,20,00,000	10	93.30
	- Coal India Limited	Designated - FVTOCI	1,39,64,530	10	255.62	1,39,64,530	10	182.03
	- NHPC Limited (Refer Note 13.4)	Designated - FVTOCI	20,51,30,167	10	570.26	38,97,75,446	10	953.00
	- Power Exchange India Limited	Designated - FVTOCI	32,20,000	10	-	32,20,000	10	-
	- Energy Efficiency Services Limited	Designated - FVTOCI	46,36,00,000	10	456.47	-	-	-
	- Suzlon Energy Limited	Designated - FVTOCI	8,46,15,798	2	77.42	8,46,15,798	2	42.31
	- Housing and Urban Development Corporation Ltd.	Designated - FVTOCI	3,47,429	10	1.14	3,47,429	10	1.52
	- Universal Commodity Exchange Ltd.	Designated - FVTOCI	1,60,00,000	10	-	1,60,00,000	10	-
	- RattanIndia Power Limited	FVTPL	32,76,95,820	10	175.31	32,76,95,820	10	83.56
	- RKM PowerGen Pvt. Ltd.	FVTPL	58,57,06,587	10	-	58,57,06,587	10	-
	Total Equity instruments				**1,634.92**			**1,355.72**
(iv)	**Preference Shares**							
	- Raipur Energen Limited - RPS	Amortised Cost	59,82,371	100	11.52	59,82,371	100	10.35
	- RattanIndia Power Limited - RPS	Amortised Cost	10,16,70,764	10	101.67	10,16,70,764	10	92.73
	- RattanIndia Power Limited - OCCRPS	FVTPL	15,32,97,013	10	-	15,32,97,013	10	139.18
	- Suzlon Global Services Limited - CCPS	FVTPL	38,161	1,00,000	-	38,161	1,00,000	-
	Total Preference Shares				**113.19**			**242.26**
(v)	**Others**							
	- Units of "Small is Beautiful" Fund	Designated - FVTOCI	-	-	-	1,23,04,700	10	-
	Total - Units of "Small is Beautiful" Fund				**-**			**-**
	Total Investments (Other than accounted for using equity method)				**3,875.18**			**2,950.48**
	Less: Impairment Loss Allowance				**(101.67)**			**-**
	Net Investments (Other than accounted for using equity method)				**3,773.51**			**2,950.48**

RPS – Redeemable Preference Shares, CRPS – Cumulative Redeemable Preference Shares, OCCRPS – Optionally Convertible Cumulative Redeemable Preference Shares, CCPS – Compulsorily Convertible Preference Shares, OCD – Optionally Convertible Debenture, NCD – Non-Convertible Debentures

* Refer Note 48 for fair value of instruments measured at FVTPL or FVTOCI

13B. Investments accounted for using equity method

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Joint Venture**		
	- Energy Efficiency Services Limited (Refer Note 13.3) [46,36,00,000 equity shares of ₹ 10 each; previous year 46,36,00,000 equity shares of ₹ 10 each]	-	547.85
(ii)	**Associates (Refer Note 13.2)**		
	- Ultramega Power Projects/Independent Transmission Projects [8,10,000 equity shares of ₹ 10 each; previous year 8,20,000 equity shares of ₹ 10 each]	0.50	0.50
	Sub-Total	**0.50**	**548.35**
	Less: Impairment loss allowance	-	-
	Total Investments accounted for using equity method	**0.50**	**548.35**

13.1 Movement of impairment loss allowance on investments

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Opening Balance	-	-
Add: Impairment loss allowance recognised during the year	101.67*	-
Less: Reversal of excess impairment loss allowance during the year	-	-
Closing Balance	**101.67**	**-**

* Impairment loss allowance on Redeemable preference shares of Rattan India Power Ltd.

13.2 Carrying Value of Investment in Associates accounted for using equity method:

These associates are companies incorporated as SPVs under mandate from GoI for development of Ultra Mega Power Projects (UMPPs) (Sr. No. (i)-(xv) below) with the intention to hand over the same to successful bidders on completion of the bidding process and Special Purpose Vehicle in respect of Independent Transmission Project (ITPs) (Sr. No. (xvi)-(xviii) below) incorporated by PFCCL, being the bid process coordinator for transmission schemes.

(₹ in crore)

Sr. No.	Name of investee company	As at 31.03.2022	As at 31.03.2021
(i)	Chhattisgarh Surguja Power Limited[1]	-	-
(ii)	Coastal Karnataka Power Limited	-	-
(iii)	Coastal Maharashtra Mega Power Limited[1]	-	-
(iv)	Orissa Integrated Power Limited	-	-
(v)	Coastal Tamil Nadu Power Limited	0.08	0.08
(vi)	Sakhigopal Integrated Power Limited	0.05	0.05
(vii)	Ghogarpalli Integrated Power Company Limited	0.05	0.05
(viii)	Tatiya Andhra Mega Power Limited[1]	-	-
(ix)	Deoghar Mega Power Limited	0.04	0.04
(x)	Cheyyur Infra Limited	0.05	0.05
(xi)	Odisha Infrapower Limited	0.04	0.04
(xii)	Deoghar Infra Limited	0.05	0.05
(xiii)	Bihar Infrapower Limited	0.05	0.05
(xiv)	Bihar Mega Power Limited	0.05	0.05
(xv)	Jharkhand Infrapower Limited	0.04	0.04
(xvi)	Tanda Transmission Company Limited[1]	-	-
(xvii)	Shongtong Karcham-Wangtoo Transmission Limited[1]	-	-
(xviii)	Bijawar-Vidarbha Transmission Limited[2]	-	-
	Total Carrying Value	**0.50**	**0.50**

[1]under process of striking off [2]under approval for closure

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

13.3 During the current year ended March 31, 2022, pursuant to Board of Directors Resolution dated 30.08.2021, amendment in JV agreement was made in respect of Energy Efficiency Services Limited (EESL) amongst all the JV partners i.e. NTPC Limited, PFC, REC and Power Grid Corporation of India Limited (PGCIL) vide Supplementary Agreement dated 01.09.2021. Due to this amendment, EESL ceases to be a jointly controlled entity under Ind AS framework for PFC and RECL w.e.f 01.09.2021 and accordingly investments in EESL has been classified at FVTOCI.

13.4 At initial recognition, companies in the Group made an irrevocable election to present subsequent changes in the fair value of certain equity instruments in other comprehensive income. The Group's main operation is to provide financial assistance to power sector. Thus, in order to insulate the Consolidated Statement of Profit and Loss from price fluctuations of these instruments, the Management of the respective companies believes that FVTOCI classification provides a more meaningful presentation, rather than classifying them at FVTPL.

Details of FVTOCI instruments derecognised during the year:

(₹ in crore)

Details of investment	No. of shares/ units derecognised	Fair Value as on date of derecognition	Cumulative gain/ (loss) on derecognition
FY 2021-22			
NHPC Limited[(1)]	18,46,45,279	510.44	108.28
'Small is Beautiful' Fund[(2)]	1,23,04,400	1.50	(10.80)
Total			**97.48**
FY 2020-21			
NHPC Limited[(1)]	2,00,00,000	50.54	6.98
Indian Energy Exchange Limited	1,22,71,211	249.92	248.69
Total			**255.67**

[(1)]These equity shares were sold in tranches during the year considering the market scenario. The fair value and gain has been computed based on the price as on the respective date of de-recognition and has been presented above on aggregate basis.

[(2)]Pursuant to the completion of liquidation proceedings of 'Small is Beautiful' Fund; 1,23,04,400 units of the 'Small is Beautiful' Fund held by PFC and RECL have been derecognised from the books.

Subsequent to de-recognition of such investments, the Group has transferred the cumulative gain/(loss) on such shares within Equity (from Reserve for Equity instruments through OCI to Retained Earnings) during the year. Refer Consolidated Statement of Changes in Equity for further details

13.5 Refer Note 48 for details of fair valuation of investments.

14. Other Financial Assets

The Group has categorised other financial assets at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Recoverable on account of Government of India Serviced Bonds	29,356.50	29,352.69
(ii)	Advances to Associates	181.81	166.18
(iii)	Advances to Employees	1.24	0.92
(iv)	Loans to Employees	152.59	139.23
(v)	Others	244.18	232.22
	Less: Impairment loss allowance on Others	(115.97)	(111.37)
	Total Other Financial Assets	**29,820.35**	**29,779.87**

14.1 Detail of Loans & Advances to KMPs (Included in Note 14 (iii) & (iv) above):

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Loans & Advances to KMPs (including interest accrued)	0.66	0.85

14.2 Movement of Impairment on Other Financial Assets

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
(i)	Opening balance	111.37	51.64
(ii)	Add : Creation during the year	14.24	69.27
(iii)	Less : Reversal during year	(9.64)	(9.54)
	Closing balance	**115.97**	**111.37**

15. Current Tax Assets/Liabilities (Net)

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Advance income tax and TDS net of Provision	413.54	456.62
(ii)	Tax Deposited on income tax demands under contest	81.71	68.70
	Total Current Tax Assets (Net)	**495.25**	**525.32**
(i)	Provision for income tax net of Advance Tax	218.90	140.43
(ii)	Provision for income tax for demand under contest	0.25	0.25
	Total Current Tax Liabilities (Net)	**219.15**	**140.68**

16. Investment Property*

(₹ in crore)

Particulars	Opening balance	Additions during the period	Sales/ adjustment during the period	Closing balance
FY 2020-21	0.01	-	-	0.01
FY 2021-22	0.01	-	(0.01)	-

*pertains to PFC's subsidiary REC Ltd.

16.1 PFC's subsidiary REC Ltd. had classified the land held for undeterminable future use as investment property and didn't earn any rental income on it. The same has been sold during the year.

16.2 Fair value of investment property:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Value	-	0.01
Fair Value	-	0.90

16.3 PFC's subsidiary REC Ltd. obtains independent valuations for its investment properties at least annually. The fair values of investment property is determined by an independent registered valuer and the main inputs used are circle rates and current prices of similar properties. All resulting fair value estimates for investment property are included in Level 3.

17. Property, Plant and Equipment, Capital Work-in-Progress (CWIP), Intangible assets under development and Other Intangible assets

(₹ in crore)

Particulars	Property, Plant and Equipment									Capital Work-in-Progress	Intangible assets under development	Other Intangible assets
	Freehold Land	Buildings	Plant & Equipment	EDP Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total	Immovable Property	Computer Software	Computer Software
Gross Carrying Amount												
Opening Balance as at 01.04.2020	**113.77**	**56.66**	**-**	**42.12**	**43.07**	**27.72**	**0.52**	**4.14**	**288.00**	**287.62**	**0.77**	**24.33**
Additions/Adjustments	-	98.66	-	12.71	12.25	13.05	-	-	136.67	131.70	-	0.17
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	22.04	-	-
Less :Deductions/Adjustments	-	-	-	6.66	10.42	1.48	-	2.48	21.04	105.69	-	0.01
Closing Balance as at March 31, 2021	**113.77**	**155.32**	**-**	**48.17**	**44.90**	**39.29**	**0.52**	**1.66**	**403.63**	**335.67**	**0.77**	**24.49**
Additions/Adjustments	-	303.73	19.90	11.62	18.14	52.90	0.10	-	406.39	79.64	-	1.02
Borrowing Cost Capitalised	-	-	-	-	-	-	-	-	-	5.10	-	-
Less :Deductions/Adjustments	-	3.30	-	3.63	8.63	4.47	0.09	-	20.12	367.05	0.77	0.33
Closing Balance as at March 31, 2022	**113.77**	**455.75**	**19.90**	**56.16**	**54.41**	**87.72**	**0.53**	**1.66**	**789.90**	**53.36**	**-**	**25.18**
Accumulated Depreciation/ Amortisation												
Opening Balance as at 01.04.2020	**-**	**21.50**	**-**	**31.34**	**28.83**	**16.62**	**0.41**	**2.51**	**101.21**	**-**	**-**	**15.10**
For the period	-	1.36	-	6.52	7.35	2.91	0.03	0.72	18.89	-	-	3.01
Less :Reversal on Assets Sold/ Written off from books	-	-	-	5.31	6.81	0.40	-	1.70	14.22	-	-	0.01
Closing Balance as at March 31, 2021	**-**	**22.86**	**-**	**32.55**	**29.37**	**19.13**	**0.44**	**1.53**	**105.88**	**-**	**-**	**18.10**
For the period	-	5.49	0.95	8.88	7.76	5.63	0.07	0.12	28.90	-	-	3.00
Less :Reversal on Assets Sold/ Written off from books	-	1.27	-	2.89	6.92	2.65	0.09	-	13.82	-	-	0.33
Closing Balance as at March 31, 2022	**-**	**27.08**	**0.95**	**38.54**	**30.21**	**22.11**	**0.42**	**1.65**	**120.96**	**-**	**-**	**20.77**
Net Carrying Amount												
As at March 31, 2021	113.77	132.46	-	15.62	15.53	20.16	0.08	0.13	297.75	335.67	0.77	6.39
As at March 31, 2022	**113.77**	**428.67**	**18.95**	**17.62**	**24.20**	**65.61**	**0.11**	**0.01**	**668.94**	**53.36**	**-**	**4.41**

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for the year ended March 31, 2022

17.1 The estimated useful lives and depreciation on property, plant and equipment (PPE) is in line with the Accounting Policy contained in Note 6.7 (vi).

17.2 The Companies in the Group reviews the estimated useful life, residual values and depreciation method of Property, Plant & Equipment and Intangible Assets at the end of each financial year and changes in estimates, if any, are accounted prospectively. Details of useful life of Property Plant & Equipment and Intangible Assets are as under:

Category	Building	EDP Equipment		Office Equipment	Cell Phone	Furniture and Fixture	Vehicles	Plant & Equipment	Intangible Assets
		Servers and networks	End user devices i.e. desktops, laptops etc.						
Useful Life (in Years)	60	6	3	5	2	10	8	15	5
Residual value as a % of original Cost	5%	5%	5%	5%	5%	5%	5%	5%	-

17.3 In the opinion of management of PFC and its subsidiary REC Ltd., there is no impairment on the Property, Plant & Equipment and Intangible Assets of the Company in terms of Ind AS 36. Accordingly, no provision for impairment loss as required under Ind AS 36 'Impairment of Assets' has been made.

17.4 In case of PFC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Gross Carrying Value	4.12	4.12
Net Carrying Value	3.43	3.45

For details of borrowings against which above assets are pledged as security refer note 22.8 and 22.9.

In case of PFC's Subsidiary REC Ltd. details of assets pledged as security are as under:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Gross Carrying Value	3.30	3.30
Net Carrying Value	2.27	2.31

17.5 In case of PFC's Subsidiary REC Ltd., As on March 31, 2022, the formalities regarding registration of conveyance deed in respect of certain immovable properties acquired by REC Ltd. are yet to be executed. The details are as below:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Land	Building	Land	Building
Gross Carrying Value	-	4.59	-	4.59
Net Carrying Value	-	2.01	-	2.07

17.6 While PFC's subsidiary REC Ltd. has not made any specific borrowings for construction of a qualifying asset, REC Ltd. has capitalised certain borrowing costs on account of general borrowings at an average rate of borrowings of 7.94% (Previous year 8%) for the REC Ltd. in terms of Ind AS 23 'Borrowing Costs'.

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18. Right-of-use Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	**Opening Balance of Leasehold Land**	37.17	42.07
(ii)	Additions	11.95	0.24
(iii)	Less: Disposal/Adjustment	(0.42)	(1.58)
(iv)	Less: Depreciation*	(2.87)	(3.56)
	Closing Balance of Leasehold Land	**45.83**	**37.17**

*As required by Ind AS 116 'Leases', Depreciation expense on Right-of-Use assets is included under Depreciation and Amortisation expenses in the Consolidated Statement of Profit and Loss.

19. Other Non-Financial Assets

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Prepaid Expenses	7.33	9.79
(ii)	Deferred Employee Costs	58.63	61.50
(iii)	Capital Advances	339.18	158.97
(iv)	Excess Spent - CSR Expenses	0.48	43.42
(v)	Other assets	146.06	137.75
	Total Other Non-Financial Assets	**551.68**	**411.43**

20. Assets Classified as held for sale*

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	**Assets classified as held for sale**		
(i)	Investment in associates (Refer Note 20.1)	0.46	0.66
(ii)	Loan to associates (Refer Note 20.2)	27.84	32.50
(iii)	Provision for impairment on assets classified as held for sale	(9.71)	-
	Sub-Total (i+ii+iii)	**18.59**	**33.16**
(B)	**Asset Classified as Held for Sale - Building**	0.86	-
	Total (A+B)	**19.45**	**33.16**
(C)	**Liabilities directly associated with assets classified as held for sale**		
(i)	Less : Payable to associates (Refer Note 20.3)	0.01	0.08
	Total (C)	**0.01**	**0.08**
	Disposal Group - Net assets (A+B-C)	**19.44**	**33.08**

*Pertains to PFC's Subsidiaries - REC Ltd. and PFC Consulting Ltd.

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20.1 Investment in associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Investments in Equity Instruments of associates (fully paid up equity shares of ₹ 10/- each)		
(i)	Chandil Transmission Ltd.	0.05	0.05
(ii)	Dumka Transmission Ltd.	0.05	0.05
(iii)	Koderma Transmission Ltd.	0.05	0.05
(iv)	Mandar Transmission Ltd.	0.05	0.05
(v)	Bidar Transmission Limited	0.05	0.05
(vi)	MP Power Transmission Package I Limited	0.05	0.05
(vii)	Rajgarh Transmission Limited	0.05	0.05
(viii)	ER NER Transmission Limited	0.05	-
(ix)	Mohanlalganj Transmission Limited	0.01	-
(x)	Chhatarpur Transmission Limited	0.01	-
(xi)	Kishtwar Transmission Limited	0.01	-
(xii)	Khetri Narela Transmission Ltd.	0.01	0.01
(xiii)	Ananthpuram Kurnool Transmission Ltd.	0.01	0.01
(xiv)	Badla Sikar Transmission Ltd.	0.01	0.01
(xv)	Koppal Narendra Transmission Ltd.	-	0.01
(xvi)	Karur Transmission Ltd.	-	0.01
(xvii)	Sikar-II Aligarh Transmission Ltd.	-	0.01
(xviii)	Gadag Transmission Limited	-	0.05
(xix)	Kallam Transmission Limited	-	0.05
(xx)	MP Power Transmission Package II Limited	-	0.05
(xxi)	Fatehgarh Badla Transco Limited	-	0.05
(xxii)	Sikar Transmission Limited	-	0.05
	Total	**0.46**	**0.66**

20.2 Loan to Associates

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Chandil Transmission Ltd.	2.54	2.53
(ii)	Dumka Transmission Ltd.	2.48	2.47
(iii)	Mandar Transmission Ltd.	2.22	2.21
(iv)	Koderma Transmission Ltd.	2.28	2.27
(v)	MP Power Transmission Package I Limited	1.99	1.07
(vi)	Rajgarh Transmission Limited	0.28	-
(vii)	ER NER Transmission Limited	0.28	-
(viii)	Receivable from SPV- Yet to Incorporate	0.76	-
(ix)	Khetri Narela Transmission Ltd.	4.42	2.68
(x)	Ananthpuram Kurnool Transmission Ltd.	0.82	0.71
(xi)	Badla Sikar Transmission Ltd.	4.36	3.93
(xii)	Kishtwar Transmission Limited	1.15	-
(xiii)	Mohanlalganj Transmission Limited	2.95	-
(xiv)	Chhatarpur Transmission Limited	0.28	-
(xv)	Fatehgarh Bhadla Transco Limited	-	0.91
(xvi)	Kallam Transmission Limited	-	0.11
(xvii)	MP Power Transmission Package II Limited	-	1.09

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(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(xviii)	Sikar New Transmission Limited	-	0.77
(xix)	Gadag Transmission Limited	-	0.02
(xx)	Vapi II North Lakhimpur Transmission Ltd.	-	-
(xxi)	Koppal Narendra Transmission Ltd.	-	4.27
(xxii)	Karur Transmission Ltd.	-	3.08
(xxiii)	Sikar-II Aligarh Transmission Ltd.	-	4.38
	Amount receivable from ITP under Incorporation		
(xxiv)	ITP47- Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III Part A1	0.09	-
(xxv)	ITP48- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part A3	0.09	-
(xxvi)	ITP49- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part B1	0.14	-
(xxvii)	ITP50- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part G	0.26	-
(xxviii)	ITP51- Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part H	0.17	-
(xxix)	ITP52- Creation of 400/220 kV, 2x315 MVA S/S at Siot, Jammu & Kashmir	0.25	-
(xxx)	ITP53- 400 kV Khandukhal (Srinagar)/Rampura (Kashipur) D/c line	0.02	-
	Total	**27.84**	**32.50**

20.3 Liabilities directly associated with assets classified as held for sale

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Bidar Transmission Limited	0.01	0.03
(ii)	Rajgarh Transmission Limited	-	0.05
	Total	**0.01**	**0.08**

20.4 In respect of PFC's subsidiaries, REC Ltd. and PFC Consulting Ltd., their management had incorporated these entities with a view to sell them off as per the guidelines of Ministry of Power, through the bid process prescribed by Ministry of Power. There is no possibility that management will have benefits from these entities other than selling them off, hence all these investments (along with the related assets and liabilities) have been classified as 'held for sale'.

20.5 Jharkhand Urja Sancharan Nigam Limited (JUSNL) has cancelled RFQ and RFP of transmission projects (Chandil Transmission Limied , Dumka Transmission Limited , Mandar Transmission Limited & Koderna Transmission Limited) in State of Jharkhand. These projects have been kept in abeyance w.e.f. 01.10.2020. RECPDCL vide letters dated 14.10.2020, 06.11.2020 and 28.07.2021 has communicated JUSNL regarding recovery of expenses incurred on these SPVs. However, no communication has been received from JUSNL in this regard. As the bidding process of these SPVs has been cancelled and there is less probability of recovery of expenses already incurred, hence as an accounting prudence provision for impairment loss of approx. Rs 9.71 crore has been created.

20.6 With a view to monetise its idle assets, during the year the Company has disposed certain residential building units through e-auction process, with carrying value ₹ 1.18 crore (Previous year Nil), classified under "Assets classified as held for sale" as required under Ind-AS 105. Such sale has resulted in gain of ₹ 30.19 crore during the current year (Previous year Nil).

Further, residential building units with carrying value ₹ 0.86 crore (Previous year Nil) classified under "Assets classified as held for sale" are pending for disposal as at March 31, 2022. The process for their disposal is expected to be completed during the year 2022-23 through e-auction process.

21. Trade Payables

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Trade Payables		
(i)	Total outstanding dues of Micro, Small and Medium Enterprises	1.11	0.01
(ii)	Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	48.64	70.76
	Total Trade Payables	**49.75**	**70.77**

21.1 Trade Payables ageing schedule

(₹ in Crore)

Particulars	Outstanding as at 31st March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Others	1.11	-	-	-	1.11
Sub-total (i)	**1.11**	**-**	**-**	**-**	**1.11**
(i) Other than MSME					
- Disputed	-	-	-	-	-
- Others	27.11	8.40	11.35	1.78	48.64
Sub-total (ii)	**27.11**	**8.40**	**11.35**	**1.78**	**48.64**
Total (i+ii)	**28.22**	**8.40**	**11.35**	**1.78**	**49.75**

(₹ in Crore)

Particulars	Outstanding as at 31st March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
- Disputed	-	-	-	-	-
- Others	0.22	-	-	-	0.22
Sub-total (i)	**0.22**	**-**	**-**	**-**	**0.22**
(ii) Other than MSME					
- Disputed	-	-	-	-	-
- Others	45.53	14.40	10.33	1.77	72.03
Sub-total (ii)	**45.53**	**14.40**	**10.33**	**1.77**	**72.03**
(iii) Adjustment for PFCCL's audited & unaudited Financials					(1.48)
Total (i+ii)	**45.75**	**14.40**	**10.33**	**1.77**	**70.77**

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22. Debt Securities

The Company and its Subsidiary REC Ltd., have categorised Debt Securities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Bonds/Debenture		
	- Infrastructure Bonds (Refer Note 22.1)	42.47	130.63
	- Tax Free Bonds (Refer Note 22.2)	20,746.33	24,878.08
	- 54 EC Capital Gain Tax Exemption Bonds (Refer Note 22.3)	28,144.95	19,829.15
	- Taxable Bonds (Refer Note 22.4)	3,21,646.43	3,59,552.70
	- Foreign Currency Notes (Refer Note 22.5)	64,701.63	57,333.68
(ii)	Commercial Paper (Refer Note 22.6)	-	3,080.23
(iii)	Bond Application Money (Refer Note 22.7)	1,291.54	856.62
(iv)	**Total Principal Outstanding of Debt Securities (i +ii+iii)**	**4,36,573.35**	**4,65,661.09**
(v)	Interest accrued but not due on above	14,027.33	15,436.98
(vi)	Unamortised Transaction Cost on above	(869.12)	(1,017.42)
	Total Debt Securities (iv to vi)	**4,49,731.56**	**4,80,080.65**
	Geography wise Debt Securities		
(i)	Debt Securities in India	3,85,129.26	4,23,030.17
(ii)	Debt Securities outside India	64,602.30	57,050.48
	Total Geography wise Debt Securities	**4,49,731.56**	**4,80,080.65**

22.1 Details of Infrastructure Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC							
1	Infrastructure Bonds (2011-12) - Series I	8.50%	-	21.85	-	22.8	Repaid in FY 2021-22
2	Infrastructure Bonds (2011-12) - Series II	8.50%	-	36.35			
3	Infrastructure Bonds Private Placement Series I	8.43%	-	7.39			
4	Infrastructure Bonds Private Placement Series II	8.43%	-	15.47			
5	Infrastructure Bonds (2010-11) - Series III	8.50%	5.27	5.27	31.03.2026	22.9	Redeemable at par on a date falling Fifteen years from the date of allotment
6	Infrastructure Bonds (2010-11) - Series IV	8.50%	19.33	19.33	31.03.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
7	Infrastructure Bonds (2011-12) - Series III	8.75%	2.86	2.86	21.11.2026	22.8	Redeemable at par on a date falling Fifteen years from the date of allotment
8	Infrastructure Bonds (2011-12) - Series IV	8.75%	7.77	7.77	21.11.2026		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
9	Infrastructure Bonds 86 C Series	8.72%	0.87	0.87	30.03.2027		Redeemable at par on a date falling Fifteen years from the date of allotment
10	Infrastructure Bonds 86 D Series	8.72%	2.40	2.40	30.03.2027		Redeemable at par with cumulative interest compounded annually, on a date falling fifteen years from the date of allotment
	Sub-Total (A)		**38.51**	**119.56**			

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC's Subsidiary REC Ltd.							
1	Series-II (2011-12) Cumulative	8.95%	-	5.73	-	-	Repaid in FY 2021-22
2	Series-II (2011-12) Annual	8.95%	-	1.38			
3	Series-II (2011-12) Cumulative	9.15%	2.83	2.83	15.02.2027		Redeemable on the date falling 15 years from the date of allotment
4	Series-II (2011-12) Annual	9.15%	1.13	1.13	15.02.2027		
	Sub - Total (B)		**3.96**	**11.07**			
	Total (A+B)		**42.47**	**130.63**			

22.2 Details of Tax Free Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC							
1	Tax Free Bonds Series 79A	7.51%	-	205.23	-	-	Repaid in FY 2021-22
2	Tax Free Bond Series 80A	8.09%	-	334.31			
3	Tax Free Bonds (2011-12) Public Issue	8.20%	-	2,752.55			
4	Tax Free Bond Series 94A	7.21%	255.00	255.00	22.11.2022	22.8	Redeemable at par on maturity
5	Tax Free Bonds Series 95A	7.22%	30.00	30.00	29.11.2022		
6	Tax Free Bonds (2012-13) Tranch I Series 1	7.69%	140.23	145.66	04.01.2023		
7	Tax Free Bonds (2012-13) Tranch I Series 1	7.19%	202.52	197.09	04.01.2023		
8	Tax Free Bonds (2012-13) Tranch II	7.38%	41.43	43.25	28.03.2023	22.10	
9	Tax Free Bonds (2012-13) Tranch II	6.88%	54.72	52.90	28.03.2023		
10	Tax Free Bonds Series 107A	8.01%	113.00	113.00	30.08.2023		
11	Tax Free Bonds Series IB	8.43%	335.47	335.47	16.11.2023		
12	Tax Free Bonds Series 1A	8.18%	325.07	325.07	16.11.2023		
13	Tax Free Bonds Series 136	7.16%	300.00	300.00	17.07.2025		
14	Tax Free Bonds (2015-16) Series 1B	7.36%	79.35	79.35	17.10.2025		
15	Tax Free Bonds (2015-16) Series 1A	7.11%	75.09	75.09	17.10.2025		
16	Tax Free Bond Series 79-B	7.75%	217.99	217.99	15.10.2026	22.8	
17	Tax Free Bond Series 80-B	8.16%	209.34	209.34	25.11.2026		
18	Tax Free Bonds (2011-12) Public Issue	8.30%	1,280.58	1,280.58	01.02.2027		
19	Tax Fee Bond Series 94B	7.38%	25.00	25.00	22.11.2027		
20	Tax Free Bonds Series 95B	7.38%	100.00	100.00	29.11.2027		
21	Tax Free Bonds (2012-13) Tranch-I Series 2	7.86%	185.78	194.28	04.01.2028		
22	Tax Free Bonds (2012-13) Tranch-I Series 2	7.36%	171.22	162.72	04.01.2028		

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
23	Tax Free Bonds (2012-13) Tranch II	7.54%	56.97	58.96	28.03.2028	22.10	Redeemable at par on maturity
24	Tax Free Bonds (2012-13) Tranch II	7.04%	12.24	10.25	28.03.2028		
25	Tax Free Bonds Series 107-B	8.46%	1,011.10	1,011.10	30.08.2028		
26	Tax Free Bonds Series 2-B	8.79%	353.32	353.32	16.11.2028		
27	Tax Free Bonds Series 2-A	8.54%	932.70	932.70	16.11.2028		
28	Tax Free Bonds (2015-16) Series 2-B	7.52%	45.18	45.18	17.10.2030		
29	Tax Free Bonds (2015-16) Series 2-A	7.27%	131.33	131.33	17.10.2030		
30	Tax Free Bonds Series 3-B	8.92%	861.96	861.96	16.11.2033		
31	Tax Free Bonds Series 3-A	8.67%	1,067.38	1,067.38	16.11.2033		
32	Tax Free Bonds (2015-16) Series 3-B	7.60%	155.48	155.48	17.10.2035		
33	Tax Free Bonds (2015-16) Series 3-A	7.35%	213.58	213.57	17.10.2035		
	Sub - Total (A)		**8,983.03**	**12,275.11**			

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	For Security, Refer Note	Redemption details
In case of PFC's Subsidiary REC Ltd.						
1	Series 2012-13 Series 2A & 2B	7.21% to 7.38%	500.00	500.00	21.11.2022	Redeemable at par. Bonds amounting to ₹ 255.00 crore are redeemable on 21.11.2022 and bonds amounting to ₹ 245.00 crore are redeemable on 22.11.2027
2	Series 2012-13 Tranche 1	7.22% to 7.88%	2,007.35	2,007.35	19.12.2022	Redeemable at par on maturity
3	Series 2012-13 Tranche 2	6.88% too 7.54%	131.06	131.06	27.03.2023	Redeemable at par. Bonds amounting to ₹ 81.35 crore are redeemable on 27.03.2023 and bonds amounting to ₹ 49.71 crore are redeemable on 27.03.2028 .
4	Series 2013-14 Series 3A & 3B	8.01% to 8.46%	1,350.00	1,350.00	29.08.2023	Redeemable at par. Bonds amounting to ₹ 209.00 crore are redeemable on 29.08.2023 and ₹ 1,141.00 crore are redeemable on 29.08.2028
5	Series 2013-14 Tranche 1	8.01% to 8.76%	3,410.60	3,410.60	25.09.2023	Redeemable at par. Bonds amounting to ₹ 575.06 crore are redeemable on 25.09.2023, ₹ 2,810.26 crore are redeemable on 25.09.2028 and ₹ 55.28 crore are redeemable on 26.09.2033
6	Series 2013-14 Series 4A & 4B	8.18% to 8.54%	150.00	150.00	11.10.2023	Redeemable at par. Bonds amounting to ₹ 105.00 crore are redeemable on 11.10.2023 and ₹ 45.00 crore are redeemable on 11.10.2028
7	Series 2013-14 Tranche 2	8.19% to 8.88%	1,057.40	1,057.40	22.03.2024	Redeemable at par. Bonds amounting to ₹ 419.32 crore are redeemable on 22.03.2024, ₹ 530.42 crore are redeemable on 23.03.2029 and ₹ 109.66 crore are redeemable on 24.03.2034
8	Series 2015-16 Series 5A	7.17%	300.00	300.00	23.07.2025	Redeemable at par on maturity
9	Series 2015-16 Tranche 1	6.89% to 7.43%	696.56	696.56	05.11.2025	Redeemable at par. Bonds amounting to ₹ 105.93 crore are redeemable on 05.11.2025, ₹ 172.90 crore are redeemable on 05.11.2030 and ₹ 421.17 crore are redeemable on 05.11.2035
10	Series 2011-12	7.93% to 8.32%	2,160.33	3,000.00	29.03.2027	Redeemable at par on maturity
	Sub - Total (B)		**11,763.30**	**12,602.97**		
	Total (A+B)		**20,746.33**	**24,878.08**		

22.3 Details of 54 EC Capital Gain Tax Exemption Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	For Security, Refer Note	Redemption details
In case of PFC						
1	Series II (FY 2018-19)	5.75%	491.95	491.95		Redeemable at par during FY 2023-24
2	Series III (FY 2019-20)	5.75%	1,134.44	1,134.44		Redeemable at par during FY 2024-25
3	Series IV (FY 2020-21)	5.75%	252.38	252.38	22.10	Redeemable at par during FY 2025-26
4	Series IV (FY 2020-21)	5.00%	685.41	685.41		Redeemable at par during FY 2025-26
5	Series IV (FY 2021-22)	5.00%	1,434.65	-		Redeemable at par during FY 2026-27
	Sub - Total (A)		3,998.83	2,564.18		
In case of PFC's Subsidiary REC Ltd.						
1	Series XII (2018-19)	5.75%	6,651.77	4,455.48		Redeemable at par during FY 2023-24
2	Series XIII (2019-20)	5.75%	6,157.72	6,157.72		Redeemable at par during FY 2024-25
3	Series XIV (2020-21)	5.75% and 5%	5,312.07	6,651.77		Redeemable at par during FY 2025-26
4	Series XV (2021-22)	5.00%	6,024.56	-		Redeemable at par during FY 2026-27
	Sub - Total (B)		**24,146.12**	**17,264.97**		
	Total (A+B)		**28,144.95**	**19,829.15**		

22.4 The details of Taxable Bonds outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
In case of PFC							
1	Series 173-B	7.73%	-	1,325.00			Repaid in FY 2021-22
2	Series 175	7.75%	-	600.00			
3	Series 73	9.18%	-	1,000.00			
4	Series 146	8.05%	-	300.00			
5	Series 28	8.85%	-	600.00			
6	Series 74	9.70%	-	1,693.20			
7	Series 75-C	9.61%	-	2,084.70			
8	Series 115 III	9.20%	-	700.00		-	
9	Series - 76-A	9.36%	-	2,589.40			
10	Series 150-A	7.50%	-	2,660.00			
11	Series 151-A	7.47%	-	2,260.00			
12	Series 153	7.40%	-	1,830.00			
13	Series 123 C	8.66%	-	200.00			
14	Series 124 B	8.55%	-	1,200.00			
15	Series 154	7.27%	-	1,101.00			
16	Series 183	8.18%	-	3,751.20			
17	Series 88 C	9.48%	184.70	184.70	15.04.2022		Redeemable at par on maturity
18	Series 187 A	8.20%	1,605.00	1,605.00	27.05.2022		
19	Series 168-A	7.28%	1,950.00	1,950.00	12.06.2022		
20	Series 169-A	7.10%	3,395.00	3,395.00	08.08.2022		
21	Series 181	8.45%	2,155.00	2,155.00	11.08.2022		
22	Series 191	7.35%	3,735.00	3,735.00	15.10.2022		
23	Series 170-A	7.35%	800.00	800.00	22.11.2022		
24	Series 176-B	7.99%	1,295.00	1,295.00	20.12.2022		

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Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
25	Zero Coupon Unsecured Taxable Bonds 2022-XIX Series	-	707.97	654.92	30.12.2022		
26	Series 100 B	8.84%	1,310.00	1,310.00	04.03.2023		
27	Series 102 A (II)	8.90%	403.00	403.00	18.03.2023		
28	Series 194	7.04%	1,400.00	1,400.00	14.04.2023		
29	Series 85 D	9.26%	736.00	736.00	15.04.2023		
30	Series 199A	6.83%	1,970.00	1,970.00	24.04.2023		
31	Series 198	6.98%	3,160.00	3,160.00	20.04.2023		
32	Series 202A	6.75%	2,145.00	2,145.00	22.05.2023		
33	Series 203A	6.72%	2,206.00	2,206.00	11.06.2023		
34	Series 206	5.47%	3,000.00	3,000.00	19.08.2023		
35	Secured Public Issue (2020-21) tranche I Series I Category III-IV	4.80%	1.95	1.95	22.01.2024	22.10	
36	Series 188	8.10%	691.10	691.10	04.06.2024		
37	Series 211 (3M TB Link)	4.38%	1,985.00	-	02.08.2024		
38	Series 57-C	8.60%	866.50	866.50	07.08.2024		
39	Series 117 Option B	9.37%	855.00	855.00	19.08.2024		
40	Series 118 Option B II	9.39%	460.00	460.00	27.08.2024		
41	Series Option 120 B	8.98%	950.00	950.00	08.10.2024		
42	Series 120 Option A	8.98%	961.00	961.00	08.10.2024		
43	Series 192	7.42%	3,000.00	3,000.00	19.11.2024		
44	Series 124 C	8.48%	1,000.00	1,000.00	09.12.2024		
45	Series 61	8.50%	351.00	351.00	15.12.2024		Redeemable at par on maturity
46	Series 125	8.65%	2,826.00	2,826.00	28.12.2024		
47	Series 126	8.65%	5,000.00	5,000.00	04.01.2025		
48	Series 62-B	8.80%	1,172.60	1,172.60	15.01.2025		
49	Series 128	8.20%	1,600.00	1,600.00	10.03.2025		
50	Series 63-III	8.90%	184.00	184.00	15.03.2025		
51	Series 131-C	8.41%	5,000.00	5,000.00	27.03.2025		
52	Series 64	8.95%	492.00	492.00	30.03.2025		
53	Series 204A	5.77%	900.00	900.00	11.04.2025		
54	Series 130-C	8.39%	925.00	925.00	19.04.2025		
55	Series 199B	7.16%	1,320.00	1,320.00	24.04.2025		
56	Series 65 III	8.70%	1,337.50	1,337.50	14.05.2025		
57	Series 202B	7.17%	810.00	810.00	22.05.2025		
58	Series 66-B	8.75%	1,532.00	1,532.00	15.06.2025		
59	Series 210A - STRPP1	6.35%	405.60	-	30.06.2025		
60	Series 208	6.50%	2,806.00	2,806.00	17.09.2025		
61	Series 141-B	8.40%	1,000.00	1,000.00	18.09.2025		
62	Series 71	9.05%	192.70	192.70	15.12.2025		
63	Secured Public Issue (2020-21) Tranche I Series II Category I-II	5.65%	27.05	27.05	22.01.2026	22.10	
64	Secured Public Issue (2020-21) Tranche I Series II Category III-IV	5.80%	3.50	3.50	22.01.2026	22.10	
65	Series 147	8.03%	1,000.00	1,000.00	02.05.2026		

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	For Security, Refer Note	Redemption details
			31.03.2022	31.03.2021			
66	Series 210A - STRPP2	6.35%	540.80	-	30.06.2026		
67	Series - 76-B	9.46%	1,105.00	1,105.00	01.08.2026		
68	Series 150-B	7.63%	1,675.00	1,675.00	14.08.2026		
69	Series 212A	6.09%	2,450.00		27.08.2026		
70	Series - 77-B	9.45%	2,568.00	2,568.00	01.09.2026		
71	Series 151-B	7.56%	210.00	210.00	16.09.2026		
72	Series 152	7.55%	4,000.00	4,000.00	25.09.2026		
73	Series 155	7.23%	2,635.00	2,635.00	05.01.2027		
74	Series 168-B	7.44%	1,540.00	1,540.00	12.06.2027		
75	Series 210A - STRPP3	6.35%	405.60	-	30.06.2027		
76	Series 169-B	7.30%	1,500.00	1,500.00	07.08.2027		
77	Series 170-B	7.65%	2,001.00	2,001.00	22.11.2027		
78	Series 171	7.62%	5,000.00	5,000.00	15.12.2027		
79	Series 172	7.74%	850.00	850.00	29.01.2028		
80	Series 101 B	9.00%	1,370.00	1,370.00	11.03.2028		
81	Series 102 A (III)	8.90%	403.00	403.00	18.03.2028		
82	Series 103	8.94%	2,807.00	2,807.00	25.03.2028		
83	Series 177	7.85%	3,855.00	3,855.00	03.04.2028		Redeemable at par on maturity
84	Series 178	8.95%	3,000.00	3,000.00	10.10.2028		
85	Series 179-A	8.67%	1,007.40	1,007.40	19.11.2028		
86	Series 187 B	8.85%	1,982.10	1,982.10	27.05.2029		
87	Series 118 Option B III	9.39%	460.00	460.00	27.08.2029		
88	Series193	7.93%	4,710.50	4,710.50	31.12.2029		
89	Series 196R1	7.41%	1,500.00	1,500.00	25.02.2030		
90	Series 196	7.41%	2,500.00	2,500.00	25.02.2030		
91	Series 195	7.86%	1,100.00	1,100.00	12.04.2030		
92	Series 200	7.40%	2,920.00	2,920.00	08.05.2030		
93	Series 197	7.41%	5,000.00	5,000.00	15.05.2030		
94	Series 203B	7.75%	3,318.00	3,318.00	11.06.2030		
95	Series 66-C	8.85%	633.00	633.00	15.06.2030		
96	Series 201	7.68%	3,101.30	3,101.30	15.07.2030		
97	Series 202C	7.79%	1,936.00	1,936.00	22.07.2030		
98	Series 205A	7.05%	1,610.10	1,610.10	09.08.2030		
99	Series 71	9.05%	192.70	192.70	15.12.2030		
100	Series 207R1	7.04%	2,549.10	2,549.10	16.12.2030		
101	Series 207	7.04%	1,097.40	1,097.40	16.12.2030		

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	For Security, Refer Note	Redemption details
102	Secured Public Issue (2020-21) Tranche I Series V Category III-IV	"6.83% (10YR GSEC Link)"	1,250.73	1,250.73	22.01.2031	22.10	Redeemable at par on maturity
103	Secured Public Issue (2020-21) Tranche I Series V Category I-II	"6.58% (10YR GSEC Link)"	10.35	10.35	22.01.2031		
104	Secured Public Issue (2020-21) Tranche I Series IV Category III-IV	7.00%	1,635.53	1,635.53	22.01.2031		
105	Secured Public Issue (2020-21) Tranche I Series IV Category I-II	6.80%	33.67	33.67	22.01.2031		
106	Secured Public Issue (2020-21) Tranche I Series III Category III-IV	6.82%	28.74	28.74	22.01.2031		
107	Secured Public Issue (2020-21) Tranche I Series III Category I-II	6.63%	0.50	0.50	22.01.2031		
108	Series 204B	6.88%	1,300.00	1,300.00	11.04.2031		
109	Series 213	6.95%	1,988.00	-	01.10.2031		
110	Series 214 (BBETF)	6.92%	1,180.00	-	11.04.2032		
111	Series 179-B	8.64%	528.40	528.40	19.11.2033		
112	Series 180	8.75%	2,654.00	2,654.00	22.02.2034		
113	Series 186	8.79%	2,578.90	2,578.90	30.04.2034		
114	Series 189	8.15%	4,035.00	4,035.00	08.08.2034		
115	Series 190	8.25%	4,016.00	4,016.00	06.09.2034		
116	Series 205B	7.20%	1,605.70	1,605.70	10.08.2035		
117	Series 209	7.34%	1,711.00	1,711.00	29.09.2035		
118	Secured Public Issue (2020-21) Tranche I Series VII Category III-IV	7.15%	1,330.05	1,330.05	22.01.2036	22.10	
119	Secured Public Issue (2020-21) Tranche I Series VII Category I-II	6.95%	50.05	50.05	22.01.2036		
120	Secured Public Issue (2020-21) Tranche I Series VI Category III-IV	6.97%	53.36	53.36	22.01.2036		
121	Secured Public Issue (2020-21) Tranche I Series VI Category I-II	6.78%	3.50	3.50	22.01.2036		
122	Series 210B	7.11%	1,933.50	-	30.06.2036		
123	Series 212B	7.15%	2,343.68		27.08.2036		
	Sub - Total (A)		**1,75,616.83**	**1,86,226.10**			

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC's Subsidiary REC Ltd.						
1	157th Series - 7.60% Redeemable at par on 17.04.2021	7.60%	-	1,055.00	-	Redeemed in FY 2021-22
2	123-I Series - 9.40% Redeemable at par on 17.07.2021	9.40%	-	1,515.00	-	
3	154th Series - 7.18% Redeemable at par on 21.05.2021	7.18%	-	600.00	-	
4	161B Series - 7.73% Redeemable at par on 15.06.2021	7.73%	-	800.00	-	
5	174th Series - 8.15% Redeemable at par on 18.06.2021	8.15%	-	2,720.00	-	
6	100th Series - 9.63% Redeemable at par on 15.07.2021	9.63%	-	1,500.00	-	
7	101-III Series - 9.48% Redeemable at par on 10.08.2021	9.48%	-	3,171.80	-	
8	184-B Series STRPP-B - 7.55% Redeemable at par on 26.09.2021**	7.55%	-	300.00	-	
9	139th Series - 7.24% Redeemable at par on 21.10.2021	7.24%	-	2,500.00	-	
10	105th Series - 9.75% Redeemable at par on 11.11.2021	9.75%	-	3,922.20	-	
11	127th Series - 8.44% Redeemable at par on 04.12.2021	8.44%	-	1,550.00	-	
12	141st Series - 7.14% Redeemable at par on 09.12.2021	7.14%	-	1,020.00	-	
13	177th Series - 8.50% Redeemable at par on 20.12.2021	8.50%	-	1,245.00	-	
14	190B Series - 6.32% Redeemable at par on 31.12.2021	6.32%	-	2,489.40	-	
15	193th Series - 6.99% Redeemable at par on 31.12.2021	6.99%	-	1,115.00	-	
16	165th Series - 8.83% Redeemable at par on 21.01.2022	8.83%	-	2,171.00	-	
17	145th Series - 7.46% Redeemable at par on 28.02.2022	7.46%	-	625.00	-	Redeemed in FY 2021-22
18	132nd Series - 8.27% Redeemable at par on 09.03.2022	8.27%	-	700.00	-	
19	173th Series - 8.35% Redeemable at par on 11.03.2022	8.35%	-	2,500.00	-	
20	198A Series - 6.60% Redeemable at par on 21.03.2022	6.60%	-	2,596.00	-	
21	167th Series - 8.45% Redeemable at par on 22.03.2022	8.45%	-	2,571.80	-	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
22	179th Series - 8.15% Redeemable at par on 10.06.2022	8.15%	1,000.00	1,000.00	10.06.2022	
23	107th Series - 9.35% Redeemable at par on 15.06.2022	9.35%	2,378.20	2,378.20	15.06.2022	
24	186A Series - 6.90% Redeemable at par on 30.06.2022	6.90%	2,500.00	2,500.00	30.06.2022	
25	150th Series - 7.03% Redeemable at par on 07.09.2022	7.03%	2,670.00	2,670.00	07.09.2022	
26	184-B Series STRPP-C - 7.55% Redeemable at par on 26.09.2022**	7.55%	300.00	300.00	26.09.2022	
27	152nd Series - 7.09% Redeemable at par on 17.10.2022	7.09%	1,225.00	1,225.00	17.10.2022	
28	111-II Series - 9.02% Redeemable at par on 19.11.2022	9.02%	2,211.20	2,211.20	19.11.2022	
29	155th Series - 7.45% Redeemable at par on 30.11.2022	7.45%	1,912.00	1,912.00	30.11.2022	
30	185th Series - 7.09% Redeemable at par on 13.12.2022	7.09%	2,759.00	2,759.00	13.12.2022	
31	187th Series - 7.24% Redeemable at par on 31.12.2022	7.24%	2,090.00	2,090.00	31.12.2022	
32	159th Series - 7.99% Redeemable at par on 23.02.2023	7.99%	950.00	950.00	23.02.2023	
33	188A Series - 7.12% Redeemable at par on 31.03.2023	7.12%	1,400.00	1,400.00	31.03.2023	
34	114th Series - 8.82% Redeemable at par on 12.04.2023	8.82%	4,300.00	4,300.00	12.04.2023	Redeemable at par on maturity
35	195th Series - 6.92% Redeemable at par on 22.04.2023	6.92%	2,985.00	2,985.00	22.04.2023	
36	191A Series - 6.80% Redeemable at par on 30.06.2023	6.80%	1,100.00	1,100.00	30.06.2023	
37	200th Series PP-MLD - 5.36% Redeemable at par on 30.06.2023*	5.36%	500.00	500.00	30.06.2023	
38	184-B Series STRPP-D - 7.55% Redeemable at par on 26.09.2023**	7.55%	298.00	298.00	26.09.2023	
39	202B Series - 5.69% Redeemable at par on 30.09.2023	5.69%	2,474.00	2,474.00	30.09.2023	
40	205-A Series - 4.99 % Redeemable at par on 31.01.2024	4.99%	2,135.00	2,135.00	31.01.2024	
41	209th Series - 5.79 % Redeemable at par on 20.03.2024	5.79%	1,550.00	1,550.00	20.03.2024	
42	210th Series - 5.74 % Redeemable at par on 20.06.2024	5.74%	4,000.00	-	20.06.2024	
43	180-A Series - 8.10% Redeemable at par on 25.06.2024	8.10%	1,018.00	1,018.00	25.06.2024	
44	123-IIIB Series - 9.34% Redeemable at par on 23.08.2024	9.34%	1,955.00	1,955.00	23.08.2024	
45	191B Series - 6.99% Redeemable at par on 30.09.2024	6.99%	1,100.00	1,100.00	30.09.2024	
46	212th Series - Floating (linked to T-Bill) Redeemable at par on 31.10.2024		2,500.00	-	31.10.2024	Redeemable at par on maturity

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
47	186B Series - 7.40% Redeemable at par on 26.11.2024	7.40%	1,500.00	1,500.00	26.11.2024	
48	128th Series - 8.57% Redeemable at par on 21.12.2024	8.57%	2,250.00	2,250.00	21.12.2024	
49	129th Series - 8.23% Redeemable at par on 23.01.2025	8.23%	1,925.00	1,925.00	23.01.2025	
50	130th Series - 8.27% Redeemable at par on 06.02.2025	8.27%	2,325.00	2,325.00	06.02.2025	
51	131st Series - 8.35% Redeemable at par on 21.02.2025	8.35%	2,285.00	2,285.00	21.02.2025	
52	190A Series - 6.88% Redeemable at par on 20.03.2025	6.88%	2,500.00	2,500.00	20.03.2025	
53	201A Series - 5.90% Redeemable at par on 31.03.2025	5.90%	900.00	900.00	31.03.2025	
54	133rd Series - 8.30% Redeemable at par on 10.04.2025	8.30%	2,396.00	2,396.00	10.04.2025	
55	94th Series - 8.75% Redeemable at par on 09.06.2025	8.75%	1,250.00	1,250.00	09.06.2025	
56	95-II Series - 8.75% Redeemable at par on 14.07.2025	8.75%	1,800.00	1,800.00	14.07.2025	
57	136th Series - 8.11% Redeemable at par on 07.10.2025	8.11%	2,585.00	2,585.00	07.10.2025	
58	203B Series - 5.85% Redeemable at par on 20.12.2025	5.85%	2,777.00	2,777.00	20.12.2025	
59	204B Series - 5.81% Redeemable at par on 31.12.2025	5.81%	2,082.00	2,082.00	31.12.2025	Redeemable at par on maturity
60	205-B Series - 5.94 % Redeemable at par on 31.01.2026	5.94%	2,000.00	2,000.00	31.01.2026	
61	211th Series - 6.23% Redeemable at par on 31.10.2031 with Put/ Call option exercisable on 31.10.2026	6.23%	1,200.00	-	31.10.2026	
62	140th Series - 7.52% Redeemable at par on 07.11.2026	7.52%	2,100.00	2,100.00	07.11.2026	
63	142nd Series - 7.54% Redeemable at par on 30.12.2026	7.54%	3,000.00	3,000.00	30.12.2026	
64	147th Series - 7.95% Redeemable at par on 12.03.2027	7.95%	2,745.00	2,745.00	12.03.2027	
65	156th Series - 7.70% Redeemable at par on 10.12.2027	7.70%	3,533.00	3,533.00	10.12.2027	
66	162nd Series - 8.55% Redeemable at par on 09.08.2028	8.55%	2,500.00	2,500.00	09.08.2028	
67	163rd Series - 8.63% Redeemable at par on 25.08.2028	8.63%	2,500.00	2,500.00	25.08.2028	
68	168th Series - 8.56% Redeemable at par on 29.11.2028	8.56%	2,552.40	2,552.40	29.11.2028	
69	169th Series - 8.37% Redeemable at par on 07.12.2028	8.37%	2,554.00	2,554.00	07.12.2028	
70	176th Series - 8.85% Redeemable at par on 16.04.2029	8.85%	1,600.70	1,600.70	16.04.2029	
71	178th Series - 8.80% Redeemable at par on 14.05.2029	8.80%	1,097.00	1,097.00	14.05.2029	

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for the year ended March 31, 2022

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
72	180-B Series - 8.30% Redeemable at par on 25.06.2029	8.30%	2,070.90	2,070.90	25.06.2029	
73	184-A Series - 8.25% Partly Paid Debentures Redeemable at par on 26.09.2029	8.25%	870.60	580.40	26.09.2029	
74	192nd Series - 7.50% Redeemable at par on 28.02.2030	7.50%	2,382.00	2,382.00	28.02.2030	
75	188B Series - 7.89% Redeemable at par on 31.03.2030	7.89%	1,100.00	1,100.00	31.03.2030	
76	189th Series - 7.92% Redeemable at par on 31.03.2030	7.92%	3,054.90	3,054.90	31.03.2030	
77	197th Series - 7.55% Redeemable at par on 11.05.2030	7.55%	3,740.00	3,740.00	11.05.2030	
78	198B Series - 7.79% Redeemable at par on 21.05.2030	7.79%	1,569.00	1,569.00	21.05.2030	
79	202A Series - 7.25% Redeemable at par on 30.09.2030	7.25%	3,500.00	3,500.00	30.09.2030	
80	203A Series - 6.80% Redeemable at par on 20.12.2030	6.80%	5,000.00	5,000.00	20.12.2030	Redeemable at par on maturity
81	204A Series - 6.90% Redeemable at par on 31.01.2031	6.90%	2,500.00	2,500.00	31.01.2031	
82	201B Series - 6.90% Redeemable at par on 31.03.2031	6.90%	1,300.00	1,300.00	31.03.2031	
83	213th Series - 6.92% Redeemable at par on 20.03.2032	6.92%	1,380.00	-	20.03.2032	
84	182nd Series - 8.18% Redeemable at par on 22.08.2034	8.18%	5,063.00	5,063.00	22.08.2034	
85	183rd Series - 8.29% Redeemable at par on 16.09.2034	8.29%	3,028.00	3,028.00	16.09.2034	
86	207th Series - 7.02 % Redeemable at par on 31.01.2036	7.02%	4,589.90	4,589.90	31.01.2036	
87	208th Series - 7.40 % Redeemable at par on 15.03.2036	7.40%	3,613.80	3,613.80	15.03.2036	
	Sub - Total (B)		**1,46,029.60**	**1,73,326.60**		
	Total (A+B)		**3,21,646.43**	**3,59,552.70**		

* PP-MLD- Principal Protected Market Linked Debentures

** STRPP- Separately Transferable Redeemable Principal Parts

22.5 The details of Foreign Currency Notes outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC						
1	3.75% USD Bonds 2024	3.75%	3,032.28	2,940.19	18.06.2024	
2	3.25% USD Bonds 2024	3.25%	2,274.21	2,205.14	16.09.2024	
3	3.75% USD Green Bonds 2027	3.75%	3,032.28	2,940.19	06.12.2027	
4	5.25% USD Bonds 2028	5.25%	2,274.21	2,205.14	10.08.2028	
5	1.841% EUR Bonds 2028	1.84%	2,539.80	-	21.09.2028	Redeemable at par on maturity
6	6.15% USD Bonds 2028	6.15%	3,790.36	3,675.24	06.12.2028	
7	4.50% USD Bonds 2029	4.50%	4,548.43	4,410.28	18.06.2029	
8	3.90% USD Bonds 2029	3.90%	3,411.32	3,307.71	16.09.2029	
9	3.95% USD Bonds 2030	3.95%	5,685.53	5,512.85	23.04.2030	
10	3.35% USD Bonds 2031	3.35%	3,790.36	3,675.23	16.05.2031	
	Sub - Total (A)		**34,378.78**	**30,871.97**		
In case of PFC's Subsidiary REC Ltd.						
1	4.75% US $500 Mn Bonds - Redeemable at par on 19.05.2023	4.750%	3,790.36	3,675.24	19.05.2023	
2	5.250% US $700 Mn Bonds - Redeemable at par on 13.11.2023	5.250%	5,306.50	5,145.33	13.11.2023	
3	3.375% US $650 Mn Bonds - Redeemable at par on 25.07.2024	3.375%	4,927.46	4,777.81	25.07.2024	
4	3.50% US $500 Mn Bonds - Redeemable at par on 12.12.2024	3.500%	3,790.36	3,675.24	12.12.2024	
5	2.25% US $500 Mn Bonds - Redeemable at par on 01.09.2026	2.250%	3,790.36	3,675.24	01.09.2026	Redeemable at par on maturity
6	2.75% US $400 Mn Bonds - Redeemable at par on 13.01.2027	2.750%	3,032.28	-	13.01.2027	
7	3.875% US $450 Mn Green Bonds - Redeemable at par on 07.07.2027	3.875%	3,411.32	3,307.71	07.07.2027	
8	4.625% US $300 Mn Bonds - Redeemable at par on 22.03.2028	4.625%	2,274.21	2,205.14	22.03.2028	
	Sub - Total (B)		**30,322.85**	**26,461.71**		
	Total (A+B)		**64,701.63**	**57,333.68**		

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22.6 The details of Commercial Papers outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC						
1	CP - 115	4.03%	-	3,120.00	-	
	Less: Unamortised Financial Charges		-	(39.77)	-	Repaid in FY 2021-22
	Total		**-**	**3,080.23**		

22.7 The details of Bond Application Money outstanding are as follows:

Sr. No.	Bond Series	Coupon Rate (p.a.)	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC's Subsidiary REC Ltd.						
1	54EC Capital Gain Tax Exemption Bonds	5.00%	1,291.54	856.62	-	Redeemable at par after 5 years from the deemed date of allotment
	Total		**1,291.54**	**856.62**		

In case of PFC details of security are as under

22.8 These bond series are secured by first *pari passu* charge on present and future receivables (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.9) along with first *pari passu* charge on immovable property situated at Guindy, Chennai.

22.9 Infrastructure Bonds (2010-11) Series III and IV are secured by charge on specific book debt of ₹ 438.71 crore as on March 31, 2022 of the Company along with first charge on immovable property situated at Jangpura, New Delhi.

22.10 54 EC Capital Gain Tax Exemption Bonds, Taxable Secured Public Issue (2020-21) Tranche-I all Series & all category, and all other Tax Free Bonds Series are secured by first *pari passu* charge on the total receivables/book debts of the Company (excluding those receivables which are specifically charged for infrastructure bonds issued during the FY 2010-11, the security details of which is contained at Note 22.9), limited to the extent of payment/repayment of the bonds including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to the Bondholders and/or others under/pursuant to the Transaction Documents.

In case of PFC's Subsidiary REC Ltd. details of security are as under (For details of outstanding Secured Debt Securities of REC Ltd. - Refer Note no 22.1 ,22.2,22.3 & 22.7)

22.11 For all the secured bonds issued by the REC Ltd. and outstanding as at balance sheet date, 100% security cover has been maintained by way of mortgage on certain immovable properties and/or charge on the receivables of the REC Ltd.

22.12 The Bond Series 123-IIIB of Institutional Bonds are secured by way of first *pari passu* charge on the specified immovable property and the book debts of the Issuer which are charged to other lender/trustee and as may be agreed between the Issuer and the Trustee, pursuant to the terms of the Bond Trust Deed with a minimum security cover of one time of the aggregate face value of amount of bonds outstanding at all times and amount of interest due thereon in favor of IDBI Trusteeship Services Ltd.

22.13 Tax Free Bonds issued during FY 2011-12 are secured by first *pari passu* charge on premises at Shop No. 12, Ground Floor, Block No. 35, Church Road, Mylapore, Chennai and hypothecation of receivables of ₹ 4,998.66 crore of MSEDCL in favour of Vistra ITCL (India) Ltd. (formerly known as IL&FS Trust Company Ltd.).

22.14 Tax Free Bonds issued during FY 2013-14 are secured by first *pari passu* charge on the book debts (other than those that are exclusively charged/earmarked to lenders/other Trustees) of the Company in favour of SBICap Trustee Company Ltd.

22.15 The Bond Series XII and XIII of 54EC Capital Gain Tax Exemption Bonds and Tax Free Bonds issued during FY 2012-13 & 2015-16 are secured by first *pari passu* charge on (a) mortgage of premises at Sub Plot No. 8, TPS No 2, FP No. 584P, situated at Village Subhanpura, Distt Vadodara and (b) hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders/other Trustees) in favour of SBICap Trustee Company Ltd.

22.16 The Bond Series XIV and XV of 54EC Capital Gain Tax Exemption Bonds are secured by first *pari passu* charge on hypothecation of receivables (other than those that are exclusively charged/ earmarked to lenders/other Trustees) in favour of SBICap Trustee Company Ltd.

22.17 Refer Note 12 and 17 for the carrying value of receivables and Property, Plant and Equipment (PPE) pledged as security.

23. Borrowings (other than Debt Securities)

The Company and its Subsidiary REC Ltd., have categorised Borrowings (other than Debt Securities) at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(A)	Term Loans		
(i)	From Banks and Financial Institutions		
	- Foreign Currency Loans (Refer Note 23.1 and 23.3)	11,866.70	7,088.19
	- Syndicated Foreign Currency Loans (Refer Note 23.2 and 23.3)	55,532.41	38,229.46
	- Rupee Term Loans (Refer Note 23.4)	1,07,940.80	89,337.56
(ii)	From other Parties		
	- Rupee Term Loans - NSSF (Refer Note 23.6)	17,500.00	17,500.00
(B)	Other Loans from Banks		
(i)	Loan against Term Deposits (Refer Note 23.7)	228.59	683.04
(ii)	Working Capital Demand Loan/ Overdraft/ Cash Credit/ Line of Credit (Refer Note 23.8)	1,410.93	10,186.52
(C)	**Total Principal Outstanding of Borrowings (other than Debt Securities) - (A+B)**	**1,94,479.43**	**1,63,024.77**
(D)	Interest accrued but not due on above	725.08	680.87
(E)	Unamortised Transaction Cost on above	(587.53)	(361.22)
	Total Borrowings (other than Debt Securities) (C to E)	**1,94,616.98**	**1,63,344.42**
	Geography wise Borrowings		
(i)	Borrowings in India	1,37,516.63	1,23,631.61
(ii)	Borrowings outside India	57,100.35	39,712.81
	Total Geography wise Borrowings	**1,94,616.98**	**1,63,344.42**

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23.1 Details of Unsecured Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC					
1	ADB (Guaranteed by the Government of India)	58.20	66.96	15.04.2022	Semi Annual Instalments till 15.10.2028
2	Credit National (Guaranteed by the Government of India)	27.05	36.90	30.06.2022	Semi Annual Instalments till 30.06.2028
3	KFW I (Guaranteed by the Government of India)	42.82	46.79	30.06.2022	Semi Annual Instalments till 30.12.2035
	Total Foreign Currency Loans	**128.07**	**150.65**		
In case of PFC's Subsidiary REC Ltd.					
1	US$75 Mn	-	551.29	-	Repaid in FY 2021-22
2	US$75 Mn	-	551.29		
3	US$75 Mn	-	551.29		
4	US$200 Mn	-	1,470.09		
5	US$200 Mn	-	1,470.09		
6	US$100 Mn	-	735.05		
7	KfW-IV Loan -	1,637.43	1,241.16	15.05.2022	Repayable in equal half-yearly instalments of €12.00 Mn till 15.11.2030, next instalment falling due on 15.05.2022
8	US$200 Mn	1,516.14	-	24.05.2022	Bullet Repayment at the end of the tenor
9	US$150 Mn	1,137.11	-	27.05.2022	
10	US$200 Mn	1,516.14	-	03.06.2022	
11	US$25 Mn	189.52	-	07.06.2022	
12	US$150 Mn	1,137.11	-	18.06.2022	
13	KfW-III Loan -	222.81	317.22	30.06.2022	Repayable in equal half-yearly instalments of €5.26 Mn till 30.03.2024, next instalment falling due on 30.06.2022
14	JICA Loan - JICA-II loan	23.47	50.06	20.09.2022	Repayable in half-yearly instalments till 20.03.2023, next instalment falling due on 20.09.2022
15	US$200 Mn	1,516.14	-	10.12.2022	Bullet Repayment at the end of the tenor
16	US$75 Mn	568.55	-	14.12.2022	
17	US$200 Mn	1,516.14	-	30.12.2022	
18	US$100 Mn	758.07	-	23.02.2023	
	Sub - Total (B)	**11,738.63**	**6,937.54**		
	Total (A+B)	**11,866.70**	**7,088.19**		

23.2 Details of Unsecured Syndicated Foreign Currency Loans outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC					
1	SLN 17	-	1,102.57	-	Repaid in FY 2021-22
2	SLN 28 USD	1,895.18	1,837.62	28.06.2022	Bullet Repayment at the end of the tenor
3	SLN 28 JPY	334.13	356.3	28.06.2022	
4	SLN 18	905.82	1,931.86	04.11.2022	Redeemable in three equal instalments falling due on 06.11.2020, 08.11.2021 and 04.11.2022.
5	SLN 21	2,274.21	2,205.14	12.12.2022	Bullet Repayment at the end of the tenor
6	SLN 22	1,895.18	1,837.62	28.02.2023	
7	SLN 23	1,895.18	1,837.62	22.03.2023	
8	SLN 26	1,895.18	1,837.62	26.09.2023	
9	SLN 27	1,021.24	1,089.02	01.02.2024	
10	SLN 29	1,895.18	1,837.62	20.12.2024	
11	SLN 30	758.07	735.05	13.10.2025	
12	SLN 30	2,274.21	2205.14	05.11.2025	
13	31 A FCTL USD 525M 301121	3,979.87	--	30.11.2026	
14	31 B FCTL USD 100M 301121	758.07	--	30.11.2026	
	Total Syndicated Foreign Currency Loans	**21,781.52**	**18,813.18**		
In case of PFC's Subsidiary REC Ltd.					
1	US $100 Mn	-	735.05	05.10.2021	Bullet Repayment at the end of the tenor
2	US $230 Mn	-	1,690.61	19.01.2022	
3	US $200 Mn	1,516.14	1,470.09	28.07.2022	
4	US $150 Mn	1,137.11	1,102.57	11.09.2022	
5	¥ 10,327.12 Mn	642.66	685.31	08.08.2023	
6	US $250 Mn	1,895.18	1,837.62	29.08.2023	
7	US $250 Mn	1,895.18	1,837.62	27.03.2024	
8	US $150 Mn	1,137.11	1,102.57	29.03.2024	
9	US $100 Mn	758.07	735.05	01.07.2024	
12	US $170 Mn -	1,288.72	1,249.58	26.03.2025	$100 Mn repayable on 26.03.2025 and $ 70 Mn repayable on 06.10.2025
10	SG $72.07 Mn	403.21	391.79	30.03.2025	Bullet Repayment at the end of the tenor
11	US $75 Mn	568.55	551.29	30.03.2025	
13	¥ 10,519 Mn	654.60	698.04	25.09.2025	
14	US $425 Mn	3,221.80	3,123.95	16.03.2026	
15	US $600 Mn	4,548.43	-	25.08.2026	
16	US $75 Mn	568.55	-	07.10.2026	
17	US $1175 Mn	8,907.33	-	29.12.2026	
18	¥ 37507 Mn	2,334.04	-	03.03.2027	
19	US $300 Mn	2,274.21	2,205.14	02.06.2030	
	Sub - Total (B)	**33,750.89**	**19,416.28**		
	Total (A+B)	**55,532.41**	**38,229.46**		

23.3 "In case of PFC Ltd. Floating Rate Foreign Currency Loans in above Note No. 23.1 and 23.2 carries an interest rate spread ranging from 60 bps to 150 bps over 6 month USD LIBOR / ARR (London Inter Bank Offered Rate/Alternative Reference Rate). Except for Foreign Currency Loans from Credit National, KFW and FCTL31A &B which are at fixed rate of interest.

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In case of PFC's Subsidiary REC Ltd. Foreign Currency Borrowings in Note No. 23.2 have been raised at fixed interest rates ranging from 0.65% to 1.86% per annum and variable interest rates ranging from a spread of 13 bps to 210 bps over external benchmarks including 1/3/6 Months' USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate) and Credit Adjustment Spread as applicable on transition of loans to new benchmark rates.

23.4 Details of Rupee Term Loan outstanding are as follows:

(i) Secured Rupee Term Loans

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
1	Bank of Maharashtra	-	750.00	-	Repaid in FY 2021-22
2	Bank of Baroda	1,225.00	1,400.00	16.04.2022	Pre Payment of Principal
3	Karnataka Bank	200.00	500.00	30.04.2022	The loan is to be repaid in 5 quarterly instalments of ₹ 100 crore each starting from July 31, 2021 and ending on July 31, 2022
4	State Bank of India	5,000.00	5,000.00	10.07.2022	The loan is to be repaid in 7 quarterly instalments comprising 6 instalments of ₹ 715 crore each and thereafter final instalment of ₹ 710 crore each starting from July 10, 2022 and ending on July 10, 2025
5	Indian Bank	1,312.50	1,500.00	28.09.2022	The loan is to be repaid in 8 half yearly instalments of ₹ 187.50 crore each starting from March 28, 22 and ending on September 28, 2025
6	Union Bank of India	300.00	400.00	30.09.2022	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from September 30, 2020 and ending on September 30, 2024
7	Punjab National Bank	225.00	225.00	30.09.2022	The loan is to be repaid in 4 annual instalments of ₹ 56.25 crore each starting from September 30, 22 and ending on September 30, 2025
8	Union Bank of India	1,800.00	1,800.00	30.09.2022	The loan is to be repaid in 04 annual instalments of ₹ 450 crore each starting from September 30, 22 and ending on September 30, 2025
9	Punjab National Bank	1,125.00	1,500.00	25.02.2023	The loan is to be repaid in 04 annual instalments of ₹ 375 crore each starting from February 25, 22 and ending on February 25, 2025
10	Union Bank of India	400.00	600.00	15.03.2023	The loan is to be repaid in 5 annual instalments of ₹ 200 crore each starting from March 15, 2020 and ending on March 15, 2024
11	Indian Bank	1,800.00	1,800.00	29.09.2023	The loan is to be repaid in 12 quarterly instalments of ₹ 150 crore each starting from September 29, 2023 and ending on June 29, 2026
12	Canara Bank	1,000.00	1,000.00	20.02.2024	Bullet Repayment at the end of the tenor

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
13	Bank of India	1,000.00	1,000.00	02.03.2024	The loan is to be repaid in 2 Annual instalments of ₹ 500 crore each starting from March 2, 2024 and ending on March 2, 2025
14	Indian Bank	500.00	500.00	02.04.2024	Bullet Repayment at the end of the tenor
15	Canara Bank T-1	500.00	500.00	21.06.2024	Bullet Repayment at the end of the tenor
16	Canara Bank T-2	500.00	500.00	24.06.2024	
17	Canara Bank	1,000.00	1,000.00	29.06.2024	
	Total Secured Rupee Term Loan	**17887.50**	**19975.00**		

(ii) Unsecured Rupee Term Loans

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
In case of PFC					
1	UCO Bank	-	1,000.00	-	Repaid in FY 2021-22
2	India Infrastructure Finance Company Limited	-	800.00	-	
3	HDFC Bank Ltd.	-	1,000.00	-	
4	HDFC Bank Ltd.	-	1,000.00	-	
5	India Infrastructure Finance Company Limited	-	1,429.00	-	
6	Bank of Maharashtra	-	500.00		
7	Bank of Baroda	2,500.00	3,000.00	16.04.2022	Pre Payment of Principal
8	Bank of Baroda	1,800.00	1,900.00	16.04.2022	Pre Payment of Principal
9	HDFC Bank Ltd.	2,000.00	2,000.00	31.05.2022	Bullet Repayment at the end of the tenor
10	Canara Bank	1,750.00	1,750.00	20.06.2022	The loan is to be repaid in 8 quarterly instalments of ₹ 218.75 crore each starting from June 20, 2022 and ending on March 20, 2024
11	Canara Bank	1,800.00	2,000.00	22.06.2022	The loan is to be repaid in 20 quarterly instalments of ₹ 100 crore each starting from December 22, 2021 and ending on September 22, 2026
12	Canara Bank	400.00	500.00	23.09.2022	The loan is to be repaid in 10 half-yearly instalments of ₹ 50 crore each starting from September 23, 2021 and ending on March 23, 2026
13	Punjab National Bank	1,000.00	1,000.00	20.03.2023	The loan is to be repaid in 3 annual instalments of ₹ 333.33 crore each starting from March 20, 2023 and ending on March 20, 2025
14	Union Bank of India	1,875.00	2,500.00	23.03.2023	The loan is to be repaid in 4 annual instalments of ₹ 625 crore each starting from March 23, 2022 and ending on March 23, 2025
15	UCO Bank	500.00	500.00	31.03.2023	Bullet Repayment at the end of the tenor
16	Union Bank of India	800.00	800.00	15.04.2023	The loan is to be repaid in 8 quarterly instalments of ₹ 100 crore each starting from April 15, 2023 and ending on January 15, 2025
17	UCO Bank	200.00	200.00	26.05.2023	Bullet Repayment at the end of the tenor
18	HDFC Bank Ltd.	3,000.00		29.06.2023	Bullet Repayment at the end of the tenor

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Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	Principal Amount (₹ in crore) outstanding as at 31.03.2021	Date of Redemption	Redemption details
19	Bank of India	1,000.00	1,000.00	11.09.2023	The loan is to be repaid in 4 annual instalments of ₹ 250 crore each starting from September 11, 2023 and ending on September 11, 2026
20	State Bank of India	2,999.98	2,999.98	27.09.2023	₹ 3,000 crore repaid on 30.03.2021 balance amount to be paid at the end of the tenor
21	HDFC Bank Ltd.	1,000.00	-	30.09.2023	Bullet Repayment at the end of the tenor
22	HDFC Bank Ltd.	750.00	750.00	05.10.2023	
23	Punjab National Bank	995.00	995.00	24.12.2023	
24	Canara Bank	500.00	500.00	28.12.2023	
25	Canara Bank	500.00	500.00	15.01.2024	
26	Bank of India	2,000.00	2,000.00	21.01.2024	
27	Bank of India	500.00	-	18.09.2024	The loan is to be repaid in 5 annual instalments of ₹ 100 crore each starting from September 18, 2024 and ending on September 18, 2028
28	State Bank of India	3,000.00	3,000.00	19.12.2024	Bullet Repayment at the end of the tenor
29	HDFC Bank Ltd.	3,000.00	-	30.09.2025	
30	UCO Bank	1,000.00	-	24.09.2026	
31	Punjab National Bank	500.00	-	27.09.2026	
32	Punjab National Bank	5.00	-	29.09.2026	
33	India Infrastructure Finance Company Limited	1,000.00		30.09.2026	
34	Central Bank	1,000.00	-	31.03.2027	
35	Union Bank	3,000.00	-	31.03.2027	The loan is to be repaid in 2 annual instalments of ₹ 1,500 crore each starting from 31.03.2027 and ending on 31.03.2028
	Sub-Total (A)	**40,374.98**	**33,623.98**		
In case of PFC's Subsidiary REC Ltd.					
1	Canara Bank	-	1,000.00	-	Repaid in FY 2021-22
2	Bank of Baroda	-	2,000.00		
3	Indian Infrastructure Finance Company Ltd. (IIFCL)	6,800.00	5,800.00	03.06.2022	₹ 1,000 crore repayable on 03.06.2022 and ₹ 800 crore repayable on 23.06.2023, ₹ 1,500 crore repayable on 23.02.2024, ₹ 500 crore repayable on 14.03.2024, ₹ 1,000 crore repayable on 25.03.2026, ₹ 1,000 crore repayable on 27.03.2026 and ₹ 1,000 crore repayable on 09.08.2026
4	HDFC Bank	12,000.00	4,650.00	30.06.2022	₹ 650 crore repayable on 30.09.2022, ₹ 2000 crore repayable on 04.12.2022, ₹ 2000 crore repayable on 15.06.2023, ₹ 1500 crore repayable on 19.06.2023, ₹ 300 crore repayable on 29.09.2023, ₹ 1500 crore repayable on 30.09.2023, ₹ 350 crore repayable on 11.10.2023, ₹ 350 crore repayable on 05.11.2023, ₹ 500 crore repayable on 15.01.2024, ₹ 850 crore repayable on 17.11.2026 and ₹ 2000 crore repayable on 31.03.2027.

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at		Date of Redemption	Redemption details
		31.03.2022	31.03.2021		
5	State Bank of India	12,729.30	10,839.90	14.07.2022	₹ 4,999.98 crore repayable in 7 semi-annual instalments, first instalment due on 14.07.2022; ₹ 1,379.46 crore repayable in 3 annual instalments, next instalment due on 05.09.2022; ₹ 2,349.86 crore with ₹ 1650 crore repayable on 15.10.2022 and ₹ 699.86 crore on 05.03.2023; and ₹ 4,000 crore repayable in structured instalments, first instalment due on 29.10.2023.
6	Punjab National Bank	4,996.98	4,396.84	27.08.2023	₹ 1,996.98 crore repayable in 3 annual instalments, first instalment due on 27.08.2023, ₹ 2,000 crore repayable on 11.11.2026 and ₹ 1,000 crore repayable in 5 annual instalments, first instalment due on 29.03.2028.
7	ICICI Bank	2,850.00	-	28.09.2023	₹ 2,000 crore repayable in 9 annual instalments, first instalment due on 28.09.2023 and ₹ 850 crore repayable in 17 semi-annual instalments, first instalment due on 09.12.2023.
8	Deutsche Bank	1,000.00	500.00	18.12.2023	₹ 500 crore repayable on 18.12.2023 and ₹ 500 crore repayable on 21.05.2024
9	JP Morgan Chase Bank	1,500.00	1,500.00	26.03.2024	₹ 1,500 crore repayable on 26.03.2024
10	Bank of India	749.87	-	27.09.2024	₹ 749.87 crore repayable in 5 annual instalments, first instalment due on 27.09.2024.
11	HSBC Bank	3,402.49	1,652.50	19.05.2025	₹ 565 crore repayable on 19.05.2025, ₹ 187.49 crore repayable on 18.12.2025, ₹ 900 crore repayable on 25.03.2026, ₹ 500 crore repayable on 06.07.2026, ₹ 500 crore repayable on 09.07.2026, ₹ 85 crore repayable on 25.03.2030 and ₹ 665 crore repayable on 28.03.2030
12	Central Bank	500.00	-	28.02.2026	₹ 500 crore repayable in 7 annual instalments, first instalment due on 28.02.2026.
13	Jammu & Kashmir Bank	300.00	-	28.10.2026	₹ 300 crore repayable on 28.10.2026
14	Karur Vysya Bank	250.00	-	29.10.2026	₹ 250 crore repayable on 29.10.2026
15	South Indian Bank	300.00	-	08.11.2026	₹ 300 crore repayable on 08.11.2026
16	Mizuho Bank	300.00	-	21.01.2027	₹ 300 crore repayable on 21.01.2027
17	Union Bank of India	1,999.68	3,399.34	31.03.2027	₹ 1,999.68 crore repayable in 5 annual instalments, first instalment due on 31.03.2027.
	Sub-Total (B)	**49,678.32**	**35,738.58**		
	Total Rupee Term Loan (Unsecured)	**90,053.30**	**69,362.56**		
	Total Rupee Term Loan (Unsecured & Secured)	**1,07,940.80**	**89,337.56**		

23.5 In case of PFC Ltd. Borrowings as at March 31, 2022 in above Note 23.4 have been raised at respective bank's Benchmark rate plus spread ranging from 100 to 200 bps.

In case of PFC Subsidiary REC Ltd. Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 23.4 have been raised at interest rates ranging from 5.00% to 8.29% payable on monthly/quarterly/semi annual rests.

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for the year ended March 31, 2022

23.6 Details of Unsecured Rupee term Loan - NSSF outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	Redemption details
In case of PFC					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.11% p.a.)	7,500.00	7,500.00	27.12.2028	Bullet Repayment at the end of the tenor
	Total	**7,500.00**	**7,500.00**		
In case of PFC's Subsidiary REC Ltd.					
1	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.29% p.a.)	5,000.00	5,000.00	13.12.2028	Bullet Repayment at the end of the tenor
2	National Small Savings Fund Scheme (NSSF) (Coupon rate - 8.16% p.a.)	5,000.00	5,000.00	04.10.2029	Bullet Repayment at the end of the tenor
	Total Unsecured Rupee term Loan - GoI	**17,500.00**	**17,500.00**		

23.7 Details of Loan against Term Deposits outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	Redemption details
In case of PFC					
1	Indian Bank	142.50	683.04	02.04.2022	Redeemed at par on maturity date
2	Canara Bank	41.09	-	02.04.2022	
3	Canara Bank	45.00	-	02.04.2022	
	Total Loan against Term Deposits	**228.59**	**683.04**		

23.8 Details of Unsecured WCDL/ OD/ CC/ Line of Credit outstanding are as follows:

Sr. No.	Particulars	Principal Amount (₹ in crore) outstanding as at 31.03.2022	31.03.2021	Date of Redemption	Redemption details
In case of PFC's Subsidiary REC Ltd.					
1	Short-Term Loans/Loans repayable on demand from Banks	1,410.93	10,186.52	Running facility	Running facility
	Total WCDL/ OD/ CC/ Line of Credit	**1,410.93**	**10,186.52**		

23.9 None of the borrowings have been guaranteed by Directors.

23.10 There has been no default in repayment of borrowings and interest during periods presented above.

23.11 Refer Note 12 for carrying values of the receivable pledged as security against secured rupee term loans. Secured rupee term loans are secured by first *pari passu* charge in favour of lending banks on the receivables of the Company limited to payment/ repayment of the term loan including interest, additional interest, cost and expenses and all other monies whatsoever payable/repayable by the Company to lending bank and/or others under/pursuant to the security document except for those receivables which are already charged in favour of Catalyst Trusteeship Ltd. (formerly known as GDA Trusteeship Limited)

24. Subordinated Liabilities

The Company and its Subsidiary REC Ltd., have categorised Subordinated Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Subordinated Liabilities		
(i)	Subordinated Bonds (Principal Outstanding) (Refer Note 24.1)	15,862.20	15,862.20
(ii)	Interest accrued but not due on above	399.27	401.28
(iii)	Unamortised Transaction Cost on above	(133.73)	(6.39)
	Total Subordinated Liabilities	**16,127.74**	**16,257.09**
	Geography wise Subordinated Liabilities		
(i)	Subordinated Bonds in India	16,127.74	16,257.09
(ii)	Subordinated Bonds outside India	-	-
	Total Geography wise Subordinated Liabilities	**16,127.74**	**16,257.09**

24.1 Details of Subordinated Bonds are as under : -

(₹ in crore)

Sr. No.	Subordinated Bond Series	As at 31.03.2022	As at 31.03.2021
1	8.06% Bond Series 115 -Redeemable at par on 31.05.2023 - REC Ltd.	2,500.00	2,500.00
2	8.19% Bond Series 105 - Redeemable at par on 14.06.2023 - PFC Ltd.	800.00	800.00
3	9.65% Bond Series 111 - Redeemable at par on 13.01.2024 - PFC Ltd.	1,000.00	1,000.00
4	9.70% Bond Series 114 - Redeemable at par on 21.02.2024 - PFC Ltd.	2,000.00	2,000.00
5	9.25% Bond Series 184A -Redeemable at par on 25.09.2024 - PFC Ltd.	2,000.00	2,000.00
6	9.10% Bond Series 184 B -Redeemable at par on 25.03.2029 - PFC Ltd.	2,411.50	2,411.50
7	8.98% Bond Series 185 -Redeemable at par on 28.03.2029 - PFC Ltd.	1,000.00	1,000.00
8	8.97% Bond Series 175 - Redeemable at par on 28.03.2029 - REC Ltd.	2,151.20	2,151.20
9	7.96% Bond Series 199 - Redeemable at par on 15.06.2030 - REC Ltd.	1,999.50	1,999.50
	Total	**15,862.20**	**15,862.20**

25. Other Financial Liabilities

The Group has categorised Other Financial Liabilities at amortised cost in accordance with the requirements of Ind AS 109 'Financial Instruments' other than "Lease Liability" presented below, which is measured in accordance with Ind AS 116 'Leases'.

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Payable on account of Government of India Serviced Bonds (Refer Note 25.1)	29,356.50	29,352.64
(ii)	Advance received from Associates	176.19	176.86
(iii)	Unclaimed Dividends (Refer Note 25.2)	11.85	9.69
(iv)	Unpaid - Bonds and Interest Accrued thereon (Refer Note 25.2)		
	- Unclaimed Bonds	24.03	50.30
	- Unclaimed Interest on Bonds	95.87	167.87
(v)	Others		
	- Application Money Refundable on Bonds and interest accrued thereon	0.90	0.69
	- Interest Subsidy Fund and other GOI Funds for disbursement (Refer Note 25.3)	1,391.23	1,558.52
	- Lease Liability (Refer Note 51.1)	19.07	9.43
	- Other liabilities	1,523.25	739.25
	Total Other Financial Liabilities	**32,598.89**	**32,065.25**

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25.1 Details of GoI Serviced Bonds (Unsecured Taxable Bonds) :

(₹ in crore)

Sr. No.	Bond Series	As at 31.03.2022	As at 31.03.2021
1	7.10% Bond Series 156 -Redeemable at par on 11.01.2027 - PFC Ltd.	200.00	200.00
2	7.18% Bond Series 158 - Redeemable at par on 20.01.2027 -PFC Ltd.	1,335.00	1,335.00
3	7.60% Bond Series 160 - Redeemable at par on 20.02.2027 - PFC Ltd.	1,465.00	1,465.00
4	7.75% Bond Series 164 - Redeemable at par on 22.03.2027 - PFC Ltd.	2,000.00	2,000.00
5	8.09 % GoI-I Series - Redeemable at par on 21.03.2028 - REC Ltd.	1,837.00	1,837.00
6	8.01% GoI-II Series - Redeemable at par on 24.03.2028 - REC Ltd.	1,410.00	1,410.00
7	8.06% GoI-III Series - Redeemable at par on 27.03.2028 - REC Ltd.	753.00	753.00
8	8.70% - GoI-IV Series -Redeemable at par on 28.09.2028 - REC Ltd.	3,000.00	3,000.00
9	8.54% GoI-V Series - Redeemable at par on 15.11.2028 - REC Ltd.	3,600.00	3,600.00
10	8.80% - GoI-VI Series - Redeemable at par on 22.01.2029 - REC Ltd.	2,027.00	2,027.00
11	8.60% GoI-VII Series - Redeemable at par on 08.03.2029 - REC Ltd.	1,200.00	1,200.00
12	8.30% GoI-VIII Series -Redeemable at par on 25.03.2029 - REC Ltd.	4,000.00	4,000.00
13	7.14% GoI-IX Series - Redeemable at par on 02.03.2030 - REC Ltd.	1,500.00	1,500.00
14	8.25% GoI-X Series - Redeemable at par on 26.03.2030 - REC Ltd.	532.30	532.30
15	7.20% GoI-XI Series Redeemable at par on 31.03.2030 - REC Ltd.	1,750.00	1,750.00
16	6.45% GoI- XII Series - Redeemable at par on 07.01.2031 - REC Ltd.	1,000.00	1,000.00
17	6.63% GoI- XIII Series - Redeemable at par on 28.01.2031 - REC Ltd.	1,000.00	1,000.00
18	6.50% GoI- XIV Series - Redeemable at par on 26.03.2031 - REC Ltd.	500.00	500.00
19	Interest accrued on above	247.20	243.34
	Total GoI Serviced Bonds (Unsecured Taxable Bonds)	**29,356.50**	**29,352.64**

25.2 Unclaimed dividends, unclaimed bonds and interest thereon include the amounts which have either not been claimed by the investors/holders of the instruments or are on hold pending legal formalities etc. The amount eligible to be transferred to Investor Education and Protection Fund has been transferred within the prescribed time limit.

25.3 Amounts payable under GoI Schemes:

(i) PFC has been designated by GOI as Nodal Agency for operationalization and implementation of Revamped Distribution Sector Scheme (RDSS) and Integrated Power Development Scheme (IPDS (R- APDRP subsumed)). Role of Nodal Agency inter-alia includes pass through of loans/grants to eligible utilities under schemes of GOI. PFC receives the amount on such accounts and disburses it in accordance with the scheme. When funds are received from GOI, the amount is shown under the line item 'Interest Subsidy Fund and Other GOI Funds for Disbursement' under 'Other Financial Liabilities' till the payments are released to the beneficiaries. For further details of GOI schemes, refer Note 55.

(ii) RECL has been appointed by GOI as a nodal agency for implementation of Deen Dayal Upadhyaya Gram Jyoti Yojna (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) and Revamped Distribution Sector Scheme (RDSS). The funds received for disbursement to various agencies under the scheme are kept in a separate bank accounts. The undisbursed funds for the scheme (including the funds received under erstwhile RGGVY Scheme) including interest earned thereto are classified under the line item 'Interest Subsidy Fund and Other GOI Funds for Disbursement' under 'Other Financial Liabilities' . For further details of GOI schemes, refer Note 55.

(iii) Under Accelerated Generation & Supply Programme (AG&SP) Scheme, PFC & RECL claimed subsidy from GoI at net present value to be passed on to the eligible borrowers is retained as Interest Subsidy Fund Account. The said Scheme has been closed during current FY 2021-22 and after adjusting all the subsidy benefits, balance amount is refundable to MoP.

26. Provisions

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	For Employee Benefits (Refer Note 50):		
	- Gratuity	0.37	3.09
	- Leave Encashment	94.79	79.76
	- Economic Rehabilitation of Employees	10.91	8.66
	- Provision for Bonus/Incentive	73.71	86.09
	- Provision for Staff Welfare Expenses	23.04	28.56
(ii)	Impairment Loss Allowance - Letter of Comfort & Guarantee (Refer Note 26.1)	98.11	66.12
(iii)	Provision for Unspent CSR Expense	55.62	-
	Total Provisions	**356.55**	**272.28**

26.1 Movement of Impairment loss allowance on Letter of Comfort & Guarantee

(₹ in crore)

Sr. No.	Particulars	FY 2021-22	FY 2020-21
(i)	Opening balance	66.12	188.85
(ii)	Creation during the year	76.23	13.47
(iii)	Reversal during the year	(44.24)	(136.20)
	Closing balance	**98.11**	**66.12**

27. Other Non-Financial Liabilities

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Unamortised Fee - Undisbursed Loans Assets	187.66	217.36
(ii)	Sundry Liabilities (Interest Capitalisation)	32.45	37.09
(iii)	Statutory dues payable	93.15	87.92
(iv)	Advance received from Govt. towards Govt. Schemes	1.00	1.17
(v)	Others	53.84	1.72
	Total Other Non-Financial Liabilities	**368.10**	**345.26**

28. Equity Share Capital

Sr. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
(A)	**Authorised Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	1,10,00,00,00,000	11,000.00	1,10,00,00,00,000	11,000.00
	Preference Share Capital (Par Value per share ₹ 10)	2,00,00,00,000	200.00	2,00,00,00,000	200.00
(B)	**Issued, Subscribed and Fully Paid-up Capital**				
	Equity Share Capital (Par Value per share ₹ 10)	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
(C)	**Reconciliation of Equity Share Capital**				
	Opening Equity Share Capital	2,64,00,81,408	2,640.08	2,64,00,81,408	2,640.08
	Changes during the year	-	-	-	-
	Closing Equity Share Capital	**2,64,00,81,408**	**2,640.08**	**2,64,00,81,408**	**2,640.08**

28.1 Rights, preferences and restriction attached to equity shares

The Company had issued equity shares having par value of ₹ 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

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28.2 Shares in the Company held by each shareholder holding more than 5% of the shares

Sr. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Number of Shares	% of Equity Share Capital	Number of Shares	% of Equity Share Capital
(i)	President of India (Promoters)	1,47,82,91,778	55.99%	1,47,82,91,778	55.99%
(ii)	HDFC Trustee Company Ltd.	22,85,47,160	8.66%	23,81,25,247	9.02%
(iii)	Life Insurance Corporation of India	13,21,17,474	5.00%	15,75,97,304	5.97%

28.3 Shares reserved for issue under options and contract/commitment for the sale of shares or disinvestment, including the terms and amount : Nil

28.4 The Company has issued 132,00,40,704 bonus shares in the ratio of 1:1 during FY 2016-17 and has not bought back any shares.

28.5 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Nil

28.6 Calls unpaid (showing aggregate value of calls unpaid by directors and officers) : Nil

28.7 Forfeited shares (amount originally paid up) : Nil

28.8 Capital Management : Refer Note 45.

29. Other Equity*

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
(i)	Capital Reserve - Common Control (Refer Note 29.1 (i))	(13,461.00)	(13,461.00)
(ii)	Capital Reserve - Change in shareholding in JV	-	2.47
(iii)	Securities Premium (Refer Note 29.1 (ii))	3,953.74	3,953.74
(iv)	Foreign Currency Monetary Item Translation Difference Account (Refer Note 29.1 (iii))	(806.07)	(936.01)
(v)	Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 (Refer Note 29.1 (iv))	9,298.33	6,235.99
(vi)	Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961 (Refer Note 29.1 (v))	680.04	1,407.54
(vii)	Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961 up to Financial Year 1996-97	599.85	599.85
(viii)	Special Reserve created and maintained u/s 36(1)(viii) of Income Tax Act, 1961 from Financial Year 1997-98 (Refer Note 29.1 (vi))	35,878.11	31,833.14
(ix)	Interest Differential Reserve - KFW Loan (Refer Note 29.1 (vii))	64.07	62.65
(x)	General Reserve (Refer Note 29.1 (viii))	20,346.81	19,040.40
(xi)	Retained Earnings (Refer Note 29.1 (ix))	12,757.10	9,760.52
(xii)	Reserve for Equity Instruments through Other Comprehensive Income (Refer Note 29.1 (x))	(74.23)	(170.71)
(xiii)	Reserve for Effective portion of Cash Flow Hedges (Refer Note 29.1 (xi))	302.56	(200.50)
(xiv)	Costs of Hedging Reserve (Refer Note 29.1 (xii))	(503.16)	(1.42)
(xv)	Share of Other Comprehensive Income in Joint Venture and Associates	(0.00)	0.73
	Total Other Equity	**69,036.16**	**58,127.40**

* For movements during the period refer Consolidated Statement of Changes in Equity.

29.1 Nature , purpose and movement of reserves:

(i) Capital Reserve - Common Control

Consequent to the acquisition of REC Limited by PFC on March 28, 2019, the difference between PFC's share in equity share capital of REC Limited of ₹ 1,039.50 and the consideration paid (including investment of ₹ 0.50 crore existing on the date of acquisition) of ₹ 14,500.50 crore has been recognised as capital reserve-common control.

(ii) Securities Premium

It represents amount of premium received on issue of equity share capital net of expense incurred on issue of equity shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Foreign Currency Monetary Item Translation Difference Account

It represents unamortised foreign exchange gain/loss on Long-term Foreign Currency Borrowings (raised up to 31.03.2018) and are amortised over the tenure of the respective borrowings.

(iv) Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934

It represents transfer from retained earning @ 20 % of net profit after tax for the year as disclosed in profit and loss account and before any dividend is declared. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Reserve Bank of India (RBI) from time to time and further, any such appropriation is also required to be reported to the RBI within 21 days from the date of such withdrawal.

(v) Reserve for Bad & doubtful debts u/s 36(1)(viia)(c) of Income-Tax Act,1961

It has been created to enable the PFC and its subsidiary REC Ltd. to avail income tax deduction. The reserve so maintained is primarily utilised for adjustment of actual bad debts or part thereof. As per Section 36(1)(viia)(c) of Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible to avail deduction in respect of any provision/reserve made for bad and doubtful debts, not exceeding five percent of the total income as per Income Tax Act.

(vi) Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961

It is maintained in order to enable PFC and its subsidiary REC Ltd. to avail tax benefits. As per Section 36(1)(viii) of the Income Tax Act, 1961, the Company and its subsidiary REC Ltd. is eligible for deduction not exceeding 20% of profit derived from long-term finance activity, provided such amount is transferred and maintained in special reserve account.

(vii) Interest Differential Reserve - KFW Loan

It represents difference between the interest due and interest paid on KFW loan as per the loan agreement. Exchange gain/loss upon re-statement of loan balance, in accordance with the terms of the foreign currency borrowing from KFW, is adjusted against this reserve. The Company is not required to repay the unadjusted balance in the reserve after complete repayment of KFW Loan. Any unadjusted balance in the reserve after complete repayment of KFW Loan shall be used for further lending by the Company after consulting with KFW.

(viii) General Reserve

General Reserve includes the amounts appropriated from the profits of the Group before declaration of dividend (as was required under erstwhile Companies Act, 1956). It also includes the amount transferred from Statutory Reserves on utilisation/reversal of such Reserves. Further the Group appropriates profit to General Reserve in order to avail full eligible deduction of Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961.

(ix) Retained Earnings

It represent profits and specified items of other comprehensive income recognised directly in retained earnings earned by the Group after transfer to and from other reserves and dividend distributions.

(x) Reserve for Equity Instruments through Other Comprehensive Income

The Companies in the Group elected to recognise changes in the fair value of certain investment in equity instruments through other comprehensive income. It represents cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. When the asset is derecognised, amounts in the reserve are subsequently transferred to retained earnings and not to consolidated statement of profit and loss. Dividends on such investments are recognised in statement of profit & loss unless the dividend clearly represents a recovery of part of the cost of the investment.

(xi) Reserve for Effective portion of Cash Flow Hedges

The intrinsic value of hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are reclassified to the Statement of Profit or Loss when the hedged item affects profit or loss.

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(xii) Cost of Hedging Reserve

The fair value of the time value of a hedging instruments which meets the qualifying criteria for hedge accounting & are designated and qualify as cash flow hedges is recognised in this reserve. The amounts recognised in such reserve are amortised to the Statement of Profit and Loss on a systematic basis.

29.2 (i) The details of dividend declared/proposed by PFC on equity shares of face value of ₹10 each is as under:

(i)	Particulars	FY 2021-22			FY 2020-21		
		% of Share Capital	Per equity share (₹)	Amount (₹ in crore)	% of Share Capital	Per equity share (₹)	Amount (₹ in crore)
	Interim Dividend	107.50%	10.75	2,838.09	80%	8.00	2,112.06
	Final Dividend	12.50%	1.25	330.01	20%	2.00	528.02
	Total Dividend	**120.00%**	**12.00**	**3,168.10**	**100%**	**10.00**	**2,640.08**

(ii) Events occurring after Balance Sheet date:

Board of Directors in its meeting held on May 25, 2022 has recommended final dividend @ 12.50% on the paid up equity share capital i.e. ₹ 1.25 /- per equity share of ₹ 10/- each for the FY 2021-22 subject to approval of shareholders in ensuing Annual General Meeting.

(iii) The Dividend Paid/Proposed is in compliance with the provisions of Section 123 of Companies Act, 2013, as applicable

30. Non-Controlling Interest

(₹ in crore)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	**20,464.36**	**16,765.57**
(i)	Share of Net Profit for the period	4,753.42	3,968.37
(ii)	Re-measurement of Defined Benefit Plans	(2.95)	(5.05)
(iii)	Share of Other Comprehensive Income/(Expense)	(24.47)	221.87
	Share of Total Comprehensive Income	**4,726.00**	**4,185.19**
(i)	Dividend Declared/ Proposed to Non-Controlling Interest	(1,142.15)	(1,028.97)
(ii)	Others	(7.70)	542.57
	Balance at the end of the period – towards Equity Share Holders	**24,040.51**	**20,464.37**
	towards Instruments Entirely Equity in Nature (Refer Note 30.2)	558.40	558.40
	Total Non-Controlling Interest	**24,598.91**	**21,022.77**

30.1 PFC's subsidiary REC Ltd. had issued Perpetual Debt Instruments of face value of ₹ 10 lakh each, with no maturity and callable only at the option of the Company after 10 years. The claims of the holders of the securities shall be (a) Superior to the claims of the holders of the equity shares issued by the Issuer; and (b) Subordinated to the claims of all other creditors of the Issuer. The instruments carry a step up provision if not called after 10 years. The payment of Coupons may be cancelled or suspended at the discretion of REC Ltd. The coupon of the securities is not cumulative except where the Issuer shall not be liable to pay coupon and may defer the payment of coupon, if (i) The capital to risk assets ratio ("CRAR") of the Issuer is below the minimum regulatory requirement prescribed by RBI; or (ii) the impact of such payment results in CRAR of the Issuer falling below or remaining below the minimum regulatory requirement prescribed by RBI.

As these securities are perpetual in nature and the Group does not have any redemption obligation and discretion on payment of coupon, these have been classified as Equity. Further as such Equity is not attributable , directly or indirectly to the parent viz. PFC Limited, the same has been included under Non-Controlling interest. The periodic coupon payments are accordingly adjusted with retained earnings.

30.2 In case of PFC's Subsidiary REC Ltd. details of Instruments Entirely Equity in Nature (Perpetual Debt instruments) are as follows:

(₹ in crore)

Particulars	Coupon Rate	Number of Bonds	Date of allotment	As at 31.03.2022	As at 31.03.2021
Fully paid up Perpetual Debts Instrument entirely equity in nature of ₹ 10 lakhs each	7.97%	5,584.00	22-Jan-2021	558.40	558.40

30.3 Instrument holders holding more than 5% of Perpetual Debt Instruments entirely equity in nature as at Balance Sheet date:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	Number	Percentage	Number	Percentage
HVPNL Employees Pension Fund Trust	665	11.91%	665	11.91%
HPGCL Employees Pension Fund Trust	500	8.95%	500	8.95%

31. Interest Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A	**On Financial Assets measured at Amortised Cost**		
(i)	Interest on Loans	74,731.09	70,360.77
	Less : Rebate for Timely Payment to Borrowers	(386.75)	(331.33)
(ii)	Interest on Deposits with Banks	339.15	455.25
(iii)	Other Interest Income	150.43	70.71
B	**On Financial Assets classified at Fair Value Through Profit or Loss**		
(i)	Interest on Investment	47.82	286.23
(ii)	Other Income	5.38	3.95
	Total Interest Income (A+B)	**74,887.12**	**70,845.58**

32. Dividend Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(A)	Dividend on equity investments designated at FVTOCI		
(i)	Investments held at the end of the year	67.56	87.76
(ii)	Investments derecognised during the year	1.30	0.98
	Sub-Total	**68.86**	**88.74**
(B)	Dividend on preference shares	0.00	-
	Total Dividend Income (A+B)	**68.86**	**88.74**

33. Fees and Commission Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Prepayment Premium on Loans	816.97	365.60
(ii)	Fee based Income on Loans	228.78	86.44
(iii)	Fee for implementation of GoI Schemes (Refer Note 55)	23.83	38.32
	Total Fees and Commission Income	**1,069.58**	**490.36**

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34. Other Operating Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Sale of Services (Refer Note 6.11)	233.29	231.42
(ii)	Other	2.81	-
	Total Other Operating Income	**236.10**	**231.42**

35. Other Income

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Excess Liabilities written back	12.49	0.15
(ii)	Miscellaneous Income	70.77	44.42
	Total Other Income	**83.26**	**44.57**

36. Finance Costs

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On Financial Liabilities Measured At Amortised Cost		
(i)	**Interest on Borrowings**		
	- Term Loans and others	8,438.29	8,236.46
	- Interest on Lease Liability (Refer Note 51.1)	1.75	1.35
(ii)	**Interest on Debt Securities**		
	- Bonds/Debentures	32,761.10	33,566.78
	- Commercial Paper	54.73	164.74
(iii)	**Interest on Subordinated Liabilities**	1,374.10	1,373.79
(iv)	**Other Interest Expense**		
	- Interest on Interest Subsidy Fund	1.13	1.41
	- Interest on Application Money - Bonds	0.29	0.04
	- Interest on advances received from Subsidiaries	2.87	2.88
	- Interest under Income Tax Act, 1961	2.66	24.90
	- Other	5.34	6.68
	Less: Finance Cost Capitalised	(5.10)	(22.04)
	On Financial Liabilities Classified at Fair Value Through Profit or Loss		
(v)	**Swap Premium (Net)**	2,071.62	1,326.53
	Total Finance Costs	**44,708.78**	**44,683.52**

37. Net Translation/ Transaction Exchange Loss/ (Gain)

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Net Translation/ Transaction Exchange Loss/ (Gain) on account of		
(i)	Translation of Long-term foreign currency monetary item (LTFCMI) recognised on or after 01.04.2018	1,078.42	(1,062.15)
(ii)	Amortisation of Foreign Currency Monetary Item Translation Difference Account created on LTFCMI recognised up to 31.03.2018	626.21	1,228.35
	Total Translation/ Transaction Exchange Loss/ (Gain)	**1,704.63**	**166.20**

37.1 The Group's foreign currency monetary items are translated at prevailing rate at the year-end as below:

Exchange Rates	As at 31.03.2022	As at 31.03.2021
USD / INR	75.8071	73.5047
Euro / INR	84.6599	86.0990
JPY / INR	0.6223	0.6636
SGD / INR	55.9438	54.3581

38. Fees and Commission Expense

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Agency Fees	3.64	4.29
(ii)	Guarantee, Listing and Trusteeship fees	7.54	3.09
(iii)	Credit Rating Fees	12.41	12.69
(iv)	Other Finance Charges	3.32	4.16
	Total Fees and Commission Expense	**26.91**	**24.23**

39. Net Loss/(Gain) on Fair Value changes

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On financial instruments at Fair value through Profit or Loss:		
(i)	- Change in Fair Value of Derivatives	(391.14)	(3.15)
(ii)	- Change in Fair Value of Investments	43.13	(26.26)
(iii)	- Change in Fair Value of Short-Term Investment of Surplus Funds in Mutual Funds	(7.99)	(23.98)
	Total Net Loss/(Gain) on Fair Value changes	**(356.00)**	**(53.39)**
	Fair value changes:		
(i)	- Realised	(151.88)	(819.41)
(ii)	- Unrealised	(204.12)	766.02
	Total Net Loss/(Gain) on Fair Value changes	**(356.00)**	**(53.39)**

39.1 Fair value changes in this note are other than those arising on account of accrued interest income/expense.

40. Impairment on Financial Instruments

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	On Financial Assets measured at Amortised Cost:		
(i)	Loans	5,651.97	5,980.05
(ii)	Other Financial Assets	11.11	85.68
(iii)	Letter of Comfort	31.99	(123.44)
	Total Impairment on Financial Instruments	**5,695.07**	**5,942.29**

40.1 Refer Note 46.1 for details of impairment on financial assets.

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41. Employee Benefit Expenses

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Salaries and Wages	295.38	271.52
(ii)	Contribution to Provident and other Funds	30.95	30.55
(iii)	Staff Welfare Expenses	70.01	60.72
(iv)	Rent for Residential Accommodation of Employees	10.23	8.03
	Total Employee Benefit Expenses	**406.57**	**370.82**

41.1 Disclosures as per Ind AS 19 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 50.

42. Other Expenses

(₹ in crore)

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i)	Rent, Taxes and Energy Cost	11.66	21.75
(ii)	Repairs and Maintenance	38.11	23.39
(iii)	Communication Costs	5.48	5.67
(iv)	Printing and Stationery	2.12	1.98
(v)	Advertisement and Publicity	13.67	16.73
(vi)	Directors Fees, Allowance & Expenses	0.40	0.21
(vii)	Auditor's fees and expenses	3.10	2.78
(viii)	Legal & Professional charges	21.48	19.44
(ix)	Insurance	0.32	0.37
(x)	Travelling and Conveyance	25.37	20.73
(xi)	Net Loss/(Gain) on derecognition of Property, Plant and Equipment	3.88	5.15
(xii)	Other Expenditure	128.39	67.24
	Total Other Expenses	**253.98**	**185.44**

43. Disclosure related to Income Taxes

43.1 Income tax expense recognised in Consolidated Statement of Profit and Loss:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Tax expense:		
Current Year	5,501.89	5,321.55
Earlier Years	(40.01)	401.96
(A) Total Tax Expense	**5,461.88**	**5,723.51**
Deferred Tax Expense/(Income)		
Origination and reversal of temporary differences	(847.87)	(1,548.98)
(B) Total Deferred Tax Expense/(Income)	**(847.87)**	**(1,548.98)**
Total Income Tax Expense (A+B)	**4,614.01**	**4,174.53**

43.2 Income tax expense recognised in Consolidated Other Comprehensive Income:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Current Tax Expense/(Income)		
Items that will not be reclassified to Profit and Loss		
Re-measurement of Defined Benefit Plans	(1.75)	-
(A) Total Current Tax Expense/(Income)	**(1.75)**	**-**
Deferred Tax Expense/(Income)		
(B) Items that will not be reclassified to Profit or Loss		
Re-measurement of Defined Benefit Plans	(1.72)	4.72
Net Gain/(Loss) on Fair Value of Equity Instruments	7.03	(6.01)
(C) Items that will be reclassified to Profit or Loss		
Effective portion of Gains and (Loss) on hedging instruments in Cash Flow Hedge	226.52	(13.38)
Cost of Hedging Reserve	(238.42)	(74.98)
(D) Total Deferred Tax Expense/(Income) (A+B+C)	**(6.59)**	**(89.65)**
Total Tax Expense/(Income) recognised in OCI (A+D)	**(8.34)**	**(89.65)**

43.3 Reconciliation of tax expense and accounting profit

Reconciliation of tax expenses and product of profit before tax and corporate tax rate:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Profit before Tax	**23,382.22**	**19,890.73**
Applicable Tax Rate	25.168%	25.168%
Tax using the applicable tax rate	**5,884.83**	**5,006.10**
Tax effect of:		
Non-deductible tax expenses	139.88	127.40
Tax exempt income	(2.62)	(8.62)
Deduction u/s 80M	(609.93)	(303.08)
Deduction u/s 36(1)(viii)	(1,114.48)	(1,283.04)
Others	26.31	(51.63)
Previous year tax liability	(40.00)	401.96
Impact of change in tax rate	(3.98)	
Effect of eliminations	334.00	285.44
Total tax expenses in the Consolidated Statement of Profit and Loss	**4,614.01**	**4,174.53**

43.4 Deductible temporary differences/ unused tax losses/ unused tax credits carried forward in respect of PFC

	As at 31.03.2022 (₹ in crore)	Expiry date	As at 31.03.2021 (₹ in crore)	Expiry date
Deductible temporary differences/ unused tax losses/ unused tax credits for which no deferred tax asset has been recognised	1.25	31.03.2024	1.25	31.03.2024
	2.54	31.03.2025	2.54	31.03.2025
	0.03	31.03.2028	0.03	31.03.2028
	0.07	31.03.2029	-	-

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43.5 Movement in Deferred Tax balances

FY 2021-22

(₹ in crore)

Description	Net balance at 01.04.2021	Adjustment (PFCCL)	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2022
(A) Deferred Tax Asset					
(i) Provision for expenses deductible on payment basis under Income Tax Act	40.52	(0.07)	8.22	4.27	52.94
(ii) Unamortised income on loans to borrowers	(5.32)		3.90	-	(1.42)
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	6,875.84		832.89	-	7,708.73
(iv) Depreciation and amortisation	1.46	(0.05)	(10.34)	-	(8.93)
(v) Fair value of derivatives (Net)	46.47		23.24	11.90	81.61
(vi) Others	24.38		11.59	(9.58)	26.39
(B) (Deferred Tax Liabilities)					-
(i) Unamortized exchange loss (Net)	(313.72)		32.80	-	(280.92)
(ii) Financial assets and liabilities measured at amortised cost	(209.10)		(26.26)	-	(235.36)
(iii) Fair valuation of Debt securities	-		(28.17)	-	(28.17)
(iv) Others	0.50		-	-	0.50
Net Deferred Tax (Liabilities) /Assets	**6,461.03**	**(0.12)**	**847.87**	**6.59**	**7,315.37**

FY 2020-21

(₹ in crore)

Description	Net balance at 01.04.2020	Recognised in Profit or Loss	Recognised in OCI	Net balance at 31.03.2021
(A) Deferred Tax Asset				
(i) Provision for expenses deductible on payment basis under Income Tax Act	41.54	3.86	(4.88)	40.52
(ii) Unamortised income on loans to borrowers	(12.04)	6.72	-	(5.32)
(iii) Impairment loss allowance on Financial instruments in excess of RBDD	5681.92	1,193.92	-	6,875.84
(iv) Depreciation and amortisation	0.58	0.88	-	1.46
(v) Fair value of derivatives (Net)	450.53	(315.69)	(88.37)	46.47
(vi) Others	20.64	3.74	-	24.38
(B) (Deferred Tax Liabilities)				
(i) Lease income	(47.99)	47.99	-	-
(ii) Unamortized exchange loss (Net)	(814.02)	500.30	-	(313.72)
(iii) Financial assets and liabilities measured at amortised cost	(253.46)	44.36	-	(209.10)
(iv) Others	(62.39)	62.89	-	0.50
Net Deferred Tax (Liabilities) /Assets	**5,005.31**	**1,548.98**	**(93.25)**	**6,461.03**

44. Disclosure as per Ind AS 33 "Earnings per Share"

Sr. No.	Description	FY 2021-22	FY 2020-21
(A)	Profit for the period used as numerator (basic & diluted) (₹ in crore):		
(i)	from continuing operations	14,014.79	11,747.83
(ii)	from discontinued operations	-	-
(iii)	from continuing and discontinued operations	14,014.79	11,747.83
(B)	Weighted average number of equity shares used as denominator (basic & diluted)	2,64,00,81,408	2,64,00,81,408
(C)	Earning per equity share (basic & diluted), face value ₹ 10 each (in ₹):		
(i)	for continuing operations	53.08	44.50
(ii)	for discontinued operations	-	-
(iii)	for continuing and discontinued operations	53.08	44.50

45. Capital Management

The Group maintains a capital base that is adequate to support the Group's risk profile, regulatory and business needs. The Group sources funds from domestic and international financial markets, *inter alia* leading to diverse investor base and optimised cost of capital. Refer Note 22, 23 & 24 for details w.r.t. sources of funds and refer Consolidated Statement of Changes in Equity for details w.r.t Equity.

As contained in RBI Master Directions - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time (hereinafter referred to as "RBI Master Directions"), NBFCs are required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Company and its subsidiary RECL are registered with RBI as Non Deposit Systematically Important (NDSI) NBFCs. Both the companies regularly monitor the maintenance of prescribed levels of Capital to Risk Weighted Assets Ratio (CRAR). Further, with regard to capital restructuring, the Company and its subsidiary RECL is also guided, *inter alia*, by guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Department of Public Enterprises in respect of issue of bonus shares, dividend distribution, buy back of equity shares etc.

Capital to Risk Weighted Assets Ratio (CRAR) is as under:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	PFC	RECL	PFC	RECL
CRAR – Tier I Capital	20.00%	19.58%	15.46%	16.31%
CRAR – Tier II Capital	3.48%	4.03%	3.37%	3.41%
Total CRAR	**23.48%**	**23.61%**	**18.83%**	**19.72%**

* Computed as per applicable RBI guidelines.

Dividend Distribution Policy

The companies in the Group have a well-defined dividend distribution policy. Dividend distribution policy focuses on various factors including but not limited to GoI guidelines, RBI circulars/guidelines, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes if any, subject to the guidelines as applicable from time to time.

As per the extant guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, an entity is required to pay a minimum annual dividend of 30% of Profit after Tax or 5% of the net-worth, whichever is higher subject to the maximum dividend permitted under extant legal provisions. Though respective companies' endeavours to declare dividend as per these guidelines, they may propose a lower dividend after analysis of various financial parameters like net-worth, CAPEX/business expansion needs; additional investments in subsidiaries/associates of the respective company; other regulatory requirements etc. For details of dividend paid/proposed during the year, refer Note 29.2 and 29.3.

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46. Financial Risk Management

The Group is exposed to several risks which are inherent to the environment that it operates in. The Group is primarily into the business of extending financial assistance to power sector. The principal risks which are inherent with the Group's business model and from its use of financial instruments include credit risk, liquidity risk and market risk (currency risk, interest rate risk and price risk).

The following table broadly explains the sources of risks which the Group is exposed to and how it manages the same and related impact in the consolidated financial statements:

Note	Risk	Exposure arising from	Measurement	Risk Management
46.1	Credit Risk	Loans, financial assets, investments, trade receivables, cash and cash equivalents	Ageing analysis	Detailed appraisal process, credit concentration limits, diversification of asset base and collateral including government guarantee
46.2	Liquidity Risk	Debt securities, borrowings, subordinated liabilities and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
46.3	Market Risk – Foreign Currency Risk	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity Analysis, cash flow forecasting	Derivative contracts for hedging currency risk
46.4	Market Risk – Interest Rate Risk	Debt securities, borrowings, subordinated liabilities and loans at variable interest rates	Interest rate gap analysis, Sensitivity analysis	Mix of loan arrangements with varied interest rate terms, derivative contract like interest rate swaps etc.
46.5	Market Risk – Price Risk	Investments in quoted equity instruments	Sensitivity Analysis	Diversification of portfolio, with focus on strategic investments

For managing these risks, the companies in the Group have put in place a mechanism to ensure that these risks are monitored carefully and managed efficiently. In accordance with the RBI Master Direction in order to augment risk management practices in the respective Company, PFC and its subsidiary RECL has respective Chief Risk Officers (CRO) who are involved in the process of identification, measurement and mitigation of risks. The risk management approach i.e. objectives, polices and processes for identifying, measuring and managing each of above risk is set out in the subsequent paragraphs.

46.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Group by failing to discharge its obligation. Details of financial assets that expose the Group to credit risk (gross carrying amount) are:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Low Credit Risk		
Cash and cash equivalents[(a)]	914.24	4,927.74
Bank balances other than included in cash and cash equivalents[(a)]	5,770.26	3,274.82
Loans (Principal outstanding)[(c)]	6,57,482.61	6,55,373.44
Trade Receivables[(b)]	123.02	151.99
Investments (Excluding equity investments)[(a)]	2,138.59	1,594.76
Other financial assets[(b)]	29,820.35	29,779.87
Moderate Credit Risk		
Loans (Principal outstanding)[(c)]	62,938.57	50,408.61
Trade receivables[(b)]	30.97	55.32
High Credit Risk		
Investments (Excluding equity investments)[(a)]	101.67	-
Loans (Principal outstanding)[(c)]	38,075.17	39,407.09
Other financial assets[(b)]	115.97	111.37
Trade receivables[(b)]	63.32	54.26

[(a)] Credit risk on cash and cash equivalents and other bank balances is limited as these are held with scheduled commercial public sector banks, high rated private sector banks and mutual fund houses, across the country with diversified deposit base. The Companies in the Group diversify the deposit base by deploying funds in various types of instruments with respective banks/ mutual fund houses.

Exposure to credit risk on investments is managed by diversifying the investment portfolio, periodically monitoring such investments, and applying the appropriate valuation techniques to arrive at the carrying value.

(b) Credit risk on trade receivables and other financial assets is mitigated by assessing the credit worthiness of debtors and is managed by monitoring the recoverability of such amounts. The Group carries requisite impairment loss allowance on such trade receivables and other financial assets.

(c) The Group is exposed to credit risk primarily through its lending operations. The same is explained in the paragraphs below (Note 46.1.1 – Note 46.1.13).

46.1.1 Credit Risk Management Approach for lending operations

A. In respect of PFC

PFC has put in place key policies and processes for managing credit risk, which include formulating credit policies, guiding the PFC's appetite for credit risk exposures, undertaking reviews & objective assessment of credit risk, and monitoring performance and management of portfolios. All the procedures and processes of the Company are ISO 9001:2015 certified.

The credit risk management covers two key areas, i.e., project appraisal & project monitoring. PFC selects the borrowers in accordance with the PFC's approved credit policy, which *inter alia*, defines factors to be considered for rating of the borrower/ project. PFC's customer selection procedure assesses viability of project along with that of its promoting entity. Rate of interest and maximum admissible exposure is, *inter alia*, based on internal rating awarded by PFC.

(i) Appraisal of Projects

PFC follows a systematic, institutional project appraisal process to assess the credit risk before financing any project.

(a) Appraisal for Private Sector Power Projects

For private sector projects, a two-stage appraisal process is followed. Initially a preliminary appraisal is carried out in order to decide the *prima facie* preparedness of the project to be taken up for detailed appraisal. Detailed appraisal is carried out for those projects shortlisted by the Competent Authority on the basis of preliminary appraisal.

PFC along with evaluation of project viability also assesses the ability of its promoter(s) to contribute equity and complete the project. PFC follows an integrated rating methodology whereby Integrated Rating (IR) is calculated using the weighted average of the scores of the project grading and promoter grading. Based on the IR of the project, terms and conditions (including security package, interest rate and debt equity ratio) are stipulated.

(b) Appraisal for State Sector Power Projects

State sector projects are taken up for detailed appraisal to determine, *inter alia*, if it is techno economically sound and compatible with integrated power development & expansion plans of the State.

PFC classifies state power generation and transmission utilities into various risk rating grades based on the evaluation of utility's performance against specific parameters covering operational and financial performance. With regards to transmission utilities, PFC adopts the categorisation of its subsidiary RECL as per its policy. With regard to State Power Distribution utilities including integrated utilities, PFC's categorisation policy provides for adoption of Ministry of Power's (MoP's) Integrated Ratings by aligning such ratings/ grading with that of PFC's rating structure.

Such categories/ ratings are used to determine credit exposure limits, security requirements and pricing of loans given to the State Sector Borrowers. PFC also has a mechanism in place for monitoring the exposure to single borrower and exposure within a State.

The detailed project appraisal involves technical and financial appraisal covering various aspects such as project inputs, statutory and non-statutory clearances, contracts, project linkages, financial modelling/ projections, calculation of returns, sensitivity analysis etc.

After detailed analysis indicated above, the overall viability of the project and entity is assessed and various conditions in the form of pre-commitment, pre-disbursement and other conditions are stipulated so as to ensure tying up of funds (debt and equity both), all physical inputs, appropriateness of all the contracts, compliance of conditions precedent in agreements/ contracts/ statutory and non- statutory clearances related to the project etc. and in general to ensure bankability of the project & protection of the interest of PFC as a lender for timely servicing of debt. PFC has an authorisation/ delegation structure for the approval of credit facilities commensurating with the size of the loan.

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(ii) Security and Covenants

PFC stipulates a package of security measures/covenants to mitigate risks during the construction and post COD (commercial operation date) stage of the project. Based on the risk appetite and appraisal of the project, PFC adopts a combination of the following measures:

(a) Primary Security – Charge on Project Assets or State Government Guarantees

(b) Collateral Securities – Corporate guarantee, Personal guarantee of promoters, Pledge of shares, Charge on assets/ revenues of group/other companies

(c) Payment Security Mechanism – Escrow Account/Letter of Credit, Trust and Retention Account (TRA)

(d) Other covenants – Assignment of all project contracts, documents, insurance policies in favour of the Company, Upfront equity requirement, Debt Service Reserve Account (DSRA), Debt Equity ratio, shareholders' agreements, financial closure, etc.

(iii) Project Monitoring

PFC has comprehensive project/loan monitoring guidelines that captures aspects relating to monitoring, tracking of project construction, implementation, identifies risks where intervention is required to minimise the time/ cost overruns/ consequent slippages in disbursements and including progress of commissioned projects.

For State sector projects, monitoring is carried out based on project progress details obtained regularly from borrowers through progress monitoring reports, site visits, discussions with the borrowers, information/reports available on Central Electricity Authority's (CEA) website etc.

For private sector, where PFC is Lead Financial Institution (FI), PFC engages Lenders' Engineers (LEs) and Lenders' Financial Advisors (LFAs), which are independent agencies to act on behalf of various lenders/consortium members. The LEs conduct periodic site visits, review relevant documents, discusses with the borrowers and submit its reports on progress of the project. LFAs submit the statements of fund flow and utilisation of funds in the project periodically. In cases where PFC is not the lead FI, the tasks related to LEs and LFAs services are coordinated with the concerned lead lender.

Also, the consolidated periodic progress report of certain projects is prepared comprising important observations/ issues viz. areas of concern, reasons for delay, issues affecting project construction/implementation etc. and is reviewed by PFC on a regular basis.

PFC continuously monitors delays and/or default of borrowers and their recoverability. On occurrence of default in the borrower's account, PFC initiates necessary steps which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC) etc., regularisation of the account by recovering all overdues, invocation of guarantees/ securities to recover the dues, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP) under IBC -2016, sale of the exposures to other entities/investors, other recovery mechanisms like referring the case for legal action before Debt Recovery Tribunal (DRT), SARFAESI, etc. and other actions as specified under regulatory/legal framework.

B. In respect of RECL

The credit risk is managed at different levels including at appraisal, disbursements and post disbursement monitoring. RECL has "Integrated Rating Guidelines" and "Comprehensive Risk Management Policy". To mitigate credit risk, RECL follows systematic institutional and project appraisal process to assess the credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. Further, on periodic basis, the loan assets are reviewed and categorised as High/Moderate/Low based on ECL Methodology. The process for Credit Risk Management is as under:

(i) RECL has "Integrated Rating Guidelines" covering credit assessment, risk grading, collateral requirements, reporting, monitoring of end utilisation of funds etc. Further, independent Lender legal counsels are appointed to ensure effective documentation and mitigation of legal risk.

(ii) For all existing private sector projects, where RECL is Lead Financial Institution, RECL engages Lender's Independent Engineers (LIE), Lender's Financial Advisors (LFA) and Lender's Insurance Advisors (LIA), which are independent agencies

who act on behalf of various lenders and consortium members. LIE conducts periodic site visits and submits reports on progress status of the project, after discussion with borrower and inspection/ review of relevant documents. LFA submit the statements of fund flow and utilisation of funds in the project periodically. In cases where RECL is not the lead Financial Institution, the tasks related to LIE and LFA services are being coordinated with the lead lender.

RECL also endeavours to appoint a separate Project Management Agency (PMA) for new projects being financed, which subsumes the entire works of LIE /Project Management Consultant (PMC), LFA and LIA for better coordination among the agencies. PMA is stationed at project site to closely monitor various day to day project execution activities including monitoring of project progress, review of EPC/non-EPC contracts & invoices, fund utilisation and insurance for the project. PMA also verifies the bills of original equipment manufacturer/ supplier, composite works contractor and give its recommendation for disbursement. Initial due diligence is also be performed by PMA taking the sanctity of technical and financial parameters including original project cost & COD.

Concurrent Auditors/Agencies for Specialised monitoring/Cash Flow monitoring agencies are being appointed by REC/ Lenders on case to case basis for effective monitoring of Trust & Retention Account (TRA) for stressed projects.

(iii) RECL has an authorisation structure for the approval and renewal of credit facilities. Authorisation limits have been established commensurating with the size of business proposal at CMD/Executive Committee/Loan Committee/Board of Directors based on the recommendation of Screening Committee, as appropriate.

(iv) RECL has developed risk grading structure to categorise its exposures according to the degree of risk of default by charging appropriate interest rates and security package.

(v) Regular reports on the credit quality of loan portfolios are provided to Risk Management Committee and Board, which may require appropriate corrective action to be taken.

(vi) External agencies are appointed from time to time to review the guidelines, policy and existing practices being followed by business units along with providing the specialist skills to promote best practice throughout RECL for management of credit risk.

(vii) Individual and Group Credit Exposures are assessed against designated limits, before facilities are committed to borrowers by the business unit concerned. Sanction of additional facilities is also subject to the same review process.

(viii) RECL continuously monitors delays and/ or default of borrowers & other counterparties and their recoverability. On occurrence of default in the borrower's account, RECL initiates necessary steps to cure the default which may involve action(s) including, but not limited to, Special Mention Account (SMA) reporting to RBI, credit information reporting to Central Repository of Information on Large Credits (CRILC), etc., monitoring of the TRA account, conversion of loan into equity as per loan agreement, restructuring of loan account, formulating resolution plan with the borrower, change in ownership, Corporate Insolvency Resolution Process (CIRP), sale of the exposures to other entities/ investors and other recovery mechanisms including invocation of guarantees/ securities to recover the dues.

46.1.2 Credit Risk Measurement – Impairment Assessment for Lending Operations

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Group uses the following basis:

- A financial asset that is not credit impaired on initial recognition is classified in 'Stage 1'.
- If a significant increase in credit risk (SICR) is identified, the financial asset is moved to 'Stage 2'.
- If the financial asset is credit-impaired, it is moved to 'Stage 3' category.

A. In respect of PFC

PFC recognises impairment loss allowance in accordance using the expected credit loss (ECL) model for the financial assets which are not categorised at fair value through profit or loss.

I. **Default:** In accordance with Ind AS 109, PFC considers the rebuttable presumption to define a financial asset as in default, i.e. when the loan account is more than 90 days past due on its contractual payments. Credit impaired financial assets are aligned with the definition of default.

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II. SICR - An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In accordance with Ind AS 109, PFC has applied rebuttable presumption that considers more than 30 days past due as a parameter for determining significant increase in credit risk.

In case of Stage 3 financial assets, after implementation of the resolution plan (except for change of ownership and/or resolution through NCLT), the financial asset is upgraded and classified as Stage 2 for two quarters from the date of implementation of resolution plan.

III. Measurement of Expected Credit Loss (ECL)

PFC recognises impairment loss allowance for the financial assets in accordance with a board-approved expected credit loss (ECL) policy. ECL is measured on either a 12 month or lifetime basis depending on whether there is significant increase in credit risk since initial recognition. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). PFC has appointed an independent agency, ICRA Analytics Ltd., during the financial year for assessment of ECL in accordance with Ind AS 109. The brief methodology of computation of ECL is as follows:

(i) Probability of default (PD)

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. For assessing 12 month PD, probability of a loan defaulting in next 12 months is ascertained and similarly for assessing lifetime PD, probability of a loan defaulting in its remaining lifetime is ascertained. For Stage 1 accounts, 12 months PD is used.

For Stage 2 (significantly increased credit risk accounts), Lifetime PD is used. For Stage 3 (credit impaired accounts), 100% PD is taken.

For 12 month PD: PDs as associated with external ratings grades (published as a part of rating transition matrix of ICRA) have been used for assessment of ECL. In case of State Sector borrowers, the same have been derived on the basis of mapping with the Company's internal ratings. Whereas in case of private sector borrowers, the same have been derived on the basis of mapping with latest external ratings as published by various credit rating agencies. In case of non-availability of external rating for private sector borrowers, the 12-month PD has been computed through a Proxy Risk Scoring Model developed by the agency. The said model uses the quantitative financial ratios like Gearing (Debt/Equity), Return on Capital Employed, Interest Coverage ratio, Debt to EBITDA ratio and qualitative parameters like Plant Load Factor, LAF and ACS ARR gap.

For Lifetime PD: Markov Chain Model has been used to compute Lifetime PDs of the rating grade.

(ii) Loss Given Default (LGD)

LGD is the loss factor which the Company may experience in case the default occurs.

For State sector borrowers, LGD has been assigned on the basis of risk category considering State GDP and fiscal deficit.

In case of Private sector borrowers, LGD has been assessed considering factors like Project Cost per Unit, Percentage Completion, Project Capacity in case of generation projects and on the basis of book value of assets, Percentage Completion in case of transmission & distribution projects. The said assessed values have thereafter been discounted by applying stress factor and depreciation based on useful life of assets as published by CERC. Further, stage wise average LGD had been applied in case of other types of projects.

For Stage 3 borrowers, LGD has been assessed based on discounted projected cash flow analysis for operational projects and on assets valuation/Bid value/OTS amount etc. as available for other projects.

(iii) Exposure at Default (EAD)

It is outstanding exposure on which ECL is computed. EAD includes outstanding principal and interest in respect of the loan.

(iv) Key assumptions used in measurement of ECL

- PFC considers the date of initial recognition as the base date from which significant increase in credit risk is determined.
- Since PFC has a right to cancel any sanctioned but undrawn limits to any of its borrowers, EAD is assumed to be outstanding balance and interest of the loan as on the reporting date.

(v) The assessment of significant increase in risk and the calculation of ECL both incorporate forward-looking information. Further, the independent agency appointed to assist the Company in ECL assessment also consider the forward-looking information in the determination of the impairment allowance to be assigned to the borrower, by taking into consideration various project operational parameters, project financial ratios, extension of the project completion and also possibility of stressed and favourable economic conditions. Further, the independent agency has also added some additional macroeconomic parameters such as IIP (index of industrial production) electricity y-o-y growth rate, Money supply y-o-y growth rate to arrive at a weighted shock factor to the base PD term structure for ECL computation so as to reflect the right risk assessment of the utilities.

B. In respect of RECL

The impairment loss allowance on loan assets is provided as per Ind AS 109 in accordance with a board- approved policy, which measures the credit risk on the basis of key financial and operational parameters to assess improvement/ deterioration in credit quality. Management overlays to the model output, if any, are duly documented and approved by the Audit Committee. The evaluation of Expected Credit Loss (ECL) is undertaken by an independent agency, ICRA Analytics Limited (formerly ICRA Online Limited).

I. RECL has an internal system of grading for State Governments, Public Sector Undertakings and State Power Utilities. However, for Distribution Companies (DISCOMs), RECL adopts the ratings by the Ministry of Power as and when they are updated. These ratings are mapped with external rating grades published by various credit rating agencies as part of rating transition matrix. For private borrowers, RECL uses the external rating as published by various credit rating agencies or proxy risk scores in case such rating is not available. The proxy risk score model considers following parameters:

Quantitative factors

- Debt/EBITDA (30% weightage)
- Return on Capital Employed (15% weightage)
- Interest Coverage (25% weightage)
- Gearing (Debt/Equity) (30% weightage)

Qualitative Factors

- Quarter wise Operational Parameters like PPA, PLF, ACS – ARR Gap, and LAF
- Actual Default dates
- Status of the Project

II. Significant Increase in Credit Risk (SICR)

RECL considers a financial instrument to have experienced a significant increase in credit risk when on any financial instrument if the payment is more than 30 days past due on its contractual payments.

III. Definition of default and credit-impaired assets

RECL defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when the loan account is more than 90 days past due on its contractual payments or any such period allowed by RECL in line with circular issued by the Reserve Bank of India.

IV. Measuring ECL – explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.
- EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.
- LGD represents RECL's expectation of loss given that a default occurs. LGD is expressed in percentage and it shows the proportion of the amount that will actually be lost post recoveries in case of a default.

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V. Determination of Probability of Default (PD)

RECL has analysed the available annual rating transition matrix published by credit rating agencies to arrive at annual transition matrix based PD. This annual transition matrix was extrapolated to arrive at the lifetime probability of default of various rating grades by loan tenure/maturity profile i.e. lifetime PD.

VI. Loss Given Default (LGD) computation model

Based on the historical trend, research and industry benchmarking, RECL has constructed a LGD model. Factors reviewed in the LGD model include Project cost per unit, PPA status, FSA status etc. Based on internal research RECL has benchmarked these factors for Thermal, Renewable in Private Sector. In case of Private sector borrowers, the realisable value of the assets were arrived at using suitable assumptions, including valuation on outcome of the resolution process etc., to arrive at LGD. For State Government and Public sector projects, RECL has factored in the state support and assumed that the State/Central governments would step in to repay debt obligations of the state utilities as witnessed in the past.

VII. Alignment of LGD in case of Stage 3 Assets

Stage 3 Assets, where RECL and PFC (Group Companies) are in Consortium for Stage-3 Loan accounts, RECL considers LGD on the following basis:

a) In cases where either RECL or PFC is lead lender, LGD % calculated by the lead lender is adopted

b) In cases where neither RECL nor PFC is lead lender, higher of the LGD% worked out by RECL and PFC is adopted.

VIII. Key assumptions used in measurement of ECL

a) RECL considers the date of initial recognition as the base date from which significant increase in credit risk is determined.

b) EAD represents the amounts, including the principal outstanding, interest accrued and outstanding Letters of Comfort that RECL expects to be owed at the time of default.

IX. Collateral and other credit enhancements

RECL employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds disbursed. RECL has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgage of Immovable properties
- Hypothecation of Moveable property
- Assignment of project contract documents
- Pledge of instruments through which promoters' contribution is infused in the project
- Pledge of Promoter Shareholding
- Corporate and personal Guarantee of Promoters

46.1.3 Credit risk analysis for Lending Operations

Exposure to credit risk

For loans recognised in the balance sheet, the gross exposure to credit risk equals their carrying amount. Refer Note 12 'Loans' for Group's exposure to credit risk arising from loans.

For financial guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the guarantees are called upon. For irrevocable loan commitments, the maximum exposure to credit risk is the full amount of the commitment facilities. Refer Note 52 for exposure of Guarantee and Outstanding Disbursement Commitments.

A. In case of PFC

The credit quality and maximum exposure (principal outstanding) to credit risk based on days past due and year end stage classification of loans is tabulated below:

(₹ in crore)

Days past Due (DPD)	As at 31.03.2022				As at 31.03.2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
No overdue	3,20,384.30	594.09 *	-	3,20,978.39	3,01,686.14	13,178.38 *	-	3,14,864.52
1-30 days	5,320.69	-	-	5,320.69	414.13	-	-	414.13
31-60 days	-	2,190.12	-	2,190.12	-	14,261.70	-	14,261.70
61-90 days	-	21,477.77	-	21,477.77	-	18,313.31	-	18,313.31
More than 90 days	-	2,252.36[@]	20,915.28	23,167.64	-	1,767.16[@]	21,150.16	22,917.32
Total	**3,25,704.99**	**26,514.34**	**20,915.28**	**3,73,134.61**	**3,02,100.27**	**47,520.56**	**21,150.16**	**3,70,770.99**

* Since the borrower is in stage 2 in other loans, these loans (which otherwise would have been categorised in stage 1) have also been categorised in stage 2.

[@]Refer Note 40.1.10

B. In respect of RECL

Credit Risk Exposure in respect of the borrowers with different credit ratings is as under:

(₹ in crore)

Credit Risk Category (Internal/ Mapped Ratings)	As at 31.03.2022				As at 31.03.2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
Very Good (AAA | AA | A | Government Loan)	1,81,968.90	11,661.35	-	1,93,630.25	2,20,485.16	1,421.82	-	2,21,906.98
Good (BBB | BB | B)	96,631.68	24,762.88	-	1,21,394.57	1,07,998.93	69.68	-	1,08,068.61
Average (C)	54,755.07	-	-	54,755.07	28,532.47	-	-	28,532.47
Fair (D)	2,521.34	-	-	2,521.34	1,874.55	1,396.55	-	3,271.10
Non-Performing(D)	-	-	17,159.89	17,159.89	-	-	18,256.93	18,256.93
Gross Exposure	**3,35,876.99**	**36,424.23**	**17,159.89**	**3,89,461.12**	**3,58,891.11**	**2,888.05**	**18,256.93**	**3,80,036.09**
Loss allowance	2,790.22	369.61	11,565.73	14,725.57	1,282.46	141.43	11,791.31	13,215.20
Net Exposure	**3,33,086.77**	**36,054.62**	**5,594.16**	**3,74,735.55**	**3,57,608.65**	**2,746.62**	**6,465.62**	**3,66,820.89**

46.1.4 Concentration of credit risk

Credit concentration risk refers to risk associated with large credit/investment exposure to a single company or a group of companies based on its ownership, sector, region etc. that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions, with the potential to adversely affect lender's core operations.

The following table sets out an analysis of risk concentration of overall loan portfolio of PFC and its subsidiary, RECL on the basis of similar risk characteristics:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by ownership				
Loans to state sector (i.e. entities under the control of state and/or central government)	6,64,451.23	4,210.05	6,47,197.74	2,272.49
Loans to private sector	94,045.12	27,864.03	97,991.40	27,539.42
Total	**7,58,496.35**	**32,074.08**	**7,45,189.14**	**29,811.91**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 98.11 Cr. (as at March 31, 2021 ₹ 66.12 Cr.)

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Loans to state sector are well diversified as these are extended to multiple entities under the control of various State Governments and Central Government. The Companies considers that these loans have a low credit risk in comparison to lending to private sector mainly due to low default/loss history in state sector and availability of government guarantee in certain loans. Presence of Government interest in these projects also lowers the risk of non-recoverability of dues.

Further, the Companies have a lending portfolio comprising of loans to generation, renewable, transmission and distribution power projects spread across diverse geographical areas.

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Principal outstanding	Impairment loss allowance*	Principal outstanding	Impairment loss allowance*
Concentration by schemes				
Generation	3,28,159.85	24,617.30	3,41,944.76	24,810.36
Renewable	48,626.18	3,059.17	53,976.04	2,134.37
Transmission	95,379.62	2,072.49	90,528.86	1,697.34
Distribution	2,80,113.01	2,304.13	2,52,132.27	1,130.80
Others	6,217.69	20.98	6,607.21	39.04
Total	**7,58,496.35**	**32,074.08**	**7,45,189.14**	**29,811.91**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 98.11 crore (as at March 31, 2021 ₹ 66.12 crore)

The exposure to various projects and borrowers is constantly monitored in line with the Credit Concentration Norms applicable to the Companies in the Group.

46.1.5 Details of Stage wise Principal outstanding and Impairment loss Allowance in respect of PFC & RECL:

Particulars	As at 31.03.2022			As at 31.03.2021		
	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage(%)	Principal Outstanding	Impairment loss allowance*	Impairment loss allowance Coverage(%)
Stage 1	6,57,482.61	4,849.04	0.74	6,55,373.44	2,517.57	0.38
Stage 2	62,938.57	1,314.93	2.09	50,408.61	2,086.67	4.14
Stage 3	38,075.17	25,910.11	68.05	39,407.09	25,207.67	63.97
Total	**7,58,496.35**	**32,074.08**	**4.23**	**7,45,189.14**	**29,811.91**	**4.00**

*including impairment loss allowance on Letter of Comfort (LoC) and Guarantee of ₹ 98.11 Cr. (as at March 31, 2021 ₹ 66.12 Cr.)

46.1.6 Details of Stage-wise movement of Principal outstanding and Impairment loss Allowance:

The following tables explain the changes in the loans and the corresponding impairment loss allowance (including impairment loss allowance on Letter of Comfort and Guarantees) in respect of PFC & RECL between the beginning and the end of the reporting period:

(₹ in crore)

FY 2021-22	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	**6,55,373.44**	**2,517.58**	**50,408.61**	**2,086.67**	**39,407.09**	**25,207.67**	**7,48,189.14**	**29,812.99**
Transfer to Stage 1	21,109.54	1,250.50	(19,103.75)	(514.18)	(2,005.79)	(736.33)	-	-
Transfer to Stage 2	(36,173.14)	(44.11)	36,189.77	48.20	(16.63)	(4.09)	-	-
Transfer to Stage 3	(2,657.15)	(329.49)	(1,120.58)	(852.23)	3,777.73	1,181.73	-	-
Net change in Principal/ ECL during the year	13,582.41	1,681.06	(1,394.26)	516.66	5.91	2,760.71	12,194.05	4,958.53
New financial assets originated	74,969.67	690.62	3,957.10	40.29	-	-	78,926.77	730.91
Financial assets derecognised (loans repaid/pre-payment)	(68,722.16)	(917.12)	(5,535.67)	537.45	(235.65)	295.65	(77,493.48)	(85.19)
Financial Assets derecognised (Write Off)	-	-	(462.65)	(547.93)	(2,857.49)	(2,795.23)	(3,320.14)	(3,343.16)
Closing Balance	**6,57,482.61**	**4,849.04**	**62,938.57**	**1,314.93**	**38,075.17**	**25,910.11**	**7,58,496.35**	**32,074.08**

(₹ in crore)

FY 2020-21	Stage 1		Stage 2		Stage 3		Total	
Particulars	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance	Principal Outstanding	Impairment loss allowance
Opening Balance	**5,82,949.37**	**930.13**	**35,252.65**	**1,737.73**	**49,127.25**	**25,300.59**	**6,67,329.27**	**27,968.45**
Transfer to Stage 1	29,007.95	552.11	(25,890.73)	(129.76)	(3,117.21)	(422.35)	-	-
Transfer to Stage 2	(38,926.86)	(39.83)	42,034.50	317.95	(3,107.64)	(278.12)	-	-
Transfer to Stage 3	(151.59)	(3.28)	(36.22)	(0.38)	187.81	3.66	-	-
Net change in Principal/ ECL during the year	5,745.50	541.86	(958.63)	1,154.53	51.36	3,843.74	4,838.23	5,540.13
New financial assets originated	1,38,527.28	653.24	1,921.09	7.36	2.00	0.20	1,40,450.37	660.80
Financial assets derecognised (loans repaid/pre-payment)	(25,440.44)	(17.28)	(587.02)	(0.04)	(201.68)	(43.42)	(26,229.14)	(60.74)
Financial Assets derecognised (Write Off)	(66.59)	(2.67)	(905.44)	(905.44)	(533.49)	(533.49)	(1,505.52)	(1,441.60)
Financial Assets derecognised (Investment Received)	(36,271.19)	(96.69)	(421.58)	(95.28)	(3,001.30)	(2,663.15)	(39,694.07)	(2,855.12)
Closing Balance	**6,55,373.44**	**2,517.57**	**50,408.61**	**2,086.67**	**39,407.09**	**25,207.67**	**7,45,189.14**	**29,811.91**

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46.1.7 Movement of Credit Impaired Accounts (Stage 3 accounts):

The following tables explain the changes in credit impaired accounts (stage 3 accounts) and the corresponding impairment loss allowance in respect of PFC & RECL between the beginning and the end of the reporting period

(₹ in crore)

Sr. No.	Description	As at 31.03.2022	As at 31.03.2021
(i)	Net Credit Impaired accounts to Gross Loans (%)	1.60%	1.91%
(ii)	Net Credit Impaired accounts to Net Loans (%)	1.66%	1.97%
		FY 2021-22	FY 2020-21
(iii)	Movement of Gross Credit Impaired accounts		
	(a) Opening balance	39,407.09	49,127.26
	(b) Additions during the year	3,003.41	243.33
	(c) Reductions/ write offs during the year	(4,335.33)	(9,963.49)
	(d) **Closing balance**	**38,075.17**	**39,407.09**
(iv)	Movement of Net Credit Impaired accounts		
	(a) Opening balance	14,199.42	23,826.66
	(b) Additions during the year	593.80	166.12
	(c) Reductions/write offs during the year	(2,628.16)	(9,793.36)
	(d) **Closing balance**	**12,165.06**	**14,199.42**
(v)	Movement of impairment loss allowance on Credit Impaired accounts		
	(a) Opening balance	25,207.67	25,300.59
	(b) Provisions made during the year	3,646.63	3,848.12
	(c) Write-off/write-back of excess provisions	(2,944.19)	(3,941.04)
	(d) **Closing balance**	**25,910.11**	**25,207.67**

46.1.8 Write off of Loan Assets

PFC and RECL writes off financial assets, in whole or in part, when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasure of enforcement activity or where the Company's recovery method is foreclosing on collateral and the value of collateral is such that there is no reasonable expectation of recovery in full.

46.1.9 Policy for sale out of amortised cost business

PFC & RECL does not resort to the sale of financial assets, in ordinary course of business. However, the respective companies have approved policies that they may proceed for resolution of stressed assets by either restructuring, change of ownership, settlement or otherwise. The assets are then assessed for derecognition as per Ind AS 109 'Financial Instruments'

46.1.10 Disclosure in respect of accounts that are beyond 90 days overdue but not treated as credit impaired :

Particulars	As at 31.03.2022	As at 31.03.2021
Number of Borrowers	4	2
Amount of loan outstanding (₹ in crore)	2,252.36	1,767.16
Amount overdue* (₹ in crore)	188.18	100.91
Amount of Impairment Loss allowance (₹ in crore)	815.87	1,086.48

*excluding overdue interest of ₹ 242.87 crore as at March 31, 2022 (As at March 31, 2021 ₹ 249.65 crore).

Pursuant to Ad-interim order from Hon'ble High Court(s), these borrower(s) accounts have not been classified as Credit Impaired. The Group holds adequate impairment loss allowance with respect to these loan accounts and has categorised them into Stage 2. The interest income is also not been recognised on these loan accounts on accrual basis since these loans are more than 90 days past due.

46.1.11 In accordance with RBI's Master Direction-Non-Banking Financial Company- Systemically Important Non-Deposit Taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, NPA ratios are as under:

NPA ratios duly considering the loans which would have been otherwise required to be classified as NPA as per RBI norms is as under:

Particulars	PFC		RECL	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Gross NPA to Gross Loans	6.58%	5.99%	4.45%	5.04%
Net NPA to Net Loans	2.76%	2.45%	1.51%	1.99%

46.1.12 Details of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and impairment loss allowance as per Ind AS 109 'Financial Instruments'

A. In respect of PFC

As at March 31, 2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,26,133.66	1,676.69	3,24,456.96	1,331.16	345.54
	Stage 2	27,458.63	944.20	26,514.44	637.72	306.48
	Stage 3	-	-	-	-	-
Sub-Total		**3,53,592.29**	**2,620.89**	**3,50,971.40**	**1,968.88**	**652.01**
Non-Performing Assets (NPA)						
Substandard	Stage 1	296.48	1.33	295.15	29.62	(28.29)
	Stage 2	151.37	1.12	150.25	14.83	(13.70)
	Stage 3	1,142.64	332.93	809.71	114.26	218.66
Sub-Total for Substandard		**1,590.49**	**335.38**	**1,255.11**	**158.71**	**176.68**
Doubtful - up to 1 year	Stage 1	32.80	0.01	32.78	6.44	(6.42)
1 to 3 years	Stage 1	107.00	0.10	106.91	31.40	(31.30)
More than 3 years	Stage 1	3,105.80	310.93	2,794.87	1,522.95	(1,212.02)
Doubtful - up to 1 year	Stage 3	170.10	133.43	36.67	78.22	55.21
1 to 3 years	Stage 3	3,743.76	1,770.31	1,973.45	1,189.36	580.95
More than 3 years	Stage 3	12,779.39	9,181.94	3,597.46	9,120.21	61.73
Sub-Total for doubtful		**19,938.85**	**11,396.72**	**8,542.14**	**11,948.57**	**(551.85)**
Loss	Stage 3	3,079.39	2,918.31	161.08	3,079.39	(161.08)
Sub-Total for NPA		**24,608.74**	**14,650.41**	**9,958.33**	**15,186.66**	**(536.25)**

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for the year ended March 31, 2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	69.75	(69.75)	-	69.75
	Stage 2	-	-	-	-	-
	Stage 3	-	7.47	(7.47)	-	7.47
Sub-Total		**-**	**77.21**	**(77.21)**	**-**	**77.21**
Total	**Stage 1**	**3,29,675.75**	**2,058.82**	**3,27,616.93**	**2,921.55**	**(862.74)**
	Stage 2	**27,610.01**	**945.32**	**26,664.69**	**652.55**	**292.77**
	Stage 3	**20,915.28**	**14,344.38**	**6,570.90**	**13,581.44**	**762.95**
	Total	**3,78,201.04**	**17,348.52**	**3,60,852.51**	**17,155.54**	**192.98**

As at March 31, 2021

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,05,410.67	1,193.00	3,04,217.67	1,586.86	(393.86)
	Stage 2	49,037.04	1,901.40	47,135.64	2,226.57	(325.17)
	Stage 3	-	-	-	-	-
Sub-Total		**3,54,447.71**	**3,094.40**	**3,51,353.31**	**3,813.43**	**(719.03)**
Non-Performing Assets (NPA)						
Substandard	Stage 1	321.79	29.33	292.46	32.17	(2.84)
	Stage 2	-	-	-	-	-
	Stage 3	170.10	40.24	129.86	17.01	23.23
Sub-Total for Substandard		**491.89**	**69.57**	**422.32**	**49.18**	**20.39**
Doubtful - up to 1 year	Stage 1	115.49	0.05	115.44	22.59	(22.55)
1 to 3 years	Stage 1	313.92	0.50	313.42	94.35	(93.85)
More than 3 years	Stage 1	316.45	0.11	316.34	154.45	(154.34)
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	13,863.97	7,703.23	6,160.75	6,357.63	1,345.59
More than 3 years	Stage 3	5,874.82	4,431.62	1,443.19	4,650.66	(219.04)
Sub-Total for doubtful		**20,484.65**	**12,135.51**	**8,349.14**	**11,279.68**	**855.81**
Loss	Stage 3	1,241.27	1,241.27	-	1,241.27	-
Sub-Total for NPA		**22,217.85**	**13,446.35**	**8,771.50**	**12,570.14**	**876.21**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	13.20	(13.20)	-	13.20
	Stage 2	-	43.83	(43.83)	-	43.83
	Stage 3	-	-	-	-	-
Sub-Total		**-**	**57.03**	**(57.03)**	**-**	**57.03**
Total	**Stage 1**	**3,06,478.32**	**1,236.19**	**3,05,242.13**	**1,890.43**	**(654.24)**
	Stage 2	**49,037.04**	**1,945.24**	**47,091.81**	**2,226.57**	**(281.33)**
	Stage 3	**21,150.16**	**13,416.36**	**7,733.80**	**12,266.57**	**1,149.79**
	Total	**3,76,665.52**	**16,597.79**	**3,60,067.74**	**16,383.57**	**214.22**

B. In respect of RECL

As at March 31, 2022

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,32,586.36	2,769.32	3,29,817.04	1,771.72	997.60
	Stage 2	36,888.95	369.61	36,519.34	391.52	(21.91)
Sub-Total		**3,69,475.31**	**3,138.93**	**3,66,336.38**	**2,163.24**	**975.69**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,512.49	437.16	1,075.33	190.83	246.33
Doubtful - up to 1 year	Stage 3	33.28	3.33	29.95	7.25	(3.92)
1 to 3 years	Stage 3	4,534.01	2,981.99	1,552.01	1,952.89	1029.10
More than 3 years	Stage 3	11,062.89	8,126.03	2,936.86	8,108.58	17.45
Sub-Total for doubtful		**15,630.18**	**11,111.35**	**4,518.82**	**10,068.72**	**1042.63**
Loss		17.22	17.22	-	17.22	-
Sub-Total for NPA	**Stage 3**	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
Total Loan Assets		**3,86,635.20**	**14,704.66**	**3,71,930.53**	**12,440.01**	**2264.65**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	4,089.85	20.90	4,068.95	-	20.90
Sub-Total		**4,089.85**	**20.90**	**4,068.95**	**-**	**20.90**
Total	**Stage 1**	**3,36,676.21**	**2,790.22**	**3,33,885.99**	**1,771.72**	**1018.50**
	Stage 2	**36,888.95**	**369.61**	**36,519.34**	**391.52**	**(21.91)**
	Stage 3	**17,159.89**	**11,565.73**	**5,594.15**	**10,276.77**	**1,288.96**
	Total	**3,90,725.05**	**14,725.56**	**3,75,999.48**	**12,440.01**	**2285.55**

As at March 31, 2021

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,57,285.43	1,273.37	3,56,012.06	2,304.84	(1,031.47)
	Stage 2	2,925.24	141.43	2,783.81	145.62	(4.19)
Sub-Total		**3,60,210.67**	**1,414.80**	**3,58,795.87**	**2,450.46**	**(1,035.66)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	36.31	3.63	32.68	3.63	-
Doubtful - up to 1 year	Stage 3	560.99	303.81	257.18	301.24	2.57
1 to 3 years	Stage 3	13,786.04	8,514.57	5,271.46	6,913.49	1,601.08
More than 3 years	Stage 3	3,856.37	2,952.08	904.29	2,665.23	286.85

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Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Sub-Total for doubtful		**18,203.40**	**11,770.46**	**6,432.93**	**9,879.96**	**1,890.50**
Loss	Stage 3	17.22	17.22	-	17.22	-
Sub-Total for NPA		**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
Other items (whose exposure forms part of contingent liability) such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms - Letter of Comfort	Stage 1	2,617.94	9.09	2,608.85	-	9.09
Sub-Total		**2,617.94**	**9.09**	**2,608.85**	**-**	**9.09**
Total	**Stage 1**	**3,59,903.37**	**1,282.46**	**3,58,620.91**	**2,304.84**	**(1022.38)**
	Stage 2	**2,925.24**	**141.43**	**2,783.81**	**145.62**	**(4.19)**
	Stage 3	**18,256.93**	**11,791.31**	**6,465.61**	**9,900.81**	**1,890.50**
	Total	**3,81,085.54**	**13,215.20**	**3,67,870.33**	**12,351.27**	**863.93**

46.1.13 Expected Credit Loss for Trade Receivables

A. In respect of RECL

RECL provides for lifetime credit losses in respect of trade receivables of RECPDCL, one of the subsidiaries of RECL using simplified approach under ECL method

(₹ in crore)

Particulars*	Less than 1 year	1 year- 2 year	2 year- 3 year	More than 3 year	Total
As at March 31, 2022					
Gross carrying value	88.93	19.35	14.56	54.43	177.27
Expected loss rate	14.03%	6.82%	99.52%	100.00%	46.66%
Expected credit loss (provision)	12.48	1.32	14.49	54.43	82.72
Carrying amount (net of impairment)	76.45	18.03	0.07	-	94.55
As at March 31, 2021					
Gross carrying value	124.45	22.85	32.47	46.80	226.57
Expected loss rate	15.36%	19.04%	49.98%	100.00%	38.18%
Expected credit loss (provision)	19.12	4.35	16.23	46.80	86.50
Carrying amount (net of impairment)	105.33	18.50	16.24	-	140.07

B. In respect of PFCCL

The trade receivables of PFCCL comprises mainly amount recoverable from the State Government entities. RECL considers that the exposure to state sector have a low credit risk mainly due to low default/loss history. Further, the presence of Government interest lowers the risk of non-recoverability.

Subsequent to initial recognition, PFCCL recognises expected credit loss (ECL) on financial assets especially on trade receivables other than related parties. ECL is recognised at 100% on the trade receivables due for more than 2 years and 50% on the trade receivables due for more than one year and less than 2 years.

Ageing analysis of Trade receivables is as follows:

(₹ in crore)

Particulars*	0 to 1 year	1 to 2 year	More than 2 years	Total
Gross carrying amount as at March 31, 2022	16.88	5.29	17.86	40.04
Gross carrying amount as at March 31, 2021	16.67	4.92	13.41	35.00
Adjustments on account of regrouping and audited/ Unaudited of PFCCL financials	0.10	(3.19)	3.19	(0.10)
Gross carrying amount as at March 31, 2021	16.57	1.73	16.60	34.90

Movement in the expected credit loss allowance

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	7.46	6.44
- Impairment allowance reversal	-	-
- Impairment losses recognised	1.50	1.02
Balance at the end of the year	**8.96**	**7.46**

46.2 Liquidity Risk

Liquidity risk is the risk that the Group doesn't have sufficient financial resources to meet its obligations as and when they fall due. The risk arises from the mismatches in the timing of the cash flows which are inherent in all financing operations and can be affected by a range of company specific and market wide events.

46.2.1 The following table analyses the maturity pattern of items of financial liabilities (debt securities, borrowings and subordinated liabilities) by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at March 31, 2022				
Domestic borrowings				
Principal	61,140.51	2,56,738.15	1,96,977.66	5,14,856.32
Interest	35,470.38	98,125.96	59,474.65	1,93,070.99
Foreign Currency borrowings				
Principal	22,025.66	72,280.41	37,794.67	1,32,100.74
Interest	3,850.14	10,465.79	3,686.87	18,002.80
Total	**1,22,486.69**	**4,37,610.31**	**2,97,933.85**	**8,58,030.85**
As at March 31, 2021				
Domestic borrowings				
Principal	93,922.81	2,44,250.38	2,03,858.39	5,42,031.58
Interest	39,155.67	1,02,683.51	69,460.04	2,11,299.22
Foreign Currency borrowings				
Principal	10,050.05	55,538.09	37,063.19	1,02,651.33
Interest	2,964.78	9,290.91	5,134.49	17,390.18
Total	**1,46,093.31**	**4,11,762.89**	**3,15,516.11**	**8,73,372.31**

*In the above table, bonds with put & call option have been shown considering the earliest exercise date. Further, the commercial papers and zero-coupon bonds have been shown at the maturity value.

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46.2.2 The following table analyses the maturity pattern of Derivative financial liabilities:

(₹ in crore)

Particulars	Up to 1 year	1 – 5 years	More than 5 years	Total
As at March 31, 2022				
Forward	-	-	-	-
Option/swaps	75.64	125.49	455.25	656.38
Total	**75.64**	**125.49**	**455.25**	**656.38**
As at March 31, 2021				
Forward	40.53	-	-	40.53
Option/swaps	88.61	847.95	363.26	1,299.82
Total	**129.14**	**847.95**	**363.26**	**1,340.35**

*The above table details Group's liquidity analysis for its derivative financial liabilities based on MTMs received from counterparties. Maturity buckets are as per the remaining tenor of the respective derivative instrument.

46.2.3 Significant cash flows required for meeting the financial liabilities shall be funded through cash flows (principal and interest repayments) generated from loan assets. The following table analyses the maturity pattern of loans by remaining maturity of contractual principal and interest on an undiscounted basis:

(₹ in crore)

Particulars*	Up to 1 year	1 – 5 years	More than 5 years	Total
As at March 31, 2022				
Loan assets				
Principal	66,026.51	2,77,929.73	3,88,637.47	7,32,593.71
Interest	70,190.29	2,11,553.57	1,72,778.27	4,54,522.13
Total	**1,36,216.80**	**4,89,483.30**	**5,61,415.74**	**11,87,115.84**
As at March 31, 2021				
Loan assets				
Principal	66,676.14	2,59,325.59	3,93,979.74	7,19,981.47
Interest	69,286.95	2,14,770.20	1,98,619.13	4,82,676.28
Total	**1,35,963.09**	**4,74,095.79**	**5,92,598.87**	**12,02,657.75**

*The principal cash flows net of impairment loss allowance relating to Stage 3 assets have been considered in over 5 years bucket irrespective of the maturity date

46.2.3 Liquidity Risk Management

In order to effectively manage liquidity risk, the Group endeavours to maintain sufficient cash flows to cover maturing liabilities and projected disbursements without incurring unacceptable losses or risking damage to its reputation and also endeavours to maintain a diversified fund base by raising resources through different funding instruments. The adequacy of the Group's liquidity position is determined keeping in view the current liquidity position; anticipated future funding needs; present and future earning capacity; and available sources of funds.

Companies in the Group manages its day to day liquidity to ensure that they have sufficient liquidity to meet their financial obligation as & when due.

Further, for overall liquidity monitoring and supervision, PFC and RECL has their respective Asset Liability Committee (ALCO). The ALCO tracks the liquidity risk by analysing the maturity or cash flow mis-matches of its financial assets and liabilities.

46.2.4 Financing arrangements

A. In respect of PFC

PFC has access to cash credit, overdraft, line of credits and working capital demand loans from banks to meet unanticipated liquidity need. Further, PFC has the highest Domestic Credit Rating of AAA, thereby enabling it to mobilise funds from the domestic market within a short span of time.

PFC has access to the following undrawn borrowing facilities:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
CC/ OD/ LoC/ WCDL limits	5,398.00	8,098.00

B. In respect of RECL

RECL had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Expiring within one year (cash credit and other facilities)-Floating Rate	8,803.05	5,547.28
Expiring beyond one year (loans/ borrowings)-Floating Rate	1,245.90	-

46.2.5 RBI vide its Master Directions applicable for NBFCs prescribe Liquidity Coverage Ratio (LCR) framework for all non-deposit taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. PFC and its subsidiary, RECL maintains sufficient liquidity buffer in the form of High-Quality Liquid Assets (HQLA) as prescribed.

46.3 Market Risk – Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates.

46.3.1 The Company and its subsidiary, RECL is exposed to foreign currency risk mainly on its borrowings denominated in foreign currency. The carrying amount of the foreign currency denominated borrowings of these companies is as follows:

Description	As at 31.03.2022		As at 31.03.2021	
	Crore in respective currency	₹ in crore	Crore in respective currency	₹ in crore
USD Loans	**1,621.87**	**1,22,949.09**	**1,320.30**	**97,047.96**
- Hedged	1,169.50	88,656.40	630.00	46,307.97
- Unhedged	452.37	34,292.69	690.30	50,739.99
Euro Loans	**33.46**	**2,832.49**	**4.66**	**400.99**
- Hedged	0.09	7.37	1.14	98.12
- Unhedged	33.38	2,825.12	3.52	302.87
JPY Loans	**9,506.59**	**5,915.95**	**7,249.24**	**4,810.59**
- Hedged	2,084.61	1,297.25	2,084.60	1,383.34
- Unhedged[#]	7,421.98	4,618.70	5,164.64	3,427.25
SGD Loans	**7.21**	**403.21**	**7.21**	**391.79**
- Hedged	7.21	403.21	7.21	391.79
- Unhedged	-	-	-	-
Total		**1,32,100.74**		**1,02,651.33**
- Hedged		90,364.23		48,181.22
- Unhedged		41,736.51		54,470.11

[#]includes partly hedged liability of Nil (As at March 31, 2021 JPY loan partly hedged through forwards covering USD/ INR exposure for ₹ 940.86 crore).

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46.3.2 Foreign currency risk monitoring and management

PFC & RECL have their respective Board approved risk management policies to manage risks associated with foreign currency borrowings. These policies prescribe appropriate systems and controls to identify, measure and monitor the foreign currency risks through committees comprising of senior level officials. Derivative transactions are done to cover exchange/interest rate risks through various instruments like foreign currency forwards contracts, currency options, principal only swaps, IRS and forward rate agreements. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

46.3.3 Foreign Currency Sensitivity Analysis

The table below represents the impact on Group's total equity ((Gain/(Loss)) for 5% change in foreign currency exchange rate against INR on unhedged portfolio of outstanding foreign currency borrowings:

Foreign Currency Liabilities	As at 31.03.2022		As at 31.03.2021	
	Decrease	Increase	Decrease	Increase
USD	1,541.40	(1,541.40)	2,223.07	(2,223.07)
Euro	138.54	(138.54)	12.38	(12.38)
JPY	201.27	(201.27)	170.73	(170.73)
SGD	-	-	-	-
Total	**1,881.21**	**(1,881.21)**	**2,406.18**	**(2,406.18)**

46.4 Market Risk – Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. Interest rates are dynamic and dependent on various internal and external factors including but not limited to RBI policy changes, liquidity in the market, movement of external benchmarks such as AAA bond/ G-Sec yields/ LIBOR etc.

A. In respect of PFC

(i) Interest rate risk is managed with the objective to control market risk exposure while optimising the return. The impact may be beneficial or adverse depending on the direction of change in interest rates and whether assets or liabilities re-price faster.

The Asset Liability Committee (ALCO) tracks the interest rate risk through the gap analysis i.e. by analysing the mismatches between Rate Sensitive Assets and Rate Sensitive Liabilities. For gap analysis, the interest rate sensitivity statement prescribed by RBI is used, wherein the gap is measured between the Rate Sensitive Assets and Rate Sensitive Liabilities which are distributed based on the maturity date or the re-pricing date whichever is earlier.

Further, for managing the interest rate risk, PFC reviews its interest rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, etc. The asset mix is managed by PFC through its interest rate & credit policies which *inter alia* covers aspects like reset periods; repayment periods, prepayment premium etc. The liabilities are managed keeping in view factors like cost, market appetite, timing, market scenario, ALM gap position etc. PFC also enters into various derivatives transactions like interest rate swaps, cross- currency interest rate swaps to hedge its interest rate risk.

(ii) Interest Rate Sensitivity Analysis

As per RBI Guidelines, Earning at Risk (EaR) is an important focal point for interest risk management. For interest rate sensitivity analysis, the impact of movement of interest rates has been measured on the Earning at Risk derived from the gap statements. The impact has been worked out considering 25 basis upward/downward shock to interest rates over a one-year period, assuming a constant balance sheet. The analysis shows that if rates are increased/decreased by 25 bps, the impact on EaR will be (+/-) ₹ 118.77 crore. (As at March 31, 2021 (+/-) ₹ 58.00 crore)

The analysis assumes that the Rate Sensitive Assets and Rate Sensitive Liabilities are being re-priced at the same time. Further, the analysis considers the earliest/first re-pricing date of the Rate Sensitive Assets and Rate Sensitive Liabilities.

Note: A 25 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

(iii) Disclosures in respect of Interest Rate Benchmark Reform

PFC has variable interest rate borrowings whose interest rate is based on interest rate benchmarks. Also, to hedge the variability of cash flows on these borrowings, PFC has entered into multiple interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate. Significant interest rate benchmark used in PFC's borrowings is 6 month USD /JPY LIBOR (London Interbank Offered Rate).

a) Exposure directly affected by the interest rate benchmark reform

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 657.67 million (Amount in INR ₹ 4,985.66 crore) as on March 31, 2022. Out of this, the amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is USD 650 million (Amount in INR ₹ 4,927.46 crore).

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as planned after June 2023:-

Benchmark	As at 31.03.2022				As at 31.03.2021			
	Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate		Amount in respective currency (million)	Amount (₹ in crore)	Of which, have yet to transition to an alternative benchmark rate	
			Amount in respective currency (million)	Amount (₹ in crore)			Amount in respective currency (million)	Amount (₹ in crore)
Non-derivative financial liabilities								
6 month USD LIBOR	657.67	4,985.66	650.00	4,927.46	659.11	4,844.76	659.11	4,844.76
6 month JPY LIBOR*	-	-	-	-	30,966.75	2,054.95	30,966.75	2,054.95
Derivatives								
6 month USD LIBOR	650.00	4,927.46	650.00	4,927.46	650.00	4,777.81	650.00	4,777.81

**During the current year, JPY liabilities impacted due to cessation of JPY LIBOR have been translated to an alternative reference rate during the year.*

(ii) Managing the process of transition to alternative benchmark rates

The Company has in place a Board approved Policy for undertaking Libor Transition namely "Framework for transition from London Inter Bank Offered Rate (LIBOR) to Alternative Reference Rate (ARR)'. The framework inter- alia covers aspects such as assessment of exposure linked to LIBOR, identification of risk arising out of LIBOR transition, contracts remediation, operational readiness, governing structure, regulatory compliance & reporting, etc. Further, the Company shall undertake all transition activities as per the process/ guidelines detailed in the policy.

(iii) Significant assumptions for exposure affected by the interest rate benchmark reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the interest rate benchmark reform. The alternative reference rate/benchmarks for the LIBOR linked loans and their derivatives are yet to be agreed with the lenders and the derivative bankers. However, it has been assumed that as a result of such reform there shall be no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

B. In respect of RECL

(i) RECL's borrowings are exposed to interest rate risk with floating interest rates linked to USD LIBOR (London Inter Bank Offered Rate), SORA (Singapore Overnight Rate Average), TONAR (Tokyo Overnight Average Rate), SOFR (Secured Overnight Financing Rate), T-Bills, Repo Rate etc. RECL manages its interest rate risk through various derivative contracts like interest rate swap contracts, forward interest rate contracts to minimise the risk of fluctuation in interest rates. RECL also uses cross-currency interest rate swaps as a cost-reduction strategy to benefit from the interest differentials in different currencies.

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The table below shows the overall exposure of RECL to the liabilities linked with floating interest rates as at March 31, 2022 is as under:

(Foreign Currency & INR Equivalent in ₹ crore)

Currency	As at 31.03.2022			As at 31.03.2021		
	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure	Floating Interest Rate Exposure	Hedged through Derivatives	Unhedged Exposure
INR Borrowings	**50,178.32**	**-**	**50,178.32**	**35,738.58**	**-**	**35,738.58**
USD $	463.60	132.50	331.10	276.88	163.00	113.89
INR Equivalent	**35,144.17**	**10,044.44**	**25,099.73**	**20,352.38**	**11,981.27**	**8,371.11**
JPY ¥	5,835.27	1,032.72	4,802.56	2,084.61	1,032.71	1,051.90
INR Equivalent	**3,631.29**	**642.66**	**2,988.63**	**1,383.35**	**685.31**	**698.04**
SGD $	7.21	7.21	-	7.21	7.21	-
INR Equivalent	**403.21**	**403.21**	**-**	**391.79**	**391.79**	**-**
Total INR Equivalent	**89,356.99**	**11,090.31**	**78,266.68**	**57,866.10**	**13,058.37**	**44,807.73**

RECL also uses Interest Rate Swaps to manage fair value risk on interest rate borrowings to mitigate the interest rate sensitivity mismatch. Through such swaps, the fixed rate borrowings amounting to ₹ 11,850.70 crore as on March 31, 2022 (Previous year Nil) have been converted into floating rate borrowings through the use of MIBOR- linked Overnight Indexed Swaps.

RECL's lending portfolio carries interest at semi-fixed rate i.e. fixed rate of interest with 1/3/10 year reset option with the borrower. RECL reviews its lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements etc. In order to manage pre-payment risks, RECL charges pre-payment premium from borrowers in case of pre- payment of loan. The interest rate risk is managed by the analysis of interest rate sensitivity gap statements and by evaluating the creation of assets and liabilities with a mix of fixed and floating interest rates.

RECL is exposed to interest rate risk on following loan assets which are at semi-fixed rates:

(₹ in crore)

Description	As at 31.03.2022	As at 31.03.2021
Rupee Loans	3,75,805.76	3,63,580.03

(ii) Sensitivity Analysis

The table below represents the impact on P&L (Gain/(Loss)) for 50 basis points increase or decrease in interest rate on RECL's floating rate assets and liabilities on the unhedged exposures:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Floating Rate Loan Liabilities	(292.84)	292.84	(167.65)	167.65
Interest Rate Swaps	(44.34)	44.34	-	-
Floating/semi-fixed Rate Loan Assets	1,406.11	(1406.11)	1,360.37	(1,360.37)

*Holding all other variables constant

The above sensitivity analysis has been prepared assuming that the amount outstanding at the end of the reporting period remains outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

(iii) Disclosures in respect of Interest Rate Benchmark Reform (IBOR)

RECL has variable interest rate borrowings with interest rates linked with different benchmarks. Such interest rate benchmarks for foreign currency borrowings include 1/3/6 Month USD LIBOR (London Inter-Bank Offered Rate), Overnight SOFR (Secured Overnight Financing Rate), TONA (Tokyo Overnight Average Rate), SORA (Singapore Overnight Rate Averages), etc. The summary of such borrowings as on March 31, 2022 are as below:

Benchmark	Amount (₹ in crore)	Amount (USD Mn Equivalent)
3M USD LIBOR	7,201.67	950.00
6M USD LIBOR	27,373.94	3,611.00
O/N SOFR	568.55	75.00
TONA	3,631.29	479.02
SORA	403.21	53.19
Total	**39,178.67**	**5,168.21**

As announced by the UK Financial Conduct Authority (FCA) on March 5, 2021, JPY LIBOR has ceased to be published after December 31, 2021 and 1 Month, 3 Month and 6 Month USD LIBOR will cease to be published after June 30, 2023.

(a) Exposure directly affected by the Interest Rate Benchmark Reform (IBOR)

While some of the floating rate borrowings of RECL are already under the new benchmarks, some of the borrowings will also get repaid before the cessation date of the respective interest rates, i.e. 3M USD LIBOR and 6M USD LIBOR. Accordingly, the total amount of exposure that is directly affected by the Interest Rate Benchmark Reform (IBOR) is ₹ 25,963.93 crore (USD 3.425 billion) as on March 31, 2022. Out of this, the nominal amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is ₹ 3,790.36 crore (USD 0.500 billion).

(b) Managing the process to transition to alternative benchmark rates

Pursuant to the Interest Rate Benchmark Reform, LIBOR will be replaced with alternative Risk-Free Rates (RFRs). SOFR (Secured Overnight Financing Rate) will be the replacement for USD LIBOR, while TONA (Tokyo Overnight Average Rate) will replace JPY LIBOR. ISDA (International Swaps and Derivatives Association), the globally recognised statutory body governing the global derivative deals, has come up with the ISDA 2020 IBOR Fallbacks Protocol (commonly referred to as Fallback Protocol) to move all the legacy contracts to new benchmarks. RECL has adhered to the Fallbacks Protocol under which the fallbacks for the various LIBOR benchmarks will automatically become applicable to the existing derivative trades with all counterparties.

With respect to the term loans, RECL has been actively engaging with the lenders to initiate the transition exercise at an early stage. During the year 2021-22, RECL has completed the transition documentation for two JPY loans amounting to JPY 20,846.12 billion (INR equivalent as on March 31, 2022 ₹ 1,297.25 crore) with the benchmark changed from JPY LIBOR to TONA. Additionally, an active transition for one SGD loan amounting to SGD 72.08 million (INR equivalent as on March 31, 2022 ₹ 403.21 crore has also been concluded during the year with the benchmark changed from 6M SOR (Singapore Swap Offer Rate) to SORA (Singapore Overnight Rate Average). Where the interest rate risk for these loans was hedged, the interest rate benchmarks in such derivatives have been suitably changed to the new benchmarks.

(c) Significant Assumptions for exposures affected by the Interest Rate Benchmark Reform

Ind AS 109 provides temporary exceptions to all the hedging relationships directly impacted by the Interest Rate Benchmark Reform. While the benchmarks for the underlying loan are yet to be agreed with the lenders, it has been assumed that there will be no change in the alternative benchmark rates of the underlying loan and the derivative contracts and hedge effectiveness is not altered as a result of such reform.

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46.5 Market Risk - Price risk

(a) The Group is exposed to price risks arising from investments in listed equity shares. Refer Note 13A 'Investments' for Group's exposure to the same.

(b) Sensitivity Analysis

The table below represents the impact on Consolidated Statement of Profit and Loss for 5% increase or decrease in the respective prices on Group's equity investments, outside the Group:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	(Decrease)	Increase	(Decrease)
Impact on P&L	8.77	(8.77)	4.18	(4.18)
Impact on OCI	60.89	(60.89)	63.61	(63.61)

47. Hedge Accounting

The hedging instruments which meets the qualifying criteria for hedge accounting are designated as cash flow hedge. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The change in intrinsic value of hedging instruments is recognised in 'Effective Portion of Cash Flow Hedges'. The amounts recognised in such reserve are reclassified to the Consolidated Statement of Profit or Loss when the hedged item affects profit or loss. Further, the change in fair value of the time value of a hedging instruments is recognised in 'Cost of Hedging Reserve'. The amounts recognised in such reserve are amortised to the Consolidated Statement of Profit and Loss on a systematic basis.

The table below provides Movement in Effective Portion of Cash Flow Hedges and Cost of Hedging Reserve for PFC and subsidiary RECL

(₹ in crore)

Sr. No.	Benchmark	FY 2021-22	FY2020-21
(a)	**Opening balance of Reserves (net of tax)**	**(260.74)**	**(523.49)**
(b)	Hedge ineffectiveness recognised in P&L	-	-
(c)	Amount recognised in OCI during the year*	(590.18)	(1,685.62)
(d)	Amount reclassified from OCI to P&L (including amortisation)	542.86	2,036.73
(e)	**Net amount recognised in OCI during the year (c + d)**	**(47.32)**	**351.11**
(f)	Deferred Tax on (e) above	11.91	(88.36)
(g)	**Net amount recognised in OCI during the year (Net of Tax) (e+f)**	**(35.41)**	**262.75**
(h)	**Closing balance of Reserves (net of Tax) (a+g)**	**(296.13)**	**(260.74)**
	- attributable to owners of the Equity	(200.59)	(201.92)
	- attributable to NCI	(95.56)	(58.82)

* Comprises of changes in intrinsic value and time value of options contracts, changes in fair value of PoS/Forwards contracts and changes in fair value of IRS contracts

A. In respect of PFC

(i) Hedge Effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

a) For derivatives other than options that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method (where principal terms of the hedging instrument and the hedged item are same).

b) For option structures, the Company analyses the relationship of changes in value of the hedging instrument and hedged item using regression analysis based dollar offset method.

(ii) The effects of hedging instruments designated as Cash-flow hedge on Consolidated Balance Sheet:

Sr. No.	Particulars		Nominal Amount (₹ in crore)	Carrying Amount[1] Assets (₹ in crore)	Carrying Amount[1] Liabilities (₹ in crore)	Date of maturity	Weighted Average Rate/Strike Price
As at March 31, 2022							
1.	Currency Derivatives	Forwards	-	-	-	-	-
		Principal Only Swaps	6,064.57	277.61	-	Jun 2022-Sep 2024	71.09
		Call Spread Option	7,959.75	70.55	21.55	Oct 2023-Dec 2024	73.90
		Seagull Option	10,802.51	1,453.26	-	May 2026-Nov 2026	73.96
	Sub-Total		**24,826.83**	**1,801.42**	**21.55**		
2.	Interest rate Derivatives	Interest Rate Swap	8,717.82	198.86	39.15	Jun 2022-Jun 2024	1.38%
	Sub-Total		**8,717.82**	**198.86**	**39.15**		
3.	**Total (1+2)**		**33,544.65**	**2,000.28**	**60.70**		
As at March 31, 2021							
1.	Currency Derivatives	Forward	91.08	0.17	-	Jun 2021	73.70
		Principal Only Swaps	5,880.38	198.60	-	Jun 2022-Sep 2024	71.09
		Call Spread Option	7,717.99	-	51.92	Oct 2023-Dec 2024	73.90
	Sub-Total		**13,689.45**	**198.77**	**51.92**		
2.	Interest rate Derivatives	Interest Rate Swap	8,453.04	4.10	178.32	Jun 2022-Jun 2024	1.38%
	Sub-Total		**8,453.04**	**4.10**	**178.32**		
3.	**Total (1+2)**		**22,142.49**	**202.87**	**230.24**		

[1] forms part of the line item 'Derivative Financial Instruments' in the Consolidated Balance Sheet.

(iii) Profile of timing of nominal amount of hedging instrument designated as Cash-flow hedge *

(₹ in crore)

Description (including derivative)	As at 31.03.2022	As at 31.03.2021
Currency derivatives		
Up to 1 year	1,895.18	91.08
1 – 5 years	22,931.65	13,598.37
More than 5 years	-	-
Sub-Total (A)	**24,826.83**	**13,689.45**
Interest rate Derivatives		
Up to 1 year	1,895.18	-
1 – 5 years	6,822.64	8,453.04
More than 5 years	-	-
Sub-Total (B)	**8,717.82**	**8,453.04**
Total (A+B)	**33,544.65**	**22,142.49**

*Maturity buckets in the above table are as per the remaining tenor of the respective derivative instrument.

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(iv) The effects of hedging instruments designated as Cash-flow hedge on the Consolidated Statement of Profit and Loss:

(₹ in crore)

Sr. No.	Particulars	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in Statement of P& L	Amount reclassified from OCI to P&L	Line item in P&L affected on Reclassification from OCI to P&L
As at March 31, 2022					
1.	Currency Derivatives	(451.84)	-	702.18	Finance Costs
				(532.79)	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	238.72	-	100.10	Finance Costs
As at March 31, 2021					
1.	Currency Derivatives	(621.69)	-	365.46	Finance Costs
				129.89	Net Translation/ Transaction Exchange Loss/ (Gain)
2.	Interest rate Derivatives	1.18	-	66.46	Finance Costs

B. In respect of RECL

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. RECL applies the following effectiveness testing strategies:

(i) For cross currency swaps, principal only swaps and interest rate swaps that exactly match the terms of the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

(ii) For other interest rate swaps (in cases of late designation), the Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

(iii) For option structures, RECL analyses the behaviour of the hedging instrument and hedged item using regression analysis based dollar offset method.

RECL has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

(i) Effects of hedge accounting on Consolidated Balance Sheet

Type of hedge and risks	Notional Amount (in million)	Carrying amount of hedging instruments		Maturity Dates	Hedge ratio	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities					
As at March 31, 2022								
Cash flow hedge								
Foreign exchange and interest rate risk								
Seagull Structure	USD 7,045	4,744.05	-	May 2022 - Jan 2027	1:1	74.30665848	(399.81)	399.81
	USD 20,846.12	102.15	-	Aug 2023 - Sep 2025	1:1	0.659080153	(96.08)	96.08
Call Spread	USD 250	76.73	-	March 2024	1:1	57.523	(74.08)	74.08
Cross Currency swaps	USD 1,300	22.69	43.78	May 2022 - Mar 2025	1:1	2.99% and 72.94	112.67	(112.67)
	JPY 10,327.12	-	1.50	Aug 2023	1:1	0.42% and 0.62	0.82	(0.82)
	SGD 72.08	23.86	-	Mar 2025	1:1	1.44%	21.54	(21.54)
Principal only swaps	USD 375	-	48.37	Mar 2025 - Jun 2030	1:1	75.41	(49.08)	49.08
Interest rate swaps	USD 425	92.42	-	Mar 2024 - Oct 2026	1:1	2.23%	130.27	(130.27)
As at March 31, 2021								
Principal only swaps								
Interest rate swaps								
Seagull Structure	USD 2595	1,458.96	43.25	April 2021 - Oct 2025	1:1	73.32	(611.68)	611.68
	JPY 20,846.12	198.23	-	Aug 2023 - Sep 2025	1:1	0.66	(131.87)	131.87
Call Spread	USD 250	77.74	-	Mar 2024	1:1	71.94	(93.51)	93.51
Cross Currency swaps	USD 1350	-	244.37	Dec 2021 - Mar 2025	1:1	2.92% and 72.93	(73.78)	73.78
	JPY 10,327.12	-	4.06	Aug 2023	1:1	0.42% and 0.62	(0.08)	0.08
	SGD 72.08	23.86	-	Mar 2025	1:1	1.44%	21.54	(21.54)
Principal only swaps	USD 375	-	121.08	Mar 2025 - Jun 2030	1:1	75.41	(174.62)	174.62
Interest rate swaps	USD 260	-	69.74	Mar 2024 - Jul 2024	1:1	2.32%	(1.12)	1.12

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(ii) Effects of Cash Flow hedge accounting on Consolidated Statement of Profit and Loss:

(₹ in crore)

Sr. No.	Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item in P&L affected on reclassification
As at March 31, 2022					
1.	Currency risk and interest rate risk	(377.06)	-	(995.95)	Net Translation/Transaction Exchange Loss/(Gain)
				126.43	Finance Costs
As at March 31, 2021					
1.	Currency risk and interest rate risk	(1,065.12)	-	580.30	Net Translation/Transaction Exchange Loss/(Gain)
				179.56	Finance Costs

(iii) Fair Value Hedges

At March 31, 2022, RECL has outstanding interest rate swap agreements of ₹ 11,850.70 crore (Previous year Nil) wherein the RECL receives a fixed rate of interest and pays interest at a variable rate on the notional amount. Such agreements are being used to hedge the exposure to the changes in fair value of fixed rate borrowings.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). As such, a hedge ratio of 1:1 for the hedging relationships has been established as the underlying risk of the interest rate swap is identical to the hedged risk component.

The impact of the hedging instrument on the balance sheet as at March 31, 2022 is, as follows:

(₹ in crore)

Fair value hedge	Notional amount	Carrying amount *	Line item in balance sheet where hedging instrument is disclosed	Changes in fair value for calculating hedge ineffectiveness
Interest rate swap	11,850.70	(111.92)	Derivative financial instruments	(111.92)

* Carrying amount here is exclusive of the interest receivable under such derivative contract as on reporting date.

The impact of the hedging instrument on the balance sheet as at March 31, 2022 is, as follows:

(₹ in crore)

Fair value hedge	Carrying amount	Accumulated fair value adjustments	Line item in the balance sheet in which the hedged item is included	Change in value used for calculating hedge ineffectiveness
- Subordinated Liabilities	4,148.36	(128.33)	Subordinated Liabilities	(128.33)
- Institutional bonds	7,881.97	16.41	Debt Securities- Institutional Bonds	16.41

The decrease in fair value of the interest rate swap of ₹ 111.92 crore (Previous year Nil) has been offset with a similar gain on the respective subordinated liabilities and debt securities.

48. Fair Value Measurements

48.1 Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crore)

Sr. No.	Financial asset/Financial Liability – Recurring fair value	Fair Value as at 31.03.2022	Fair Value as at 31.03.2021	Fair value hierarchy (Refer Note 5.1)	Valuation technique(s) & Key input(s)
1.	**Quoted Equity investments**				
	- PTC India Limited	98.70	93.30	Level 1	Quoted market price
	- Coal India Limited	255.62	182.03		
	- NHPC Limited	570.26	953.00		
	- Suzlon Energy Limited	77.42	42.31		
	- Housing & Urban Development Corporation Ltd.	1.14	1.52		
	- RattanIndia Power Limited	175.31	83.56		
2.	**Un-Quoted Equity investments**				
	- Power Exchange India Limited	0.00	0.00	Level 3	Fair value has been calculated as Nil as PFC estimates no material amount may be realised from the investment.
	- RKM PowerGen Pvt. Ltd.	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
	- Universal Commodity Exchange Limited (UCX)	0.00	0.00		Fair value has been calculated as Nil as future cash flows are uncertain.
	- Energy Efficiency Services Ltd. (EESL)	456.47	NA		EESL ceases to be a jointly controlled entity w.e.f. 01.09.2021. Accordingly, the investment in EESL has been designated at fair value and the fair value has been determined using the financials of the investee company.
3.	**Investment in preference shares**				
	- RattanIndia Power Limited – OCCRPS	0.00	139.18	Level 3	Owing to default in redemption of RPS of RattanIndia Power Ltd., PFC and RECL estimates no material amount may be realised from the investment.
	- Suzlon Global Services Limited – CCPS	0.00	0.00		Allotted pursuant to restructuring, valued at ₹ 1 on prudent basis
4.	**Investment in debentures**				
	- Essar Power Transmission Company Ltd. - Series 1 - OCD	129.83	140.21	Level 3	Fair valued using discounted future cash flow as per terms of agreement.
	- Essar Power Transmission Company Ltd. - Series 2 - OCD	55.75	60.20		
	- Suzlon Energy Limited - OCD	102.69	94.28		
	- Essar Power Transmission Company Ltd. - Series 3 - OCD	0.00	0.00		Fair valued a ₹ 1 due to the non-availability of structured repayment schedule. The debentures are unsustainable in nature and future cash flows are uncertain.
	- RKM Powergen Pvt. Ltd. - Series A - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series B - OCD	0.00	0.00		
	- RKM Powergen Pvt. Ltd. - Series AI - OCD	0.00	0.00		
5.	**Units of 'Small Is Beautiful' Fund of KSK**	-	0.00	Level 3	Pursuant to the completion of liquidation proceedings, investment has been derecognised from the books during the FY 2021-22.
6.	**Derivative Financial Instruments**				
	- Assets	8,590.73	3,562.67	Level 2	The fair value of these contracts is obtained from counterparty banks, who determines it using valuation models that use inputs which are observable for the contracts, such as interest rates and yield curves, implied volatilities etc.
	- Liability	656.39	1,340.35		

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48.2 There were no transfers between Level 1 and Level 2 during the year.

48.3 Reconciliation of Financial Instruments fair valued through Level 3 inputs:

The following table shows the reconciliation of the opening and closing amounts of financial assets and liabilities of the Group measured at fair value through Level 3 inputs:

(₹ in crore)

Particulars	FVTPL			FVTOCI	
	Investment in Bond Instruments	Investment in Preference Shares	Investment in Debentures	Investment in Units of SIB fund of KSK	Investment in Un-quoted Equity Shares
FY 2021-22					
Opening Balance	**-**	**139.18**	**294.69**	**-**	**-**
Investment made during the year	-	-	-	-	-
Settlement	-	-	(58.53)	(0.95)	-
Transfer in Level 3	-	-	-	-	496.26
Transfer from Level 3	-	-	-	-	-
Interest income[1]	-	6.02	41.80	-	-
Fair Value gain/(loss)	-	(145.20)[3]	10.31[3]	0.95[2]	(39.79)[2]
Closing Balance	**-**	**-**	**288.27**	**-**	**456.47**
Unrealized gains on balances held at the end of the year	-	(128.61)	29.41	-	(55.79)
FY 2020-21					
Opening Balance	**2,310.67**	**145.99**			
Investment made during the year			306.62		
Settlement	(2,555.54)	-	(47.03)	-	-
Transfer in Level 3	-	-	-	12.27	-
Transfer from Level 3	-	-	-	-	-
Interest income(1)	244.87	6.26	35.10	-	-
Fair Value gain/ (loss)	-	(13.07)	-	(12.27)	-
Closing Balance	**-**	**139.18**	**294.69**	**-**	**-**
Unrealized gains/(loss) on assets held at the end of the year	-	6.18	12.42	(12.27)	(16.00)

[1]Forms part of line item 'Interest Income' in the Consolidated Statement of Profit and Loss.

[2]Fair value gain/ (loss) on Investments at FVTOCI forms part of line item 'Net Gain/(Loss) on Fair Value of Equity Instruments' in the Other Comprehensive section of Consolidated Statement of Profit and Loss.

[3]Fair value gain/ (loss) on Investments at FVTPL forms part of line item 'Net Loss/(Gain) on Fair Value changes' in the Consolidated Statement of Profit and Loss.

48.4 Fair Value of financial assets/ liabilities measured at amortised cost:

(₹ in crore)

Asset/Liability	Fair value hierarchy	As at 31.03.2022		As at 31.03.2021	
		Amortised Cost	Fair Value	Amortised Cost	Fair Value
Loans	Level 3	7,32,850.76	7,39,774.58	7,22,386.84	7,27,567.67
Investments (including G Sec)(a)	Level 1/3	1,850.32	1,888.89	1,160.89	1,173.94
Other financial assets	Level 2	29,820.35	29,829.30	29,779.87	29,791.25
Debt securities(a)	Level 1/2	4,49,731.56	4,58,028.81	4,80,080.65	4,89,419.90
Borrowings other than debt securities(b)	Level 2	1,94,616.98	1,91,511.59	1,63,344.42	1,61,896.67
Subordinated liabilities	Level 2	16,127.74	17,091.64	16,257.09	17,825.47

[a]Includes listed instruments with Level 1 fair value hierarchy

Investment in G-Sec being fair valued using market price as at reporting date.

[b]Foreign currency Notes (GMTN issuances) being fair valued as per closing prices as per Reuters.

[c]Includes foreign currency loans linked to LIBOR and multilateral agencies loans being valued at par.

(i) The fair value of the above financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties except for the cases where quoted market prices are available. These fair values were calculated for disclosure purposes only.

(ii) The carrying amounts of financial assets and financial liabilities other than those shown in the above table are considered to be a reasonable approximation of their fair values.

49. Related Party Disclosures

49.1 Related Parties:

Associates:			
1	Bihar Mega Power Limited	2	Sakhigopal Integrated Power Company Limited
3	Orissa Integrated Power Limited	4	Ghogarpalli Integrated Power Company Limited
5	Jharkhand Infrapower Limited	6	Odisha Infrapower Limited
7	Coastal Tamil Nadu Power Limited	8	Deoghar Mega Power Limited
9	Bihar Infrapower Limited	10	Cheyyur Infra Limited
11	Coastal Karnataka Power Limited	12	Tatiya Andhra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
13	Chhattisgarh Surguja Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies	14	Coastal Maharashtra Mega Power Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
15	Deoghar Infra Limited	16	Karur Transmission Limited (transferred on 18.01.2022)
17	Mohanlalganj Transmission Limited (incorporated on 08.06.2021)	18	Bijawar-Vidarbha Transmission Limited (under approval for striking off the name from the records of Registrar of Companies)
19	Shongtong Karcham-Wangtoo Transmission Limited (under process of Striking off the name of Company from the records of Registrar of Companies)	20	Tanda Transmission Company Limited (under process of Striking off the name of Company from the records of Registrar of Companies)
21	Koppal-Narendra Transmission Limited (transferred on 13.12.2021)	22	Ananthpuram Kurnool Transmission Limited
23	Bhadla Sikar Transmission Limited	24	Khetri-Narela Transmission Limited
25	Nangalbibra-Bongaigaon Transmission Limited (incorporated on 09.04.2021 and transferred on 16.12.2021)	26	Sikar-II Aligarh Transmission Limited (transferred on 08.06.2021)
27	Kishtwar Transmission Limited (incorporated on 15.04.2021)	28	Khavda-Bhuj Transmission Limited (incorporated on 18.05.2021 and transferred on 18.01.2022)
29	Chhatarpur Transmission Limited (incorporated on 25.01.2022)	30	Dumka Transmission Limited
31	Koderma Transmission Limited	32	Dinchang Transmission Limited (struck off from the RoC vide MCA letter dated 17.08.2021)
33	Mandar Transmission Limited	34	Chandil Transmission Limited
35	ER-NER Transmission Limited (incorporated on 06.10.2021)	36	Sikar New Transmission Limited (transferred on 04.06.2021)
37	MP Power Transmission Package-II Limited (transferred on 01.11.2021)	38	MP Power Transmission Package-I Limited
39	Gadag Transmission Limited (transferred on 17.03.2022)	40	Kallam Transmission Limited (transferred on 28.12.2021)
41	Rajgarh Transmission Limited	42	Fatehgarh Bhadla Transco Limited (transferred on 04.06.2021)
43	Bidar Transmission Limited		

Key Managerial Personnel (KMP):		**Designation**
In respect of PFC		
1	Shri Ravinder Singh Dhillon	Chairman and Managing Director & Additional charge Director (Commercial)
2	Shri P.K. Singh (superannuated on 31.01.2022)	Director (Commercial)
3	Smt. Parminder Chopra	Director (Finance)
4	Shri Rajiv Ranjan Jha (w.e.f. 28.10.2021)	Director (Projects)

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5	Shri Tanmay Kumar (up to 06.09.2021)	Government Nominee Director
6	Shri Vishal Kapoor (w.e.f. 07.09.2021)	Government Nominee Director
7	Shri Ram Chandra Mishra	Part Time Non-Official Independent Director
8	Adv. Bhaskar Bhattacharya (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director
9	Shri. Prasanna Tantri (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director
10	Smt. Usha Sanjeev Nair (w.e.f. 23.12.2021)	Part Time Non-Official Independent Director
11	Shri Manohar Balwani	CGM & Company Secretary
In respect of subsidiary RECL		
1	Shri S.K.G Rahate (w.e.f. 22.02.2022)	Chairman & Managing Director
2	Shri Sanjay Malhotra (up to 10.02.2022)	Chairman & Managing Director
3	Shri Ajoy Choudhury	Director (Finance)
4	Shri Sanjeev Kumar Gupta (up to 31.10.2021)	Director (Technical)
5	Shri Praveen Kumar Singh (up to 31.01.2022)	PFC Nominee Director (Non-executive Director)
6	Smt. Parminder Chopra (w.e.f. 04.02.2022)	PFC Nominee Director (Non-executive Director)
7	Shri Tanmay Kumar (up to 06.09.2021)	Govt. Nominee Director
8	Shri Vishal Kapoor (w.e.f. 07.09.2021)	Govt. Nominee Director
9	Dr. Gambheer Singh (w.e.f. 15.11.2021)	Part Time Non-Official Independent Director
10	Dr. Manoj M. Pande (w.e.f. 15.11.2021)	Part Time Non-Official Independent Director
11	Dr. Durgesh Nandini (w.e.f 30.12.2021)	Part Time Non-Official Independent Director
12	Shri J.S. Amitabh	Executive Director & Company Secretary
In respect of subsidiary PFCCL		
1	Shri Ravinder Singh Dhillon	Chairman
2	Shri P.K. Singh (superannuated on 31.01.2022)	Director
3	Smt. Parminder Chopra	Director
4	Shri Rajiv Ranjan Jha (w.e.f. 12.11.2021)	Director
5	Shri Manoj Kumar Rana	Chief Executive Officer
6	Shri Manish Kumar Agrawal	Company Secretary

Trusts/Funds under control of PFC			
1	PFC Employees Provident Fund	2	PFC Employees Gratuity Fund
3	PFC Defined Contribution Pension Scheme 2007	4	PFC Superannuation Medical Fund
Trusts/ Funds/ Society of subsidiary RECL			
1	REC Retired Employees' Medical Trust	2	REC Employees' Superannuation Trust
3	REC Gratuity Fund	4	REC Limited Contributory Provident Fund Trust
5	REC Foundation		
Companies in which Key Managerial Personnel are Directors			
1	PTC India Limited	2	NHPC Limited (up to 06.09.2021)
3	SJVN Limited (up to 06.09.2021)	4	Kholongchhu Hydro Energy Limited (up to 06.09.2021)
5	Punatsangchhu-I, Hydroelectric Project Authority in Bhutan (up to 06.09.2021)	6	Punatsangchhu-II Hydroelectric Project Authority in Bhutan (up to 06.09.2021)
7	Mangdechhu Hydroelectric Project Authority in Bhutan (up to 06.09.2021)		
Joint Ventures			
1	Energy Efficiency Services Limited (EESL) (up to 31.08.2021)		

49.2 Transactions with the Related Parties are as follows:

Intra Group related party transactions with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group related party transactions.

(₹ in crore)

Particulars	During FY 2021-22	During FY 2020-21
Joint Venture		
Lease Rentals on Vehicles*	0.09	0.21
Associates		
Advances to associates	-	1.29
Recoveries of advances (including interest) from associates	5.04	33.21
Interest income on advances to associates	18.15	17.23
Advances received from associates	-	6.81
Repayment of advance taken from Associate	1.12	-
Interest expenses on advances from associates	2.87	2.88
Income on transfer of associate	39.93	21.84
Others	6.11	14.55
Trusts/ Funds/ Foundations of the Group		
Contributions made during the year	25.66	9.67
Finance cost on bonds	4.00	4.01
Others	116.80	90.00
Key managerial personnel		
Short-term employee benefits (i)	7.08	7.51
Post-employment benefits (ii)	0.60	0.58
Other long-term benefits (iii)	0.41	0.45
Sub-Total (i+ii+iii)	**8.09**	**8.54**
Repayment/recovery of loans and advances including Interest Income	0.47	0.52
Subscription of bonds	0.17	-
Redemption of bonds (net of subscription)	-	0.36
Directors' sitting fee paid	0.41	0.19
Finance cost on bonds paid	0.04	0.05
Companies in which Key Managerial Personnel are Directors		
Dividend received – PTC India Limited	13.13	36.52
Directors' Sitting Fee received – PTC India Limited	0.05	0.02
Finance Cost	0.35	0.33

* Transactions up to the date of cessation of joint control in EESL have been disclosed.

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49.3 Outstanding balances with Related Parties are as follows:

Intra Group related party outstanding balances with subsidiaries are eliminated in the preparation of Consolidated Financial Statement of the Group. Hence the same has not been disclosed in Group Outstanding balances with related party.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Amount recoverable towards loans, advances and others(including interest)		
Associates	209.26	198.70
Key managerial personnel	0.66	0.85
Trusts/Funds under control of the Group	1.20	1.54
Amount payable towards loans, advances and others (including interest)		
Associates	177.14	176.94
Debt Securities		
Key managerial personnel	0.54	0.31
Trusts/Funds under control of the Company	61.95	74.70
Companies in which Key Managerial Personnel are Directors	-	10.00

49.4 Disclosure in respect of entities under the control of the same government (Government related entities)

Companies in the Group are Central Public Sector Undertaking (CPSU) controlled by Central Government. List of Government related entities with which the Group has done transactions, includes but not limited to:

Bhartiya Rail Bijlee Company Ltd.	Damodar Valley Corporation
Tehri Hydro Development Corporation (THDC India Ltd.)	Power Grid Corporation of India Ltd.
Neyveli UP Power Ltd.	Bihar Grid Company Ltd.
Meja Urja Nigam Pvt Ltd.	Coal India Ltd.
Raichur Power Corporation Ltd.	Railtel Enterprises Ltd
NLC Tamil Nadu Power Limited	North East Transmission Company Ltd.
National High Power Test Laboratory Pvt Ltd.	Neyveli Lignite Corporation Ltd.
Sardar Sarovar Narmada Nigam Ltd.	Singareni Collieries Company Ltd.
Nabinagar Power Generating Co. Pvt. Ltd.	NTPC Tamil Nadu Energy Company Ltd.
Bhilai Electric Supply Company Ltd	Bhilai Electric Supply Company Ltd.
SBI Capital Markets Limited	Patratu Vidut Utpadan Nigam Ltd.
NMDC Ltd.	MSTC Ltd.
NTPC Vidyut Vyapar Nigam Ltd.	NHPC Ltd.

Significant transactions with entities under the control of same government:

(₹ in crore)

Nature of Transaction	During FY 2021-22	During FY 2020-21
Disbursement of loans	2,832.23	5,871.88
Interest received	4,805.82	6,098.30

Refer Note 14, 23, 25.1, 25.3 and 55 in respect of material transactions with the Central Govt.

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Group has also entered into other transactions such as telephone expenses and deposits etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All transactions are carried out on market terms.

49.5 Major Terms and conditions of transactions with related parties

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) The remuneration to Key Managerial Personnel are in line with the HR Policies of the respective Companies.

(iii) Loans and advances given to Directors/ KMPs have specified terms/ period of repayment and are in line with the HR Policies of the respective Companies in the group.

(iv) The Companies in the Group makes advances to its associate companies which are incorporated as SPVs to meet the preliminary expenditure. Such advances carry interest rates at the rate applicable to Term Loans as per the respective Company's policy.

(v) The interest and/or dividend paid to the Trusts and Key Managerial Personnel are on account of their investments in the debt securities and/or equity shares of the respective Company and the interest and/or dividend paid on such securities is uniformly applicable to all the holders.

(vi) Outstanding balances of Group companies at the year-end are unsecured.

50. Employee Benefits

50.1 Defined contribution plans:

50.1.1 Pension

The Companies in the Group pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at pre-determined rates into the Tier-I NPS Account (Pension Account) of the employees.

50.1.2 Provident Fund

The Companies in the Group pays fixed contribution on account of provident fund at prescribed rates to a separate trusts, which invests the funds in permitted securities. The trusts have to ensure, a minimum rate of return to the members, as specified by GoI. However, any shortfall for payment of interest to members as per specified rate of return has to be compensated by the Companies in the Group. The Companies in the Group estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

The Group has recognised an expense in the Consolidated Statement of Profit and Loss of ₹ 26.47 crore (Previous year ₹ 27.06 crore) towards defined contribution plans.

50.2 Defined benefit plans:

50.2.1 Gratuity

The Companies in the Group have a defined gratuity scheme which is managed by a separate trust. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary for each completed year of service subject to a maximum of ₹ 0.20 crore on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act, 1972, as amended. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Present value of Defined benefit obligation	57.96	61.11
b) Fair Value of Plan Assets	57.59	57.13
c) Net Defined Benefit (Asset)/ Liability (a-b)	0.37	3.98

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Movement in net defined benefit (asset)/ liability

(₹ in crore)

	Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
		For the year ended		For the year ended		For the year ended	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
I.	**Opening Balance**	**61.11**	**65.25**	**57.13**	**61.14**	**3.98**	**4.11**
	Included in profit or loss						
	Current service cost	3.44	3.78	-	-	3.44	3.78
	Past service cost	-	-	-	-	-	-
	Interest cost/income	4.20	4.20	4.01	4.12	0.19	0.08
II.	**Total amount recognised in profit or loss**	**7.64**	**7.98**	**4.01**	**4.12**	**3.63**	**3.86**
	Included in OCI						
	Re-measurement loss/(gain)	-	-	-	-	-	-
	Actuarial loss (gain) arising from changes in financial assumptions	(1.54)	(1.30)	-	-	(1.54)	(1.30)
	Actuarial loss (gain) arising from experience adjustment	(1.69)	0.70	-	-	(1.69)	0.70
	Effect of change in demographic assumptions	-	-	-	-	-	-
	Return on plan assets excluding interest income	-	-	(0.72)	(0.78)	0.72	0.78
III.	**Total amount recognised in OCI**	**(3.23)**	**(0.60)**	**(0.72)**	**(0.78)**	**(2.51)**	**0.18**
IV.	Contribution by participants	-	-	-	-	-	-
V.	Contribution by employer	-	-	4.73	4.18	(4.73)	(4.18)
VI.	Benefits paid	(7.56)	(11.52)	(7.56)	(11.53)	-	0.01
VII.	**Closing Balance (I+II+III+IV+V+VI)**	**57.96**	**61.11**	**57.59**	**57.13**	**0.37**	**3.98**

50.2.2 Post-Retirement Medical Scheme (PRMS)

The Companies in the Group have Post-Retirement Medical Scheme (PRMS) to provide medical facilities to superannuated and deceased employees and their dependent family members. The liability for PRMS is recognised on the basis of actuarial valuation.

This scheme is managed by a separate trust. The trust has to ensure adequate corpus for meeting the medical expenditure incurred by the eligible employees. However, any short fall has to be compensated by the respective Company. The Companies in the Group estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Present value of Defined benefit obligation	221.90	200.06
b) Fair Value of Plan Assets	214.92	187.46
c) Net Defined Benefit (Asset)/Liability (a-b)	6.98	12.60

Movement in net defined benefit (asset)/ liability

(₹ in crore)

	Particulars	Present value of Defined Benefit Obligation		Fair Value of Plan Assets		Net Defined Benefit (Asset)/ Liability	
		For the year ended		For the year ended		For the year ended	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
I.	**Opening Balance**	**200.06**	**178.42**	**187.46**	**177.71**	**12.60**	**0.71**
	Included in profit or loss						
	Current service cost	5.88	5.06	-	-	5.88	5.06
	Past service cost	2.50	-	-	-	2.50	-
	Interest cost/income	13.77	11.79	13.14	11.96	0.63	(0.17)
II.	**Total amount recognised in profit or loss**	22.15	16.85	13.14	11.96	9.01	4.89
	Included in OCI						
	Re-measurement loss/ (gain)	-	-	-	-	-	-
	Actuarial loss (gain) arising from changes in financial assumptions	(5.34)	(7.73)	-	-	(5.34)	(7.73)
	Actuarial loss (gain) arising from experience adjustment	10.92	25.24	-	-	10.92	25.24
	Effect of change in demographic assumptions	9.30	-	-	-	9.30	-
	Return on plan assets excluding interest income	-	-	3.23	1.27	(3.23)	(1.27)
III.	**Total amount recognised in OCI**	**14.88**	**17.51**	**3.23**	**1.27**	**11.65**	**16.24**
IV.	Contribution by participants	0.15	-	0.10	0.04	0.05	(0.04)
V.	Contribution by employer	-	-	13.30	5.57	(13.30)	(5.57)
VI.	Benefits paid	(15.34)	(12.72)	(2.31)	(9.09)	(13.03)	(3.63)
VII.	**Closing Balance (I+II+III+IV+V+VI)**	**221.90**	**200.06**	**214.92**	**187.46**	**6.98**	**12.60**

50.2.3 Economic Rehabilitation Scheme (ERS)

The Companies in the Group have an Economic Rehabilitation Scheme (ERS) to provide monetary benefit in case of permanent disability/ death of an employee. This scheme is unfunded and the liability is determined based on actuarial valuation.

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Present value of Defined benefit obligation	10.92	8.66

Movement in Defined Benefit Obligation

(₹ in crore)

	Particulars	Present value of Defined Benefit Obligation for the year ended	
		As at 31.03.2022	As at 31.03.2021
I.	**Opening Balance**	**8.66**	**7.14**
	Included in profit or loss		
	Current service cost	0.58	0.56
	Past service cost	-	-
	Interest cost/income	0.58	0.45
II.	**Total amount recognised in profit or loss**	**1.16**	**1.01**
	Included in OCI		
	Actuarial loss (gain) arising from changes in financial assumptions	(0.30)	(0.08)

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(₹ in crore)

	Particulars	Present value of Defined Benefit Obligation for the year ended	
		As at 31.03.2022	As at 31.03.2021
	Actuarial loss (gain) arising from experience adjustment	3.64	2.20
	Effect of change in demographic assumptions	-	-
	Return on plan assets excluding interest income	-	-
III.	**Total amount recognised in OCI**	**3.34**	**2.12**
IV.	Contribution by participants	-	-
V.	Contribution by employers	-	-
VI.	Benefits paid	(2.24)	(1.61)
VII.	**Closing Balance (I+II+III+IV+V+VI)**	**10.92**	**8.66**

50.2.4 Risk exposure

Through its defined benefit plans, the Companies in the Group are exposed to a number of risks, the most significant of which are detailed below:

(i) Investment risk/ Asset Volatility Risk

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds. The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

(ii) Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

(iii) Mortality rate risk/Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(v) Employee Turnover rate/Withdrawal rate

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

50.2.5 Plan Assets

The value of plan assets for each category, are as follows:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Gratuity	PRMS	Gratuity	PRMS
Cash & Cash Equivalents	0.40	0.20	0.16	2.34
State/Central Government Debt Securities	14.15	52.68	14.47	22.54
Corporate Bonds/Debentures	12.08	162.04	11.25	162.58
Others	30.96	-	31.25	-
Total	**57.59**	**214.92**	**57.13**	**187.46**

As at March 31, 2022, an amount of ₹ nil (as at March 31, 2021 ₹ 0.50 crore) is included in the value of plan assets in respect of the Company's own financial instruments (corporate bonds).

- Actual return on plan assets is ₹ 19.67 crore (Previous year ₹ 16.57 crore).

50.2.6 Significant Actuarial Assumptions

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by TransValue Consultants for PFC & RECL. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for actuarial valuation are:-

A. In respect of PFC

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Discount rate & expected return on plan assets, if funded	7.45%	7.08%	7.45%	7.08%	7.45%	7.08%
Salary escalation rate/Medical inflation rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality rate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate	As per IALM (2012-14) Ultimate
Withdrawal rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%

B. In respect of RECL

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Method used			PUCM			
Discount rate & expected return on plan assets	7.37%	6.99%	7.37%	6.99%	7.37%	6.99%
Future salary escalation/medical inflation	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Expected average remaining working lives of employees (years)	17.35	16.03	17.35	16.03	17.35	16.03

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50.2.7 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation of PFC & RECL by the amounts shown below:

(₹ in crore)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)				
- Gratuity	(1.92)	2.06	(2.14)	2.24
- PRMS	(16.44)	17.48	(14.81)	15.79
- ERS	(0.39)	0.44	(0.31)	0.35
Salary Escalation/Medical inflation rate (0.50% movement)				
- Gratuity	0.33	(0.40)	0.3	(0.29)
- PRMS	16.28	(14.80)	14.78	(14.07)
- ERS	0.40	(0.36)	0.32	(0.29)
Medical Cost (10% movement)				
- PRMS	23.15	(21.43)	20.85	(19.33)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Group actively monitors how the duration and expected yield of investments are matching the expected cash outflows arising from employee benefit obligations. Investments are well diversified, such that the failure of any single investment would not have a material impact on overall level of assets. There has been no change in the process used by the Group to manage its risks from prior periods.

50.2.8 Expected maturity analysis of the defined benefit plans in future years

(₹ in crore)

Particulars	Gratuity		PRMS		ERS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Up to 1 year	6.43	9.78	16.03	13.80	1.93	1.73
1 to 5 years	28.25	29.65	97.02	83.36	6.90	5.17
Over 5 years	82.46	80.71	392.00	336.11	12.44	8.26
Total	**117.14**	**120.14**	**505.05**	**433.27**	**21.27**	**15.16**

The table above is drawn on the basis of expected cash flows.

50.2.9 Expected contributions to post-employment benefit plans

(₹ in crore)

Particulars	Gratuity		PRMS	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Expected contribution	3.27	7.56	13.71	18.46

50.2.10 The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 13.98 years (as at March 31, 2021: 15.94 years) for PFC and 12.20 years (as at March 31, 2021: 12.54 years) for subsidiary, RECL.

50.3 Other long-term employee benefits

50.3.1 Leave

The companies in the Group provides for earned leave benefit and half-pay leave benefit to the credit of the employees, which accrues on half-yearly basis at 15 days and 10 days respectively. A maximum of 300 days of earned leave can be accumulated at any point of time during the service. There is no limit for accumulation of half pay leave. On separation after 10 years of service or on superannuation, earned leave plus half pay leave taken together can be encashed subject to a maximum of 300

days. However, there is no restriction on the number of years of service for encashment of earned leave on separation from the service. Provision based on actuarial valuation amounting to ₹ 20.99 crore (Previous year ₹ 13.40 crore) for the year has been made at the year end and debited to the Consolidated Statement of Profit and Loss.

50.3.2 Other employee benefits

Provision for settlement allowance and long service awards amounting to ₹ 1.14 crore for the year (Previous year ₹ 3.44 crore) has been made on the basis of actuarial valuation and debited to the Consolidated Statement of Profit and Loss.

50.3.3 In case of RECPDCL, the Loyalty incentive to the employees is payable after completion of three years of continuous service only, except in case of separation due to death. The payment of dues to outgoing employee is released at the time of separation. Expenses amounting to nil (Previous year ₹ 0.20 crore) have been debited to the Consolidated Statement of Profit and Loss on the basis of actuarial valuation.

50.4 Employee benefits (viz. Gratuity, PRMS, Terminal Benefits, Leave encashment and other employee benefits) in respect of PFC's employees working in its wholly-owned subsidiary PFCCL on deputation/secondment basis, are being allocated based on a fixed percentage of employee cost.

51. Leases

The Group has recognised a Right of Use Asset and Lease Liability with respect to leasehold land:

51.1 The table below shows the movement of Lease Liabilities during the year

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening balance	**9.43**	**13.97**
Additions during the year	11.95	-
Finance cost accrued during the period	1.75	1.35
Payment of lease liabilities	(3.72)	(4.55)
Reassessment of lease liabilities	(0.34)	(1.34)
Closing balance	**19.07**	**9.43**

51.2 The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

(₹ in crore)

Particulars	As at 31.03.2022	As at 31.03.2021
Up to 1 year	3.72	1.52
1-5 years	12.60	3.13
More than 5 years	55.51	56.29

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51.3 During the year 2021-22, the expenses relating to short-term/low value leases amounting to ₹ 13.50 crore (Previous year ₹ 22.60 crore) has been charged to Consolidated statement of Profit and Loss. Included in the amount above are leases pertaining to residential accommodation of employees, space for official use, hiring of EDP equipment & other office equipment etc. These leases are usually renewable on mutually agreed terms and are cancellable.

51.4 The total cash outflow towards all leases, including Right-of-Use Assets is ₹ 17.35 crore. (Previous year ₹ 26.39 crore)

52. Contingent Liabilities and Commitments:

(₹ in crore)

Sr. No	Particulars	As at 31.03.2022	As at 31.03.2021
Contingent Liabilities			
(i)	Guarantees[(a)&(b)]	8.29	44.65
(ii)	Claims against the Group not acknowledged as debts	30.39	29.85
(iii)	Outstanding disbursement commitments to the borrowers by way of Letter of Comfort against loans sanctioned[(b)]	11,101.40	6,521.86
(iv)	Additional demands raised by the Income Tax Department of earlier years which are being contested	262.13	90.30
	Income Tax Department has filed appeals against the relief allowed by appellate authorities to the Companies in the Group. The same are also being contested	0.90	0.30
(v)	Service Tax/GST demand or show cause notices raised by Service Tax Department in respect of earlier years which are being contested	42.42	22.51
	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	50.07
(vi)	Bank Guarantees	33.37	40.80
Commitments			
(i)	Estimated amount of contracts (excluding GST) remaining to be executed on capital account and not provided for	328.85	561.60
(ii)	Contractual commitments for the acquisition of intangible assets	-	0.16
(iii)	Other Commitments – CSR unspent amount pertaining to the period up to March 31, 2022	499.68	405.21
Total		**12,360.84**	**7,767.31**

(a) Default payment guarantee given by PFC 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. Refer note 26

53. Details of non-wholly owned subsidiaries of the Group that have material non-controlling interest (NCI):

Name of Subsidiary	Proportion of ownership interests held by NCI		TCI allocated to non-controlling interests (₹ in crore)		Accumulated non-controlling interests (₹ in crore)	
	As at 31.03.2022	As at 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	As at 31.03.2022	As at 31.03.2021
RECL	47.37%	47.37%	4,726.00	4,185.19	24,598.92	21,022.77

* Includes Instruments in nature of equity of ₹ 558.40 crore issued by PFC's subsidiary RECL

54 Summarised financial information for Group's subsidiaries that have material non-controlling interests (before intra Group eliminations):

(₹ in crore)

Particulars (RECL)	As at 31.03.2022	As at 31.03.2021
Financial assets	4,06,800.96	3,97,259.16
Non-financial assets	4,054.75	3,593.66
Assets classified as held for sale	4.38	14.05
Financial liabilities	3,59,340.93	3,56,853.53
Non-financial liabilities	205.05	249.33
Liabilities directly associated with assets classified as held for sale	0.01	0.08
Equity attributable to the owners of the Company	26,715.19	22,741.16
Non-Controlling interests towards Instruments Entirely Equity in Nature	558.40	558.40
Non-Controlling interests towards Equity Shareholders	24,040.51	20,464.37
Total Non-controlling interests	**24,598.91**	**21,022.77**

(₹ in crore)

Particulars (RECL)	As at 31.03.2022	As at 31.03.2021
Total Revenue	39,339.20	35,575.40
Total Expenses	26,896.86	24,793.84
Profit/(loss) for the year	10,035.70	8,378.24
Profit/(loss) attributable to owners of the Company	5,282.28	4,409.87
Profit/(loss) attributable to the non-controlling interests	4,753.42	3,968.37
Other comprehensive income for the year	(57.90)	457.76
Other comprehensive income attributable to owners of the Company	(30.48)	240.94
Other comprehensive income attributable to the non-controlling interests	(27.42)	216.82
Total comprehensive income for the year	9,977.80	8,836.00
Total comprehensive income attributable to owners of the Company	5,251.80	4,650.81
Total comprehensive income attributable to the non-controlling interests	4,726.00	4,185.19
Dividends paid to non-controlling interests	1,142.15	1,028.97
Net cash inflow(outflow) from operating activities	(3,909.68)	(43,512.33)
Net cash inflow(outflow) from investing activities	(287.46)	860.52
Net cash inflow(outflow) from financing activities	3,158.89	42,113.34
Net cash inflow(outflow)	**(1,038.25)**	**(538.47)**

55. The Government of India (GoI) schemes being implemented in the Group

A. In respect of PFC

55.1 Revamped Distribution Sector Scheme (RDSS)

This Scheme was launched by GoI in July, 2021 to improve the operational efficiencies and financial sustainability of DISCOMs, by providing financial assistance to DISCOMs. It is a Reform based and result linked Distribution sector scheme. PFC along with RECL is the nodal agency for operationalisation of the scheme. The implementation period of the Scheme is 5 Years (FY 2021-22 to FY 2025-26) with the sunset date of 31.03.2026. The key objectives of the scheme is to:

- Improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.
- Reduce AT&C losses to pan-India levels of 12-15% by 2024-25.
- Reduce ACS-ARR gap to zero by 2024-25.

PFC is eligible for nodal agency fee at the rate of 0.50% of the sum total of the gross budgetary component of the various projects approved by Monitoring Committee. The total amount of nodal agency fee income from this scheme for FY 2021-22 stands at Nil.

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The Scheme has an outlay of ₹ 3,03,758 crore with an estimated gross budgetary support of ₹ 97,631 crore from the GoI and the amount of GoI grant administered to the eligible entities till March 31, 2022 through PFC is ₹ 359 crore.

55.2 Integrated Power Development Scheme (IPDS) (with Restructured Accelerated Power Development and Reform Programme (R-APDRP) subsumed)

IPDS scheme was launched in December 2014 to 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. This scheme has the sunset date of March 31, 2022 and the ongoing approved projects have been subsumed under the new RDSS scheme.

The estimated outlay of the scheme was ₹ 32,612 crore including a budgetary support of ₹ 25,354 crore from GoI. R- APDRP scheme cost of ₹ 44,011 crore including budgetary support of ₹ 22,727 crore have also been carried forward to IPDS scheme. The amount of GOI grant administered to the eligible utilities till March 31, 2022 is ₹17,907.45 crore (₹ 15,782.44 crore as at March 31, 2021).

The total amount of nodal agency fee income from this scheme for FY 2021-22 stands at ₹ 8.60 crore (Previous year ₹ 4.65 crore). Additionally, the Company has also received ₹ 28.20 crore (Previous year ₹ 6.29 crore) as reimbursement of expenditure from MoP under the said scheme.

B. In respect of RECL

55.3 Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

Government of India has launched a scheme 'Pradhan Mantri Sahaj Bijli Har Ghar Yojana' - Saubhagya to achieve universal household electrification in the country during Oct 2017. The scheme envisages to provide last mile connectivity and electricity connections to all remaining un-electrified households in rural areas and poor households in urban areas. The capital outlay of Saubhagya Scheme is ₹ 16,320 crore including gross budgetary support of ₹ 12,320 crore during the entire implementation period. Ministry of Power designated RECL as the Nodal agency for operationalisation of Saubhagya Scheme. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. March 31, 2022.

55.4 Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), the flagship scheme of Government of India covering all aspects of rural power distribution was launched in Nov 2014. Under the scheme 60% of the project cost (85% for special States) is provided as grant by Government of India and additional grant up to 15% (5% for special States) on achievement of prescribed milestones. DDUGJY facilitates towards achievement of '24x7 Power for All' in the country through the following project components:

(i) Separation of agriculture and non-agriculture feeders facilitating adequate power supply to agriculture & continuous power supply to non-agricultural consumers in the rural areas;

(ii) Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/ feeders/ consumers;

(iii) Micro-grid and Off-grid distribution network;

(iv) Rural Electrification component under the RGGVY 12th and 13th plans, subsumed to DDUGJY.

The scheme had estimated outlay of ₹ 75,893 crore including budgetary support of ₹ 63,027 crore from Government of India during the entire implementation period. Additional Infra under DDUGJY was sanctioned with a total outlay of ₹ 7,069 crore including budgetary support of ₹ 5,302 crore. The scheme has been successfully completed and closed in its sunset year FY 2021-22 i.e. March 31, 2022.

55.5 National Electricity Fund (NEF)

The National Electricity Fund (NEF), an interest subsidy scheme, has become operational since FY 2012-13. The scheme has been introduced by the Government of India to promote capital investment in the distribution sector. The scheme provides interest subsidy linked with reform measures, on the loans taken by public and private distribution power utilities for various capital works in the Distribution sector. NEF would provide interest subsidy aggregating up to ₹ 8,466 crore (including interest subsidy to the borrowers, Service Charges to the Nodal Agency, payments to Independent Evaluators and other incidental

expenses) spread over 14 years for loan disbursement against projects approved during 2012-13 and 2013-14. RECL has been nominated as the Nodal Agency for operationalisation of NEF scheme across the country.

55.6 Revamped Distribution Sector Scheme (RDSS)

Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to them so as to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 crore over 5 years i.e. FY 2021-22 to FY 2025-26 including an estimated Government Budgetary Support (GBS) of ₹ 97,631 crore.

(i) Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.

(ii) Reduction of ACS-ARR gap to zero by 2024-25.

(iii) Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Components of the scheme are:

Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.

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

55.7 J&K Prime Minister's Development Plan (PMDP)

Government of Jammu & Kashmir, Power Development Department has appointed RECPDCL as a Project Implementing Agency (PIA) for design, engineering, procurement, supply, erection, testing and commissioning of all the material and services works to be taken-up for execution of transmission projects under PMDP in J&K state and Ladakh on nomination basis, as per actual cost to be discovered through competitive biddings.

55.8 11 kV Feeder Monitoring

Ministry of Power has appointed RECPDCL to implement 11 kV Feeder Monitoring Scheme. The scheme is to develop a Self-sustained independent web based system for automated 11 kV Rural Feeder Monitoring System through Data Logging of various essential parameters of all the Outgoing 11kV rural feeders from 66, 33/11 kV sub stations and make the information available online for various stake holders including public portal, on real time basis for power supply monitoring, alerts, meter data analysis, information dissemination and energy audit.

C. In respect of subsidiary PFCCL

55.9 PFC's subsidiary PFCCL has been selected as nodal agency for facilitating short-term power requirements through competitive bidding as per MoP guidelines dated 30.03.2016. As per the guidelines, every bidder is required to deposit with PFCCL the requisite fees of ₹ 500 per MW plus applicable taxes for the maximum capacity a bidder is willing to bid. Only successful bidder(s) will have to pay the fees to PFCCL for the quantum allocated to each bidder after completion of activity and the balance amount will be refunded to the bidder.

55.10 In connection with Aatma Nirbhar Bharat Abhiyan of Govt. of India, Power Departments/ Utilities in Union Territories has to be corporatised/privatised. MoP through PFC has conveyed to provide hand-holding support and the services of a transaction advisor to the UTs and to fund the expenditure incurred in this regard which will be recoverable from the successful bidder/ MoP along with interest. PFC has appointed PFCCL as the nodal agency for this work.

56. Status of documentation subsequent to unbundling of SEBs

Some of the erstwhile State Electricity Boards (SEBs) against whom loans were outstanding or on whose behalf guarantees were given, were restructured by the respective State Governments and new entities were formed in the past. Consequently, the liabilities of the erstwhile SEBs stand transferred to new entities.

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56.1 Status of documentation subsequent to reorganisation of the State of Jammu & Kashmir

After the bifurcation of the state of Jammu & Kashmir into two union territories- Jammu & Kashmir UT and Ladakh UT, the existing entities pertaining to the erstwhile state of Jammu & Kashmir have been restructured vide unbundling order dated 23.10.19. The addendums to the agreements with new restructured departments are yet to be executed. Pending the execution of such documents, the existing loans are being serviced/ repaid in line with the existing loan agreements.

56.2 Status of documentation subsequent to reorganisation of the State of Andhra Pradesh

Subsequent to the reorganisation of erstwhile Andhra Pradesh, the State of Telangana has been formed on 02.06.2014. However, the assets and liabilities are yet to be transferred to the respective power utilities through a formal gazette notification.

Once the final transfer scheme is notified through Gazette Notification by Govt. duly indicating the transfer of assets and liabilities among the power utilities, action for execution of documentation formalities will be taken up in respect of all the outstanding loans with the new/name changed utilities. Till that time, the demand for payment of interest/principal is being segregated by the utilities and the respective portions are being paid by utilities in Telangana and Andhra Pradesh.

In respect of RECL,

56.2.1 Where ever the loans have been sanctioned to erstwhile APCPDCL, APNPDCL and APGENCO prior to bifurcation and documentation has not been done, these schemes have been re-sanctioned in the name of newly formed utilities and documentation formalities completed and accordingly the charge has been registered with the Ministry of Corporate Affairs (MCA).

56.2.2 Where ever the loans sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed and drawls have been made, in these schemes an undertaking has been obtained from the name changed/newly formed utility and disbursements have been made to the newly formed utility by changing the name of the borrower in the name of new/name changed utility.

56.2.3 Where ever the Loan is sanctioned in the name of erstwhile APCPDCL, APNPDCL prior to bifurcation and documentation formalities completed with Government Guarantee and drawls have been made, further documentation for these schemes shall be done on Gazette Notification.

57. Impact of COVID-19 on the Group

During the financial year ended March 31, 2022, India experienced two waves of COVID-19 pandemic following the spread of mutant coronavirus variants. These waves led to the imposition of temporary lockdown/curbs by Central/State Governments that were subsequently lifted.

The Group believes that considering its high credit worthiness and well-established relationship with stakeholders, there will not be any significant impact of this pandemic in continuing the business operations, in maintaining its financial position, and in its ability to continue as a going concern.

The impact of this pandemic on the Group will, *inter alia*, continue to be dependent on future developments which are uncertain. The Group shall also continue to closely monitor any material changes arising from future economic conditions and potential impact on its business.

58. In the context of reporting business/geographical segment as required by Ind AS 108 - 'Operating Segments'

The Group's operations majorly comprise of one business segment i.e. lending to power sector entities. All activities revolve around the main business. Accordingly, there are no reportable segments as per Ind AS 108. Based on management approach as defined in Ind AS 108 'Operating Segments', the Chief Operating Decision Maker evaluates the Group's performance based on analysis of various factors of one business segment.

58.1 The Group does not have any geographical segments as its operations are mainly carried out within the country.

58.2 Revenue from major services

The following is an analysis of Group's revenue from operations from its major products/services:

(₹ in crore)

	FY 2021-22	FY 2020-21
Interest income		
- on loans	74,344.34	70,029.44
- others	542.78	816.14
Dividend income	68.86	88.74
Fees and commission income	1,069.58	490.36
Other operating income	236.10	231.42
Total Revenue from Operations	**76,261.66**	**71,656.10**

58.3 Information about major borrowers

No single borrower contributed 10% or more to respective companies' revenue for both FY 2021-22 and FY 2020- 21.

59. Amounts expected to be recovered/settled within 12 months and beyond for each line item under asset and liabilities

(₹ in crore)

	Particulars	As at 31.03.2022			As at 31.03.2021		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
	ASSETS						
1	**Financial Assets**						
(a)	Cash and Cash Equivalents	914.24	-	914.24	4,927.74	-	4,927.74
(b)	Bank Balance other than included in Cash & Cash Equivalents	5,705.25	65.01	5,770.26	3,273.60	1.22	3,274.82
(c)	Derivative Financial Instruments	1,324.01	7,266.72	8,590.73	264.27	3,298.40	3,562.67
(d)	Trade Receivable	125.63	-	125.63	167.61	-	167.61
(e)	Loans	87,291.13	6,45,559.63	7,32,850.76	89,118.68	6,33,268.16	7,22,386.84
(f)	Investments	1,146.91	2,626.60	3,773.51	920.76	2,029.73	2,950.48
(g)	Other Financial Assets	383.72	29,436.63	29,820.35	425.72	29,354.15	29,779.87
	Total Financial Assets (1)	**96,890.89**	**6,84,954.59**	**7,81,845.48**	**99,098.37**	**6,67,951.66**	**7,67,050.03**
2	**Non-Financial Assets**						
(a)	Current Tax Assets (Net)	29.79	465.46	495.25	23.16	502.16	525.32
(b)	Deferred Tax Assets (Net)	-	7,315.37	7,315.37	-	6,461.03	6,461.03
(c)	Investment Property	-	-	-	-	0.01	0.01
(d)	Property, Plant and Equipment	-	668.94	668.94	-	297.75	297.75
(e)	Capital Work-in-Progress	-	53.36	53.36	-	335.67	335.67
(f)	Intangible Assets under development	-	-	-	-	0.77	0.77
(g)	Other Intangible Assets	-	4.41	4.41	-	6.39	6.39
(h)	Right of use asset	-	45.83	45.83	-	37.17	37.17
(i)	Other Non-Financial Assets	169.12	382.56	551.68	209.91	201.52	411.43
(j)	Investments accounted for using equity method	-	0.50	0.50	-	548.35	548.35
	Total Non-Financial Assets (2)	**198.91**	**8,936.42**	**9,135.34**	**233.07**	**8,390.82**	**8,623.89**
3	**Assets classified as held for sale**	19.45	-	19.45	33.16	-	33.16
	Total Assets (1+2+3)	**97,109.25**	**6,93,891.01**	**7,91,000.27**	**99,364.60**	**6,76,342.48**	**7,75,707.08**
	LIABILITIES						

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(₹ in crore)

	Particulars	As at 31.03.2022			As at 31.03.2021		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
1	**Financial Liabilities**						
(a)	Derivative Financial Instruments	75.65	580.74	656.39	129.14	1,211.21	1,340.35
(b)	Trade Payables	49.75	-	49.75	70.77	-	70.77
(c)	Debt Securities	55,156.00	3,94,575.56	4,49,731.56	83,174.52	3,96,906.13	4,80,080.65
(d)	Borrowings (other than Debt Securities)	45,795.24	1,48,821.74	1,94,616.98	35,729.82	1,27,614.60	1,63,344.42
(e)	Subordinated Liabilities	399.28	15,728.46	16,127.74	401.29	15,855.80	16,257.09
(f)	Other Financial Liabilities	3,294.17	29,304.72	32,598.89	2,807.91	29,257.34	32,065.25
	Total Financial Liabilities (1)	**1,04,770.09**	**5,89,011.22**	**6,93,781.31**	**1,22,313.45**	**5,70,845.08**	**6,93,158.53**
2	**Non-Financial Liabilities**						
(a)	Current Tax Liabilities (Net)	23.98	195.17	219.15	24.84	115.84	140.68
(b)	Provisions	168.05	188.50	356.55	174.87	97.41	272.28
(c)	Other Non-Financial Liabilities	312.33	55.77	368.10	282.96	62.30	345.26
	Total Non-Financial Liabilities (2)	**504.36**	**439.44**	**943.80**	**482.67**	**275.55**	**758.22**
3	**Liabilities directly associated with assets classified as held for sale**	**0.01**	**-**	**0.01**	**0.08**	**-**	**0.08**
	Total Liabilities (1+2+3)	**1,05,274.46**	**5,89,450.66**	**6,94,725.12**	**1,22,796.21**	**5,71,120.63**	**6,93,916.83**

60. Details in aggregate, for interests in all individually immaterial associates that are accounted for using the equity method:

(₹ in crore)

Particulars	FY 2021-22	FY 2020-21
Profit or loss from continuing operations	0.00	0.00
Post-tax profit or loss from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	**0.00**	**0.00**

61. Disclosures in respect of entities consolidated as required under Schedule III to the Companies Act, 2013

61.1 Share in net assets i.e. total assets minus total liabilities

(₹ in crore)

Name of entity	As at 31.03.2022		As at 31.03.2021	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Parent				
PFC Ltd.	61.65%	59,350.28	64.06%	52,393.12
Subsidiaries-Indian				
RECL	53.30%	51,314.10	52.82%	43,205.53
PFC Consulting Limited (PFCCL)	0.12%	111.41	0.11%	88.18
Joint Venture-Indian*				
Energy Efficiency Services Limited (EESL)	-	-	0.67%	547.85
Associates-Indian				
Chhattisgarh Surguja Power Limited	0.00%	-	0.00%	-
Coastal Karnataka Power Limited	0.00%	-	0.00%	-
Coastal Maharashtra Mega Power Limited	0.00%	-	0.00%	-
Orissa Integrated Power Limited	0.00%	-	0.00%	-

(₹ in crore)

Name of entity	As at 31.03.2022		As at 31.03.2021	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Coastal Tamil Nadu Power Limited	0.00%	0.08	0.00%	0.08
Sakhigopal Integrated Power Limited	0.00%	0.05	0.00%	0.05
Ghogarpalli Integrated Power Company Limited	0.00%	0.05	0.00%	0.05
Tatiya Andhra Mega Power Limited	0.00%	-	0.00%	-
Deoghar Mega Power Limited	0.00%	0.05	0.00%	0.05
Cheyyur Infra Limited	0.00%	0.05	0.00%	0.05
Odisha Infrapower Limited	0.00%	0.05	0.00%	0.05
Deoghar Infra Limited	0.00%	0.05	0.00%	0.05
Bihar Infrapower Limited	0.00%	0.05	0.00%	0.05
Bihar Mega Power Limited	0.00%	0.05	0.00%	0.05
Jharkhand Infrapower Limited	0.00%	0.05	0.00%	0.05
Adjustments or eliminations effect	(15.06%)	(14,501.17)	(17.66)%	(14,444.96)
Total	**100.00%**	**96,275.15**	**100.00%**	**81,790.25**

*EESL ceases to be a Joint Venture w.e.f. 01.09.2021

61.2 Share in profit and loss

(₹ in crore)

Name of entity	As at 31.03.2022		As at 31.03.2021	
	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount
Parent				
PFC Ltd.	53.40%	10,021.90	53.73%	8,444.01
Subsidiaries-Indian				
RECL	53.47%	10,035.70	53.31%	8,378.24
PFC Consulting Limited (PFCCL)	0.20%	37.68	0.18%	28.11
Joint Venture-Indian				
Energy Efficiency Services Limited (EESL)	(0.12)%	(22.40)	0.04%	6.24
Associates-Indian	0.00%	-	0.00%	-
Adjustments or eliminations effect	(6.95)%	(1,304.67)	(7.26)%	(1,140.40)
Total	**100.00%**	**18,768.21**	**100.00%**	**15,716.20**

*EESL ceases to be a Joint Venture w.e.f 01.09.2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

61.3 Share in other comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2022		As at 31.03.2021	
	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
Parent				
PFC Ltd.	148.74%	180.83	16.46%	90.20
Subsidiaries-Indian				
RECL	(47.63)%	(57.90)	83.55%	457.76
PFC Consulting Limited (PFCCL)	0.00%	-	0.00%	-
Joint Venture-Indian*				
Energy Efficiency Services Limited (EESL)	(0.15)%	(0.19)	0.21%	1.17
Associates-Indian	0.00%	-	0.00%	-
Adjustments or eliminations effect	(0.96)%	(1.17)	(0.23)%	(1.24)
Total	**100.00%**	**121.57**	**100.00%**	**547.89**

*EESL ceases to be a Joint Venture w.e.f 01.09.2021

61.4 Share in total comprehensive income

(₹ in crore)

Name of entity	As at 31.03.2022		As at 31.03.2021	
	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
Parent				
PFC Ltd.	54.01%	10,202.73	52.47%	8,534.21
Subsidiaries-Indian				
RECL	52.82%	9,977.80	54.33%	8,836.00
PFC Consulting Limited (PFCCL)	0.20%	37.68	0.17%	28.11
Joint Venture-Indian*				
Energy Efficiency Services Limited	(0.12%)	(22.59)	0.05%	7.41
Associates-Indian	0.00%	-	0.00%	-
Adjustments or eliminations effect	(6.91)%	(1,305.84)	(7.02)%	(1,141.64)
Total	**100.00%**	**18,889.78**	**100.00%**	**16,264.09**

*EESL ceases to be a Joint Venture w.e.f 01.09.2021

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

62. Disclosures in Consolidated Financial Statements have been made to the extent relevant for Consolidated Financial Statements and to the extent of information available in subsidiaries' financial statements.

63. Figures of the previous year have been regrouped/rearranged wherever necessary, in order to make them comparable.

64. Figures have been rounded off to the nearest crore of rupees with two decimals.

For and on behalf of the Board of Directors

Sd/-
(Manohar Balwani)
CGM & Company Secretary

Sd/-
(Parminder Chopra)
Director (Finance)
DIN: 08530587

Sd/-
(R. S. Dhillon)
Chairman and Managing Director
DIN: 00278074

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

Sd/-
CA Naresh Kumar
Partner
Membership No. 082069

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

Sd/-
CA Prem Behari Gupta
Partner
Membership No. 080245

Place: New Delhi
Date : May 25, 2022

Form AOC - 1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part "A" : Subsidiaries

(₹ in crore)

A.	Subsidiaries[1]	REC Ltd.	PFC Consulting Limited (PFCCL)	REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited)
1	Information for the year ended as on[2]	31.03.2022	31.03.2022	31.03.2022
2	Date of acquisition / incorporation	28.03.2019	25.03.2008	28.03.2019
3	Share Capital	1,974.92	0.05	0.09
4	Reserves & Surplus	48,452.28	111.35	328.50
5	Instruments in the nature of Equity	558.40	-	-
6	Total Assets	4,10,412.61	230.52	518.61
7	Total Liabilities	3,59,427.01	119.12	190.02
8	Investments	2,157.97	-	91.52
9	Turnover[3]	38,785.92	91.09	177.20
10	Profit before Taxation	12,424.90	51.11	68.88
11	Provision for Taxation	2,378.98	13.43	15.85
12	Profit after Taxation	10,045.92	37.68	53.03
13	Proposed Dividend	947.96	Nil	8.91
14	% of Shareholding	52.63%	100.00%	100.00%

Notes:

1. The Company does not have any foreign subsidiary.
2. Reporting period of all the subsidiaries is same as that of the holding company.
3. Turnover is considered as Revenue from Operations.
4. Name of Subsidiaries which are yet to commence operations - Nil
5. Name of Subsidiaries which have been liquidated or sold during the year - Nil

Part "B": Associates and Joint Ventures

(₹ in crore)

B	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the Company on the year end			Description of how there is Significant Influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit / Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
Associates[1]										
1	Sakhigopal Integrated Power Company Ltd.[2]	31-Mar-21	50,000	0.05	100%	SPVs are managed as per the mandate from Government of India (GoI). and the Company does not have the practical ability to direct the relevant activities of these SPVs unilaterally. Therefore, investment in these SPVs are considered as associates having significant influence despite the Company holding 100% of their paid-up equity share capital.	NA	0.05	-	-
2	Ghogarpalli Integrated Power Company Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	(0.00)	-
3	Coastal Karnataka Power Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	-	(0.00)	-
4	Coastal Maharashtra Mega Power Ltd.[3]	31-Mar-21	50,000	0.05	100%		NA	-	-	-
5	Jharkhand Infrapower Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
6	Chhattisgarh Surguja Power Limited[3]	31-Mar-21	50,000	0.05	100%		NA	-	-	-
7	Odisha Infrapower Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
8	Orissa Integrated Power Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	(0.07)	-	-
9	Cheyyur Infra Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
10	Coastal Tamil Nadu Power Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.08	-	-
11	Bihar Infrapower Limited[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
12	Bihar Mega Power Limited[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
13	Deoghar Infra Limited[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
14	Deoghar Mega Power Ltd.[2]	31-Mar-21	50,000	0.05	100%		NA	0.05	-	-
15	Tatiya Andhra Mega Power Ltd.[3]	31-Mar-21	50,000	0.05	100%		NA	-	-	-
16	Ananthpuram Kurnool Transmission Ltd.	31-Mar-22	10,000	0.01	100%		NA	0.01	-	-
17	Khetri Narela Transmission Ltd.	31-Mar-22	10,000	0.01	100%		NA	0.01	-	-
18	Bhadla Sikar Transmission Ltd.[2]	31-Mar-21	10,000	0.05	100%		NA	-	-	-
19	Mohanlalganj Transmission Limited	31-Mar-22	10,000	0.05	100%		NA	0.01	0.00	-
20	Kishtwar Transmission Limited[2]	31-Mar-21	10,000	0.05	100%		NA	-	-	-
21	Bijawar-Vidhrbha Transmission Limited[2 & 5]	31-Mar-21	10,000	0.01	100%		NA	-	-	-
22	Tanda Transmission Company Limited[4]	31-Mar-20	50,000	0.05	100%		NA	-	-	-
23	Shongtong Karcham-Wangtoo Transmission Limited[4]	31-Mar-20	10,000	0.01	100%		NA	-	-	-
24	Bidar Transmission Limited	31-Mar-22	50,000	0.05	100%		NA	0.07	-	(0.01)
25	ER NER Transmission Limited	31-Mar-22	50,000	0.05	100%		NA	(0.26)		(0.31)
26	Koderma Transmission Limited	31-Mar-22	50,000	0.05	100%		NA	(1.92)	-	-
27	MP Power Transmission Package I Limited	31-Mar-22	50,000	0.05	100%		NA	(1.62)	-	(0.80)

(₹ in crore)

B	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates held by the Company on the year end			Description of how there is Significant Influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance sheet	Profit / Loss for the year	
			No. of shares	Amount of Investments in Joint Venture/ Associates	Extent of Group's Holding %				Considered in Consolidation	Not considered in Consolidation
28	Rajgarh Transmission Limited	31-Mar-22	50,000	0.05	100%		NA	(0.10)	-	(0.20)
29	Chandil Transmission Limited[2]	31-Mar-22	50,000	0.05	100%		NA	(2.15)	-	-
30	Dumka Transmission Limited[2]	31-Mar-22	50,000	0.05	100%		NA	(2.10)	-	-
31	Mandar Transmission Limited[2]	31-Mar-22	50,000	0.05	100%		NA	(1.87)	-	-

Notes:

1. SPVs from Sl. No. 1 to 23 are under pre-operative stage and yet to commence operations.
2. Amount of Profit/Loss is as per management approved financial statements as on 31.03.2022.
3. These SPVs are under the process of Striking off with MCA. Accordingly, investments in these SPVs was provided for impairment.
4. Two associates namely Tanda Transmission Company Limited and Shongtong Karcham-Wangtoo Transmission Limited have been de-notified by Ministry of Power (MoP) and these companies are required to be wound up.
5. Bijawar-Vidarbha Transmission Limited has been recommended for closure/de-notification by National Committee on Transmission (NCT).
6. Names of associates or joint ventures which have been liquidated or sold during the year:

Name of SPV	Date of Sale
Fatehgarh Bhadla Transco Limited	04-06-2021
Sikar New Transmission Limited	04-06-2021
MP Power Transmission Package II Limited	01-11-2021
Kallam Transmission Limited	28-12-2021
Gadag Transmission Limited	17-03-2022
Khavda Bhuj Transmission Limited	18-01-2022
Karur Tansmission Limited	18-01-2022
Koppal-Narendra Transmission Limited	13-12-2021
Nangalbibra Transmission Limited	16-12-2021
Sikar II Aligarh Transmission Limited	08-06-2021

7. The following 5 Companies were incorporated during the year:

   Chhatarpur Transmission Limited

   Mohanlalganj Transmission Limited

   Kishtwar Transmission Limited

   Nangalbibra-Bongaigaon Transmission Limited

   Khavda-Bhuj Transmission Limited

8. Chhatarpur Transmission Limited was incorporated after January 1, 2022 and as per Section 2(41) of the Companies Act, 2013, where the Company has been incorporated on or after the 1st day of January of a year, the period ending on the 31st day of March of the following year shall be its first financial year. Therefore, the Balance Sheet of this Company has not been prepared.

9. During the year, pursuant to agreement executed amongst the Joint Venture partners i.e. NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited, EESL ceased to be a jointly controlled entity of the Company with effect from September 1, 2021.

For and on behalf of Board of Directors

Signed in terms of our report of even date attached

For Dass Gupta & Associates
Chartered Accountants
Firm's Registration No. 000112N

For Prem Gupta & Company
Chartered Accountants
Firm's Registration No. 000425N

	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Place: New Delhi	**(Manohar Balwani)**	**(Parminder Chopra)**	**(R. S. Dhillon)**	**CA Naresh Kumar**	**CA Prem Behari Gupta**
Date: May 25, 2022	CGM & Company Secretary	Director (Finance)	Chairman and Managing Director	Partner	Partner
		DIN: 08530587	DIN: 00278074	Membership No. 082069	Membership No. 080245

Reference Information

Registered Office

'Urjanidhi',
1, Barakhamba Lane,
Connaught Place, New Delhi - 110001
Tel. No.: (91) (11) 23456000
Website: http://www.pfcindia.com

Subsidiaries (as on March 31, 2022)

PFC Consulting Limited
REC Limited
REC Power Development and Consultancy Limited
Chandil Transmission Limited[$]
Dumka Transmission Limited[$]
Koderma Transmission Limited[$]
Mandar Transmission Limited[$]
Bidar Transmission Limited[$]
Rajgarh Transmission Limited[$]
MP Power Transmission Package-I Limited[$]
ER-NER Transmission Limited[$]
Chhattisgarh Surguja Power Limited[^]
Coastal Karnataka Power Limited
Coastal Maharashtra Mega Power Limited[^]
Coastal Tamil Nadu Power Limited
Orissa Integrated Power Limited
Sakhigopal Integrated Power Company Limited
Ghogarpalli Integrated Power Company Limited
Tatiya Andhra Mega Power Limited[^]
Deoghar Mega Power Limited
Cheyyur Infra Limited
Odisha Infrapower Limited
Deoghar Infra Limited
Bihar Infrapower Limited
Bihar Mega Power Limited
Jharkhand Infrapower Limited
Tanda Transmission Company Limited *[^]
Bijawar-Vidarbha Transmission Limited*
Shongtong Karcham-Wangtoo Transmission Limited*[^]
Ananthapuram Kurnool Transmission Limited*
Bhadla Sikar Transmission Limited*
Khetri Narela Transmission Limited*
Kishtwar Transmission Limited*
Mohanlalganj Transmission Limited*
Chhatarpur Transmission Limited*

[^] SPV under the process of striking-off
* Through PFC Consulting Limited.
[$]Through REC Ltd.

Shares Listed at

National Stock Exchange of India Limited
BSE (formerly known as Bombay Stock Exchange Limited)

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Company Secretary

Shri Manohar Balwani

Auditors

Dass Gupta & Associates, Chartered Accountants
Prem Gupta & Company, Chartered Accountants

Secretarial Auditors

Amit Agarwal & Associates, Company Secretaries

Registrar & Share Transfer Agent

KFin Technologies Limited
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Telangana, India
Tel: +91 40 67162222
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Bankers

Reserve Bank of India
State Bank of India
ICICI Bank
HDFC Bank

(A Maharatna Company)



POWER FINANCE CORPORATION LIMITED
(A Government of India Undertaking)

Regd. Office: "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi-110001
Tel.: 011-23456000, **Fax:** 011-23412545, **Website:** www.pfcindia.com
CIN: L65910DL1986GOI024862

/pfclindia | /pfclindia | /pfclindia