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

Regd& Corporate Office: Urja Nidhi Building,
1-Barakhamba Lane,
Connaught Place – 110001
Tel: (011) 23456000 Fax: (011) 23456284
Website: www.pfcindia.com

Dated: 20.03.2013

(Private & Confidential for Investors Only in India)

Shelf Disclosure Document

Disclosure document for private placement of bond for up to an amount of Rs. 5,000 Crore

DISCLAIMER

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A. Issuer Information

Name and Address of registered /Head office of the Issuer

Regd& Corporate Office: Urja Nidhi Building,
1-Barakhamba Lane,
Connaught Place – 110001
Tel: (011) 23456000 Fax: (011) 23456284
Website: www.pfcindia.com

iii. **CFO/Director (Finance) of the Company**

Sh. **RadhakrishnanNagarajan**
Director Finance
UrjaNidhi Building 1-Barakhamba Lane,
Connaught Place, New Delhi – 110001

iv. **Compliance Officer**

Sh. Alok Sud
General Manger (Finance)
UrjaNidhi Building 1-Barakhamba Lane,
General Manger (Finance)
1-Barakhamba Lane,
Connaught Place – 110001
Tel: (011) 23456286 Fax: (011) 23456286

V. Arrangers to the issue:-

PFC reserves right to appoint arrangers/merchant bankers for its bond/commercial paper issue or may choose to launch issue directly. In case of appointment of merchant banker latest applicable statutory guideline and as per internal procedure for appointment of merchant bankers be kept in mind. However, the same would be separately uploaded for each issue along with term sheet.

Vi **TRUSTEE FOR THE BONDHOLDERS**

Corporation has appointed GDA trustee as trustee for all its private placement issues for financial year 2012-13. Corporation ensures obtaining consent from the trustee before launch of each issue.

GDA Trusteeship Ltd.
GDA House,
First Floor, Plot No.85,
S.No. 94&95, Bhusari Colony (Right)
Kothrud, PUNE-4110038

Vii **REGISTRAR & TRANSFER AGENT**

Skyline Financial Services Pvt Ltd.
Main Iskcon Temple Road,
Yusuf Sarai Commercial Complex
Tel (011) 26292680-3 Fax: 26292681

Viii **Credit Rating Agencies of the Issue**

ICRA Limited
Regd. Office: 1105, Kailash Building,
11th Floor, 26th K.G. Marg,
New Delhi-110001

CRISIL Limited
Regd. Office: CRISIL House,
Central Avenue, Hiranandani
Business Park,
Powai, **Mumbai-400075**

CARE
Credit Analysis & Research Ltd.
B-47,3rd Floor, Inner Circle,
Connaught Place,
New Delhi-110001

ix Auditors of the Company

M/s N. K. Bhargava & Co.
Chartered Accountants,
C-31, 1st floor , Acharya Niketan, Phase – I,
Mayur Vihar,
Delhi-110091

M/s Raj Har Gopal & Co.
Chartered Accountants,
412, Ansal Bhawan,
16, Kasturba Gandhi Marg,
New Delhi – 110001.

b.<u>Brief Summary of the business/activities of the Issuer and its line of business:-</u>

Overview

We are a leading financial institution in India focused on the power sector. We were established as an integral part of, and continue to play a strategic role in, the GoI's initiatives for the development of the power sector in India. We work closely with GoI instrumentalities, 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, we are involved in various GoI programs for the power sector, including acting as the nodal agency for the UMPP program and the R-APDRP and as a bid process coordinator for the ITP scheme.

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

We have well established relationships with the GoI and State governments, regulatory authorities, major power sector organizations, Central and State power utilities, as well as private sector power project developers. We have also strategically expanded our focus areas to include projects that represent forward and backward linkages to the core power sector projects, including procurement of capital equipment for the power sector, fuel sources for power generation projects and related infrastructure development. We also intend to fund power trading initiatives.

Our primary sources of funds include equity capital, internal resources and domestic and foreign borrowings. We currently enjoy the highest credit ratings of "AAA/Stable" and "AAA" for our long-term domestic borrowings and "A1+" and "A1+" for our short-term borrowings from CRISIL (a subsidiary of Standard & Poor's) and ICRA (an affiliate of Moody's), respectively. International credit rating agencies Moody's, Fitch and Standard & Poor's have granted us long-term foreign currency issuer ratings of "Baa3", "BBB-" and "BBB-", respectively, which are at par with the sovereign ratings for India.

We are a listed government company and a public financial institution under the Companies Act. We are registered with the RBI as a non-deposit taking systemically important NBFC ("NBFC") and were classified as an IFC in July 2010. We believe that our NBFC and IFC classification enables us to effectively capitalize on available financing opportunities in the power sector in India. In addition, as a government-owned NBFC, loans made by us to Central and State entities in the power sector are currently exempt from the RBI's prudential lending (exposure) norms that are applicable to other non-government owned NBFCs. However, we follow prudential lending norms and guidelines approved by the MoP with respect to loans made to Central and State entities in the Indian power sector, while our loans made to the private sector are generally consistent with lending (exposure) norms stipulated by the RBI. We believe our classification as an IFC enhances our ability to raise funds on a cost-competitive basis (including through issuance of Rupee-denominated infrastructure bonds that offer certain tax benefits to the bondholders), and increase our lending exposures to individual entities, corporations and groups, compared to other NBFCs that are not IFCs.

We were granted the Navratna status by the DPE in 2007, and have received an "Excellent" rating from the GoI in each of the last five fiscal years. We were also awarded the India Pride Award 2009 in the NBFC category for excellence among public sector undertakings, and the Dalal Street Investor Journal PSU Award 2010 for being the Heavy Weight Navratna PSU and the Fastest Growing Navratna PSU, in the non-manufacturing category.

Our Strengths

We believe that the following are our primary strengths:

Comprehensive financial assistance platform focused on the Indian power sector

We provide a comprehensive range of financial products and related advisory and other services from project conceptualization 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 modernization projects. We provide various fund-based financial products including long-term project finance, short-term loans, buyer's line of credit and debt refinancing schemes, as well as non-fund based assistance including default payment guarantees and letters of comfort. We also provide various fee-based technical advisory and consultancy services for power sector projects.

Strategic role in GoI initiatives and established relationships with power sector participants

We were established as an integral part of, and have played a strategic role in, the GoI's initiatives for the promotion and development of the power sector in India for more than two decades. We have been involved in the development and implementation of various policies and structural and procedural reforms for the power sector in India. We are also involved in various GoI programs for the power sector, including acting as the nodal agency for the UMPP and the R-APDRP and as a bid process coordinator for the ITP scheme.

As a result, we have developed strong relationships with the Central and State governments, various regulatory authorities, significant power sector organizations, Central and State power utilities, private sector project developers, as well as other intermediaries in the power sector. We believe that our wide experience in implementing government policies and programs provide us with industry expertise that enables us to leverage our project risk assessment capabilities to effectively evaluate projects, structure appropriate financing solutions, develop effective loan disbursement and project monitoring methodologies, as well as provide regulatory and related advisory services. We believe we provide value to our clients in various ways, by supporting their operations as well as providing assistance with long-term reform and restructuring programs. We believe that this unique positioning enables us to leverage our power sector expertise, our existing large client base and continuing relationships with government agencies and instrumentalities to be a preferred financing provider for the power sector in India.

Operational flexibility to capitalize on both fundraising and lending opportunities

We are registered with the RBI as an NBFC and have also been classified as an IFC. We believe that our NBFC and IFC classification enables us to be operationally more flexible than some of our competitors and effectively capitalize on available financing opportunities.

As an NBFC, we are governed by regulations and policies that are generally less stringent than those applicable to commercial banks, including with respect to liquidity requirements and the requirement to hold a significant portion of funds in relatively low yield assets, such as government and other approved securities and cash reserves.

In addition, as a government-owned NBFC, loans made by us to the entities in the power sector have been exempted from RBI's prudential norms applicable to other non-government owned non-deposit taking systemically important NBFCs. RBI has expressed its intent to bring PFC under the RBI Prudential Norms applicable to NBFC. However, PFC has been granted exemption from adherence to the RBI Prudential Norms for a period of one year i.e. upto 31.03.2013 subject to PFC furnishing a roadmap for compliance with RBI Prudential Norms as laid down in Non-banking financial Companies (Non Deposit Accepting or Holding) companies Prudential Norms (Reserve Bank) Directions 2007 as amended from time to time, within three years beginning April 1, 2013. Accordingly, the Board approved roadmap has been submitted to RBI through MoP.

In July 2010, we were classified as an IFC, which is a distinct category of NBFCs that are primarily engaged in infrastructure financing. We believe our classification as an IFC enables us to increase our lending exposures to individual entities, corporations and groups, compared to other NBFCs that are not IFCs. We believe that these are significant competitive advantages in providing project financing for large, long-gestation power sector projects. For example, an IFC is entitled to lend up to 25.0% of its Owned Funds to a single borrower in the infrastructure sector, compared to 20.0% of Owned Funds by other NBFCs categorized as a Loan Company. As an IFC, we are also eligible to raise, under the automatic route (without the prior approval of the RBI), ECBs up to US$500.00 million each fiscal year, subject to the aggregate outstanding ECBs not exceeding 50.0% of our Owned Funds. As an IFC, we are also required to maintain CRAR of 15.0% (with a minimum Tier I capital of 10.0%). For further information relating to the IFC category of NBFCs and differences with non-IFC classified NBFCs.

In terms of RBI circular dated 26.12.2011 the amount of undrawn commitment against the fund based facility is to be included in the off-balance items for calculating CRAR. The said circular was applicable on all existing contracts from April 01, 2012 and for new contracts entered after 26.12.2012. As these have a significant impact on PFC's CRAR, PFC had taken up the matter with RBI. Accordingly, RBI has granted exemption to PFC from requirement of keeping capital on undrawn commitments upto March 31, 2013. Subject to PFC submitting the roadmap by 31st August, 2012 for compliance to the revised Capital Adequacy Framework for Off Balance Sheet exposures as defined in circular dated December 26, 2011. The same has been submitted to RBI with a request that the undrawn or partially undrawn commitment for fund-based facility may be excluded from off balance sheet items for calculating CRAR in respect of PFC.

Favorable credit rating and access to various cost-competitive sources of funds

Our primary sources of funds include equity capital, internal resources and domestic and foreign borrowings. CRISIL, ICRA and CARE have granted us the highest credit ratings of "AAA ", for our long-term domestic borrowings and "A1+" for our short-term borrowings. International credit rating agencies Moody's, Fitch and Standard & Poor's have provided us long-term foreign currency issuer ratings of "Baa3", "BBB-" and "BBB-", respectively, which are at par with the sovereign ratings for India.

We believe that our financial strength and our favorable credit ratings enable us to access various cost competitive funding options. Our borrowings reflect various sources, maturities and currencies, and include bonds and term loans, as well as commercial paper. Our primary sources of funds are Rupee-denominated bonds and commercial borrowings raised in India. In addition, as an IFC, we are able to further diversify our borrowings through the issuance of Rupee-denominated infrastructure bonds that offer certain tax benefits to bondholders. Further, subject to certain restrictions we are also eligible to raise, under the automatic route (without the prior approval of the RBI), ECBs up to US$500.00 million each fiscal year. We have also accessed various international funding sources including the World Bank, the Asian Development Bank and Kfw.

Comprehensive credit appraisal and risk management policies and procedures

We have developed extensive knowledge and experience in the Indian power sector, and believe we have comprehensive credit appraisal policies and procedures, which enable us to effectively appraise and extend financial assistance to various power sector projects. We follow a systematic institutional and project appraisal process to assess and mitigate project and credit risk. We believe our internal processes and credit review mechanisms reduce the number of defaults on our loans and contribute to our profitability.

We believe that our comprehensive credit appraisal and project monitoring process have resulted in strong collection and recovery

Our Products

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

Our fund based financial assistance includes primarily project finance (both Rupee and foreign currency denominated term loans), short-term and mini short-term loans. Our product portfolio also includes equipment lease financing, buyer's line of credit, debt refinancing schemes, bridge loans, transitional loans, loans for asset acquisition, bill discounting and a line of credit for import of coal and other fuel.

We also provide non-fund based assistance including default payment guarantees and letters of comfort.

Fund Based:

1. Rupee Term Loans
2. Short-term Loans
3. Foreign Currency Loans
4. Other Fund Based Financial Assistance
    - Equipment lease financing.
    - Buyers’ line of credit.
    - Loans to equipment manufacturers.
    - Asset acquisition schemes.
    - Transitional loans.
    - Debt refinancing scheme
    - Bill discounting scheme.
    - Corporate loans.
    - Loans to grid connected solar PV power generation projects.

Non Fund Based :

We also provide non-fund based assistance including default payment guarantees and letters of comfort.

1. Default Payment Guarantees
2. Letters of Comfort

Projects we Fund:

Thermal generation projects. We provide finance for thermal energy generation projects in the public and private sector. Thermal energy generation projects include coal and gas based power plants.

Hydro generation projects. We provide finance for hydro generation projects in the public and private sector. We continue to focus on providing financial assistance to hydro projects to facilitate an optimal mix of thermal and hydro projects in our loan asset portfolio. In this connection, we have extended loan repayment periods of up to 20 years after moratorium for hydro projects, effectively increasing the loan tenor for such projects.

Renewable energy projects. We provide finance to various renewable energy projects, including solar, wind, biomass and small hydro projects. We provide financing for public and private sector renewable energy generation projects.

Renovation, modernization and life-extension scheme. We provide finance for renovation and modernization and life-extension projects of old thermal and hydro power plants.

Transmission projects and schemes. We provide financing assistance to several kinds of power transmission projects, including transmission and sub-transmission schemes, power evacuation lines and transmission links. Transmission projects and schemes funded by us involve transmission of power within various States and from one region to another region in India, assist in distribution of power within the State and also relate to transmission loss reduction schemes. These schemes include construction of new transmission lines, reinforcement of existing transmission lines, new substations, augmentation of transformer capacities of existing substations, replacement of old and obsolete equipment, and bay extensions.

Distribution, capacitor and metering schemes. We have extended financial assistance to various projects and entities that establish and upgrade sub-stations and distribution networks in various distribution circles, including for installment of capacitors and meters to reduce losses and improve revenue generation, and to improve the quality and reliability of power supply to consumers.

Institutional Development Role and Government Programs

The GoI and various State governments have undertaken various programs and initiatives for the reform and restructuring of the power sector in India to ensure adequate supply of electricity at reasonable rates, to encourage private sector participation and to make the Indian power sector self-sustaining and commercially viable. These institutional and structural and procedural reforms are aimed at achieving operational and commercial efficiency and improved viability of State power utilities; improving delivery of services and achieving cost effectiveness through technical, managerial and administrative restructuring of utilities; creating an environment that will attract private capital, both domestic and foreign, to supplement public sector investment; operating State power utilities in a manner that enables them to generate sufficient returns to meet operational and investment requirements; and achieving energy conservation through integrated resource planning, demand side management and minimizing waste.

We were established as an integral part of, and continue to play a strategic role in, the GoI's initiatives for the development of the power sector in India. We work closely with GoI instrumentalities, 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, we are involved in various GoI programs for the power sector, including acting as a nodal agency for the UMPP and the R-APDRP and as a bid process coordinator for the ITP scheme.

1. **Ultra Mega Power Projects (UMPP)**

The GoI has introduced the UMPP program with the objective of developing large capacity power projects in India. We have been designated to act as a nodal agency by the GoI for the development of UMPPs, each with a minimum capacity of 4,000 MW. These UMPPs involve economies of scale based on large generation capacities based at a single location, utilize super critical technology to reduce emissions, and potentially have lower tariff costs for electricity generated as a result of these factors and a result of the tariff being based on international competitive bidding processes adopted for the selection of developers.

2. Independent Transmission Projects (ITP)

In April 2006, the MoP introduced a tariff based competitive bidding process for ITPs, similar to that followed for UMPPs, for the development of transmission systems through private sector participation. We have been nominated as a bid process coordinator by the MoP for the development of certain ITPs.

3. Accelerated Power Development and Reform Programs

The GoI introduced the Accelerated Power Development Program ("APDP") in fiscal 2001 as part of the reform of the Indian power sector. During the 10th Plan, the GoIsubsequently upgraded the APDP program to the Accelerated Power Development Reform Program ("APDRP") in fiscal 2003. The objectives of this program were to improve the financial viability of state power utilities, reduce aggregate technical and commercial losses ("AT&C") losses, improve customer satisfaction and increase the reliability and quality of the power supply by reducing outages and interruptions, with a focus on urban and industrial areas.

APDRP aimed at reforming the power distribution sector by providing investment and incentives to SEBs and SPUs and distribution companies to strengthen and improve transmission, sub-transmission systems and distribution networks.

In July 2008, APDRP was restructured and the MoP launched the Restructured Accelerated Power Development and Reforms Program ("R-APDRP"), with focus on, amongst others, establishment of base line data, fixation of accountability and reduction of AT&C losses through strengthening and upgrading of transmission, sub transmission and distribution network, and adoption of IT systems during the 11th Plan.

R-APDRP is required to be implemented in three parts. Part-A focuses on establishment of IT enabled baseline data acquisition systems and Supervisory Control and Data Acquisition ("SCADA") systems. Part-B aims at reduction in AT&C loss level to less than 15% on a sustainable basis in five years, by achieving improvements in transmission, sub-transmission and distribution systems.

We were designated to act as the nodal agency to run APDRP as well as R-APDRP, to provide a single window service under the program, in coordination with the agencies involved, such as the MoP, Steering Committee, CEA, NTPC, PGCIL, other statutory bodies (if required) and various consultants to achieve the speedy and timely completion of projects, and therebyassist the utilities in achieving loss reduction targets. We are paid a 'nodal agency fee' for the services rendered in running the R-APDRP. In Part-A of the R-APDRP, the GoI will provide 100% of the loan through budgetary support to initiate the project, which is meant to be converted into a grant if the required base-line data system is established within a stipulated time frame. The loan provided to state power utilities for R-APDRP Part-A projects shall be converted to grant only on satisfactorily completing the projects within three years of sanction and verification of the same by such independent agencies. In Part-B, the GoI will provide funding of up to 25.0% of the project cost in the form of a loan (90% for special category states), 50.0% of which will be converted into a grant in five equal tranches if the project achieves AT&C loss levels of 15.0% on a sustainable basis for a period of five years.

We have appointed a process consultant to assist in running the R-APDRP. We have also empanelled IT consultants ("ITC") and IT Implementing Agencies ("ITIA") and have formulated an RfP for ITC and model RfP for ITIA. Further, we have empanelled SCADA/DMS consultants ("SDC"), SCADA Implementing agencies ("SIA") and have formulated aRfP for SDC and model RfP for SIA. In order to monitor the implementation of R-APDRP, a fully dedicated web-portal has been developed by an IT advisor in consultation with the Company. Third Party Independent Evaluation Agencies for Energy Accounting have been appointed for all States to verify baseline AT&C losses and AT&C losses, while third party independent evaluation agencies for IT are in process of being appointed.

4. Accelerated Generation and Supply Program (AG&SP)

In fiscal 1998, the GoI introduced the AG&SP scheme, which provided for interest subsidies for projects involving renovation, modernization and life extension of old thermal and hydro plants, completion of ongoing generation projects, construction of transmission links, system improvements and including grants for various studies. In fiscal 2002, the scheme was modified to restrict it to renovation, modernization and life extension schemes and generation projects.

This was a MoP scheme that was overseen and operated by us. The MoP subsidized our normal lending rates on loans to SPUs. The subsidy is paid in advance directly to us out of the central government budget on the basis of disbursements made during the period. The AG&SP scheme ended in April 2007 and no fresh sanctions have been made since under the scheme.

5. Distribution Reform, Upgrades and Management (DRUM)

Distribution Reform, Upgrades and Management ("DRUM") is an Indo-US joint initiative developed by the MoP in conjunction with the United States Agency for International Development with a planned funding of US$30.00 million. The objective of DRUM is to demonstrate commercially viable electricity distribution systems that provide reliable power of sufficient quality to consumers and to establish a commercial framework and a replicable methodology to that adopted by Indian financial institutions for the provision of non-recourse financing for DRUM activities and programs.

We have been appointed as a principal financial intermediary and provide management support for this initiative. Our responsibilities include provision of management and implementation support, coordination of all relevant stakeholders, acting as a financial intermediary and banker for supervision of funds (loans and grants) and developing a mechanism for leveraging resources of other financial institutions and banks.

Consultancy Services

In addition to our lending activities, we provide various technical consultancy and advisory services for power sector projects. We provide consultancy and other fee-based services to State power utilities, power distribution licensees, IPPs, public sector undertakings and SERCs. We also provide fee-based services for various GoI programs, including acting as a nodal agency for UMPP and R-APDRP projects and as a bid process coordinator for ITP scheme projects. Other consultancy and advisory services include: bid process coordination for power procurement by distribution licensees through tariff based competitive bidding process; renewable and non-conventional energy schemes; coal block joint ventures and selection of developers for coal blocks and linked power projects; project advisory services including selection of an EPC contractor; advisory services relating to policy reform, restructuring and regulatory aspects; and assistance in relation to capacity building and human resource development.

We also intend to focus on acquisition advisory services for power sector projects, including identification of target projects and potential acquirers for acquisitions and consolidation opportunities, and also provide techno-commercial appraisal of target projects.

Risk Management

We believe we have developed comprehensive risk management policies and procedures. We place particular importance to actively managing and controlling our risk exposures. These processes include a detailed appraisal methodology, identification of risks and suitable structuring of credit risk mitigation measures.

We have 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 our operations.

We have also developed an Integrated Enterprise-Wide Risk Management Policy ("IRM Policy"). The Risk Management Committee has also set up a Risk Management Compliance Committee and a separate unit called the Corporate Risk Assurance ("CRA") unit to monitor certain risks identified by us.

Corporate Governance

We believe in the adoption of corporate governance standards that are credible, consistent, coherent and inspiring. Our philosophy of corporate governance encompasses the characteristics of adequate disclosures, focused approach, absolute compliance with the laws, a professional board and ultimately the target of maximizing the shareholder value, besides catering to the interests of the creditors, employees, the environment and the society at large. We intend to comply with the principles of corporate governance set out in the Equity Listing Agreement with the Stock Exchanges. We have created a code of conduct for our Board and senior management personnel, which is a comprehensive code applicable to all Directors and members of senior management as well as a code for the prevention of insider trading.

Competition

As a leading financial institution in India focused on the power sector, we believe that our experience in implementing government policies and programs, industry expertise and relationships and large client base enables us to be a preferred financing provider for the power sector in India. Our primary competitors include other public sector financial institutions focused on the power sector such as REC; infrastructure finance companies such as IDFC, IIFCL, IL&FS and IFCI that provide both fund and fee-based services\; public sector banks and private banks (including foreign banks); multilateral development institutions; insurance companies that either lend to the power sector directly or work in conjunction with other financial services firms to lend to the infrastructure sector; as well as private equity firms that focus on private equity, buyouts and mezzanine financing for the power sector.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company 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. Our Company 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 in August 31, 1990.

Infrastructure Finance Company

On July 28, 2010, our Company was classified as an Infrastructure Finance Company ("**IFC**"). As an IFC we are able to raise funds on a cost competitive basis.

Navratna Company

On June 22, 2007, our Company was notified as a Navratna company by the GoI. As a Navratna company, we are eligible for enhanced delegation of powers to our Board, including (a) the power to incur capital expenditure without governmental approval upto a specified limit; (b) ceiling on equity investment to establish financial joint ventures and wholly owned subsidiaries in India or abroad to be 15% of the net worth of our Company in a single project limited to ` 10,000 million and the overall ceiling on such investments in all projects put together to be 30% of the net worth of our Company; (c) power to enter into mergers and acquisitions subject to certain conditions; and (d) the Board has the power to further delegate the powers relating to human resource management (appointments, transfers, postings, etc,) of executives below Board level to sub-committees of the Board or to executives of our Company as may be decided by the Board.

Changes in registered office

At the time of incorporation, the registered office of our Company was situated at Room No. 627, Shram Shakti Bhawan, Rafi Marg, New Delhi 110 001, India. On March 25, 1988, the registered office of our Company was shifted to Chandralok, 36, Janpath, New Delhi 110 001, India. Subsequently, on September 23, 2006, the registered office of our Company was shifted to "Urjanidhi", 1Barakhamba Lane, Connaught Place, New Delhi – 110 001 for ensuring administrative and operational efficiency.

Major events

In addition to the events described above, the following table illustrates the major events in the history of our Company since its incorporation.

Calendar Year	Event
1986	Incorporation of our Company.
1987	Certificate of commencement of business received.
1988	Commencement of lending activities; Evolution of broad operational policies identifying priority areas for providing financial assistance; and Formulation of short term, medium term and long-term strategies for operations.
1989	Provided first guarantee to Mitsui and Company, Japan for payment of principal, for Rupees equivalent to Japanese Yen 27.39 billion for supplier credit made available to Uttar Pradesh State Electricity Board for setting up of 1,000 MW Anpara B Thermal Power Project.
1990	Declared as a public financial institution under section 4A of Companies Act.
1991	Conferred with a license to deal in foreign exchange in the power sector.
1992	Project on Energy Management Consultation and Training made operational with the objective to bring about improvement in the efficiency of the energy supply component of the power sector with the help of USAID.
1993	First MoU with GoI in relation to operational targets and rated excellent on the basis of all round performance for the same.
1994	Company declared maiden dividend to the GoI.
1996	Started funding private power projects.
1998	• Registered as an NBFC; • Declared a Mini Ratna (Category I); and • Promoted PTC India Limited as joint venture with NTPC Limited and Powergrid Corporation of India Limited.
1999	Launched consultancy services in order to provide consultancy services to both state owned and private power utilities for the power and financial sectors.
2003	Appointed by the MoP as a nodal agency to fund the India Power Fund scheme to catalyze the process of fresh equity investment in the power sector.
2004	Project appraisal system certified as ISO 9001.
2005	Entered into MoU with LIC and ten leading public sector banks for consortium financing of power projects.
2006	Set up seven subsidiary companies for developing UMPPs; and Our disbursement crossed ` 100,000 million.
2007	• Incorporation of 4 new subsidiaries 2 for developing UMPPs and 2 for developing ITPs; • Listing of our Equity Shares on the Stock Exchanges. • Declared as a Navratna PSU.
2008	• Appointed as nodal agency for APDRP; • Three of our SPVs/subsidiaries namely Coastal Gujarat Power Limited for Mundra UMPP in Gujarat, Sasan Power Limited for Sasan UMPP in Madhya Pradesh and Coastal Andhra Power Limited for Krishnapatnam UMPP in

Calendar Year	Event
	Andhra Pradesh were transferred to the successful bidders; • Launch of R-APDRP programe; and • Incorporation of a new subsidiary namely PFC Consulting Limited for undertaking consultancy assignment in the power sector.
2009	• PFCCL appointed as the bid process coordinator for ITPs; • Jharkhand Integrated Power Limited SPV/subsidiary established for Tilaiya UMPP in Jharkhand transferred to the successful bidder; and • Our Company featured in the list of top 500 Global Financial Brands 2009.
2010	Received ISO 9001:2008 certification; and Registered with the RBI as an Infrastructure Finance Company.
2011	Launch of public issue of long term infrastructure bonds.
2012	Launch of public issue of Tax free bonds & infrastructure bonds.

Awards and Recognitions

Our Company has been entering into annual memorandum of understanding with the MoP (“MoPMoU”) since 1993-94 and has been consistently rated in the highest category of “Excellent” since then (except being rated “Very Good” in 2004-05).

Our Company has received the following awards in the recent past:

- PFC received “SCOPE Commendation Certificate” in the category of “Best Managed Bank, Financial Institution or Insurance Company” for the year 2009-10. Shri Satnam Singh, CMD, PFC received this award from Hon’ble President of India Smt. PratibhaDevisinghPatil on 11th April, 2011.

- PFC received “Gentle Giant, The Largest Navratna (Non-Manufacturing)” award on 21st April, 2011 at New Delhi. Shri Satnam Singh, CMD, PFC received this prestigious award from Hon’ble Union Power Minister ShriSusheelkumarShinde in the presence of ShriDipakDasgupta, Principal Economic Adviser, Ministry of Finance, Government of India during “3rd PSU Awards 2011” organized jointly by Dalal Street and KPMG.

- PFC received DainikBhaskar India Pride PSU Award 2011 on 21st Oct, 2011 at New Delhi. Shri Satnam Singh, Chairman and Managing Director received this award from Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Government of India.

- PFC received “India Power Award 2011” in the category of “Best Financial Support in Power Industry” on 24th Nov, 2011 at New Delhi. Shri M. K. Goel, Director (Commercial), PFC received this award from Dr C. Rangarajan, Chairman, Economic Advisory Council to Hon’ble Prime Minister and Former Governor of Andhra Pradesh.

- PFC received 4th KPMG Infrastructure Today Award 2011 in the category of “Special Recognition for Contribution to the Power Sector over 25 Years on 9th Dec, 2011 at

New Delhi. Shri Satnam Singh, Chairman and Managing Director, PFC received this award from DrMontek Singh Ahluwalia, Deputy Chairman, Planning Commission, Government of India.

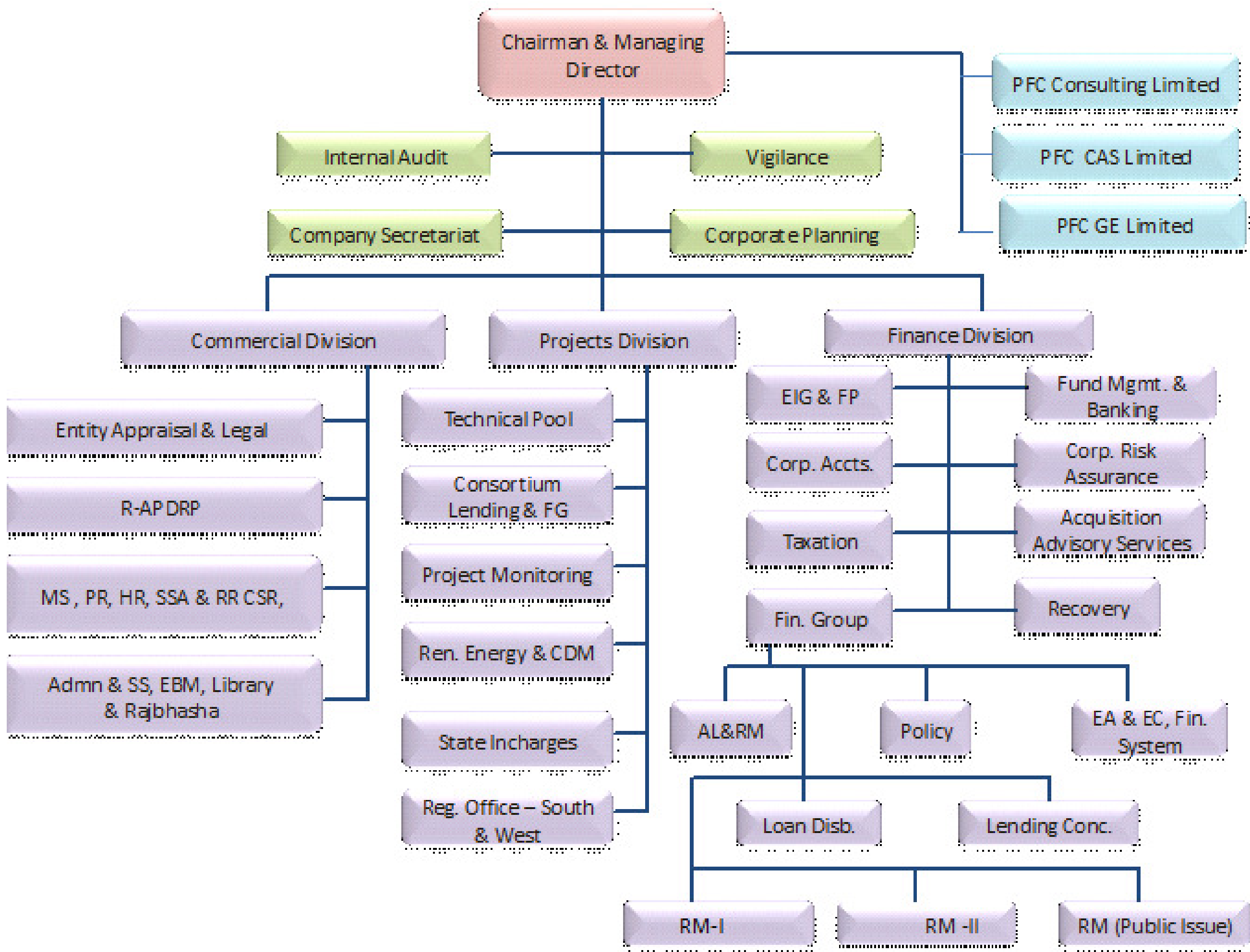
- PFC received “MoU Excellence Award 2009-10” in the category of “Financial Services” .Shri Satnam Singh received this award from Hon’ble Prime Minister of India ShriManmohan Singh on 31st Jan, 2012 at New Delhi

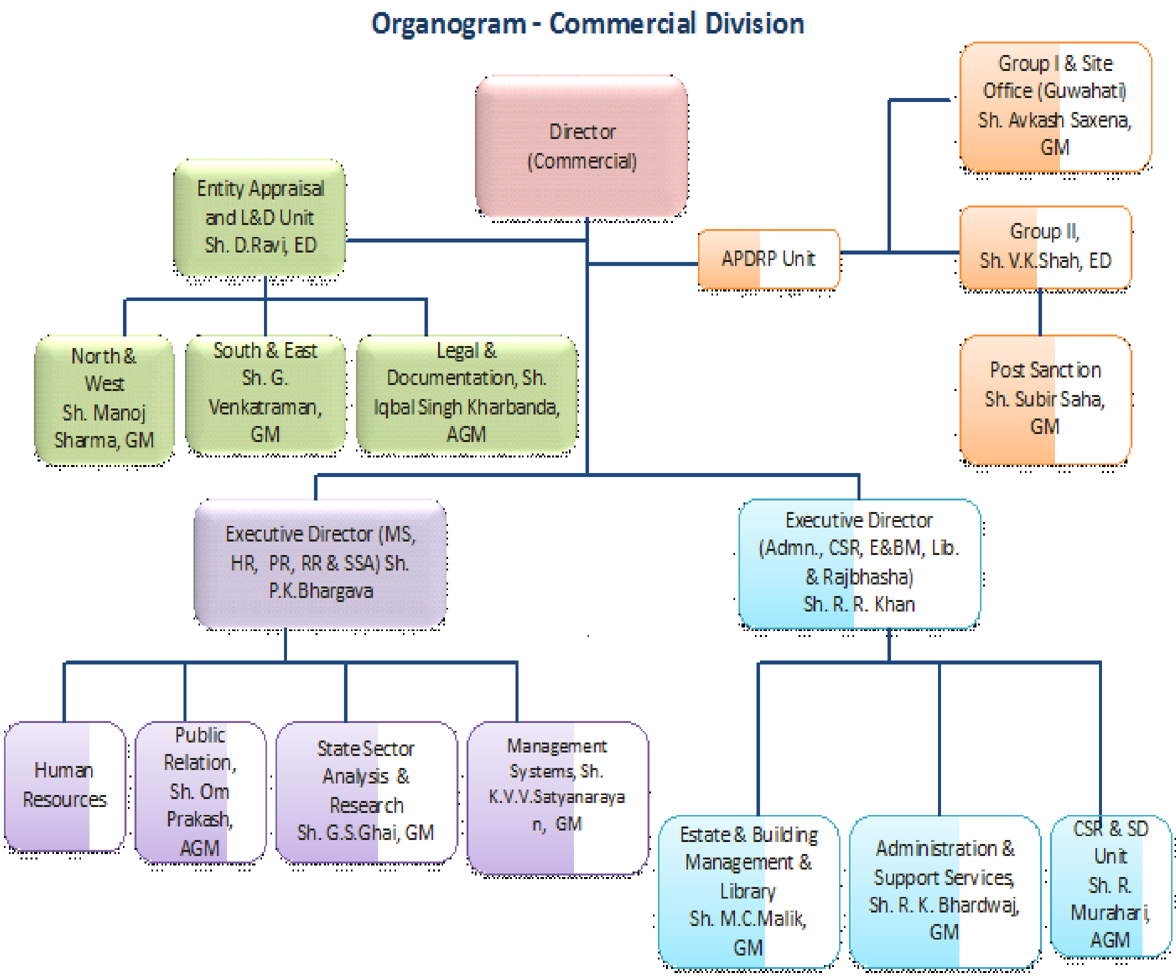
Our Main Objects
Our main objects, as contained in Clause III A of our Memorandum of Association, are as herein under mentioned:

- To finance power projects, in particular thermal and hydroelectric projects;
- To finance power transmission and distribution works;
- To finance renovation and modernization of power plants aimed at improving availability and performance of such plants;
- To finance system improvement and energy conservation schemes;
- To finance maintenance and repair of capital equipment including facilities for repair of such equipment, training of engineers and operating and other personnel employed in generation, transmission and distribution of power;
- To finance survey and investigation of power projects;
- To finance studies, schemes, experiments and research activities associated with various aspects of technology in power development and supply;
- To finance promotion and development of other energy sources including alternate and renewable energy sources;
- To promote, organize or carry on consultancy services in the related activities of the Company;
- To finance manufacturing of capital equipment required in the power sector; and
- To finance and to provide assistance for those activities having a forward and backward linkage, for the power projects, including but not limited to, such as development of coal and other mining activities for use as a fuel in power project, development of other fuel supply arrangements for power sector, electrification of railway lines, laying of railway lines, roads, bridges, ports and harbours, and to meet such other enabling infrastructure facilities that may be required.

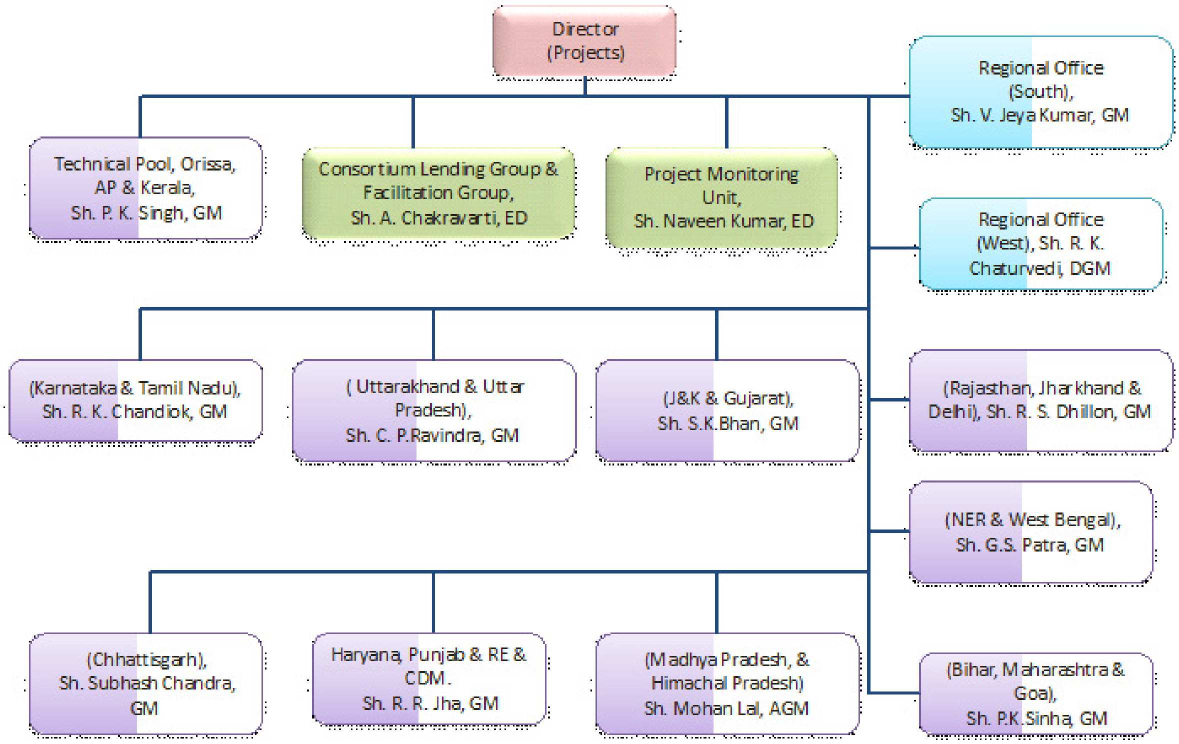
Organization Structure

PFC Organogram

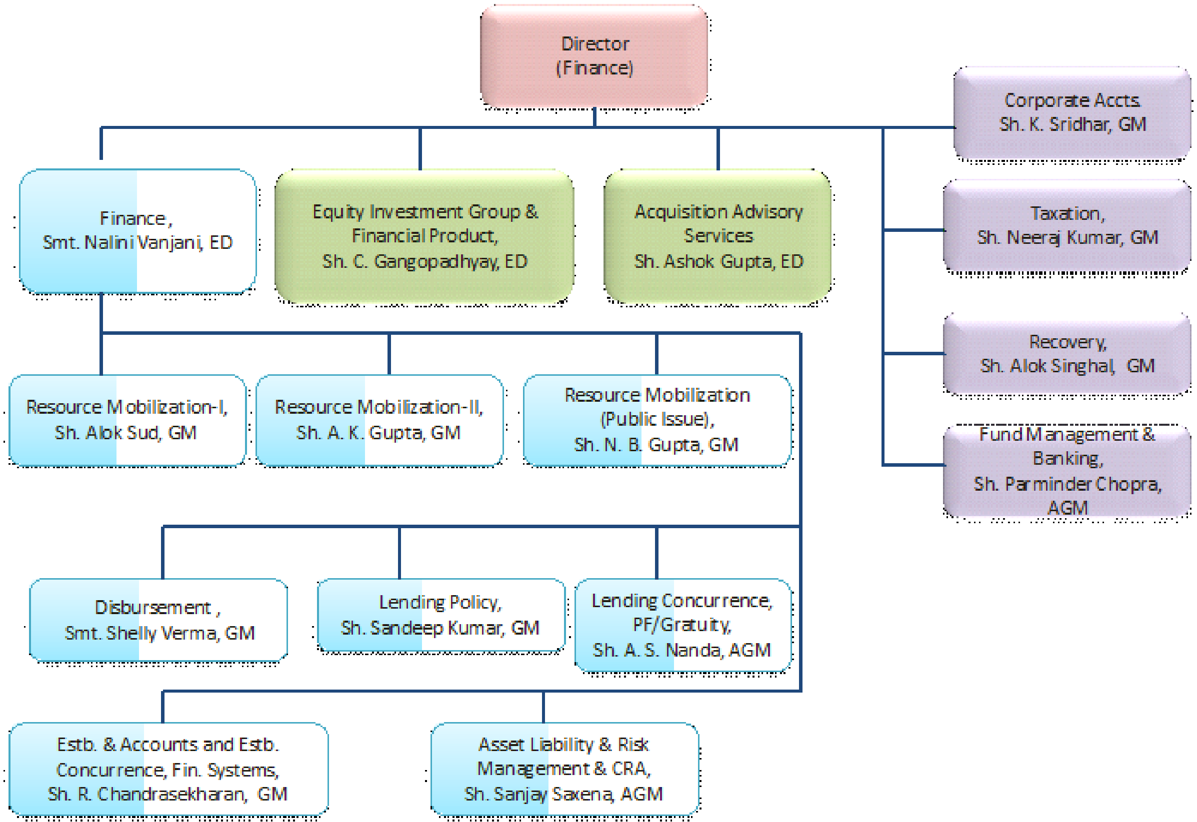



Organogram - Commercial Division
Director (Commercial)
Entity Appraisal and L&D Unit Sh. D.Ravi, ED
North & West Sh. Manoj Sharma, GM
South & East Sh. G. Venkatraman, GM
Legal & Documentation, Sh. Iqbal Singh Kharbanda, AGM
APDRP Unit
Group I & Site Office (Guwahati) Sh. Avkash Saxena, GM
Group II, Sh. V.K.Shah, ED
Post Sanction Sh. Subir Saha, GM
Executive Director (MS, HR, PR, RR & SSA) Sh. P.K.Bhargava
Executive Director (Admn., CSR, E&BM, Lib. & Rajbhasha) Sh. R. R. Khan
Human Resources
Public Relation, Sh. Om Prakash, AGM
State Sector Analysis & Research Sh. G.S.Ghai, GM
Management Systems, Sh. K.V.V.Satyanarayan, GM
Estate & Building Management & Library Sh. M.C.Malik, GM
Administration & Support Services, Sh. R. K. Bhardwaj, GM
CSR & SD Unit Sh. R. Murahari, AGM

Organogram - Projects Division



Organogram - Finance Division



Key Operational and Financial Parameters

(Amount Rs. in Crores)

Parameters	Nine Month ended December 31, 2012	FY 2012	FY 2011	FY 2010
For Financial Entities				
Networth	21366	19578.55	14255.87	12449.5
Total Debt				
of which- -Non current Maturities of Long term borrowing	107629	95866.98	69984.03	54913.28
-Short Term Borrowing	6202	4071.20	6291.04	2325.12
-Current Maturities of Long Term Borrowing	10674	10187.73	9323.50	9870.01
Net Fixed Assets	75	77.06	76.86	74.56
Non Current Assets	133826	112734.08	87680.35	70922.49
Cash and Cash Equivalents	727	2100.97	2444.19	1460.4
Current Investments	4	3.83	3.83	3.83
Current Assets	19739	22947.65	17045.09	12603.09
Current Liabilities	22196	18355.46	18714.16	14328.33
Assets Under Management	-	-	-	-
Off Balance Sheet Assets	-	-	-	-
Interest Income	12448	12985.09	10038.87	8009.21
Interest Expense	7902	8466.3	6426.46	4915.39
Provisioning & write- offs	90	145.04	31.73	(1.75)
PAT	3125	3058.85	2647.12	2378.3
Gross NPA (%)	0.92%	1.04%	0.23%	0.02%
Net NPA(%)	0.82%	0.93%	0.20%	0.01%
Tier I Capital Adequacy Ratio (%)	16.98%	15.38%	14.69%	17.04%
Tier II Capital Adequacy Ratio (%)	1.12%	0.91%	1.02%	1.16%

Gross Debt: Equity Ratio of the Company:-

Before the issue of debt securities (9 month FY 13)(December 2013)	5.77

Borrowings

The major part of PFC's funds is raised through Rupee denominated bonds. PFC bonds enjoy the highest credit rating in the Indian market and in international markets, they are rated at par with the Indian Sovereign rating. It also borrows short term and long term from various banks and other Financial Institutions. It has also raised External Commercial Borrowings (ECB) through private placement in US market.

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

i. Details of Share Capital as on last quarter end:-

Share Capital	Rs
Authorized Share Capital	2000,00,00,000
Issued, Subscribed and Paid-up Share Capital	1320,01,25,140

ii. Changes in its capital structure as on last quarter end, for the last five years as on 31st December 2012:-

DATE OF ALLOTMENT	Increase in share capital (Rs)	Rs	Particulars
19.02.2007	1173167000	11477667000	Cumulative share capital after IPO allotment
24.05.2011	1721650050	13199317050	Cumulative share capital after FPO ALLOTMENT
08.08.2012	751780	13200068830	Cumulative share capital after ESOP ALLOTMENT
09.11.2012	56310	13200125140	Cumulative share capital after ESOP ALLOTMENT

Iii Equity Share Capital History of the company as on last quarter end for the last five years as on 31st December 2012:-

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)
Information prior to last 5 years from last quarter ended					PROMOTER (GoI)	1030450000	10304500000	
19.02.2007	117316700	10	85	CASH	IPO ALLOTMENT	1147766700	11477667000	
24.05.2011	172165005	10	203	CASH	FPO ALLOTMENT	1319931705	13199317050	
08.08.2012	75178	10	186.05	CASH	ESOP ALLOTMENT	1320006883	13200068830	
09.11.2012	5631	10	186.05	CASH	ESOP ALLOTMENT	1320012514	13200125140	

Notes :(if any)

iv .Details of any acquisition or amalgamation in the last 1 year- Nil

V. Details of any Reorganization or Reconstruction in the last 1 year:-

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

d. Details of shareholding of the company as on the latest quarter end:-

i. Shareholding pattern of the company as on last quarter end as on 31st December 2012:-

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	0	0	0.00

(b)	Central Government/State Government(s)	973061665	973061665	73.72
(c)	Bodies Corporate	0	0	0.00
(d)	Financial Institutions / Banks	0	0	0.00
(e)	Others	0	0	0.00
	Sub-Total A(1) :	**973061665**	**973061665**	**73.72**
(2)	FOREIGN			
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0.00
(b)	Bodies Corporate	0	0	0.00
(c)	Institutions	0	0	0.00
(d)	Qualified Foreign Investor	0	0	0.00
(e)	Others	0	0	0.00
	Sub-Total A(2) :	**0**	**0**	**0.00**
	Total A=A(1)+A(2)	**973061665**	**973061665**	**73.72**

(B)	**PUBLIC SHAREHOLDING**			
(1)	INSTITUTIONS			
(a)	Mutual Funds /UTI	31593813	31593813	2.39
(b)	Financial Institutions /Banks	1395632	1395632	0.11
(c)	Central Government / State Government(s)	0	0	0.00
(d)	Venture Capital Funds	0	0	0.00
(e)	Insurance Companies	82925748	82925748	6.28
(f)	Foreign Institutional Investors	145716241	145716241	11.04
(g)	Foreign Venture Capital Investors	0	0	0.00
(h)	Qualified Foreign Investor	0	0	0.00
(i)	Others	0	0	0.00
	Sub-Total B(1) :	**261631434**	**261631434**	**19.82**
(2)	NON-INSTITUTIONS			
(a)	Bodies Corporate	46203821	46203821	3.50
(b)	Individuals			
	(i) Individuals holding nominal share capital upto Rs.1 lakh	32252633	32242383	2.44
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	4970186	4970186	0.38
(c)	Qualified Foreign Investor	0	0	0.00
(d)	Others			
	NON RESIDENT INDIANS	1087741	1087741	0.08
	TRUSTS	248938	248938	0.02
	CLEARING MEMBERS	555356	555356	0.04

	FOREIGN NATIONALS	740	740	0.00
	Sub-Total B(2) :	85319415	85309165	6.46
	Total B=B(1)+B(2) :	346950849	346940599	26.29
	Total (A+B) :	**1320012514**	**1320002264**	**100.00**
(C)	Shares held by custodians, against which			
	Depository Receipts have been issued			
(1)	Promoter and Promoter Group			
(2)	Public	0	0	0.00
	GRAND TOTAL (A+B+C) :	**1320012514**	**1320002264**	**100.00**

Note- The same information provided under clause 35 of listing agreement

ii. List of top 10 holders of equity shares of the company as on the latest quarter end:-

TOP-10 SHARE HOLDERS AS ON 31.12.2012				
S.No	**Name of the Share holder**	**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	973061665	973061665	73.72
2	LIFE INSURANCE CORPORATION OF INDIA	83716609	83716609	6.34
3	GOVERNMENT PENSION FUND GLOBAL	12206008	12206008	0.92
4	MORGAN STANLEY ASIA (SINGAPORE) PTE.	11579762	11579762	0.88
5	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	11444221	11444221	0.87
6	BIRLA SUN LIFE INSURANCE COMPANY LIMITED	11181736	11181736	0.85
7	VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQT INDEX FUND	5458179	5458179	0.41
8	CREDIT SUISEE (SINGAPORE) LIMITED	4386339	4386339	0.33
9	SWISS FINANCE CORPORATION (MAURITIUS) LIMITED	3915140	3915140	0.30
10	DSP BLACKROCK TOP 100 EQUITY FUND	3691146	3691146	0.28
	TOTAL	**1120640805**	**1120640805**	**84.90**

e. Following details regarding the board of directors of the company:-

i. Details of the current directors of the company

S. No.	Name, designation, father's name, DIN and occupation	Age (years)	Address	Other directorships
1.	**Mr. Satnam Singh** *Chairman and Managing Director* S/oMr. Daulat Ram *DIN:*00009074 *Occupation:* Service	54	B-2/2378, VasantKunj, New Delhi - 110 070, India.	• PFC Consulting Limited. • PFC Green Energy Limited • PFC Capital Advisory Services Limited
2.	**Mr. Mukesh Kumar Goel** *Director (Commercial) and Whole Time Director* S/oMr. Madho Ram Goel *DIN:* 00239813 *Occupation:* Service	56	278D, Pocket-2, MayurVihar, Phase One, Delhi - 110 091, India.	• PTC India Limited; • Orissa Integrated Power Limited; • Sakhigopal Integrated Power Company Limited; • Ghogarpalli Integrated Power Company Limited; • PFC Consulting Limited; • Taliya Andhra Mega Power Limited • PTC India Financial Services Limited. • PFC Green Energy Limited • PFC Capital Advisory Services Limited
3.	**Mr. RadhakrishnanNagarajan** *Director (Finance) and Whole Time Director* S/o Late Mr. S. Radhakrishnan *DIN*: 00701892 *Occupation*: Service	55	Flat No. 3C, Pocket A - 10, Kohinoor Apartments, Kalkaji Extension, New Delhi - 110 019, India.	• Coastal Tamil Nadu Power Limited; • Coastal Maharashtra Mega Power Limited; • Coastal Karnataka Power Limited • PFC Consulting Limited; • National Power Exchange Limited • PFC Green Energy Limited • PFC Capital Advisory Services Limited • Deoghar Mega Power Limited
4.	**Mr. A. K. Agarwal** *Director(Projects)* S/o Mr. Vishwanath Agarwal *DIN:*01987101 *Occupation:* Service	56	550 Pocket-C, SFS Flats, Sheikh Sarai, Phase I New Delhi - 110 017, India.	• Energy Efficiency Services Limited

5.	**Mr. B. N. Sharma** *Director (Government Nominee)* S/o Shri Sampat Raj Sharma *DIN:*01221452 *Occupation:* Service	53	A-6, Tower 4, New Moti Bagh New Delhi - 110 021, India.	• Rural Electrification Corporation Limited
6.	**Mr. Suresh Chand Gupta** *Independent Director* S/o Late Mr. O.P. Gupta *DIN:* 00541198 *Occupation*: Service	58	20, Shri Ram Road, Civil Lines, Delhi - 110 054, India.	• Union KBC Asset Management Co. Pvt. Limited • Transtroy (India) Limited • Oil India Limited
7.	**Mr. Ajit Prasad** *Independent Director* S/o Mr. Madan Mohan Prasad *DIN:* 03302219 *Occupation*: Professor	55	Flat 604, SBI Flats, Pocket G, East of Kailash New Delhi - 110 065, India.	Nil
8.	**Mr. Krishna Mohan Sahni** *Independent Director* S/o Late Mr. A.D. Sawhney *DIN:* 02103128 *Occupation*: Retired Government officer	65	House No.38, Pocket - 2, Jasola Vihar, New Delhi – 110025, India.	• Omnibus Industrial Development Corporation of Daman Diu and Dadra Nagar Haveli Limited • National Multi Commodity Exchange of India Ltd.
9.	*Mr. J. N. Prasanna Kumar* *Independent Director* S/o Late Mr. J. M. Narayana Setty *DIN:* 00200233 *Occupation*: Service	63	Partner, G. P. Ramachandran & Associates, Chartered Accountants, Unit No.208, Commerce House, 9/1 Cunningham Road, Bangalore – 560052	Nil

All the Directors of our Company are Indian nationals and none of our Directors are related to each other.

ii. Details of change in directors since last three years☹as on 31.12.2012)
(Including the directors ceased to be on the Board during last three years)

SNO.	NAME	DESIGNATION	DIN NO.	Date of Appointment/Resignation	Director of the Company since (in case of resignation)
1	Shri Satnam Singh	Chairman And Managing Director	00009074	8/1/2008	N.A
2	Shri Devender Singh	Director(Govt Nominee)	01792131	28/08/2012	3/5/2009
3	Shri Rakesh Jain	Director(Govt Nominee)	02682574	1/6/2011	25/06/2009
4	Shri B. N. Sharma	Director(Govt Nominee)	01221452	28/08/2012	N.A
5	Shri Ravindra H.Dholakia	Independent Director	00069396	21.12.2012	22/12/2009
6	Shri P.Murali Mohana Rao	Independent Director	01909611	21.12.2012	22/12/2009
7	Shri S.C.Gupta	Independent Director	00541198	25/02/2010	N.A
8	Shri Krishna Mohan Sahni	Independent Director	02103128	31/12/2010	N.A
9	Shri Ajit Prasad	Independent Director	03302219	10/8/2010	N.A
10	Shri M.K.Goel	Director(Commercial)	00239813	27/7/2007	N.A
11	Shri Rajeev Sharma	Director(Projects)	00973413	29/11/2011	3/9/2009
12	Shri R.Nagarajan	DirectorFinance)	00701892	31/07/2009	N.A
13	Shri A. K. Agarwal	Director(Projects)	01987101	13/07/2012	N.A
14	Shri J. N. Prasanna Kumar	Independent Director	00200233	22.12.2012	N.A

f. Following details regarding the auditors of the company:-

i. Details of auditor of the company:-

Year	Name	Address	Auditor Since
2012	**1. M/s N. K. Bhargava & Co.**	C-31, 1st floor , Acharya Niketan, Phase – I, Mayur Vihar, Delhi -110091.	2011-12
	2. M/s Raj Har Gopal & Co.	412, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001.	2009-10

ii. Details of change in auditor since last three years:-

Year	Name	Address	Date of Appointment/Resignation
2012	1. **M/s N. K. Bhargava & Co.** 2. **M/s Raj Har Gopal & Co.**	C-31, 1st Floor, Acharya Niketan, Phase-I, Mayur Vihar,Delhi-110091 412, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001.	17.08.2011 17.08.2011
2011	1. **M/s Mehra Goel & Co.,** 2. **M/s Raj Har Gopal & Co.,**	505, Chiranjiv Tower, 43,Nehru Place,New Delhi-110019 412, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001.	12.07.2010 17.08.2011
2010	1. **M/s. K.K. Soni & Co.,** 2. **M/s Raj Har Gopal & Co.,**	130,Sarojini Market, New Delhi-110023 412, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001	12.08.2009 17.08.2011

g. Details of borrowings of the company, as on the latest quarter end:

Details of borrowings as on 28.02.2013

Sl	Particulars	Amount (Rs. in crores)
1	7% TAXU Bond Series - 21-B	51.90
2	9.6% TAXU Bond Series - 13	125.00
3	9.6% TAXU Bond Series - 13	65.00
4	8.21% TAXU Bond Series - 17	125.00
5	7.87% TAXU Bond Series - 18	125.00
6	ZERO COUPON BOND	348.85
7	7.6% TAXU Bond Series - 25	1734.70
8	7.95% TAXU Bond Series - 26	461.80
9	8.2% TAXU Bond Series - 27-A	1000.00
10	8.09% TAXU Bond Series - 27-B	850.00
11	8.85% TAXU Bond Series - 28	600.00

12	8.8% TAXU Bond Series - 29-A	250.00
13	7.95% TAXU Bond Series - 26	800.00
14	8.78% TAXU Bond Series - 31-A	1451.20
15	9.9% TAXU Bond Series - 33-B	561.50
16	9.9% TAXU Bond Series - 34	500.50
17	9.96% TAXU Bond Series - 35	530.00
18	9.28% TAXU Bond Series - 40-C	650.00
19	9.3% TAXU Bond Series - 43-B	271.60
20	9.4% TAXU Bond Series - 44	1260.30
21	9.6% TAXU Bond Series - 47-B	495.30
22	9.68% TAXU Bond Series - 47-C	780.70
23	10.7% TAXU Bond Series - 48-B	217.40
24	10.55% TAXU Bond Series - 48-C	259.70
25	10.9% TAXU Bond Series - 49-A	313.60
26	10.85% TAXU Bond Series - 49-B	428.60
27	10.75% TAXU Bond Series - 50-B	78.40
28	10.7% TAXU Bond Series - 50-C	80.80
29	11.1% TAXU Bond Series - 51-B	594.00
30	11% TAXU Bond Series - 51-C	3024.40
31	11.4% TAXU Bond Series - 52-A	662.70
32	11.3% TAXU Bond Series - 52-B	5.80
33	11.25% TAXU Bond Series - 52-C	1950.60
34	8.9% TAXU Bond Series - 54-A	196.50
35	7.5% TAXU Bond Series - 55-B	146.90
36	8.6% TAXU Bond Series - 57-B	866.50
37	8.6% TAXU Bond Series - 57-B	866.50
38	8.6% TAXU Bond Series - 57-B	866.50
39	8.45% TAXU Bond Series - 58-B	331.10
40	8.45% TAXU Bond Series - 59-A	288.20
41	8.8% TAXU Bond Series - 59-B	1216.60
42	10.53% TAXU Bond Series - 60-B	925.00
43	8.5% TAXU Bond Series - 61	351.00
44	8.5% TAXU Bond Series - 61	351.00
45	8.5% TAXU Bond Series - 61	351.00
46	8.7% TAXU Bond Series - 62-A	150.00
47	8.7% TAXU Bond Series - 62-A	695.40
48	8.8% TAXU Bond Series - 62-B	1172.60
49	8.9% TAXU Bond Series - 63	184.00
50	8.9% TAXU Bond Series - 63	184.00
51	8.9% TAXU Bond Series - 63	184.00
52	8.95% TAXU Bond Series - 64	492.00
53	8.95% TAXU Bond Series - 64	367.00
54	8.95% TAXU Bond Series - 64	125.00
55	8.95% TAXU Bond Series - 64	492.00
56	8.7% TAXU Bond Series - 65	4012.50
57	8.65% TAXU Bond Series - 66-A	500.00
58	8.75% TAXU Bond Series - 66-B	1532.00
59	8.85% TAXU Bond Series - 66-C	633.00
60	8.25% TAXU Bond Series - 68-A	147.00
61	8.7% TAXU Bond Series - 68-B	1424.00
62	8.78% TAXU Bond Series - 70	1549.00

63	9.05% TAXU Bond Series - 71	578.10
64	8.97% BOND SERIES 72-A	144.00
65	8.99% TAXU Bond Series - 72-B	1219.00
66	9.18% TAXU Bond Series - 73	1000.00
67	9.7% TAXU Bond Series - 74	1693.20
68	9.64% TAXU Bond Series - 75-A	555.00
69	9.62% TAXU Bond Series - 75-B	360.00
70	9.61% TAXU Bond Series - 75-C	2084.70
71	9.36% TAXU Bond Series - 76-A	2589.40
72	9.46% TAXU Bond Series - 76-B	1105.00
73	9.41% TAXU Bond Series - 77-A	1083.60
74	9.45% TAXU Bond Series - 77-B	2568.00
75	9.43% TAXU Bond Series - 78-A	655.00
76	9.44% TAXU Bond Series - 78-B	1180.00
77	7.51% TAX FREE BONDS SERIES 79-A	205.23
78	7.75% TAX FREE BOND SERIES 79-B	217.99
79	8.09% TAX FREE BOND SERIES 80-A	334.31
80	8.16% TAX FREE BOND SERIES 80-B	209.34
81	9.49% TAXU Bond Series - 81	1138.00
82	Infrastructure Bonds (2011-12) - tranche 1 - Series I	32.44
83	Infrastructure Bonds (2011-12) - tranche 1 - Series II	51.15
84	Infrastructure Bonds (2011-12) - tranche 1 - Series III	3.23
85	Infrastructure Bonds (2011-12) - tranche 1 - Series IV	8.83
86	9.63% TAXU Bond Series - 82-A	2100.00
87	9.64% TAXU Bond Series - 82-B	825.00
88	9.7% TAXU Bond Series - 82-C	2060.00
89	9.55% TAXU Bond Series - 83	1292.30
90	Infrastructure Bonds (2010-11) - tranche 1 - Series I	66.80
91	Infrastructure Bonds (2010-11) - tranche 1 - Series II	139.68
92	Infrastructure Bonds (2010-11) - tranche 1 - Series III	6.13
93	Infrastructure Bonds (2010-11) - tranche 1 - Series IV	22.75
94	9.33% Taxable Bond Series 84	1521.20
95	8.20% PUBLIC ISSUE OF TAX FREE BONDS FY 11-12	2752.55
96	8.30% PUBLIC ISSUE OF TAX FREE BONDS FY 11-12	1280.58
97	9.51% Unsecured Bond Series 85-A	661.30
98	9.30% Unsecured Bond Series 85-C	79.50
99	9.26% Unsecured Bond Series 85-D	736.00
100	8.43 % SERIES I PRIVATE PLACEMENT INFRA	9.04
101	8.43 % SERIES II INFRA PRIVATE PLACEMENT	17.81
102	8.72 % SERIES III INFRA BONDS PRIVATE PLACEMENT	0.95
103	8.72% SERIES IV INFRA BONDS PRIVATE PLACEMENT	2.75
104	9.62% UNSECURED BOND SERIES 87 A	1267.00
105	9.72% UNSECURED BOND SERIES 87-B	23.00
106	9.59% UNSECURED BOND SERIES 87 C	217.50
107	9.42% UNSECURED BOND SERIES 87 D	650.80
108	9.61 UNSECURED BOND SERIES 88-A	284.00
109	9.66% UNSECURED BOND SERIES 88-B	100.20
110	9.48% USECURED BOND SERIES 88-C	184.70

111	9.52% PFC BOND SERIES 89-A	2595.00
112	9.46% PFC BOND SERIES 89-B	2056.00
113	9.61% PFC BOND SERIES 90-A	552.90
114	9.41% PFC BOND SERIES 90-B	391.00
115	BOND SERIES 91-A	107.50
116	BOND SERIES 91-B	2695.20
117	9.01% PFC BOND SERIES 92-A	1530.00
118	9.27% PFC BOND SERIES 92-B	1930.00
119	9.29% PFC BOND SERIES 92-C	640.00
120	PFC BOND SERIES-93 A	1788.00
121	PFC BOND SERIES 93-B	950.00
122	7.21% Tax Free Bond Series 94-A	255.00
123	7.38% Tax Free Bond Series 94-B	25.00
124	7.22% Tax Free Bonds Series 95-A	30.00
125	7.38% Tax Free Bonds Series 95 B	100.00
126	8.90% TAXABLE BOND SERIES 96	1903.00
127	7.19% 10YEARS TAX FREE BONDS 12-13 TR -I SERIES 1	173.27
128	8.75% TAXABLE BOND SERIES 97	1000.00
129	7.69% 10YEARS TAX FREE BONDS 2012-13 TR-I SERIES-1	169.48
130	7.36% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	126.96
131	7.86% 15YEARS TAX FREE BONDS 2012-13 TR-I SERIES-2	230.04
132	8.72% TAXABLE BOND SERIES 98-I (2017)	324.00
133	8.72% TAXABLE BOND SERIES 98-II (2018)	324.00
134	8.72% TAXABLE BOND SERIES 98-III (2019)	324.00
135	8.77% PFC BOND SERIES 99-A	2.00
136	8.82% PFC BOND SERIES 99-B	733.00
137	CP-51 (364 DAYS) @9.14%	1832.93
138	CP-52(OPTION-I) 199 DAYS	953.23
139	CP-52(OPTION-II) 9 MONTHS	937.33
140	CP-53(OPTION-I 101 DAYS) @ 8.74%	488.19
141	CP-53(OPTION-I 192 DAYS) @ 8.84%	477.78
142	WORLD BANK TA LOAN	0.70
143	KFW-1	60.24
144	KFW PORTION II	0.19
145	KFW PORTION II	9.38
146	LOAN FROM ADB (NEW)	1.39
147	LOAN FROM ADB (NEW)	5.10
148	LOAN FROM ADB (NEW)	19.30
149	LOAN FROM ADB (NEW)	19.01
150	LOAN FROM ADB (NEW)	5.70
151	LOAN FROM ADB (NEW)	3.11
152	LOAN FROM ADB (NEW)	0.72
153	LOAN FROM ADB (NEW)	8.07
154	LOAN FROM ADB (NEW)	6.57
155	LOAN FROM ADB (NEW)	9.05
156	LOAN FROM ADB (NEW)	2.10
157	LOAN FROM ADB (NEW)	16.16
158	LOAN FROM ADB (NEW)	3.20

159	LOAN FROM ADB (NEW)	3.27
160	LOAN FROM ADB (NEW)	2.26
161	LOAN FROM ADB (NEW)	0.53
162	LOAN FROM ADB (NEW)	1.89
163	LOAN FROM ADB (NEW)	1.25
164	LOAN FROM ADB (NEW)	0.65
165	CREDIT NATIONAL	92.80
166	SYNDICATE BANK-VII	1620.90
167	SYNDICATION LOAN VIII	1194.19
168	SYNDICATED LOAN IX	1252.76
169	SYNDICATED LOAN XII	1350.75
170	UNION BANK OF INDIA-FCNR(B)	108.06
171	UNION BANK OF INDIA FCNR (B)	108.06
172	US PRIVATE PLACEMENT (USPP)	972.54
173	BANK OF MAHARAHTRA-V	300.00
174	UNITED BANK-II	250.00
175	HDFC BANK-IV	250.00
176	HDFC BANK-IV	250.00
177	UNION BANK-VII	400.00
178	PUNJAB & SIND BANK	190.00
179	CANARA BANK-X	500.00
180	BANK OF BARODA-IV	1000.00
181	UCO BANK-VI	500.00
182	UCO BANK-VII	400.00
183	SYNDICATE BANK-VI	180.00
184	BANK OF MAHARASHTRA-VI	200.00
185	STATE BANK OF MYSORE-VII	200.00
186	BANK OF BARODA-V	500.00
187	CANARA BANK-XI	500.00
188	INDIAN BANK-II	500.00
189	VIYAYA BANK-II	700.00
190	UNION BANK-VIII	500.00
191	UNION BANK-VIII	370.00
192	UNION BANK-VIII	175.00
193	UNION BANK-VIII	35.00
194	CANARA BANK-XII	75.00
195	CANARA BANK-XII	425.00
196	PUNJAB AND SIND BANK-IV	335.00
197	BANK OF MAHARASHTRA-VII	200.00
198	UNITED BANK OF INDIA-III	250.00
199	TERM LOAN FROM VIJAYA BANK	250.00
200	MTL FROM UNION BANK OF INDIA	180.00
201	MTL FROM UNION BANK OF INDIA	230.00
202	MTL FROM UNION BANK OF INDIA	110.00
203	MTL FROM UNION BANK OF INDIA	320.00
204	MTL FROM UNION BANK OF INDIA	60.00
205	BANK OF BARODA-6(1)	770.00
206	BANK OF BARODA-6(2)	230.00
207	TERM LOAN FROM CANARA BANK	280.00
208	TERM LOAN FROM CANARA BANK	220.00
209	CREDIT SUISSE AG	150.00

210	INDIAN BANK III	300.00
211	CANARA BANK XIV	453.38
212	CANARA BANK XIV	546.62
213	STATE BANK OF BIKANER AND JAIPUR	350.00
214	STATE BANK OF TRAVANCORE - VI	400.00
215	IIFCL	630.00
216	TERM LOAN FROM IIFCL	500.00
217	SECOND TRANCHE OF TL FROM IIFCL	500.00
	Total	**124761.39**

Bonds Issued By PFC:

Our Company issues secured and unsecured bonds on a private placement basis from time to time. These bonds are listed on the wholesale debt market segment of the NSE and have received a credit rating of 'AAA' grade by CRISIL and grade 'AAA' by ICRA for long term borrowing programme & A1+ for short term borrowing programme. The details of the outstanding bonds issued by our Company are set forth below:

(A) Unsecured taxable bonds issued by our Company:

(In ` Crore)

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
1.	Bonds (2017) Series XIII	190.00	May 16, 2002 and May 24, 2002	*Coupon Rate:* 9.60% per annum *Maturity and Redemption:* At par at the end of 15 years from the deemed dates of allotment	190.00
2.	Debenture (2017) Series XVII	250.00	October 3, 2002	*Coupon Rate:* 8.21% per annum *Maturity and Redemption:* Redeemable in 10 equal annual installments beginning from the date next to the expiry of the 6th year after an initial moratorium period of 5 years from the date of allotment	100.00
3.	Debenture (2017) Series XVIII	250.00	November 13, 2002	*Coupon Rate:* 7.87% per annum *Maturity and Redemption:* Redeemable in 10 equal annual installments beginning from the date next to the expiry of the sixth year after an initial moratorium period of 5 years from the date of allotment	125.00
4.	Zero Coupon Bond (2022) Series XIX	157.96	December 30, 2002	*Coupon Rate:* Zero coupon bonds having face value of ` 0.10 million each, aggregating to ` 7500 million, allotted at a discounted aggregate amount of ` 1,579.58 million *Maturity and Redemption:* At par at the end of 20 years from the deemed date of allotment	318.54
5.	Debenture (2014) Series XXIB	168.80	November 2, 2004	*Coupon Rate:* 7.00% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	51.90

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
6.	Debenture (2012) Series XXIII	349.90	July 5, 2005	*Coupon Rate:* 7.00% per annum *Maturity and Redemption:* At par at the end of 7 years from the deemed date of allotment	202.70
7.	Debenture Series XXV	1734.70	December 30, 2005	*Coupon Rate:* 7.60% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1734.70
8.	Debenture Series XXVI	1261.80	February 24, 2006	*Coupon Rate:* 7.95% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1261.80
9.	Debenture Series XXVII-A	1000.00	March 17, 2006	*Coupon Rate:* 8.20% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1000.00
10.	Debenture Series XXVII-B	850.00	March 17, 2006	*Coupon Rate:* 8.09% per annum *Maturity and Redemption:* At par at the end of 7 years from the deemed date of allotment	850.00
11.	Debenture Series XXVIII	600.00	May 31, 2006	*Coupon Rate:* 8.85% per annum *Maturity and Redemption:* At par at the end of 15 years from the deemed date of allotment	600.00
12.	Debenture Series XXIX - A	250.00	September 7, 2006	*Coupon Rate:* 8.80% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	250.00
13.	Debenture Series XXXI-A	1451.20	December 15, 2006	*Coupon Rate:* 8.78% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1451.20
14.	Debenture Series XXXIII-B	561.50	March 22, 2007	*Coupon Rate:* 9.90% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	561.50
15.	Debenture Series XXXIV	500.50	March 30, 2007	*Coupon Rate:* 9.90% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	500.50
16.	Debenture Series XXXV	530.00	May 18, 2007	*Coupon Rate:* 9.96% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	530.00
17.	Debenture Series XL-C	650.00	December 28, 2007	*Coupon Rate:* 9.28% per annum *Maturity and Redemption:*At par at the end of 10 years from the deemed date of allotment	650.00
18.	Debenture	319.00	February 15,	*Coupon Rate:* 8.98% per annum to 9.03%	319.00

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
	Series XLII-B		2008	per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	
19.	Debenture Series XLIII-B	271.60	March 12, 2008	*Coupon Rate:* 9.30% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	271.60
20.	Debenture Series XLIV	1260.30	March 25, 2008	*Coupon Rate:* 9.40% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	1260.30
21.	Debentures Series XLVII-B	495.30	June 9, 2008	*Coupon Rate:* 9.60% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	495.30
22.	Debentures Series XLVII-C	780.70	June 9, 2008	*Coupon Rate:* 9.68% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	780.70
23.	Debenture Series XLVIII-B	217.70	July 15, 2008	*Coupon Rate:* 10.70% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	217.40
24.	Debenture Series XLVIII-C	259.70	July 15, 2008	*Coupon Rate:* 10.55% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	259.70
25.	Debenture Series XLIX-A	313.60	August 11, 2008	*Coupon Rate:* 10.90% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	313.60
26.	Debenture Series XLIX-B	428.60	August 11, 2008	*Coupon Rate:* 10.85% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	428.60
27.	Debenture Series L-B	78.40	August 25, 2008	*Coupon Rate:* 10.75% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	78.40
28.	Debenture Series L-C	80.80	August 25, 2008	*Coupon Rate:* 10.70% per annum *Maturity and Redemption:* At par at the end of 7 years from the deemed date of allotment	80.80
29.	Debenture Series LI-B	594.00	September 15, 2008	*Coupon Rate:* 11.10% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	594.00
30.	Debenture	3024.40	September	*Coupon Rate:* 11.00% per annum	3024.40

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
	Series LI-C		15, 2008	*Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	
31.	Debenture Series LII-A	662.70	November 28, 2008	*Coupon Rate:* 11.40% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	662.70
32.	Debenture Series LII-B	5.80	November 28, 2008	*Coupon Rate:* 11.30% per annum *Maturity and Redemption:* At par at the end of 7 years from the deemed date of allotment	5.80
33.	Debenture Series LII-C	1950.60	November 28, 2008	*Coupon Rate:* 11.25% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1950.60
34.	Debenture Series LIV-A	196.50	February 16, 2009	*Coupon Rate:* 8.90% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	196.50
35.	Debenture Series LV-B	146.90	May 11, 2009	*Coupon Rate:* 7.50% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	146.90
36.	Debenture Series LVI	525.00	July 9, 2009	*Coupon Rate:* 7.20% per annum *Maturity and Redemption:* At par at the end of 3 years from the deemed date of allotment	525.00
37.	Debenture Series LVII-B	2599.50	August 7, 2009	*Coupon Rate:* 8.60% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of the 5th, 10th, 15th year respectively from the deemed date of allotment	2599.50
38.	Debenture Series LVIII-B	331.10	September 17, 2009	*Coupon Rate:* 8.45% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	331.10
39.	Debenture Series LIX-A	288.20	October 15, 2009	*Coupon Rate:* 8.45% per annum *Maturity and Redemption:* At par at the end of 5 years from the deemed date of allotment	288.20
40.	Debenture Series LIX-B	1216.60	October 15, 2009	*Coupon Rate:* 8.80% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1216.60
41.	Debenture Series LX-B	925.00	November 20, 2009	*Coupon Rate:* 1 year Indian Constant Maturity Treasury Benchmark Rate plus 179 basis points	925.00

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
				Maturity and Redemption: At par at the end of 10 years from the deemed date of allotment	
42.	Debenture Series LXI	1053.00	December 15, 2009	*Coupon Rate:* 8.50% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of the 5th, 10th, 15th year respectively from the deemed date of allotment	1053.00
43.	Debenture Series LXII A	845.40	January 15, 2010	*Coupon Rate:* 8.70% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	845.40
44.	Debenture Series LXII B	1172.60	January 15, 2010	*Coupon Rate:* 8.80% per annum *Maturity and Redemption:* At par at the end of 15 years from the deemed date of allotment	1172.60
45.	Debenture Series LXIII	552.00	March 15, 2010	*Coupon Rate:* 8.90% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of the 5th, 10th, 15th year respectively from the deemed date of allotment	552.00
46.	Debenture Series LXIV	1477.00	March 30, 2010	*Coupon Rate:* 8.95% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of the 5th, 10th, 15th year respectively from the deemed date of allotment	1476.00
47.	Debenture Series LXV	4012.50	May 14, 2010	*Coupon Rate:* 8.70% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of the 5th, 10th, 15th year respectively from the deemed date of allotment	4012.50
48.	Debenture Series LXVI-A	500.00	June 15, 2010	*Coupon Rate:* 8.65% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	500.00
49.	Debenture Series LXVI -B	1532.00	June 15, 2010	*Coupon Rate:* 8.75% per annum *Maturity and Redemption:* At par at the end of 15 years from the deemed date of allotment	1532.00
50.	Debenture	633.00	June 15,	*Coupon Rate:* 8.85% per annum	633.00

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
	Series LXVI -C		2010	*Maturity and Redemption:* At par at the end of 20 years from the deemed date of allotment	
51.	Debenture Series LXVII	1100.00	July 15, 2010	*Coupon Rate:* 7.10% per annum *Maturity and Redemption:* At par at the end of 2 years from the deemed date of allotment	1100.00
52.	Debenture Series LXVIII-A	147.00	August 4, 2010	*Coupon Rate:* 8.25% per annum *Maturity and Redemption:* At par on July 15, 2015	147.00
53.	Debenture Series LXVIII –B	1424.00	August 4, 2010	*Coupon Rate:* 8.70% per annum *Maturity and Redemption:* At par on July 15, 2020	1424.00
54.	Debenture Series LXX	1549.00	November 15, 2010	*Coupon Rate:* 8.78% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1549.00
55.	Debenture Series LXXI	578.10	December 15, 2010	*Coupon Rate:* 9.05% per annum *Maturity and Redemption:* At par in 3 equal annual installments. Each bond will comprise 3 detachable, separately transferable redeemable principal parts redeemable at par at the end of 10th, 15th and 20th year respectively from the deemed date of allotment	578.10
56.	Debenture Series LXXII-A	144.00	January 14, 2011	*Coupon Rate:* 8.97% per annum *Maturity and Redemption:* At par at the end of 07 years from the deemed date of allotment	144.00
57.	Debenture Series LXXII-B	1219.00	January 14, 2011	*Coupon Rate:* 8.99% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1219.00
58.	Debenture Series LXXIII	1000.00	April 15, 2011	*Coupon Rate:*9.18% per annum *Maturity and Redemption:* At par at the end of 10 years from the deemed date of allotment	1000.00
68.	Debenture Series LXXIV	1693.20	June 09 2011	*Coupon Rate: 9.70% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment.*	1693.20
69.	Debenture Series LXXV-A	555.00	June 29 2011	*Coupon Rate: 9.64% per annum* *Maturity and Redemption: At the end of 3 years from the date of allotment*	555.00
70.	Debenture Series LXXV-B	360.00	June 29 2011	*Coupon Rate: 9.62% per annum* *Maturity and Redemption: At the end of 5 years from the date of allotment*	360.00
71.	Debenture Series LXXV-C	2084.70	June 29 2011	*Coupon Rate: 9.62% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*	2084.70
72.	Debenture Series	2598.40	August 1 2011	*Coupon Rate: 9.36% per annum* *Maturity and Redemption: At the end of 10*	2589.40

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
	LXXVI-A			*years from the date of allotment*	
73.	Debenture Series LXXVI-B	1105.00	August 1 2011	*Coupon Rate: 9.46% per annum Maturity and Redemption: At the end of 15 years from the date of allotment*	1105.00
74	Debenture Series 77-A	108.36	September 1,2011	*Coupon Rate: 9.41% per annum Maturity and Redemption: At the end of 5 years from the date of allotment*	108.36
75	Debenture Series 77-B	256.80	September 1,2011	*Coupon Rate: 9.45% per annum Maturity and Redemption: At the end of 15 years from the date of allotment*	256.80
76	Debenture Series 78-A	65.50	September 23,2011	*Coupon Rate: 9.43% per annum Maturity and Redemption: At the end of 2 years from the date of allotment*	65.50
77	Debenture Series 78-B	118.00	September 23,2011	*Coupon Rate: 9.44% per annum Maturity and Redemption: At the end of 10 years from the date of allotment with put and call option after end of 7th year*	118.00
78	Debenture Series 81	113.80	November 29,2011	*Coupon Rate: 9.49% per annum Maturity and Redemption: At the end of 5 years from the date of allotment with put & call option after 18 month*	113.80
79	Debenture Series 82-A	210.00	December 15,2011	*Coupon Rate: 9.63% per annum Maturity and Redemption: At the end of 3 years from the date of allotment*	210.00
80	Debenture Series 82-B	82.50	December 15,2011	*Coupon Rate: 9.64% per annum Maturity and Redemption: At the end of 5 years from the date of allotment*	82.50
81	Debenture Series 82-C	206.00	December 15,2011	*Coupon Rate: 9.70% per annum Maturity and Redemption: At the end of 7 years from the date of allotment*	206.00
82	Debenture Series 83	129.23	January 13,2012	*Coupon Rate: 9.55% per annum Maturity and Redemption: At the end of 3 years from the date of allotment*	129.23
83	Debenture Series 84	1521.20	February 17,2012	*Coupon Rate: 9.33% per annum Maturity and Redemption: At the end of 5 years from the date of allotment*	1521.20
84	Debenture Series 85-A	661.30	March 06 ,2012	*Coupon Rate: 9.51% per annum Maturity and Redemption: At the end of 3 years 40 days from the date of allotment*	661.30
85	Debenture Series 85-C	79.50	March 06 ,2012	*Coupon Rate: 9.30% per annum Maturity and Redemption: At the end of 8 years 40 days from the date of allotment*	79.50
86	Debenture Series 85-D	736.00	March 06 ,2012	*Coupon Rate: 9.26% per annum Maturity and Redemption: At the end of 11 years 40 days from the date of allotment*	736.00
87	Debenture Series 87-A	1267.00	March 20 ,2012	*Coupon Rate: 9.62% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 18 months from the deemed date of allotment*	1267.00
88	Debenture Series 87-B	23.00	March 20 ,2012	*Coupon Rate: 9.72% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 2 years from the deemed date of allotment*	23.00
89	Debenture Series 87-C	217.00	March 20 ,2012	*Coupon Rate: 9.59% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 3 years from the deemed date of allotment*	217.00

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
90	Debenture Series 87-D	650.80	March 20 ,2012	*Coupon Rate: 9.42% per annum Maturity and Redemption At the end of 8 years from the deemed date of allotment*	650.80
91	Debenture Series 88-A	284.00	March 28,2012	*Coupon Rate: 9.61% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 18 months from the deemed date of allotment*	284.00
91	Debenture Series 88-B	100.20	March 28,2012	*Coupon Rate: 9.66% per annum Maturity and Redemption At the end of 5 years & 18 days with put & call option on completion of 3 years & 18 days from the deemed date of allotment*	100.20
92	Debenture Series 88-C	184.70	March 28,2012	*Coupon Rate: 9.48% per annum Maturity and Redemption At the end of 10 years & 18 days from the deemed date of allotment*	184.70
93	Debenture Series 89-A	2595.00	May 02,2012	*Coupon Rate: 9.52% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 2 years from the deemed date of allotment*	2595.00
94	Debenture Series 89-B	2056.00	May 02,2012	*Coupon Rate: 9.46% per annum Maturity and Redemption At the end of 3 years from the deemed date of allotment*	2056.00
95	Debenture Series 90-A	552.90	June 01,2012	*Coupon Rate: 9.61% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 2 years from the deemed date of allotment*	552.90
96	Debenture Series 90-B	391.00	June 01,2012	*Coupon Rate: 9.41% per annum Maturity and Redemption At the end of 7 years with put & call option on completion of 5 years from the deemed date of allotment*	391.00
97	Debenture Series 91-A	107.50	June 29,2012	*Coupon Rate: 9.40% per annum Maturity and Redemption At the end of 5 years from the deemed date of allotment*	107.50
98	Debenture Series 91-B	2695.20	June 29,2012	*Coupon Rate: 9.39% per annum Maturity and Redemption At the end of 10 years with put & call option on completion of 7 years from the deemed date of allotment*	2695.20
99	Debenture Series 92-A	1530.00	August 21,2012	*Coupon Rate: 9.01% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 18 month from the deemed date of allotment*	1530.00
100	Debenture Series 92-B	1930.00	August 21, 2012	*Coupon Rate: 9.27% per annum Maturity and Redemption At the end of 5 years from the deemed date of allotment*	1930.00
101	Debenture Series 92-C	640.00	August 21,2012	*Coupon Rate: 9.29% per annum Maturity and Redemption At the end of 10 years with put & call option on completion of 8 years from the deemed date of allotment*	640.00
102	Debenture Series 93-A	1788.00	October 15,2012	*Coupon Rate: 8.85% per annum Maturity and Redemption At the end of 2 years from the deemed date of allotment*	1788.00
103	Debenture Series 93-B	950.00	October	*Coupon Rate: 8.91% per annum Maturity and Redemption At the end of 5*	950.00

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption	Amount outstanding (as of February 28,2013)
			15,2012	*years from the deemed date of allotment*	
104	Debenture Series 96	1903.00	December 14,2012	*Coupon Rate: 8.90% per annum Maturity and Redemption At the end of 2 years from the deemed date of allotment*	1903.00
105	Debenture Series 97	1000.00	January 15,2013	*Coupon Rate: 8.75% per annum Maturity and Redemption At the end of 5 years with put & call option on completion of 2 years from the deemed date of allotment*	1000.00
106	Debenture Series 98-A	324.00	February 08,2013	*Coupon Rate: 8.72% per annum Maturity and Redemption At the end of 4 years from the deemed date of allotment*	324.00
107	Debenture Series 98-B	324.00	February 08,2013	*Coupon Rate: 8.72% per annum Maturity and Redemption At the end of 5 years from the deemed date of allotment*	324.00
108	Debenture Series 98-C	324.00	February 08,2013	*Coupon Rate: 8.72% per annum Maturity and Redemption At the end of 6 years from the deemed date of allotment*	3240.00
109	Debenture Series 99-A	2.00	February 20,2013	*Coupon Rate: 8.77% per annum Maturity and Redemption At the end of 5 years from the deemed date of allotment*	2.00
110	Debenture Series 99-B	733.00	February 20,2013	*Coupon Rate: 8.82% per annum Maturity and Redemption At the end of 7 years from the deemed date of allotment*	733.00

(b) Secured taxable Infrastructure bonds by public issue*:

(In ` Crore)

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption
1	8.30% Long Term Infrastructure Bonds Series-I	66.836	31.03.2011	*Coupon Rate:* 8.30% per annum *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*
2	8.30% Long Term Infrastructure Bonds Series-II	139.667	31.03.2011	*Coupon Rate:* 8.30% per annum *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*
3	8.50% Long Term Infrastructure Bonds Series-III	6.135	31.03.2011	*Coupon Rate:* 8.50% per annum *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*
4	8.50% Long Term Infrastructure Bonds Series-IV	22.722	31.03.2011	*Coupon Rate:* 8.50% per annum *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*
5	8.50% Long Term Infrastructure Bonds Series-I	32.4375	21.11.2011	*Coupon Rate:* 8.50% per annum *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption
6	8.30% Long Term Infrastructure Bonds Series-II	51.151	21.11.2011	*Coupon Rate:* 8.50% per annum *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*
7	8.50% Long Term Infrastructure Bonds Series-III	3.2275	21.11.2011	*Coupon Rate:* 8.75% per annum *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*
8	8.50% Long Term Infrastructure Bonds Series-IV	8.826	21.11.2011	*Coupon Rate:* 8.75% per annum *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*
9	8.43% Long Term Infrastructure Bonds Series-86-A	9.0435	30.03.2012	*Coupon Rate:* 8.43% per annum(c.a.) *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*
10	8.43% Long Term Infrastructure Bonds Series-86-B	17.8105	30.03.2012	*Coupon Rate:* 8.43% per annum *Maturity and Redemption: On date, being the date falling ten years from the deemed date of allotment*
11	8.72% Long Term Infrastructure Bonds Series-86-C	0.9450	30.03.2012	*Coupon Rate:* 8.72% per annum(c.a.) *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*
12	8.72% Long Term Infrastructure Bonds Series-86-D	2.7515	30.03.2012	*Coupon Rate:* 8.72% per annum *Maturity and Redemption: On date, being the date falling fifteen years from the deemed date of allotment*

* Pursuant to the notification No. 48/2010/F No 149/84/2010-SO (TPL) dated July 9, 2010, issued by Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India ("Notification"), our Company is proposing a public issue of secured, redeemable, non-convertible long term infrastructure bonds with a face value of ` 5,000 each .

(c) Secured Tax free bonds by Private Placement*:

(In ` Crore)

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption
1	Debenture Series 79-A	205.53	October 15,2011	***Secured Tax Free Bonds*** *Coupon Rate: 7.51% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*
2	Debenture Series 79-B	217.69	October 15,2011	***Secured Tax Free Bonds*** *Coupon Rate: 7.75% per annum* *Maturity and Redemption: At the end of 15 years from the date of allotment*

S. No.	Details of bonds	Amount Raised	Deemed date of allotment	Coupon rate and maturity and redemption
3	Debenture Series 80-A	334.31	November 25,2011	***Secured Tax Free Bonds*** *Coupon Rate: 8.09% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*
4	Debenture Series 80-B	209.34	November 25,2011	***Secured Tax Free Bonds*** *Coupon Rate: 8.16% per annum* *Maturity and Redemption: At the end of 15 years from the date of allotment*
5	Public Issue of Tax Free Bonds Series –I	2802.01	February 01,2012	***Secured Tax Free Bonds*** *Coupon Rate: 8.20% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*
6	Public Issue of Tax Free Bonds Series –II	1231.12	February 01,2012	***Secured Tax Free Bonds*** *Coupon Rate: 8.30% per annum* *Maturity and Redemption: At the end of 15 years from the date of allotment*
7	Debenture Series 94-A	255.00	November 22,2012	***Secured Tax Free Bonds*** *Coupon Rate: 7.21% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*
8	Debenture Series 94-B	25.00	November 22,2012	***Secured Tax Free Bonds*** *Coupon Rate: 7.38% per annum* *Maturity and Redemption: At the end of 15 years from the date of allotment*
9	Debenture Series 95-A	30.00	November 22,2012	***Secured Tax Free Bonds*** *Coupon Rate: 7.22% per annum* *Maturity and Redemption: At the end of 10 years from the date of allotment*
10	Debenture Series 95-B	100.00	November 22,2012	***Secured Tax Free Bonds*** *Coupon Rate: 7.38% per annum* *Maturity and Redemption: At the end of 15 years from the date of allotment*
11	Public Issue of tax free bond FY 2012-13 Tranche-I	342.7490	January 04,2013	***Secured Tax Free Bonds*** *Coupon Rate: 7.19% per annum for non-retail investors* *7.69% for retail investors* *Maturity and Redemption: At the end of 10 years from the date of allotment*
12	Public Issue of tax free bond FY 2012-13 Tranche-II	356.9978	January 04,2013	***Secured Tax Free Bonds*** *Coupon Rate: 7.36% per annum for non-retail investors* *7.86% for retail investors* *Maturity and Redemption: At the end of 15 years from the date of allotment*

*Pursuant to the Notification No52/2011.F.No.178/56/2011-(ITA-1)issued by Government of India, Ministry of Finance, Department of revenue, (Central Board of Direct Taxes) on 23rd September, 2011 & CBDT/MOF Notification No 46/2012.F.No.178/60/2012-(ITA.1) dated 06th November 2012, our Company is proposing a issue of secured, redeemable, non-convertible Tax Free bonds public & private placement basis.

Highest Ten Holders of each class or kind of securities (As on 31.01.2013)

S.No	Name of the Bank/FI	Term Loans (Rs. In Crore)
1	CANARA BANK-MUMBAI	3000.00
2	BANK OF BARODA	2500.00
3	Union Bank of India	2380.00
3	IIFCL	1630.00
4	VIJAYA BANK	950.00
6	UCO BANK	900.00
7	INDIAN BANK	800.00
8	BANK OF MAHARASHTRA TIBD	700.00
9	PUNJAB AND SIND BANK	525.00
10	HDFC BANK LTD	500.00

S No.	Name of the Bank/FI	Debentures (in Rs Crore)
1	LIFE INSURANCE CORPORATION OF INDIA	14054.60
2	PUNJAB NATIONAL BANK	1567.16
3	STATE BANK OF INDIA	1355.00
4	DB INTERNATIONAL (ASIA) LTD	1185.00
5	ICICI BANK LTD	1100.00
6	NOMURA SINGAPORE LIMITED A/C NOMURA INVESTMENTS (SINGAPORE) PTE. LTD.	965.00
7	COPTHALL MAURITIUS INVESTMENT LIMITED	750.00
8	AXIS BANK LIMITED	613.75
9	CITICORP INVESTMENT BANK (SINGAPORE) LIMITED	535.00
10	J.P.MORGAN SECURITIES ASIA PRIVATE LIMITED	530.00

ii. 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.-Nil

Vi. Details of commercial paper:- The total Face value of commercial paper outstanding as on 31.01.13 to be provided and its breakup in following table:-

Maturity Date	Amount Outstanding
06-sep-2013	2000.00
15-apr-2013	1000.00
28-jun-2013	1000.00
15-Apr-2013	500.00
15-Jul-2013	500.00

Vii Details of reset of the borrowing (if any including hybrid debt like FCCB, optionally convertible debentures/preference shares) as on……… NIL

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Party name	Type of facility	Amount sanctioned	Principal Amount o/s	Repayment date	Secured/unsecured
--Nil---------------------------------------					

Viii Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years . -Nil

ix. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.-Nil

h. Details of promoters of the company:-

i. Details of promoters holding in the company as on the latest quarter end:-

Sr. no.	Name of Shareholders	Total no. shares	No. of shares in demat form	Total shareholding as no. of equity shares	No. of shares pledged	% of shares Pledged with respect to shares owned
1.	President of India Through MoP , GoI	973061665	973061665	73.72	NIL	N.A

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

j. **TRUSTEES TO THE BONDHOLDERS**

Currently PFC has appointed GDA Trusteeship Ltd., to act as debenture trustee for its Bonds. PFC holds consent from GDA Trusteeship Ltd., to act as trustees and the consent has not been withdrawn.

GDA Trusteeship Limited is a SEBI registered Debenture Trustee has been appointed currently to act as the Trustee for the holders of Bonds. 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.

K. **CREDIT RATING**

ICRA

ICRA has assigned a rating of ‘AAA’ (pronounced ICRA “triple A) to the long term borrowing programme & “A1+” (pronounced ICRA A one plus) to the short term borrowing programme of the financial year 2012-13 aggregating to Rs 40,550.00 crore indicating the highest degree of safety with regard to payment of interest and principal vide their letter nos. D/RAT/2012-13/P3/12 dated 30.10.2012.

Rating Rationale

ICRA has assigned the rating [ICRA]AAA (pronounced ICRA triple A) to the Rs. 40,550 crore long term borrowing programme for 2012-13 of Power Finance Corporation Limited (PFC)†. ICRA also assigned the rating of A1+ (pronounced ICRA A one plus) to the Rs. 6,000 crore short term borrowing programme of the corporation†. ICRA has a rating of [ICRA]AAA on the various long-term bond and bank borrowing programmes, an outstanding rating of MAAA (pronounced M triple A) to the fixed deposit programme and a rating of [ICRA]A1+ (pronounced ICRA A one plus) for its commercial paper/short-term debt programme of the corporation.†

The highest-credit-quality ratings continue to reflect PFC's majority sovereign ownership and its strategically important role in the implementation of various Government of India (GoI) schemes—such as Ultra Mega Power Projects (UMPPs) and R-APDRP—for the development of the country’s power sector. Further, PFC, as one of the major power sector financiers, remains strategically important for the Government of India (GoI), given the latter's objective of augmenting power capacities across the country.

The ratings continue to draw comfort from PFC's adequate earning profile supported by its strong financial flexibility and ability to borrow funds at competitive rates and low credit and intermediation costs. These strengths are partly offset by the corporation's exposure to a single sector and its high concentration of weaker-credit-quality State power utilities and weak credit profile IPPs. PFC exposure to state sector utilities (64% of portfolio in Feb-12) is primarily to generation companies, while its exposure to the more vulnerable distribution entities of states with weaker credit profiles[1] is limited to 2.7% of its total portfolio; and after adjusting for state government guarantees, its direct exposure to these distribution entities would be ~1.8% of total portfolio as on Feb-12. Counter party risks of PFC's state power generating borrowers however remains a key credit concern given that such state generating entities, which account for a large chunk of PFC's loan book (~50%), could find their cash flows impacted by the weak fiscal health of the distribution entities. ICRA however has noted the revision in power tariff by several states over the past few months, which going forward could reduce the incremental losses of distribution entities. So far PFC has been able to maintain good collection efficiencies from its state power generating companies, while in the case of distribution entities there were certain short term delays during 2011-12 which were subsequently cleared in the month of March 2012. Overall collection efficiency of PFC for 2011-12 was over 99%. ICRA however notes the rising proportion of PFC's exposures to independent power producers (IPPs), which stood at 9% of total advances as on Feb-12; vulnerability of some of these exposures (~25% of outstanding IPP exposure) is high on account of fuel linkage constraints, environmental & land acquisition issues and disputed/competitive power sale tariffs. Going forward, it would be important for the corporation to maintain a strict control over collections from the IPP segment. ICRA has analyzed PFC's sanctions in the IPP segment which are yet to commence disbursements. Such sanctions do include projects which carry higher vulnerability owing to uncertainties with respect to their fuel linkages, environmental clearances and tariffs. However PFC has adequate pre-disbursement conditions on such sanctions as per which funding would commence upon alleviation of some of these risks.

ICRA continues to closely monitor the developments in the power sector, and has taken note of the Shunglu Committee report on the 'Financial Position of Distribution Entities' and its recommendations, the revision/ proposed revision in power sale tariffs by certain states and steps by the government to resolves issue with respect availability of coal supply. A timely implementation of proposed recommendations by the Shunglu Committee and other proposed reform steps remain critical to address the concerns over the financial health of the State power utilities. Similarly, policy level changes to alleviate concerns with respect to fuel linkages and tariff policy for private sector projects will have a critical bearing on PFC's credit profile.

Un-hedged foreign currency borrowings of PFC are in excess of 20% of its net worth as on December 31, 2011, which exposes it to foreign currency variations. While such borrowings have been raised at relatively longer tenures, which would keep potential crystallization of losses low over the short term, going forward ability of the corporation to manage its foreign currency risks would have an important bearing over the stability of its earnings profile.

As on December 31, 2011, PFC's gearing was at a moderate 4.8 times, and going forward, its ability to maintain this ratio at a prudent level, given the concentrated nature of its exposures, would be an important rating consideration. PFC enjoys a comfortable asset-liability matching profile, with low cumulative mismatches in the short term. As on February 29, 2012, the corporation reported a total credit portfolio of Rs. 1,22,973 crore, achieving a YTD growth of 23%. In terms of portfolio mix, around 64% of PFC's total credit book was to State entities, 27% to Central/joint sector projects, and 9% to IPPs.

CRISIL

CRISIL has assigned a rating of 'AAA/Stable' (pronounced CRISIL "triple A with stable outlook") to the long term borrowing programme of the financial year 2012-13 aggregating to Rs 34,550.00 crore & "A1+" (pronounced CRISIL A one plus) rating to the short term borrowing programme of the financial year 2012-13 aggregating to Rs. 6,000 crore, indicating the highest degree of safety with regard to payment of interest and principal vide their letter nos. MS/FSR/PFC/2012-13/1229 dated 29.10.12 & SN/FSR/PFC/2012-13/890 dated 30.08.12.

Rating Rationale

CRISIL has assigned its 'CRISIL AAA/Stable' rating to Power Finance Corporation Limited's (PFC's) long-term borrowing programme, and has reaffirmed its ratings on the company's other debt programmes and bank facilities, at 'CRISIL AAA/ Stable/CRISIL A1+'.

The ratings continue to reflect PFC's strategic importance to the Government of India (GoI) because of the key role that the company plays in financing the Indian power sector, and its majority ownership by GoI. CRISIL has also factored in PFC's comfortable capitalisation, strong market position, and adequate resource profile. These rating strengths are partially offset by the inherent vulnerability in PFC's asset quality because of the weak financial profiles of the company's primary borrowers (state power utilities [SPUs]), and sectoral and key account concentration.

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 is the largest lender to the power sector with a share of around 21 per cent, and plays a key role in channelling finance to SPUs. Additionally, PFC is the nodal agency for ultra-mega power projects, the Restructured Accelerated Power Development and Reform Programme, and the Independent Transmission Projects scheme. GoI is the majority shareholder in PFC; as on December 31, 2011, GoI had a stake of 73.72 per cent in the company. CRISIL believes that GoI's majority ownership of PFC, and the strategic role played by the company, are strong drivers for GoI to provide the necessary support to PFC in the event of distress. The follow-on public offer (FPO) in the first quarter of 2011-12 (refers to financial year, April 1 to March 31) resulted in a reduction in GoI's stake from 89.78 per cent; however, this is not expected to reduce GoI's support to PFC.

PFC had a capital adequacy ratio of 17.92 per cent and a large net worth of Rs.208 billion as on December 31, 2011. The FPO proceeds of Rs.34.3 billion enhanced PFC's net worth and improved coverage for asset side risks. The company's comfortable capital profile is underpinned by a healthy accretion to reserves, as well as its demonstrated ability to raise capital through public isssues. Additionally, PFC has an adequate resource profile, with competitive borrowing costs and a diversified, albeit wholesale, resource base.

However, PFC caters only to the power sector, with 63 per cent of its advances to SPUs as on December 31, 2011. The company's top 10 customers accounted for around 55 per cent of its advances. SPUs have weak inherent asset quality because of their poor financial risk profiles. The aggregate losses (excluding subsidy) of all the SPUs were around Rs.526 billion in 2008-09 and are estimated to have increased over the past two years. PFC is making efforts to de-risk its customer profile by diversifying its activities and asset portfolio by lending to private power utilities. However, these measures only partially offset the risks, as its sectoral concentration remains and the SPUs' financial risk profiles remain weak. Additionally, given the long gestation period of the projects, and uncertainities related to regulatory clearances, fuel linkages, and financial closure, CRISIL believes that PFC will reap the benefits of financing private power sector projects only over the long term.

Outlook: Stable

CRISIL believes that GoI will retain its majority stake in PFC; the company will also continue to play a critical role in implementing GoI's policies related to financing the Indian power sector. CRISIL believes that PFC will retain its strong position in the infrastructure-financing segment, while maintaining its healthy capitalisation. Any reduction in PFC's strategic importance to, and attendant support from, GoI, or significant deterioration in the company's asset quality may result in a revision in the outlook to 'Negative'.

CARE

CARE has assigned a rating of 'AAA' (pronounced CARE "triple A") to the long term borrowing programme for the balance period of the financial year 2012-13 aggregating to Rs 15000.00 crore & "A1+" (pronounced CARE A one plus) rating to the short term borrowing programme for the balance period of the financial year 2012-13 aggregating to Rs. 5,000 crore, indicating the highest degree of safety with regard to payment of interest and principal vide their letter dated December 27,2012.

Rating Rationale

The ratings factor in the majority ownership by Government of India (GoI) and Power Finance Corporation Ltd's (PFC) strategic importance to GoI in development of the power infrastructure in India. The ratings also draw comfort from PFC's healthy capitalization levels, diversified resource profile, stable profitability, and comfortable asset quality and liquidity position. The rating strengths are partially offset by PFC's high exposure to weak state power utilities and high sectoral as well as borrower concentration risk.

Continued ownership and support by GoI by way of extension of favourable policy regime and comfortable asset quality are the key rating sensitivities.

Background

PFC was set up in year 1986 as a Financial Institution (FI) dedicated to Power Sector financing. The Corporation was notified as a Public Financial Institution in 1990 under 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 year 2010, RBI had classified the company as 'Infrastructure Finance Company (NBFC-ND-IFC)'.

PFC's product portfolio includes financial products and services like Project Term Loan, Short Term Loan, Equipment Lease Financing and Consultancy Services etc. for various power projects in Generation, Transmission, and Distribution sector. PFC's clients mainly include state power utilities, private power sector utilities (including independent power producers), joint sector power utilities, and power equipment manufacturers.

Further, PFC has been designated as the nodal agency by Ministry of Power (MoP), Government of India (GoI) for development of Ultra Mega Power Projects (UMPPs) and operationalisation of Restructured Accelerated Power Development and Reform Programme (R-APDRP).

In FY12 (refers to period from April 01 to March 31), PFC had reported total income of Rs.13,037 crore and PAT of Rs. 3,032 crore on an asset base of Rs. 135,575 crore. In H1FY13 (refers to period from April 01 to September 30), PFC reported a PAT of Rs. 2,008 crore on a total income of Rs. 8,131 crore.

k. Recognised stock exchange:-

The bond issue is proposed to be listed on the WDM segment of the National Stock Exchange

l. Other Details

i. DRR Creation-

The Company creates Debenture Redemption Reserve (DRR) upto 50% of the value of bonds / debentures issued through public issue, during the maturity period of such bonds / debentures.

The Company is not required to create Debenture redemption reserve in case of privately placed debentures as per circular No.6 / 3 / 2001 – CL.V dated 18.04.2002 of the Government of India, Ministry of Law, Justice Company Affairs, and Department of Company Affairs.

The Company is not required to maintain reserve fund under section 45 – I C of the Reserve Bank of India Act, 1934 by transferring 20 % of its net profits, as it is exempted by RBI, vide RBI letter dated 24.01.2000.

ii. **GOVERNING LAW**

The Bonds shall be construed to be governed in accordance with Indian Law. The competent Courts in New Delhi alone shall have jurisdiction in connection with any matter arising out of or under these precincts.